FOAPal Presentation

Understanding the Banner FOAPAL Chart of Accounts System

University of Northern Colorado
Training Objective

• To provide a basic overview of the Fund Accounting System used by UNC.
• To learn the definitions and uses of each element of a FOAPAL
• Describe how this information can be applied to your department
What is a FOAPal?

• Funds - Financial Resources come from a variety of sources
• Organizations - Different groups are responsible for different revenues and expenditures
• Accounts - Each fund may only use its revenues for appropriate expenditures
• Programs - Revenue and expenditures must be comparable between Universities, NACUBO designated
• Proper fund accounting requires unique identification and reporting for each of these categories. This identification system is detailed on the following slides.
What is a FOAP(al)?

The Banner system’s Chart of Accounts classifies Assets, Liabilities, Net Assets, Revenues, Expenses and Transfers using an alpha/numeric system called a FOAPal. The components of a FOAPal are explained below:

<table>
<thead>
<tr>
<th>F</th>
<th>O</th>
<th>A</th>
<th>P</th>
<th>A</th>
<th>L</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>Organization</td>
<td>Account</td>
<td>Program</td>
<td>Activity</td>
<td>Location</td>
</tr>
<tr>
<td>Where did the money come from?</td>
<td>Who is responsible for the money?</td>
<td>What kind of transaction is taking place?</td>
<td>How does this transaction compare to other universities?</td>
<td>Used for tracking specific activities that cross funds/orgs (optional)</td>
<td>Not used</td>
</tr>
<tr>
<td>5 or 6 digits</td>
<td>5 digits</td>
<td>5 or 6 digits</td>
<td>4 digits</td>
<td>5 digits</td>
<td>5 digits</td>
</tr>
</tbody>
</table>
Funds = Where does the Money Come From?

1xxxx - Tuition and Fees

2xxxx - Sales and Services

3xxxx - Grants

8xxxx - Student Scholarships and Clubs

328xx - Foundation Gifts

6xxxx - Capital Projects or Reserve Funds
Fund Details

• The F, in FOAPAL, stands for “Fund” and identifies the source of the revenue received. (the “Where?”)

• Mandatory and 5 numeric digits

• Funds are used to track revenue and expenses related to a specific source of revenues.

• Funds also track assets and liabilities, such as cash balances and accounts payable.

• A single fund can be associated with multiple Orgs.

• UNC uses over 1400 funds.

• The largest of these funds is the 100000 Unrestricted General Fund. This fund is the primary fund used by most financial managers.
Restricted and Unrestricted Funds

All revenues, whether restricted or unrestricted, may only be expended only according to University purchasing, approval, and financial policies and procedures

- Unrestricted funds- Do not have external stipulations, but the University may designate these funds for specific purposes.
- Restricted Funds- External stipulations are imposed on the use of these funds by granting or contracting agencies or donors.

Example: Funds may have external stipulations required by donors, grantors and/or lenders. Restricted grant/gift/loan documents specify how the money can and cannot be used.
Major Fund Types:

• 1xxxx - Unrestricted General funds
  – The largest of these funds is the 10000 fund, which is called the Unrestricted General Fund. The majority of the University's revenue and expenses related to its primary instructional mission and support functions are recorded in the 10000 fund.

• 2xxxx – Unrestricted Self Supporting Cash Funds
  – Unrestricted self-supporting funds
  – These funds include programs funded by student fees, such as Student Clubs, the Recreation Center, and other student fee funded organizations.
  – 22xxx - Extended Studies funds - are supported by continuing education tuition and fees.
  – 28xxx - Auxiliary Operations - include Dining Services, Residence Halls, the University Center, Parking Services, etc. Auxiliary funds sell goods and services to students, staff and external customers.
Major Fund Types cont’d

• 3xxxx usually – Can also be 3xxxxA or B
  – Restricted Grant and Gift funds
  – These funds are sometimes referred to as sponsored projects and are funded by external sources such as the Federal and State governments and other private entities.
  – 328xx through 329xx are supported by gift and grants funds provided by the UNC Foundation and are to pay for University expenses approved by UNC Foundation donors.
  – These funds primarily support research, instruction or public service activities related to the mission of UNC.
Major Fund Types cont’d

• 6xxxx - Capital Project or Reserve funds
  – These funds are managed and carefully monitored by Senior Management and/or the Facilities office.
  – These funds generally are funded by cash transferred from unrestricted funds to be used or saved for specific purposes.

• 8xxxxxx - Agency funds
  – These funds are used to account for non-university cash that belongs to scholarship programs or student groups.
  – These funds do no belong to and are not under the control of UNC.
  – UNC allows scholarship programs and student groups to utilize the University Banner Finance System to simplify their accounting processes.
  – These funds work much like a checking account provided by a bank.
Organization=Who is Responsible?

- The “O” in FOAPal identifies the Organization (Org) responsible for managing the money (the “Who?”)
- Mandatory and 5 digits
- Follows a structure very similar to the University organizational chart
- Orgs only track revenue and expenses
- Orgs do not track Cash, Accounts Receivable, Accounts payable or any other asset or liability.
- One Org can be associated with many different Funds
Organizational (ORG) Roll UP Structure

1xxxx - University President
2xxxx - Board of Trustees
3xxxx - Provost
4xxxx - Represent each of the Colleges
40xxx - Dean of Education and Behavioral Sciences
42xxx - Dean of Human and Social Sciences
44xxx - Dean of the Monfort College of Business
46xxx - Dean of Natural and Health Sciences
48xxx - Dean of Performing and Visual Arts
5xxxx - VP of Finance and Administration
6xxxx - Auxiliary Services or Student Activities
7xxxx - University Relations
8xxxx - Athletics
9xxxx - Central University Revenues and Expenses
Account=What is the Transaction For?

- The “A” in FOAPal stands for Account and tells what the transaction is for. (the “What?”)
- Mandatory and 5 numeric digits
- Income Statement account codes include:
  - Revenues: Tuition, student fees, housing contract revenue, ticket sales, interest income, etc.
  - Expenses: Personnel costs, supplies, postage, travel, overhead charges, etc.
  - Transfers: Transfers in and Transfers out
- Balance sheet account codes include:
  - Assets: Cash, accounts receivable, Inventory, etc.
  - Liabilities: Accounts payable, accrued liabilities, etc.
  - Net assets: Total of assets minus liabilities, formerly called fund balance.
Account Code Categories

1xxxx Assets: Cash, Investments, Inventory, Accounts Receivable, and Loans Receivable

2xxxx Liabilities: Accounts and Notes Payable, Accruals, and Deferred Revenue

4xxxx Net Assets: Equals assets minus liabilities

5xxxx Revenues: Sales, tuition, student fees, service fees, grant revenue, etc.

6xxxx - 7xxxx Expenses: Salaries, fringe benefits, office supplies, travel, purchased services, administrative overhead, etc.

9xxxx Transfers: A transfer occurs when cash is moved from one fund to another fund, and no exchange of goods or services is provided in exchange for the cash. Transfer transactions must be carefully reviewed by the Accounting Department.
Programs=How Do We Compare?

• The P, in FOAPAL, stands for Program and identifies the functional purpose of the transaction using the same categories as other universities. (the “How” do we compare?)

• Mandatory and 4 numeric digits

• Program codes follow a standardized system of comparable functional categories that are required by the National Association of College and University Business Officers (NACUBO)

• Program codes used with revenue accounts are different than program codes used with expense accounts.
Programs=How Do We Compare?

1xxx-Instruction

2xxx-Research

3xxx-Public Service

4xxx-Academic Support

5xxx-Student Services

6xxx-Institutional Support

7xxx-Facilities

8xxx-Scholarships

91xx to 94xx-Auxiliaries
(Primarily Housing and Dining)
Expense Program Codes

• 1xxx Instruction
  – Expenditures for activities that are directly related to the University's instructional program, including expenditures for academic and tutorial instruction and regular, special and extension sessions.

• 2xxx Research
  – Expenditures for activities specifically organized to produce research, whether commissioned by an external agency or within the institution.

• 3xxx Public Service
  – Expenditures for activities established primarily to provide non-instruction services beneficial to external individuals and groups such as conferences, institutes, etc.
Expense Program Codes cont’d

• 4xxx Academic Support
  – Expenditures incurred to provide support services for the institution's primary missions: instruction, research and public service. This category includes costs such as educational and library materials, academic computer support, curriculum development and academic administration and personnel costs including academic deans but not department chairpersons.

• 5xxx Student Services
  – Expenditures incurred to provide support services to students. These expenditures include the costs of the Admission and Registrar's offices, plus the cost of activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instruction program. The Enrollment Management, Student Activities, Cultural Centers, Counseling and Career Guidance, etc. offices are included in this category.
Expense Program Codes cont’d

• 6xxx Institutional Support
  – Expenditures incurred to provide support services to students. These expenditures include the costs of the Admission and Registrar's offices, plus the cost of activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instruction program. The Enrollment Management, Student Activities, Cultural Centers, Counseling and Career Guidance, etc. offices are included in this category.

• 7xxx Operations and Maintenance of Plant
  – Includes all expenses related to the administration, supervision, operation, maintenance, preservation and protection of the University's physical plant. Expenditures include facility operations, new construction, facility and grounds repair and maintenance, utilities, custodial services, fire protection, property insurance, hazardous waste disposal, central receiving, disaster preparedness and capital leasing.
• 8xxx Scholarships
  – Expenditures include scholarships or financial aid entitlements from restricted, external or unrestricted, or institutional funds. Scholarships, trainee stipends or other awards may only be categorized to this program code if the recipient of the aid is not required to perform service to the University in consideration of receiving the award, nor are they expected to repay the amount received.

• 91xx – 94xx Auxiliary
  – Expenditures for operations that provide goods or services to students, faculty, or staff for which a fee is charged. An auxiliary enterprise exists to furnish goods or services to students, faculty, staff, other institutional departments, or indecently to the general public. The distinguishing characteristic of an auxiliary enterprise is that it is managed as an essentially self-supporting activity. Examples are residence halls, food services, college stores, and parking services. The auxiliary enterprise category includes all expenses relating to the operation of auxiliary enterprises, including expenses for operation and maintenance of plant, depreciation and administration.
Activity=Which Specific Project?

- The 2\textsuperscript{nd} “a” in FOAPal, stands for Activity and identifies a specific project or activity that a department needs to account for.
- Optional and 5 alpha/numeric digits.
- As Activity codes are optional, they must be very carefully and consistently entered by the Banner user to ensure that transactions are accurately reported.
- A single activity code may used by multiple funds, organizations, accounts, and or programs.
Transactions requiring activity codes include, but are not limited to:

- Axxxx - Capital Projects
- Cxxxxx - Conference Services activities
- ESxxx - Extended Campus activities
- Xxxx - UNC Foundation Expense
  - Must be used with fund 328xx or 329xx
  - Used to be Fxxx – No longer used after FY13
- Mxxxx - State Capital projects
- Pxxxxx - State Capital projects
- Qxxxxx - Multiyear activities
- Zxxx – Scholarships – Used only by Financial Aid/Financial Svcs
Location is NOT used

- The “l” in FOAPal, is not currently being used to track anything in the Banner system.
What is a FOAP Hierarchy?

Banner Funds, Orgs, Accounts and Programs are organized in hierarchies that allow you to more easily capture and review summarized data within specific Banner Inquiry forms or when using the University’s Insight Reporting Process.

• The lowest level of each hierarchy is the active, *data-enterable* Fund, Org, Account, or Program code into which transaction data is recorded.
• Each Data-Entry level Fund, Org, Account or Program “rolls-up” to a higher level from which summarized data can be retrieved.
• Funds, Orgs and Account Hierarchies are useful for reporting.
• Program code hierarchies are not useful at this point.
• Activity codes and Location codes do not have hierarchies within Banner.
• FOAP Hierarchy Reports can also be run directly from the Banner System.
### Fund Hierarchy Report – FIN022

**University of Northern Colorado**

**Fund Hierarchy as of 5/23/2012**

<table>
<thead>
<tr>
<th>Fund Type 1</th>
<th>Fund Type 2</th>
<th>Fund Level 1</th>
<th>Fund Level 2</th>
<th>Fund Level 3</th>
<th>Fund Level 4</th>
<th>Fund Name</th>
<th>Data Entry</th>
<th>Active/Inactive</th>
<th>Financial Manager Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>UNRESTRICTED GENERAL FUNDS</td>
<td>10 State General Funds-NonExempt</td>
<td>01 10 100</td>
<td>.</td>
<td>.</td>
<td>Unrestr Nt Asst-General NonExempt</td>
<td>N A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1000</td>
<td>.</td>
<td>.</td>
<td>University General-Qtr Op NonExempt</td>
<td>N A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10001</td>
<td>.</td>
<td>.</td>
<td>University General Funds-Limited</td>
<td>N A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10000</td>
<td>State Appropriated General Fund</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1010</td>
<td>.</td>
<td>.</td>
<td>University General Fnds-Multiyear</td>
<td>N A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10099</td>
<td>.</td>
<td>.</td>
<td>Grant MatchFunds-MultiYr</td>
<td>N A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10100</td>
<td>Match Clearing</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Castor, Mona L.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10102</td>
<td>M32049A Archaeological Survey1 SHF</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Brunswig, Robert</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10103</td>
<td>M35810A SEED GU</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Edwards, Carolyn W.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10104</td>
<td>M32318A Math Summer Camp MAA 5/10</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Soto-Johnson, Hortensia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10105</td>
<td>M32815 Stryker Match</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Wacker, Robbyn</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10110</td>
<td>M36099A McNair</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Smith, Thomas A.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10112</td>
<td>M36171A LTTR Masters DOED 9/30/11</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Bezyak, Jill</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10113</td>
<td>M36831A RSVP CNCS 06/30/11</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Pirera, Deborah J.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10114</td>
<td>M32292A AIBL Small Grant EAF 7/11</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Pirera, Deborah J.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10115</td>
<td>M36048A Four Corners</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Clinefelter, Joan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10116</td>
<td>M36402A MRI Acquisition NSF 714</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Pirera, Deborah J.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10117</td>
<td>M36208A Middle Ground</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Clinefelter, Joan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10120</td>
<td>M36168A Student Supp</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Smith, Thomas A.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10123</td>
<td>M36018C Upward Bound</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Graff, Jane</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10205</td>
<td>M35236 Colo Space Grant</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Walch, Robert A.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10214</td>
<td>M36119A Grad prep SEIS DOED 9/09</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Rude, Harvey A.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10215</td>
<td>M36229A TACE DOED 909</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Sabella, Scott A.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10238</td>
<td>M36618A Forest Canyon Match</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Brunswig, Robert</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10247</td>
<td>M35472A SBDC Match</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Pickett, Richard B.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10260</td>
<td>Match SFA Student JLD</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Somero, Marvin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10270</td>
<td>OSP Pooled Match Funds</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Castor, Mona L.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10295</td>
<td>Colo School for Public Health Match</td>
<td>Y A</td>
<td></td>
<td></td>
<td></td>
<td>Wacker, Robbyn</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Review a Banner FOAPal Hierarchy Report

Understanding a Banner FOAPal hierarchy reports

• A “Y” in the Data Entry Column means that transaction data can be entered into this Fund, Org, Account, Program or Activity.

• A “N” in the Data Entry field indicates that the Fund is Not Data Enterable – therefore, it is either a “Roll-Up” Fund, Org, Account or Program, or is Inactive and should NOT be used.

• An “A” means in the Status column means the Fund, Org, Account, Program or Activity is Active. An “I” means it is Inactive.

• A Fund, Org, Account, Program or Activity that is Non-Data enterable and Inactive cannot be used for transaction activity.

• In the example shown on the following page Funds 10100-10115 “roll-up” to fund 10099 Grant Match Funds Multiyear.

• This means that you can review Fund 10099 and retrieve summarized financial information for funds 10100-10115 added together.