

CHART OF ACCOUNTS *REDESIGN*

January 17 & 18, 2018

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Chart of Accounts
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CHART OF ACCOUNTS (COA)

OVERVIEW

- The CoA serves as the foundation of financial transaction processing and management reporting
 - The structure segments (or dimensions) record the financial effect (balance sheet, profit & loss, etc.) of each transaction
 - Intended to consider financial reporting, providing sufficient flexibility to allow for the development of financial statements for management and external sources
 - Serves as the basis for recording day-to-day financial operations

WHY CHANGE THE COA?

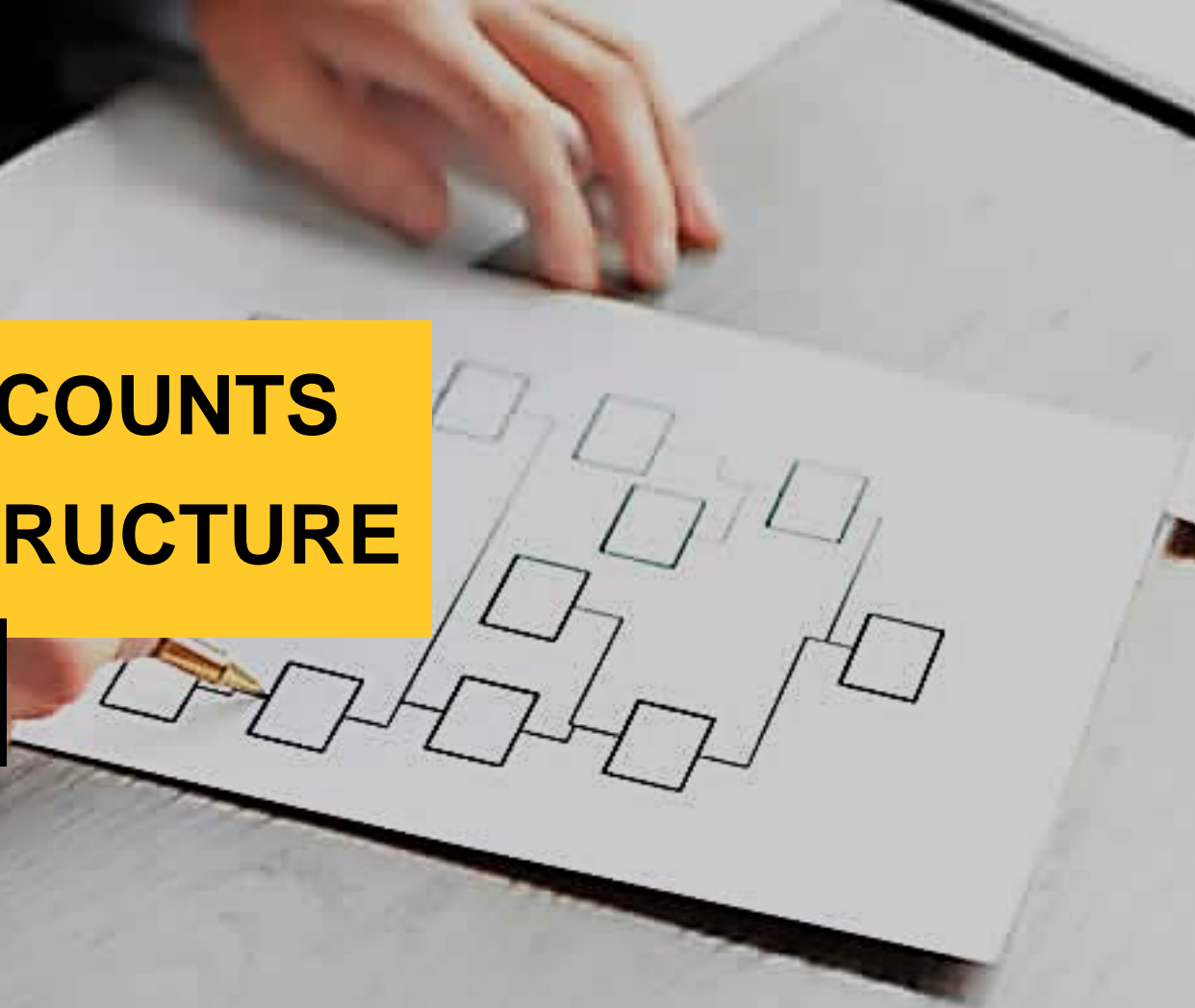
- Model the UCF CoA to be consistent with modern financial systems, including PeopleSoft
- The new structure will:
 - Provide multi-dimensional reporting capability
 - Facilitate fiscal management and budgeting processes
 - Enable flexibility in tracking fiscal activity and program management across disciplines and units
 - Accommodate growth and adapt to changing business requirements

Benefits



CHART OF ACCOUNTS PROTOTYPE STRUCTURE

MATRIX



GUIDING PRINCIPLES FOR REDESIGN

- Each segment has unique definition and purpose
- No duplication across segments
- Detailed information should be captured in a subledger or third party system (should not be duplicated in chart)
- Simple and logical
- Should support university growth and change

CHART OF ACCOUNTS PROTOTYPE STRUCTURE

SEGMENTS



MATRIX COA – SEGMENTS

Definition, Purpose, and Hierarchy

- Segments separate the unique aspects of each transaction to facilitate summarization and reporting
- Each segment has a specific and unique definition and purpose (who, what, why, how, where)
- The combination of these segments brings meaning to the transaction
- The use of multiple segments allows for flexible data accumulation and reporting of the financial aspects of projects, activities, funds, programs, events, etc., that occur across UCF

PROPOSED PROTOTYPE SEGMENTS



Based on requirements-gathering interviews and workshops, CoA re-design team identified the prototype segments above

HIERARCHY

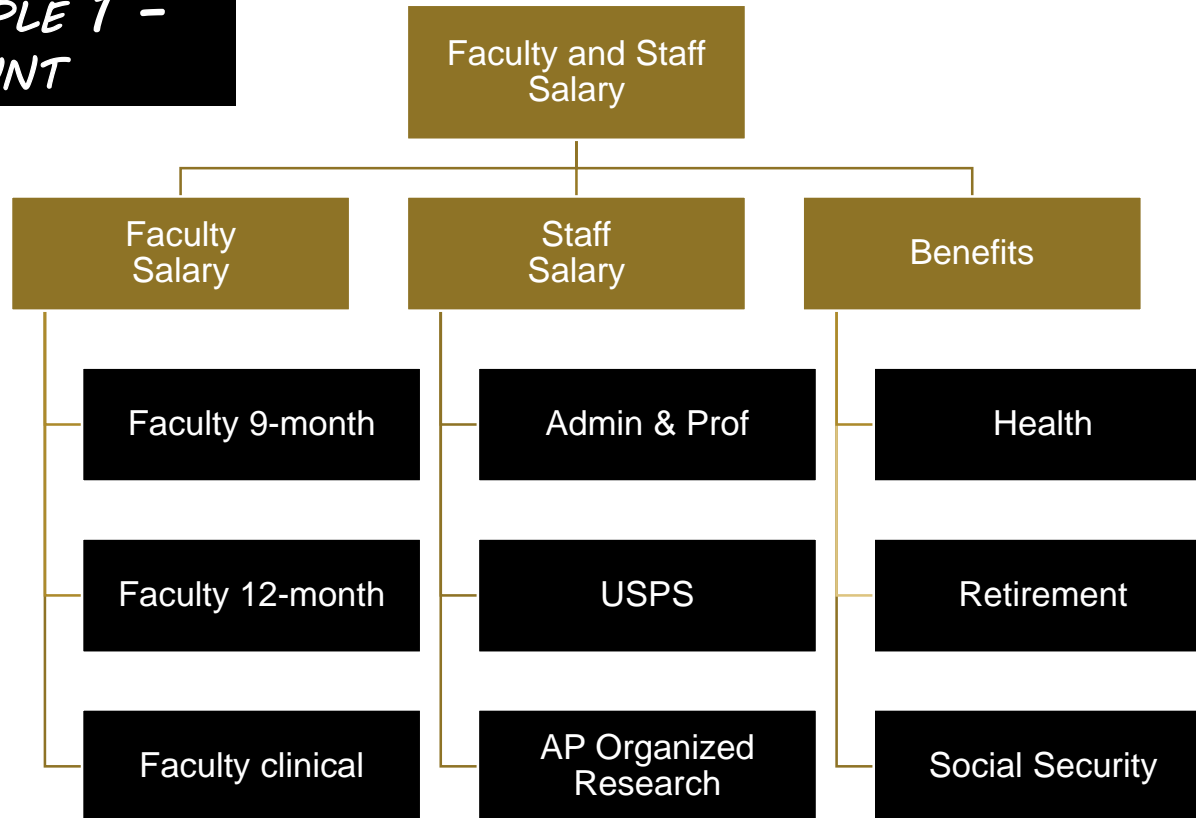
via PeopleSoft “Trees”

A “tree” is a visual way to arrange all values in a segment or field into a hierarchical structure

Each segment will have one or more hierarchies

TREE EXAMPLES

EXAMPLE 1 - ACCOUNT



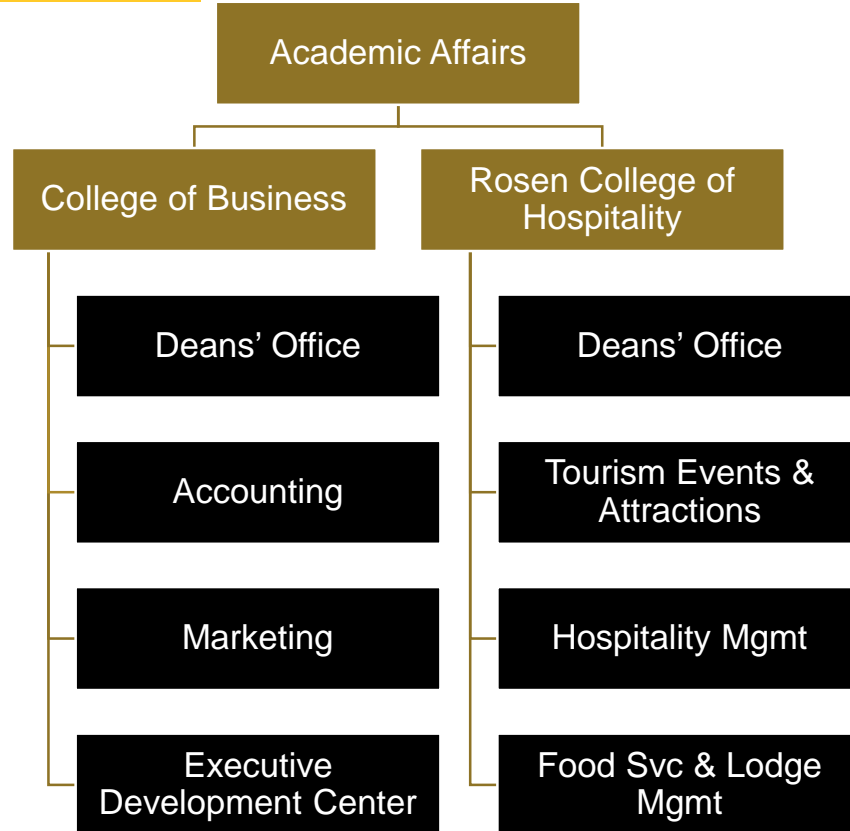
Gold = Tree Hierarchy

Black = Segment Values

Note: Illustration does not show all possible values.

TREE EXAMPLES

EXAMPLE 2 - ORGANIZATION



Gold = Tree Hierarchy

Black = Segment Values

Note: Illustration does not show all possible values.

TREES ARE USED IN THE DESIGN OF

- Reporting Structures – to aggregate data and produce summarized reports
 - Tree values will be visible in Data Mart and query output
- Combination Edits – to limit data entry errors
- Workflow Rules – to direct approval of transactions
- Budget Tracking – to monitor spending
- Budget Checking Rules – to control spending

PATH FORWARD

- Existing reports and queries will be evaluated and modified to incorporate appropriate tree structure(s)
- New standardized reports and queries will be developed
- Training will be provided



SEGMENTS

The CoA prototype consists of segments to summarize financial and budgetary transactions

Segment	Business Unit	Account	Organization	Fund	Function	Project	Program	Purpose	Site	Budget Reference
Use	Who?	What?	Who?	How?	Why?	Why?	Why?	Why?	Why? / Where?	How?
UCF Usage per BU	Unique	Shared	Shared	Shared	Shared	Shared/ Unique	Shared/ Unique	Shared/ Unique	Shared/ Unique	Shared

BUSINESS UNIT



- Tax ID
- Distinct entity with a balanced set of books
- Standalone or part of a hierarchy

Business Unit Hierarchy

Institution

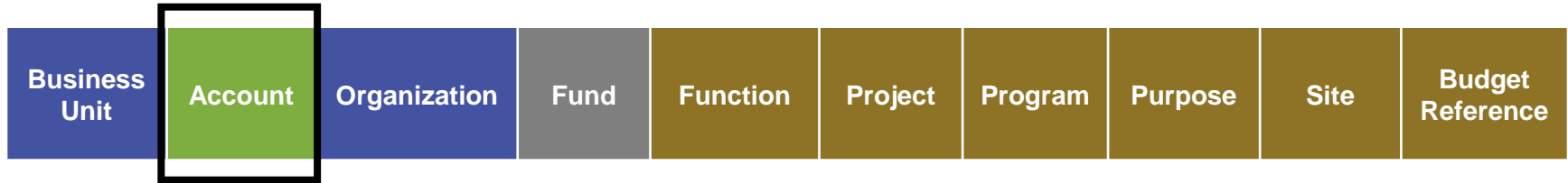
UCF

UCF Direct Support Organization

UCF Research Foundation

Stadium Corporation

ACCOUNT SEGMENT



- The Account segment categorizes the nature of the transaction as a specific type of revenue, expense, asset, liability, or fund balance
- Examples of Account may include Salaries and Wages, Travel Expenses, Accounts Payable, Accounts Receivable

ACCOUNT SEGMENT



Account Hierarchy

Account Type

Account Classification

Transaction “Natural” Class

Transaction Detailed “Natural Class”

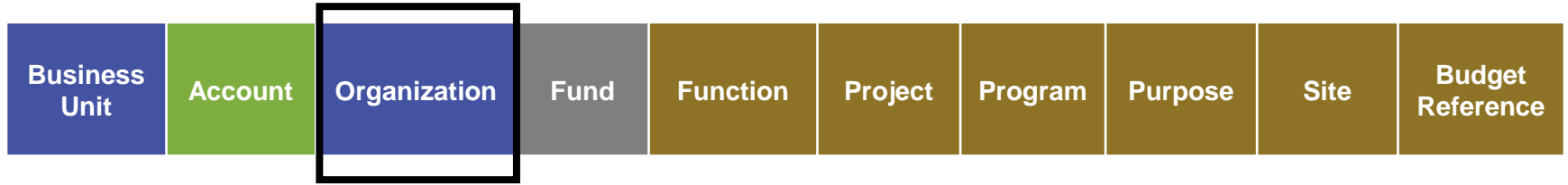
Expense

Compensation and Employee Benefits

Personal Services

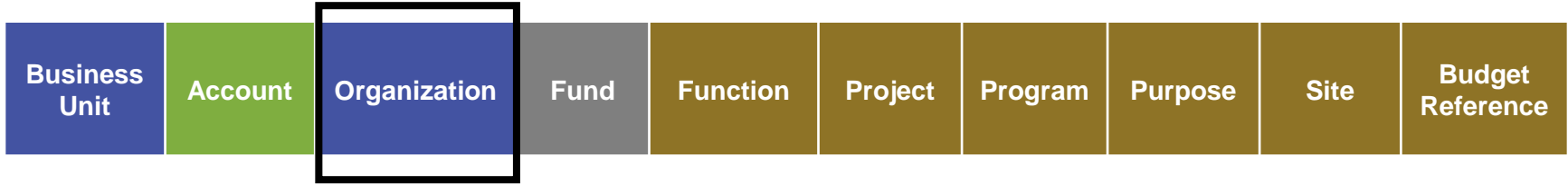
Faculty Salary

ORGANIZATION SEGMENT



- The Organization segment represents the academic or operating unit “responsible” for, or affected by, the transaction
- Units generally meet the following criteria to be considered a department or organization:
 - Ongoing business purpose and objective within the institution
 - Have an established budget, fiscal oversight, and positioned employees
 - Generally, occupies space
- Example: Accounts Payable section, which rolls up to Finance and Accounting, which rolls up to Administration and Finance

ORGANIZATION SEGMENT



Organization Hierarchy
Institution
Major Division
Division
School/College/Sub-Division
Department
Sub-Department

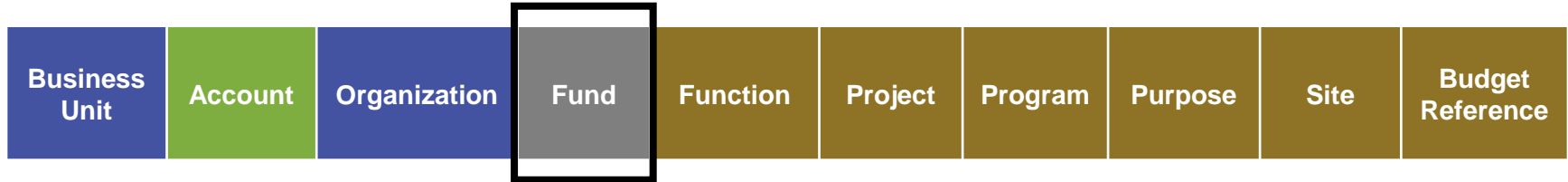
<i>UCF</i>
<i>Academic Affairs</i>
<i>College of Medicine</i>
<i>Burnett School of Biomedical Sciences</i>
<i>Molecular and Micro Biology</i>

FUND SEGMENT



- A balancing set of accounts
- Used to segregate financial information for the purpose of carrying out specific activities and attaining certain objectives in accordance with Governmental Accounting Standards Board (GASB) definitions, restrictions, and limitations
- Used to track spending restrictions and designations and to categorize UCF's net assets for external reporting
- Used to identify UCF's revenue earned from educational and operating programs, sponsored projects, contributions from donors, and others
- It serves as the identifier for each "pool" of money, gift, etc., that requires separate budgeting, financial management, and/or reporting

FUND SEGMENT

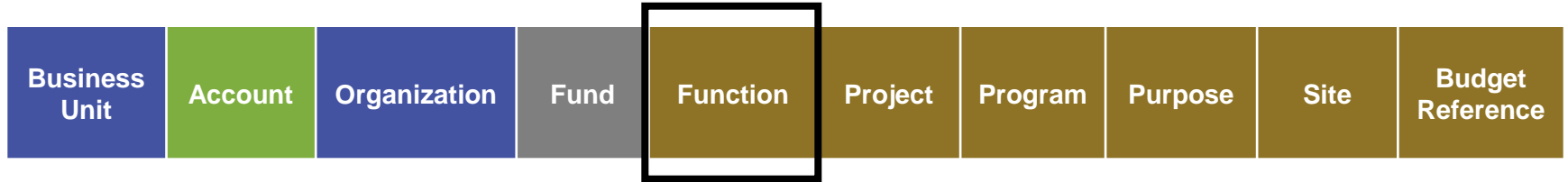


- Examples of Fund include General State Appropriated, Auxiliary, Federal/ State/ Local Grants & Contracts

Fund Hierarchy
Net Asset Class
Net Asset Sub-Class

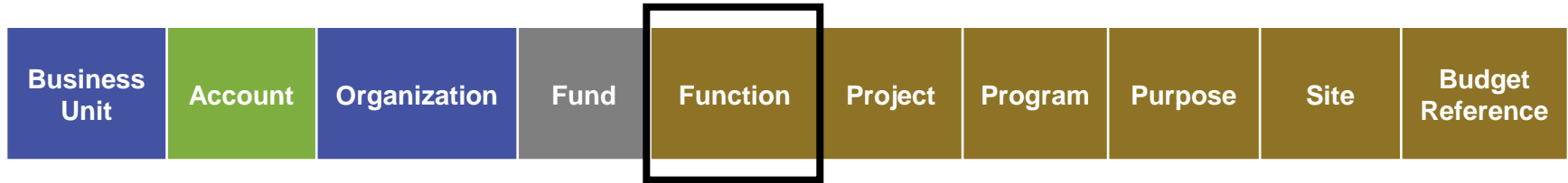
<i>Unrestricted</i>
<i>Unrestricted Operating</i>
<i>Unrestricted Non-Operating</i>
<i>Restricted</i>
<i>Restricted-Expendable</i>
<i>Restricted-Nonexpendable</i>

FUNCTION SEGMENT



- The Function segment designates the purpose of the transaction as it applies to federal and other external reporting requirements for both revenue and expense uses
- This segment is essential for compliance with federal cost principles and financial statement notes requirements
- National Association of College and University Business Officers (NACUBO) Program
- Examples of Function include Instruction, Research, Public Service, Student Services, Auxiliary Enterprises
- Formerly “External Program (EP) Code”

FUNCTION SEGMENT



Function Hierarchy

Function Class

Detailed Function

Auxiliaries

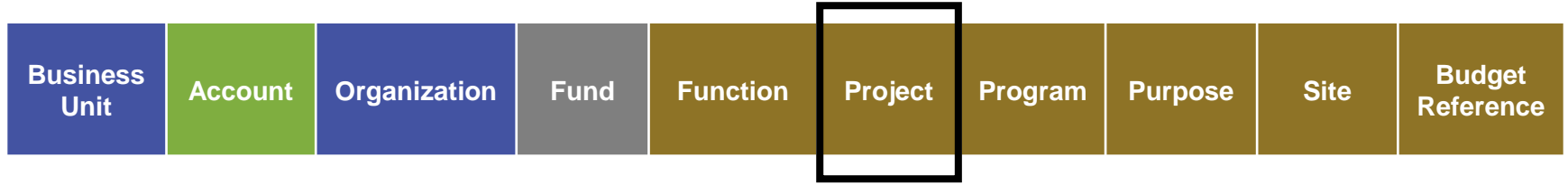
Food Services

Housing Operations

Bookstores

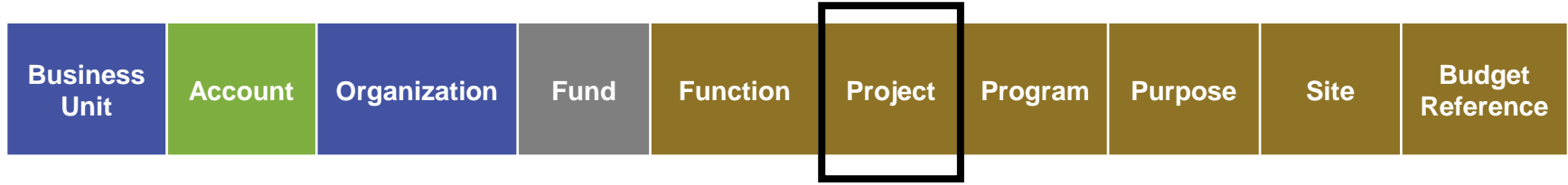
Postal Services

PROJECT SEGMENT



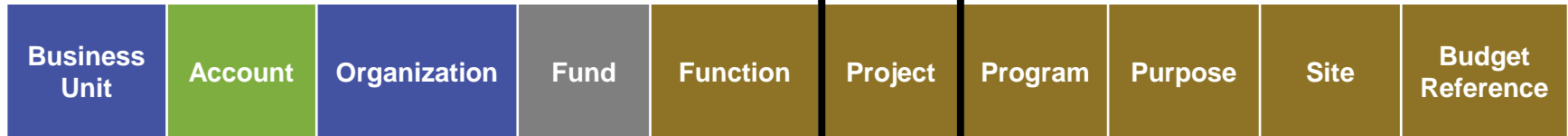
- The Project segment is used to support identification of transactions associated with a “project” or “grant” but is not limited to activities associated with sponsored awards
- Supports financial management associated with sponsored grants and contracts, capital projects, other internally funded projects, and faculty discretionary activities
- Typically, a project has the following characteristics:
 - Defined begin and end dates
 - Designated budget or funding support
 - Specific group of participants
 - One-time event or initiative
 - May cross fiscal years
 - May have distinct reporting requirements

PROJECT SEGMENT



- May be used to track UCF “faculty balances,” for example, startup accounts, balance accounts
- Supports multiple sets of business rules for the following:
 - Capital Projects
 - Awards/Grants
 - Operating

PROJECT SEGMENT



Project Hierarchy Types

Project Type

Detailed Project

Project Costing (PC) Business Unit

Sponsored Project

Capital Project

Operating Project

PROGRAM SEGMENT



- The Program segment is used to record revenue and expense transactions associated with formal or informal programs including public service activities, academic initiatives, cross disciplinary initiatives, and centers
- Values in this field may include degree and non-degree programs, courses of study, scholarship programs, and student service activities
- Programs may be groups of activities conducted within or across departments or organizations

PROGRAM SEGMENT



- Examples of Program include the following:
 - Faculty Clusters
 - The Bachelor of Science in Nursing (BSN), Master of Science in Nursing (MSN), PhD, and Doctor of Nursing Practice (DNP) programs under the School of Nursing
 - The General Educational Development (GED) and English as a Second Language (ESL) programs under the Adult Literacy and Language Program

PROGRAM SEGMENT



Program Hierarchy
Program Type
Detailed Program
Detailed Sub-Program

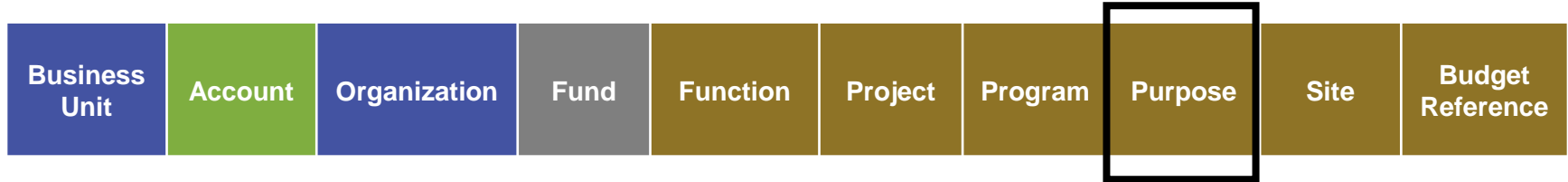
<i>Instructional Programs</i>
<i>Adult Literacy and Language Program (ALLP)</i>
<i>ALLP-GED</i>
<i>ALLP-ESL</i>

PURPOSE SEGMENT



- The Purpose segment provides a tracking mechanism for institution-wide purposes and activities occurring within and/or across departments and organizations, programs, and funds
- Costs associated with Purpose will continue to be identified by their “natural” account (travel, etc.) by use of the account field, but in addition, they can be associated with the purpose of faculty recruiting
- The field can be used to track both revenues and expenses to a specific purpose or activity
- Examples of Purpose include graduation, faculty development, seminars, conferences

PURPOSE SEGMENT



Purpose Hierarchy

Purpose Group

Detailed Activity

Seminars

Seminar A

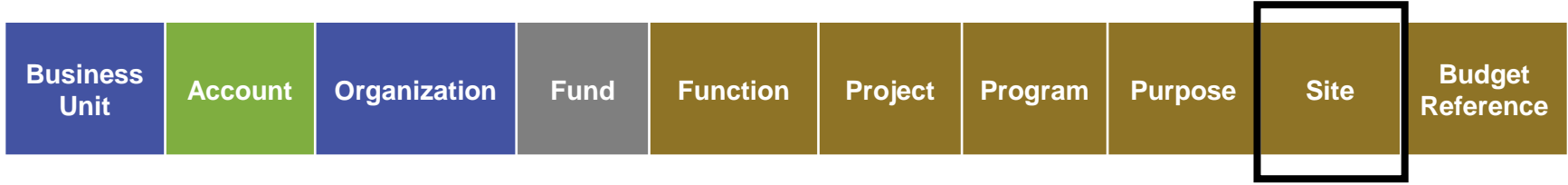
Seminar B

Faculty Services

Faculty Recruiting

Faculty Development

SITE SEGMENT



- The Site segment identifies the physical campus for which a transaction is occurring
- Site may be used to identify a campus or site

Site Hierarchy
Campus, Site, or Center

<i>UCF Main</i>
<i>UCF Downtown</i>
<i>UCF Daytona Beach</i>

BUDGET REFERENCE SEGMENT



The Budget Reference segment identifies the nature of the budget being used to cover E&G expenditures.

Example:

E&G-specific:

Operating

Carryforward

Capital projects:

Appropriation year

UCF-SPECIFIC CHARTFIELD EXAMPLES



TRANSACTIONS EXAMPLES

Business Unit	Account	Organization	Fund	Function	Program	Purpose	Project	Budget Reference
Transaction: Purchase of supplies for residential life event								
UCF	Materials and supplies	Housing	Auxiliaries	Housing Operations	Residential Life	Wellness Event		
Transaction: Salaries for faculty in different colleges teaching as part of Global Achievement program								
UCF	Salaries - Faculty	Philosophy	Auxiliaries	Instruction	Global Achievement Academy			
UCF	Salaries - Faculty	Physics	Auxiliaries	Instruction	Global Achievement Academy			
UCF	Salaries – A&P	UCF Global	Auxiliaries	Auxiliary Administration	Global Achievement Academy			
Transaction: Fees and travel for conference with multiple funding sources including a faculty balance account								
UCF	Conference Fee	Mechanical Eng	C&G - Balance	Individual or Project Research		Professional Development	Prof. Knight	
UCF	Travel	Mechanical Eng	E&G - Startup	Individual or Project Research		Professional Development	Prof. Knight	Carryforward

Existing Structure		New Structure				
Dept #	Dept Name	Organization	Fund	Function	Program	Budget Ref
18450001	SOC WK-OPERATIONS	Social Work	Educational & General	Instruction - Grad Instruction – Ugrad	*TBD	Operating Carry Fwd
18450710	SOC WK-CARRY FORWARD	<i>Separate department no longer exists – operating and carry fwd separated in Budget Ref</i>				
18452001	SOC WK-PAYROLL	<i>Separate department no longer exists – payroll budget monitored and controlled in tree</i>				
18450301	SOC WK-DN OPERATIONS	Social Work	Academic Support	Instruction - Grad Instruction – Ugrad	*TBD	
18450601	SOC WK-FCWSP	Social Work	Fed Work Study	Instruction – General	*TBD	
18450801	SOC WK UGRD-MAT & SUPPLY FEES	Social Work	Material & Supply Fees	Instruction – Ugrad	*TBD	
18450802	SOC WK UGRD-EQUIPMENT FEES	Social Work	Equipment Fees	Instruction – Ugrad	*TBD	
18450804	SOC WK GRAD-EQUIPMENT FEES	Social Work	Equipment Fees	Instruction – Grad	*TBD	
18650001	CJ-OPERATIONS	Criminal Justice	Educational & General	Instruction - Grad Instruction – Ugrad	*TBD	Operating Carry Fwd
18650301	CJ-DN OPERATIONS	Criminal Justice	Academic Support	Acad. Dept Sales & Services	*TBD	
18700001	COM DIS-OPERATIONS	Comm. Disorders	Educational & General	Instruction - Grad Instruction – Ugrad	*TBD	Operating Carry Fwd
18700301	COM DIS-CLINIC	Comm. Disorders	Academic Support	Acad. Dept Sales & Services	Clinic	
18700302	COM DIS-CSD-SCHOLARS RESIDENCE	Comm. Disorders	Academic Support	Acad. Dept Sales & Services	Scholars Res.	

NOTE: College/ division will not be entered with the transaction, but will reside in hierarchal tree and be visible in query and DataMart output.

Existing Structure		New Structure				
Dept #	Dept Name	Organization	Fund	Function	Project	Budget Ref
1845xxxx	SOC WK-KNIGHT PROVOST FUNDED STARTUP	Social Work	E&G – Startup	Research	KNIGHT	Carry Fwd
1845xxxx	SOC WK-KNIGHT DEAN FUNDED STARTUP	Social Work	C&G – Startup	Research	KNIGHT	
1845xxxx	SOC WK-KNIGHT BALANCE ACCT	Social Work	Balance Account	Research	KNIGHT	
1845xxxx	SOC WK-KNIGHT OVERHEAD	Social Work	C&G Overhead (F&A Return)	Research	KNIGHT	



THANK YOU FOR ATTENDING