Understanding FOAPal

Finance Training
Suggested Prior Trainings

- Finance Training – Fiscal Responsibility
- Finance Training – Accessing Banner Finance & Basic Navigation
Training Objectives

- Provide a basic overview of the Fund Accounting System used by SUU
- Learn the definitions and uses of each element of a FOAPal
- Describe how this information is applied to your department
What is Fund Accounting?

- Financial Resources come from a variety of sources (Fund codes)
- Different areas are responsible for transactions (Organization codes)
- Each fund may only use its resources for appropriate expenditures (Account codes)
- Revenues and expenses must be comparable between Universities (Program codes)
- Fund accounting requires unique identification and reporting for each of these categories
What is a FOAPal?

### INDEX

<table>
<thead>
<tr>
<th>F</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where did the money come from?</td>
<td>(required)</td>
</tr>
<tr>
<td>6 digits numeric</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>O</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Who is responsible for the money?</td>
<td>(required)</td>
</tr>
<tr>
<td>5 digits numeric</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>A</th>
<th>Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>What was the transaction for?</td>
<td>(required)</td>
</tr>
<tr>
<td>4 digits numeric</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>P</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>How do we compare to others?</td>
<td>(required)</td>
</tr>
<tr>
<td>2 digits numeric</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>a</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tracking activities across fund/orgs</td>
<td>(optional)</td>
</tr>
<tr>
<td>Up to 6 digits Alphanumeric</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>l</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>n/a for department use. Finance only.</td>
<td></td>
</tr>
</tbody>
</table>
Index – Shortcut to FOAPal

- An ‘Index’ ties any or all of the FOAPal elements together
  - E.g. CTLR (index) is a shortcut for 000100 (fund)-66000 (org)-60 (program)
- Not required
- Up to 6 alphanumeric digits
Fund – Where did the money come from?

- The ‘F’ in FOAPal stands for ‘Fund’ and identifies the source of revenue received
- Required
- Always 6 numerical digits
- Funds track revenues, expenses, assets, & liabilities
- Funds can be associated with multiple Organizations
- SUU’s largest fund is 000100 – State Appropriations
### Major Fund Types

**Generally Unrestricted**
- 000100 State Appropriations
- 0xxxxx Current Unrestricted
- 7xxxxx Auxiliaries
- 965xxx Agency Funds
- 97xxxx Unrestricted Plant
- 99xxxx Renewal & Replacement

**Generally Restricted**
- 1xxxxx Federal Grants & Contracts
- 2xxxxx State Grants & Contracts
- 3xxxxx Private Grants & Contracts
- 5xxxxx Private Gifts
- 6xxxxx Endowment Income
- 8xxxxx Loans
- 945xxx Quasi Endowments
- 95xxxx True Endowments
- 98xxxx Restricted Plant
Restricted & Unrestricted Funds

- All funds, whether restricted or unrestricted, may only be expended 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.
Organization – Who is responsible?

- The ‘O’ in FOAPal stands for ‘Organization’ (Org) and shows who is responsible for managing the money
- Required
- Always 5 numerical digits
- Very similar to the University organizational chart
- Orgs only track revenues, expenses, and transfers (profit & loss accounts)
- Orgs do not track cash, accounts receivable, accounts payable, etc. (balance sheet accounts)
- One org can be associated with multiple funds
Account- What was the transaction for?

- The ‘A’ in FOAPal stands for ‘Account’ and tells us what the transaction was for.
- Required.
- Always 4 numerical digits.
- Used for revenues, expenses, assets, liabilities, & transfers.
- Can be used with different Funds and Orgs.
Account Types

- 1xxx Assets – Cash, Investments, Inventory, Accounts Receivable
- 2xxx Liabilities – Accounts Payable, Deposits, Accruals, Deferred Revenue
- 3xxx Equity – Prior year balance for each fund type
- 4xxx Control – Total expenses, revenues, encumbrances, etc.
- 5xxx Revenues – Sales, Tuition, Student Fees, Gifts, Grant Revenue, etc.
- 6xxx Payroll – Salaries & Benefits
- 7xxx Expenses – Supplies, Travel, Equipment, etc.
- 8xxx Transfers – A transfer occurs when
  - Cash is moved from one fund to another fund
  - No exchange of goods or services is provided in exchange for cash
- 9xxx Fund Addition/Deduction – Retire debt, roll funds (finance only)
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
- Required
- Always 2 numerical 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

- 10 – Instruction
- 20 – Research
- 30 – Public Service
- 40 – Academic Support
- 42 – Library
- 50 – Student Services
- 52 – Athletics
- 60 – Institutional Support
- 70 – Operation & Maintenance
- 79 – O and M – Depreciation
- 80 – Student Financial Aid
- 90 – Auxiliary Enterprises
- 97 – Service Units
- 98 – Agency
- 99 – General Revenue
Activity – Which project or activity?

- The lowercase ‘a’ in FOAPaI stands for ‘Activity’ and identifies a specific project or activity
- Used for departmental reporting needs
- Optional
- Up to 6 alphanumeric digits
- It is very important that activity codes are carefully and consistently used to ensure transactions are accurately reported
- An activity code can be used by multiple funds, orgs and accounts
Location

- The ‘I’ in FOAPAL is used only by Accounting Services to track the location of our fixed assets for auditing and inventory purposes.
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.
- The lowest hierarchy level is the active Fund, Org, Account, or Program available for data entry.
- Each Fund, Org, Account, and Program ‘rolls-up’ to a higher level in order to summarize data.
- Hierarchies are very useful for reporting.
- Activity and Location codes do not have hierarchies.