

Terminology

Purpose

To define commonly used terms in SAP

Account: A combination of a fund, fund center, and/or funded program.

Actual: A transaction that has been posted to an account.

ADMN (Administrative): SEE 'Doc Types'.

Agency Funds: A fund where the university is holding money. The fund number begins with a 9*.

Available Budget: The budget amount that is left to expend.

Available Reserves: SEE 'Fund Balance'.

AUGM (Revenue Augmenting): SEE 'Doc Types'.

Auxiliary Funds: Fund group for University activities that are auxiliary in nature or income-generating. Fund numbers always begin with a 3*.

BD01 (Budget Adjustment): SEE 'Doc Types'.

Budget: A plan specifying how monies are to be allocated or spent.

Budget Address: The possible FM elements that can be budgeted. These are maintained by the Budget Office.

Budget Adjustment: A type of transaction that moves budget from one budget assignment to another, e.g., one commitment item to another commitment item or one funds center to a different funds center. There are two types, permanent and temporary.

- **Permanent** will permanently adjust the original budget from year to year.
- **Temporary** will adjust the budget for the current fiscal year only.

Carry Forward: Budget that was not expended in the previous fiscal year and is moved to the next fiscal year.

Change in Fund Balance: SEE 'Fund Balance'.

Commitment Item: The object that identifies the type of activity or item being used. Specific number ranges help identify the type of commitment item:

Budgetary Commitment Item

67XXXX Identifies an expense budget
64XXXX Identifies a revenue budget

Posting Commitment Item (equivalent to General Ledger Account)

4XXXXX Identifies an actual revenue object
7XXXXX Identifies an actual expense object

Commitment Item Group: Commitment items that are grouped together to easily identify related budget, revenue, or expenditure items for reporting and/or budget control purposes.

Examples:

- *00BUDALL groups all budgeted and actual expense commitment items*
- *28REVENUE includes all budgeted and actual revenue commitment items*

Consumable Budget: Is the total budget.

Control Item: The point at which the system checks the availability in a budget to control the amounts expensed. Each posting to a GL expense account is checked against the particular budget commitment item that is its control item (although there may be other commitment items that roll up into the control item).

Examples:

- *Total Operating (670000) is a control item for 670140 (Student Wages), 671000 (Travel), 672000 (M&O) and 67300 (Capital). Hundreds of GL expenses post to these commitment items, but the available budget will be checked only at the 670000 (Total Operating) level.*
- *Graduate Student Salaries (670081) has one additional budget commitment item 670094 (TA/IA- Group Item) that rolls up into it. Expenses posted in two GL accounts, 701001 (Classified Graduate Student Salaries) and 700801 (Faculty Salaries-Graduate Students) are checked against available budget at 670081 (Graduate Student Salaries).*

Cost Center: SEE 'Funds Center.' Represents an organizational area of responsibility.

Designated Funds: Fund group for those University activities that support the instructional purpose, but are not funded through state appropriations. Fund numbers always begin with a 2*.

Doc Types: A field for selection in the FMEDDW transaction.

- **ADMN** (*Administrative*): For supplements and returns that are NOT carry forwards.
- **AUGM** (*Revenue Augmenting*): For revenue increasing budgets.
- **BD01** (*Budget Adjustments*): For budget transfers.
- **ORIG** (*Original Budget*): For fiscal year original budget entry.
- **YEBB** (*Budget Balance*): For the carry forward process. This is the amount carried forward from the prior fiscal year. It is denoted with commitment item 673100. Also, SEE 'Carry forwards.'

E&G Funds: Fund group that identifies state appropriations. Fund numbers always begin with a 1*.

Encumbrance: A commitment that is used to purchase goods or services with existing budget funds. This amount is "set aside" from the budget for specific expenses. An example of this would be salaries. An encumbrance reduces the available budget balance.

Endowment Funds: Fund group for those funds that have been designated as endowments. Fund numbers always start with a 6*.

ENTR (Enter): SEE 'Process'.

Fiscal Year: A 12-month period at the end of which all accounts are completed in order to provide a statement of a company's, organization's, or government's financial condition, or for tax purposes. A fiscal year does not necessarily correspond to a calendar year. The university's fiscal year is from 9/1-8/31.

Functional Area: Reporting by function as mandated by the State of Texas, for instance, by Instruction, Academic Support, Research, Institutional, etc.

Fund: Identifies the revenue source and use of that revenue. The type of fund determines how the fund behaves with respect to fiscal year changes and fringe benefits.

Fund Accounting: A form of accounting that accounts separately for specific resources, external restrictions and internal designations. It classifies all resources into funds (for budgeting, accounting, and reporting purposes) according to specific limitations placed on their use by the resource providers.

Fund Balance: Is the difference between actual revenue and actual expenses from prior years; Assets minus Liabilities.

- **Available Reserves:** This is the Fund Balance less Reserves for Non-liquid Assets and Encumbrances
- **Change in Fund Balance:** The difference between actual revenue and actual expenses when combined with previous changes in fund balance for that fund.
- **Reserves:** Same as Available Reserves.

Fund Transferability: Budget or spending authority that is transferable between accounts in a related pool (fund or fund group).

- For the Method of Finance fund group, that is fund 10000500XX, 10000600XX, and 20000110XX.
- For all other funds, budget is transferable only within that fund.

Funded Program: Used to track budget and revenue/expense for specific projects or programs such as, Construction Projects and Organized Research. Those internal orders that are budgeted at funded program level.

7 = CIP/AuC – construction/capital projects*

9 = Miscellaneous temporary projects & internal “grants/awards”*

Funds Center: **SAME as ‘Cost Center.’** Represents an organizational area of responsibility.

TIP: Think 5 sets of 2 digits (to identify organizational units/hierarchy). The first two digits represent the division of the University as follows:

10 = Institutional Accounts

11 = President’s Accounts

12 = VPIT Accounts

13 = Provost/VPAA Accounts

14 = VPFSS Accounts

15 = VPSA Accounts

16 = VPUA Accounts

Funds Commitment: An encumbrance for filled positions, cell phones (radios), travel, library, and bookstore.

- Automatically created and updated.
 - Most Common Subcategories of Funds Commitments:
 - TV = travel encumbrances
 - PC = payroll encumbrances

Funds Management (FM) Master Data: Data used to track and organize budgets. Consists of fund, funds center, funded program, commitment item and functional area.

Funds Pre-commitment:

- Encumbrances and used only for vacant positions.
- Created via PBC program that is run nightly.
- Automatically updates based on HR updates for position status, funding, cost distributions.

Funds Reservation: Departmental creation of encumbrance via the funds reservations function in sap for expected operating expenses.

Grant: Those internal orders that are budgeted at grant level

1 = Coordinating Board Grant IO*

80 = Grant IO*

Grant Funds: Funds that identify grant funding. Fund numbers always start with an 8* or in some cases (Coordinating Board Grants) a 1*.

HEAF Funds: Used to buy equipment or furniture, buy buildings or build buildings. Fund numbers begin with 150* or 750*.

Internal Order (Order): Programs, Grants or Projects

5* = statistical orders – not separately budgeted, uses CC/FC budget

7* = CIP/AuC – construction/capital projects

9* = Miscellaneous temporary projects & internal “grants/awards”

1* = Coordinating Board Grant IO budgeted at grant level

80* = Grant IO budgeted at grant level

89* = Grant WBS budgeted at grant level

Invoices: Transactions that have been completed and have “hit” your account. These have been paid.

Journal Voucher: An accounting record that documents moving money between accounts.

Loan Funds: Money we set aside for a special purpose. It is a non-current fund because it’s not spent on operating expenses.

Method of Finance: The core fund group for the university which is funded by general appropriations (State), interest, and tuition (both Statutory and Designated).

Multi-Year Fund: A fund that does not have a fiscal year as the last two digits and is not budgeted on a fiscal year basis.

Operating Budget: Consists of Method of Finance accounts as well as those accounts funded by fees and income generated by sales & services.

ORIG (Original Budget): SEE ‘Doc Type’.

Over Expenditures: Expenditures that have exceeded the budgeted amount by budgetary control item.

Parked Documents: Accounting process while documents are “on hold”. Once a document is approved it will automatically become an invoice.

Period: The month of the corresponding fiscal year. For example, September is period One since it is the first month of the fiscal year. October is period Two since it is the second month of the fiscal year, etc.

Permanent Salary Savings: SEE ‘Salary Savings’.

Plant Funds: Current funds transferred into a plant fund for a special building or renovation project (for example, Res Life sets aside money to build a new dorm). Funds begin with 70*.

Process : (“*Int. Bdgt. Process*” as shown on the selection of FMEDDW entry): This is a column on the FMEDDW transaction report that tells the system what type of process was/will be done.

- **ENTR (Enter):** Used with original doc type and refers to entering fiscal year original budgets.
- **RBBS (RIB Source):** Indicated revenue budget entry using the RIB process.
- **RBBT (RIB Target):** Where you can spend from after running RIB.
- **RECV (Receive):** The account that will be receiving budget in a budget transfer, noted as a plus (+).
- **RETN (Return):** Used in carry forward process, taking budget out of the system.
- **SEND (Send):** The account that will be sending budget in a budget transfer, noted as a minus (-).
- **SUPL (Supplement):** Used in carry forwards, estimated income, and use of reserves by increasing the budget available.

Profit Transfer Postings:

- IDT’s and JV’s come through as profit transfer postings.
- A lot of monthly charges will show as profit transfer postings....Telcom, Blds/Maint/repair, Print shop, etc....

Purchase Requisitions: Encumbered funds not reviewed or approved by Purchasing yet. Are initiated by the departments. Become Purchase Orders once approved.

Purchase Orders: Encumbered funds reviewed and approved by Purchasing and in processing status. As merchandise comes in the invoices will be paid against the Purchase Order and reduce the encumbrance. Invoices paid will create an “actual” payment.

RBBS (RIB Source): SEE ‘Process’.

RBBT (RIB Target): SEE ‘Process’.

RECV (Receive): SEE ‘Process’.

Reconciliation: A process that involves examination, research, and analysis of revenue and expenditures hitting accounts to make sure the accounts are in balance. It is the responsibility of account managers to reconcile accounts under their responsibility on a routine basis.

Reserves: SEE 'Fund Balance'.

Restricted Funds: Funds that are created for a specific purpose with a specific source of revenue.

RETN (Return): SEE 'Process'.

RIB: Revenue Increasing Budgets.

Salary Savings: Depending on your account, salary savings are treated differently with respect to whether or not your account retains temporary or permanent salary savings. There are two types of salary savings:

- **Temporary Salary Savings:** caused by a budgeted position being vacant or LWOP.
- **Permanent Salary Savings:** due to hiring a replacement at a lower salary.

SEND (Send): SEE 'Process'.

Spending Authority Funds: Restricted funds where the account is budgeted for a specified amount at the beginning of the fiscal year.

SUPL (Supplement): SEE 'Process'.

Temporary Salary Savings: SEE 'Salary Savings'.

Transferability: SEE 'Fund Transferability'.

YEBB (Budget Balance): SEE 'Doc Types'.