Budget Basics Handout
CHART OF ACCOUNTS

Chart of Accounts refers to the individual fields that make up a chartstring. There are 9 chartfields:

Chartfield	Length	Describes	Use
GL Business Unit	5	WHO is performing the transaction	Identifies the campus. Denton is NT752.
Organization Department	6		Represents the academic or operating unit responsible for the transaction.
Fund Category	3	HOW the transaction is being funded	Funding is separated into four categories: State (105 or 106), Auxiliary (120 or 121), Local (200, 201, or 202), or Restricted (Various depending on the nature of the restriction: expendable gift, endowed gift, grant, other).
Fund	6		Identifies the specific type of money within the Fund Category. For example, Housing (Fund 810020) and Dining (810030) are different types of Auxiliary funds.
Function	3	WHY (for what reason) the transaction is being performed	Designates the purpose of the expense based on the nature of the department making the purchase.
Project*	7		Used to track sponsored (grants), capital, other non-capital internal, and faculty discretionary activity *When using a project code, the chartstring will include two other fields: PC Business Unit & Activity
Program	4		Used to account for formal institutional programs and initiatives
Purpose	5		Used to account for informal activities
Site	4	WHERE the transaction is occurring	Identifies the physical location at which a transaction is occurring.

Fund Category vs. Fund (Note: The Funds listed are examples and do not reflect all the options available.)

	STATE	AUXILIARY	LOCAL		RESTRICTED
			Budgetary	Non-Budgetary	
Fund Cat	● 105 Education & General ● 106 Education & General - Projects	● 120 Auxiliary ● 121 Auxiliary - Projects	● 200 Designated Operating Managed ● 201 Designated Operating - Project	● 202 Designated Operating General ● 201 Designated Operating - Project	Various Fund Cats
Fund	800001 GRD General Revenue Dedicated 800003 Laboratory Fees 805009 Core Research 805038 Higher Education Fund (HEF)	810002 Auxiliary Union 810004 Auxiliary Parking 810020 Auxiliary Housing	830001 Tuition 880001 Instructional FFF 830029 Designated Oper- Central Alloc	840001 Faculty Discretionary 850000 F&A Recovery Fund 885000 Departmental Discretionary	Gifts Grants Endowments

- 2 Types of Budgets/Chartstrings
  - Departmental
    - Budgetary
      - Fund Category = 105, 120, 200.
      - Funds may or may not rollforward. Generally, state funds (chartstrings containing a Fund Cat of 105) do not roll-forward, except for 105-805038 HEF. Refer to the Closing Rules to determine whether or not a chartstring will roll-forward or close.
    - Non-Budgetary
      - Fund Category = 202 or greater **and** chartstring does not contain a project value
      - Funds rollforward.
  - Projects
    - Identified by a project value in the project chartstring.
    - Fund categories vary, but most common are 106, 121, 201, and 400.

- Reading Cognos Reports
  Understanding accounts
  - Accounts ≠ Chartstrings. Account refers to the item being purchased such as professional fees, salaries, maintenance & operations, telecom, etc. Chartstring refers to the combination of chartfields (Org Dept, Fund Cat, Fund, Function, etc.).
  - Accounts are structured in a tree roll-up structure. There is a B-level account (BXXXXX) which is made up of multiple C-level accounts (CXXXX) which are each made up of multiple D-level accounts (DXXXX) which are each made up of multiple base level, all numeric accounts (XXXXX).

  The type of chartstring determines the type of report to run and how to read the report.
  - Departmental - Budgetary Chartstrings:
    - Budgets reported on the Department Budget Summary Report.
    - Budgeting for revenues occurs at the base level account. Budgeting for expenses occurs at the D-level account. D-Level accounts should carry positive balances.
    - Budget checking occurs at the C-Level account.
  - Departmental - Non-Budgetary Chartstrings:
    - Budgets reported on the Department Budget Summary Report.
    - Budgeting does not occur. The amount in the "Budget" column (on account 00000 Acct Tree Root Node) simply indicates the amount of funds that rolled forward from the prior year.
    - Budget checking occurs at the chartstring Total level.
  - Project Reports –
    - Budgets reported on the Project Budget Summary Report.
    - Budgeting for Non-Sponsored projects occurs at the A5000 Account. Budgeting for Sponsored projects (Grants) occurs at the C-Level.
    - Budget checking occurs at the Expense Total Level for Non-Sponsored projects. Budget checking occurs at the C-Level for Sponsored projects.
- The reports contain 3 expense-type columns. Each column reflects a stage in the purchasing or salary process.

PreEncumbrances	Encumbrances	Actuals
Requisitions	Purchase orders	Vouchers (invoices)
Vacant position salaries (not yet paid)	Filled position salaries (not yet paid)	Paid salaries