

Chart of Accounts Overview

Introduction

The Chart of Accounts (COA) acts as the set of books within Banner Finance. It defines how transactions are placed in the general and operating ledgers for reporting and decision making purposes. Transactions during FY07-FY09 use “L” as the COA and beginning in FY10, transactions use “U” as the COA.

The COA consists of seven elements that are referred to as FOAPAL:

Fund **O**rganization **A**ccount **P**rogram **A**ctivity **L**ocation

Fund

The Fund is used to determine the funding source of the transaction. A department may use more than one fund depending upon the nature of that department. For example, Academic departments will use their department code and then choose between the various Resident and LU Online fund codes.

Funds are organized in a hierarchy structure for roll-up and reporting purposes. Roll-up funds are two-five characters and the data-enterable funds are six characters. Each fund will have a payroll and non-payroll fund. Payroll funds are only to be used with personnel account codes.

Listed below is the basic hierarchy structure for University operations. When searching for a fund, it will begin with the same digits as the roll-up fund.

Fund Hierarchy Structure					
11	Operating Funds	31	Auxiliary-Student Housing	33	University Services- cont...
1111	Resident Funds	3110	On-Campus Housing	3314	Transit Services
1112	LU Online Funds	3120	Lynchburg Inn Housing	3321	Postal Services
1113	School of Law Funds	32	Auxiliary-Recreational Facilities	38	Auxiliary-General
12	Special Purpose- Unrestricted	3211	LaHaye Ice Center	39	Independent Operations-Real Estate
13	Quasi-Endowment Earnings	3212	Liberty Extreme	3911	12th Street Warehouse
14	Capital Projects- Unrestricted	3213	Paintball	3912	Liberty Ridge
CI	Construction Projects	3214	Snowflex	3913	Residential Homes
T1	Information Technology Projects	33	Auxiliary-University Services	81	Agency Funds
21	Special Purpose- Temp Restricted	3311	Bookstore	801	Club Sports
22	Grants	3312	Food Services	802	Agency Scholarships
23	Endowment Earnings	3313	Printing Services	803	Student Organizations

Organization

This is a five character code that identifies a unit of budgetary responsibility and/or departments within the University. Organization codes are established in a hierarchy for roll-up and reporting purposes. Each division is distinguished with a unique alpha character and further broken down based on the division's organizational chart.

Below is a listing of the organizational hierarchy structure:

Organization Hierarchy Structure	
A	Administration
B	Academics
B10	Academic Affairs Admin
B20	Academic Centers
B21	Off-Site Initiatives
B22	Study Abroad Program
B23	Ctr for Academic Support & Advising
B30	College of Arts & Sciences
B31	Helms School of Government
B32	School of Aeronautics
B33	School of Business
B34	School of Communication
B35	School of Education
B36	School of Engineering & Comp Sciences
B37	School of Religion
B38	LBTS - Theological Seminary
B39	School of Law
B40	Integrated Learning Resource Center
C	Admin Information Management
D	Athletics
D10	Athletics, Non-Sport Specific
D20	Athletics, Men's Sports
D30	Athletics, Women's Sports
E	Auxiliary and Campus Recreation
E10	Auxiliary Services
E20	Campus Recreation
F	Enrollment Management
G	Exec Projects & Media Relations
H	Finance
H10	Finance
H20	General Institution
H30	Real Estate
J	Human Resources
J10	Human Resources
J20	LUPD- Police Department
J30	Safety Office
K	Information Technology
K10	Information Technology
K20	IT Operations
K30	IT Customer Support
K40	IT Development
K50	Business Intelligence
L	Outreach & Strategic Partnerships
M	Physical Plant
M10	Field Operations
M20	Construction In Progress-Field Ops
N	Planning & Construction
N10	Planning & Construction
N20	Construction In Progress-P&C
P	Spiritual Development
Q	Student Affairs
R	New Media Communications
S	University Advancement

Account/Commodity

The account code is a six character code that classifies transactions in the Chart of Accounts. There are two different types of accounts; general and operating ledger accounts. The general ledger accounts, used only by Finance, include accounts used to compile the Statement of Financial Position/Balance Sheet. The operating ledger accounts are used by departments to properly classify revenue, expenses, and transfers. Each operating ledger account routes to the general ledger accounts, so departmental expenses are recorded in the University’s financial statements.

Account codes also use a hierarchy structure for roll-up and reporting purposes. Listed below is the highest level of hierarchy for accounts:

General Ledger		Operating Ledger	
10	Assets	50	Revenue
20	Liabilities	60	Labor
30	Control Accounts	70	Direct Expenditures
40	Fund Balance	80	Transfers

Most transactions processed by departments occur within the 70 account series. Commodity codes are to be used in conjunction with these account codes to expand reporting capabilities and to ensure correct account codes are being selected. When submitting Requisitions, Request for Check forms, and Orders in Rapid Recon, a commodity code is required.

As with other FOAPAL elements, commodity codes are organized in a hierarchal structure for roll-up and reporting purposes:

Commodity Code Hierarchy Structure			
AD	Advertising	PL	Physical Plant
AS	Assets- Capital & Non-Capital	PD	Professional Development
FL	Fuel	SP	Supplies
GV	Governmental Fees & Fines	SV	Services & Fees
HX	Host Expenses	TB	Travel- Business
IN	Insurance	TP	Travel- Professional Development
LB	Library Resources	TR	Travel- Recruitment
LR	Lease & Rental Agreements	TT	Travel- Team
ML	Mailing	UT	Utilities
MC	Miscellaneous		

While the commodity code will automatically populate an account code when entering FOAPAL information in Banner, *the account and commodity codes are two separate codes*. The given account code should not be updated by departments; however, there are some instances when Finance may change the account code. Generally, this will only occur with the asset commodity codes that do not meet capitalization/inventory tracking criteria. This criterion is dependent on the item being purchased and evaluation will be handled by Finance.

Program

The program code is a two character code used to define the function/purpose of a transaction. This code is used by the University to create the Statement of Activities.

Each department will have at least one primary program code, but could potentially use other program codes depending on the nature of the transactions. For example, a faculty budget’s primary program is 10- Instruction, but will also use 40- Academic Support for some expenses including, but not limited to, professional development, IT equipment, and curriculum development.

There are also some areas that will only use one program code as they are recorded differently in financial statements than the general operations of the University. These areas include Auxiliary Services, Capital Projects, and Agency Funds.

Unlike the other FOAPAL elements, program codes are not currently organized in a hierarchal structure:

Program Codes			
10	Instruction	81	Auxiliary Enterprises
20	Research	85	Other Self Supporting Enterprises
30	Public Service	B0	Operation & Maintenance of Plant
40	Academic Support	R0	Revenue
50	Student Services	YY	Construction in Progress
60	Institutional Support	ZZ	Agency Funds

Activity

Activity codes are used for specialized tracking of projects or events when the funding is included within a department’s operational budget. Since these codes are not used for financial reporting or budgeting purposes, it is up to the division or department level to determine whether or not this FOAPAL element is necessary.

Requests for activity codes should be submitted to the Financial Planning & Budgeting Office.

Location

Location codes are used for asset management that includes the maintenance, repair and acquisition of University assets. The location codes assign a geographical location to assets and are only to be used on asset related transactions. An asset is an item with a usable life over one year and a cost of \$1,000 or greater, computers are considered assets at \$500 or greater.

Location codes have a hierarchy structure for roll-up purposes. When searching for location codes in Banner, please use the two-step method. First, search for the building and obtain the two digit building code and then enter the building code and percent sign (%) to search for all available codes for the building. Refer to the location code presentation located at www.liberty.edu/banner for more information regarding location code logic.

Index Codes

Index codes contain a fund/orgn/program combination and are generally only used for payroll transactions. Since departments can use more than one fund code, it is important to use the index code on Human Resources paperwork. Printing and Postal Services will also use the payroll index code to properly charge departments.