West Virginia University User's Guide to Accounting Flexfields and the Chart of Accounts

Definitions

An Accounting Flexfield is the basic account for collecting and reporting financial data for accounting and management purposes and as such is the value typically coded onto individual transactions. The Accounting Flexfield is part of the Chart of Accounts, which is a structure that includes roll-up capabilities associated with reporting and control.

This Chart of Accounts has been designed to meet the needs of the institution both internally and externally, ensuring compliance with all federal, state, and higher education requirements.

It is important to understand that sponsored agreement activity is managed in the MAP Grants Management module. All detail sponsored agreement information resides in this module and all OGM information will be produced from this source. The OGM module utilizes a supplemental account structure (discussed later in this document) to collect this information, passing summarized data to the primary Chart of Accounts. The account in the OGM supplemental structure is commonly referred to as "POETA".

Accounting Flexfield Segments

There are six (6) segments that make up the Accounting Flexfield. Each segment is designed to represent a dimension of WVU. Segments are required by system design to identify the lowest level of detail required by the University. Segments make up the Accounting Flexfield when joined together in unique combinations. Each segment is discussed in detail later in the document. The table below illustrates the segment format of the Accounting Flexfield.

Segment Name	Segment Size
Campus	2
Departmental Activity	9
Fund	8
Line Item	7
Function	3
Project	8
Total Accounting Flexfield Length	**37**

There are two types of segment values: 1) child values and 2) parent values. The segments that make up the Accounting Flexfield are referred to as child values. Another

type of segment value is a parent value. Parent values are roll-ups of the lower level child values and are used to facilitate reporting. Parent values provide the flexibility to combine child values for reporting purposes without imbedding roll-up combinations directly into the Accounting Flexfield. This functionality minimizes the length of the Accounting Flexfield and facilitates subsequent changes to roll-up mapping.

Numbering Conventions

All segment values at the child level will be entirely numeric. Parent values must always have at least one alpha character to assist in visual recognition as well as to assist in their appearance at the bottom of on-line value selection "pick lists." In some segments a child value will be utilized for budget purposes only.

Accounting Flexfield Examples

The following pages illustrate a possible Accounting Flexfield and provide explanations of each of the Accounting Flexfield Segments. It should be pointed out that the segments have their own meaning without dependence on the other segments. However, the various combinations of segments into the Accounting Flexfield must be appropriate combinations. For example, only the Athletic Department should be able to use the revenue source for Ticket Sales – Athletic Events.

The important point is that the independent nature of account segments will provide some ease of understanding to the Chart of Accounts. For example, a unit with five funds but one basic organizational activity will be able to use the same Departmental Activity value for every Accounting Flexfield. A separate Accounting Flexfield will be identified by each combination of the single Departmental Activity value with the five Fund values (all other segment values held constant).

The Accounting Flexfield to be illustrated is shown below. Corresponding segment explanations follow on subsequent pages.

Accounting Flexfield

11.123450001.12345678.5100000.210.99999999

Campus.Departmental Activity.Fund.Line Item.Function.Project

Campus Segment

11.123450001.12345678.5100000.210.99999999

Campus.Departmental Activity.Fund.Line Item.Function.Project

- 2 digits

- Identifies who controls expenditures, NOT who owns assets, liabilities or net position (fund balance), NOR who provides resources.

For example, the College of Engineering and Mineral Resources in the General University uses self-generated resources to support a $10,000 budget at WVU Institute of Technology in support of work being performed at that campus. For expenditure purposes, the campus code for this $10,000 commitment will be the code for WVU Institute of Technology, not the General University.

WVU Research Corporation is NOT a campus, but is identified by a descriptive flexfield of the Fund segment (entity owner).

Values assigned

11 General University
12 Health Sciences Center
21 Potomac State College of WVU
31 WVU at Parkersburg
41 WVU Institute of Technology
51 WVU Beckley

Departmental Activity Segment

11.**123450001**.12345678.5100000.210.99999999

Campus.Departmental Activity.Fund.LineItem.Function.Project

- 9 digits
- Lowest ORGANIZATIONAL level possible.
- Identifies unit with expenditure control.
- Represents "cost center" providing a connection point with the MAP Human Resources and Fixed Asset applications.
- Institution controls first five digits of the number to represent a unit typically headed by a chair or manager.
- Deans and directors control last four digits to identify the lowest organizational level needed for internal college and division management.
- There can be multiple funding sources and multiple functions for each Departmental Activity (DA).

Sample values

211020100 Biology Lower Division
211020200 Biology Upper Division
211020300 Arboreteum

Parents (Institutionally Required)

- Department (D Parent)
- College or Major Budgetary Unit (C Parent)
- Associate or Assistant Provost or Vice President (B Parent)
- Provost or Vice President (A Parent)

Two optional parent roll-ups are available for use at the discretion of the dean or director. These roll-ups are available for reporting purposes only – no budget or security. The expectation is that one of these roll-ups will be used to identify an organizational level below department (section). The other will be used to identify an organizational level above department (division).

Descriptive Flexfields

- On or Off Campus (each Departmental Activity must be assigned one or the other, not both)
- Recoverable or Unrecoverable (each Departmental Activity must be assigned one or the other, not both)
- Department (D Parent)
- College or Major Budgetary Unit (C Parent)
- Associate or Assistant Provost or Vice President (B Parent)
- Provost or Vice President (A Parent)

Fund Segment

11.123450001.**12345678**.5100000.210.99999999

Campus.DepartmentalActivity.Fund.Line Item.Function.Project

- 8 digits
- Identifies ownership of assets, liabilities, and net position (fund balance) as opposed to expenditure authority (as represented by the Campus and Departmental Activity segments).
- Represents a combination of the elements of WVOASIS state funds and activities, WVU Research Corporation, and net asset category (restricted, unrestricted).
- Represents "balancing segment" required by MAP to determine the level at which journal entries are "balanced" in the traditional accounting sense of debits equal credits. ONLY at this level (or parents of this level) can balanced financial statements (trial balance; Statement of Net Position; and Statement of Revenues, Expenses and Changes in Net Position) be obtained.

Sample values

11110001 General University State Appropriated
11110002 General University HERF
12110002 Health Sciences State Appropriated

Parents

- Campus ownership including WVU Research Corporation
- Budget Planning roll-up

Descriptive Flexfields

- Net Asset Category (Unrestricted, Restricted)
- WVOASIS fund
- WVOASIS department/unit
- College/major budgetary unit ownership
- Bank account

Line Item Segment

11.123450001.12345678.**5100000**.210.99999999

Campus.DepartmentalActivity.Fund.Line Item.Function.Project

- 7 digits
- Primary classification of activity for accounting and budgeting purposes
- Captures assets, liabilities, net position (fund balance), revenues, and expenditures at the lowest level possible
- Budgeting may be performed at the Line Item level or at a summary level.

Examples of budgeting options for an account with $20,000 approved budget are as follows:

Option 1 (detail) Office Expense $ 4,000
Postage & Freight 3,000
Printing & Binding 1,000
Telephone 2,000
Travel – General 6,000
Travel – Motor Pool 2,000
Equipment – Office 1,000
Equipment – Research ' 1,000
TOTAL $20,000

Option 2 (summary) General Expense $10,000
Travel 8,000
Equipment 2,000
TOTAL $20,000

Parents

- High level parent examples – Assets, Liabilities, Fund Balance, Revenues, Expenditures
- Mid level parent examples – Cash, Accounts Receivable, Student Deposits, Accounts Payable, Tuition and Fees, Salaries, Utilities, etc.
- Low level parent examples – Undergraduate Resident Tuition and Fees, Gas, Electric
- State budget reporting – Personal Services, Current Expense, etc.

Descriptive Flexfields

- WVOASIS line item (object/sub-object, revenue/sub-revenue)
- A21 Allowable/Nonallowable field – for recovering indirect costs
- Track as Asset field – for identifying fixed assets
- MTDC field [Modified Total Direct Cost field] – for calculating indirect cost recoveries

Function Segment

11.123450001.12345678.5100000.**210**.99999999

Campus.Departmental Activity.Fund.Line Item.Function.Project

- 3 digits
- Represents classification of expenditures by purpose
- Ensures compliance with federal requirements and is closely associated with the ability to effectively negotiate and collect facilities and administration costs related to sponsored agreements

Sample values

101 General Academic Instruction
105 Community Education
401 Executive Management
403 General Administrative & Logistical Support

Parents

Higher level function (Instruction, Research, Public Service, etc.)

Project Segment

11.123450001.12345678.5100000.210.**99999999**

Campus.Departmental Activity.Fund.Line Item.Function.Project

- 8 digits
- Intended as a means to accumulate costs for sponsored agreements processed through MAP Grants Management
- Multiple funding sources permitted allowing aggregation of externally sponsored costs as well as University matching and cost sharing through the use of MAP Grants Management
- Project values will be assigned by the system in sequential order.

Sample values

10000001 Analysis of Bacteria X
10000002 Upper Respiratory Disease- Phase 3
10000003 Design of Lightweight Structural Material
99999999 Not Applicable

Expenditure activity for sponsored agreements and capital projects is recorded through a separate "account number" known as "POETA" which resides in the MAP Projects module.

POETA maps to the General Ledger Accounting Flexfield in order to post transactions at a summary level to the General Ledger. The relationship of POETA to the General Ledger Accounting Flexfield is as follows:

POETA Segment	General Ledger Accounting Flexfield Segment
Project	Project
Organization	Campus and Departmental Activity
Expenditure Type	Line Item
Task Service Type	Function
Award	Fund

Questions?

If you have any questions about the chart of accounts, please contact Kathy Day, Director, Institutional Accounting, Reporting and Analysis, at Kathy.Day@mail.wvu.edu or 304-293-8766 or any member of her staff.