

II-1. Banner Finance Ledgers and Chart of Accounts

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1. Banner Ledgers and Chart of Accounts

The Banner Finance system, in order to provide maximum flexibility and information capture, maintains these ledgers:

- General Ledger
- Operating Ledger (Not the Operating Fund)
- Encumbrance Ledger
- Grant Ledger

A. General Ledger

The General Ledger maintains information relevant to the University's "balance sheet." The required Chart of Accounts (COA) elements for valid accounting distribution in the General ledger are: COA, Fund and Account Codes. Transaction activity includes the sum of both periodic debits and credits.

The General Ledger contains only balance sheet accounts. These accounts include the following:

- Assets
- Liabilities
- Fund Balance
- Fund Additions
- Fund Deductions
- Expenditure Control
- Transfer Control
- Budget Controls
- Encumbrance Control
- Revenue Control

General Ledger control accounts contain the total debits and credits of their respective expenditure, transfer, budget, encumbrance, and reserve transactions.

Detail transaction information for control account is maintained in the Banner Operating Ledger, known as the subsidiary ledger in the FRS Plus system, the ledger that contains your Budget Unit transaction history for:

- Revenue budget and YTD actual for revenue for the Budget Unit's account range
- Expenditure budget and YTD actual for expenditure for the Budget Unit's account range
- Transfers budget and YTD actual for transfer for the Budget Unit's account range
- Encumbrance, Commitments, for a Budget Unit's requisitions and orders for travel, goods and services, etc. as well as "reservations" encumbrance not processed through Banner Finance Purchasing Module

B. Operating Ledger

The Operating Ledger contains the Budget Unit's transaction data for his/her departmental accounts (Budget Units).

The required Chart of Accounts elements for the Operating Ledger transactions for NSU are index, fund, organization, account and program. Optionally, the transactions of a Budget Unit's departmental accounts may also include activity and/or location codes.

Operating Ledger transactions include:

- Revenue
- Expenditures
- Transfers

Transactional data that is entered and maintained in the Operating ledger include budget, YTD actual transaction activity, encumbrance, and grant activity. Operating Ledger transactions are linked/mapped to their corresponding General Ledger control accounts.

A General Ledger can have many Operating Ledgers mapped to it or have only one Operating Ledger mapped to it.

For example, the Operating Fund's budget units are mapped to one General Ledger, when a grant usually has only one operating ledger/"Budget Unit account number" and be mapped to its "own" General Ledger (GL).

C. Chart of Accounts Structure – FOAPAL

The Chart of Accounts (COA) is a systematic classification of accounts and an essential part of the Banner Finance accounting system. Accounts are developed to be compatible with the University's organizational structure and assignment of fiscal responsibility. The form and content of the Chart of Accounts is arranged to provide the financial reports issued by and required of the University.

The fund, organization, account, and program codes are the primary Chart of Accounts elements used for classification, budgeting, recording, and/or reporting. The activity and location codes are used to provide certain specific performance-related detail for transactions and reports.

The Index is the Budget Unit's account number and is used to populate the Budget Unit's Fund, Organization and Program. It should always be used when available.

The Chart of Accounts (COA) is the "key" to Banner Finance. It defines the accounting distribution used on all transactions processed in the Banner Finance module.

The Chart of Accounts code is a one character, alpha/numeric field that uniquely identifies the University's Chart of Accounts that Chart of Account code is N. It consists of six elements (excluding the Index) that are defined as follows:

F = Fund

This is a six character that identifies a self-balancing set of accounts and identifies ownership and fiscal responsibility. Balance sheets and revenue/expense reports can be proceeded for any fund, which can be restricted (permanently or temporarily) or unrestricted. Fund codes are established in a hierarchy of up to five levels for "roll-up" and reporting purposed.

The fund code is developed by "Types" and "Levels." Type 1 Fund Types represent the highest fund group within the hierarchy structure that Type 2 fund types are linked/mapped to organize funds within the Chart of Accounts.

Type 2 fund types represent fund subgroups within the fund hierarchy structure that Levels 1-4 fund codes roll-up to.

Type 1 Fund Types:

10	Unrestricted Funds
20	Restricted Funds
30	Auxiliary Enterprise Funds
40	Loan Funds
50	Quasi Endowment Funds (Endowment Spending)
60	Endowment Funds (Permanently Restricted)
70	Annuity and Life Income Funds (Reserved for Future Use)
80	Agency Funds
90	Plant Funds
BK	Bank Funds

Type 2 Fund Types:

Type 2 fund types include the fund subgroups that are linked to the “Major Fund Groups” in Type 1. For example, the Operating fund is linked to Current Funds-Unrestricted. A Federal Grant or Contract Fund is linked to Current Funds-Restricted, the Vehicle Registration Fee Fund is linked to Plants Funds, etc. NSU’s current Type 2 Fund Types, “Major Fund Groups” are as follows:

11	Current Unrestricted
21	Federal Grants and Contracts
22	State Grants and Contracts
23	Local and Private Grants and Contracts
25	Restricted Scholarships and Awards
26	Student Fees
27	Restricted Self-Generated
29	DFAFS Control Ledger
31	Auxiliary System Funds
32	Rec Complex Funds
33	Athletic Funds
34	Student Housing Funds
35	Wellness Rec Activity Center Funds
36	Inventory Funds
41	Loan Funds
42	Nursing Loan Funds
51	Quasi Endowment Funds
61	Endowment Funds
71	Annuity and Life Income Funds
81	Agency Funds
91	Unexpended Plant Funds
92	Renewal and Replacement Funds
93	Retirement of Indebtedness Funds
96	Capital Assets
99	Bank Funds

Certain Banner Query forms allow query by fund type. They include:

FGITBSR – Trial Balance Summary – allows you to view general ledger balances for any specific fund (or fund type). It shows the current fund balance at the bottom of the page (but remember, you still have to subtract any outstanding encumbrances to determine balance available).

FGITBAL – General Ledger Trial Balance – Like FGITBSR, this form allows you to look at general ledger balances for any specific fund. No operating ledger activity is found here.

Budget Queries:

FGIBAVL – Budget Status by Account allows users to review budget information by account for the Fiscal Period and Year to Date by: Specific FOAP, Specific Organization, All Organizations, Grant, Fund Type, Account Type of Revenue accounts. There are four levels to a Budget Query by Account: Account Detail, Transactions Detail, Document Detail, and View the Document

FGIBDST – Budget Status by Organizational Hierarchy allows users to review budget information of organizations for the Fiscal Period and Year to Date by: hierarchical Structure, Specific Funds, high-level Organizations, Accounts, Programs, Fund Type, Account Type or Revenue Accounts.

O = Organization

This is a six-character code that identifies the organizational responsibility level of the Area/College and the Approver/Budget Units, the person(s) who have fiscal and budgetary responsibility for a department or departments budgets/Budget Units/accounts within the institution. Organization codes house information regarding revenues, expenses and budgets. Organization codes can be established in a hierarchy of up to “eight levels” for roll-up for responsibility reporting purposes. For example, the Dean of XYZ, may have responsibility of several budget units/accounts, the Dean of XYZ organization code will be linked to each budget unit/account and receive responsibility reporting roll-up reports for all the budget units/accounts.

The following chart outlines the high-level breakdown of Orgs and NSU. In general, the first digit of the organization code correlates to its related division.

The Organization code may have many Indexes that has Budget Units “mapped” to it, regardless of Fund or source of funding.

The Organization code is primarily used for responsibility reporting, resources assigned to the individuals in the organizational hierarchy of the University.

The Organization code is also used in Banner to initiate transaction processing for the purchasing, personnel, payroll, and reporting processes. Since there maybe multiple Budget Units, Indexes per Organization code, the user should always review the ‘FOAPAL’ to make sure it is the correct Budget Unit, Index for the transactions, process, and report.

Organizational Range/Highest Organization Levels

100001 – 199999	President
200001 – 299999	Academic Affairs
300001 – 399999	Business Affairs
400001 – 499999	External Affairs
500001 – 599999	University Affairs
600001 – 699999	Technology, Research & Economic Development
700001 – 799999	Other Activities (for Budget Control)
800001 – 899999	Unrealizable Revenue Contingency
900001 – 999999	Chief Information Officer

A = Account

This is a six-character code that identifies the General Ledger accounts object of our assets, liabilities, control, and fund balances, and the Operating Ledger accounts object of revenue/income, expenditures, and transfers. The account code is the object code in the line item within the University's financial structure. Account codes/objects are established in a hierarchy of four levels for roll-up and reporting purposes. The hierarchy is organized to maximum reporting capabilities. Account codes/objects is the lowest level of accounting transaction detail.

P = Program

This is a one-to-six-character code that identifies a function and enables the University to establish a method of classifying transactions across organizations and account codes/objects. The University follows the functions defined by the National Association of College and University Business Offices (NACUBO). Program/function codes are established in a hierarchy of up to five levels for roll-up and reporting purposes. Examples of reporting/function codes include Instruction, Academic Support, Student Services, and Research.

A = Activity

This is a one-to-six-character code that is non-hierarchical and can be used to further define an expenditure account, including short duration projects.

L = Location

This is a one-to-six-character code that identifies physical locations. It is primarily used with the Fixed Asset Module. Location codes may be established in a hierarchy of up to five levels for roll-up and reporting purposes.

The Location code should be used only when purchasing capital outlay items or processing capital outlay expenditures.

D. Account Index

The Account Index code, referred to as Index on Banner forms, is an additional feature of the Chart of Accounts. The Account Index code consist of six alphabetic/numeric characters and can define any combination of the FOAPAL elements. The Account Index code is used as a shortcut to speed data entry by the user. The Account Index Code is used for Operating Ledger accounts only.

The Account Index code is the user's code used to populate/load the FOAPAL elements to record transactions. It is essentially a user's code that is used instead of entering each FOAPAL element to record transactions and querying transactions data, for the accounts for which users have fiscal responsibility.

The "Index" should be used when the Banner Form being used provides for the Index. Use of the Index is encouraged to help users process transactions. It helps reduce "coding errors" by avoiding having to enter each FOAPAL element for a transaction.

The Index is in effect the Budget Unit Code for your budget unit. The Budget Unit Code, the code that identifies a Budget Unit's combination of Fund (F), Organization (O), and Program (P), FOP, it is to the FOP that you enter the Account (A), for revenue or expenditure to enter a FOAP, and Activity and Location, if applicable.

The “Budget Unit Account Code,” FOP, should be entered correctly to assure your transactions are being posted correctly, even when using Index you should review to make sure you are posting/entering a transaction to the correct/desired Fund (F), Organization (O), and Program (P), FOP.

Banner allows the user to enter combinations of Fund (F), Organization (O), and Program (P), FOP that are “invalid,” it is therefore extremely important that the FOP be entered correctly to avoid invalid transaction entry, this could possibly affect someone else’s account. This can avoid the correcting actions and transactions required to adjust incorrect entries. The Index is used to avoid this error.

Since there may be many Indexes for an Organization the user should always verify, they are using the correct Index and Organization.

E. Account Types

The first two digits in the General Ledger and Operating Ledger account number determines the type of account.

NSU’s Type 1 Accounts are as follows:

General Ledger

10	Assets
20	Liabilities
30	Control Accounts
40	Fund Balances
50	Revenues
60	Personal Services (Salaries/Related Benefits)
70	Expenses (Travel, Operating Services, Supplies, Professional Services, Other Charges, Capital Outlay)
80	Transfers
90	Fund Additions
95	Fund Deductions

NSU’s Type 2 Accounts are as follows:

11	Cash
12	Investments
13	Accounts Receivables
14	Notes and Loan Receivables
15	Inventories
17	Prepaid Items and Deferred Charges
18	Plant Assets
19	Other Assets
21	Payables
22	Accruals
23	Deposits
24	Current and Long-Term Debt
25	Deferred Credits
28	Other Liabilities
29	Other Converted Liabilities
31	Control Accounts

Operating Ledger

51	Student Tuition and Fees
52	Appropriations
53	Gifts, Grants and Contracts
54	Sales and Services of Educ Act
55	Sales and Services of Aux Act
56	Other Revenue and Misc Sources
59	Special Credits and Categories
61	Regular Salaries
62	Other Compensation
63	Related Benefits
68	Furlough Savings
69	Attrition
71	Travel
72	Operating Services
73	Supplies
74	Professional Services
75	Other Charges
76	Capital Outlay
77	Depreciation
79	Debt Service
81	Interagency Transfers
91	Fund Additions
96	Fund Deductions

F. General Ledger Account Code Structure

The General Ledger, Balance Sheet, account code structure is Fund and Account, FA. Index, Organization, Program, Activity and Location is not used when entering or coding General Ledger, Balance Sheet transactions.

G. Operating Ledger Account Code Structure

The Operating Ledger account code structure is Fund, Organization, and Program, which are populated when you use the Index. Location is used when entering Capital Outlay expenditures when posting fixed asset transactions. It is not used for Capital Outlay transactions for the “expensed” Capital Outlay expenditure transactions. The Activity Code is currently being used for short term projects. The Project Code is not being used at this time.

Therefore, the Operating Ledger account code structure for non-capital outlay expenditures is FOAP. When using the Index to populate Fund, Organization and Program, the account code structure is Index and Account, IA.

H. NSU Bank Codes

Bank Code	Description	Bank Code	Description
1	Disbursement Account	5	Shreveport Clearing Account
2	Payroll Account	6	Maintenance Reserve Account
3	Student Loan EFT Clearing Account	7	Leesville Clearing Account
4	SGA Account		

I. NSU College Codes

Colleges are represented in the appropriated organizational codes:

Organizational Code	College
211XXX	College of Arts and Sciences
22XXXX	College of Education and Human Development
23XXXX	College of Nursing and Allied Health