During class, you will:

- Discover the purpose and use of the FOAP Codes for your department
- Discover the differences in funds, budgets, and associated managers
- Review terms and procedures common to Texas Tech’s financial system
- Review the fiduciary responsibilities of Administrators

**Contents**

- **FOAP Codes Identify My Budget(s)**: 2
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  - Finance Fund Maintenance: 9
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**AFISM Resource Center:**

- **Phone / Help Desk**: 2-KNOW (742-5669)
- **Outlook Address (Help Desk)**: AFISM 2KNOW
- **Registration System for AFISM Classes**
- **Training Materials, Job Aids, Video Tutorials**
- **Knowledge Base (Q&A, FAQ)**
F O P Codes Identify My Budget(s)

Which budget is mine? What can I use it for?

**Chart**

A code represents each state agency of Texas Tech in the database:
E - HSC El Paso; H - HSC Lubbock; S - TT System; T – TT University.

**F = Fund**

A cash account, separated and coded according to the purpose of the provider (operations, scholarships, grants, etc). Each fund has a Fund Manager who is accountable to Texas Tech and to the provider to use the funds according to the provider’s purpose.

**Example**

11A006 (six position code) Dept Operating Expense
1st position Fund Group: “1” is “Current Unrestricted”
1st two positions Fund Category: “11” is “Education & General”
1st three positions Fund Class: “11A” is “ Appropriations”
All six positions identify the specific fund for your budget.

RaiderLink > A&F Work Tools > AFISM “channel” > Resources > FINANCE Filter > Diagram of Fund Group, Category, and Class (.pdf Format), to see where your fund fits in the Fund Hierarchy

RaiderLink > A&F Work Tools > Finance “channel” > Contact List By Fund Class

RaiderLink > Research Administration > My Grant Specialist

**Finance Terms:**

- Non-Profit, Fund Accounting: HEAF
- **STATE**, Ed & Gen, E&G: NRUF
- Appropriation: LOCAL
- Biennium, Biannual: Global Fee Document
- Fiscal Year, month: Provost
- Dedicated: RESEARCH
- Multi-year

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F O P Codes Identify My Budget(s)

Which budget is mine? What can I use it for?

**O = Organization**

A user of a Fund. It might be a department or office of Texas Tech, or it might identify a budget set up for a specific activity. Each organization has an Organization Manager (also Financial Manager) who is accountable to Texas Tech to use the budget according to its purpose.

**Example**

B56004 (six position code) Chemical Engineering Dept
1st position Division: “B” is “Sr Vice President and Provost”
1st three positions College or Area: “B56” is “College of Engineering”
All six positions identify the department or budgeted activity.

---

**RaiderLink > A&F Work Tools > AFISM “channel” > TEAMApp**

Access to online information is granted by the Level 5 department head or the Level 7 organization manager using TEAM App.

- The Organization Manager enters the eRaider of the employee and follows the instructions to request access for Finance, TechBUY, Human Resources, etc.
- TEAM App Reports > Financial Profile Access Report provides reports of organization or individual access (view by your eRaider; choose another eRaider; or clear the eRaider and enter the ORGN code).
- Operating Policy 70.40 defines employee responsibility for online usage.

---

**Back at the Office:** Ask your department which organizations you support; view the Financial Profile for assigned accesses; request access for your duties:

- Shopper – Select items for the shopping cart
- Requestor – Shop and approve POs up to $5000
- Approver – Shop and Approve up to Budget Limit
F O P Codes Identify My Budget(s)

Which budget is mine? What can I use it for?

**P = Program**

Classifies the fund for reporting purposes, starting with the primary objectives of a university Mission Statement: Teaching, Research and Public Service.

RaiderLink > A&F Work Tools > AFISM “channel” > Resources > FINANCE Filter > “Program Code Definitions”

Program Code Definitions (Opens a new window), to review definitions

Descriptions are based on the National Association of College and University Business Officers Financial Accounting and Reporting Manual:

- 100 Instruction
- 200 Research
- 300 Public
- 400 Academic Support
- 500 Student Services
- 600 Institutional Support
- 700 Operations and Maintenance
- 800 Scholarships and Fellowships
- 900 Unexpended Plant
- A10 Auxiliaries
- E10 Endowment
- G10 Agency Operations
- L10 Loan Funds
- R10 Retirement of Indebtedness
- S10 Service Department Funds
## Farmer Brown: Fund versus Budgets

**Freddy’s Farm, B92011**
- **Revenue:** $100,000
- **Expenditures:**
  - Salaries: $60,000
  - Travel: $8,000
  - Supplies: $19,000
  - Repairs: $13,000
- **TOTAL Expenditures:** $100,000

**Larry’s Livestock, B92012**
- **Revenue Budget Pool(s):** $100,000
- **Expense Budget Pool(s):** $100,000

**Brown’s Operating, B92013**
- **Revenue Budget Pool(s):** $25,000
- **Expense Budget Pool(s):** $25,000

**Uncommitted Bal:** 75,000

### Spending Management

<table>
<thead>
<tr>
<th>Fund</th>
<th>Prg</th>
<th>Orig Bud</th>
<th>Bud Adj</th>
<th>Mod Bud</th>
<th>Encumb</th>
<th>Rev/Exp</th>
<th>Balance</th>
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<td>12A010</td>
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<td>60,000</td>
<td>20,000</td>
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<tr>
<td>6A4</td>
<td>Salaries</td>
<td>60,000</td>
<td>20,000</td>
<td>40,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7B0</td>
<td>Travel</td>
<td>8,000</td>
<td>8,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7C0</td>
<td>Supplies</td>
<td>19,000</td>
<td>14,700</td>
<td>4,300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7F1</td>
<td>Repairs</td>
<td>13,000</td>
<td>5,500</td>
<td>7,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>$100,000</td>
<td>$100,000</td>
<td>$40,200</td>
<td>$59,800</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Back at the Office:** Determine if your department has Fund Management as well as Organization Management responsibilities. Does this affect your job duties and the classes you need?
F O A P Identifies Transactions
What did I spend/buy? What did I receive/deposit?

A = Account
The code for an expenditure (salary/supplies) that subtracts from the budget balance or a receipt (tuition/fees) that adds to the budget balance. Account codes for revenues and expenses are grouped in categories called “Budget Pools.”

Example
7C0001 (six position code), Postage
1st position Account Type: “7” is “Operating Expense”
1st three positions Budget Pool: “7C0” is “Supplies”
All six positions identify the budget pool and account distribution.

Account types:
- General Ledger: What I own, what I owe, and the net difference:
  10-Assets, 20-Liability, 30-Control Accts, 40-Fund Balance
- Operating Ledger: Deposits, withdrawals, and budget adjustments:
  50-Revenue, 60-Salaries, 70-Operating Expense, 80-Transfers

Examples of Expense Budget Pools:
- 6A1-Faculty
- 6A2-Staff
- 7B0-Travel in State
- 7C0-Supplies
- 7F1-Repairs

For Budget Pools and Account Descriptions:
RaiderLink > A&F Work Tools > AFISM “channel” > Resources > FINANCE Filter >
“Account Code Descriptions” > DOWNLOAD LATEST VERSION

To Choose an Account Code:
RaiderLink > A&F Work Tools > AFISM “channel” > Resources > FINANCE Filter > “Account Crosswalk”
1. What examples are listed in 7C0001, Postage? __________________________
2. What account code might you use for paper towels to clean desks? __________________________
3. 7C0010, Consumables Office, includes what examples? __________________________
4. 7C0011, Consumables Non Office, includes what examples? __________________________
5. Description for 7C0010: __________________________
6. Description for 7C0011: __________________________
7. Based on your answers to questions 5-6, would you change your answer to question 2? Y N

For Allowable Expenditures from a fund, use the Expenditure Allowability Matrix:
RaiderLink > A&F Work Tools > AFISM > Resources > FINANCE Filter > “Expenditure Allowability Matrix”

Back at the Office:
- Does your department have a list of commonly used Account Codes?
- Be sure to attend the “Account Code Training for Expenditures” class.
Budget Control

To determine whether the Budget has funds to spend, consider FOAP versus FOP Budget Control:

When an expenditure is entered in the system, budgets are checked to verify funds are available
- Budgets might be checked at the FOAP level: Does the Pool Available have sufficient funds?
- Budgets might be checked at the FOP level: Does the Total Available have sufficient funds?

<table>
<thead>
<tr>
<th>Budget Pool</th>
<th>Budget</th>
<th>Expended</th>
<th>Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>6A4 Salaries</td>
<td>60,000</td>
<td>20,000</td>
<td>40,000</td>
</tr>
<tr>
<td>7B0 Travel</td>
<td>8,000</td>
<td></td>
<td>8,000</td>
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</tbody>
</table>

FOAP Control checks the Budget Pool Available Balance

FOP Control checks the TOTAL Available Balance

How do you know whether a budget uses FOP or FOAP checking?
- FOAP Control Rule of Thumb: State(?) funds ________ and Research Grants ________ & _____
- The RaiderLink Available Budget tab ‘visually displays’ balances according to FOP or FOAP
- A quick reference is: RaiderLink > A&F Work Tools > AFISM “channel” > Resources > FINANCE Filter > “Budget by FOP or FOAP”

Using the budget above, will a repair PO estimated at $6000 submit for processing:
- FOAP: If the budget pool available balance is $___________ can I spend $6000? Y N
- FOP: If the total budget available balance is $___________ can I spend $6000? Y N

Using the budget above, will a PO to restock supplies estimated as $6300 submit:
- FOAP: If the budget pool available balance is $___________ can I spend $6300? Y N
- FOP: If the total budget available balance is $___________ can I spend $6300? Y N

Encumbrance/Encumbering

- An Encumbrance A. cannot be spent for other purposes
- The funds B. sets aside funds for an upcoming payment
- The resulting Available Balance C. is correct for the next decision
Finance Systems

Names of Applications and Systems

60’s Wage and Salary Expenditure Transactions are entered from:
- **Electronic Personnel Action Forms (ePAF)** – Used to enter employee assignments for payroll processing.
- **EOPS, Employee One-time Payment System** – Used for single payments to employees for occasional duties not associated with their normal assignment.

70’s Operating Expenditure Transactions are entered from:
- **TechBuy** – Used to enter Purchase Orders when buying goods and services
- **Travel System** – Used to enter Travel Applications (requests to travel) and Travel Vouchers (completed travel expenses).
- **Citi-Bank Procurement Card (P-Card)** – Credit card used for purchases under $5,000.

80’s Budget Revision and Transfer Transactions are entered from:
- **Online Budget Revision System** – Used to transfer funds to a new FOP (FOP combination must be approved first), and to revise current FOPs; uses Gateway to upload revisions.

Report for Daily Review and Monthly Reconciliation are generated by:
- **Cognos** – A tool for generating reports from information systems such as Banner.

Digital Documents are stored by:
- **Xtender** – Electronic storage and retrieval system

Access to Online Data:
- **TEAM App** – Allows Financial Managers to assign online permissions for job duties

Finance Document IDs and Rules

RAIDERLINK > A&F Work Tools > AFISM “channel” > Resources > FINANCE Filter >

Document Prefix Identifiers (examples)
- 31, ! Checks
- *, E Encumbrances
- B Budget Revisions
- F Payroll / Student
- G Grant (SPAR)
- I Invoice
- J Journal Voucher, Intra Institutional Voucher, Cost Transfer
- P, R Purchasing & Contracting
- Y, Z Revenue Journal

Rule Class Codes and Descriptions
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Finance Applications

RaiderLink > A&F Work Tools >

Finance

Visit Finance Website
• Contact List By Fund Class
• ePrint
• Financial Transaction System (FiTS)
• Finance Forms
• Finance Fund Maintenance
• Finance New FOP

Financial Transaction System (FiTS): This application provides procedures for
• Cost Transfers (move expenditures from one FOP to another)
• Intra-institutional Vouchers (IVs – Service departments sales to departmental FOAPs)
• Revenue JVs (move deposit revenues to department FOAPS).

Finance Fund Maintenance: This application provides procedures to create new fund codes.

Finance New FOP: This application provides procedures to
• Create and change new FOP combinations
• Submit Organization Code Requests
• Change Financial Managers.
The ABC's of Financial Management

Regents’ Rules 07.01: Financial Managers and Fund Managers have the fiduciary responsibility of managing activity related to the funds and organizations for which they are assigned, including the activities of assigned delegates.

A - Practice Accountability

- Complete appropriate training
- Know the Allowed Expenses for your FOPs
  - Expenditure Allowability Matrix
- Follow proper accounting guidelines
  - OP Series 62 – Finance and Accounting
- Follow procurement guidelines
  - OP Series 72 – Procurement

B - Maintain Signature Authority

- Organization Manager uses TEAM App to request access
- Manager can assign his own access
- Request Procurement access
  - Shopper – create a purchase order
  - Requestor – order, approve up to $5000
  - Approver – order, approve to budget; has financial manager privileges also
- Request HR access (personal, confidential)
  - ePAF Approver
  - Web Time Entry, Web Leave Reporting
  - HR Reporting access
- Request Budget Prep access
  - View your Financial Profile
  - Reports of Assignments granted

C - Review Reports Regularly

- Conduct monthly reviews
  - Each month is held open for final entries until the 10th of the following month.
  - FI045 – Monthly Ledger Report
- Review recent transactions
  - FI030, FI137 – Encumbrance Transactions
  - FI026 – Operating Ledger Transactions
  - FI027 – Balance Sheet Transactions
- Review Balances before transacting; Expenses cannot exceed Receipts; Maintain positive Fund/FOP balances:
  - RaiderLink “Available Budget” tab
  - FI002 / FI004 – Revenue Expense Budget by FOP
  - FI009 – Changes in Fund Balance
  - FI010 – Balance sheet

Back at the Office:
- Reminders on pages
  - 3 – Granted permission for TechBUY?
  - 5 – FOP and Fund Management?
  - 6 – Account Code Training?
- Use the AFISM Training Checklist to plan your class schedule
- Register for classes in Cornerstone