

Administrative Information Systems (AIS)

Unit 1: Chart of Accounts

Self-Directed Learning for Department End Users

Overview

This document provides an overview of Administrative Information Systems (AIS) and an Introduction to the Chart of Accounts, which should equip you with a basic understanding of the underlying structure of AIS.

What Will I Learn?

After completing this tutorial, you should be able to:

- List and define the Oracle Applications that comprise AIS.
- Identify Other System Tools required to interact with AIS.
- Define the Chart of Accounts, its purpose and use.
- Define the Accounting Flexfield (AFF) and its characteristics.
- Identify the 12 segments of the Accounting Flexfield.

What is AIS?

- AIS is SIU's Financial, Human Resource, Payroll and associated systems designed to meet University-wide business needs.
- The AIS Overview and Chart of Accounts is the first unit in the online, self-direct training for AIS end users. This Unit has been broken in to FIVE Learning Modules to help you learn and identify the components of AIS.
- To re-enforce the main components, we have added learning activities for each module. Complete the learning activities and then check for the correct answer in Appendix A: Learning Activity Answers.
- Also, a final assessment has been added at the end for your review.

IMPORTANT: The activities and assessment are for your use only to help you gauge how well you understand the concepts presented. No reporting or submission of results is required.

Introduction to AIS

The following modules will be introduced in this document.

- Module 1: Oracle Applications
- Module 2: Other System Tools
- Module 3: Chart of Accounts (COA)
- Module 4: Accounting Flexfield (AFF)
- Module 5: Segments of AFF

Module 1: Oracle Applications

- This module introduces five Oracle Applications used by SIU; these applications comprise only one part of AIS.
- **General Ledger (GL)** – This module is the core accounting tool for AIS. It keeps track of all financial dealings of the University.
 - Budgets are created and tracked.
 - All revenues and expenses are recorded and managed through the GL.
- **Purchasing (PO)** – This module manages the purchase of goods and services by the University. It monitors entry and approval of purchase orders, along with receipts for goods and services purchased. It also manages requests for quotations, supplier information, and item ordering information.
- **Accounts Payable (AP)** – Accounts Payable pays the University’s bills associated with the purchase of goods and services, including travel reimbursement.
- **Fixed Assets (FA)** – This module tracks equipment and similar assets, which must be registered for audit and report purposes. The application records purchase, location and current value of these assets.
- **Human Resources Management System (HRMS)** – This module manages the people (employees) and payroll elements of the University’s business.
 - All employee records: employment, benefits, reviews, salary and personal data are store in this application.
 - This application also handles employee compensation and all the information necessary to complete payrolls within the University – pay rates, deductions, time records, etc.



Learning Activity 1: Underline the correct answer.

Q1: Which module is responsible for equipment tracking?

- Human Resources
- Fixed Assets
- General Ledger

Q2: The application that is responsible for Payroll Functions is:

- Human Resources
- Fixed Assets
- General Ledger

Module 2: Other System Tools

- This module introduces three more components or "tools" that you will use as you interact with AIS.
 - Electronic Forms
 - Special Searches
 - Software Downloads

Electronic Forms

- This web-based system includes current business forms and instructions to be used by SIU's departments as they interact with AIS.
- Links to the Electronic Forms are accessible from the AIS Home Page. There are separate links for the SIUC eForms and the SIUE eForms. The URLs are:
 - Carbondale forms are available at <http://eforms.siu.edu/index.html>
 - Edwardsville forms are available at: <http://www.siue.edu/FORMS/AIS>

Special Searches

- SIU has prepared a variety of search utilities to help departments use AIS available from the AIS Home Page. Click the SPECIAL SEARCHES link or enter the URL: <http://oit.siu.edu/ais/special-searches/index.php>
- Search items you will find:
 - Financial Applications**
 - * Grant Accounts with Assignee Information
 - * Crosswalk - Link to Budget Office Search
 - * Object Code Search
 - * FAS Crosswalk - Edwardsville Only
 - Purchasing/Procurement**
 - * Prime Vendor Contracts - Purchasing Office
 - * Vendor Name/Tin Search

Software Downloads

- Following is a list of software required to interact with AIS. The software can be downloaded using the URL: <http://daffy2.siu.edu:8080/New%20Site/downloads/downloads.php>
 - Adobe Acrobat - needed to view AIS custom reports in .pdf format.
 - Java - required to run Oracle applications.
 - Oracle Reports Macro - a custom tool that allows users to easily format AIS standard reports when using Microsoft Word.



Learning Activity 2: Underline the correct answer.

- Q1:** The System Tool used to locate a vendor's tax ID number is
- a. Special Searches
 - b. Software Downloads
 - c. Electronic Forms (E-Forms)
- Q2:** For ease in viewing reports in MS Word, you can download
- a. OracleReports Software
 - b. Java Software
 - c. Adobe Acrobat Software

Module 3: Chart of Accounts (COA)

- **What is the COA?** The “Chart of Accounts” (COA) is a grouping of financial accounts used for recording and reporting of financial data.
- The **Chart of Accounts** identifies:
 - Assets..... what SIU owns
 - Liabilities..... what SIU owes
 - Fund Balance..... what SIU owns (assets) minus what SIU owes (liabilities)
 - Revenues..... incoming funds
 - Expenses..... outgoing funds
- The **Chart of Accounts** is implemented in to AIS using the "Accounting Flexfield (AFF)".



Learning Activity 3: Underline the correct answer

Q1: “Outgoing Funds” as related to the Chart of Accounts are:

- a. Liabilities
- b. Revenues
- c. Expenses

Q2: “What SIU Owes” as related to the Chart of Accounts is defined as:

- a. Revenues
- d. Liabilities
- e. Expenses

Module 4: Accounting Flexfield (AFF)

- This module introduces you to SIU's Accounting Flexfield (AFF). The focus will be on the following topics.
 - Characteristics of the AFF
 - Campus Indicator

Characteristics of the AFF

- The AFF is composed of 12 unique segments and has a total of 49 characters.
- Each segment represents a different financial characteristic, showing how resources are received and used.
- The AFF allows reporting on different views of SIU's financial condition.
- A specific combination of segment values is referred to as an "Account Combination".

Accounting Flexfield (AFF)

Campus Indicator

- The Campus Indicator identifies the major budget organizations to which the segment value belongs.
- The values identifying the Campus Indicator are:
 - 0 - President
 - 1 - University-Wide Services
 - 2 - Carbondale (3 and 4 are available for expansion)
 - 5 - Springfield (6 is available for expansion)
 - 7 - Edwardsville (8 is available for expansion)
 - 9 - University Related Organizations
- The Campus Indicator is the FIRST placeholder in the following segments.
 - Fund
 - Unit
 - Budget Purpose
 - Department Activity 1
 - Department Activity 2



Learning Activity 4: Underline the correct answer

Q1: The Accounting Flexfield (AFF) contains:

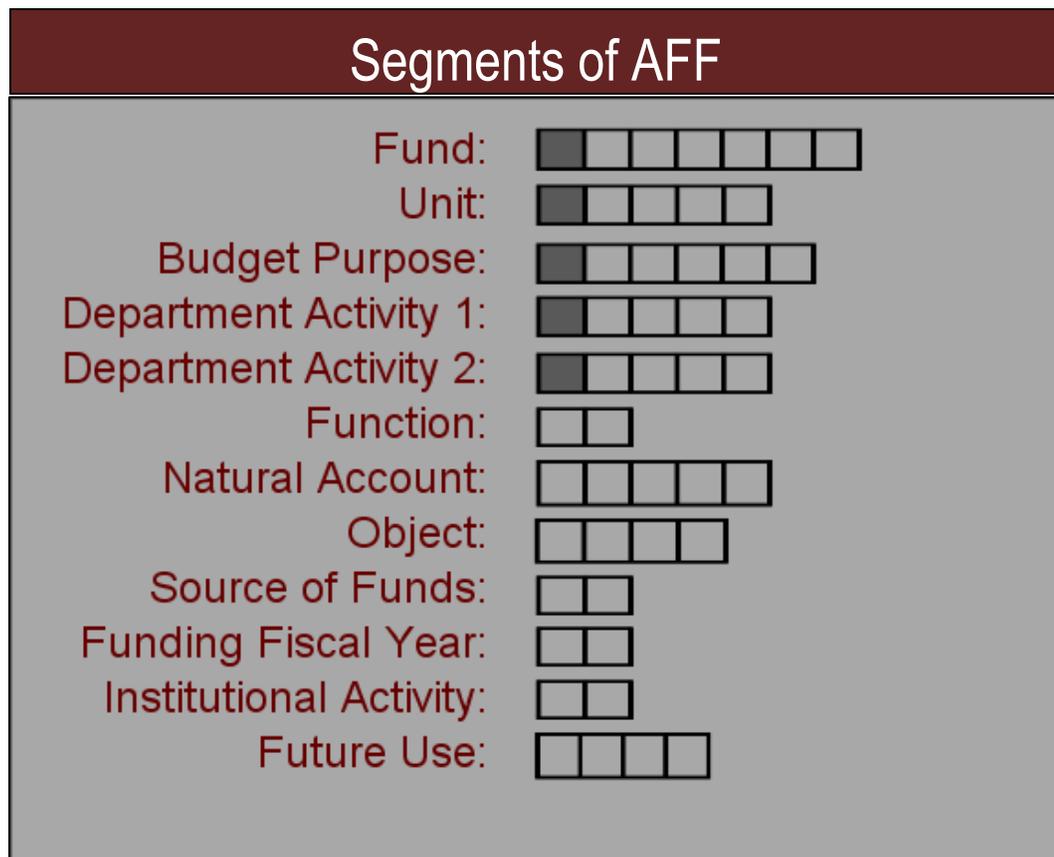
- a. 2 segments and 50 characters
- b. 5 segments and 49 characters
- c. 12 segments and 49 characters

Q2: The Campus Indicator is a placeholder for which position in the Fund, Unit, and Budget Purpose segments.

- a. Second
- b. First
- c. Third

Module 5: Segments of the Accounting Flexfield (AFF)

- This fifth and final module for Unit 1 introduces you to the 12 segments that make up the Accounting Flexfield, as shown in the image below.
- The segment name is displayed in the column on the left. To the right is a placeholder for each digit in the segment. The gray, shaded boxes in first position represent the placeholder for the Campus Indicator.



Segments of AFF

- **Fund** - a unique number that identifies a fiscal entity purposed to carry on specific activities.
 - Records financial resources, related liabilities, and fund balances.
 - Contains seven digits; the first digit is the Campus Indicator.
 - Example: Institutional Operating Fund, Edwardsville
- **Unit** - a unique identification number assigned to each academic or administrative unit within SIU.
 - Contains five digits; the first digit is the Campus Indicator.
 - Example: Vice Chancellor Student Affairs, Carbondale.
- **Budget Purpose** - a unique, assigned number that identifies a specific budgeted program or activity within a Unit. Each Budget Purpose relates to one Unit and one Fund.
 - Budgeting is required at this level.
 - Contains six digits; the first digit is the Campus Indicator.
 - Example: Institutional Planning, School of Medicine.

- **Department Activity 1 and 2** - unique numbers assigned for specific use, as defined by the using Department; use is optional.
 - Supports budgeting and tracking of expenditures at a level lower than Budget Purpose; e.g., building specific expenses for Physical Plant.
 - Contains five digits each; the first digit in each is the Campus Indicator.
- **Function** - identifies budget and expenditures by NACUBO classifications.
 - Will be a single assigned value for each Budget Purpose at the time the account is created.
 - Contains two digits.
 - Example: Instruction.
- **Natural Account** - used for financial statement classification and preparation.
 - Identifies activity by account type for assets and liabilities.
 - Contains five digits.
 - Example: Cash Assets.
- **Object** - indicates type of revenue or expense in each transaction.
 - Contains four digits.
 - Example: Equipment expenditures
- **Source of Funds** - identifies revenue source within Fund
 - Contains two digits.
 - Example: Income Fund.
- **Funding Fiscal Year (FFY)** - fiscal year of the transaction. Used only for state-funded accounts. Must be included for all transactions on these accounts. Always defaults to "YY" for all other accounts.
 - Contains two digits.
- **Institutional Activity** - identifies a specific University-wide program or activity. No planned use at this point.
 - Contains two digits.
- **Future Use** - reserved for future needs of the University.
 - Contains four digits.
- The image below is an example of an AFF fully populated.

The screenshot shows a window titled "Accounting Flexfield" with the following fields and values:

Fund	2030100	ADMINISTRATIVE INFORMATION SYSTEM-PRODUCTION
Unit	23515	(SEE UNIT 21299) ADMINISTRATIVE INFORMATION SYSTEMS OFFICE
Budget Purpose	200100	ADMINISTRATIVE INFORMATION SYSTEM-PRODUCTION
Dept Act 1	00000	Default
Dept Act 2	00000	Default
Function	16	INSTITUTIONAL SUPPORT
Natural Account	50000	Expenditures - Line Item
Object	4276	1180 Employer Contributions for Group Insurance
SOF	00	Default
FFY	YY	Default
Ins'l Act	00	Default
Future	0000	Default

At the bottom of the window are buttons for OK, Cancel, Clear, and Help.



Learning Activity 5: Underline the correct answer

Q1: Which segment identifies the level at which budgeting occurs?

- a. Budget Purpose
- b. Unit
- c. Fund

Q2: The segment that indicates the type of revenue or expense in each transaction is:

- a. Unit
- b. Object
- c. Source of Funds

Q3: The five digit segment described as a unique identification number assigned to each academic or administrative unit within SIU is:

- a. Dept. Activity 1 or Dept. Activity 2
- b. Unit
- c. Natural Account

Q4: The segment used only for state-funded accounts and defaults to two characters for all other accounts is:

- a. Inst. Act.
- b. Function
- c. Funding Fiscal Year (FFY)

Assessment

To evaluate your learning experience, we have compiled a ten-question, True-False assessment.

The purpose of this assessment is to help you determine if you understand the concepts presented in this document.

- Circle the correct answer: T for True, F for False.
- The correct answers are provided in Appendix A.
- NO submission of results is required.

AIS and Chart of Accounts Assessment

- T F** 1. Accounts Payable is the AIS application that pays the University's bills associated with the purchase of goods and services.
- T F** 2. The AIS application that monitors employee benefits is Human Resources.
- T F** 3. The Fund segment contains seven digits. The Campus Indicator is in the second position.
- T F** 4. To locate supplier information you would use Other System Tools.
- T F** 5. The Human Resources application creates and tracks budgets.
- T F** 6. The Fixed Asset application is used to find the location of a piece of equipment.
- T F** 7. Installing Adobe Reader Software on your computer improves viewing of AIS reports in Microsoft Word.
- T F** 8. The grouping of financial accounts is called an "~~Account Combination~~" *the Chart of Accounts*.
- T F** 9. The Chart of Accounts is implemented in AIS as the Accounting Flexfield.
- T F** 10. The Funding Fiscal Year (FFY) segment is only used for Local Accounts.

Appendix A

Appendix A contains the answers to the learning activities for each module and the assessment questions.

You can check your answers and then determine if you need to review the content of this document a second time to gain a better understanding of the information presented.

If you determine that you have grasped the main concepts, then we recommend that you keep the document to begin a collection of AIS training documents for end users.

Learning Activity Answers

<p>Module 1: Oracle Applications</p> <p>Q1: Which module is responsible for equipment tracking? Answer: b. <u>Fixed Assets</u></p> <p>Q2: The application that is responsible for Payroll Functions is. . . Answer: a. <u>Human Resources</u></p>	<p>Learning Activity 1</p>
<p>Module 2: Other System Tools</p> <p>Q1: The System Tool used to locate a vendor’s tax ID number is. . . Answer: a. <u>Special Searches</u></p> <p>Q2: For ease in viewing reports in MS Word, you can download. . . Answer: a. <u>OracleReports Software</u></p>	<p>Learning Activity 2</p>
<p>Module 3: Chart of Accounts</p> <p>Q1: “Outgoing Funds” as related to the Chart of Accounts are Answer: a. <u>Expenses</u></p> <p>Q2: “What SIU Owes”, as related to the Chart of Accounts, is defined as Answer: a. <u>Liabilities</u></p>	<p>Learning Activity 3</p>
<p>Module 4: Accounting Flexfield (AFF)</p> <p>Q1: The Accounting Flexfield (AFF) contains: Answer: c. <u>12 segments and 49 characters</u></p> <p>Q2: The Campus Indicator is a placeholder for which position in the Fund, Unit, Budget Purpose, etc. segments. Answer: a. <u>First</u></p>	<p>Learning Activity 4</p>
<p>Module 5: Segments of AFF</p> <p>Q1: Which segment identifies the level at which budgeting occurs? Answer: a. <u>Budget Purpose</u></p> <p>Q2: The segment that indicates the type of revenue or expense in each transaction is . . . Answer: a. <u>Object</u></p> <p>Q3: The five digit segment described as a unique identification number assigned to each academic or administrative unit within SIU is. . . Answer: a. <u>Unit</u></p> <p>Q4: The two character segment used only for state-funded accounts is. . . Answer: a. <u>Funding Fiscal Year (FFY)</u></p>	<p>Learning Activity 5</p>

Answers to Assessment True or False Questions

NOTE: Incorrect answers have been replaced with the correct ones.

- T** 1. Accounts Payable is the AIS application that pays the University's bills associated with the purchase of goods and services.
- T** 2. The AIS application that monitors employee benefits is Human Resources.
- F** 3. The Fund segment contains seven digits. The Campus Indicator is in the ~~second~~ *first* position.
- T** 4. To locate supplier information you would use Other System Tools.
- F** 5. The ~~Human Resources-General Ledger~~ application creates and tracks budgets.
- T** 6. The Fixed Asset application is used to find the location of a piece of equipment.
- F** 7. Installing ~~Adobe Reader Software~~ Oracle Reports Macro on your computer improves viewing of AIS reports in Microsoft Word.
- F** 8. The grouping of financial accounts is called an ~~"Account Combination"~~ *the Chart of Accounts*.
- T** 9. The Chart of Accounts is implemented in AIS as the Accounting Flexfield.
- F** 10. The Funding Fiscal Year (FFY) segment is only used for ~~Local-State~~ Accounts.