

Banner Finance: VC Departmental Expenditure Coding

NOTE: These guidelines are for VC Departmental Expenditure Coding only. For *grant-specific guidelines*, please see the VC Grants & Contracts Manual at <http://www.victoriacollege.edu/docs/default-source/CollegeAdvancement/grants/portal/vcgrantscontractsmanual.pdf>

Organizational Allocations

Utilities and custodial services are allocated to auxiliary enterprises (Bookstore, Student Center, Leo J. Welder Center for the Performing Arts and the Conference & Education Center) based upon square footage of area utilized. Utilities are not allocated to other institutional organizations or federal, state, or local grant awards. The amount allocated is a fixed dollar determined during the time the annual operating budget is prepared.

Copier rental charges *not specifically tied to an institutional organization* are allocated across institutional organizations per the active organization list at the time the annual operating budget is prepared, unless a Vice President/President has specifically excluded an organization from receiving a charge. The allocation is based upon known rental agreements at the time the annual operating budget is prepared. Only direct, identifiable copier rental charges are recorded in federal, state, or local grant awards.

Technology Services are allocated on a per-person, by organization basis and is determined by the number of positions budgeted during preparation of the annual operating budget. The amount allocated is a fixed amount per computer unit determined during preparation of the annual operating budget. Technology services are not allocated to federal, state, or local grant awards.

Chart of Accounts

VC's Chart of Accounts (COA) consists of the following elements:

Fund Code

Organization Code

Account Code

Program Code

The combination of these elements is referred to as FOAP coding.

Fund Code: Fund types are used to designate the underlying funding source of a particular fund. VC uses fund types as follows: unrestricted (1XXX funds), auxiliary enterprises (fund 3001), debt service (fund 2803), construction (fund 2903), general fixed asset and long-term debt (fund 9001), and federal (20XXXX funds), state (25XXXX funds), or local grant (27XXXX).

Organization Code: Organization code refers to the VC department.

Account Code: The account code signals the *natural classification of the expense*.

Program Code: The program code signals the *purpose* (element of cost per Texas Higher Education Coordinating Board requirements).

Salaries & Wages (60xx, 61xx, 62xx, 63xx and 64xx Accounts)

Salaries and wages are recorded in accounts beginning with 60, 61, 62, 63 or 64 by salary/wage type:

60xx: Salaries & Wages – Faculty

61xx: Salaries & Wages – Professional

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62xx: Salaries & Wages – Non-Exempt Staff

63xx: Salaries & Wages – Student Workers

64xx: Salaries & Wages – Supplemental

All labor costs are assigned based upon hours worked. Payroll Action Forms (PAFs) are completed as personnel is added or changes are required for change in department or rate of pay. The FOAP codes are listed on the PAF along with the percentage to be allocated to the specific FOAP.

Release Time Costs. Vacation, sick leave used, and paid holidays (see VC calendar) are considered part of salary costs. Since such costs are part of salary, the recipient does not claim release time costs as separate charges.

Benefits (69xx Accounts)

Benefits are recorded in accounts beginning with 69. Benefits are paid according to the FOAP information contained on the PAF or Special Assignment Agreement (SSA), as appropriate, for all benefits-eligible staff. Amounts are recorded at the actual cost and are not based upon averages or allocations.

Departmental Charges (705x Accounts)

Central Stores, Media Services, Central Mail, and Printing departments that may be utilized by VC departments. Charges are recorded at each month end based upon billing information provided by the department providing services.

Professional and Contracted Services (71xx Accounts)

This group of expenditures includes contract services, equipment service, purchased instruction, repairs and maintenance, and software maintenance.

Insurance (715x Accounts)

This group of expenditures includes liability and property insurance.

Advertising & Public Relations (718x, Type 7F Accounts)

Advertising and public relations includes expenditure line items advertising, marketing, and public relations.

Rental Expenditures (719x Accounts)

Facilities or equipment rental would be recorded in these line items, as applicable.

Supplies (720x and 721x Accounts)

This group of expenditures includes supplies, AC filters, computer software, heating and air conditioning supplies, and vehicle supplies and repairs. The very specific supply accounts (AC filters, heating and air conditioning supplies, and vehicle supplies and repairs) are typically utilized by Plant Maintenance and Operations organizations.

Training & Conference Fees (722x Accounts)

Training, conference fees, and professional development are available line item expenditures.

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Travel (725x Accounts)

Travel encompasses all expenditures related to the costs of travel including, but not limited to, mileage reimbursement, tolls, fuel, airfare, lodging, vehicle rental, parking, internet, phone, taxi service, purchases at the conference or meeting of required course materials (e.g. books), and meals. Student travel and travel associated with accreditation are also included in this category. Travel costs consistent with VC's travel policies are allowed.

See travel reimbursement policies at:

<http://www.victoriacollege.edu/images/AdministrativeServices/BusinessOffice/travelpolicy.pdf>

Utilities (730x Accounts)

The utilities category includes electricity, natural gas, water, and waste disposal.

Other Operating Expenditures (735x – 745x Accounts)

The other operating expenditure category picks up “all other” costs not specifically identified in another account grouping.

Financial Aid Disbursements (75xx Accounts)

The financial aid disbursements category contains accounts to delineate tuition reimbursement on grant awards/projects. Grant awards drive significant numbers of Skills Development Fund projects and grants to support scholarships.

NOTE: This category is *not utilized by VC departments*.

Capital Outlay (8xxx Accounts)

Capital outlay includes buildings (8003), architect and engineering fees (8004), consulting services (8006), construction contractor services (8008), computer and technology hardware, equipment < \$5,000 unit cost, and equipment ≥ \$5,000 unit cost.

General: All VC institutional organizations utilize the following accounts:

8022 - Computer and technology hardware

8024 - Equipment < \$5,000 unit cost

8026 - Equipment ≥ \$5,000 unit cost

Construction: Construction projects are accounted for in Fund 2903 using any/all relevant account codes.