

Budget Terminology

A budget is normally defined as the amount of money in a given year that an organization is allocated to spend. However, the budgeting process runs much deeper than this basic explanation. If done properly, the process of budgeting can be one of the most powerful tools utilized to ensure the continued viability of your department. So, to help with this process a few selected key terms are provided below.

FOAPAL Elements					
Acronym for the six Chart of Accounts (COA) elements used to process financial data.					
Another acronym that is often used to reference the COA elements is FOPA, which refers to: Fund, Organization, Program, and Activity.					
F	O	A	P	A	L
Fund	Organization (Org)	Account	Program	Activity	Location
identifies where the money comes from	identifies who the transaction belongs to	identifies what the transaction is	identifies how the money is spent (instruction, research, academic support, etc.)	identifies why the transaction is being made	identifies where the money is being spent (rarely used)

Index

Indexes are shortcuts used to speed up data entry and improve accuracy. They are mapped to unique combinations of Chart of Account (COA) elements, typically fund, organization, program, and sometimes activity (FOPA).

If you create a budget or expense entry using an index, but change one element, you are technically no longer using that index.

Transactions in Banner are made to the FOAPAL string, not to an index. It only translates the index to the unique combination of FOPA elements

- Fund
- Organization
- Account
- Program
- Activity
- Location

• Index
+ Account

Chart Source: Kelly Wolf, AVP/Controller BAO, PSI Accounting presentation

Organization Hierarchy

Organization (Org) Hierarchy is the second element of an index's FOAPAL.

There are a number of "levels" of organization within the University. We often refer to "Level 3" or "RU" (Responsibility Unit) as the main level of responsibility for reporting or budgeting expenses, revenue, etc.

To have a better grasp of where your organization falls within the hierarchy of the University see the overview below. Organization hierarchy reports and queries exist both in Cognos and Banner. No matter what "level" your organization is, there is still a budget process associated.

- Level 1: University of Oregon
- Level 2: Vice President or Executive
- Level 3: Deans and Directors (RUs)
- Level 4: Departments or Managers
- Level 5: Department Divisions
- Level 6: Special Departments or Programs
- Level 7: Sub-Division of Departments or Programs
- Level 8: Sub-Division of Departments or Programs

Program Codes

Program code is the fourth element of in index's FOAPAL.

A program code identifies the function that a transaction is related to, such as Instruction, Administration, Research and Public Service. Program codes are used for reporting expenses in financial statements for the University. In addition, this University expenditure data is used in the preparation of reports to national organizations and in the Facilities and Administration Rate (F&A) proposal.

Below are a few of the program codes used at the University:

00000 Instruction and Dept Research	30000 Academic Support
01xxx Regular Instruction	300xx Libraries
05xxx Summer Session Instruction	302xx Museums & Galleries
07xxx Continuing Education	304xx Educational Media Services
09xxx Other Instruction	306xx Academic Admin (e.g., Deans' Offices)
10000 Research	40000 Student Services & Activities
10xxx Institutes & Research Centers	400xx Student Services
15xxx Individual or Project Research	402xx Counseling Center & Career Guidance
19000 Research Reserves	404xx Financial Aid Services
20000 Public Services	45000 Auxiliary Services
	991xx Service Departments

<https://ba.uoregon.edu/finance-and-accounting/chart-of-accounts>