



FAS Memo 2011-02

Date: March 7, 2011

To: Reynolda Campus Personnel

From: Brandon E. Gilliland
Assistant Vice President for Finance and Controller

Subject: Fiscal Year 2012 Expense Budgets and Chart of Accounts Changes

As the Reynolda Campus begins the fiscal year 2012 budget process, Financial & Accounting Services (FAS) would like to provide you a summary of account code changes that will be effective July 1, 2011, as well as ask for your assistance in properly coding financial transactions (e.g. invoices, purchase orders, journal entries). Consistent and accurate reporting of expenses is imperative to the prudent management and oversight of University resources as well as meeting the increasing regulatory compliance requirements within the higher education industry. As announced in FAS Memo 2011-01 to campus dated September 20, 2010, FAS introduced an Account Code Dictionary for commonly used expense accounts providing guidance on the appropriate and consistent use of approved account codes. We ask that you refer to this guide at <http://www.wfu.edu/fas/> as you are developing your fiscal year 2012 operating budget.

After a thorough analysis of existing commonly used expense accounts and feedback from the campus community, several changes intended to provide further clarification, continued effort to eliminate redundancy, and consistency in financial reporting and oversight will take effect July 1, 2011. Changes to the expense account codes of the University's chart of accounts include:

1. 51518 (Computers-Faculty), 51519 (Computers-Staff), 51520 (Computers-Students), and 53023 (Computer Software <\$5K) have been inactivated and combined into account 51513 (Computer Equipment & Software <\$5K).
2. 52017 (Renovations) has been inactivated and combined with 51526 (Minor Renovations).
3. 53012 (Copy Expense) and 53028 (Bulletins/Brochures) have been inactivated and combined with 53013 (Copy and Printing Expense).
4. We have added a new account for International Travel (54009: Travel – International) and changed the name on 54010 (Travel – Domestic).
5. 54011 (Catering) has been inactivated and combined with 54018 (Entertainment, Local Meals and Food).
6. 54517 (Contract Services) has been inactivated and combined with 54514 (Professional and Contract Services).
7. 49030/70030 (Allocation – Cable Costs) have been inactivated and combined with 49012/70012 (Allocation – Telecom and Cable Cost).

8. 49043/70043 (Allocation – Faculty Apartments) have been inactivated and combined with 49016/70016 (Allocation – Rent).

Following your assessment of the above changes, if you determine that further segregation of expense activity is necessary, creating activity codes may be your solution. An activity code, which is an optional element of our chart of accounts, can be used to further define and track transactions within a Fund, Organization, or Account (e.g. projects, special events, recurring campus events, etc.). Activity codes are 6 character alphanumeric values (e.g. U00001). **NOTE:** Activity codes can be used within individual departments or across several departments to capture specific expenses in aggregate (e.g. commencement).

If you should have any questions concerning this memo or the definitions in the Account Code Dictionary, please email the Chart of Accounts Listserv at coa-help@lists.wfu.edu.

As always, we appreciate your assistance and welcome your feedback.