http://banner.fandm.edu/

Banner Chart of Accounts Overview

Introduction
The Chart of Accounts is the numbering system used by Banner Finance to capture financial transactions and facilitate retrieval of information for reporting and decision-making purposes. In order to process any accounting transaction in Banner (payroll, requisitions, purchase orders, check requests, invoices, cash receipts, journal vouchers, travel advances, etc.), it is necessary to use the correct coding structure. In Banner, this coding structure is known as the FOAPAL. At Franklin & Marshall College, there is only one Chart of Accounts in Banner known as chart F.

FOAPAL means:
- **F**und (5 or 6 digits)
- **O**rganization (5 or 6 digits)
- **A**ccount (5 digits)
- **P**rogram (2 digits)
- **A**ctivity (up to 6 characters)
- **L**ocation (3 to 6 digits)

Banner Coding Structure
The below examples will be referenced throughout the remainder of this document:

<table>
<thead>
<tr>
<th>Banner Chart</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General format</td>
<td>Fund-Orgn-Acct-Prog-Activity</td>
</tr>
<tr>
<td>Department X travel</td>
<td>10000-10358-54500-10-(n/a)</td>
</tr>
<tr>
<td>Department X foreign travel</td>
<td>10000-10358-54520-10-FAR</td>
</tr>
<tr>
<td>Business Office restricted fund travel</td>
<td>234567-60050-54500-61-(n/a)</td>
</tr>
</tbody>
</table>

**Fund (Required)**
In Banner, the Fund is used to indicate the funding source (WHERE the money is coming from or going to). In the above examples, “10000 – Unrestricted Operating Fund” and “234567 – Business Office Restricted Fund” are the funds. Funds are five- or six-digit numbers.

- The following items are funds. You **must** know the correct Fund:
  - Grants
  - Faculty and student research projects/awards
  - Faculty start-up funds
  - Endowed chair funds
  - Funds designated for a specific purpose
  - Donor restricted funds (non-endowed)
  - Endowment spending funds
  - Capital projects
  - Agency accounts/funds
• The first digit of the Fund defines the type of fund:
  o 1 – Unrestricted funds (i.e., general operating)
  o 2 – Restricted funds
    ▪ 25XXX – Federal grants
    ▪ 26XXX – State grants
  o 3 – Endowment spending funds
  o 4 – Endowment funds
  o 5 – Plant funds (i.e., capital projects, etc.)
  o 6 – Agency funds
  o 7 – Millport entity funds (not for F&M use)
  o 8 – Advanced Studies in England entity funds (not for F&M use)

Organization (Required)
Organization identifies the department (WHO is processing transactions). It identifies a unit of budgetary responsibility. In the examples, “10358 – Department X” and “60050 – Business Office” are the Organizations. Organization codes are five- or six-digit numbers.

Account (Required)
Account is used to specify the natural classification of revenue and expense activities (WHAT kind of revenue or WHAT kind of expense). (It replaces the Object Code, the second set of four digits, in the old system.) In the examples, “54500 – Travel” and “54520 – Travel Foreign” are the Accounts. All accounts are five-digit numbers.

  • The first digit of the Account code indicates the following:
    o 1 – Asset (Finance use only)
    o 2 – Liability (Finance use only)
    o 3 – Control account or fund balance (Finance use only)
    o 4 – Revenue
    o 5 – Expense (non-personnel) – most commonly used account
    o 6 – Expense-personnel
    o 8 – Transfer (Finance use only)
    o 9 – Non-operating activity (Finance use only)
    o F – Fund addition or deduction (Finance use only)

Program (Required)
Program codes are two-digit numbers that drive the preparation of financial statements (WHY the funds are being collected or spent). In the examples, “10 – Instruction” and “61 – Institutional Support-management & general” are the Program codes.

Activity (Sometimes Used)
Activity codes are used for different purposes:
• They track multiple projects when all of the funding is associated with one source. An example would be a specific theatre production that is part of the Theatre Department operating budget.
• They can also further define an expenditure. For example, the IRS requires reporting of all foreign expenses by region of the world (i.e., foreign travel, study abroad, international research or conferences, contributions benefiting foreign organizations, etc.). The activity code is used to indicate with what country the expense is associated.

Activity codes are up to six digits and are alpha or alpha-numeric. Not every Fund or Organization will make use of Activity codes. Only one of the FOAPAL examples includes an
Activity code (10000-10358-54520-10-FAR). The FAR indicates the foreign travel was to Argentina.

If you wish to inquire about the use of Activity codes, please contact Kathy Bartel (ext. 4210, kathleen.bartel@fandm.edu) in the Business Office to discuss options. Any office using Activity codes is responsible for supplying the Activity codes on all relevant transactions.

**Location (Sometimes Used)**
Location codes define the physical location of items at the College. They are used to track where fixed assets are located, as well as track items such as utilities or repairs and maintenance by building/space. Location codes are between three and six digits.

**What Funds, Organizations, and Account codes do I use?**
With the implementation of Banner, all users should have been provided with a list of their specific Fund/Organization/Program number combinations. Lists of Account codes, Activity codes, and Location codes are in the attached appendices. They are also available online on the ERP website at [http://www.fandm.edu/banner-docs](http://www.fandm.edu/banner-docs).

**During the transition to Banner, a key tool available is a crosswalk that converts a number from the old system into the new Banner FOAPAL which can then be used for transactions. The crosswalk tool is available at [http://go.fandm.edu/bannerxwalk](http://go.fandm.edu/bannerxwalk).**

All questions regarding the Chart of Account should be directed to Cherie Cryer (ext. 4563, cherie.cryer@fandm.edu) or Kathy Ellehausen-Slobozien (ext. 4215, kathy.ellehausenslobozien@fand.edu) in the Business Office.

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