

INTRODUCTION TO FINANCIAL REPORTS: REFERENCE GUIDE

FINANCIAL REPORTS VOCABULARY

Actuals: The total of all actual activity for a given balance line of the selected fiscal year. Only transactions that have posted to the General Ledger are included in the Actuals calculation.

Base budget: An account's foundation amount that is created annually for, and guaranteed by, the unit's responsibility center or chart. Base budgets are based on historical performance and future plans and designate an ongoing fiscal commitment. General fund accounts are base-budgeted.

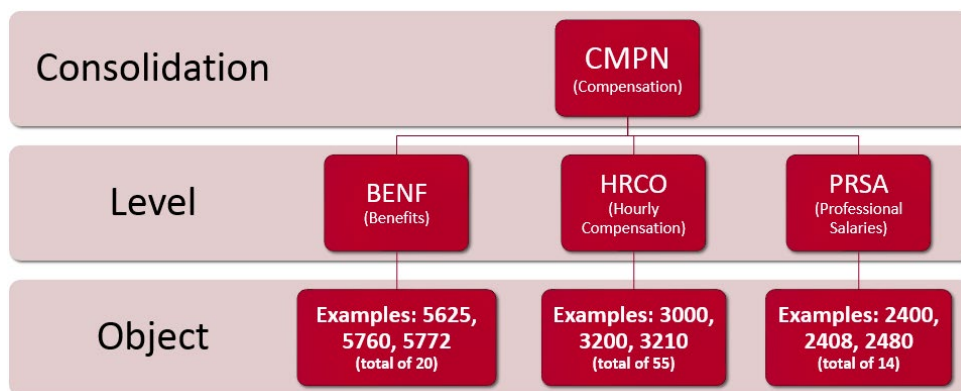
Budget: A plan for how resources will be used, itemized by object code. IU uses both current and base budgets.

Current budget: A plan for the resources a unit has to work with during the fiscal year. A current budget is a temporary budget that only applies to the current fiscal year. All accounts, with the exception of 92 accounts, have a current budget.

Encumbrances: An amount set aside to cover a future anticipated expense. Encumbrances allow for a more accurate picture of funds remaining on an object code. Different types of encumbrances represent different types of expenses. Common encumbrances:

- **External Encumbrance (EX):** Anticipated disbursement of funds to an entity outside IU.
- **Internal Encumbrance (IE):** Anticipated disbursement of funds to an entity within IU.
- **Pre-Encumbrance (PE):** Encumbrance is manually placed on an account.

Object code consolidation hierarchy: An organizational system that allows for the grouping of similar object codes for reporting purposes. Made up of (in descending order) consolidations, levels, and codes.



Org reversion: A year-end process to either carry forward budget balances or revert those balances to the Responsibility Center. What happens to a general fund account's variance at the end of the year.

Variance: The amount of funds remaining for the rest of the fiscal year. A calculation of the difference between the current budget amount and the actual and encumbered amounts.

- **Income Variance:** What we expect to earn.
- **Expense Variance:** What we have left to spend.

More information: <https://fms.iu.edu/documentation/accounting-terminology/>

FINANCIAL REPORTING ENVIRONMENT

Kuali Financial System (KFS) Balance Inquiries

- Seven lookups available to KFS users.
- Retrieve transactional data posted to the General Ledger, including budgets, actuals, and encumbrances.
- Must have KFS access to run.
- More information: <https://fms.iu.edu/documentation/general-ledger-balance-inquiry-overview/>

Indiana University Information Environment (IUIE)

- Enterprise-wide, web-based operational reporting system.
- Collection of reports that allow users to access IU's institutional data.
- Maintained by Decision Support Services (DSS).
- Must be added to the KFS Labor Reports group to access financial reports.
- More information: <https://fms.iu.edu/training/indiana-university-information-environment/>

Standard Monthly Reports

- Four static, preformatted reports.
- Capture account activity for one fiscal period.
- Automatically generated the first business day of the month and pushed to the account's fiscal officer.
- Must be a registered IUIE user to run.
- More information: https://fms.iu.edu/index.php/download_file/464/

KFS BALANCE INQUIRIES VS. IUIE REPORTS

Characteristics of KFS Inquiries:

- Real time data – can include pending ledger entries.
- Limited to one Fiscal Year per report.
- Limited to one account per report.
- Can click report data to drill down for more information or to another report.

Characteristics of IUIE Reports:

- Data is current as of the previous day and only includes finalized transactions.
- Reports can span multiple Fiscal Years and multiple accounts.
- Search parameters and result fields are highly customizable.

CHART CODE VISUALIZATION



- More information about Chart Codes: <https://fms.iu.edu/documentation/chart-codes/>

FUND GROUP PREFIXES

- This table is abbreviated. Find a complete table at:
https://fms.iu.edu/index.php/download_file/1097/

Prefix	Fund Group	Details
03-19	General Fund	Expense-driven, base-budgeted accounts used for daily operating expenses (e.g., office supplies, payroll, etc.). Each chart has its own general fund account prefix.
11, 20-24	Designated Fund	Funds set aside by the university for a specific purpose or function. Examples: Continuing Education, Public Service, and Faculty Research.
25-29	Restricted Funds	Funds provided from an external source, often as a gift, with restrictions on how the funds may be used.
40-59	Contract and Grant Funds	Each account represents a specific contract or grant. These funds are administered through the Office of Research Administration.
60-66	Auxiliary Funds	Accounts linked to revenue-generating activities that provide a good or service that does not directly support IU's mission. Both auxiliary and non-auxiliary units can have auxiliary accounts.

OBJECT CODES PREFIXES

- Object codes are grouped according to object type code (e.g., expense, income, asset, or liability).

Prefix	Object Code
0 or 1	Income
2 or 3	Salaries and Wages
4 or 5	General Expense
56 or 57	Benefits
6	Employee Travel (non-employee travel: 4088 and 4089)
7	Capital Equipment
8	Assets
9	Liabilities / Transfer Codes

RESOURCES

- KFS Documentation Library: <https://fms.iu.edu/documentation/>
- IUIE resources on the FMS website:
 - Auxiliary Accounting: <https://fms.iu.edu/auxiliary-accounting/iuie-reports/>
 - Capital Assets: <https://fms.iu.edu/capital-assets/iuie-reports/>
 - Non-Student Accounts Receivable: <https://fms.iu.edu/non-student-ar/iuie-reports/>
 - Payroll: <https://fms.iu.edu/payroll/iuie-reports/>
- FMS Newsletter: <https://fms.iu.edu/training/listservs/subscribe-fms-newsletter>
- FMS Trainings: <https://cust.fms.iu.edu/cgi-bin/train/catalog>
- FMS Customer Service: <https://fms.iu.edu/support/>
- IT Training: <https://ittraining.iu.edu/events/events-listing.html>
 - IUIE Reporting Basics* and *Excel 2016: Formatting and Analyzing IUIE Data*.
 - 3-hour online facilitator-led trainings offered twice a semester.