

CHART OF ACCOUNTS and FOAPAL OVERVIEW

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Chart of Accounts and FOAPAL

Chart of Accounts and FOAPAL

The Chart of Accounts (COA) is a list of codes used for classifying, recording, and reporting financial information. There are six main elements in Kwantlen's Chart of Accounts, commonly referred to as a FOAPAL.

FOAPAL elements enable Financial Services to categorize transactions so that they can be reported in different ways. It is very important to ensure that the correct FOAPAL is used when recording transactions, as it has a direct impact on the accuracy of information that is reported.

FOAPAL Descriptions

F	Fund	This element categorizes the source/ type of funding or where the funding is from (e.g. operating, capital or research, etc).
O	Organization	This element categorizes who spent the money (i.e. division or department). It can be thought of as a unit of budgetary responsibility.
A	Account	<p>This element categorizes the type of transaction (e.g. expense, revenue, asset, liability, transfer, fund balance). It indicates what money was spent on, what money was granted/ generated from, or what type of asset or liability an amount is.</p> <p>Revenues have an account sequence 5XXX. Payroll and fringe benefit expenses have an account sequence 6XXX. Other expenses have an account sequence of 7XXX.</p>
P	Program	<p>This element categorizes the function or purpose of the related financial transaction within the University's major activities such as instruction, general instructional support, administration services, etc.</p> <p>This code is a required input in Banner for revenue and expense transactions. Each organization has been set up with a default program code and, therefore, this code generally does not need to be provided on forms and requests.</p>
A	Activity	This code is optional and has been defined internally by Kwantlen to categorize employee expenses by employee for the purposes of reporting employee expenses under the Financial Information Act.
L	Location	This code is optional and has been defined internally by Kwantlen to represent campus location. This element is rarely used in the data entry of transactions and, therefore, there is little information that is categorized with this element.

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Other elements of the Chart of Accounts include:

Chart	This refers to a complete set of FOAPALs. Kwantlen currently only utilizes one set of FOAPALs under Chart 1.
Index	This code is set up by the Financial Services department to help populate FOAPALs during data entry or query. Most Index codes have been set with a default fund, organization, and program code. The Index code itself usually is set to be the same as the related organization code. Using Index codes makes data entry easier and faster, and it also helps to eliminate the use of invalid FOAPAL combinations.
Fund Type	This code is a higher level way of categorizing fund codes by type of fund.
Account Type	This code is a higher level way of categorizing account codes by type of account.

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FOAPAL Hierarchies

With the exception of Activity codes, all the other FOAPAL elements have been established in their own hierarchy, meaning that they all are arranged in predecessor and subordinate relationships.

Lower level codes can be “rolled up” or summarized into higher level (predecessor) codes. The highest level codes represent the broadest categories, and information becomes more and more specific with each lower level.

Generally, the lowest level codes in a hierarchy are the only codes used for entering transactions into the system. Any code that can be used to input data is referred to as a data-enterable code. These are the codes that should be provided when requesting a transaction to be processed.

