

Faculty Financial Inquiry Tool (FFIT) Glossary of Terms

Financial terms used in the FFIT (and other University reports) are defined below in brief layman's terminology. Additional information about many terms can be found on the Office of Research Administration website at <http://ora.stanford.edu/expenditure> and on the Gateway to Financial Activities website at <http://fingate.stanford.edu>.

Project: The "P" in PTA, this represents an activity or event with a single purpose—i.e., a conference, a specific research project, a fabrication related to a specific research project, or expenses related to an individual gift. Each project is further broken down into at least one related sub-component of the work, or task.

Task: The "T" in PTA, tasks provide a breakdown of the work performed on a project—i.e., they differentiate various sub-components of a project (i.e., key deliverables or activities). For example, separate tasks with separate budgets can be opened for different investigators working on the same project (see "Allocations"). Committed cost-sharing also appears as a unique task on sponsored projects.

Award: The "A" in PTA, it identifies the funding source for a given project/task combination—this is where your money is "held." Award is used interchangeably with "fund."

Fund: The funding source for a given project/task combination—this is where your money is "held." Fund is used interchangeably with "award."

Account: The combination of project, task, and award segments—this identifies where your money is "spent." Account is used interchangeably with "PTA."

PTA: The combination of project, task, and award segments—this identifies where your money is "spent." PTA is used interchangeably with "account."

PTD: Project-to-Date (i.e., from project inception forward).

FTD: Fiscal-to-Date (i.e., from September of the current fiscal year forward). Data for prior fiscal years are reported in one-year increments in FFIT.

Beginning Balance: Applied only to fiscal-to-date accounts, the starting balance of an award as of September 1 of the selected fiscal year.

Receipts & Transfers: Receipts are cash inflows from external sources; transfers are cash inflows/outflows from internal sources—i.e., other University accounts.

Budget/Expense Control: The amount of spending currently authorized on a given account. For most sponsored research accounts, this is the figure to which investigators should balance their projected expenditures (as an exception, see "Non-Government Contracts (e.g., Clinical Trials & Fixed-Price Contracts)"). For most faculty-owned non-sponsored awards, budget/expense control does not come into play (as an exception, see "Allocations").

Expenditures: Charges made to an account to pay for goods or services.

End Date: The earliest of the project end-date, the task end-date, or the award end-date—i.e., the final date by which expenditures must be incurred on the related sponsored account (in the absence of any no-cost extensions).

Projected Balance: Your probable account balance in the future, taking into account any outstanding commitments (and advances).

Current Balance: Your account balance as of the prior day, omitting any outstanding commitments (and advances).

Advance: A payment of cash before an actual expenditure is incurred—e.g., cash given to a traveler before a trip is taken. When an advance is provided, this money is essentially committed to a pending expenditure.

Commitments: Anticipated future expenditures, which can be of three types: Hard Commitments, Soft Commitments, and CMS Commitments.

Hard Commitments: Anticipated future expenditures known to the Oracle financial system—i.e., if nothing is changed in Oracle, these will become actual expenditures at a future date.

Soft Commitments: Anticipated future expenditures which have not yet been entered into the Oracle financial system—i.e., they are less likely to become actual expenditures than hard commitments.

CMS Commitments: Anticipated future expenditures identified by the soon-to-be-released Commitment Management System (CMS). These can include three types of commitments: hard commitments, soft commitments (if entered into CMS by local users), and “modified” hard commitments (again, if local users make modifications to existing hard commitments within the CMS application).

Allocations: Unique accounts set up as part of a larger project, which are then usually assigned a budget amount for the individuals to whom the amounts have been sub-granted.

Budget Category: Groupings of expenditures into distinct categories for the purposes of summary reporting.

Salary: Payments to employees, including student employees in the case of research and teaching assistantships.

Fringe: Payments made from your account (as a percentage of salary charges) to a central pool for the purposes of paying employee health, retirement, and other benefits.

Student Aid: Student fellowship payments. These amounts do *not* include research assistant or teaching assistant salary payments, nor the associated tuition allowance granted to teaching and research assistants, all of which are included under the “Salary” category.

Travel: Payments for expenditures incurred while travelling on University business.

Equipment and Depreciation: Payments for equipment purchases greater than \$5,000 (including shipping, installation, and fabrication). NOTE: Because of accounting requirements, these items appear differently on official University financial reports than they do on the FFIT. This may lead to discrepancies when comparing FFIT and other University financial reports.

Exp Materials & Services: Payments for expendable materials (less than \$5,000) and services such as lab supplies, consultant services, etc.

Indirect Costs: Costs incurred in the support of research or other externally funded activities, which are not directly attributable to a specific project (e.g., building utilities, central administrative staff salaries, etc.). To recover these costs for the University, an indirect cost rate is applied to direct costs of the project on a percentage basis. Also referred to as “Facilities and Administrative (F&A) Costs.”

GL Period: The month and year in which the current transaction was posted to the University’s general ledger (i.e., the official accounting books of record). Corrections to prior transactions will indicate the GL Period in which the correction was made, *not* the month of the original transaction.

Expenditure Type: A five-digit code used to track how the money was spent (e.g., faculty salaries, office supplies, foreign travel, etc.).

Expenditure Type Description: A text description of the five-digit expenditure type code.

Expenditure Description: An explanation of the transaction entered by the originator or by the related transaction system (e.g., employee name, vendor/payee name, journal line description, etc.).

Source: An abbreviation for the system that generated the transaction. For example, LDACT is used to indicate a labor distribution (i.e., salary) transaction and PCARD is used to represent a PCard purchase. Further information about sources is located at http://ora.stanford.edu/expenditure/supporting_files/RefCodeTable.xls.

Accounting Reference: Journal number, requisition number, purchase order number, check number, earnings code, or other relevant data to assist with further research on the related transaction.

Department Reference: Additional transaction information provided by the source system, e.g., purchase order number, employee/student ID, or appropriate burden rate, when applicable.

Expenditure (or Transaction) Item Date: When entered properly, the date upon which goods or services were *actually incurred*—i.e., the “effective date” of the expenditure or commitment. This is frequently different from the GL Period in which the item is posted on the University’s books. For sponsored projects, the expenditure item date is used to determine available funding for the expense.

Government Grants & Contracts, Non-Government Grants, University Research, and Cost Sharing: Accounts for which faculty members are expected to manage project expenditures against the approved project budget, in accordance with the timing and terms of the related sponsored agreement. Generally, investigators are not responsible for billing or for receiving payments on these accounts, so receipt information is not included.

Non-Government Contracts (e.g., Clinical Trials & Fixed-Price Contracts): Accounts for which faculty members may be expected to manage and/or monitor collection of receipts, in addition to managing project expenditures against the approved project budget.

Non-Sponsored Funds (e.g., Gifts and Designated Income): Accounts for which faculty members are expected to manage expenditures against receipts and balances carried forward, ensuring their awards are not overspent and that the monies are spent in accordance with any donor requirements.

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