Chart of Accounts Maintenance SOP: Chart of Accounts, Sub-Object Code

SOP Owner: Chart Manager, General Accounting
Version Number, Date Revised: #1, 03/27/11
Date Implemented:
Approval(s):

Standard Operating Procedure

1. Purpose

The Sub-Object e-doc is used to define an optional part of the accounting string that allows you to break out an expense or income category in greater detail, creating finer distinctions within a particular object code on an account. For example, you may have an object code for in-state travel, but you would like to track travel expenses at a greater level of detail. You could create sub-object codes to reflect faculty travel, staff travel, student travel, or any other designation necessary. Another example: for copy costs, you could create sub-object codes to track individual categories; i.e., toner, paper, or external copy costs. (In some cases, using a sub-account might be preferred. A sub-account may be more appropriate to capture several types of expenses for an activity such as faculty start-up or departmentally funded research.)

Sub-object codes are specific to an account and a fiscal year and take on most of the attributes of the object code to which they report, including object code type and sub-type. **Note**: sub-object codes are associated with a fiscal year, but will roll over to the next fiscal year.

2. Scope

The intended audience is:

- Anyone who has a need to track financial activity at the university (Requestor)
- Person who starts the KFS Sub-Object Code e-doc (Initiator)
  Note: Requestor and Initiator could be the same person.
- Anyone in a Financial Transaction Center (FTC) / Business Service Center (BSC)
- Anyone with financial / budgetary responsibilities (at the college / division level and / or at a central level)
  - Budget director
  - Senior financial officer
  - Central accounting

3. Prerequisites (Forms / Tools)

- Access to KFS
- Training on KFS
- Account e-doc training
- Understanding when / why it is appropriate to set up a new sub-object code
- Clarification on permissions / roles

4. University Policy

There is no legacy sub-object code functionality, so there is no current university policy.

5. Responsibilities

Personnel in the following roles / positions:

- Requestor: this is not a system role. *Best Practice*: to establish a paper trail, e-mail the request for a new sub-object code to the Initiator.
- Initiator
  - o has financial expertise (i.e., has a financial role in his / her job title);
  - o has access to the system;
  - o has been authorized by Senior Finance Group (SFG) as an Initiator;
  - o can validate that the new sub-object code being set up (or current sub-object code being modified) is appropriate per CU business rules;
  - o has the ability to provide 100% of the data required to successfully fill out and submit the Sub-Object Code e-doc.
  - o is the person who will respond to any follow-up questions.

  In cases where the Initiator and Requestor are not the same person, Initiator must confirm that there is a valid business reason for the sub-object code being requested, and that the Requestor has the authority to make the request.
  Best Practice: when Initiator sets up the sub-object code for the Requestor, notify the Requestor by e-mail.
- Fiscal officer / delegate (delegates: both primary and secondary)
  - o Person who is responsible for final approval of the new (or modified) sub-object code.

Best Practice recommendation: if additional review is deemed necessary, ad hoc route as appropriate (e.g., when creating new sub-object codes, ad hoc route an FYI).

6. Procedure

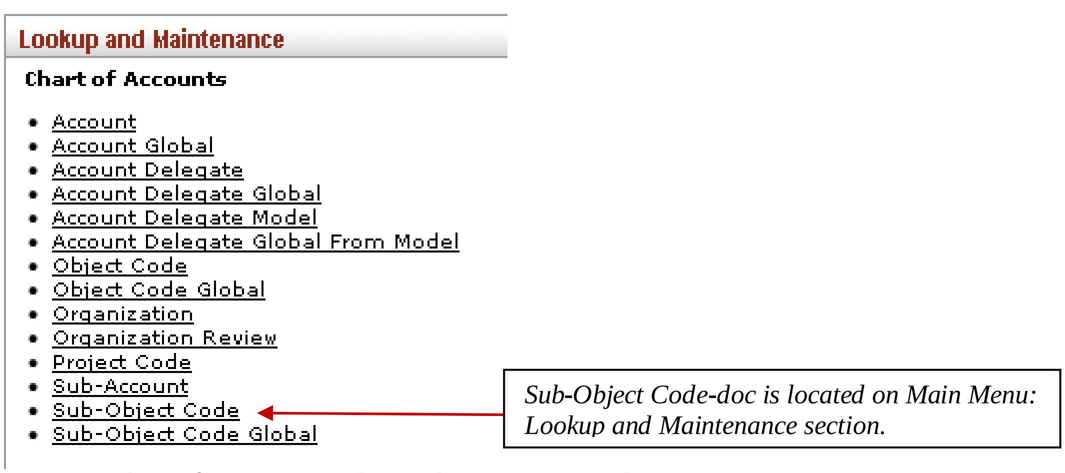

Figure 1 *– Chart of Accounts, Lookup and Maintenance e-docs*

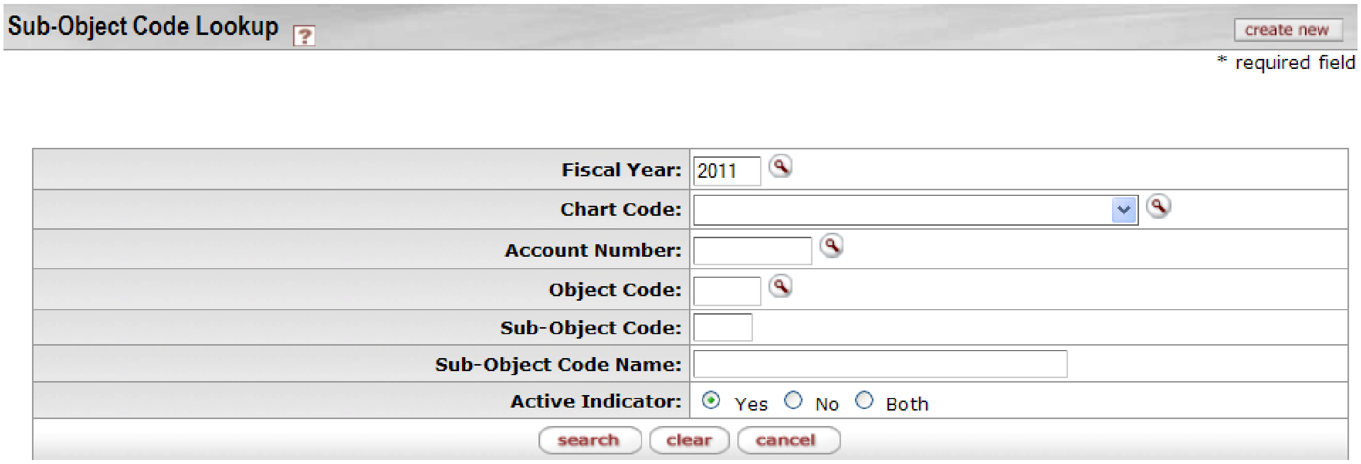

Figure 2 *– Sub-Object-Code Lookup* (A tutorial that demonstrates "Lookup" functionality is in production.)

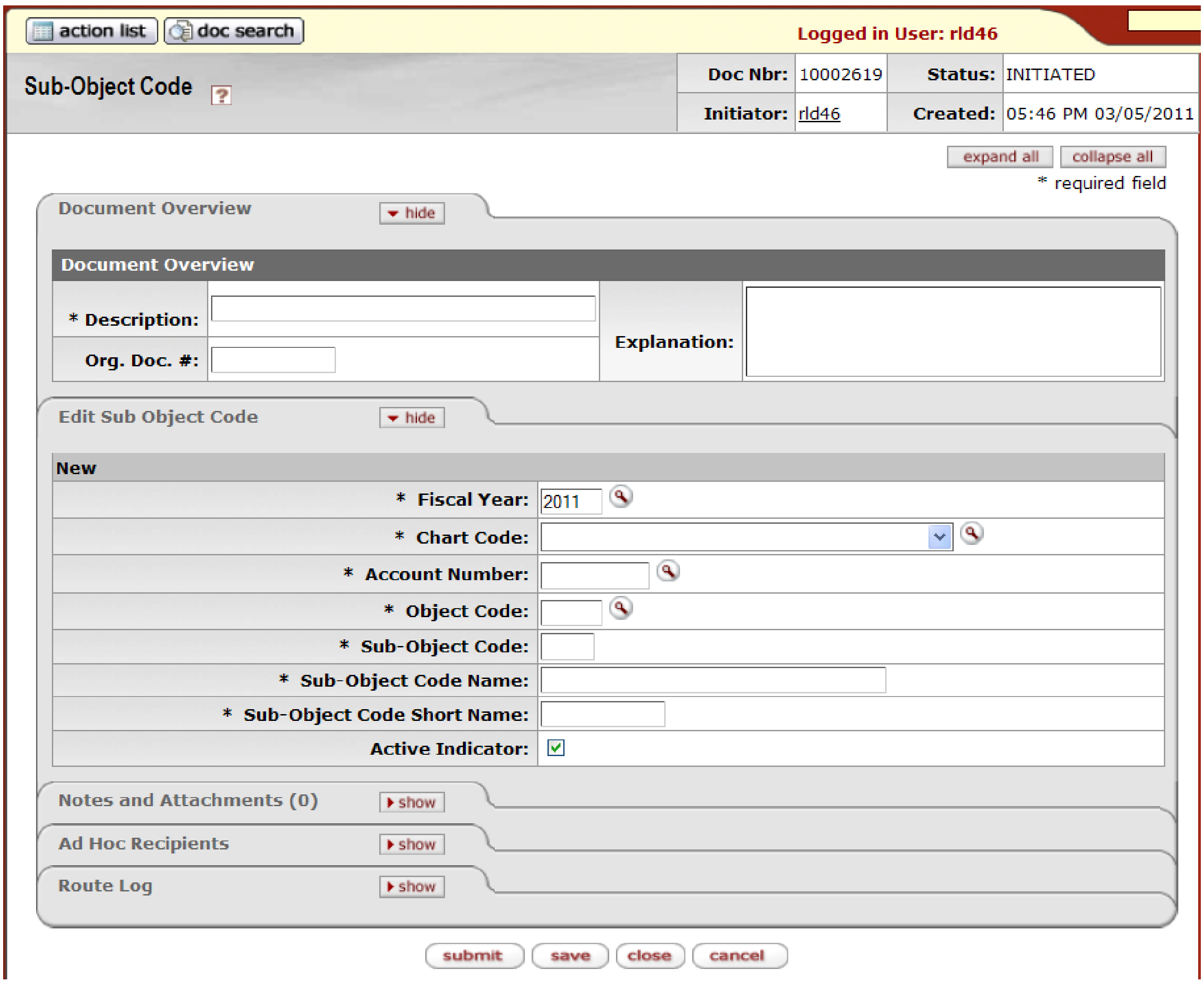

Figure 3 *– Sub-Object-Code e-doc*

Sub-Object Code e-doc contains the **Edit Sub Object Code** tab.

Table 1 Edit Sub-Account Code tab: field definitions

Field Name	*Description (* indicates a required field)*
Fiscal Year	* Enter the fiscal year when you want to use the sub-object code, or search for it from the Fiscal Year lookup.
Chart Code	* Enter the chart code to which the sub-object code belongs, or select it from the Chart lookup. There will be five KFS charts within the chart of accounts, but the Ithaca chart (IT) is the one most of campus will access and use.
Account Number	* Enter the account number on which you want to use the sub-object code, or select it from the Account lookup. If you want to use the same sub-object code on several accounts, you need to process an additional e-doc for each additional account on which you want to use that code.
Object Code	* Enter the object code to which the sub-object code belongs, or select it from the Object Code lookup.
Sub-Object Code	* Enter the code to define the sub-object. This is the code that is entered in the sub-object code field of the Accounting Lines tab on financial transaction e-docs. The sub-object code has its own name and code, but otherwise inherits all attributes of the object code to which it belongs.
Sub-Object Code Name	* Enter the long descriptive name of the sub-object code. This name appears in searches, reports, and on the Accounting Lines tab in financial transaction e-docs. 40 characters *Best practice recommendations*: names should be entered in the proper (upper / lower) case; avoid uncommon acronyms whenever space allows; do not use punctuation.
Sub-Object Code Short Name	* Enter the shortened version of the sub-object code name. Currently, short name usage would be for reporting within your department. 12 characters *Best practice recommendations*: names should be entered in the proper (upper / lower) case; avoid uncommon acronyms whenever space allows, and do not use punctuation.
Active Indicator	Select the check box if the sub-object code is active. Clear the check box if it is inactive.

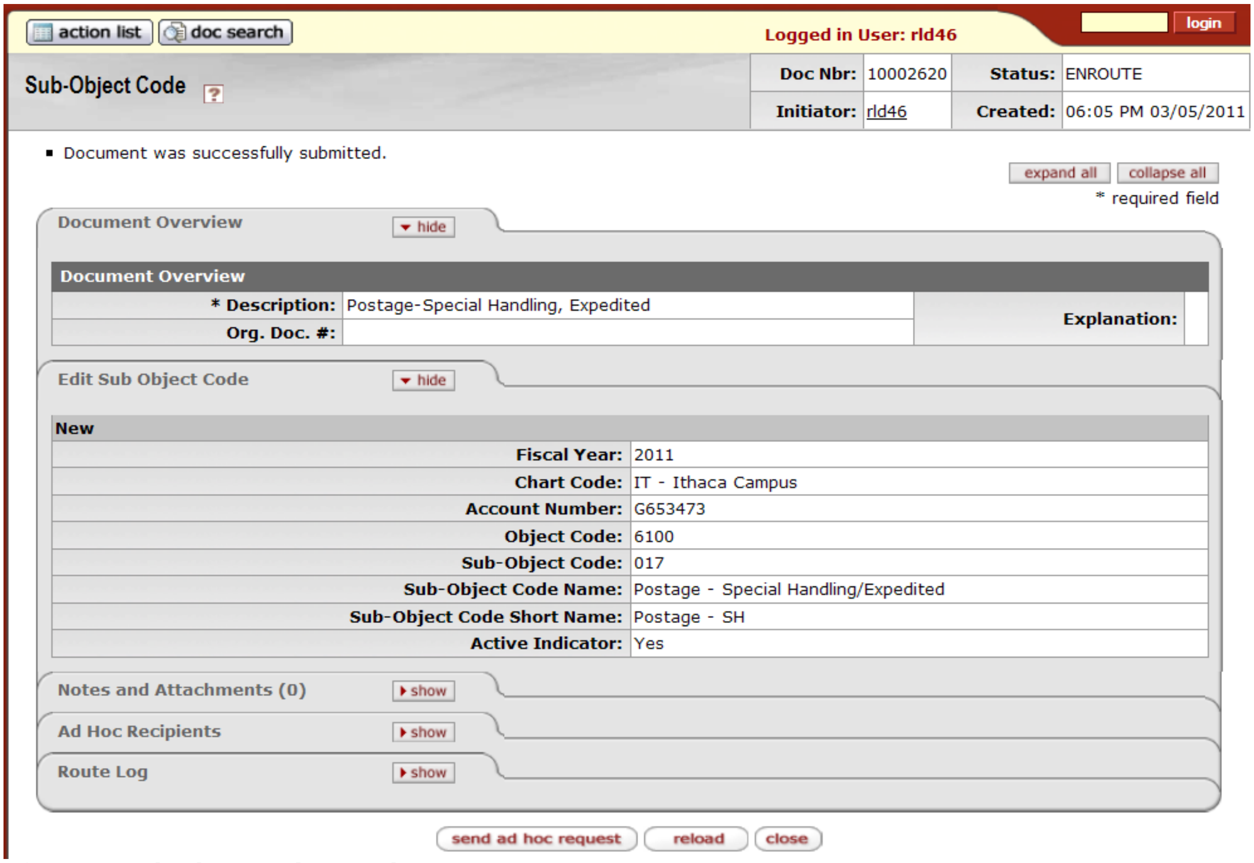

Figure 4 *– Sub-Object-Code example*

<u>Business Rule</u>

- The object code associated with the sub-object code must be active.

<u>Observations</u>

- Sub-object codes can be inactivated.
- In order to utilize an existing sub-object code on a new account, first, use the Account e-doc to set up the new account. Once the Account e-doc is in final status, then the Sub-Object Code e-doc can be used to associate a sub-object code to the new account.

Document Overview, Notes and Attachments, Ad Hoc Recipients, and Route Log tabs are standard on most KFS e-docs; they are covered in the "Basics" series of tutorials.

Workflow

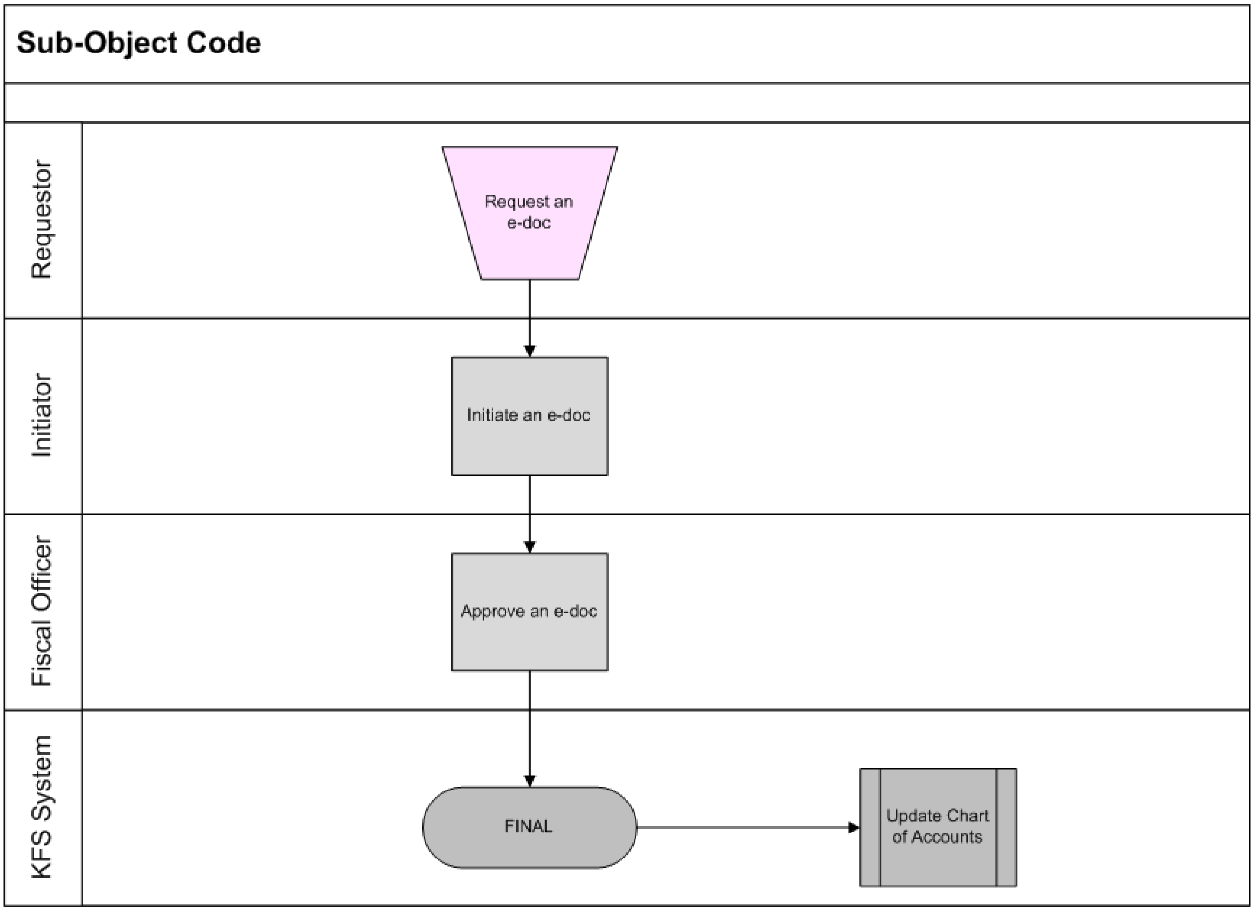

***Figure 9** – Sub-Object Code workflow*

7. Definitions

KFS at Cornell Glossary
COA Old World-New World (a comparison of Legacy / KFS)
KFS Acronym Glossary

8. References

Chart of Accounts, Account e-doc
Account e-doc Standard Operating Procedure
KFS at CU: Chart of Accounts (includes valid values)
KFS Training: Account e-doc (tutorial)