FINANCIAL INFORMATION SYSTEM

FIS Standard Curriculum OVERVIEW
Course Objectives

This course will help you:

- Understand the components and applications of the Financial Information System (FIS)
- Distinguish how FIS components interact with each other
- Familiarize yourself with FIS terminology
- Navigate within FIS
- Search and locate FIS data
Course Map

• The FIS Standard Curriculum

• Overview of the Financial Information System (FIS)
  – Financial Accounting (FI)
  – Funds Management (FM)
  – Controlling (CO)

• Basic Navigation
  – Screen Navigation and Tools

• Finding FIS Accounts
  – Finding Funds Centers and Funds
  – Finding Cost Centers and Internal Orders
  – Finding General Ledger Accounts

• Using the Match Code Search Tool
FIS Standard Curriculum

- **9 core courses** spanning approximately 6 weeks
- Provides foundation for accounting, budgeting and planning at the university
- Covers **best practices** and **business processes** involved in performing common financial transactions
- Builds on what is covered in the FIS Overview
- Provides ample opportunities to practice performing common FIS transactions using simulations that reflect real life scenarios

FAST Training Site: [http://finance.utoronto.ca/fast/fis-training/]
Fundamental Accounting Considerations

Understanding FIS enables you to:

• provide decision makers with useful information

• record and track financial transactions to enable the production of various Management Reports and Financial Statements

• prevent incorrect or incomplete information which may result in:
  ▪ additional time required to correct the original transaction
  ▪ the possibility of incorrect decisions being made
Overview of FIS

On what were the $ spent?
Which department or project spent the $?

What is the source of $?

FIS

FI
FINANCIAL ACCOUNTING

FM
FUNDS MANAGEMENT

CO
CONTROLLING

CC
Cost Center

IO
Internal Order

CE
Cost Element (numeric code)

BA
Business Area

General Ledger
Chart of Accounts (numeric code)

A/R
Accounts Receivable

A/P
Accounts Payable

FC
Funds Center

Fund

CI
Commitment Item (alphabetic code)
Financial Accounting (FI) is the core component of FIS and is designed to meet the *general* reporting requirements of U of T.

FI:
- Is used to record all *revenue, expense, accounts receivable* and *accounts payable* financial transactions
- uses **Business Area** code to generate more than one set of financial statements

**Commonly Used FI Account Codes:**
- General Ledger account (G/L)
- Business Area code (BA)

The purpose of Financial Accounting is to answer the question:

**What revenue or expense activity occurred?**
The General Ledger (G/L) account code is used to record all financial transactions in FIS.

Each G/L account is classified by the type of financial transaction.

Most Commonly Used G/L Accounts:
- Expense: 800000 – 899999
- Revenue: 700000 – 799999

Other G/L Account Types:
- Assets (e.g., cash, A/R): 100000 – 499999
- Liabilities (e.g., A/P, debt): 500000 – 599999
- Retained Earnings (e.g., annual surpluses): 600000 – 699999
A Business Area (BA) code enables the preparation of more than one set of financial statements and separates Ancillary Operations from all other university business activity.

- **For each FI transaction**, a BA code will be used to identify the business area it represents (i.e., Ancillary Operations or other).

**Business Area Codes:**
- Ancillary Operations: 1001 – 1999
- UofT activity excluding Ancillary Operations: 1000

- The BA code defaults based on the Cost Center or Internal Order used in the FIS transaction
Funds Management (FM)

Funds Management (FM) is used to track and report on funding and budgets for all university departments, divisions and faculties.

The purpose of Funds Management (FM) is to answer the questions:

What is the source of my funding?

AND

How much money do I have left?
**FM Account Codes**

**FM Account Codes:**

- **Funds Centers (FC)**
- **Funds Center / Fund combinations (FC/Fund)**
- **Commitment Items (CI)**

<table>
<thead>
<tr>
<th>Brief description</th>
<th>Funds Center</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>• a six digit code, starting with a 1 (departmental) or 2 (Principal Investigator)</td>
<td>• used to record and report the funding and spending</td>
<td>• a six digit code</td>
</tr>
<tr>
<td>• used to record and report the funding and spending</td>
<td>• for Operating Fund and Ancillary Operations</td>
<td>• used to record and report the funding and spending</td>
</tr>
<tr>
<td>• for Operating Fund and Ancillary Operations</td>
<td>• on a fiscal year basis</td>
<td>• for the Restricted and Capital Funds</td>
</tr>
<tr>
<td>• on a fiscal year basis</td>
<td></td>
<td>• on a &quot;life to date&quot; basis</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Periodic Reporting</th>
<th>Fiscal year (May 1 thru April 30)</th>
<th>any start or end date</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Hierarchy</th>
<th>reflects the organizational structure at UofT</th>
<th>no hierarchy of its own; is linked to an organizational unit through transaction postings; must be used in conjunction with the appropriate Funds Center</th>
</tr>
</thead>
</table>

| Budgeting | Fiscal year basis | overall basis |
Operational Hierarchy at U of T as reflected by Funds Centers

**Highest levels** of the Funds Center hierarchy reflect main operational portfolios at U of T.

Individual Divisions and Departments are located within these portfolios.

CFC 100546 is subordinate to CFC 101123 and parent to CFC 202675.

Note: A Division/Department may have several Operating Funds Centers (1xxxxx) and PI Funds Centers (2xxxxx) under their hierarchy.
A **Commitment Item (CI)** is the **level** at which a budget is established for a **Funds Center** or **FC/Fund**.

**Characteristics of CIs:**

- alphabetic code
- assigned to all **revenue** and **expense** G/L accounts
- arranged in a hierarchy
- "1 to many" relationship with G/L accounts

Enables you to:

- provide flexibility to set the level of budgetary control
- determine where FM will start looking for budget
- hold the budget for Funds Availability Checking
- to report **summary** revenue and expense postings to G/L accounts
Example Commitment Item Hierarchy

EXPENSE-S (level 1)

COMPENS-S (level 2)
- HRIS-APPT (level 3) - Appointed Salary
- HRIS-BEN (level 3) - Benefits

SUPPL-S (level 2)
- SUPPLIES (level 3) - General Supplies
- SERVICES (level 3) - General Services

"1 to many" Relationship with G/L Accounts
A list of numerous G/L accounts assigned to Commitment Item "SUPPLIES"
What is Funds Availability?

Funds Availability (FA) checking is a function in FM that prevents a transaction from being posted to a FC or FC/Fund combination IF there is insufficient budget to cover the transaction.

Characteristics of FA checking:

- **ONLY** checks expenditure transactions against funds available
- Occurs at the **Commitment Item level** where budget is loaded
Funds Availability Checking: How it Works

Within a transaction, FA checking begins by locating:

1. **FC** or **FC/Fund** combination

2. **Commitment Item (CI)**

3. Checks for budget at that **CI level** (e.g., Travel ➞ Travel-S)

4. If budget is not found at lower summary level, **FA proceeds up the CI hierarchy** until budget is located (e.g., Expense-S)

5. Once budget is located, the following calculation determines if sufficient budget is available for transaction:

   $$\text{FUNDS AVAILABLE} = \text{BUDGET} - (\text{ACTUAL EXPENDITURES} + \text{COMMITMENTS})$$

**NOTE:** For all **Research Fund** accounts, FA checking occurs at the **CI where budget is loaded** (e.g., Travel-S). If budget is not found at that level, it **will not** allow the transaction to post.
The budget for **Operating** and **Ancillary** Fund Centers is loaded at the detailed Commitment Item level.

**Note:** You may see budgets at the lower level CI’s in your FM reports.

These budgets **ONLY** appear for **reporting purposes** to enable you to compare actual spending to budgets (i.e., variance analysis), but it **does not reflect** where FIS performs Funds Availability Checking (i.e., overall EXPENSE-S).
Checking Funds Availability: Operating Funds Center
How it Works

Example: Expense posting using G/L account 825000 (CI = SUPPLIES)

Despite the fact that the default CI is SUPPLIES, Funds Availability Checking ALWAYS occurs at the overall EXPENSE-S level for Operating and Ancillary Funds Centers.
For **Research Funds**, the CI where budget exists determines the restriction of spending. The lower the level in the CI hierarchy, the more restrictive the spending.

Example:
- **Total Funds Available**: $1,500.00
  - CI “SUPPL-S” has no funds available
  - “TRAVEL-S” has $1,500.00
  - Any expenses posted to a G/L in the SUPPL-S CI will be **blocked**
**Example – Different Funding Sources by FM Code**

<table>
<thead>
<tr>
<th>Funding Sources Organized by:</th>
<th>Fund Center</th>
<th>FC Name</th>
<th>Fund</th>
<th>Sponsor</th>
<th>Commitment Item</th>
<th>Budget Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Funds Center or FC/Fund combinations</td>
<td>100186</td>
<td>Med: General</td>
<td></td>
<td></td>
<td>EXPENSE-S</td>
<td>1,000,000.00</td>
</tr>
<tr>
<td></td>
<td>100186</td>
<td>Med: General</td>
<td>409328</td>
<td>Ontario Art Council</td>
<td>EXPENSE-S</td>
<td>30,000.00</td>
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<tr>
<td></td>
<td>200048</td>
<td>Dr. Baker</td>
<td></td>
<td></td>
<td>EXPENSE-S</td>
<td>40,000.00</td>
</tr>
<tr>
<td></td>
<td>200048</td>
<td>Dr. Baker</td>
<td>481482</td>
<td>Health Canada</td>
<td>EXPENSE-S</td>
<td>35,000.00</td>
</tr>
<tr>
<td></td>
<td>200048</td>
<td>Dr. Baker</td>
<td>481484</td>
<td>Canadian Health Services Research Foundation</td>
<td>COMPENS-S, SUPPL-S, TRAVEL-S, SPECIAL1</td>
<td>12,000.00, 2,000.00, 44,000.00, 1,900.00</td>
</tr>
</tbody>
</table>

**NOTE:** Typically CI’s default from G/L accounts used in transactions, but there are some cases where CI’s must be changed manually to access budget.

The following CI’s require manual entry:
- EXP – UTFA
- SPECIAL1

These are shown under the **Commitment Item** column in **BOLD**.
Controlling (CO)

Controlling enables you to report on planned spending, and compare it to actual revenue and expense postings for a specific department, program or project at the general ledger level of detail.

It is similar to FM, but with an important difference – no spending control (i.e., Funds Availability Checking).

The purpose of Controlling is to answer the question:

Which department/project incurred the activity?
There are two main account codes used in CO:

- **Cost Centers (CC)**
- **Internal Orders (IO)**

<table>
<thead>
<tr>
<th>Brief description</th>
<th>Cost Center</th>
<th>Internal Order</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• five digit number starting with a 1 or 2 (departmental) or six digit number starting with a 2 (Principal Investigator)</td>
<td>• a six digit number</td>
</tr>
<tr>
<td></td>
<td>• Represents the organizational unit or program that initiated a financial transaction</td>
<td>• May represent an organizational unit or program that initiated a financial transaction</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Periodic Reporting</th>
<th>Cost Center</th>
<th>Internal Order</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Fiscal year based (May 1 thru April 30)</td>
<td>• Non-Fiscal year based (any start or end date, annual or &quot;life to date&quot;)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hierarchy</th>
<th>Cost Center</th>
<th>Internal Order</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• grouped to reflect the organizational structure at U of T</td>
<td>• no hierarchy of its own, is linked to an organizational unit through its settlement to a Cost Center</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Planning</th>
<th>Cost Center</th>
<th>Internal Order</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• fiscal year basis</td>
<td>• fiscal year basis or overall</td>
</tr>
</tbody>
</table>

**Note:** Cost Centers are structured in a **hierarchy of Nodes and Groups** that are similar to the department’s Funds Center hierarchy (FM).
Reflecting the Organizational Structure: Cost Centers

To facilitate planning and reporting, Cost Centers are grouped using CC Nodes and CC Groups.

CC Node:

- reflect the organizational structure at U of T (similar to FM hierarchy)

CC Group:

- assigned to each CC Node, and allows an organizational unit to arrange its Cost Centers to meet departmental planning and reporting requirements

The Cost Center hierarchy is organized according to reporting and planning requirements of individual units.
Reflecting the Organizational Structure: Cost Centers (cont’d)

Example
Cost Center Hierarchy
(Academic)
Internal Orders (IO)

An Internal Order is a six digit numeric code that indicates the organization unit that initiated the transaction.

Internal Orders:

• Similar to Cost Center, but IO reporting period **does not follow** the University’s fiscal year

• have no hierarchy of their own, but are linked to a responsible Cost Center

• enable planning of expense and revenue activity

• **IO Groups** can be created to help departments optimize their reporting needs
Internal Orders are linked to the organizational structure through their responsible Cost Center.
Comparing Cost Center and Funds Center Hierarchies

Cost Centers and Funds Centers reflect the University’s organizational structure through their hierarchies.

An organizational units’ budget can be located in one FC, while actual expenses/revenues can be tracked using multiple CCs.

Example: Division of University Advancement (DUA), UofT Magazine FC & CCs.

Difference:
- budget is located in one FC
- actual/planned revenue & expenses are tracked using six CCs

Funds Center Hierarchy

Cost Center Hierarchy
A **Cost Element (CE)** is a numeric code representing the G/L number within Controlling.

**Characteristics of a Cost Element (CE):**

- same account numbers as G/L numbers (six digit number)
- exists for *revenue* and *expense* items
- grouped into **Cost Element Groups** similar to the CI hierarchy
- enables *planning* at the **Cost Element level** so planned and actual expenses can be compared
Cost Elements (CE)

- Categorized into revenue and expense accounts
- Grouped similar to G/Ls in the Commitment Item hierarchy

MENU PATH: Accounting → Controlling → Cost Center Accounting → Master Data → Cost Element Group → Display. Enter "UofT-All" in the Cost element group field.
Sample FIS Transaction

Vendor Invoice Transaction

- G/L acct (FI)
- Business Area (FI)
- Funds Center (FM)
- Cost Center (CO)

![Image of FIS Transaction system interface](image-url)
Overview of FIS

On what were the $ spent?
Which department or project spent the $?

FIS

Funds Availability checking occurs in FM

FM

What is the source of $?

CO

CONTROLLING

CC
Cost Center

IO
Internal Order

CE
Cost Element (numeric code)

FI

FINANCIAL ACCOUNTING

BA
Business Area

General Ledger
Chart of Accounts (numeric code)

A/R
Accounts Receivable

A/P
Accounts Payable

Fund

FC
Funds Center

CI
Commitment Item (alphabetic code)
Basic Navigation

- Review navigation tools
- Creating Favorites folder
- Using the hardcopy function
<table>
<thead>
<tr>
<th></th>
<th>Screen Navigation and Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ENTER / ACCEPT</td>
</tr>
<tr>
<td>2</td>
<td>FAVORITES</td>
</tr>
<tr>
<td>3</td>
<td>FIND FIRST</td>
</tr>
<tr>
<td>4</td>
<td>FIND NEXT</td>
</tr>
<tr>
<td>5</td>
<td>START NEW SESSION</td>
</tr>
<tr>
<td>6</td>
<td>EXPANDABLE NODES</td>
</tr>
<tr>
<td>7</td>
<td>ADD FAVORITES</td>
</tr>
<tr>
<td>8</td>
<td>HARDCOPY (PRINT SCREEN)</td>
</tr>
</tbody>
</table>

![Screen Navigation and Tools Diagram](image-url)
Finding FIS Accounts

- Finding Funds Centers and Funds
- Finding Cost Centers and Internal Orders
- Finding G/L Accounts
Finding Fund Centers

**FUND CENTER DISPLAY**

**SAP MENU PATH:** Accounting
>> Funds Management >> Master Data >> Fund Center >> Individual Processing >> Display

**Transaction Code:** FMSC

**FUND CENTER HIERARCHY**

**SAP MENU PATH:** Accounting
>> Funds Management >> Information System >> Master Data Indexes >> Fund Centers >> Hierarchy Graphic

**Transaction Code:** FM2G

Enter to locate information on a single Funds Center

Enter to view your Funds Center hierarchy
Finding Funds

To locate a Fund:
- enter Fund Number in the Display Funds field OR
- perform Match Code search to find Fund

MENU PATH: Accounting >> Funds Management >> Master Data >> Fund >> FM5S - Display
Finding Cost Centers

**COST CENTER DISPLAY**

SAP MENU PATH: Accounting >> Controlling >> Cost Center Accounting >> Master Data >> Cost Center >> Individual Processing >> Display

Transaction Code: KS03

Use to display information about an individual **Cost Center**

**COST CENTER GROUP/NODE DISPLAY**

SAP MENU PATH: Accounting >> Controlling >> Cost Center Accounting >> Master Data >> Cost Center Group >> Display

Transaction Code: KSH3

To view your Cost Center hierarchy using your **Cost Center Group** or **Node**
Finding Internal Orders

**SAP MENU PATH:** Accounting >> Controlling >> Internal Orders >> Master Data >> Special Functions >> Order >> Display

**Transaction Code:** KO03

Use to display information about an individual **Internal Order**
Finding General Ledger Accounts

SAP MENU PATH: Accounting >> Financial Accounting >> General Ledger >> Information System >> General Ledger: Report Selection >> Master Data >> G/L Account List >> G/L Account list with additional text

Transaction Code: ZRFFMFK02

Locate G/L Account using:
- Commitment Item (CI)
- revenue and expense accounts

QRG: GL Account List with Additional Text
The **Match Code Search** tool icon automatically appears in fields where you must **select** from a **range of values** (e.g., dates and account numbers).

Asterisk “*” acts as a “wildcard” - captures the largest number results.
Course Objectives

Review:

- Understand the components and applications of the Financial Information System (FIS)
- Distinguish how FIS components interact with each other
- Familiarize yourself with FIS terminology
- Navigate within FIS
- Search and locate FIS data
WEB Documentation

Training Materials & Course Summaries
  • http://finance.utoronto.ca/fast/fis-training/

Policy & Documentation
  • http://finance.utoronto.ca/policies/gtfm/

Reference Guides
  • http://finance.utoronto.ca/fast/support-documentation/

FIS Glossary
  • http://finance.utoronto.ca/fast/fis-glossary/

Financial Forms
  • http://finance.utoronto.ca/forms/processing/
NEED HELP?

https://easi.its.utoronto.ca/ams-help-form/

Help is a facility for all AMS subsystems:

• Use the WEB form found at the above address
• Select the appropriate AMS module (e.g., FIS: FAST Team)
• Complete all the information required on the form
• Click on the **Send it!** button

Mail box is monitored Monday to Friday
9:00 a.m. - 5:00 p.m.
# FAST Team Contacts

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager</td>
<td>Lorena Gaudio</td>
<td>978-2802</td>
<td><a href="mailto:lorena.gaudio@utoronto.ca">lorena.gaudio@utoronto.ca</a></td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>Chris Dimitriadis</td>
<td>946-3153</td>
<td><a href="mailto:chris.dimitriadis@utoronto.ca">chris.dimitriadis@utoronto.ca</a></td>
</tr>
<tr>
<td>Business Analyst</td>
<td>Cheryl Rhind</td>
<td>946-3373</td>
<td><a href="mailto:cheryl.rhind@utoronto.ca">cheryl.rhind@utoronto.ca</a></td>
</tr>
<tr>
<td>Business Analyst</td>
<td>Maryanne McCormick</td>
<td>946-3291</td>
<td><a href="mailto:m.mccormick@utoronto.ca">m.mccormick@utoronto.ca</a></td>
</tr>
<tr>
<td>Business Analyst</td>
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<td><a href="mailto:nusrath.mohiuddin@utoronto.ca">nusrath.mohiuddin@utoronto.ca</a></td>
</tr>
<tr>
<td>Business Analyst (Training Coordinator)</td>
<td>Rames Paramsothy</td>
<td>978-4675</td>
<td><a href="mailto:rames.paramsothy@utoronto.ca">rames.paramsothy@utoronto.ca</a></td>
</tr>
</tbody>
</table>

**FIS Standard Curriculum Evaluation:**
http://finance.utoronto.ca/fast/fis-training/course-evaluation-fis-training/

**FAST website:**
http://finance.utoronto.ca/fast/