



I. 6.1.2 Definitions

Chapter 6 - Fiscal	Original Effective Date: July 2000
Section: 6.1 Accounting	Date Last Reviewed: May 2017
Responsible Entity: Assistant Vice President for Business Affairs	Date Last Revised: May 2017

II. Purpose

This policy establishes consistent definitions for terms used in Chapter 6 - Fiscal.

III. Scope

This policy ensures clear and consistent interpretation of terminology used in all Fiscal policies.

IV. Policy

Terminology defined in this policy will have consistent meaning through the entirety of Chapter 6 - Fiscal

V. Definitions

When used in this document, the following words have the meaning set forth below unless a different meaning is required by context.

Account - A six-digit number assigned to all entries in the financial records. This number classifies and identifies the transaction and provides a logical grouping of assets, liabilities, expenses, revenues, and fund equity earned in prior accounting periods. See the Accounting Office's web page, Account Numbers, at http://www.uthscsa.edu/business/accounting/account_codes.xls

Accounts Payable - Unpaid financial obligations of the institution.

Audit - The examination of documents, records, reports, internal control systems, accounting procedures, and other information to determine the propriety, legality, and accuracy of transactions.

Balance Forward - The balance of non-budgeted project IDs at the beginning of a fiscal year which is carried forward from the end of the previous fiscal year.

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Budget – Funds allocated to cover expenditures for a specific period. Budget entries are only recorded on state funds, grant funds, service centers, and auxiliary funds.

Cash Receipts Voucher – A document used to classify the receipt of a certain sum of money when the funds are being deposited to a university bank account.

Charge – An expense or transfer of funds transaction reducing the free balance of a project ID.

Credit – A revenue or transfer of funds transaction increasing the free balance of a project ID.

Demand Account – A bank account where a portion of the institution’s local funds are held on deposit.

Department ID – A five (5) digit alpha-numeric code to identify departments and/or divisions within the University’s organizational structure.

Disbursement – A payment in cash.

Encumbrance – An obligation of a portion of the free balance of a project ID in reserve for a future expenditure. Encumbrances take the form of purchase orders, requisitions, work order contracts, and salary commitments.

Equipment – A tangible item (generally with a cost of \$5,000 or more) which is included as part of the institution’s inventory of assets. Equipment items are tagged and recorded by the Property Control Office.

Expenditure – A charge to a project ID for goods received or services rendered.

Fiscal Year – A 12-month period which defines the operating cycle of the institution and upon which the budget is based. The institution’s fiscal year runs from September 1 through August 31 of the succeeding calendar year. At the end of this period the institution determines its financial position and the results of its operations.

Free Balance – The unexpended and unencumbered balance of a project ID.

Fund Accounting – A method of recording assets, liabilities, revenues, and expenditures in distinct accounting fund groups which are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, and limitations, and generally with budgetary constraints.

Fund Group – A grouping of project ID’s having a similar source of funding and a similar type of operation governed by the same set of regulations, restrictions, and other requirements. For details of various fund groups refer to the Institutional Handbook of Operating Policies, Policy [6.1.3 Fund Groups](#).

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Grant – An award of funds from an outside source for a specified period of time in order to carry out a specified project subject to grantor restrictions in addition to other institutional regulations. Grant awards do not generally coincide with the institution’s fiscal year; they are based upon a timetable specified by the grantor.

Income – A credit to a project ID as a result of cash received by the institution.

Inter-Fund Transfer – Free balance amounts transferred from a project ID in one fund group to a project ID in another fund group.

Internal Audit – An institutional audit performed by persons on the staff of the institution.

Internal Control – A system of policies and procedures established to provide management with reasonable, but not absolute assurance that assets are safeguarded from loss and that transactions are executed and properly recorded in accordance with management’s authorization.

Intra-Fund Transfer – Fund balance amounts transferred from one project ID to another within the same fund group.

Journal Entry (JE) – An accounting entry made to a project ID to record departmental distributions and corrections, examples include cash receipts, interdepartmental transfers, petty cash transactions and interest distributions.

Journal Voucher (JV) – An accounting entry made to adjust or correct any accounts payable (payment) voucher.

Payee – The entity/person receiving a payment.

Payment Request – The automated process used to create payments and reimbursements from UT Health San Antonio funds, excluding:

1. Travel Reimbursements (UTHSA Employees, Students, Residents, other State of Texas Employees and Prospective Employees);
2. Purchase Order Payments;
3. Payroll and Stipend Payments, and;
4. Patient reimbursements.

Payment Request Certification – A check box on the Payment Request where the requestor certifies that services were rendered or goods received, and that the price appearing on the request is unpaid, legal, proper, and fiscally responsible.

Petty Cash – A small cash fund held for incidental purchases and other emergency payments. The amount of the petty cash fund itself is limited to a specified ceiling and the amount of each disbursement from the fund is similarly limited to a specified ceiling.

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Prior Approval Form - The electronic form required for documenting the prior approval of payments to consultants or persons other than employees performing services.

Project ID - A six (6) digit numeric code indicating a unique segment of a fund group designated for a particular purpose and placed under the control of a particular cost or revenue center assigned to a specific fund group and/or department or section of a department/division.

Purchase Order - A contractual commitment to purchase an item from a particular supplier at a quoted price.

Re-Appropriation - A budget amount carried forward to the current year's budget in order to fund prior year's outstanding encumbrances or an authorized carry forward of unexpended state appropriations from one fiscal year to the next fiscal year.

Reimbursement - A payment made to an individual for an authorized expense incurred by the individual on behalf of the institution.

State Appropriations - Funds specifically appropriated by the State Legislature for use by UT Health San Antonio and held in the State Treasury.

VI. Related References

There are no related documents associated with this Policy.

VII. Review and Approval History

The approving authority of this policy is the University Executive Committee.

Effective Date	Action Taken	Approved By	Approved Date
07/2000	Policy Origination	Executive Committee	07/2000
05/2017	Policy Review	Executive Committee	05/2017