



# **Business Process - Requesting a Program – Completing the Program Create Form**

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## Business Process Description

This document provides guidance on requesting the creation of a new value for the program chart field in PeopleSoft General Ledger. The document is to be used in conjunction with other process documents describing specific types of programs (e.g., gifts and endowments,).

## Key Assumptions

The reader is familiar with PeopleSoft GL ChartFields and their use.

## Do I Have a Program?

In PeopleSoft General Ledger a program is defined as a chart field comprised of five digits that is sometimes required to track revenue, expenditures, and balances for programs within each campus or across the System. It is used to identify reserves, endowments, loans and other sources of funds that need to be tracked across multiple departments or projects. It is also used to track various fee and waiver programs.

Program values have been established for endowments, annual gifts, campus programs, waivers, State bonds and appropriations, federal appropriations - MAFES, system internal loans, major maintenance match, revenue bonds, capital grants, operating reserves, debt service reserves, cost sharing pools, incentive budgeting, equipment carryover, institutional loans, and agency funds.

Please note that in PeopleSoft General Ledger a program differs from a project in that:

- A program generally has an indefinite end date while a project has a defined end date.
- The revenue and expense totals for a program are reset to zero at the end of each fiscal year while those for a project are carried forward to the next fiscal year to track inception-to-date activity.
- Any 'balance available' at the end of a fiscal year is carried forward to the next year for a project while the treatment of the 'balance available' for a program depends on what type of program it is.

## What Type of Program Do I Have?

After you have determined that you have a program, the next step is to identify what type of program you have. The type of program will determine what information you need to provide on the Program Create Form and what other business process document(s) you should consult.

The program chart field in PeopleSoft General Ledger is used to track the financial activity of several types of programs:

<b>Program Type</b>	<b>Description</b>	<b>Valid Fund Codes</b>	<b>Project Required?</b>
Endowment	Includes all endowments and charitable gift annuities whether pooled or separately invested. Also includes the distributed income portion of the endowments.  Year-end net asset balances roll forward to the new fiscal year.	See business process document, "Accounting for Gifts and Endowments."	See business process document, "Accounting for Gifts and Endowments."

Program Type	Description	Valid Fund Codes	Project Required?
Gifts – Other Than Endowment	Includes all expendable gifts whether restricted or unrestricted.  Year-end net asset balances roll forward to the new fiscal year.	See business process document, "Accounting for Gifts and Endowments."	See business process document, "Accounting for Gifts and Endowments."
Campus Programs	Includes unrestricted funds for which the University's administration stipulates a specific use. The administration may change the designation at any time.  Year-end net asset balances roll forward to the new fiscal year.	10	No
Waivers	Includes tuition waivers for students whose presence would enhance the university experience for all students. Detailed descriptions of these waivers may be found in the Annual Student Financial Aid Report.  Year-end net asset balances close to reserves at the end of the fiscal year.	00	No
State Bonds & Appropriations	Includes all State bonds and appropriations restricted by the State for specific purposes. Maine Economic Improvement Funds (MEIF) are included here.  Year-end net asset balances roll forward to the new fiscal year.	23 for appropriations 28 for bonds	See business process documents, "Accounting for State Capital Bond Proceeds" and "Accounting for MEIF R&D Appropriation"
Federal Appropriations - MAFES	Includes programs funded with federal appropriations for the Maine Agricultural and Forestry Experiment Station (MAFES).  Year-end net asset balances roll forward to the new fiscal year.	See business process document, "Accounting for MAFES and Cooperative Extension"	See business process document, "Accounting for MAFES and Cooperative Extension"
System Internal Loans	Includes loans established through interfund borrowing (see APL #40).  Year-end net asset balances roll forward to the new fiscal year.	See business process document "Accounting for Internal Loans".	See business process document "Accounting for Internal Loans".
Major Maintenance Match	<b>Used for conversion purposes only. There will be no new programs created under this category.</b>  This program type is the equivalent of Type Funding 95 in our old accounting system (FAST) which was used to track certain ledger 7 maintenance projects.  Year-end net asset balances roll forward to the new fiscal year.	18	Yes See business process document, "Accounting for Capital and Maintenance Projects"
Revenue Bonds	Includes all bonds issued by the University of Maine System.  Year-end net asset balances roll forward to the new fiscal year.	See business process document "Accounting for University Revenue Bonds."	Yes See business process document "Accounting for University Revenue Bonds."

<b>Program Type</b>	<b>Description</b>	<b>Valid Fund Codes</b>	<b>Project Required?</b>
Capital Grants	Year-end net asset balances roll forward to the new fiscal year.	See business process documents, "Accounting for Grants and Contracts" and "Accounting for Capital and Maintenance Projects"	Yes See business process documents, "Accounting for Grants and Contracts" and "Accounting for Capital and Maintenance Projects"
Operating Reserves	Includes unrestricted operating reserves for E&G and auxiliary enterprises.  <b>The only account codes that should be used with the reserves are those for transfers (7xxx and 8xxx).</b>  Year-end net asset balances roll forward to the new fiscal year.	15 (E&G) 16 (Auxiliary)	No
Debt Service Reserves	Includes reserves for debt service: related to both Internal Loans and University Revenue Bonds.  Year-end net asset balances roll forward to the new fiscal year.	19, 29 See business process document, "Accounting for University Revenue Bonds"	No
Cost Sharing Pools	<b>Used for conversion purposes only. There will be no new programs created under this category.</b>  This program type represents the old ledger 4 cost sharing pools in FAST.  Year-end net asset balances roll forward to the new fiscal year.	04 See business process document, "Accounting for Grants and Contracts"	No
Incentive Budgeting	<b>Used for conversion purposes only. There will be no new programs created under this category.</b>  Year-end net asset balances roll forward to the new fiscal year.	10	No
Equipment Carryover	Includes departmental funds carried over to the new fiscal year to pay for major equipment that has been ordered but not received as of the fiscal year year-end (see APL #15).  Year-end net asset balances roll forward to the new fiscal year.	10	No
Institutional Loan Funds	Used to identify each institutional student loan fund.  Year-end net asset balances roll forward to the new fiscal year.	27	No

<b>Program Type</b>	<b>Description</b>	<b>Valid Fund Codes</b>	<b>Project Required?</b>
Agency Funds	Includes funds held by the university, acting as custodian or fiscal agent.  Year-end net asset balances roll forward to the new fiscal year on an individual program basis or to a central program as defined by the third party.	50	No

## Completing the Program Create Form

Once you have determined what type of program you have, you need to complete the Program Create Form and submit it to the designated System office. As noted below, the information you must provide depends on the type of program you are requesting.

<b>Required Information</b>	<b>Types of Programs:</b>		
	<b>Gifts/ Endowments</b>	<b>Operating Reserves</b>	<b>All Other</b>
1. Business unit.	X	X	X
2. Program number.	X	X	X
3. Effective date.	X	X	X
4. Program description.	X	X	X
5. Short description.	X	X	X
6. Manager name.	X	X	X
7. Purpose of program.	X	X	X
8. Expense code.	X	X	X
9. Chartfield combinations.	X	X	X
10. Related programs.	X	X	X
11. Donor purpose report code (CAE code).	X		
12. Tree nodes.	X	X	X
13. YE Schedule.	X	X	
14. Benefactor translation.	X		

### #1 Business Unit

This is a 5-digit field representing the campus to which the Program belongs. Valid values are those established for the chart field 'business unit'. The last digit must be the campus number.

### #2 Program Number

This is a 5-digit field representing the program chart field. The campus may enter a suggested number or just have the System Office of Finance and Treasurer (OFT) assign the number. The first digit of the program number must be the campus number as follows:

1 = UMA	3 = UMFK	5 = UM	7 = UMPI
2 = UMF	4 = UMM	6 = USM	8 = SWS

For conversion purposes and for ease of assigning new program numbers, ranges have been assigned to each program type (endowment, etc.) as follows. However, these ranges should not be the source for reporting on programs by type. Instead, reporting should be based on the program tree.

<b>Pgm Type</b>	<b>From</b>	<b>To</b>	<b>Description</b>
<b>Endowments, including income accounts</b>			
	C0001	C0050	Endowments, Pool (System)
		C0001	Bath Iron Works Scholarship
		C0002	Edna Higgins Scholarship
	C0003	C0005	Katharine O'Brien Book Fd
	C0006	C0018	Libra Professorship
	C0019	C0050	Unassigned
	C0051	C1499	Endowments, Pool (Campus)
	C1500	C1599	Endowments, Separate
	C1600	C1699	Life Income Funds
	C1700	C1899	Gift Annuities
	C1900	C1999	Deferred Charitable Gift Annuity
	C2000	C2099	Unassigned
<b>Gift Accounts</b>			
	C2100	C4099	UM Foundation
	C4100	C4399	Other UMS Foundations
	C4400	C4450	Other Expendable Gifts (System)
		C4401	Hervey Hanscom Scholarship
		C4402	Katharine O'Brien Book Fd
		C4403	Development Support
	C4451	C7399	Other Expendable Gifts
	C7400	C7499	Unassigned
<b>Campus/System: Initiatives, Reserves and Projects</b>			
	C7500	C7600	<b>System Initiatives &amp; Programs:</b>
		C7500	Equipment Carryover
		C7501	Cost Sharing - Research
		C7502	Cost Sharing - Instruction
		C7503	Cost Sharing - Other Sponsored
		C7505	Incentive Budgeting
	C7601	C8499	<b>Campus Initiatives &amp; Programs</b>
	C8500	C8699	<b>Tuition Waiver Programs:</b>
		C8500	Native American Waivers
		C8501	Veteran Dependent Waivers
		C8502	HS Aspirations Pgm - Full
		C8503	HS Aspirations Pgm - Partial
		C8504	Canadian Student Waivers
		C8505	National Exchange Waiver
		C8506	International Exchange Waiver
		C8507	Foster Care Waiver
		C8508	Senior Citizen Waiver
		C8509	USS Maine Waivers
		C8510	Law Enforcement/FF Waiver
		C8511	Graduate Waivers
		C8512	UM Fac Children Waivers
		C8513	NEBHE Waivers UG Out-St
		C8514	Employee Tuition Waiver
		C8515	Dependent Tuition Waiver
		C8514	International Trustee Waivers
		C8600	Trustee Waiver - Academic
	C8601	C8650	Trustee Waivers - Campus
		C8651	Trustee Waiver - Athletic
		C8652	Trustee Waiver - Athl Supp
		C8653	Tuition Remission

Pgm Type	From	To	Description
<b>Campus/System: Initiatives, Reserves and Projects - continued</b>			
	C8700	C8799	<b>Reserves:</b>
		C8701	Reserve E&G
		C8702	Reserve E&G Maintenance
		C8703	Reserve E&G Maintenance
		C8704	Compensation Reserve
		C8707	Capital Reserve
		C8710	Reserve Bookstore
		C8714	Reserve Residence & Dining
		C8715	Reserve Motor Pool
	C8750	C8799	Other Campus Reserves
	C8800	C8899	<b>State MEIF Appropriations</b>
	C8900	C9099	<b>Debt Service Reserves</b>
	C9100	C9199	<b>State Bonds &amp; Appropriations:</b>
		C9101	1997 State Safety Code Bonds
		C9102	1998 State R&D Bonds
		C9103	1998 State R&D Appropriation
		C9104	State Capital Appropriation
		C9105	2001 State Bonds
		C9106	2002 State Bonds Sprinklers
		C9107	2002 State R&D Bonds
		C9108	Tech Educ Asst Fd Dig Library
		C9109	2003 State JEG Bonds - AEWC
		C9119	2003 State JEG Bonds - ITV
		C9120	2003 State JEG Bonds - MEIF
		C9121	2003 State JEG Bonds SCI BLDG
		C9122	2003 St JEG Bonds RSRCH FARMS
		C9118	State MEIF Prior to Fy04
		C9123	2003 State HEPL Bonds
		C9124	Special State Approp-Casco Bay
	C9200	C9299	<b>Revenue Bonds:</b>
		C9200	1998 University Revenue Bonds
		C9201	Univ Bond Interest Earnings
		C9202	2000 University Revenue Bonds
		C9203	2002 University Revenue Bonds
		C9204	2003 University Revenue Bonds
		C9205	2004 University Revenue Bonds
	C9300	C9399	<b>Capital Grants</b>
	C9400	C9499	<b>Other</b>
		C9401	Major Maintenance Match
	C9402	C9499	System Internal Loans
<b>Loan Funds</b>			
	C9510	C9699	Institutional Loans
	C9700	C9799	Unassigned
<b>Agency Funds</b>			
	C9800	C9999	Agency Funds

**#3 Effective Date**

The System Accounting Department (SAD) will typically assign this date, using July 1 of the current fiscal year. However, if you do not want the program to be active until the next fiscal year, please complete this field using July 1 of the applicable fiscal year. It is in MM/DD/YYYY format.

**#4 Program Description**

The Program description may be up to 30 characters long.

**#5 Short Description**

The short description is any meaningful abbreviated version of the description and may be up to ten characters long.

**#6 Manager Name**

This is the responsible person’s name. The name must be entered as LAST NAME, FIRST NAME MIDDLE INITIAL (LN, FN MI) and can be up to 30 characters long. Please note that there are no spaces between the names.

**#7 Purpose of Program**

This is a brief narrative on what the program encompasses. At a minimum, include the:

1. Program Type

- For gifts and endowments please indicated whether it's an annual gift; endowment; quasi-endowment; gift annuity; deferred gift annuity; separately invested gift; or UM, UMA, UMF, UMFK, UMPI, USM, or USM Law Foundation Gift.

2. Purpose of the fund

- For gifts and endowments please indicate what the donor’s restrictions are (i.e., unrestricted, academic divisions, faculty or staff compensation, research, public service, library, physical plant, student financial aid, athletics, construction, loans or other)

**#8 Expense Code**

This is a 4-digit field used to identify the functional activity of the program. The following codes are available for use:

<u>Expense Code</u>	<u>Description</u>	<u>Expense Code</u>	<u>Description</u>
<b>Instruction:</b>		<b>Student Services:</b>	
1010	Academic Year Instruction	5010	Student Service Administration
1040	Summer Session Instruction	5030	Counseling & Career Guidance
1060	Scholarly Activities	5040	Financial Aid Administration
<b>Research:</b>		5050	Student Health Services
2010	Research Institutes & Centers	5060	Recruitment, Admissions & Records
2020	Project Research	5070	Athletics
2030	Maine Agricultural Experiment Station	5090	Student Services - Other
<b>Public Service:</b>		<b>Institutional Support:</b>	
3010	Community Services	6010	Executive Management
3020	Cooperative Extension Service	6030	General Administrative Services
<b>Academic Support:</b>		6050	Public Relations & Development
4010	Libraries	<b>Oper &amp; Maint of Physical Plant:</b>	
4030	Technology Support	7010	Operations – Physical Plant
4060	Academic Administration	7020	Maintenance – Physical Plant
4090	Academic Support – Other	7030	Alterations & Renovations
		7050	Plant Projects (noncapital)

<u>Expense</u>	<u>Description</u>	<u>Expense</u>	<u>Description</u>
<u>Code</u>		<u>Code</u>	
<b>Student Financial Aid:</b>		<b>Auxiliary Enterprises:</b>	
8010	Scholarships	9010	Dining Services
8030	Student Aid Matching	9012	Residence Services
8040	Athletic Scholarships	9015	Dining & Residence Administration
8050	Student Work Programs	9020	Bookstores
		9040	Printing Services
		9045	Motor Pool
		9050	Student Unions
		9060	Parking
		9070	Nursery School & Day Care
		9080	Computer Store/Repairs
		9090	Auxiliary Enterprises - Other
		<b>Agency Fund Expenses:</b>	
		AGCY	Agency

Definitions for the above expense codes are located on the web at <http://www.maine.edu/oft/psbsproc.htm>.

### **#9 ChartField Combinations**

Please provide the combinations of department, fund, and project that you intend to use in combination with the requested program code. The System Office will assess the appropriateness of these combinations based on other information provided on the Program Create Form. Our goal is to help ensure that you have identified appropriate combinations before you start processing transactions. Space has been provided for three combinations; however, if additional combinations apply, please provide them in the margins. **Please note that other than gifts and endowments, most programs will generally be used with only one combination.**

For gifts and endowments, please refer to the process document, "Accounting for Gifts and Endowments" for more information on how to complete this section. Please refer to the section of this process document titled, "What Type of Program Do I Have?" for guidance on when a project number would be needed.

### **#10 Related Programs - Reporting**

If the requested program number should be combined with one or more other programs for reporting purposes, you need to note those other programs.

### **#11 Donor Purpose Report Code (CAE Code)**

This is the code used in the Benefactor system (also called Endowment Restriction Type or VSE Code) to categorize gifts by restriction type as follows:

<u>Description</u>	<u>Code</u>
Unrestricted	DP01
Restricted	
Academic Divisions	DP02
Faculty & Staff Compensation	DP03
Research	DP04
Public Service & Extension	DP05
Library	DP06
Physical Plant	DP07
Student Financial Aid	DP08

<u>Description</u>	<u>Code</u>
Restricted - continued	
Athletics	DP09
Other	DP10
Property, Buildings & Equipment	DP11
Loan Funds	DP14
Endowment – Unrestricted	DP12
Endowment – Restricted	
Academic Divisions	RE1
Faculty & Staff Compensation	RE2
Research	RE3
Public Service & Extension	RE4
Library	RE5
Physical Plant	RE6
Student Financial Aid	RE7
Athletics	RE8
Other	RE9

### **#12 Tree Nodes**

This information will be completed by the OFT based upon the information provided by the Campus. Please be aware that more than one program tree could exist (e.g., one for reporting and another for allocations). Please also note that a program can only be added to one node per tree.

#### **>> UMS\_PROGRAM Tree Node**

This tree is used for reporting purposes. The tree is organized in levels (nodes) that sort the programs by type (as discussed earlier in this document), subtypes, and designations/restrictions.

In completing the Program Create Form, the OFT will provide the name of the lowest tree level that will accurately provide all pertinent information about the program. If an appropriate node does not exist, please notify the System Accounting Department so that the node can be created.

An excerpt from the UMS\_PROGRAM tree is found on the next page. **The complete tree can be located at <http://www.maine.edu/oft/pstrees.htm>.**


**If completing the Program Create Form for a gift or endowment program, please refer to the process document, “Accounting for Gifts and Endowments” for further discussion of the program tree.**

Level 1	Level 2	Cat1	Cat2	Cat3	Cat4	Restr1	Restr2	Restr3
	ALLPROGRAM							
	(A) PROGRAM_VALUES							
		ENDOW						
		GIFTS						
		CAMPUS_PGMS						
		WAIVERS						
			NATIVE_AM_WAIVER					
			VETERAN_DEP_WAIVER					
		ST_BONDS_APPR						
			ST_BONDS					
				2002_STATE_RD_BOND				
				2003_ST_JEG_BD_AEWC				
				2003_ST_JEG_ITV				
				2003_STATE_HEPL_BND				
			ST_APPROP					
				TCH_ED_FD_DIG_LIB				
				SP_ST_APPROP_MEIF				
					ST_MEIF_PRIOR_FY04			
				SP_ST_APPR_CASCO BAY				
		FED_APPROP_MAFES						
		SYS_INTERNAL_LOANS						
		MAJ_MAINT_MATCH						
		REV_BONDS						
				2003_UNIV_REV_BOND				
				2004_UNIV_REV_BOND				
		CAP_GRANTS						
		RESERVES						
			RES_AUX					
				RES_BOOKSTORE				
				RES_DINING				
			OTH_RESERVES					
		DEBT_SVS_RES						
		COST_SHAR						
			COST_SHAR_OTH_SPONS					
		INCENTIVE_BUDGET						
		EQUIP_CARRYOVER						
	(A) LOANS							
		(A) INSTITUTIONAL_LOANS						
		AGENCY_FUNDS						
	NO_PROG_VALUE							

Please note that level 1 in the above tree represents the highest level of the tree. As you work your way to the right, you are moving to a lower level on the tree. An explanation of the levels is provided below:

- Level 1 This is a PeopleSoft required level and is of no concern in completing the Program Create Form.
- Level 2 This is a PeopleSoft required level and is of no concern in completing the Program Create Form.
- Cat 1 This level divides the program chart field values into various types of programs as discussed earlier in this document (e.g., endowments, gifts, waivers, etc.).
- Cat 2 This level provides a further breakdown of the program types.
- Cat 3 This level provides a further breakdown of the program types.

- Cat 4 This level provides a further breakdown of the program types.
- Restr 1 This level provides the highest level breakdown by restriction. It generally applies only to endowment and gift programs.
- Restr 2 This level provides a further breakdown of selected restrictions from the 'Restr 1' level. It generally applies only to endowment and gift programs.
- Restr 3 This level provides a further breakdown of selected restrictions from the 'Restr 2' level. It generally applies only to endowment and gift programs.

*Illustration:* Campus A receives money to start a new Institutional Loan program. To complete the program create form, the System Office would enter 'INSTITUTIONAL\_LOANS' as the program tree level. Follow the  from Level 2 to Cat 2 to see how the System arrived at this answer.

**>> UMS\_ALLOC\_TII Tree Node**

This tree is used for allocation purposes to distribute temporary investment income to eligible programs. To assign the proper tree node you must be familiar with the allocation process established for temporary investment income.

**>> UMS\_ALLOC\_ENDOW\_INC Tree Node**

This tree is used for allocation purposes to distribute endowment income from the endowment pool. To assign the proper tree node you must be familiar with the allocation process established for endowment income distribution.

**#13 YE Schedule**

The Year End Schedule code is used to identify:

1. Endowment income monies that need to be returned to principal at year end.
2. The various types of operating reserves.

Valid values for the Year End Schedule code are as follows:

<u>Code</u>	<u>Description</u>
E1	E1 UMS Return to Principal
E2	E2 Foundation Return to Principal
T1	T1 E&G Control
T2	T2 E&G Reserves
T3	T3 Auxiliary Reserves
T6	T6 Debt Service Reserves

**#14 Benefactor Translation:**

Due to limitations of the legacy Benefactor system, the PeopleSoft GL chart of accounts cannot be loaded into Benefactor. Therefore, a translation process will be used when feeding information from Benefactor to PeopleSoft GL.

After the PeopleSoft GL implementation date, new gifts or endowments will be created in PeopleSoft GL following the process described in this document. However, a new 7-digit FAST account will also need to be created in Benefactor for use in that system. This new FAST number will be added to the translate tool so that transactions to that account in Benefactor can be properly fed to the PeopleSoft GL system.

The number to be used in Benefactor will be assigned by the OFT using the following formats:

- C8xxxxx (starting with C800000 and increasing sequentially) for gifts.
- C86xxxx (starting with C860000 and increasing sequentially) for endowments.

Each probable combination (7-digit FAST account plus object code number) must be entered in the translate tool to ensure that all Benefactor activity is fed to PeopleSoft GL.

