

Glossary of Budget and Planning Terms

Account – Element of the new chart of accounts string that classifies transactions by object. Groupings of accounts are asset, liability, fund balance, revenue or expense, designated by the first digit of the account code. The first digit designation changed with the Oracle ERP financial system implementation, and accounts are now grouped as follows:

- 1 = Asset
- 2 = Liability
- 3 = Fund Balance or Net Position
- 4 = External Revenue
- 5 = External Expense
- 7 = Transfer/Allocation

Activity – Element of the new chart of accounts string which classifies a transaction by activity when PPM (Project Portfolio Management) is not appropriate, such as credit card merchant accounts.

ASSA – Overhead recovery on Auxiliary and Self-Supporting Activities. The campus charges an ASSA administrative overhead assessment on these activities to ensure the institution does not subsidize these activities and that the activities contribute back to the university's core mission. ASSA has two components: Admin Overhead and Differential Income. The assessment is based on revenue.

Auxiliary Enterprises – Self-supporting operations such as housing and dining services, bookstore, and parking and transportation. Self-supporting units typically do not receive funding from the central campus and are required to generate revenue to support their operation, similar to private enterprises.

Bargaining Unit – A group of employees with a clear and identifiable community of interests who are (under U.S. law) represented by a single labor union in collective bargaining and other dealings with management.

Beginning Balance – The carryforward balance as of July 1 of the current fiscal year. These balances are found in account 300000.

Bottoms Up Budgeting – Budgeting that determines the underlying costs for each individual department or segment of an organization and then aggregates each department to the next organizational level until a total consolidated budget is created. In Oracle Planning and Budgeting, budgets will be entered at the Financial Unit/Fund/Function intersection for each budget account or each G/L posting account.

Budget/Budgeting – Budgeting is the process of setting revenue and expense targets for a specified period, typically one year, with the budget that results from the process being used to plan and control the allocation of resources. It's during the annual budgeting process that top-down financial targets are aligned with bottom-up operational budget requests to arrive at an overall budget for the entire organization.

Budget Accounts – A new type of account used in Oracle Planning and Budgeting for budgeting purposes only. Budget accounts function similar to sub accounts in IFIS but are more descriptive. Budget preparers can budget at the budget account or G/L posting account level.

COA (Chart of Accounts) – The Chart of Accounts represents the structure through which financial transaction data is organized and reported. UC San Diego aligned its new Chart of Accounts with the UC Common Chart of Accounts (CCoA), which will go into effect in 2020. UC San Diego's new CoA will be implemented as part of its new financial system, Oracle ERP Cloud. For detailed

information on the new CoA, click here:

<https://esr.ucsd.edu/projects/fis/ccoa/index.html#Redesigned-Common-Chart-of-Acco>

Carryforward Balance – The beginning balance as of July 1 of the current fiscal year. These balances are found in account 300000. Also referred to as the **beginning balance**. Previously in IFIS, carryforward balance was calculated as the positive or negative balance of the operating budget of a unit at the close of the fiscal year.

Composite Benefit Rate (CBR) – Composite Benefit Rates for faculty and staff are established annually by CBO for planning purposes only. Actual employee benefit rates will transition to a single composite benefit rate for each employee group once UCPATH is implemented. Moving to composite benefit rates to calculate benefits will streamline the record keeping process for employer paid benefits, create consistency for charges of benefits to all funding sources, and simplify the budgeting process. For more information on CBRs, click here: <https://blink.ucsd.edu/finance/costing-analysis/cbrs/index.html>

Core Funds – Category of funds that is used to support direct costs associated with instruction, research and public service efforts. Core funds include State and UC General Funds, Student Fee Funds (Tuition, Student Services Fees, Professional Degree Supplemental Tuition, Non-Resident Supplemental Tuition), Indirect Cost Recovery Funds, Investment Income, Patent Income, ASSA, Gift Fees/Endowment Cost Recovery.

Core Recurring Budget – The recurring approved annualized plan of operations for the university. It is adjusted during the annual budget process to reflect changes with continuing impact. Typically, only core funds have core recurring budgets. The core recurring budget was previously called the permanent budget. Permanent budget balances were stored in the Permanent Budget System in the Budget Master File but are now referred to as recurring budget in the Oracle EPBCS Planning and Budgeting System.

Days Fund Balance (DFB) – Similar metric as Days Cash on Hand but uses fund balance. Campus guidelines for days fund balance were established to define what is considered reasonable amounts of unrestricted carryforward fund balances based on the type of campus unit. DFB is calculated as June 30th Ending Fund Balance ÷ (Annual Operating Expenses / 365). See this link for details: <https://blink.ucsd.edu/files/sponsor-tab/cbo/guidance-mgmt-cf-balances-7-1-18.pdf>

Deficit Policy – A new Deficit Policy has been implemented in order to define a clear process to manage timely resolution of existing and future deficits. See PPM 300-2 for details: <http://adminrecords.ucsd.edu/PPM/docs/300-2.html>

DOPES – Distribution of Payroll Expense. A DOPES report can be run using UCPATH data in Cognos. Link to report: <https://reports.ucsd.edu/#domain-tab-hr-payroll>

Previously, DOPES was a separate system from PPS that housed the general ledger distribution data for payroll.

Ending Balance – Calculated as the beginning balance at July 1 plus the YTD Net Surplus (Loss). Is also called the **Net Position** and represents the total net accumulation of revenues and expenses since the university's inception.

Enterprise Systems Renewal (ESR) – Launched in July 2017, ESR is a multi-year, campus-wide initiative that will deploy new software tools and systems to support the optimization of core business and administrative processes.

Entity – Element of the new chart of accounts string that is a subset of the university reporting unit and is either a separate legal entity, a separately funded state agency or is required to issue its own financial statements. Entity identifies the major operational unit within the UC system.

For UC San Diego, the top level entities are:

- UC San Diego Campus
- UC San Diego Medical Center
- UC San Diego Foundation
- UC San Diego UCOP

The entities found under UC San Diego Campus are:

16110	Academic Affairs
16120	Marine Science
16130	Health Science
16143	Health Physician Group
16144	Population Health Svc Orgn
16150	Chief Financial Officer
16160	Student Affairs
16170	Resource Management and Planning
16180	Research Affairs
16191	Academic Senate
16192	Office of the President
16193	Advancement
16194	Equity Diversity Inclusion
16195	Chancellor
16196	Campuswide Organizations

Estimate – The term estimate is often interchanged with the term forecast--future income and expenses or key metrics for an organization, typically one to four quarters out, based on current assumptions.

Extramural funds – Extramural funds are not budgeted as recurring and their source is mostly from federal and private agencies for specific purposes and terms such as student aid or research.

Financial Information System Project (FIS) –The Financial Information System project is a subset of the campus Enterprise Systems Renewal (ESR) strategy and is focused on campus, foundation, and Health financial business processes and systems for the general ledger, expense and revenue management, financial reporting and budget governance. The Financial Information System project will:

- Replace outdated financial systems with new, more flexible technology
- Reduce difficult and redundant business processes
- Share financial data across campus systems
- Engage the financial community throughout the project's lifecycle

Financial Unit – Element of the new chart of accounts string that represents a campus unit with: 1) an ongoing business objective; 2) a responsible individual with fiscal authority over budget and costs; 3) an identifiable group of employees; and 4) (generally) physical space. Every financial unit must submit its own budget. Financial Unit will also be used for approvals, routing, and authorizations in Oracle Planning and Budgeting.

10XXXXXX – Academic Affairs
20XXXXXX – Marine Science
30XXXXXX – Health Science
42XXXXXX – CEO of Medical Center
43XXXXXX – Health Physician Group
441XXXXX – Population Health Svc Organization
50XXXXXX – CFO
60XXXXXX – Student Affairs
70XXXXXX – Resource Management and Planning
80XXXXXX – Research Affairs
91XXXXXX – Academic Senate
92XXXXXX – Office of the President
93XXXXXX – Advancement
94XXXXXX – Equity Diversity Inclusion
95XXXXXX – Chancellor
96XXXXXX – UC San Diego (Campuswide)
97XXXXXX – Foundation
98XXXXXX – Sanford Consortium
99XXXXXX – UCSD UCOP ALPHA Funds

Fiscal Year – The University’s year for reporting activity; a twelve-month period that begins July 1st and commences June 30th.

Forecast – An estimate of future income and expenses or key metrics for an organization, typically one to four quarters out, based on current assumptions.

Full Time Equivalent (FTE) – A measurement unit that indicates the workload of an employed person in a way that makes workloads for full-time and part-time employees comparable. For example, a full-time employee is 1.0 FTE, a 50% employee is 0.5 FTE and a 75% employee is 0.75 FTE.

Function – Element of the new chart of accounts string that represents the function or purpose of the activity based on the NACUBO Higher Ed purpose of an expense. Function was called program in the IFIS system. UC San Diego’s functions in the new Oracle financial system are:

400 – Instruction
420 – Teaching Hospitals
430 – Academic Support Non-Clinical
431 – Academic Support Clinical
440 – Research
620 – Public Service
640 – Operation and Maintenance of Plant
680 – Student Services
720 – Institutional Support
760 – Auxiliary Enterprises
780 – Scholarships and Fellowships/Student Financial Aid

Fund – A self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations. Funds are typically classified as restricted or unrestricted. UC San Diego further categorizes unrestricted funds into Core funds, Non-Core funds and Other Unrestricted funds. Fund is an element of the new chart of accounts string.

GAEL – General Automobile and Employment Practices Liability. Provides coverage for injury to or damage to property of others for which the campus may have liability. Campus units are assessed GAEL based on payroll expense.

IFIS –Integrated Financial Information System was UC San Diego's central financial system before it was replaced with Oracle ERP and Oracle EPBCS in July 2020. It was developed in the late 1980s and is written in COBOL. Reporting and Query tools for IFIS included FinancialLink, QueryLink and Cognos.

Index – No longer used, an index was a chart of accounts code that represented a combination of fund, organization, program in IFIS. The first three characters formed an alphabetic prefix representing the department name. Some, not all, indexes were mapped to the **project** element of the chart string in the new Oracle ERP system for cost tracking purposes.

Indirect Cost Recovery (ICR) – Indirect costs, also called Facilities and Administrative (F&A) Costs are costs not specifically identifiable for any one project or program, but are valid expenses of conducting research, instruction, and other sponsored activities at UC San Diego. Indirect costs cover activities such as building use, equipment depreciation, operation and maintenance of UC San Diego facilities, student services, departmental administration, or administrative support offices. UC San Diego negotiates Indirect Cost Recovery rates with the US Department of Health and Human Services (DHHS) and applies those rates to sponsored research to recover indirect costs.

Funds for ICR include: Educational Fund, Opportunity Fund, Off the Top Fund, UC General Funds and CIRM. ICR funds are Core funds.

Ladder Rank Faculty – Ladder-rank faculty (LRF) are those appointed in the Professor series. Which consists of three ranks (assistant professor, associate professor, and full professor) and multiple steps within each rank. The associate and full professor ranks are with tenure and Assistant Professor is tenure track. A recurring budgeted position must be allocated for each ladder-rank appointment.

Line Item Budgeting – Preparing a budget at the account/object posting level for each financial unit/fund/function combination.

Location – Element of the new chart of accounts string that classifies a transaction by physical location. CAAN numbers start with a “C” and location titles will come from Tririga. Locations without a CAAN number will start with an “N” and location title should include location with street address. Ships will start with an “S” and location title will include the name of the ship.

LSOE Faculty –Lecturer with Security of Employment is an Academic Senate faculty member appointed to help meet the long-term instructional needs of the University that cannot be best fulfilled by an appointee in the Ladder Rank series.

LRBP – Long Range Budget Plan. A 10-year strategic plan managed by CBO that is updated two or three times annually.

Mandatory Cost Increases – Costs including compensation, OP tax, O&MP and debt service that are funded by central resources for core-funded campus units.

Net Investment in Capital Assets (NICA) - Capital assets less accumulated depreciation and outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction, or improvement of those assets. NICA is a component of net position.

Net Position – Also referred to as **ending balance**, it is a measure of available expendable financial resources and represents the accumulation of total resources and revenues minus total expenses since the university's inception. It is calculated as the July 1 beginning balance plus the YTD Net Surplus (Loss). Net Position is an important indicator of the university's financial strength. If it is growing, then so is its capacity to deliver services.

Net Surplus (Loss) – Total resources and revenues minus total expenses for a given fiscal period. If the calculation produces a positive result, it is a Net Surplus. If the calculation produces a negative result, it is a Net Loss.

O&MP – Operation and Maintenance of Plant. Includes plant administration, building maintenance, janitorial services, purchased utilities, utility operations, and refuse disposal.

OLTF – Online Transfer of Funds OLTFs are no longer used in Oracle Planning and Budgeting. OLTFs were previously used to move budgets (operating and/or recurring) and staffing between campus units in the old IFIS and permanent budget systems.

OP Assessment – An assessment charged by UCOP to all campuses to fund the UCOP operating budget and system wide projects such as UCPath. Commencing in FY 2017/18, OP no longer collects campus assessments but instead reduces the State Appropriation to the campuses by the assessment amount. UC San Diego funds the core amounts to VC units via an annual increment to the VC's perm budget. VC units fund the noncore amount.

Operating Budget – Represents the annual operating budget for all unrestricted funds, both core funds (recurring and one-time) and other unrestricted funds for the campus. Oracle Planning and Budgeting is used to create the campus operating budget.

Oracle EPBCS – The campuswide planning and budgeting tool that not only replaced the permanent budget system, but provides commitment tracking, and faculty and staff planning. The tool provides a bottoms-up budget development process to create an operating plan for all unrestricted funds across campus. UC San Diego has named its tool Oracle Planning and Budgeting.

Oracle OFC/ERP – The campuswide financial system that replaces IFIS. Oracle ERP is Oracle's cloud-base software that provides day-to-day transactional activity. The ERP modules purchased by UC San Diego include General Ledger, Accounts Payable, Accounts Receivable, Project Portfolio Management (PPM) and Fixed Assets.

PPS – Payroll Personnel System that contained payroll and personnel information for all university employees. Was replaced by UCPath in June 2020.

Plan/Planning - The process of transforming the strategic goals and objectives of the organization into tactical goals and objectives at the operating level of an organization. Operational plans establish the activities and budgets for each unit of the organization.

Profit and Loss Statement (P&L) – A profit and loss statement (P&L) is a financial statement that summarizes the revenues and expenses incurred during a specific period of time, usually a fiscal month, quarter or year. These records provide information about an organization's ability – or lack thereof – to generate profit or surplus by increasing revenue, reducing costs, or both. For higher education, the P&L statement is called the Statement of Revenues, Expenses and Changes in Net Position.

Program – Element of the new chart of accounts string used to record revenue and expense transactions associated with a formalized set of on-going activities that are UCOP system-wide programs. Not to be confused with the program code that signified NACUBO higher education expense categories in IFIS.

Project – Element of the new chart of accounts string used by the Oracle Project Portfolio Management (PPM) module to track projects that are designated as sponsored, capital, or general. Each project is auto-assigned a unique project number. Some indexes used in the IFIS system were mapped to projects in PPM.

Projection - Projections are used in predicting financial results further out into the future than forecasts, typically one year or more. They use using high-level drivers like future growth rates and are based on one or more possible courses of action that you might, or might not, take in the future. Projections, which are often considered to be less realistic than forecasts, are often used during “what if” scenario planning.

Provision – A recurring budgeted vacant position maintained by the Vice Chancellor offices.

Resource Allocations - A distribution of financial resources to the campus or a campus unit which can be either recurring or one-time. Recurring allocations from central resources to campus units will occur monthly with Oracle. One-time allocations will occur annually.

Resource Allocation Accounts – Transfer accounts in the new chart of accounts created to transact resource allocations to financial units. These transfer accounts are prefixed by 7749XX.

Resource Commitments – Commitments made from one unit to another that require the transfer of resources for actual spending.

SOFI – Simplified Operating Fund Initiative. SOFI pools 60+ core funds into two central funds, the University Core Fund (formerly 99100A, now fund 13991 in Oracle) and the San Diego Campus Core Fund (formerly 99200A, now fund 13992 in Oracle).

Staffing List – A report generated from data from the permanent budget system, PPS, and provision master file that contains Budget, Full Time Equivalent (FTE) and salary information. Staffing lists are used to budget salary costs for recurring budgeted fund sources, to ensure that the campus receives all base-related salary increases, and to fulfill reporting requirements of the State of California and UCOP.

State General Funds – Includes funds allocated from the State's General Fund and other Special State funds. State General funds are allocated to the campus from UCOP. State General funds are core funds.

Student Fee Funds – Consist of system wide student fees such as Tuition, Student Services Fee, Professional Degree Supplemental Tuition and Non-Resident Tuition. Student Fee funds are core funds.

Target Budget – Beginning reference point for developing the next year’s core recurring budget. Includes the core recurring budget as of December 31 of the current year plus general inflationary increases such as 3% for compensation.

UCPath – A comprehensive system wide HRIS system (including payroll) developed by PeopleSoft that was implemented at all campuses. Replaced UC San Diego’s PPS system. Is funded by the OP Assessment.

Zero-based Budget – A budget development technique in which the current year’s budget is prepared from scratch without considering the budget of the previous year.

Oracle Planning and Budgeting

Glossary & Acronyms

Alternate Hierarchy – A second (can create multiple) hierarchy whose members roll up differently than the original hierarchy. Helps address different reporting needs. Oracle Planning and Budgeting uses an alternate account hierarchy and an alternate fund hierarchy for management reporting.

Budget Book – Allows user to insert and arrange Oracle reports, external documents and external images into one combined book complete with table of contents, page numbers, etc. User access to budget books can be administered.

Business rules – Business rules are statements that describe business policies or key business decisions. In Oracle, the business rule is automated by expressing it in application code. An example of a business rule is writing the code in the budget workflow to require a Director to approve their respective department budgets before the budget goes to the next level of approval.

Business Rules are also created to capture the calculation logic in the budgeting processes. For example, tuition revenue is calculated as a product of the number of students and the tuition fees. A business rule is created that captures this product and is then attached to a data form where the drivers (# of students and fees) are entered.

Conference Room Pilot (CRP) – A project implementation strategy that tests normal business case scenarios in a proposed new system to uncover people, process and system issues. The output of a CRP is to generate resolutions and define actions steps to complete the implementation.

Dashboard – Provides a personalized view of data. Dashboards can contain analyses in table, charts or graphs form, action links, images, text, links to web sites and documents.

Dimension – One of the “axes” in the Essbase cube (defined below) with a predetermined set of items. A dimension describes the data point you are reporting on; it serves as a means to categorize data values.

Oracle Planning and Budgeting requires seven dimensions listed below:

- Account – Budget line item, revenue and expenses
- Entity/Financial Unit – Represents the flow of data through the organization
- Year – Fiscal Year
- Period – Base and summary time periods. Can be month, quarter, etc.
- Scenario – Broad categories of data such as Actual, Budget, and Forecast
- Version – Reflects stage of planning cycle such as Draft 1, Draft 1, Final, etc.
- Plan Element – Source of data (e.g., ERP system, user input, etc.)

UC San Diego has also created the following custom dimensions:

- Budget Type – Recurring, one-time, one-time multi-year
- Fund – UC San Diego fund hierarchy
- Function – UC San Diego functions. Was formerly called program in IFIS
- Project – Project number in PPM

Driver-based modeling – Driver-based modeling is a technique to leverage operational metrics that have a linear mathematical relationship with financial outcomes, particularly revenue or expense items. Oracle Planning and Budgeting currently incorporates driver-based modeling to forecast

student fee revenue. Future applications of driver-based modeling include ICR revenue, ASSA assessments and other student fee revenue.

EPBCS – Enterprise Planning and Budgeting Cloud. Oracle’s cloud-based software application that offers planning and budgeting solutions as well as business process frameworks for Workforce Planning, Capital budgeting, Strategic Modeling, and Projects. UC San Diego version of EPBCS is named Oracle Planning and Budgeting.

EPM – Enterprise Performance Management. Oracle’s performance management software suite that assists in managing the business—analyzing, understanding and reporting. EPBCS is one component of EPM. Narrative reporting is another component.

ERP – Enterprise Resource Planning. Oracle’s cloud-base software that provides day-to-day transactional activity. The ERP modules purchased by UC San Diego include General Ledger, Accounts Payable, Accounts Receivable, Project Portfolio Management (PPM) and Fixed Assets.

Essbase Cube – Oracle’s OLAP (On-Line Analytical Processing) data storage tool that uses multi-dimensional databases to provide users the ability to create multi-dimensional models with advanced analytic calculations. Similar to an Excel spreadsheet with a pivot table that adds an additional dimension other than simple rows and columns. The multi-dimensionality of Essbase can use complex business logic in a step-by-step manner that run efficiently and therefore much faster than a relational database.

The cubes used in Oracle Planning and Budgeting include a budget and forecast input cube, workforce planning input cube, compensation calculation cube, driver-based modeling cube, and various reporting cubes that optimize report runtime.

Form – Created for user interaction with the Oracle database. Typically, this is a screen for data input. Entering a budget will require the use of several forms.

Hierarchy– A means to structure a dimension to contain levels of related data, a tree structure with different levels of details. For example, the Period dimension might have a hierarchy of members Year-to-Date (YTD), Quarter-to-Date (QTD), Month-to-Date (MTD), etc.

Member – One of the items in the set of predetermined items in a dimension. For example, September is a member of the base period (Month) dimension from the hierarchy example above.

Metadata – A set of data that describes and gives information about other data in a document or file. Metadata about a document includes author, file size, date the document was created, etc. Metadata about music files includes artist name, album, year it was released. Helps locate a specific document or file.

MVP – Minimal Viable Product. A system development technique in which a new software tool is developed with sufficient features to satisfy early adopters. It allows a design team to validate (or invalidate) basic system assumptions and learn how pilot users react and experience core functionality. Oracle Planning and Budgeting will initially roll out to the pilot group as a MVP.

Multi-dimensional – A database structure that allows additional dimensions rather than simple rows and columns found in traditional relational databases. Oracle Planning and Budgeting cubes are multi-dimensional.

Narrative Reporting – An Oracle EPM collaborative and process driven software tool for defining, authoring, reviewing and publishing management report packages.

Navigator – A menu icon in the upper left-hand corner of the Oracle Planning and Budgeting home page that connects the users to more application functionality such as setting preferences and creating reports.

OFC – Oracle Financial Cloud.

Point of View – The Point of View identifies the data that will be pulled into a report or form within the Oracle Planning and Budgeting web interface or Smart View using different intersections (aka combinations) of dimensions.

Position – Used in workforce planning. A position is an organizational placeholder storing attributes for budgeting, planning, and analysis. Positions have unique IDs and represent a role within a department. Positions dictate some of the Job attributes of employees who occupy them and assists in the management of workforce funding.

Report Grid – Part of Oracle Management Reporting, the report grid is the report object that represents the data to be retrieved in the rows and columns. A cell represents an intersection of a row, column and Point of View. Other report objects are chart, text box and image.

Resource Commitment Tracking Tool - A module of EPBCS that assists the campus, Vice-Chancellors and Divisional Offices track resource commitments, implement resource transfers and report on multi-year funding commitments in a simple, consistent manner.

Simplified User Interface – The application menu that most users will log into and use on a daily basis. Functions as the home page for Oracle Planning and Budgeting. Includes an announcement page that provides communication to users and helps the user track their activity by displaying recent links. Also included in the Simplified User Interface are tiles or icons that link to various application functionality.

Smart View – A Microsoft Office interface that allows user to import, manipulate, distribute and share data stored into data cubes directly into Excel, Word and PowerPoint.

Tiles – Similar to icons. Are displayed on the Homepage (Simplified User Interface) and link to specific functionality of the software.

User Acceptance Testing (UAT) – Focuses on confirming the functional requirements and business processes documented have been met by the Oracle Planning and Budgeting solution.

This testing will focus on the identified business flows and processes that the integrated systems will support, including the inbound and outbound exchange of data and the smooth and timely flow of information.

Workforce Planning – A business process framework in the Oracle Planning and Budgeting application to assist with workforce planning and related expenses such as FTE, salary and compensation planning.