



# Glossary

Kuali

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# Glossary of Terms

## Key Term, Role and Acronym Definitions and Synonyms

### Overview

This glossary is a compilation of the business terminology relevant to Kualu Financials that is not covered in detail in other sections of help.



## **Account Manager**

Role. An individual at either the Departmental level or the Responsibility level who has the responsibility for ensuring that funds are spent and managed according to the goals, objectives and mission of the organization, to ensure that the funds are being spent according to a budgeted plan and that the allocation of expenditures is appropriate to the function identified for the account.

## **Account Supervisor**

Role. An individual at either the Departmental or the Responsibility Center level who oversees the management of the account at a higher-level than the Fiscal Officer.

## **Accounting Period**

Term. Defines the accounting year, its subdivisions and their attributes to be used throughout Kualifinancials. These usually correspond to calendar months but may include special processing periods.

## **Ad Hoc Routing**

Phrase. To route a document to a user or role that normally would not receive it. The routing returns to the prescribed path after the Ad Hoc Routing is complete. Also the route level in which most transactions begin their routing. See also Ad Hoc Recipients and Route Node.

## **Auto FR**

Abbreviation. A literal piece of text appended to the beginning of a transaction description when an entry has been moved to a continuation account when processed by the accounting cycle.

## **Automatic Purchase Order (APO)**

Term. The Automatic Purchase Order (APO) is automatically generated when a requisition document is fully approved and all the APO rules are met. APO rules are: requisition total is less than the APO limit for the departmental organization (value set by Purchasing), requisition total is greater than 0, there are no restricted items, the vendor has been selected from the vendor lookup, the vendor is not a restricted vendor, the requisition is not a recurring payment type of request, the departmental organization has not set an PO Total Cannot Exceed amount, the requisition has not added alternate vendor names, the funds will be encumbered in the current fiscal year, the requisition does not contain a trade-in and discount line item, the requisition does not have a capital asset object code on any line items. An APO document can only be created under certain conditions, as specified in the business rules set up by the institution.

## **Business Rule**

Term. (1) Describes the operations, definitions and constraints that apply to an organization in achieving its goals. (2) A restriction to a Kualifinancials function for a business reason (such as making a specific object code unavailable for a particular type of disbursement). Customizable business rules are controlled by Parameters.



## Carryforward

Term. Object Code balances brought forward from a previous fiscal year, usually as part of year-end processing. Typically this term is used to reference Current Budget brought forward during the carryforward and reversion process but can also reference balances brought forward for assets, liabilities, fund balance and inception to date balance for income and expense. In sponsored projects, carryforward is a term for carrying unexpended funds from one budget period to the next budget period. This is most common with federal grants where a competing segment of 3 or more years is divided into one-year non-competing segments, and unexpended funds are carried forward to the next non-competing segment.

## Catalog of Federal Domestic Assistance (CFDA)

Term. A number assigned by the US Government to a particular federal agency and funding program. All federal grants have a CFDA number assigned based on the particular federal agency and funding program providing the grant. See also CFDA Reference.

## Comma-Separated Value (CSV)

Format. A file format using commas as delimiters utilized in import and export functionality.

## Contract Manager

Role. An individual who performs the duties of buyer and manages the contracts of the institution. Responsibilities include but are not limited to vendor selection, reasons for vendor choice and POtransmission method.

## Cost Share

Term. (1) The portion of project or program cost not borne by the sponsor and is the University's share of the cost of research. In Kualu Cost Share Transfers and Cost Share Encumbrances are generated by the accounting cycle to record this commitment. (2) The portion of the total cost of a project that is not paid by the sponsoring agency, but rather is paid by the recipient organization or by a third party. Cost share is identified on the Research Budget and Routing Form during proposal submission, and is recorded during the project period in a cost-share sub-account of the primary project account.

## De-Merge

Term. A General Ledger process that prevents Kualu Financials from posting out-of-balance transactions. If there is an error in any transaction row a document, the De-Merger removes the entire document from the Scrubber and redirects it to an error file accessible via the GLCP document type.

## Depreciation

Term. In accounting, depreciation is an expense recorded to allocate a tangible asset's cost over its useful life.



## Disencumbrance

Concept. 1) To remove, relieve or reverse an existing encumbrance. A disencumbrance indicates that a portion or all of the original encumbrance has become an actual expense or is no longer expected.

Examples: relieving a portion of an employee's salary encumbrance when payroll expenses for a pay period are booked to the ledger; or reducing part of a Purchase Order encumbrance when a Payment Request is processed to disburse funds to a vendor.

## Document Type

Term. Document Type is used to distinguish between the different types of transactions (e.g., Cash Receipts, Disbursement Vouchers) or maintenance actions (e.g., Account or Fund Group maintenance) possible in Quali Financials as well as transactions that can be fed from external systems. A separate Workflow Document Type defines the routing behavior of Quali Financials documents.

## Document Type Hierarchy

A hierarchy of Document Type definitions. Document Types inherit certain attributes from their parent Document Types. This hierarchy is also leveraged by various pieces of the system, including the Rules engine when evaluating rule sets and KIM when evaluating certain Document Type-based permissions.

## Dunning

Term. The process of methodically communicating with customers to ensure the collection of accounts receivable.

## DUNS

Acronym. (1) An acronym for Data Universal Numbering System. (2) The DUNS number is a unique identifier for businesses that register with Dun and Bradstreet.

## Encumbrance

Term. A reservation of funds to cover obligations arising from purchase orders, contracts, salary commitments, etc. that are chargeable to, but not yet paid from, a specific account. Encumbrances project future expenditures and provide fiscal officers with a more accurate representation of an accounts available balance. Examples: a college may encumber funds for a later payment to cover expenses associated with a facility member's trip to recruit new Assistant Professors; or encumbrances are established when a Purchase Order is approved to reserve funds payable to a vendor.

## Enterprise Feed

Term. A file of accounting transactions from an external system, for upload to the G/L.

## Exception

Term. A workflow routing status indicating that the document routed to an exception queue because workflow has encountered a system error when trying to process a rule.



## **FASB**

Acronym. An acronym for Financial Accounting Standards Board; sets accounting standards for non-public institutions.

## **FEIN**

Acronym. A Federal Employer Identification Number is also known as an Employer Identification Number (EIN) and is used by the federal government to identify a business entity. The vendor in Kualii is keyed on either the FEIN or SSN - except when the vendor is foreign and no tax number is required.

## **Fiscal Officer**

Role. An attribute of Account; the individual who is responsible for the financial transactions of a particular account. Most documents will route to the Fiscal Officer for approval.

## **Fiscal Period**

Term. Defines the various periods to which General Ledger entries can be posted. Months of the year are the most obvious examples, but other periods include beginning balance, CandG beginning balance and period 13 for closing transactions. See also Accounting Period.

## **Fiscal Year**

Term. 1) An institution's defined yearly period used for the purposes of financial reporting. 2) Defines the active fiscal years to which General Ledger entries can be posted.

## **Flexible Offset**

Term. An optional Kualii Financials function that allows transactions impacting one account to generate appropriate offsets in a different account. If this feature is not used, Kualii Financials always generates offsets in the same account to which the original transaction posted.

## **Force Action**

A true/false flag that indicates if previous Routing for approval will be ignored when an Action Request is generated. The flag is used in multiple contexts where requests are generated (e.g., rules, ad hoc routing). If Force Action is False, then prior Actions taken by a user can satisfy newly generated requests. If it is True, then the user needs to take another Action to satisfy the request.

## **Fund Manager**

Role. An individual responsible for the management for Contracts and Grants Invoices by Award. Derived from the Award document.

## **Funding Source**

Term. Identifies where the money will come from to pay for the item being purchased (for example, Institutional Funds).





## **GASB**

Acronym. An acronym for Governmental Accounting Standards Board. It sets accounting standards for public institutions.

## **Incidentals**

Term. Refers to minimal expenses associated with per diem. For example, tips.

## **Income Stream Account**

Term. The account designated to receive general funds as part of the budget process for institutional funds, or the account designated to receive income from the sponsoring agency on contract and grant funds. When Budget Adjustments that involve accounts with different income stream accounts are made, Kuali Financials can be configured to create an automated Transfer of Funds transaction to properly adjust cash between the income stream accounts.

## **Indirect Cost Recovery**

Term. The process by which institutional costs are recovered on grants and contracts. Commonly referred to as ICR.

## **Kuali Foundation**

Community. A non-profit 501(c)3 organization dedicated to the development of open source administrative software solutions for higher education. Leveraging an international community of educational institutions and organizations, Kuali is committed to providing sustainable software that helps schools keep their money in their mission by significantly reducing administrative costs and promoting administrative best practices. Kuali is home to software systems for financial management, research administration, student services, library management, business continuity, and middleware/workflow. In the summer of 2014, Kuali became a founder in KualiCo, a for-profit company dedicated to accelerating the development of the full suite of Kuali software, improving the Kuali user experience, and offering cloud-sourced, multi-tenant versions of Kuali applications.

## **Kuali**

Company. Kuali delivers open source administrative software using modern SaaS technologies built specifically for higher education to streamline processes to significantly reduce costs for research, finance, student administration, and business continuity.

## **Labor Ledger**

Term. Database that stores detailed payroll information that is fed from the institutions payroll system. Effort Certification uses it to build Effort Certifications and Budget Construction uses it to build Budget Construction documents. Summarized transactions are fed to the General Ledger.

## **Letter of Credit**

Term. A payment method used for contracts and grants receivables.



## Lockbox

Term. Lockbox is a service provided by a bank to streamline the payment processes of an institution. Essentially, a lockbox is a post office box that the bank establishes and controls for an institution. The customers send their payments directly to this lockbox. The bank opens all correspondence, deposits the checks into designated accounts, and provides daily reports of deposit information. The institution receives a single daily electronic file of all remittance detail. The institution imports this file to update its accounts receivable system.

## Maintenance Document

Term. An e-doc used to establish and maintain a Quali table record (for example, account, sub-account, object code, sub-object code, project, organization, user, role, delegate, or review hierarchy). Most are accessible from the Administration Menu, while those specific to the Chart of Accounts module are accessible from the Main Menu.

## NACUBO

Acronym. An acronym for National Association of College and University Business Officers.

## Namespace Code

A Namespace is a way to scope both Permissions and Entity Attributes. Each Namespace instance is one level of scoping and is one record in the system. For example, KC or Quali Financials could be a Namespace. Or you could further break those up into more finer grained Namespaces such that they would roughly correlate to functional modules within each application. Examples could be KC Rolodex, KC Grants, and Quali Financials Chart of Accounts.

Out of the box, the system is bootstrapped with numerous Rice namespaces which correspond to the different modules. There is also a default namespace of KUALI.

Namespaces can be maintained at runtime through a maintenance document.

## Non Resident Alien

Term. For tax purposes, an alien is an individual who is not a U.S.citizen. Aliens are classified as nonresident aliens and resident aliens. Aliens are considered non-resident aliens unless they meet either the Green Card Test or the Substantial Presence Test to be treated as resident aliens. See Internal Revenue Service publication 519 for more information.

## Parent Document Type

Term. A workflow Document Type from which another Document Type can be derived. The child type inherits the properties of the parent type, any of which it may override. A Parent Document Type may also have a parent as part of a hierarchy of Document Types.



## Post Processor

A routing component that is notified by the workflow engine about various events pertaining to the routing of a specific document (e.g., node transition, status change, action taken). The implementation of a Post Processor is typically specific to a particular set of Document Types. When all required approvals are completed, the engine notifies the Post Processor accordingly. At this point, the Post Processor is responsible for completing the business transaction in the manner appropriate to its [Document Type](#).

## Poster

Term. The accounting cycle process that generates reversals and indirect cost entries for the G/L, and ultimately posts entries to the General Ledger or Labor Ledger tables.

## Pre-Encumbrance

Term. An unofficial encumbrance. Pre-Encumbrances are used to reserve funds in anticipation of an official encumbrance created with a Purchase Order, Travel Authorization or salary transaction.

## Project Director

Role. (1) The Project Director is an individual who is responsible for the design, conduct and reporting of the sponsored project. This individual is also responsible for budget oversight on related sponsored project accounts. (2) Allows a previously non-existing Project Director to be added to the maintenance table. It also impacts external sponsored research for both pre-award and post-award activities.

## Role

Term. A set of users designated for e-doc routing who share a common functional business responsibility. E-docs may be routed at any point in their approval to individuals or roles. Role approvals may require approval of all role members or any one member. Quali Financials also uses roles to control authorization, restricting certain functions to the members of a given group. Roles aggregate Permissions. When Roles are given to Entities (via their relationship with Principals) or Groups, an authorization for all associated Permissions is granted.

## Route Log

Term. A special workflow function that displays the Routing history of a given document or selected documents. The documents are displayed in a separate window from the action lists, and Documents Searches. The Route Log displays a table of general document information for the document and a detailed list of current Actions Taken and pending Action Requests.

## Scrubber

Term. A General Ledger batch processor that performs transaction validation and generation. It adds some missing values, validates against the Chart of Accounts and the application of continuation account logic; generates offsets and entries including document balancing, capitalization of assets and liabilities, plant indebtedness, cost share transfers and cost share encumbrances; and handles post-batch process errors by identifying errors to be corrected using the General Ledger Correction Process document.

