

University Case Study



Finance and Business Services Centre

Chart of Accounts at Edith Cowan University

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Conference 2006

Overview

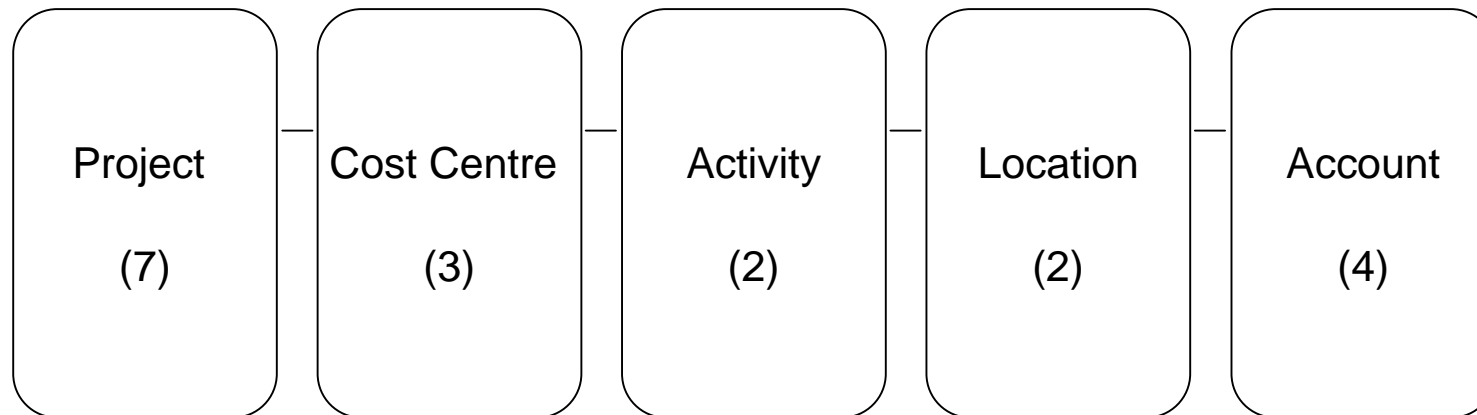
- ECU's "Old" Chart Version
- Review Process
- Current Version
- Ongoing Issues
- Lessons Learnt



What Should a Chart Do?

- Capture financial data: consistency = comparability
- Organising into meaningful information
- Output is via reporting – statutory and internal
- Reflects authority structure of ECU

Old Structure



5 segments, 18 characters

Example: 9070000-907-GA-06-5010

Issues with Old Version

- In need of review – 5 y.o.
- Complexity
- More efficient use of segments
- Overuse of Project segment (4,000+ in use at time of review)
- Improve reporting output

Review Process

- Reviewed existing usage data
- Internal workshops
- Revisited previous workshop outputs (limited information)
- Oracle Metalink/Whitepapers
- Environmental scan particularly other Unis

Review Process

- Consultant advice
- Oracle Projects module reviewed
- Developed a discussion document
- Specific subgroup for internal transactions
- Presentation of results (acceptance)
- Finance Director Sign off

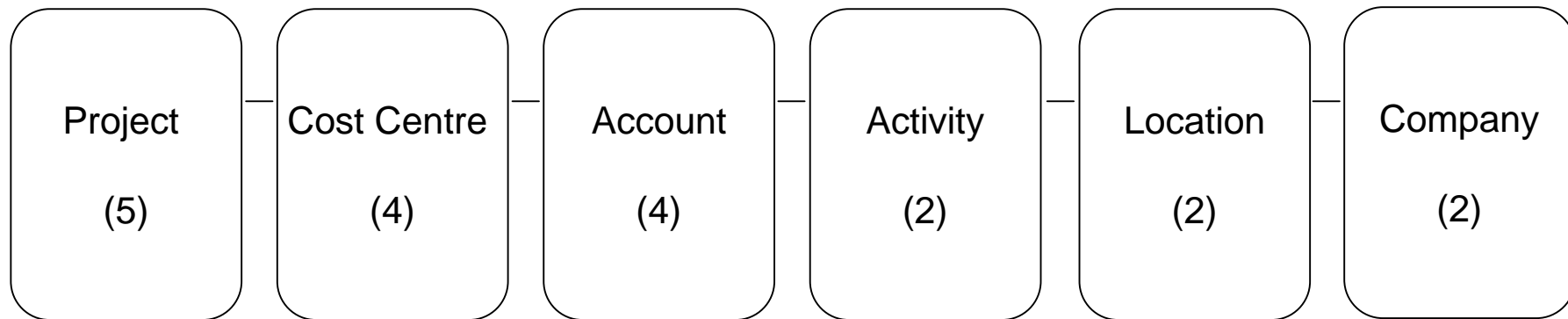


New Structure

- New structure including a company segment as balancing segment
- New order
- Re-numbering
- Greater flexibility (able to use projects across cost-centres)

New Structure

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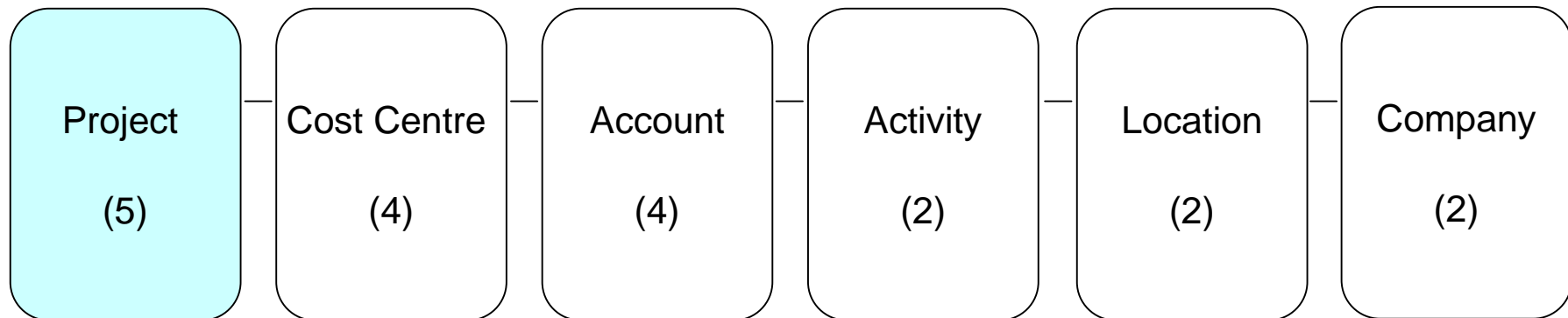


6 segments, 19 characters

Example: 66071.0317.4001.SB.06.01

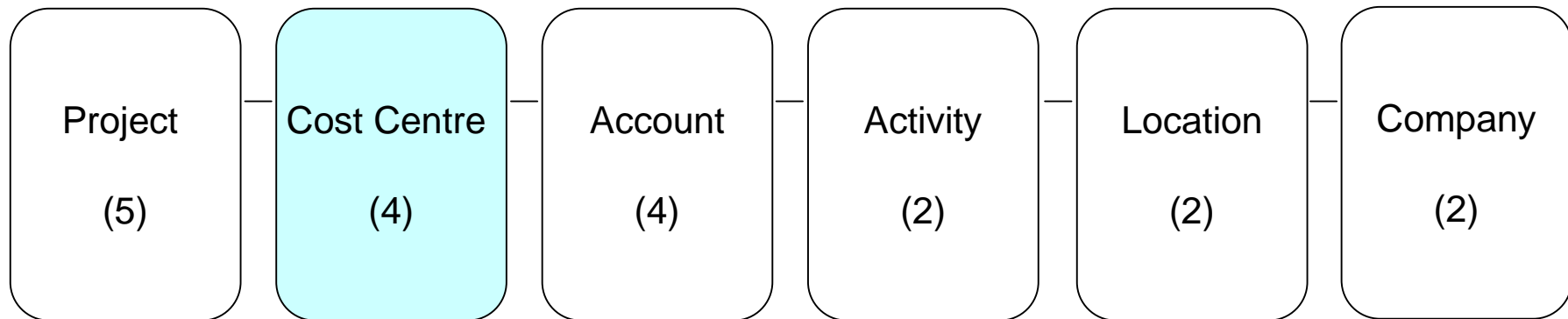


Chart Segments - Project



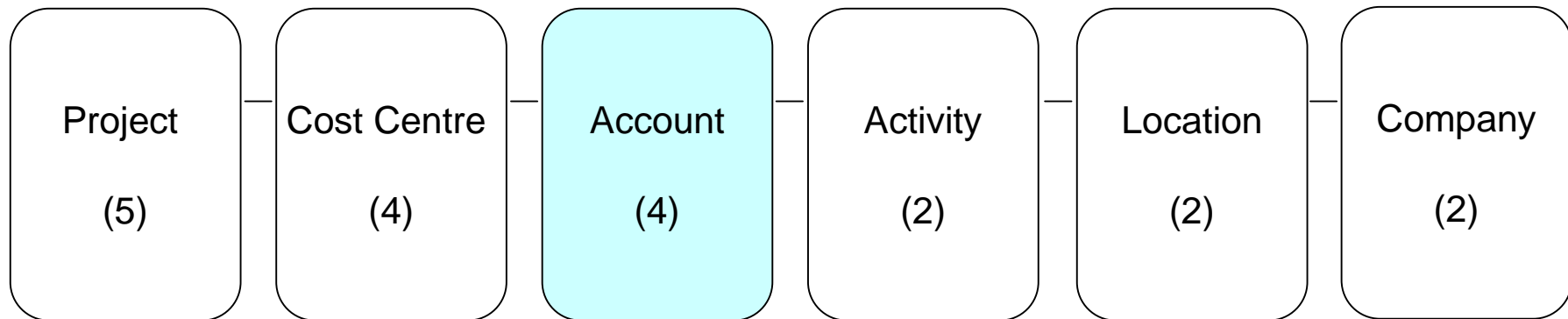
- Lower level than cost-centre
- Defined start and finish date
- Faculties and Centres allocated ranges
- Now able to move between cost centres (cost centre not repeated in code)

Chart Segments – Cost Centre



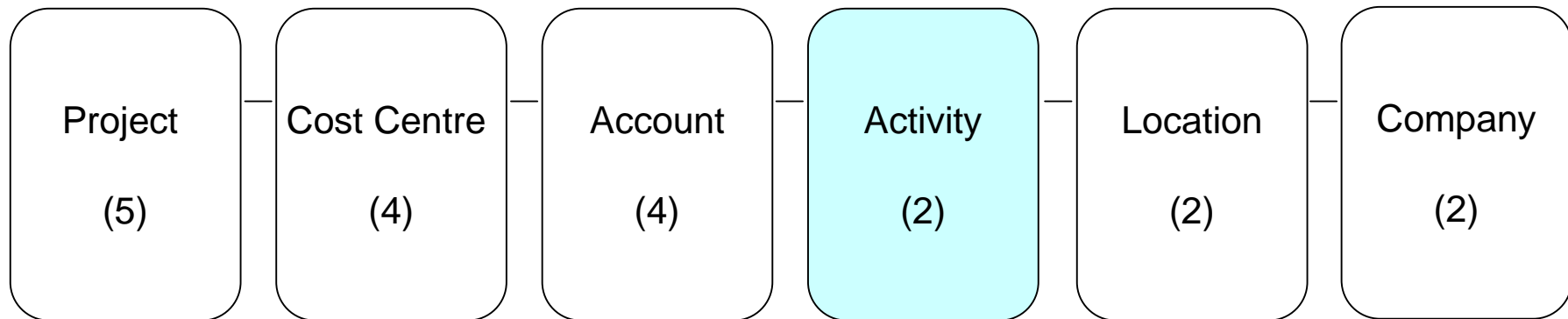
- Reflects the major university financial structure
- Clearly defined area of managerial responsibility
- Eg Research Centre, Administrative Department

Chart Segments – Account



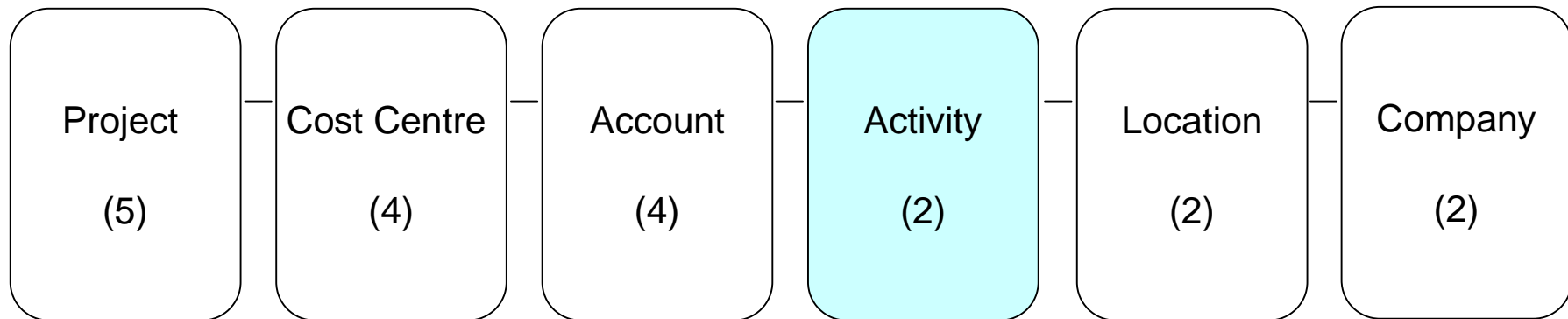
- Used to identify a transaction as income, expenditure, assets, liabilities and equity
- Provides a standard classification to facilitate uniform internal and external reporting

Chart Segments – Activity



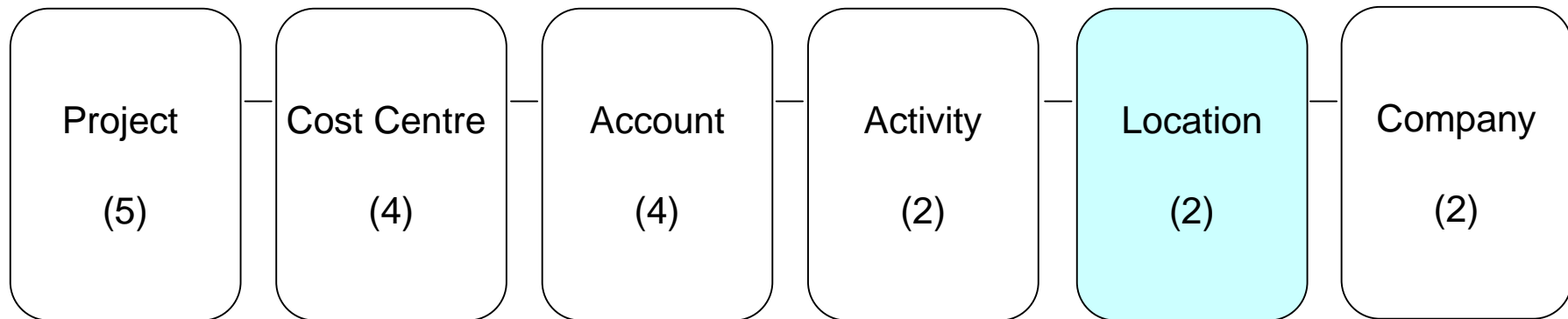
- Two alpha characters (as previous)
- Segment where transactions associated with a particular activity can be recorded eg external research
- Provides an alternative view for reporting purposes
- Previously under-utilised - range has been greatly expanded

Chart Segments – Activity



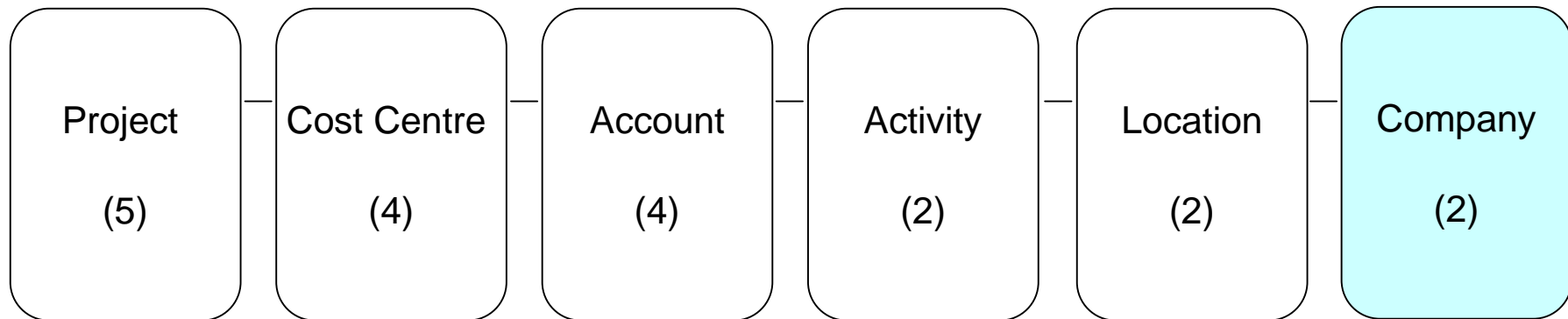
- **Four parent activities**
 1. Teaching and Learning
 2. Research
 3. Commercial
 4. Services and Administration

Chart Segments – Location



- Assigns a location to a transaction
- Can be campus, interstate or international
- Reflects where the transaction is related to e.g. offshore programs

Chart Segments – Company



- Typically a separate legal entity eg CRC
- Enables balance sheet reporting of that entity
- Vast majority of users will only use the ECU parent company (01)

Current Chart Value Sets

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Projects	Cost Centres	Accounts	Activities	Locations	Coy's
3750	300+	820	32	29	1

- 141 Assets
- 65 Liability
- 15 Owners Equity
- 207 Revenue
- 395+ Expense



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Ongoing Issues

- Use of project segment (*3700+ still!*)
- Increased controls around establishing new values
- Suitability for capital-related activities
- Maintenance, particularly cross-validation rules
- Use to full potential

Lessons Learnt from the Review Process

- Clarify Buy-in from Financial and Management Accounting functions
- “Ownership” of the chart + Sign-off
- Clear vision of reporting requirements
- Scope of devolution in your organisation
- Extent of standard reporting

Lessons Learnt from the Review Process

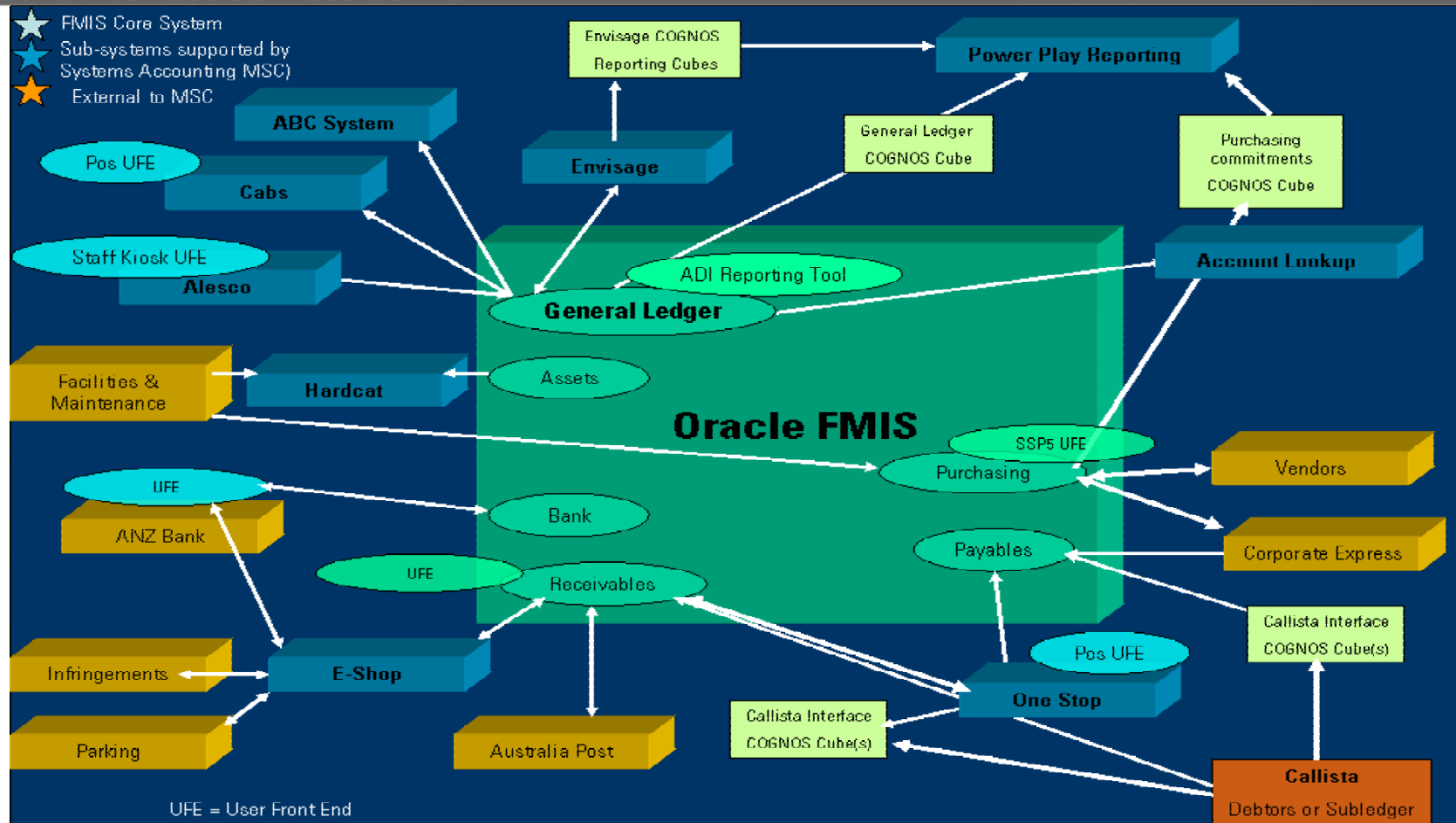
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- Timing of consultant expertise
- Renumber segments
- Impacts on other systems, processes, forms etc
- Provide a Lookup and Mapping Tool



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ECU Chart of Accounts Lookup Tool



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Project - Microsoft Internet Explorer provided by iiNet

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites

Links Chart of Accts Lookup COALprod FINPROD 111_Dev ECU Staff Directory E-Procurement Financial Services - Homepage HR Services Strategic Information Services ECUSIS Home Login PoC

Address http://erp15.ct.ecu.edu.au:7777/chart/Project.do

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Project Cost Centre Account Activity Location Company Mapping

Project

Search Criteria

Enabled Select the status of the project

Search Field Select the column you want to search on

* Value Use the % wildcard character to search criteria. egr. 123% will return everything starting with 123

Number	Name	Cost Centres	Activities	Short Name	Coordinator	Locations	File ID	Funding Sources	Enabled	Start Date	End Date
No Records Found											

[Project](#) | [Cost Centre](#) | [Account](#) | [Activity](#) | [Location](#) | [Company](#) | [Mapping](#) | [Help](#)

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Questions and Discussion

