

Glossary of Terms

Term	Definition
Accrual	The recognition of revenue and expenses when incurred, not paid. An example is an expense purchasing supplies on June 28th but not paying the expense until July 15th. The expense is accrued back to June, not expensed in July. UND normally only accrues expenses on June 30th, our fiscal year end.
ACH	Automated Clearing House is a method of direct depositing funds to commercial bank accounts in the U.S. or referred to as electronic fund transfer. It is a secure, reliable and efficient method to transfer money.
Advance	A payment made directly to an individual or organization prior to the actual activity or receipt of goods. UND normally does not advance pay for services or goods.
Allowable Expense	A necessary, reasonable, and appropriate expense incurred for the primary benefit of University business and therefore permitted to be reimbursed or directly charged based on the permission of the University, State Board of Higher Education, State of North Dakota or by the terms of federally or privately sponsored agreements.
Appropriated Fund	Funds appropriated from the ND State legislature. This includes money received directly from the legislature and tuition charged to students (fund number range 30000-39999).
Asset	A purchase, whether a physical good or intangible property, that has monetary value and is accounted for in the University's Statement of Net Assets (balance sheet).
Audit	An audit is an evaluation of a person, organization, system, process, project or product. Audits are performed to ascertain the validity and reliability of information, and also provide an assessment of a system's internal control.
Best Practices	Methods and techniques that consistently show results superior to those achieved by other means. Best practices and their results serve as benchmarks.
Biennium	The two year period in which funds are appropriated from the North Dakota Legislature. A biennium runs from July 1 of an odd year thru June 30th of an odd year, two year total time period. For example, a biennium is July 1, 2009 to June 30, 2011, known as the 09-11 biennium.
Budget	The total spending planned for a project, department, college, or university for a given fiscal year.
Business Unit	An organization or a subset of an organization that is independent with regard to one or more operational or accounting functions. UND is a business unit within the North Dakota University System PeopleSoft software.
Campus Catering Agreement	A request/agreement made between an employee/department and Dining Services for catering services including details such as: type of function, location, date, meal served, number of attendees, contact information, and billing information.
Capital Lease	A lease is an agreement between UND and another party where one party allows the other to use their property for a certain period of time in exchange for a fee. A capital lease is when the term is 75% of the property's estimate economic life, bargain purchase option, ownership is transferred at end of lease, or lease payments exceed 90% of the market value of the property.,
Cell Phone	Portable telephone that uses wireless cellular technology to send and receive phone signals.
Chartfield	An individual segment of the accounting chartfield string. Each financial transaction is associated with an accounting chartfield string. In PeopleSoft, chartfields are the keys by which financial data are recorded in the general ledger and summarized for reporting. UND has four segments in the accounting string: account, fund, department, and project grant. An accounting chartfield string can also be referred to as a chart of accounts.

Commitment Control	The process by which PeopleSoft verifies that all submitted accounting transactions pass budgetary controls.
Credit	An accounting entry that increases liabilities and revenues and decreases assets and expenses. It appears as a negative number on a journal voucher or other entry in PeopleSoft financials.
Debit	An accounting entry that increases assets and expenses and decreases liabilities and revenues. It appears as a positive number on a journal voucher.
Department	An operating unit of the University. All UND departments are assigned a department number. The official department listing is maintained in PeopleSoft financials.
Department Number	The unique four digit identifier for each University department or program.
EMPLID	Employee Identification number. All UND employees and students are assigned a EMPID. Previously referred to as your NAID number.
Employee	An individual who performs services for UND in return for compensation.
Employer	When UND hires individuals to perform services in return for compensation, and that has the authority to control and direct the work of those individuals as part of the employer-employee relationship.
Encumbrance	Encumbrance is an approved expenditure that has not yet been paid and posted on the general ledger. Encumbrances serve as "placeholder" expense amounts between the time a purchase or salary commitment is approved and the time it is actually paid.
Endowment	An endowment is a permanent investment fund. While income from the fund may be spent, the principal of the fund must remain intact. Donors may restrict the purposes for which endowment income can be spent.
Expenditure	The cost of goods delivered or services rendered, whether paid or accrued.
Expense	Same as expenditure.
F&A Costs	Facilities and Administrative Costs - Real costs incurred by the institution to support activities that cannot be directly charged to a specific grant, contract, or other activity. The costs includes services for libraries, physical plant, utilities, administrative support expenses, and depreciation. F&A costs are synonymous with indirect costs. The University's F&A rate is negotiated with the federal government periodically.
FASB	Financial Accounting Standards Board. FASB establishes accounting and financial reporting standards for all private-sector universities.
Fellowship	A fellowship is an amount paid to a degree seeking student at an educational institution to aid in the purpose of study or research. The fellowship can be paid to the recipient, reimbursement of expense, and payment against an existing University bill. A fellowship cannot be tied to services performed.
Fiscal Year	The 12-month period used for financial reporting beginning July 1 and ending June 30.
Form W-9	IRS form designed to request a federal tax ID number from an individual or corporation receiving funds from the University. This form is only used by U.S. persons, not by non-resident aliens or foreign entities.
Fund	Category of funding sources. One of four segments in the accounting chartfield string.
Fund Accounting	Method of segregating resources into categories according to restrictions placed on their use. It is largely used by non-profit and government entities, not for profit entities.
GAAP	Generally Accepted Accounting Principles - Fundamental principles of accounting that are used as guidance in the preparation of the University financial statements.

GASB	Governmental Accounting Standards Board. GASB establishes accounting and financial reporting standards for all state and local governmental entities, including public colleges and universities.
General Ledger	The complete set of financial records for UND.
Gift	Given to the University without cost. Gifts to the University often are given with specific purposes and restrictions on use
Goods	A physical item other than money, real estate, or services.
Grant	A type of award that does not need to be repaid. Economic aid issued by the federal government. Grants may also be issued by private non-profit organizations such as foundations, not-for-profit corporations, or charitable trusts that are collectively referred to as charities.
GSA	General Services Administration, an agency of the federal government.
Honorarium	A payment made to an individual for their services in a volunteer capacity or for services for which fees are not traditionally required, such as a payment to a guest speaker. Honorariums are taxable payments.
Independent Contractor	A non-employee contracted by UND to perform services. Although the business specifies the result of the work to be performed, it has no right to control the details of when, how or who will ultimately perform the work. An independent contractor would normally operate under a business name, carry their own business insurance and worker's comp coverage.
Indirect Costs	See F&A Costs
Internal Control	An organization's procedures designed to increase its efficiency, ensure its policies are implemented, and safeguarded its assets.
Invoice	An invoice or bill is a commercial document issued by a seller to a buyer, indicating the products, quantities, and agreed-upon prices for products or services the seller has already provided the buyer. An invoice indicates that payment is due from the buyer to the seller.
IRS	Internal Revenue Service - a federal agency responsible for the collection of federal taxes.
Journal Entry	UND form that can be used to charge or credit one UND department by another UND department for goods or services or to decrease assets or liabilities within a department which is normally offset by a revenue or expense account.
Journal Import	Same as a journal entry except the form is different because the entry contains numerous lines so the form is electronically uploaded into the general ledger.
Journal Voucher	UND form used to correct the funding source of a payment to an outside vendor.
Liability	Debt, bill, or other obligation of the university that has yet to be paid.
Local Fund	Funds at the University that are not supported by money received from the ND Legislature or tuition charged to students. The money is received from fees charged to students and other customers (fund number range 10000-28999)
Lodging	A temporary place to stay/sleep.
Moving Expense	An expense incurred in connection with the transportation of one's household good and personal items when changing one's residence.
NDCC	North Dakota Century Code - a codification of general and permanent laws enacted since statehood.
NDUS	North Dakota University System
Non-Employee	As defined by UND, a non-employee is a consultant, guest/visiting lecturer, speaker, independent contractor, and prospective employee. These individuals are not employed by UND.
Non-exempt Employee	Employees who are covered by the minimum wage and overtime provisions of the Fair Labor Standards Act. They may be paid on an hourly or salary basis.

Non-resident Alien	An individual from a foreign country who does not pass either the "green card" or "substantial presence" residency test for tax purposes.
OMB	North Dakota Office of Management and Budget - a department within the state government that oversees fiscal management, human resources, central services, facility management, and risk management for the state of North Dakota.
Operating Lease	A lease is an agreement between UND and another party where one party allows the other to use the property for a certain period of time in exchange for a fee. An operating lease term is short compared to the economic life of the asset leasing and no purchase option exists.
Original Receipt	The original merchant receipt or invoice issued by the supplier or service provider to document and substantiates the business transaction.
PeopleSoft Financials (PS)	The software system that supports the financial business functions of the University including procurement, payables, general ledger budget preparation, and financial reporting.
Per Diem	The daily allowance for employee business meals when traveling on official business. The amount is set by NDCC or the GSA.
Personal Goods	Personal property belonging to an individual or his or her immediate family and including (but not limited to) appliances, books, clothing, furnishings, and furniture.
PO (Purchase Order)	A document issued by UND, requested by the vendor or UND department indicating the type, description, quantities and agreed-upon price for a product or service. When accepted by the seller it forms an agreement between buyer and seller.
Policy	A statement of basic principles communicated to direct activities toward institutional goals (the "what"), including a concise statement of why the policy is important to the institution (the "why"). The scope defines who the policy applies to and under what conditions. Policies often are confused with guidelines or procedures.
Principal Investigator (PI)	The lead scientist for a particular well-defined science (or other academic) project. In the context of federal funding from agencies such as NASA or the NSF, the PI is the person who takes direct responsibility for completion of a funded project, directing the research, and reporting directly to the funding agency.
Prize	A prize is something awarded in a non-academic contest or won by chance. The winner of a prize does nothing to earn the prize, has no obligation after winning it, and can spend or use the prize on whatever he or she wishes. A prize is taxable to the individual paid.
Procedure	A sequential, step-by-step process (a "how to") that takes the user through all necessary actions to comply with a policy. It should include links to necessary forms and templates. Procedures should be referenced in policy documents, with the step-by-step instructions attached or hyperlinked. If a procedure is very brief and straightforward it might be included as part of a policy document.
Purchasing Card (Pcard)	A credit card issued to an employee of the University for the purpose of making authorized purchases on the University's behalf. The University will issue payment for charges with the Purchasing Card.
Reasonable Expense	An expense that is ordinary and reflects a prudent decision to incur the expense on behalf of University business. Not extreme or excessive.
Rebate	These are not refunds. A rebate is money returned to UND because of a vendor promotion on a product. This should be coded as revenue, an account code that begins with a 462110.
Redaction	Redaction is the process of masking certain information in an original document so that the document can be disseminated.
Refund	Cash or check sent to UND for goods or services not received or returned.
Reimbursable Expense	A University-allowable expense incurred by an individual on behalf of the University.

Resident Alien	An individual who passes either the "green card" or "substantial presence" test for purposes of determining tax residency status in the U.S. Resident aliens are generally subject to federal income tax, Social Security tax, Medicare tax, and federal tax withholding on the same basis as U.S. citizens.
Retreat	An event/function where staff go to a location outside of the office and focus on a specific issue or group of issues. Examples include orientation, strategic planning, or self-assessment.
SBHE	State Board of Higher Education - the policy-setting and advocacy body for the North Dakota University System and the governing body for North Dakota's 11 publicly supported colleges and universities.
Scanning	The process of converting paper documents into an electronic form, to be stored, shared, and retrieved at a later date. The primary purpose while complying with industry and government regulations is to improve on operational efficiencies.
Scholarship	A scholarship generally refers to an amount paid to, or on behalf of, a student in pursuit of studies. It includes tuition as well as attendant expenses. It does not include payments made in exchange for services, such as compensation received from a campus job. A scholarship can be either "qualified" or "non-qualified" for tax purposes.
Social Security Number (SSN)	A tax processing number issued by the Internal Revenue Service to those people who are allowed to work in the United States. Consists of nine digits (xxx-xx-xxxx).
Student	An individual enrolled at the University of North Dakota.
Vendor	Refers to any business or individual paid by UND through our accounts payable system.