All accounting entries require a valid General Ledger Account. GL Accounts are shared across campuses. There are five types of accounts, a different starting number designates each group:

* 1XXXX – Assets
* 2XXXX – Liabilities
* 3XXXX – Equity
* 4XXXX – Revenue
* 5XXXX - Expense

The GL Chart of accounts can be found on the Finance website on the references page (<http://www.uh.edu/finance/pages/References.htm>) under “Account List”. This will provide the account name, type, and long description.

It is important to understand how the GL Accounts roll up in the reporting tree used for the Annual Financial Report. Finance trees are used for grouping information for purposes of reporting, extracting information via query or report, and running processes such as allocations. Accounts are rolled up into different tree nodes that further define their purpose. For example, tuition revenues is broken down into statutory and designated and sales and services are broken down into E&G and Auxiliary, with sub-classifications for Auxiliaries.

Trees can be viewed in PeopleSoft Finance at: Tree Manager > Tree Viewer. The tree “ACCT\_ROLLUP\_AFR\_02” for the last day of the current fiscal year is the tree to review. This tree breaks down accounts in to sub-categories that are needed for different types of reports.

* Expenses are broken down into capital, personnel, maintenance and operations, indirect costs, pass-through expenses, and other categories. Maintenance and operations accounts are further broken down into specific types of expenses such as repairs, travel, professional services, supplies and materials.
* Revenue breakdowns include different types of tuition and fees, different sponsored project fund sources, state appropriations, gifts from various sources.
* Assets and liabilities are broken down into types of assets (investments, receivables), long and short term payables.
* Equity is broken down into different types of transfers and other.
  + Equity accounts are often found in Expense and Revenue tree nodes. This is because some fund groups (7XXX, 6XXX) and some entries (bond principal and interest) use equity accounts in place of revenues and expenses, but those transactions still need to roll up as an Expense or Revenue.

This tree is very useful to review when trying to determine the correct account to use. Fund code of the cost center should always be considered when selecting the GL Account.

Additional information on GL Accounts can be found in PeopleSoft Finance at: Set Up Financials/Supply Chain > Common Definitions > Design Chartfields > Define Values > Chartfield Values > Account.

* Account codes are shared across campuses so are found under business unit 00797 (UH System Consolidated)
* Additional information that can be found includes:
  + Alt Account: all revenue and expense accounts have an alternate account that is used for reporting to the state via the USAS system. These accounts have the same purpose as the GL Accounts in PeopleSoft, but there are far fewer choices.
  + Long Description
  + Documentation of the account creation or name change (note – this is recent functionality, old changes will not have documentation)

The long description of the account is where restrictions on use by area will be defined. Certain accounts are restricted to use by UH or UHSA, or by UHCL, UHD, and UHV. Other accounts can only be used by the Payroll system or the Student Accounting System.