COLORADO STATE UNIVERSITY-PUEBLO
Financial Procedure Instructions
FPI 1-6

1. **Procedure Title:** Kuali Financial System (KFS) Overview

2. **Procedure Purpose and Effect:** The Kuali Financial System is the official system of record for all financial transactions. This overview describes the various components of KFS.

3. **Application of Procedure:** This overview applies to all departments and areas that process financial related transactions.

4. **Exemptions:** Not applicable.

5. **Definitions:**

    General Ledger - The general ledger is the system of record for financial transactions and reporting of the University; contains offsetting debit and credit entries.

6. **Procedure Statement:**

    KFS delivers a comprehensive suite of functionality to serve the financial needs of the University. KFS meets Governmental Accounting Standards (GASB) while providing a strong control environment to keep pace with advances in both technology and business.

    Modules include financial transactions, General Ledger (GL), Chart of Accounts, reporting/decision support, purchasing/accounts payable, budget, and capital assets. A key component of the KFS is an 'electronic document' (e-doc) environment in which electronic documents are initiated at an individual's work station, electronically routed through an approval process, and eventually posted to the General Ledger. KFS is important to those who use and process financial information for a variety of reasons. It reduces paper processes; enables faster turnaround and allows for decisions to be made based on up-to-date information; provides built-in checks and balances reducing mistakes and the need to correct errors; gives more control and management flexibility to documents; and creates audit trails.

    KFS performs all general ledger accounting functions related to the University's financial accounting activities. It maintains data on all accounts and funds of the University, including actual balances, budgets, encumbrances, cash receipts and disbursements, and journal entries.

    The Purchasing/Accounts Payable (PURAP) module of the Kuali Financial System allows users to request goods and services, generate and transmit purchase orders, and process invoices and credit memos received from vendors. The requisition, purchase order, payment request, credit memo and disbursement voucher documents (eDocs) use the Workflow component for document approval followed by encumbrance, expense and liability entries in the General Ledger as required. The robust search capabilities allow the user to track orders through to the payment process. The PURAP module also includes check reconciliation and state & federal tax (1099) reporting.

The Capital Assets module (CAM) of the Kuali Financial System supports tracking of the University's assets including non-moveable (buildings, land, etc.), moveable capital, and non-capital from acquisition to retirement. The Capital Asset Builder (CAB) provides an automated method to collect and process asset data from financial and purchasing documents into the Capital Asset Module.

The Budget Construction module is a financial tool that allows an organization to construct the base (original) budget for the coming fiscal year from the current year base budget.

Comprehensive financial reports are provided to management, administrators, and researchers, generally, on a monthly basis. Online, real-time access allows users to view up-to-date information from a variety of inquiry screens.

KFS enables the University and the Board of Governor's to meet its legal responsibility to report to the State and Federal government and to meet audit requirements. Examples include monthly reporting of all fund activity to the State of Colorado, support of the indirect cost proposal, and support of annual federal, state, and internal audits of institutional financial records.

7. **Reference and Cross-References**: Information Systems and Business and Financial Services are responsible for the design, implementation, enhancement, maintenance, and production services for KFS.

8. **Forms and Tools**:

    The Kuali Foundation maintains documentation, which can be found at: www.kuali.org.
    Additional information is maintained by Business & Financial Services and Kuali Forms.