

Banner Rule Codes

Rule Codes define the transaction processing and edits that determine how Banner Finance processes financial transactions. Rule Codes are organized in groups that process similar transaction types. They identify:

- The posting ledger
- The source of the transaction
- The effect on the budget
- The effect on year to date balances

Rule codes are defined, set up and maintained in FTMRUCL.

Requisition and Purchase Order Transactions:

REQP: Reservation or Requisition

- Posts to the Encumbrance Ledger
 - Original Encumbrance
- Posts to the General Ledger
 - Encumbrance Control
 - Reserve for Encumbrances
- Posts to the Operating Ledger
 - Expense Budget Reservation

RCQP: Cancel Requisition

- Reverse REQP postings to all Ledgers

PORD: Purchase Order

- Posts to the Encumbrance Ledger
 - Liquidates the Original Encumbrance
- Posts to the General Ledger
 - Reserve for Encumbrance
 - Encumbrance Control
- Posts to the Operating Ledger
 - Expense Budget Reservation

POLQ: Purchase Order – request liquidation

- Liquidates the Purchase Order

PCLQ: Cancel Purchase order – reinstate request

- Reinstates the Budget reservation



Accounts Payable Transactions:

INNI: Accounts Payable Invoice – without encumbrance (Direct Pay)

- Credits the General Ledger Payable Account
- Debits the General Ledger Expense Control
- Increases the Operating Ledger YTD Expense Account

INNC: Credit Memo – without encumbrance

- Reverses the **INNI** (Partially or wholly)

INEI: Invoice – with encumbrance (Pays a Purchase Order)

- Liquidates the encumbrance (PO) in the Encumbrance Ledger
- Debits the General Ledger Reserve for Encumbrances
- Credits the General Ledger Encumbrance Control
- Liquidates the encumbrance (PO) in the Operating Ledger
- Credits the General Ledger Payable Account
- Debits the General Ledger Expense Control
- Increases the Operating Ledger YTD Expense Account

INEC: Credit Memo – with encumbrance

- Reverses the **INEI** (Partially or wholly)

ICNI: Cancel Invoice – without encumbrance

- Reverses the **INNI**

ICNC: Cancel Credit Memo – without encumbrance

- Reverses the **INNC**

ICEI: Cancel Invoice – with encumbrance

- Reverses the **INEI**

ICEC: Cancel Credit Memo – with encumbrance

- Reverses the **INEC**

Check Transactions:

The transactions for checks reflect the Banner Finance System cash processing method. Each cash pool has a claim pool. Each Fund has a Claim on Cash account for each pool in which it has funds. This account is offset by the corresponding account in the Bank Fund. The cash account in the Bank Fund reflects the cumulative cash balance for the organization. If a payment is made, there should be an overall credit to the organization's cash balance and there should also be a credit for the paying fund's claim on cash.

DNNI: Check – invoice without encumbrance

- Debits the General Ledger Payable Account
- Credits the General Ledger Paying Fund's Claim on Cash Account
- Debits the General Ledger Bank Fund's Claim on Cash Account
- Credits the General Ledger Bank Cash Account

DNNC: Check Credit Memo – without the encumbrance

- Reverses the **DNNI**

DNEI: Check – invoice with encumbrance

- Posts to the ledgers the same as a **DNNI**, but a separated rule code is needed so that if the check is cancelled, the encumbrance may be reinstated properly.

DNEC: Check Credit Memo – with encumbrance

- Reverses the **DNEI**

CNNI: Cancel check – invoice without encumbrance

- Credits the paying fund's Operating Ledger Expense Account
- Debits the paying fund's General Ledger Claim on Cash Account
- Credits the bank fund's General Ledger Claim on Cash Account
- Debits the bank fund's General Ledger Cash Account

CNNC: Cancel Check – Credit Memo without encumbrance

- Reverses a **CNNI**

CNEI: Cancel check – invoice with encumbrance

- Reverses a **DNEI**
- **Used only when and check is cancelled and the invoice is re-established.**
- Credits the General Ledger Accounts Payable Account
- Debits the paying fund's General Ledger Claim on Cash Account
- Debits the bank fund's General Ledger Cash Account
- Credits the bank fund's General Ledger Claim on Cash Account

CNEC: Cancel check – credit memo with encumbrance

- Reverses a **CNEI** (Used only when a check contains several invoices and c/m's)

Budget Transactions:

Budget transactions debit or credit an account based on its account type normal balance (revenue accounts are credited and expense accounts are debited). Each transaction updates a different sequence number of activity for the account.

EB1: HSC El Paso Permanent Adopted Budget

EB2: HSC Permanent Budget Adjustments

EB3: HSC Temporary Adopted Budget

EB4: HSC Temporary Budget Adjustments

EB5: HSC Permanent Budget Adjustments – Self Balancing

EB6: HSC Temporary Budget Adjustments – Self Balancing

General Accounting Transactions:

Other general Accounting Transactions include JV's and cash receipts. These types of transactions will be subject to electronic approvals. The approvals are routed based on rule codes; therefore, several rule codes for each type of transaction have been created.

Intra-fund Transfer (Transfer within same fund, does not require a Bank Code)

LX5, L05, L15, L25, L35, L45, L55, L65, L75

Inter-fund Transfer (Transfer between funds, Bank Code is required and must be the same)

LM6, L06, L16, L26, L36, L46, L56, L66, L76

Inter-fund Transfer (Transfer between funds, Bank Code is required, but can be different)

L71

LCR: Records Cash Received in the Bank Funds Cash Accounts

- For deposits
 - Debits the receiving fund's General Ledger Claim on Cash Account
 - Debits the bank fund's General Ledger Cash Account
 - Credits the bank fund's General Ledger Claim on Cash Account
 - Credits the General Ledger Revenue Control Account
 - Increases the receiving fund's Operating Ledger Revenue Account
- For wires out
 - Creates the opposite of the deposit transactions