



Finance Glossary

- **Appropriation:** Accounting to reflect that an organization has placed a reservation on previously unreserved funds. An appropriation enables an agency or department to (1) make spending commitments, and (2) spend money.
- **Attachment Category:** The attachment category in Workday is a way to categorize and organize attachments.
- **Budget Check:** A control that ensures spending does not exceed allocated budgets.
- **Business Process:** A series of tasks in Workday that can be initiated, acted on, and completed to accomplish a desired business objective.
- **Cancel:** Cancelling a purchase order impacts both commitment and obligation accounting in the following ways:
 - **Liquidation of Commitment:** When a purchase order is cancelled, Workday liquidates the commitment associated with that order. This means that the funds that were previously reserved for the purchase order are released back into the available budget.
 - **Obligation Accounting:** Cancelling a purchase order also affects obligation accounting. If there are any remaining obligation balances linked to the purchase order, these will be cleared, ensuring that the financial records accurately reflect the status of obligations.
 - **Impact on Balances:** The cancellation will update the balances of the requisition, reflecting the correct amounts after the cancellation. This is particularly important for maintaining accurate financial reporting and budget management.
- **Change Order:** A change order in Workday is a process used to modify an existing purchase order (PO). It allows users to update worktags, change descriptions, remove items, update quantities, and correct pricing.
- **Close:** Closing a Purchase Order (PO) in Workday has several implications:
 - **Re-encumbrance:** If a PO is closed while the requisition remains open, it may re-encumber the commitment, affecting the financial records for the current year.
 - **Zeroing out Balances:** Closing a PO will zero out any remaining balance before initiating the closure process.
 - **Liquidation of Obligations:** When a PO is closed, the corresponding commitment amount is liquidated, meaning the obligation is paid against the purchase order.
 - **Reopening:** If a PO is closed, it can be reopened if needed, such as when unexpected invoices are received.
 - **Draft Receipts:** If there is a draft receipt associated with the PO, it must be canceled first before the PO can be closed.
- **Company:** The primary entity for recorded business transactions and financial reports. This is the new term for Agency in Workday.
- **Contract Amendment:** A contract amendment in Workday is a process that allows users to make changes to an existing contract. This can include updating information such as the contract amount, contract status, and worktags. The amendment process is designed to ensure that the contract remains accurate and reflects the current terms of the agreement.

- **Cost Center:** An identifier for financial responsibility and oversight of a managed and budgeted entity (e.g., a department).
- **Dimension:** A way to categorize financial data for reporting and analysis purposes.
- **Encumbrance:** An encumbrance is a commitment to pay. Salaries and Purchase Orders are encumbered in the ERP. Other terms for encumbrances that users may see on reports are Obligation and Commitments and Pre-Encumbrance.
- **Expense Report:** A form used to document and request reimbursement for business-related expenses.
- **Fiscal Year:** A 12-month period used for accounting purposes and preparation of financial statements.
- **Foundation Data Model (FDM):** The data structure used for accounting and financial reporting in Workday, containing elements known as worktags.
- **Fund:** Represents a method of accounting based on the organization's designation of funding categorization (e.g., Unrestricted, Restricted, Plant).
- **Gift:** External source of funds whose usage may be restricted or designated for a specific purpose or time period.
- **Grant:** Tracks a specific funding source provided by an outside sponsor with detailed reporting requirements.
- **Internal Service Delivery (ISD):** A transaction that records information related to goods or services provided by one internal department to another.
- **Journal Entry:** A financial transaction that records debits and credits to specific accounts within the general ledger.
- **Ledger Account:** Ledger accounts are classified as assets, liabilities, equities, revenue, and expenditures. Users select revenue or spend categories, and the system posts the transaction to the appropriate ledger account.
- **Period Close:** The process of finalizing all financial transactions for a specific accounting period.
- **Program:** Programs track revenue and expenses for specific on-going activities that occur across cost centers or within a cost center. Programs describe the purpose or goal for receiving and spending funds. They are a group of appropriations for a specific cause, formerly the sub-program in RIFANS.
- **Project:** Used to accumulate funding for an identifiable deliverable over a specific period of time, often subdivided into phases.
- **Purchase Order (PO):** A document sent to suppliers to order goods or services.
- **Reconciliation:** The process of comparing two sets of records to ensure they agree and are accurate.
- **Related Actions:** A clickable icon that enables the user to perform additional actions for an object.
- **Requisition:** A formal request to purchase goods or services.
- **Revenue Category:** Provides a granular view of revenues earned. Required on all revenue transactions.
- **Security Group:** A collection of users, or a collection of objects that are related to users. Allowing a security group access to a securable item in a security policy grants access to the users associated with the security group.
- **Spend Category:** Used for external financial reporting for the classification of expenses in categories. Required on all financial transactions.
- **Spend Transactions:** Spend transactions in Workday encompass all financial activities associated with the procurement and payment of goods and services. Key components include:
 - **Purchase Order Amount:** Represents the value of releases issued against a Supplier Contract within Workday or RIFANS.
 - **Invoiced PO Amount:** Reflects the total invoiced amounts tied to the Supplier Contract.

- **Non-PO Invoice Amount:** Represents invoices generated for purchases made without a pre-approved purchase order. These are typically used for expenditures such as employee reimbursements, utility payments, and one-time service engagements.
- **PO/Invoice Balance Remaining:** Indicates the remaining balance on a Purchase Order after accounting for all related transactions and adjustments.
- **Supplier Invoice:** A bill received from a supplier for goods or services provided.
- **To-Dos:** Reminders to do something outside of the Workday system. They can be part of business processes and must be marked complete before the workflow will go to the next step.
- **Worklet:** A compact app displayed as an icon on an employee's Workday Home page. Worklets provide easy access to tasks and information employees use on a regular basis.
- **Worktags:** Dimensions used to facilitate Workday transactions and create financial reports. They are the building blocks of the FDM.