

Account Groups

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I. 14 ACCOUNTS - EDUCATION AND GENERAL FUNDS

A. Purpose

These funds are used to support the University's general educational operations. Functions and activities funded include faculty salaries, operating expenses of the instructional departments, library operations and acquisitions, general administration, student services, campus security, operation and maintenance of educational and general buildings & facilities, and a limited number of special research units.

B. Source of Funds

"14"-General Revenue Appropriations, Tuition, Laboratory Fees, Indirect Cost Recoveries, Interest Income

C. Typical Expenditures

Typical expenditures include: salaries, supplies, equipment, travel, and scholarships related to the specified purpose.

D. Transfers

Departmental "14" account funds **cannot** be used to transfer to other fund groups. Expenditures may be transferred between accounts with VPBA approval. Institutional transfers are made to designated funds for Skiles and TPEG and to retirement of indebtedness funds for debt payments.

E. Restrictions

1. UT and state purchasing procedures must be followed.
2. Purchase order required for all materials and services.
3. No entertainment expenditures allowed.
4. No personal reimbursements allowed unless all purchase order procedures have been followed.
5. No prepayments allowed.
6. Institutional memberships allowed only with approval from the President.
7. Subscriptions allowed.

F. Travel

Reimbursement Rates- Daily Allowance

Actual expenses up to specified limits for:

Domestic	Domestic	Outside Continental U.S.
In-state	Out-of-state	Foreign
Meals \$25.00	Locality Based	\$350.00
Lodging \$70.00		

G. Balance Forwards

Only material encumbrances and the funds to cover them will be brought forward each year. ***Travel funds cannot be encumbered across fiscal years.*** (Note: Some encumbrance balances are closed out at year end. The disencumbrance will appear in August balances and will not be brought forward.)

H. Budgets

General Revenue (14 accounts) are budgeted. All purchases over \$1000 require prior approval during the budgeting process.

II. 18 ACCOUNTS - SERVICE CENTER REVOLVING FUNDS

A. Purpose

Service Centers are ongoing operations that sell products and provide specific services to the university community. If the majority of the income is from internal sources, the account should be classified as an "18" account. Examples of service centers include: Mail Room, IRD Telecommunications, Publications and Special Projects.

B. Source of Funds

Service centers receive income from sales and services charged to University departments. All rates charged must be cost justified and approved in advance by the Vice President for Business Affairs.

C. Typical Expenditures

Salaries, fringe benefits, equipment, and operating expenses such as materials, supplies and maintenance necessary to provide the related service.

D. Transfers

Transfers between "18" accounts and transfers to and from "19"-Designated Funds and "36"-Plant Funds accounts are allowed. Transfers to and from "26"-Restricted Funds and "30"-Gift Funds accounts are not allowed.

E. Restrictions

1. UT and state purchasing procedures must be followed.
2. Gift income is not allowed.
3. No entertainment expenditures are allowed.
4. No scholarship expenditures are allowed.
5. Subscriptions are allowed.
6. All users of the service must be charged & federal funds cannot be charged more.
7. Rates must be based on historical costs.
8. Income and expenses must be matched. For example, if rates are based on salaries, then they must be paid from the same budget group.
9. Periodically, the account balance should be reviewed to assure that no excess balances are accumulating. It is not appropriate to build up funds to pay for other costs. It is allowable to build up an equipment replacement fund as long as the equipment was not purchased from federal or state funds.

F. Travel

1. Reimbursement Rates- Daily Allowance

Actual expenses up to specified limits for:

Domestic In-state	Domestic Out-of-state	Outside Continental U.S. - Foreign
Meals \$25.00	Locality Based	\$350.00
Lodging \$70.00		

G. Balance Forwards

The total free balance for the budget group will be brought forward in the appropriate income account. Encumbrances, assets and liabilities, and the funds to cover them in the individual account where they existed at year end are also brought forward.

H. Budgets - Service Departments & Revolving Funds (18 accounts) will be budgeted.

III. 19 ACCOUNTS - DESIGNATED FUNDS

A. Purpose

Funds maintained in Designated Funds have been internally designated by the institution's governing board or management to be used for special purposes and can be modified by management at any time. These funds are used to provide services to the campus and to the community so they receive external as well as internal income.

B. Source of Funds

These accounts are funded by Designated Tuition, Incidental Fees, Indirect Cost Recoveries, Interest on General Fee, Interest on Temporary Investments, and Conference/Workshop Fees.

C. Typical Expenditures

Salaries, fringe benefits, equipment, and operating expenses such as materials, supplies and maintenance necessary to provide the related service.

D. Transfers

Budget transfers between most "19" accounts are allowed. Budget transfers to and from "14"-State, "26"-Restricted Funds and "30"-Gift Funds accounts are not allowed. Expenditure transfers are allowed.

E. Restrictions

1. Must follow UT purchasing procedures.
2. Meal expenses are allowed for conferences and continuing education courses, if funded by participant fees and approved by the Dean's office or VP.
3. Gift income is not allowed.
4. Subscriptions are allowed.
5. Individual memberships to professional organizations are not allowed.

F. Travel

1. Reimbursement Rates-Daily Allowance

Actual expenses up to specified limits for:

Domestic	Domestic	Outside Continental U.S.
In-state	Out-of-state	Foreign
\$180.00	\$250.00	\$350.00

* Meals in excess of \$35.00 per day are to be supported by meal receipts together with an explanation of why it was necessary to exceed \$35.00.

G. Balance Forwards

The total free balance for some budget groups will be brought forward in the appropriate income account. Encumbrances, assets and liabilities, and the funds to cover them will be brought forward in the individual account where they existed at year end. **Free balances in accounts funded by Designated Tuition will not be brought forward.**

H. Budgets

Designated Funds (19 accounts) will be budgeted.

IV. 26 ACCOUNTS - CONTRACTS AND GRANTS

A. Purpose

Funds maintained in Contract & Grants Funds have been provided by outside sponsors and agencies to provide support for specific research or educational programs. The majority of these funds are federal dollars supporting either research or financial aid to students.

B. Source of Funds

Federal, State, Local and Private Grants, Contracts, and Agreements fund "26" accounts.

C. Typical Expenditures

OMB Circular A-21 establishes the principles for determining allowable costs to federally funded grants, contracts, and other agreements with educational institutions. Typically, the budgeting process determines costs applicable to grants and contracts for all other funds.

D. Transfers

Transfers between budget groups are not allowed on "26" accounts. Expenditure transfers may be allowed to reallocate costs to the appropriate award. Budget transfers can be made within a budget group unless restricted by the sponsor.

E. Restrictions

1. UT purchasing procedures must be followed.
2. Expenditures must follow individual contract and grant guidelines.
3. Contact the Office of Accounting for questions.
4. The following items require prior approval on federal awards: foreign travel, general purpose equipment, office supplies, postage, monthly telephone rental, renovations, food, and administrative salaries.
5. The following items are generally unallowable: alcohol, bad debts, entertainment, fines and penalties, contingent reserves, fund raising costs, goods or services for personal use and proposal costs.

F. Travel

1. Reimbursement Rates-Daily Allowance

Actual expenses up to specified limits for:

Domestic In-state	Domestic Out-of-state	Outside Continental U.S. Foreign
\$180.00	\$250.00	\$350.00

* Meals in excess of \$35.00 per day are to be supported by meal receipts together with an explanation of why it was necessary to exceed \$35.00.

2. Contract and Grant Funds, except Interagency Contracts and Agreements, require institutional and sponsor approval for foreign travel.

G. Balance Forwards

Research funds are assigned for project periods that do not necessarily coincide with The University's fiscal year. Therefore, accounting balances are maintained on a cumulative basis for the term of the project. All balances for an account are brought forward as they existed at year end. (Note: When a project is completed, the account balances are closed and are not brought forward.)

H. Budgets - Are established by the approved contract, grant or agreement.

V. 29 ACCOUNTS - AUXILIARY ENTERPRISES

A. Purpose

Auxiliary Enterprises furnish goods or services to students, faculty, or staff and charge fees directly related to, although not necessarily equal to, the cost of the goods or services. They are managed essentially as self-supporting activities outside of the basic education and research functions of the university. Examples (not all inclusive) are residence halls, food services, intercollegiate athletics, college stores, faculty clubs, student union, parking, student, faculty and staff programs funded by fees and/or revenue. The general public may be served incidentally by auxiliary enterprises.

B. Source of Funds

Auxiliary Enterprises receive income from sales and services. Student service fees and other mandatory and non-mandatory student fees which are directly related to auxiliary operations are additional sources of income.

C. Typical Expenditures

Salaries, fringe benefits, equipment, utilities, and operating expenses such as materials, supplies and maintenance necessary to provide the related service are among the typical expenditures.

D. Transfers

Departmental Budgeted transfers from "19" accounts are allowed. Transfers to related "29" accounts, to "36"-Plant Funds accounts and are allowed. Fund transfers to and from "26"-Restricted Funds and "30"-Gift Funds accounts are not allowed. Expenditure transfers are allowable.

E. Restrictions

1. UT purchasing procedures must be followed.
2. Meal expenses are allowed with prior approval of the appropriate Vice-President.
3. Gift income is not allowed.
4. Subscriptions are allowed

F. Travel

1. Reimbursement Rates-Daily Allowance

Actual expenses up to specified limits for:

Domestic In-state	Domestic Out-of-state	Outside Continental U.S. Foreign
\$180.00	\$250.00	\$350.00

* Meals in excess of \$35.00 per day are to be supported by meal receipts together with an explanation of why it was necessary to exceed \$35.00.

2. All auxiliary enterprise travel requires institutional approval.

G. Balance Forwards

The total free balance for the budget group will be brought forward in the appropriate income account. Encumbrances, assets and liabilities, and the funds to cover them will also be brought forward in the individual account where they existed at year end.

H. Budgets

Auxiliary Enterprises Funds (29 accounts) will be budgeted.

VI. 30 ACCOUNTS - GIFT FUNDS

A. Purpose

The purpose of "30" accounts is to record receipts and expenditures related to gifts received from a donor or external agency. Gifts are more general in purpose than grants but are restricted for use by a particular college or department, and/or restricted for a specific purpose or program such as scholarships or endowed chairs.

B. Source of Funds

Gifts must be deposited through the Office of Institutional Development. Gifts which are directly deposited by departments must have appropriate documents processed through the Office of Institutional Development. Income from endowments and interest is also deposited in "30" accounts.

C. Typical Expenditures

Scholarships, salary supplements for endowed chairs, supplies purchased on departmental Various Donors/Various Purposes accounts are among the typical "30" expenditures.

D. Transfers

Fund transfers from chair, professorship, fellowship, and scholarship accounts are not allowed. Transfers to endowment funds to reinvest earnings from endowments or to establish new endowments are common.

E. Restrictions

1. UT purchasing procedures must be followed
2. Departments must insure that donor intent is followed
3. Entertainment expenses are allowed with approval of Vice-President.
4. Subscriptions are allowed

F. Travel

1. Reimbursement Rates-Daily Allowance

Actual expenses up to specified limits for:

Domestic	Domestic	Outside Continental U.S.
In-state	Out-of-state	Foreign
\$180.00	\$250.00	\$350.00

* Meals in excess of \$35.00 per day are to be supported by meal receipts together with an explanation of why it was necessary to exceed \$35.00.

G. Balance Forwards

The total free balance for the budget group will be brought forward in the appropriate income account. Encumbrances, assets and liabilities, and the funds to cover them will also be brought forward in the individual account where they existed at year end.

H. Budgets

Restricted/Gift Funds (30 accounts) are budgeted for endowed chairs, professorships, and certain other non-academic departments which have appointments. If departments have other 30 accounts that they want budgeted, these are added by request. Any remaining 30 accounts are budgeted in memo format (lump sum) with estimated amounts based on the prior year annual financial report.

VII. 32 ACCOUNTS - LOAN FUNDS

A. Purpose

Loan funds are used to account for resources that may be loaned to students. Some of the loans are short-term "emergency" loans of a limited amount and repayment time. Most Loan Fund accounts are revolving loan funds. The principal, as it is repaid along with interest on the loan and any other charges (Late Charges), will be returned to the individual loan fund account making the funds available for more loans.

B. Source of Funds

Loan funds are funded by various sources as gifts, grants, TPEG funding, governmental contributions and institutional matching funds. In addition to the primary sources, interest income on the principal loaned, investment income and other amounts charged to the borrower for late charges and collection costs are sources of funding.

C. Typical Expenditures

Deductions from the Loan Funds primarily are in the form of loans to student borrowers resulting in Notes Receivable for the amount of Principal outstanding. Certain expenses related to the collection of the loans may be chargeable to the loan fund accounts.

D. Transfers

The major transfers in the Loan Funds are related to the funds from the Federal government and the corresponding institutional matching fund transfers which are considered to be mandatory. Occasionally transfers to and from other fund groups are allowed based on the various fund restrictions.

E. Restrictions

1. Only collection costs, including litigation expenses, write-offs and certain other expenditures are allowed.

VIII. 36 ACCOUNTS - UNEXPENDED PLANT FUNDS

A. Purpose

These funds are used for major new construction projects, remodeling and renovations to existing buildings and grounds. Major projects are primarily controlled by Office of Facility Planning and Construction (OFPC) at UT System and some are institutionally controlled. Smaller projects would consist of some remodeling of rooms or renovations to existing buildings and grounds. These smaller projects may not be capitalized like major projects.

B. Source of Funds

Funding for major projects comes from UT System Permanent University Fund, Revenue Financing System Bonds, Tuition Revenue Bonds or could include local sources from unexpended plant fund balances, general fee balances or auxiliaries. Income received in plant funds comes from interest on short term investments, miscellaneous gifts or revenues, and sale of land.

C. Typical Expenditures

Contract services, architectural and engineering services, maintenance and repair of buildings, construction of grounds, and purchases of furniture and equipment are common "36" expenditures. All expenditures from these funds must be for capital expenditures. Consumable supplies, subscriptions, memberships, etc. are NOT allowed.

D. Transfers

Interbranch transfers from UT System consist of PUF and Revenue Financing System proceeds. Interfund transfers are typically from Auxiliary Funds, "20" Available University Funds, Designated Funds, Service Departments, and Restricted Funds. No transfers are allowed from General Funds, Loan Funds, Endowments or Agency Funds.

E. Restrictions

1. UT purchasing procedures must be followed.
2. UT state purchasing procedures must be followed if the funding source is State Funds.
3. Salaries cannot be directly charged to "36" accounts but may be transferred in as distributed wages.
4. Travel is rarely used in connection with a project.
5. No entertainment expenditures are allowed.

F. Balance Forwards

Plant funds are assigned for project periods that do not necessarily coincide with The University's fiscal year. Therefore, accounting balances are maintained on a cumulative basis for the term of the project. All balances for an account are brought forward as they existed at year end. (Note: When a project is completed, the account balances are closed and are not brought forward.)

G. Budgets

Plant Funds (36 accounts) are not budgeted by individual project. All major projects are budgeted in a separate Capital Budget.

IX. 39 ACCOUNTS - INVESTED IN PLANT

A. Purpose

Fixed assets including land, buildings (new, under construction, and additions to existing in progress), improvements other than buildings, equipment, library books, and museum and art collections and the related debt are carried in this fund group.

B. Sources of Funds

These assets are purchased and expensed in other fund groups.

C. Typical Entry

This fund group is updated at year end during the annual financial report from the activity from all other fund groups that have had some capitalization during the year.

X. 41 ACCOUNTS - AGENCY FUNDS

A. Purpose

Funds held in custody for others. These funds from outside agencies are temporarily under UT control and are restricted for specific purposes. Typical funds held are for conferences and external contractors such as food service and housing. Once the conference or purpose has been accomplished, any residual funds are returned to the sponsor and the account is closed.

B. Typical Expenditures

Expenditures necessary to accomplish the specific purpose.

C. Transfers

Transfers to and from other funds are not allowed.

D. Restrictions

UT purchasing procedures must be followed.

E. Balance Forwards

The total free balance for the budget group will be brought forward in the appropriate income account. This rule also brings forward encumbrances, assets and liabilities, and the funds to cover them in the individual account where they existed at year end.

F. Budgets

Agency Funds (41 accounts) are budgeted. These funds are from outside agencies, are only in our control temporarily, and are restricted for a specific purpose.

XI. 57 ACCOUNTS - ENDOWMENT FUNDS

A. Purpose

True Endowments are funds for which donors or other external agencies have stipulated, under the terms of the gift instrument creating the fund that the principal of the fund is not expendable. It is to remain untouched in perpetuity and is to be invested for the purpose of producing present and future income which may be expended or added to principal. Term Endowments are funds which are like true endowment funds, except that all or part of the principal may be used after a stated period of time or the occurrence of a certain event. Funds Functioning as Endowments (Quasi-Endowments) are created by management with spendable unrestricted current funds. They may be restricted or unrestricted depending on donor specifications. Management may reverse its decision at any time.

B. Source of Funds

Gifts and Transfers. Income earned on endowments is not typically revenue to the Endowment Fund. It is revenue to Current Funds in accordance with donor-imposed restrictions. Income from endowments is distributed quarterly by UT System Administration. The majority of it goes into "30" accounts.

C. Transfers

Transfers to establish quasi-endowments and transfers to reinvest endowment income are common.

D. Restrictions

Endowment Funds accounts are managed by UT System.