



**UCCS CAMPUS POLICY**

**Policy Title: Unrestricted Funds and General Fund Carryforward**

**Policy Number: 500-013**

**Policy Functional Area: Administration and Finance**

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<b>Effective:</b>	August 5, 2016
<b>Approved by:</b>	Pam Shockley-Zalabak, Chancellor
<b>Responsible Vice Chancellor:</b>	Administration & Finance (VCAF)
<b>Office of Primary Responsibility:</b>	VCAF
<b>Policy Primary Contact:</b>	Office of the AVC Finance & HR, 719-255-3388
<b>Supersedes:</b>	July 1, 2014
<b>Last Reviewed/Updated:</b>	June 10, 2016
<b>Applies to:</b>	Administrators, Faculty, Staff

**Reason for Policy:** This policy establishes the process for reporting and categorizing fund balances at the University of Colorado Colorado Springs.

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**I. INTRODUCTION**

This policy establishes consistent and appropriate reporting and categorizing of fund balances that make up unrestricted net position (Fund Balance) in all funds at the University of Colorado Colorado Springs (“UCCS” or “University”). This policy promotes the efficient use of funding and aids in the formulation of spending plans that support the mission and goals of the University.

**II. POLICY STATEMENT**

- A. General Fund. The General Fund consists of unrestricted funds used to account for the majority of the revenue and expenses of the University’s primary mission of instruction and its functions of academic, student services, institutional support, operation of plant, and scholarships and fellowships. They are mainly from state appropriations, program fees, tuition, and indirect research.
- B. Auxiliary Fund. An Auxiliary Fund is used to account for the revenues and expenses of University self-funded and self-sustaining operations like Extended Studies, Residential Life and Housing, Parking and Transportation Services, and revenue generated through UCCS departmental activity such as consulting or laboratory testing, conferences, internal service centers, and most student purpose/activity fees. Auxiliary operations with debt service may be designated by UCCS as restricted.
  - i. Auxiliary Facilities Non-Pledged are assets held by auxiliary programs and revenues are not pledged to specific projects. Continuing education reserves and insurance activities are included with this group.
- C. Restricted Fund. A Restricted Fund includes sponsored research projects, federal and state financial aid programs, and gift funds.

- D. Reserve Funds. A Reserve Funds (Plant fund 72) is used to establish cash reserves for future needs such as debt payments, UCCS campus/departmental initiatives and capital renewal and replacement expenses. Examples include but are not limited to: debt service reserves as required by bond covenants, new building construction, building renovations, capital equipment purchases, faculty start-up funding, contingency reserve and general programmatic needs for UCCS support that may include health, life, and safety issues.
- E. Obligated Funds. Obligated Funds are unrestricted net position (Fund Balance) that are obligated to specific projects, or are held for contractual payments (such as faculty start-up). Each Obligated Fund must be approved by the Vice Chancellor for Administration and Finance. Obligated Funds may be for:
- i. Approved Capital Projects: Assets obligated for all approved construction projects, facilities initiatives, and debt service reserve requirements (including internal loans). This includes projects approved by the Board of Regents (over \$2,000,000), and projects approved by UCCS (under \$2,000,000).
  - ii. Service Centers: Assets obligated for equipment and facilities replacement and generally subject to federal cost accounting standards (OMB A-21) which limits their use.
  - iii. Risk Financing Activities: Reserves are set aside in a University of Colorado trust for professional liability.
  - iv. Faculty Start-up and Research Initiatives: Funds obligated for committed faculty start-up, research cost sharing, bridge funding, and financial aid obligations.
- F. Unobligated Funds. Unobligated Funds are generally available for UCCS use or support of schools, colleges, departments, or units. These funds are generated by nonrecurring revenue surpluses or year-end balances resulting from lower than expected spending levels (such as vacancy savings from an unfilled position). The University holds these funds in general categories pursuant to UCCS Budget and Planning Office procedures. Their designation may change. Unobligated Funds may be for:
- i. Campus Designated Capital: Funds designated for future specific capital projects and facilities initiatives that will be submitted for University approval. This includes projects on the UCCS campus master plan, controlled maintenance, and health/life/safety expenditures.
  - ii. Unobligated Capital Reserves: Assets held by UCCS departments for capital activities that have not been identified with specific projects or on the UCCS campus master plan, but rather general UCCS needs including renewal and replacement.
  - iii. General Programmatic Reserves: General UCCS departmental reserves for University support. Category includes reductions for grant deficits or pre-awards, which are claims on department resources, and program, course and student fees.

### III. DEFINITIONS

### IV. RELATED POLICIES, PROCEDURES, FORMS, GUIDELIENS, AND OTHER RESOURCES

- A. Administrative Policy Statements (APS) and Other Policies
- B. Procedures

[UCCS Budget and Planning Office](#)

C. Forms

D. Guidelines

E. Other Resources (i.e. training, secondary contact information)

C.R.S. § 23-19.9-102.

F. Frequently Asked Questions (FAQs)

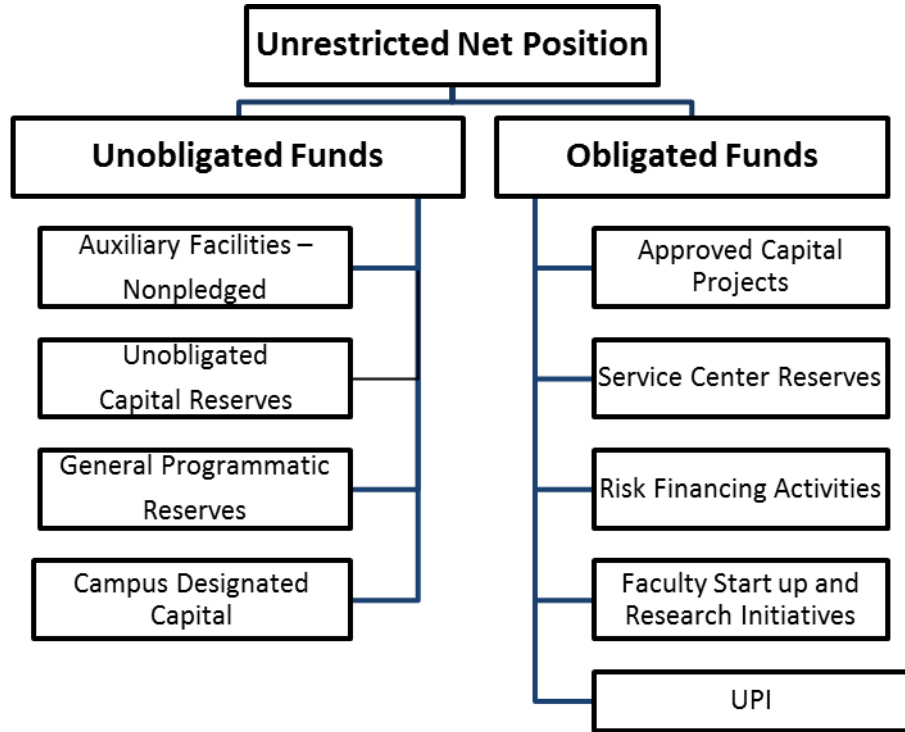
V. **HISTORY**

July 1, 2013     Initial Policy Approved

**APPENDIX**

1. Unrestricted Net Position Reference Chart

**UNIVERSITY OF COLORADO COLORADO SPRINGS**



8. Speedtype Designations: Based on the type of speedtype, the UCCS Controller’s Office will use the following designations to identify Unrestricted Net Position speedtypes. Except as approved by Controller.

VALUES FOR DESIGNATION OF UNRESTRICTED NET POSITION												
	Funds											
		10	11	20	26	28	29	30	31	71	72	73
Auxiliary Facilities Operating Reserves (non-pledged)	AUXR			D			D				X	
Unobligated Capital Reserves	CAPR										X	
Campus Designated Capital	CACR										X	
General Programmatic Reserves	PEPC	D	D		D			D	D		X	
Approved Capital Projects	OCIP									D	X	D
Service Center Reserves	ISUR			X		D					X	
Risk Financing Activities	RFIN			X								
Faculty Start-up and Research Initiatives	STRT				X		X				X	
University Physicians, Inc.	UPIR			X								

<sup>1</sup>D is the default code for each applied fund

<sup>2</sup>X is an allowable code

Excluded are restricted funds (34, 35, 36, & 50) and funds whose net position is zero (80 & 99)