IU Chart of Accounts
IU CHART OF ACCOUNTS

- Versatile
- Supports your ORG structure
- What’s the question? Structure can answer
CHARTS

- Each campus has a chart of accounts
- IUB & IUPUI have two:
  - One for auxiliaries (BA) which maps into -
    - One for academic and support (BL)
  - UA also has a chart (UA)
- IU
- Campus (BL/BA)
- RC
- ORG
  - Sub-Org
    - Account
      - Sub-account
        - Object code
        - Sub-object code
BLOOMINGTON CAMPUS

- Has 27 different RC’s
  - 12 Academic
  - 15 Support
- Each RC is unique and has its own ORG structure
- UA has 12 different RC’s and has its own ORG structure
RC – RESPONSIBILITY CENTERS

- Within an RC, the ORG structure can be many levels deep
- Each RC has a code# (04 Arts & Sciences)
- Each RC has a code (ARSC-Arts & Sciences). These never change
- Reports in IUIE can be at the RC level
- Routing approvals at the RC level
- Each ORG has a type – R is the RC
- For instance; RC 81 DEAN of budget general administration houses the majority of BL auxiliaries
- Residential Programs is 10 levels deep
  - Imagine budget construction and getting the accounts at the right level
- Each RC has a fiscal officer
ORGS

- House accounts – all types/sub funds
- House positions (HRMS)
- Each Org has 1 fiscal approver and 1 personnel approver (may have delegates)
- Reports can be run at ORG level or ORG hierarchy
- ORGs map to an RC, can be flat ORG multiple levels
- Routing approvals can be at the ORG level (includes ORG that map/report to)
- Each Org has a fiscal officer
ACCOUNT

- Each account has a fiscal officer, account supervisor and account manager (see Policy FIN-I-10)
- Each account may have several delegates
- An account maps to a sub-fund
- An account can be cash based on the income stream
- An account may be budgeted and mandated if general funds
- Accounts must have a purpose, income guideline, and expenditures guideline – these identify the type, function code and sub-fund
- Reports MOS/MOD, and other reports, are by account
- Each account can have a sub-account and sub-object codes
There are 7 fund groups
Within each fund group—there are sub-funds
Restricted vs. Unrestricted
FUND AND SUB-FUND GROUPS

- Unrestricted current funds (10/19-24)
- Restricted funds (25-29)
- Restricted other funds (40-59)
- Auxiliary enterprises (60)
- Services (63,66)
- Clearing (68)
- Loan funds (70)
- Endowments & similar funds (80, 81, & 82)
- Plant funds (90-95)
- Agency funds (96-98)
UNRESTRICTED CURRENT FUNDS (10/19 TO 24)

- Resources of the institution which are expendable for a defined purpose in performing the primary objectives of the institution
- Are appropriated by the State of Indiana
- Are based on funds from:
  - Student tuition/fees
  - Contributed or earned funds by the University, free from restrictions imposed by payers or donors
UNRESTRICTED CURRENT FUNDS (10/19 TO 24)

- 10 BL campus
- 19 University administration
  - Identified the general fund group
  - Are used to support the normal daily operations of the institution
- **FUNDS MUST BE BUDGETED (BASE, ADJUSTED BASE OR CURRENT FUNDS)**

*Note: Can receive all funds except restricted, can transfer in and out, and move base within and to another RC (same chart)
DESIGNATED SUB-FUNDS

- Continuing Education (DCEDU) 20-Accounts
  - Self-supporting from user fees
  - Continuing Education
- Public Service (DPSA) 21-Accounts
  - Funds provided by the public sector for special programs to support the public
  - Public Service (PBS)
DESIGNATED

- Faculty Research (DFRES) -- 22-Accounts
  - General funds as source
  - Faculty who received monetary awards
  - Faculty research (Start Up Funding)

*Note: Should only be funded by general funds, can transfer in and out, can have a budget
Designated Other funds (DOFDS)—23-Accounts

- Special academic activities and programs
- Other designated funds
- Centers & institutes
- Conferences (other income)
- Revenue producing activities (under $250K)

*Note: Can be funded by IUF if donor intent is unrestricted. Should be budgeted if income stream is $30,000 or greater, or has compensation, can transfer in and out.
Unrestricted Financial Aid (xxxx) 24-accounts

- Provided by campus general funds
- Scholarship and Fellowships

*Note: Funds are budgeted in general funds then transferred-in, cannot accept outside or IUF funding
RESTRICTED FUNDS

- Funds expendable for purposes restricted by donor intent or other outside entities
- Accounts 25-29
RESTRICTED SUB-FUNDS

- Restricted Scholarships (RSCH) 25-accounts
  - Restricted for undergraduate aid
  - Restricted scholarships based on donor intent

*Note: Can only accept funds from IUF or other restricted sources, cannot transfer out or accept transfer in from unrestricted sources.
Restricted Fellowships (RFEL) 26-accounts

- Restricted for graduate and professional student aid
- Restricted Fellowships based on donor intent

*Note: Can only accept funds from IUF or other restricted sources, cannot transfer out or accept transfer in from unrestricted sources.
Special State Appropriations (xxxx) 27-accounts

- Special State Appropriation
- E.g., Geological Survey, Optometry, IIDC

*Note: Must be budgeted, considered base funds, cannot transfer-in from other unrestricted funds (general funds).
Restricted Other funds (ROFDS) 29-accounts

- Funds donated with restricted donor intent
- Restricted other funding sources

*Note: Must be budgeted if income stream is $30,000 or greater and if has compensation. Cannot transfer in or transfer out.
<p>| <strong>A</strong> | Reallocating funds within the same account; Base or Current, General Funds, Non-General Funds over $30,000, or Compensation. | Budget Adjustment |
|<strong>B</strong> | Transferring/moving funds between two 10 accounts; Base or Current. | Budget Adjustment |
|<strong>C</strong> | Increasing budgeted income due to additional income received. It is important to use the correct income object code (9915, 1179, etc.)—not a generic income line when completing this document; Current Budget. | Budget Adjustment |
|<strong>D</strong> | Decreasing budgeted income due to actual income shortfall (i.e. budgeted income higher than actual, so budget reduction needed). It is important to use the correct income object code (9915, 1179, etc.)—not a generic income line when completing this document. | Budget Adjustment |
|<strong>E</strong> | Budgeting carry-forward cash balances (2x accounts only). | Budget Adjustment |
|<strong>F</strong> | Transferring salary and/or wage savings outside the fund group; from a 10 account to a 2x account. (Budget Adjustment moving funds to 9920/9930, Transfer of Funds moving from 9920/9930 to 9915) | Budget Adjustment/Transfer of Funds |
|<strong>G</strong> | Transferring salary and/or wage savings outside the fund group; from a 2x account to a 10 account. | Budget Adjustment/Transfer of Funds |</p>
<table>
<thead>
<tr>
<th>Grid</th>
<th>Description</th>
<th>Category</th>
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</thead>
<tbody>
<tr>
<td>H</td>
<td>Transferring non-salary and/or non-wage savings from a 10 account to a 2x cash-controlled account. Use appropriate “from” expense code. 9899-9915</td>
<td>Transfer of Funds</td>
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<td>I</td>
<td>Transferring non-salary and/or non-wage savings from a 2x account to a 10 account. 9899-9915, 9900-2XXX</td>
<td>Transfer of Funds/Budget Adjustment</td>
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<td>J</td>
<td>Transferring non-salary and/or non-wage savings from a 2x account to another 2x account. 9900-9915</td>
<td>Transfer of Funds</td>
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<td>K</td>
<td>Transferring non-salary and/or non-wage savings from a 10 account to a 2x budgeted account. Use appropriate “from” expense code.</td>
<td>Transfer of Funds/Budget Adjustment</td>
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<tr>
<td>L</td>
<td>Moving expenses from one account to another (lump sum).</td>
<td>Distribution of Income/Expense</td>
</tr>
<tr>
<td>M</td>
<td>Correcting expenses that hit the wrong account; have to use previous document, need Doc#.</td>
<td>General Error Correction</td>
</tr>
<tr>
<td>N</td>
<td>Billing another account for goods/services.</td>
<td>ID Billing or Internal Billing (IB)</td>
</tr>
</tbody>
</table>
Fund Groups:
10 Unrestricted General Fund
20-24 Unrestricted, Designated Funds: Continuing Education, Public Service, Faculty Research, Other Designated, Designated Scholarships/Fellowships
25-29 Restricted Funds: Scholarships, Fellowships, Special State Appropriations, Faculty Endowment Match, Other Designated
40-59 Restricted Contract and Grants
60-66 Auxiliary and Service Funds
Cash Account: non-general fund with less than $30,000 annual expenditures and pays no salaries/wages.
Budgeted Account: non-general fund with $30,000 or more annual expenditures and/or pays salaries/wages.

Object Codes:
9920 Trsfrs of Funds-Acad Sal
9923 Trsfrs of Funds-Acad Assist
9924 Trsfrs of Funds-Prof Sal
9925 Trsfrs of Funds-Cler Sal
9930 Trsfrs of Funds-Wages
9940 Trsfrs of Funds-Sp & Exp
9951 Administrative Charge Expense
9954 Trsfrs of Funds-Fee Rem
9956 Trsfrs of Funds-Fringe Benf
9957 Trsfrs of Funds-Retirement
9958 Trsfrs of Funds-Fell & Scho
9959 Transfer Out 20% Reallocation
9960 Trsfrs of Funds-Travel
9970 Trsfrs of Funds-Capital
9977 Budget Allotment Expense
9979 Trsfrs of Funds-Unapp Bal
Contract & Grants (40-59)
Auxiliary Enterprises

- Auxiliary Enterprises (AUXENT) 60-accounts
  - Activities conducted for the benefit of students, faculty, staff and general public
  - Funding generated by services provided
  - Examples: Halls of Residence, IMU, Parking Operations, Health Center, Motor Pool
SERVICES

- Auxiliary Services (AUXCOM) 63 or (AUXSER) 66-Accounts
  - Goods and services provided to departments of the University
  - Income provided by intra-university billing
  - Example: Physical Plant, Document Services
CLEARING ACCOUNTS

- Clearing (xxxx) 68-accounts
  - This group of accounts incur activities which subsequently will be “cleared” to other accounts.
  - Example: Application Fees
LOAN FUNDS

- Student Loans (XXXX) 70-accounts
  - Records loan activity to students, faculty, and staff
  - Provides a record of resources available for such purposes
  - Funds operate on a revolving basis
  - All or part of the loan may be forgiven under certain circumstances
ENDOWMENT & SIMILAR FUNDS

- Endowments (ENDW) 80-ACCOUNTS
  - Endowments given to IU
    - Quasi Endowments (xxxx) 81-Accounts
    - Funds functioning as endowments held at IU
  - Life Estate Endowments (LIFE) 82-ACCOUNTS
    - Life estate endowments held at IU
Endowment Definitions

- Endowment – gift for which the donor requires that income from investment be expended, while the principal remains intact
  - Principal remains in perpetuity (nonexpendable)
  - Earnings distribution is expendable but may be restricted or unrestricted as to its purpose
- Fiduciary Responsibility – University must ensure:
  - IU is in a fiduciary role regarding endowments
  - Donor wishes are strictly observed
  - Investment of donor funds in a prudent manner
    - Preserve principal
    - Provide current and future income
Endowment Definitions

- **Endowment Income**
  - Annual distribution of earnings based on IU and IU Foundation spending policy
  - Income received from endowment principal must be used for the designated purpose established by the donor
  - At no time may funds be moved from an endowment account or its associated income account for purposes other than stated in the endowment unless approved by the donor
  - Reinvested income subject to same restrictions as gift
Endowment Definitions

- **Expendable assets** – assets that may be spent entirely, i.e. no requirement that principal be maintained intact
- **Non-expendable assets** – assets subject to externally imposed stipulation that principal be maintained in perpetuity
- **Restricted assets** – assets that must be spent in accordance with legal or donor imposed restrictions
  - “For the benefit of the _________ department”
- **Unrestricted assets** – assets with no legal or donor imposed restrictions with regard to how the asset can be spent
Spending Distributions

- IU policy ties spending amount to IU Foundation endowment spending policy
- IU distributions are annual (June)
- If not distributed to a non-endowment account, may be reinvested
- Reinvested income tracked separately from principal because it is spendable
- Transfers to spending accounts
- Donor or other restrictions must be followed
Quasi-Endowments

- Quasi = funds functioning as endowments
- University determines that the funds are to be maintained and managed as an endowment, generally based on donor wishes
- Funds which a donor or grantor has not designated to be invested in perpetuity
- Principal and income of these funds may be utilized at the discretion of the University
- Quasi-endowment funds may be unrestricted or restricted as to the purpose or time of expenditure
Quasi-Endowments

- Policy FIN-TRE-VI-180
- Minimum account duration: 5 years
- Minimum value: $50,000
- Non-allowable funding sources
  - Not a place to try and park reserves
- Campus-level and VPCFO approvals
Endowment Administration

- Treasurer’s Office responsibilities
  - Fiscal Officer on endowment/quasi accounts
  - Investment of funds
  - Calculation of unit and market values
  - Income distributions transfers to spending a/c
  - Reporting (quarterly reports on request)
  - Contact: Amoret Heise, Director of Finance
    aheise@iu.edu

- Department responsibilities
  - Compliance with donor intent and restrictions on use of funds
  - Reporting to donors on use of funds
Plant Funds

- This groups consists of:
  - Funds to be used for acquisition of physical properties
  - Funds set aside for renewal and replacement
  - Funds set aside for debt service charges for indebtedness
  - Funds expended for and thus invested in institutional properties
PLANT FUNDS

- Construction & Major Remodeling (xxxx) 90-accounts
- Retirement of Indebtedness (xxxx) 91-accounts
- Renewal & Replacement (xxxx) 92-accounts
- Investment in Plant (xxxx) 95-accounts
AGENCY FUNDS

These accounts represent processes for major payments that take place by Central Administration, such as payroll deductions, medical insurance payments, etc.
AGENCY FUNDS

- Internal Agency Funds (xxxx) 96-accounts
- External Agency Funds (xxxx) 97-accounts
- Work Study Agency Funds (WKST) 98-accounts