

UNIVERSITY OF MAINE SYSTEM  
FINANCIAL ACCOUNTING SYSTEM

BUDGETING

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## SECTION I

### UNIVERSITY OF MAINE SYSTEM FINANCIAL ACCOUNTING SYSTEM

#### BUDGETING

#### INTRODUCTION

The legal structure of the University of Maine System places with the Board of Trustees all of the responsibility and authority to operate a University System. The Trustees delegate that authority to the Chancellor and to the university Presidents. Each university President is responsible for providing leadership to an organization with a complex mission and multiple responsibilities. The President sets priorities and focuses toward specific goals the energies and efforts of those employed by the institution. To achieve those goals, Presidents delegate a substantial amount of their authority to the officials who report to them. One of the principal "authorities" that is widely delegated throughout the system is the right to commit University System dollars, either directly through the approval of a specific purchase or indirectly by appointment authority or other commitments.

The commitment of University operating funds is made within the limits of a budget approved by the Board of Trustees for each university or for the system office. Most of the expenditures made against those budgets go for salaries and wages and the balance is spent on travel, supplies, equipment and purchased services.

The University System has two principal categories of unrestricted operating accounts: Educational and General (E&G) accounts used for educational activities and Auxiliary Enterprise accounts, used for the bookstores, residence halls and cafeterias that the University operates for the benefit of its students and staff. E&G accounts are supported by the state appropriation, by tuition charged to students, sales and service revenue and by the interest earned on the University's cash. Auxiliary Enterprises are supported entirely by fees charged to users. Every expenditure in these operating accounts is made against a budget approved in advance by the Board of Trustees.

Besides the unrestricted operating accounts, universities have restricted accounts for grants, contracts and gifts. Here the terms of the donor restriction along with the available balance govern expenditures, rather than an annual budget.

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All University financial transactions are public records and are freely disclosed to the press and others who inquire about them. There is a complete audit trail on every financial transaction. Even when no specific advance approval is required, officials know that at any time they can be asked to justify the financial decisions they have made.

In conformity with most financial accounting systems, the University's system records annual budgets by object codes and accounts for individual financial managers. These individual budgets are then accumulated by organizational entity, e.g., College of Liberal Arts; by activity, e.g., instruction, libraries, etc.; by major operational category, e.g., educational and general, auxiliary enterprises, etc.; by university, Chancellor's Office, and System-Wide Services; and for the total University System. Expenditures and obligations are reported against these budgets periodically and at year-end showing projected vs. actual performance for all combinations of the foregoing classifications, thereby serving managers at all levels.

It is significant to note that the University's Financial Accounting System is an integrated accounting and budgeting system. The use of a single system to support these two activities avoids expensive duplication, facilitates reconciliation, and contributes to the University's financial accountability and credibility.

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**DEFINITION**

- A statement, in financial terms, of projected or expected operations of an accounting entity for a given period.
  - A formal estimate of future revenues, obligations to be incurred, and expenditures to be made during a definite period of time.
  - A financial plan for a specified time period.
  - A statement of expectations or intentions expressed in dollars.
  - A budget indicates that:
    - (1) "I expect to collect X number of dollars over a specified time period"
- OR
- (2) "I expect to spend Y number of dollars over a specified time period"
- Provides a means for allocating limited resources among competing uses.
- Provides a mechanism for communicating the University's financial plan to internal and external constituencies.
- Serves as a vehicle for financial control.
  - a. Financial control is achieved when realized revenues meet expectations and expenditures do not exceed planned levels.
  - b. Through variance reporting, actual revenues are compared to budgeted revenues and actual expenditures are compared to budgeted expenditures.
  - c. If performance deviates from plan, a manager has an opportunity to review the variances and take corrective action, if appropriate.

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PLANNING/BUDGET PROCESSI. Comprehensive Planning ProcessA. Introduction

Planning is essential for the University of Maine System if it is to meet effectively the educational, research and public service needs of the state within the resources likely to be available in the coming years. Planning may be thought of as a systematic process for defining organizational goals and objectives and for selecting from among a range of possible program alternatives those that are most consistent with available resources and most likely to achieve organizational goals and objectives over time. Sound planning, which should be an ongoing process, can provide a systematic approach to management issues and a framework for making strategic and operational choices that can improve the quality of decisions. What follows is an outline of the planning process for the University of Maine System. The process includes the development of a system-wide strategic plan as well as individual university operational plans that are linked to the budget process.

Paramount in the planning process are university missions and their integration into the planning process. The mission serves as the foundation for all university activities. Fiscal planning and performance are reviewed in terms of consistency with and support of the mission.

By involving more people in the process and providing more detailed information to the various constituencies, the University System is better able to communicate its needs so that it has a more articulate and effective presentation for additional University System funding to the Governor and Legislature. It also improves the setting of goals and priorities and leads to better management of University System resources.

B. Strategic Planning

Strategic planning should define the mission and strategic goals of the system and each of the universities, external trends and forces that are expected to affect the University of Maine System and their impact on system programs, and the most appropriate strategies for positioning the System and its institutions to achieve their goals. It is shaped by the educational, research, and public service needs of the state and the availability of human, physical and financial resources.

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The strategic plan for the University of Maine System includes the following components:

1. A statement of mission and goals for the University System and each of its distinct universities. These should be brief but sufficiently detailed to distinguish and specify the missions and goals of the various universities.
2. An environmental assessment of forces and conditions external to the University System that can be anticipated and their impact on the system during the planning period. The environmental assessment should provide a consistent basis for planning throughout the system. This should include an assessment of trends in such areas as:
  - a. demography
  - b. the economy
  - c. competition for students and faculty
  - d. advances in educational technology
  - e. state and federal roles in scientific research
  - f. the availability of resources.
3. An assessment of program needs and opportunities, to include both the needs of Maine citizens and the human resource requirements of the State.
4. An assessment of the current strengths and weaknesses of the University of Maine System and each of its distinct universities. This assessment should include an analysis of the resources available and the overall capacity within the system to provide appropriate and needed educational programs for the State.

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5. A statement of system-wide planning assumptions, strategic planning objectives, and action directives based on the environmental assessment, the needs assessment and the mission and goals statements. This statement should describe the broad strategies that the University System and its distinct universities should follow to remain strong and vital, to strengthen the quality of their academic programs and to most effectively serve public needs. The statement should focus on five areas:
  - a. enrollment targets,
  - b. academic and support programs,
  - c. faculty and staff personnel requirements,
  - d. faculty needs, and
  - e. required financial resources.

C. Operational Planning

Within the framework of the strategic plan and consistent with appropriate mission and goal statements, university operational plans shall be revised every other year. The university operational plan should define the programs and activities through which the goals and objectives of the university are to be achieved and should delineate the priorities of the university. Such plans should include:

1. enrollment projections
2. planning assumptions and objectives,
3. program and university priorities, and
4. resource requirements for the next five years.

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D. Operational Plans and the Budget Process

The operational plan defines resource requirements over a five-year period and consequently should serve as a primary document for the development of the biennial budget request. Since the Board of Trustees of the University of Maine System submits its biennial budget request to the Governor in the fall of each even numbered year, each university needs to revise its respective operational plan and develop a detailed biennial budget request early in even numbered fiscal years. University biennial budget requests are submitted to the Chancellor for review in the spring of each even numbered year and serve as the basis for the University System biennial budget request. After the Legislature approves the university's appropriation level, each university revises its biennial budget and prepares an annual budget to be submitted to the Chancellor and Trustees for review and approval. In odd numbered years, supplemental budget requests are developed as particular conditions require, through a similar process as described above.

**II. Budget Process**

In order to understand the process by which the University builds its budget, it is necessary to review the legislative budget process.

The State of Maine operates on a biennial budget cycle, although the Legislature meets annually. A two-year state budget is approved during the first annual session, and the second session considers only supplemental requests for the second year of the biennium.

The University of Maine System is a 7-university system of public higher education governed by a single Board of Trustees. The University's appropriation request is submitted by the Trustees to the State Budget Office in September of even-numbered years.

The appropriation request consists of two distinct elements:

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PLANNING/BUDGET PROCESS**Current Services Appropriation Request (Part I):**

A request for funds necessary to continue the level of services that was considered as acceptable by the previous session of the Legislature. Funds to be used for the expansion or improvement of any existing program or for the addition of a new service or activity should not be included in the Current Services Request. Those changes to the Current Services request which are necessary for an agency to continue to provide the same level of service approved by the previous legislature are permissible. Examples of such changes include: reasonable salary increases; changes needed to meet changing costs of utilities, rent, etc.; and increases in operational expenses due to authorized expansion of plant facilities.

**New or Expanded Programs (Part II):**

This consists of a request for funds to provide:

- A. Improvements to or expansion of level of service approved by the previous session of the Legislature.
- B. Requests for funds necessary to implement any new programs or activities.

The University of Maine System state appropriation is a lump-sum grant which is combined with tuition and fees and other revenues to form a pool of University operating funds. These funds are apportioned among the universities by the internal budget process. The impact of collective bargaining agreements is a key factor in the apportionment process.

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The University thus has two budget cycles: The first is the preparation of the University appropriation request to the state; the second builds the annual operating budgets.

- A. **STATE APPROPRIATION REQUEST** - The steps in the appropriation request cycle are as follows:

**Internal**

- Chancellor and Presidents establish framework for specific university requests.
- University requests are submitted to the Chancellor.
- Chancellor establishes alternative plans based on specific priorities and university requests and presents these alternatives to the Board of Trustees.
- Board of Trustees consider alternative plans, make adjustments where necessary and approve an appropriation request, as one element in the total funding plan for the University of Maine System.
- Appropriation request forms are completed and forwarded to the State Budget Office.

**External**

- Governor reviews all agency/department budget requests including that of the University of Maine System, prepares a recommendation for the allocation of available state resources among the agencies and departments, and forwards this recommendation (State Budget Document) to the State Legislature.

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- Appropriation Committee conducts budget hearings with each agency/department and evaluates the competing requests and priorities, and recommends an Appropriation Act to the full House and Senate.
- Legislature acts on the recommendation and the Governor signs the budget bill, usually in June of the first Legislative Session.

B. **ANNUAL OPERATING BUDGET** - The development of the annual operating budget has the following steps:

**Internal**

- Based on the strategic plan and on factors such as compensation adjustments resulting from collective bargaining, new program costs, inflation allowance for goods and services, any other special costs (such as energy) and total funds available (funds appropriated by the state, tuition, fees and other revenue) a total annual budget is established.
- Based on the objectives of the plan, universities formulate their budgets, the Trustee Finance Committee holds hearings on university budgets and the full Board of Trustees approves the budget.
- Approved university budgets, along with detailed guidelines on compensation, inflation allowances and any other Board designated uses, are forwarded to university Presidents.
- Universities allocate funds internally in accordance with their plan and guidelines and build detailed budgets at the account manager level.

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**PLANNING/BUDGET PROCESS**

The development of the annual operating budget begins in January of each year and generally concludes in June or July. The strategic plan and the appropriation request are the foundation for the University System's operating budget. The following items are key ingredients:

- Universities explain the budget process used in developing their budgets.
- Universities analyze funding needs and identify ongoing programs and new initiatives requiring additional funding (new or expanded programs).
- Universities prepare a projection of enrollments for the new year, E&G revenue budgets, and identify reallocations necessitated by changes in revenue. This process involves making decisions about the level of services that will be provided, the number of courses to be offered, and the level of fees to be established. These decisions impact the level of enrollment and the expected university revenue that will be realized from the various revenue sources. Any changes in revenue level that are not related to tuition rate changes are reflected in university expense budgets. If university revenues increase, university expense budgets are increased by an equal amount; likewise if revenues decrease, expenses budgets are decreased. Because university revenue budgets have an impact on university expense budgets, they also have an impact on the university share of the total system expense budget and state appropriations.
- Universities prepare auxiliary enterprise budgets and recommend room & board rates.
- Based on the amount appropriated by the Legislature, tuition rates are reviewed with respect to Trustee tuition policy and the strategic plan. The setting of tuition also involves comparing UMS tuition to that at competing institutions and balancing the need for funds with the ability of the student to pay.

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**PLANNING/BUDGET PROCESS**

Only when the level of appropriations is known can the University System settle upon an expenditure budget level. Typically the appropriation received is below that requested. Thus a decision must be made whether to raise tuition to make up for the shortfall or to scale back the plan to fit within available resources. Once this decision is made, the total available resources are known and the expense budget by university can be determined.

The expenditure budget is based on the following elements:

1. university reallocations using existing resources;
2. university budget adjustments due to revenue changes (described in the previous section) and;
3. new funding for collective bargaining, inflation, and priority program needs.

The Board of Trustees establishes priorities that require university funding (salary and wage increases, employee benefit cost increases, student aid, libraries, etc.) Universities are responsible for funding these priorities from increases in tuition due to Trustee approved tuition rate increases, increases to the university State appropriation, and university reallocations. A university must reallocate funds to Trustee priorities when new tuition and State appropriated funds are insufficient to cover the cost of the priorities.

Due to the nature of some of these elements, there is a disproportionate allocation of resources among the universities. For example, if a university has a high number of faculty who are receiving a higher than average compensation increase, that university will get a higher share of the funding for compensation increases. Another example would be an allocation of program funds to address a specific need, i.e., improved access at certain universities or to address a specific weakness at a university.

Examples of the Financial Planning Cycle and the Operating Budget Cycle are shown on pages 25 and 26 respectively.

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PLANNING/BUDGET PROCESSC. E&G BUDGET HIGHLIGHTS• REVENUETuition

Tuition revenue changes because: Student enrollment changes or tuition rates are increased.

Student Enrollment Changes

Any tuition revenue changes due to changes (increases or decreases) in enrollment are allocated directly to the university expense budgets. The underlying principle is that:

- Costs can vary with enrollment levels.
- Enrollment marketing initiatives should be recognized.

Tuition Rate Changes

The Board of Trustees, the responsible body for setting tuition rates, increases tuition in order to generate additional funds to support University System operations. Increased tuition revenues are allocated directly to the university expense budgets, and in general are used along with the increased state appropriation for Trustee approved priorities, e.g., compensation and inflation/program priorities.

State Appropriation

Every two years, the Board of Trustees approves a financial plan for University System E&G activities that includes priorities that require new funding. New State appropriation dollars are allocated to the universities and CO/SWS in the same proportion as their share of the E & G budget (excluding system administered employee benefits and insurance). As explained in the Tuition Section, new state appropriation funds are pooled with increased tuition revenue to fund Trustee approved priorities. Unlike some states, Maine provides a lump-sum

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grant to the University System. Any surpluses at the end of the year remain within the University System.

A variable enrollment funding formula was implemented in FY2000 to institute an enrollment-based component to the appropriation distribution process. As enrollments increase or decrease, a university's appropriation is increased or decreased by some share. The formula is based on the average annual change in fall enrollments over the past 3 years. APL #41 provides a detailed explanation of the specifics of the formula.

**Other Revenue Changes**

University revenue changes other than tuition are allocated 100% to the university expense budget. If university revenues increase, expense budgets increase accordingly, and if university revenues decrease, expense budgets are reduced by the same amount. This encourages a university to grow, since any new revenues that result from any growth are retained by the university.

• **EXPENSE**

**Salaries & Wages**

Budget allocations are made to individual accounts to fund the increased costs associated with Trustee approved Salary & Wage increases. These costs are identified using the payroll system and are based on calculations for individual employees who are actively employed at the time the budget allocations are made.

**Inflation**

Inflation funding represents budget allocations that are intended to offset the higher costs being charged to the University System when it purchases goods and services. These allocations are based on a formula whereby a percentage of each university's goods and services base budget is allocated to each university.

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**PLANNING/BUDGET PROCESS**

- **EXPENSE** (continued)

**Indirect Cost Recovery**

External sponsors of research and public service, including the federal government, reimburse the University System for the indirect or overhead costs associated with performing that research or public service. Because this is a reimbursement of actual costs incurred, the University System attempts to allocate these funds in proportion to the associated costs. Ninety percent of these funds are allocated to universities, and ten percent are allocated to System-Wide Services.

**Program Funding**

Based on available funding and the university priorities identified in the academic and financial planning process, program funding is allocated to each university.

**Deficits**

Deficits are not permitted to occur. Management must limit its commitments to those which can be covered from the resources at its disposal.

- **EMPLOYEE BENEFITS**

Employee benefit costs are charged to each university for accounting purposes, but benefits are managed centrally. Workers' Compensation and Unemployment Compensation costs are charged to each university and are the responsibility of each university.

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PLANNING/BUDGET PROCESSD. PERFORMANCE CONTROL

Management in a public University System has an obligation to safeguard and account for public funds. Balancing such accountability against the need to foster university and department creativity is the strategic challenge facing the administration of public universities everywhere. In Maine, a financial budgeting and reporting system has been implemented that encourages both university initiative and accountability. The University System gives to each university a "block grant" within which it must operate and from which it draws the resources to meet its program needs.

Under such an arrangement, a deficit is unthinkable: management must limit its commitments to those which can be covered from the resources at its disposal. If enrollment, for example, does not meet the budgeted figure in any year, universities are expected to take whatever action is necessary, including reductions in personnel, to ensure that their expenses are reduced, dollar for dollar, with their revenue. On the other hand, if enrollment exceeds plan, or if revenues from other activities are above expectations, universities have a free hand in the allocation of those new resources. (Universities generally have a long list of priority projects to be pursued whenever additional funds become available.)

Several innovations have been introduced over the years to help universities operate within their fiscal plans without inhibiting their ability to respond creatively to local circumstances.

**Incentive Budgeting** - Public institutions are typically plagued with a year-end rush to spend budget balances so that funding authorities, seeing a surplus, will not conclude that the institution's budget was too large. This wasteful "use-it-or-lose-it" practice is avoided at the University of Maine System by permitting universities to retain any unused budget balances. Such balances remain at the university for discretionary use, with 20 percent earmarked for maintenance purposes. Although major expenditures from these reserves, like large single-purpose expenditures, generally require advance Trustee or Chancellor approval, the reserves provide a continuing source of off-budget funds for university Presidents to respond to special opportunities or circumstances.

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**Auxiliary Enterprise Reserves** - Auxiliary Enterprises are self-supporting auxiliary activities that provide services to students, faculty, and staff and that charge a fee to cover the cost of the provided services. Any year-end surpluses or deficits are added to or subtracted from corresponding reserve accounts. These reserve accounts provide each university with the flexibility to meet emergency expenses from accumulated reserves or to accumulate funds for future major planned expenses.

**Internal Audit** - The University System has a professional internal audit staff which works closely with the external auditors, initiates its own audits, and reviews problem areas identified by the university or system management. Its reports are sent directly to the Trustees, and it meets privately each year with the Trustee Audit Committee.

**Management Reporting** - Over the years the University System has developed a comprehensive management information system that provides the data needed for the management of the University System's resources. The University System's record keeping and information systems are designed to provide timely, accurate data for operating managers, as well as information for state and federal reports and audit purposes.

For example, a Status Report aggregates financial data into organizational groupings defined by university management. In this manner, financial data can be summarized by "responsibility centers," as well as by individual account managers. The ability to forecast and encumber future salary commitments is also provided. About 75 percent of University System expenditures are people-related, and a comparison of these annual salary commitments against annual budgets provides immediate variance analysis. Further enhancing managers' ability to oversee their accounts on a daily basis is the "snapshot", a reporting feature providing an up-to-the-day summary of account transactions on a computer screen.

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**PLANNING/BUDGET PROCESS**

In order to improve the operational efficiency and effectiveness of the financial systems and allow for the decentralization of most data entry functions to the university level, on-line updating and access to financial data have been provided as follows:

- universities can enter journal vouchers and budget changes electronically from the university, instead of mailing them to the central office. The remote entry of financial transactions results in the budget and accounting data being reflected in the database on the next business day.
- The remote entry of payroll time sheet data provides for the payment of time worked in the period being paid.
- Accounts payable and purchasing systems provide timely processing of procurement and payment activity.

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**DESIGNATED ACCOUNT GUIDELINES**

**GENERAL**

Current Designated Funds are Unrestricted Funds for which the University's Board of Trustees or administration stipulates a specific use, thereby "designating" them for that purpose only. The Board of Trustees may change the designation at any time and redesignate the funds for some other use.

**GUIDELINES**

A review of the fiscal performance of Designated accounts is made on a monthly basis.

Requests for new Designated accounts should be accompanied by an Account Create form and a Proposed Budget. The Account Create form should indicate the purpose of this account, the date the account is to be closed and the account that is to receive the remaining balance when the Designated account is closed. If a stop date is not indicated, the balance forward flag will be set to 1, which will set all budgets and actuals to zero on July 1 and bring the balance available forward as a budget in object code 678.

The following are the purposes for which Designated accounts will be approved:

- Activities designated by the Board of Trustees.
- Internally sponsored faculty research extending beyond the fiscal year when authorized by the President.
- Cost sharing required by an externally sponsored program under the terms of Administrative Practice Letter No. 10.
- A non-credit program of Conferences and Institutes or Summer Clinic activity of short duration extending beyond the end of the fiscal year. Accounts associated with Summer Clinics must be closed no later than December 31st.
- A single Ledger 4 account may be established at each university for unrestricted gifts not intended to be used during a fiscal year.
- Such other purposes recommended by the Presidents and approved by the Chancellor.

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**RESTRICTED ACCOUNT GUIDELINES**

**GENERAL**

Current Restricted Funds are those available for financing operations but which are limited by donors or other external agencies to specific purposes, programs, departments or schools.

**REVIEW OF RESTRICTED ACCOUNTS**

A review of the fiscal performance of restricted accounts is made on a monthly basis.

**ESTABLISHMENT OF RESTRICTED ACCOUNTS**

Requests for new restricted accounts will be accomplished by the submission of a completed account creation form with a copy of the approved grant, contract or appropriation to SWS Accounting (Grants and Contracts). If the account being created is a gift, it must first be accepted by the Board of Trustees.

**PURPOSE OF RESTRICTED ACCOUNTS**

The following are the usual purposes for which restricted accounts will be approved:

1. Grants and contracts.
2. University-based student financial aid programs.
3. Gifts, upon acceptance by the Board of Trustees.
4. Federal appropriations awarded to support the Maine Agricultural and Forest Experiment Station and the Cooperative Extension.

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**RESTRICTED ACCOUNT GUIDELINES**

**LEDGER DESIGNATION**

Ledger 5 will be used exclusively for restricted accounts under the Letter of Credit method of financing. Funds for accounts under the Letter of Credit method will be drawn by SWS. The Federal Cash Transaction Report (SF272) will be prepared by SWS Accounting (Grants and Contracts).

Ledger 6 will be used for all other gifts, grants, contracts and also for distributed earnings from the endowment fund.

**MAINTENANCE OF RESTRICTED ACCOUNTS**

Budget transactions for restricted accounts will be entered by the universities utilizing the CICS screen under the FAST system. Documentation for all restricted account budget create and budget change transactions must be forwarded to SWS Accounting (Grants and Contracts) the day transactions are processed.

A copy of all final reports of expenditures for restricted accounts in Ledger 5 will be forwarded to SWS Accounting (Grants and Contracts).

SWS Accounting (Grants and Contracts) will forward reports monthly to universities indicating restricted accounts past their termination date. Universities will take appropriate action to either close these accounts, or submit documentation from the awarding agency justifying a change in termination date of the account.

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**COST SHARING**

**GENERAL**

Cost sharing (matching) occurs when University System funds and resources are contributed to the support of a sponsored program. It may be required by law or agency regulations on a wide variety of federally-sponsored projects, and by private and local governmental organizations who prefer not to pay the full costs of a sponsored program.

Documentation of cost sharing is required by OMB Circular A-110. If the University System makes a commitment to share in the costs of a project and the shared costs are not documented, the federal government can disallow all costs that have not been matched. To ensure credit for cost sharing, the transactions must be recorded in the accounting records.

**COST SHARING LIMITATIONS**

Cost sharing with either direct or indirect costs is permitted, but as a general rule, the University System should not contribute more than the amount or percentage required by the agency.

The practice of the University System is to charge sponsored projects with their full share of indirect costs.

1. **Sharing of Indirect Costs**

This type of cost sharing occurs whenever indirect costs are used to fulfill required cost sharing.

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**COST SHARING**

**COST SHARING LIMITATIONS** (continued)

2. **Sharing of Direct Costs**

Direct cost sharing, often referred to as "cash" or "in-kind matching" contributions occur when University System resources – including, but not limited to, personnel, travel, supplies -- are used to fulfill a matching requirement.

The budget entries accomplishing the cost sharing should be made when the sponsored project is placed in the accounting records. If the total match cannot be made in one fiscal year, a letter is to be forwarded to SWS Accounting describing the matching commitment made to date, plus a schedule describing the source of funds and the date on which the remaining match will occur.

3. **Voluntary Cost Sharing**

Project expenditures exceeding the sponsor's reimbursement become voluntary cost sharing when a deficit is funded by the University System.

Administrative Practice Letter #10 provides complete details on procedures for accomplishing cost sharing.

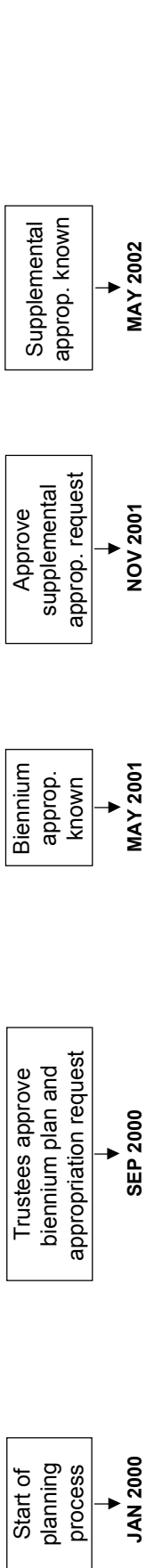


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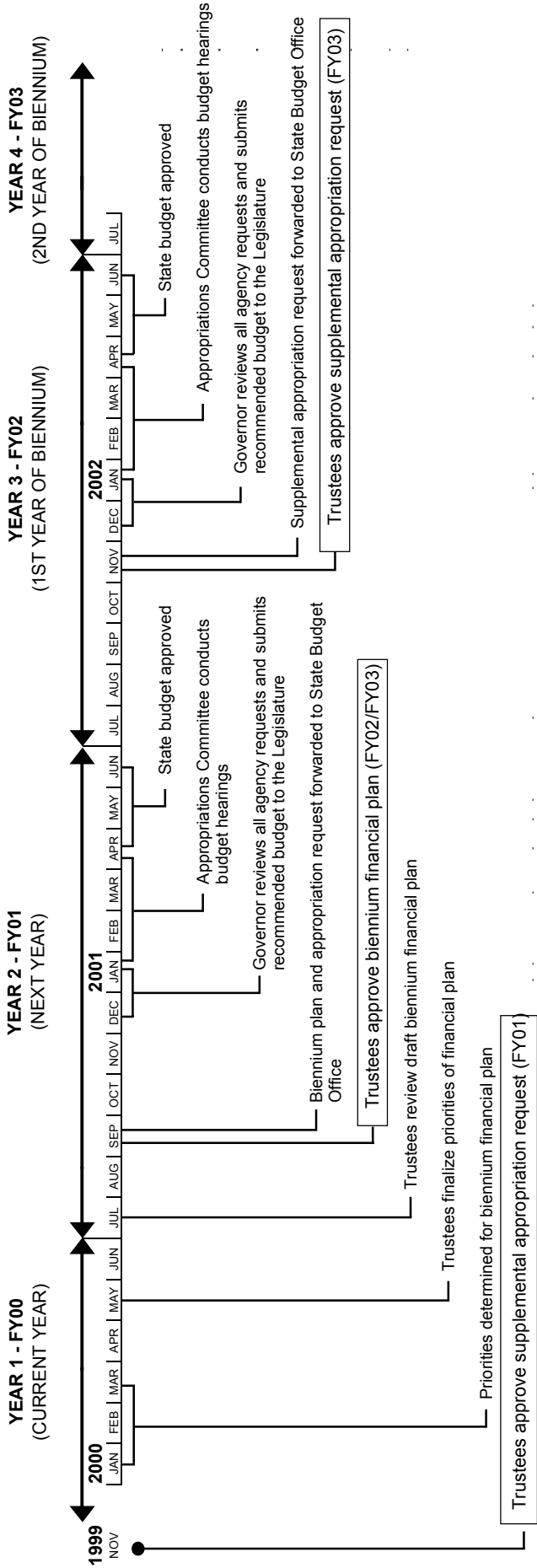
FINANCIAL PLANNING CYCLE

A. OVERVIEW

9 MONTHS



B. DETAIL





**UNIVERSITY OF MAINE SYSTEM**

**FISCAL YEAR 2002 (7/1/2001 - 6/30/2002) OPERATING BUDGET CYCLE**

