ADMINISTRATIVE PRACTICE LETTER

SUBJECT: INSTITUTIONALLY DESIGNATED ACCOUNT GUIDELINES

GENERAL:

Institutionally designated funds are unrestricted funds for which the University's administration stipulates a specific use, thereby designating them for that purpose only. The administration may change the designation at any time and redesignate the funds for some other use.

GUIDELINES:

Annual budgets for designated funds will be prepared at the same time that other annual budgets are prepared.

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

- Internally sponsored faculty research or scholarship extending beyond the fiscal year when authorized by the campus Chief Financial Officer (Fund 13).
- Cost sharing required by an externally sponsored program under the terms of Administrative Practice Letter VIII-A (Fund 04).
- A non-credit conference, institute or summer clinic activity of short duration extending beyond the end of the fiscal year when authorized by the campus Chief Financial Officer. Accounts must be closed shortly after the conference, institute, or clinic is over (Fund 10).
- Unrestricted gifts not intended to be used during a fiscal year (Fund 10).
- Such other purposes as recommended by the campus Chief Financial Officer. Such purposes shall generally be limited to special projects of limited duration (Fund 10).

On-going operating activities will be included among E&G or auxiliary enterprise activities.

Accounts acting as reserves should not be included in designated funds. There should be separate general ledger reserve accounts for such purposes.

Annual operating accounts that rely on year-end surpluses to fund future equipment acquisition or replacement should be included among E&G or auxiliary enterprise activities. Separate general ledger reserve accounts (not designated) may be established to hold the year-end surpluses.

Related Documents:
Policy 701 Budgets - Operating and Capital

APPROVED:

Chief Financial Officer and Treasurer