

# WyoCloud Planning and Budgeting

## CHART OF ACCOUNTS USER GUIDE FOR BUDGETING

The Chart of Accounts is the language of any accounting system. The University of Wyoming's Chart of Accounts structure has nine segments described below.

### ENTITY

An Entity is a subset of the University reporting unit that either is a separate legal entity, a separately funded state agency or is required to issue its own financial statements. The University of Wyoming is the overall "Business Unit" and all of the entity segments will roll up to that value to create our annual financial statement.

- University of Wyoming Summary
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  - 13 Wyoming Public Media
- UW Medical Education Summary
  - 21 UW Medical Education
- Enhanced Oil Recovery Summary
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## FUND CLASS

The Fund Class is the high level classification of the source of funds for a transaction. There are 5 Fund Class categories with detailed values under each. The general category descriptions are:

<b>Unrestricted (105 &amp; 110)</b>	All other funds not defined below which may be used for general operations of the University. (i.e. tuition, state appropriation, and sales and services).
<b>Designated (200, 205, 250 &amp; 255)</b>	Resources received by the University that have no limitations or stipulations placed on them by external agencies or donors but are internally restricted by the university for a specific purpose. (i.e. indirect cost recovery, fees).
<b>Restricted Expendable (300, 305, 310, 350, 355, 360, 400 &amp; 450)</b>	These assets may be fully expended but only for specific purposes identified by the donor or external entity providing the funds.
<b>Restricted Nonexpendable (500 &amp; 501)</b>	Endowment and similar type funds in which donors or other third parties have stipulated, as a condition of the gift, that the principal be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.
<b>Plant Funds (700, 701, 702, 703, 704, 720, 750 &amp; 770)</b>	These represent the university's net investment in campus facilities, equipment, and infrastructure, net of outstanding debt obligations related to these capital assets.
<b>Agency Funds (900)</b>	These are funds held at the university on behalf of another entity for which UW has custodial responsibility. They are not used for university operations and show the movement of assets and liabilities.

## FUND SOURCE

The Fund Source expands upon the 5 Fund Class categories, specifying the exact nature of the source of funds, e.g. specific reserves, designated funds, endowments, loans, etc.

Designated Funds are resources received by the University that have no limitations or stipulations placed on them by external agencies or donors but are internally restricted by the university for a specific purpose. They roll up to the Unrestricted net assets section in the financial statements, so care must be taken to ensure that they are not legally restricted. A Designated Fund Source is not required for all such earmarked instances, if an organization string and/or program/activity segment can be used.

<b>Unrestricted Operating Total</b>	
<b>Unrestricted Operating Summary (Fund Class 105)</b>	
000001	Unrestricted Operating
000002	Do not use - Accounting office only
	Accounting office only
<b>Unrestricted Operating Reserve Summary (Fund Class 110)</b>	
005001	Unrestricted Operating Reserve
	Fund balance held for unrestricted use - no expenses are to occur w/in this account
005002	Non Capital Equipment Reserve
	Fund balance held for non-capital equipment purchases - no expenses are to occur w/in this account
005003	Fringe Benefit Reserve
	Fund balance held to cover payroll liabilities - no expenses are to occur w/in this account
005004	Transportation Plane Reserve
	Fund balance held for the transportation plane - no expenses are to occur w/in this account
005005	Bond Coverage Reserve
	Fund balance held for bond coverage - no expenses are to occur w/in this account
005006	Legal Reserve
	Fund balance held for legal liabilities - no expenses are to occur w/in this account
<b>Designated Operating Total</b>	
<b>Designated Operating General Summary (Fund Class 2XX)</b>	
010002	Designated Operating General
	Established to track specific external funding sources and associated expenditures
<b>Remaining accounts are designate for the propose as specified by each title</b>	
010062	Designated Operating Transportation Plane
010069	Designated Operating Agriculture Experiment Station (AES)
010072	Designated Operating Board of Cooperative Educational Services (BOCES)
010077	Designated Operating Cepham Nair
010078	Designated Operating Cooperative Extension Services (CES)
010087	Designated Operating National Center for Atmospheric Research (NCAR)
010093	Designated Operating Project Residuals
010104	Designated Operating Tier 1

010105	Designated Operating Veterans Certification
010107	Designated Operating WWAMI HB85
010108	Designated Operating WWAMI Repayment Fund
010109	Designated Operating WYDENT Repayment Fund
010120	Designated Operating WYDENT Tuition Contract Pmt HB85
<b>Designated Operating Faculty Support Summary</b>	
050001	Designated Operating Faculty Start up
	Maintains faculty startup funds for period of time to track faculty expenditures
050002	Designated Operating Faculty Discretionary
	Maintains faculty discretionary funds
050003	Designated Operating Faculty Development
	Maintains faculty development funds
<b>Designated Operating Funds from Fees Summary</b>	
070001	Designated Operating Funds from Fees
	Revenue collected from fees and associated expenditures
070002	Designated Operating Funds from Course Fees
	Revenue collected from course fees and associated expenditures
<b>Designated Operating F&amp;A Recovery Summary</b>	
085001	Designated Operating F&A Recovery
	Track Indirect Cost distribution and expenditures
<b>Designated Operating Internal Research Summary</b>	
090001	Designated Operating Internal Research
	Accounting office only
<b>Designated Operating Cost Share Summary</b>	
095001	Designated Operating Cost Share
	Accounting office only

\*\*\*\*\* The remaining funds sources are associated with restricted loans, sponsored programs and the foundation.\*\*\*\*\*

## EXPENSE CLASSIFICATION

This segment tracks the NACUBO-defined functional expense classification. *The expense classification is used to display expenses in the University's annual financial report.* If it is not evident which Expense Classification value to use, please consult with the Accounting Office. If you are entering a non-expense transaction, you will select 001 as the value for this segment.

The Expense Classifications are defined as follows:

001	Default	For <b>NON-EXPENSE</b> transaction.
999	Default	For all expenses, this <b>MUST</b> be changed to one of the expense categories listed below.
100	Instruction	Expenses for all activities that are part of an institution's instruction program. Expense for credit and noncredit courses; academic, vocational and technical instruction; remedial and tutorial instruction; and regular, special and extension sessions.
200	Research	Expenses for activities specifically organized to produce research, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution. Includes expenses for individual and/or project research as well as that of institutes and research centers.
225	Agriculture Experiment Station	This is a subcategory of Research and applies to the research activities of the Agriculture Experiment Station.
305	Public Service	Expenses for activities established primarily to provide non-instructional services for the benefit of individuals and groups that are external to the institution. These activities include community service programs and cooperative extension services. Included in this classification are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting and similar non-instructional services to particular sectors of the community.
315	University of Wyoming Extension	This is a subcategory of the Public Service and applies to the activities of the Cooperative Extension Service.
400	Academic Support	Expenses incurred to provide support services for the institution's primary programs of instruction, research, and public service. It includes provision of services for libraries, museums and galleries, educational media services, ancillary support, academic administration, academic personnel development and academic support information technology.
500	Student Services	Expenses incurred for offices of admissions and the registrar and activities that, as their primary purpose, contribute to student's emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instruction program. Includes expenses for student activities, cultural events, student newspapers, intramural athletics, student organizations, counseling and career guidance, student aid administration and student health service (if not operated as an auxiliary enterprise).
550	Institutional Support	Expenses for central, executive-level activities concerned with management and long-range planning for the entire institution, such as the governing board, planning and programming operations, and legal services; fiscal operations, including the investment office; administrative information technology; space management; employee personnel and records; logistical activities that provide procurement, storerooms, printing and transportation services; support services to faculty and staff that are not operated as auxiliary enterprises; and activities concerned with community and alumni relations, including development and fundraising.

600	Operations and Maintenance	Expenses for the administration, supervision, operating, maintenance, preservation and protection of the institution's physical plant. Expenses include Janitorial and utility services, repairs and ordinary or normal alternations of building, furniture and equipment; care of grounds; maintenance and operation of buildings and other plant facilities; security; safety; hazardous waste disposal; property, liability and all other insurance relating to property; space and capital leasing; facility planning and management; and central receiving.
630	Scholarships and Fellowships	Generally, institutions report most scholarships and fellowships as tuition discounts and allowances. Other student awards that are funded by third parties are agency transactions and do not result in revenue or expenses for the institution. Expenses for scholarships and fellowships in the form of grants that neither require the student to perform service to the institution as consideration for the grant, nor require the student to repay the amount of the grant to the funding source. This classification excludes student awards that are made in exchange for services provided to the institution, such as graduate and teaching assistantships and student work-study programs.
650	Depreciation and Amortization	Allocation of the cost of capital assets over the useful life of the asset.
700	Auxiliary Enterprise	An auxiliary enterprise exists to furnish goods or services to students, faculty, staff, other institutional departments, or incidentally to the general public and charges a fee directly related to, although not necessarily equal to, the cost of the goods or services. Expenses relating to the operation of the auxiliary enterprise are coded with this code.
750	Athletics	Expenses for intercollegiate athletics.
850	Capital Projects	Expenses incurred in the construction, renovation or major repair of capital assets.

## ORGANIZATION

Organization refers to the Department or unit (UW Accounting Office, Mathematics department) where the transaction originates. An Organization represents a unit where Human Resources can identify staff, performance reviews can take place, and business is transacted. For complete list, <http://www.uwyo.edu/wyocloud/chart-of-accounts>

## PROGRAM

The program segment pertains to the unique specialization (e.g. Recruitment, International Studies, Help Desk) within the Department, School, etc. Values will be grouped by division/department/unit, but can be used by departments from across campus if applicable. <http://www.uwyo.edu/wyocloud/chart-of-accounts>

Note: Please do not use a program unless your expenditure is tied to that program title. These programs are used for across campus reporting by numerous organizations.

## ACTIVITY

The activity segment provides more opportunity to further differentiate a transaction for departmental or unit reporting purposes. This segment is definable by the department by using the generic values that have been loaded to the system - there are placeholders for Project 1, Project 2, etc. Activity 1, Activity 2, etc. Game 1, Game 2, etc. Exhibit 1, Exhibit 2 – and assigning what that value means to your department. Departments are not able to add their own specific values to the system. <http://www.uwyo.edu/wyocloud/chart-of-accounts>

## FUTURE SEGMENT

In the future, we may have need to add an additional segment value to the Chart of Accounts. To maintain the flexibility to do this, a placeholder for that segment has been built into the system. The value for this segment will always be 0.

## FY 2023 – POSITION PLANNING

For FY 2023 position data will be loaded directly into Planning & Budgeting (EPM). The budget office will schedule a meeting to review loaded position detail.

## FY 2023 – INTERNAL ALLOCATIONS AND SALES

For FY 2023 the Budget Office in coordination with the Subdivisions that receive revenue through Internal Allocations & Sales will schedule meetings in January with appropriate Division level personnel to review FY 2021 actuals and review any anticipated adjustments.

## FY 2023 – Budgeting for Capital Assets

### **Budgeting for Capital Assets**

Capital asset purchases should be budgeted within natural account 77404 (*Transfers for Replacement and Depreciation*) from any of their general ledger funding sources (i.e., unrestricted, designated, etc.) with the appropriate associated fund class. *(Fund Source expands upon the Fund Class segment specifying the exact nature of the source of funds; therefore, it is crucial the combination of Fund Class and Fund Source align with one another.)*

Ultimately, this will allow for a transfer to be completed and this transfer will reduce your organization’s spending authority.

The transfer in (credit) will go into a plant fund within Natural Account 77404, Fund Class 750, and Fund Source 730001 within the University’s general operating organization 00001 and expense class 001. This transfer will zero out at the University level so accounting of the asset can continue appropriately, but will allow users to see the actual expense decrease their spending authority.

*Transfer Out/From Account (account that will be used to fund the transfer)*

Entity	Natural Account	Fund Class	Fund Source	Org	Expense Class	Program	Activity	Future
Any entity	77404	Appropriate Fund Class	Appropriate Fund Source	Any Org	001	Any Program	Any Activity	0 (Default)

*Transfer In/To Account (account that will receive the transfer (the plant fund))*

Entity	Natural Account	Fund Class	Fund Source	Org	Expense Class	Program	Activity	Future
Any entity	77404	750	730001	00001	001	0000	0000	0 (Default)

A more specific sample of a transfer is below, using the scenario of the botany department purchasing a capitalized piece of lab equipment.

*Transfer Out/From Account*

Entity	Natural Account	Fund Class	Fund Source	Org	Expense Class	Program	Activity	Future
10 (UW)	77404	105 (Unrestricted Operating)	000001 (Unrestricted Operating)	13121 (Botany)	001 (Default)	0000 (Default)	0000 (Default)	0 (Default)

*Transfer In/To Account*

Entity	Natural Account	Fund Class	Fund Source	Org	Expense Class	Program	Activity	Future
10 (UW)	77404	750 (Plant Fund)	730001 (Plant Fund)	00001 (General University Operations)	001 (Default)	0000 (Default)	0000 (Default)	0 (Default)

## FY2023 – Rental / Lease Revenue and Expenses

Beginning in FY 2021, GASB 87 will become effective for the University of Wyoming. This new accounting pronouncement will require the University to setup several new accounts related to rental and leases in order to properly account for and provide disclosures for certain rentals and leases.

Essentially these new accounts separate out rental / lease revenue and expenses into two groups:

1. Rental / lease agreements with a maximum possible term 12 months/365 days (1 year or less)
2. Rental / lease agreements with a term greater than 12 months/365 days (more than 1 year)

There are two parties in rental and lease agreements:

1. Lessor - The lessor is the party earning the “revenue”. The lessor is the legal owner of the asset or property, and he gives the lessee the right to use or occupy the asset or property for a specific period. During the agreement, the lessor retains the right of ownership of the property and is entitled to receive periodic payments from the lessee based on the agreement.
2. Lessee - The lessee is the party incurring the “expense”. The lessee is the party who gets the right to use an asset for a specific period and makes periodic payments to the lessor based on the agreement.

The term of the rental or lease agreement is equal to the firm non-cancelable portion of the rental / lease agreement plus:



- Periods covered by a lessee’s option to extend the lease if it is reasonably certain that the lessee will exercise that option.
- Periods covered by a lessee’s option to terminate the lease if it is reasonably certain, that the lessee will not exercise that option.
- Periods covered by a lessor’s option to extend the lease if it is reasonably certain that the lessor will exercise that option.
- Periods covered by a lessor’s option to terminate the lease if it is reasonably certain, that the lessor will not exercise that option.

The above can be summarized as the firm non-cancelable portion of the rental / lease agreement plus option periods for the rental / lease agreement that are reasonably certain to be exercised or conversely the option period will not be terminated. You should use your best judgment in assessing the lease term based on the above guidance.

Below are the accounts to use for budgeting for rental and lease agreements.

<b>Account</b>	<b>Description</b>
<b>41009</b> - Lease Revenue (GASB 87 term greater than 1 year)	Payments received for rental of Property or Equipment for a time period of greater than one year.
<b>41023</b> - Rental Revenue (term less than or equal to 1 year)	Payments received for rental of Property or Equipment for a time period of less than or equal to one year.
<b>65501</b> - Building/Facilities Rental Expense ( term less than or equal to 1 year)	Rent payments made for the short-term use of property or office space. Less than or equal to one year with no provision to extend. An example would be the rental of space for a month at the fair grounds for a special event.
<b>65502</b> - Equipment Rental Expense (term less than or equal to 1 year)	Rent payments made for the short-term use of equipment. Less than or equal to one year with no provision to extend. An example would be the rental of an excavator from A-1 rental for the week.
<b>65503</b> - Rental Other Expense (term less than or equal to 1 year)	Rent payments made for other items. Less than or equal to one year with no provision to extend.
<b>65505</b> - Lease Property/building/office space (GASB 87 term greater than 1 year)	Payments made for use of, rent of, property, real estate, buildings, or offices with a rental term in excess of 1 year. An example would be the rent of office space for 1 year with an option for a 2nd year that you are reasonably sure will be exercised.
<b>65506</b> - Lease Equipment (GASB 87 term greater than 1 year)	Payments made for use of, rent of, equipment or vehicles with a rental term in excess of 1 year. An example would be the lease of a tractor over a 3-year period.
<b>65507</b> - Leases Other - (GASB 87 term greater than 1 year)	Payments made for use of, rent of, anything with a rental term in excess of 1 year. Does not include equipment or property, real estate or office space.

A service contract may include a right to use a piece of equipment as part of the agreement. This may be a lease. If you have a service contract containing the right to use a piece of equipment, please contact accounting as noted below.

If you have any questions please contact Cid Walck at [cid@uwyo.edu](mailto:cid@uwyo.edu) or 307.766.3032.

## **New FY2023 - Space Allocation – Budget Preparation Process**

UW Regulation 6-7 requires divisions to submit all ongoing additional strategic space needs with the division's proposed annual budget pursuant to UW Regulation 7-1. The following process has been established for the FY2023 budget.

### **I. PURPOSE**

The following criteria and procedures have been established to provide guidelines for UW Space Allocation.

### **II. DEFINITIONS**

**New construction:** Any new square footage of a structure or addition to an existing building.

**Renovations:** Projects that include the process of improving a broken, damaged or outdated structure, which includes but is not limited to restoration, refurbishment, reconstruction, remodeling, updating, modernization, and refitting. (UW Regulation 6-9)

**Strategic Space Allocations:** Any change in space for new programs, new construction, program increases or reduction, classroom reclassifications, or space changes requiring a renovation exceeding \$100,000.

**Minor Space Allocations:** Any change in space within a division or college, and requiring a renovation \$0- \$100,000.

**University Capital Construction Project:** Those projects that require planning levels I, II, and III under Wyoming law (W.S. § 9-5-108). These projects are funded in whole or in part by state funds or University Pledged Revenues and are generally provided as a result of a budget request approved for submission by/to the Board of Trustees. For purposes of this Regulation, Capital Construction Projects include new construction in any amount and renovations, major maintenance or other capital construction projects with a cost of more than \$500,000. (UW Regulation 6-9)

### III. POLICY

#### Facilities Inventory and Classification

Responsibility for the maintenance of the University's Facility Inventory and building floor plans is assigned to the Space Allocation Office of UW Operations. The inventory database is maintained to provide current statistical data required for effective management of University facilities and provides a master inventory of all space including an identification of the spaces and the unit to whom it is currently assigned, room classifications and any use restrictions.

All spaces are classified in accordance with the Post-Secondary Facilities and Classification manual. All space assignments are recorded on the inventory database to the lowest identified departmental level (e.g. Academic Affairs, College of Business, and Accounting Department.)

It is the duty of each administrator with delegated responsibility for space management to ensure that changes in assignment, classification, and function are reported to the Space Allocation Office.

The Space Allocation Office periodically verifies space assignments and usage with administrators to whom space is assigned to update the facilities inventory

### IV. PROCESS

#### Space Allocation – Budget Development Process

The annual budget development process shall include the following:

- 1) **Strategic Space Allocations** requested for the upcoming fiscal year.
- 2) **Renovations** of existing space requested for the upcoming fiscal year.
- 3) **New construction** requests to support existing or future budgeted programs.

#### All Requested Renovations or New Construction:

Must include an official budget estimate prepared by Operations: Request for Estimate Form: <http://www.uwyo.edu/uwops/request/>

Request for Estimate Turnaround Time: 45 days – Priority will be given to requests submitted before January 1 of each year. Requests submitted after January 15 are not guaranteed to be ready prior to March 1.

#### All Space Allocation Changes:

Require Dean or Department head approved Space Request:

[http://www.uwyo.edu/uwops/files/space\\_allocation/space-request-form-2017.pdf](http://www.uwyo.edu/uwops/files/space_allocation/space-request-form-2017.pdf)

#### Authority:

UW Regulation 6-4, no alteration without consent- includes change in use.

UW Regulation 6-7 Space Allocation- Strategic space allocations must be approved by Administration

UW Regulation 6-9 Capital Construction- Board of Trustees must approve projects over \$500,000

UW Regulation 7-1 – Budget transfers – over \$100,000