

## Fund Definitions

### Unrestricted Funds 0100-3999 and 5700-5999

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#### 0100-0199 General Funds

**Definition:** General Funds receive monies from external or internal sources for the purpose of carrying out the organization's main directives. Departments generally have the majority of operating activity in the General Funds.

**Carryforward/Fund Balance Guidelines:** Authorized departments are allowed to carryforward excess funds from one year to the next. The spending of these carryforward balances is handled through the University's annual budget process. (See Carryforward Guidelines). Unauthorized departments are not allowed to carryforward any unspent balances including areas supporting the entire institution, for example, Facilities Management.

**Accounting Guidelines:**

- Transfers to or from other General Funds, Designated Operating Funds or Auxiliaries Operating Funds are allowed as long as the fund receiving the charge (debit) does not end up in a deficit position.

#### 0500-0799 Quasi-Endowment Funds

**Definition:** Quasi-Endowment funds represent monies from external sources that are "gifted" to the University and retained with earnings used to support programs in a manner similar to that of permanent endowments. The distinction between quasi-endowments and permanent endowments is that management may expend the principal balance of the quasi-endowment. The corpus of a permanent endowment must remain intact in accordance with the donor's restrictions.

**Carryforward/Fund Balance Guidelines:** The balance in these accounts may not be spent because they are funds acting as an endowment. These accounts are not budgeted. See **OHSU Policy 06-01-005** for further guidance.

**Accounting Guidelines:**

- Transfers are not allowed with Quasi-Endowment Funds.

#### 0800-0899 Service Center Capital Funds

**Definition:** Service center capital funds are used to purchase capital expenditures related to service center activity, separating these expenditures from regular operating activity of service centers. An amount equal to the annual depreciation expense is transferred into service center operating funds and recovered through billing rates. This enables the operating funds to operate closer to break even, while the capital funds maintain a negative fund balance until all assets are fully depreciated.

**Fund/Fund Balance Guidelines:** Unspent balances carryforward as fund balance. These funds are used to purchase capital expenditures related to Service Center funds. The fund will always be in a deficit and reduced over the life of the assets purchased. The activity in these accounts is to be budgeted on an annual basis through the University's budget process.

**Accounting Guidelines:**

- Funds can be transferred between a Service Center Capital Fund and a Service Center Operating Fund for asset depreciation and year-end true-up entries to match the net book value (NBV) of corresponding assets, or to transfer the deficit balance in order to close the account.
- All transfers must use object code 4871 Service Center Capital Payment Transfer (CFS Use Only) and be approved by the Cost Analysis Group – CFS (4-4422).

### 1001-1299 (Except for 1298) Designated Operating Funds

**Definition:** Designated Operating Funds receive monies from external sources that management desires to segregate for a special purpose. An example would be receiving payments for conducting a workshop to be used for related expenses.

**Carryforward/Fund Balance Guidelines:** Departments with these funds are allowed to carryforward excess funds from one year to the next. The spending of these carryforward balances is handled through the University's annual budget process. Designated Operating Funds should never have a deficit fund balance.

**Accounting Guidelines:**

- Transfers to or from other Designated Operating Funds, Auxiliaries Operating Funds or General Funds are allowed as long as the fund receiving the charge (debit) does not end up in a deficit position.

### 1298 Program Development Funds

**Definition:** The Program Development Funds represents funds collected from work on clinical trials that are no longer restricted for use in the clinical trial because all sponsor requirements have been fulfilled. However, the funds must still be used to further the research mission of OHSU.

**Fund/Fund Balance Guidelines:** Unspent balances carryforward as unspent budget. These accounts are managed through the OHSU Grants System and are not currently limited by carryforward guidelines. It is at the discretion of each department to budget activity in the General Ledger related to these accounts during the annual budget process.

Please Note: currently Kbase reporting does not report on this activity at the department level.

**Accounting Guidelines:**

- No transfers are allowed.

## 1300-1399 Auxiliary Funds

**Definition:** Auxiliary Funds receive monies from external sources from enterprise activities that exist for the purpose of providing goods or services to faculty, staff, patients or students. An example would be an office supply center that orders and stocks supplies so that various groups can then have supplies readily on hand.

**Carryforward/Fund Balance Guidelines:** Departments with these funds are allowed to carryforward excess funds from one year to the next. The spending of these carryforward balances is handled through the University's annual budget process. Auxiliary Funds should never have a deficit fund balance.

**Accounting Guidelines:**

- Transfers to or from other Auxiliaries, Designated Operating Funds or General Funds are allowed as long as the fund receiving the debit (DR) does not end up in a deficit position.

## 1400-1499 Service Center Operating Funds

**Definition:** Service Center Operating Funds represent a department, or organization unit within a department, which sells products or services within the University for a fee. The predominant revenue source is from interdepartmental billings, known as recharge transactions. Service centers that charge federal grants and contract more than \$25,000 annually must have a distinct fund, while operations that do not meet this criterion may remain in the general fund or other unrestricted fund. Billing rates are established to recover the operating costs necessary to provide the products and services.

**Fund/Fund Balance Guidelines:**

Unspent balances carryforward as fund balance. The activity in these accounts is carefully analyzed for compliance with OMB Circular A-21 regulations involving government grants. These funds are to operate on a breakeven basis with the exception of a fund balance representing no more than two months of operating expenses. Fund balances outside of this reserve will be recovered/reduced by adjusting the billing rates for services/products provided. The activity in these accounts is to be budgeted for on an annual basis through the University's budget process.

**Accounting Guidelines:**

- Funds can be transferred from a General Fund, Oregon Opportunity Fund, Unrestricted Gift Fund, Restricted Gift Fund (when allowable) or Designated Operating Fund into a Service Center Operating Fund in cases where the operations of the service center are being subsidized by the department, or to transfer a deficit balance in order to close the fund.
- Funds can be transferred between a Service Center Capital Fund and a Service Center Operating Fund for asset depreciation and year-end true-up entries to match the net book value (NBV) of corresponding assets, or to transfer the deficit balance in order to close the account.
- Funds can be transferred out of a Service Center Operating Fund to a (General Fund or Designated Operating Fund) if the fund is being closed, or if the service center has outside sales that generate a profit above the 2 months working capital reserve.

- All transfers must be approved by the Cost Analysis Group – CFS (4-4422) and must use the following object codes for transfers:
  - 4871 Service Center Capital Payment Transfer (CFS Use only)  
(To transfer amounts equal to capital equipment/project depreciation from the service center capital fund to the service center-operating fund.)
  - 4872 Service Center Non-Capital Transfer  
(To transfer funds between an unrestricted account and a service center account. Generally used to 1) transfer subsidies from the dept or central administration and 2) transfer the outstanding fund balance to a departmental account when disabling a service center fund.)

### 1500-1999 Unrestricted Gift Funds

**Definition:** Unrestricted Gift Funds receive monies from an external sources that are either “gifted” to the University and do not have a restriction from the donor or are revenue earned from external sources. These funds can be spent at the Department’s discretion and earn interest. An example would be an individual makes a gift to a department and indicates that the monies can be spent at the Department’s discretion. See OHSU Gift Policy at [www.ohsu.edu/policy/chapt\\_6/6-01-010.htm](http://www.ohsu.edu/policy/chapt_6/6-01-010.htm)

**Fund/Fund Balance Guidelines:** Departments with these Funds are allowed to carryforward excess funds from one year to the next. The spending of these carryforward balances is handled through the University’s annual budget process. Unrestricted Gift Funds should never have a deficit fund balance.

**Accounting Guidelines:**

- Unrestricted Gift Funds may not receive internal revenue by way of an internal sale with the exception of income generated through conference registration fees.
- Unrestricted Gift Funds may only receive transfers from other unrestricted gift funds.
- Unrestricted Gift Funds may transfer funds to a General Fund, Designated Operating Fund, Unrestricted Gift Fund, or an Auxiliary Fund.
- Unrestricted Gift Funds earn interest.

### 2000-3999 Payroll Clearing Accounts (PCA) - Foundation

**Definition:** Payroll Clearing Accounts facilitate spending from Foundation accounts. Payroll expenses are accumulated in these OHSU accounts and funds are automatically transferred from the Foundation to cover the expenses.

**Fund Balance Guidelines:** Unspent balances carryforward as fund balance. By the very nature of these funds, no balance should exist at year-end. The activity in these accounts is to be budgeted on an annual basis through the University’s budget process.

**Accounting Guidelines:**

- Revenue other than reimbursements from the Foundation is not allowed.
- Payroll clearing account transactions are limited to payroll expenditures and reimbursements only.

## 5700-5999 Faculty Practice Plan

**Definition:** These funds receive external monies derived from clinical and/or patient care activities.

**Carryforward/Fund Balance Guidelines:** Departments with these funds are allowed to carryforward excess funds from one year to the next. The spending of these carryforward balances is handled through the University's annual budget process. Practice Plan Funds should never have a deficit fund balance.

**Accounting Guidelines:**

- Faculty Practice Plan Funds may not receive internal revenue by way of an internal sale with the exception of income generated from Hospital General Fund(0111) and other Faculty Practice Plan funds.
- Faculty Practice Plan Funds may only receive transfers from other Faculty Practice Plan funds.
- Faculty Practice Plan Funds may transfer funds to a General Fund, Designated Operating Fund, Unrestricted Gift Fund, or an Auxiliary Fund.
- Transfers are allowed to and from Faculty Practice Plan Funds to corresponding FPP Reserve funds held at the Foundation.
- Faculty Practice Plan Funds earn interest.

## Restricted Funds 4000-5699 and 0900-0999

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### 0900-0999 Oregon Opportunity Funds

**Definition:** Oregon Opportunity Funds are monies that are received from the State of Oregon from the Oregon Opportunity Initiative. The Office of Research processes fund transfers to various assigned OHSU departments to cover research expenses relating to the Oregon Opportunity Initiative.

**Carryforward/Fund Balance Guidelines:** Unspent balances carryforward as fund balance. As a practice, we recognize revenue for all operating and capital expenditures leaving the fund balance equal to net of assets and liabilities in the fund. The spending of these balances is not limited by carryforward guidelines, however, the expenses need to be budgeted for on an annual basis through the University's budget process.

**Accounting Guidelines:**

- Transfers to or from the VP of Research Control Fund are allowed with the approval of the Vice President of Research and using account string 0999-85999-22-4895 Oregon Opportunity Transfers.

### 4000-4499 Endowment Funds

**Definition:** Endowment funds represent monies from external sources that are "gifted" to the University and retained per donor's requests as corpus with earnings used to support programs. The corpus must remain in perpetuity and the income may or may not have restrictions upon its use.

**Carryforward/Fund Balance Guidelines:** The balance in these accounts may not be spent as they are permanent endowments. These accounts are not budgeted. See **OHSU Policy 06-01-005** for further guidance. These funds carryforward from one year to the next. Endowment Funds should never have a deficit fund balance.

**Accounting Guidelines:**

- ◆ Transfers are not allowed with Endowment Funds.

### 4500-4999 Loan and Scholarship Funds

**Definition:** These funds receive funds from external sources for the purpose of providing scholarships or loans based on terms specified by the federal government or donor.

**Carryforward/Fund Balance Guidelines:** Unspent balances carryforward as fund balance. The spending of these balances is not limited by carryforward guidelines. The activity in these accounts is to be budgeted for on an annual basis through the University's budget process.

**Accounting Guidelines:**

- Transfers are not allowed with Loan and Scholarship Funds because these funds are restricted and the restriction is not transferable.

## 5000-5599 Restricted Gift Funds

**Definition:** These funds receive monies from external sources that are “gifted” to the University that are restricted or earmarked by the donor. These funds can only be spent according to the donor’s restrictions and these accounts do earn interest. An example would be a director of a department receives a gift for a specific community project. See OHSU Gift Policy at [www.ohsu.edu/policy/chapt\\_6/6-01-010.htm](http://www.ohsu.edu/policy/chapt_6/6-01-010.htm)

**Carryforward/Fund Balance Guidelines:** Unspent balances carryforward as fund balance. The spending of these balances is not limited by carryforward guidelines, however, the expenses must be budgeted on an annual basis through the University’s budget process.

**Accounting Guidelines:**

- Transfers are allowed to a Service Center operating fund only if the restricted purpose requirement is met.
- Restricted Gift Funds may not receive internal revenue by way of an internal sale.
- Restricted Gift Funds may receive transfers from other restricted gift funds only if the restricted purpose requirement is met.
- Restricted Gift funds may not transfer funds to unrestricted funds.
- Restricted Gift Funds should never be in a deficit position.
- Restricted Gift Funds earn interest.

## 5600-5699 Grants

**Definition:** These funds receive monies from external sources that are to spent in compliance with sponsor’s requirements.

**Carryforward/Fund Balance Guidelines:** Unspent balances carryforward as unspent budget dollars. The spending of these balances is not limited by carryforward guidelines. Grants are budgeted during the application and awarding process. These budgets are loaded into the OHSU Grant System in lump sums that cover the length of the award, as opposed to fiscal years like the other funds above.

**Accounting Guidelines:**

- All grant transactions must go through Sponsored Projects Administration and the Oracle Grants Module.
- Interdepartmental sales to a Grant fund are defined as an external sale using object codes 46xx.
- Transfers to or from Grants are not allowed.