



UAP 7000

CATEGORIZATION OF RESERVES

CAR-102 Category and Category Type Definitions

Date Revised: 7/25/16

General Description: The category types below define in detail the categories available to select while completing the Categorization of Reserves worksheet as required by the University Administrative Policies and Procedures Manual, Policy 7000 (UAP7000).

Responsible Manager: Office of Planning, Budget and Analysis (OPBA)
HSC Budget Office

Related: Budget Office SOP CAR-101 Navigation

CATEGORY: COMMITTED

Include reserves in this category if a formal, written commitment has been made for the funds. Examples include signed offer letters for start-up funds, documented cost share requirements, direct state appropriations for a special project, institutional bond debt service payments, etc.

| Committed Category Type Codes | Committed Category Type Descriptions | Committed Category Type Definitions |
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| AP | State Appropriations | <ul style="list-style-type: none"> State Appropriations at UNM are funds received from the State for specific purposes. This funding comes with a variety of guidelines, and is subject to laws that control how it is spent. Not all State Appropriations funding has the same type of guidelines. Instruction and General (I&G) Appropriations are for education and the support of education. Other State Appropriations are for other specific projects and may have different guidelines. As a general rule, State Appropriations are considered Unrestricted funds. This means the appropriation is not set up in the accounting system with a Fiscal Monitor. Even though the appropriations are considered unrestricted for accounting purposes, there are restrictions placed on the usage of the funds. State Appropriations are Budgeted under Account Code 0720 or 0740 for Special Appropriations. As a general rule, the section of the General Appropriation Act where your appropriation resides dictates if your appropriation is recurring or non-recurring. If your appropriation is non-recurring, you may have only one year in which to spend the funds. Your Budget Office can assist you in determining the length of time you have to spend your non-recurring appropriation. |
| AW | RAC/TAC Awards | <ul style="list-style-type: none"> Research Allocation Committee and Teaching Allocation Committee Awards are distributed based on an established agreement between the respective committees and the recipient. Each RAC/TAC award is budgeted and expended through a |

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| | | <p>unique index tied to the awarded faculty member and balances are committed based on the agreement.</p> |
| CA | Capital Projects/Equipment | <ul style="list-style-type: none"> • <u>Capital Projects</u> <ul style="list-style-type: none"> ▪ Include any new construction, expansion, renovation, remodel or replacement of a facility or building. ▪ Materials attached to the facility or building <ul style="list-style-type: none"> ○ Flooring ○ Heating, Ventilation, Air Conditioning systems ○ Landscaping ○ Fire Sprinklers ○ Building External Renewal – Stucco etc. ○ Roofing Material ▪ Costs associated with Capital Projects may consist of land, engineering, architectural planning and contract services. ▪ Capital expenditures, such as labs, that are part of a Faculty Start-up, Faculty Retention or Chair Package should be categorized within the respective categories and not in the “Capital Projects/Equipment” Category. • <u>Equipment Definition</u> <ul style="list-style-type: none"> ▪ The cost is greater than \$5,000. ▪ The property is moveable. ▪ The useful life is greater than one year. ▪ The equipment is capitalized on UNM Financial Statements and is depreciated. ▪ Computers are treated as inventoried property (Equipment) regardless of cost. ▪ Equipment that is purchased as part of a Faculty Start-up, Faculty Retention or Chair Package should be categorized within the respective categories and not in the “Capital Projects/Equipment” Category. |
| CH | Chair Packages | <ul style="list-style-type: none"> • Hiring agreement entered into between the University and a Chair of an Academic Department. <ul style="list-style-type: none"> ▪ New Faculty Lines (Visiting or Bridge Funding) ▪ Supplemental Administrative Component (SAC) ▪ Lab expenses ▪ Space Remodel ▪ Equipment expenses ▪ Post Doc ▪ GA/TA/RA/PA's ▪ Summer Salary/Fringe Support ▪ Travel ▪ Moving Expenses ▪ Recruiting Expenses |
| CS | Cost Share | <ul style="list-style-type: none"> • Cost Share is the participation in the costs of a sponsored project by the University using non-federal (unrestricted) funding sources. • Cost sharing, if existing, is normally mandatory and included as a condition of the award. • If Cost sharing is included in the proposal, the University is committed even when not required by the sponsor. • Costs incurred by the University must coincide with the budget period of the sponsor award. |

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| DC | Deferred Comp – Non HSC Main and Branch Campuses only | <ul style="list-style-type: none"> Funds are transferred to the deferred comp clearing index on behalf of a contract employee. Payment will be made at a future date, subject to fulfillment of contract requirements. |
| DD | Donor Designated | <ul style="list-style-type: none"> Private support whereby the donor designates how funds will be spent. <ul style="list-style-type: none"> Endowments <ul style="list-style-type: none"> Permanent Endowments Term Endowments Quasi Endowments Non-Endowments |
| DS | Debt Service | <ul style="list-style-type: none"> Balances designated to pay principal and interest on an approved UNM Institutional Bond Issue. |
| FI | FOM FIBCI Incentive Pay/Travel/Equipment HSC only | <ul style="list-style-type: none"> Supplemental income for Faculty and some Non-Faculty. Funding comes from patient billings through UNMMG. Each department has its own arrangement for distribution to Faculty. In lieu of incentive pay, distribution is used for items such as travel or equipment. If equipment is purchased, it must remain with the University. |
| PD | Travel/Professional Development | <ul style="list-style-type: none"> Includes any expenses for in and out of state travel/foreign travel, conferences, meals, recruitment cost, moving expense and training that include a documented commitment such as an approved Purchase Order and/or a signed contract. If these types of costs are related to Faculty Start-up, they should be categorized under ST - Faculty Startup. |
| SC | Professional Service Contracts | <ul style="list-style-type: none"> Consultant fees related to an approved Purchase Order and/or signed contract. Professional and technical services related to an approved Purchase Order and/or signed contract. Other contract services documented by an approved Purchase Order and/or signed contract. |
| SS | Scholarships | <ul style="list-style-type: none"> Typically merit based awards made to students to assist them in the financial cost of their education. After scholarship funds have been awarded, a contractual agreement exists between the University and the student. |
| ST | Faculty Startup | <ul style="list-style-type: none"> Hiring package agreement entered into between the University and a Faculty member. <ul style="list-style-type: none"> Salary (Bridge Funding and Summer Salary) Lab expenses Equipment expenses GA/TA/RA/PA's Post Doc Travel Moving Expenses Recruiting Expenses |
| ZZ | Other | <ul style="list-style-type: none"> Any committed funds that do not fit into the categories listed above. |

CATEGORY: DEDICATED

Include reserves in this category that have a clear, focused purpose with a documented description and identify the entity/individual making the dedication. Examples include an F&A reserve that has been dedicated by a dean to fund a lab renovation, a non-endowed gift amount that has been dedicated by a chair for faculty travel, student paid course fees that are being accumulated and dedicated by a dean to fund the purchase of equipment, etc.

| Dedicated Category Type Codes | Dedicated Category Type Descriptions | Dedicated Category Type Definitions |
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| BR | Bridge Funding | <ul style="list-style-type: none"> • Funds set aside to sustain research programs through a funding gap period giving investigators an opportunity to regain external grant funding. Bridge funding supports research related costs including the following: <ul style="list-style-type: none"> ▪ Faculty, GA/TA/RA/PA, Post Doc salaries and fringe benefits ▪ Supplies ▪ Lab expenses ▪ Equipment expenses ▪ Travel |
| CA | Capital Projects/Equipment | <ul style="list-style-type: none"> • <u>Capital Projects</u> <ul style="list-style-type: none"> ▪ Include any new construction, expansion, renovation, remodel or replacement of a facility or building. ▪ Materials attached to the facility or building <ul style="list-style-type: none"> ○ Flooring ○ Heating, Ventilation, Air Conditioning systems ○ Landscaping ○ Fire Sprinklers ○ Building External Renewal - Stucco etc. ○ Roofing Material ▪ Costs associated with Capital Projects may consist of land, engineering, architectural planning and contract services. ▪ Capital expenditures, such as Labs, that are part of a Faculty Start-up, Faculty Retention or Chair Package should be categorized within the respective categories and not in the “Capital Projects/Equipment” Category. • <u>Equipment Definition</u> <ul style="list-style-type: none"> ▪ The cost is greater than \$5,000. ▪ The property is moveable. ▪ The useful life is greater than one year. ▪ The equipment is capitalized on UNM Financial Statements and is depreciated. ▪ Computers are treated as inventoried property (Equipment) regardless of cost. ▪ Equipment that is purchased as part of a Faculty Start-up, Faculty Retention or Chair Package should be categorized within the respective categories and not in the “Capital Projects/Equipment” Category. |
| CH | Chair Packages | <ul style="list-style-type: none"> • The Hiring process for a Chair has not been completed and an offer letter is pending; therefore, a contract does not exist between the University and an employee. |

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| | | <ul style="list-style-type: none"> ▪ New Faculty Lines (Visiting or Bridge Funding) ▪ Supplemental Administrative Component (SAC) ▪ Lab expenses ▪ Space Remodel ▪ Equipment expenses ▪ Post Doc ▪ GA/TA/RA/PA's ▪ Summary Salary/Fringe Support ▪ Travel ▪ Moving Expenses ▪ Recruiting Expenses |
| CS | Cost Share | <ul style="list-style-type: none"> • Cost Share is the participation in the costs of a sponsored project by the University using non-federal (unrestricted) funding sources. • Cost sharing, if existing, is normally mandatory and included as a condition of the award. • If Cost sharing is included in the proposal, the University is committed even when not required by the sponsor. • Costs incurred by the University must coincide with the budget period of the sponsor award. |
| DD | Donor Designated | <ul style="list-style-type: none"> • Private support whereby the donor designates how funds will be spent. <ul style="list-style-type: none"> ▪ Endowments <ul style="list-style-type: none"> ○ Permanent Endowments ○ Term Endowments ○ Quasi Endowments ▪ Non-Endowments |
| DR1 | Deficit Reduction/Another Funding Source - Index | <ul style="list-style-type: none"> • Plan of action to clear existing deficit. <ul style="list-style-type: none"> ▪ Another funding source - monies to be received via 1903 or transfer JV entry in Banner |
| DR2 | Deficit Reduction/Reduce Current Year Budget | <ul style="list-style-type: none"> • Plan of action to clear existing deficit. <ul style="list-style-type: none"> ▪ Reduction of current year budget |
| DS | Debt Service | <ul style="list-style-type: none"> • Balances designated to pay principal and interest on a UNM Institutional Bond Issue yet to be approved. |
| EX | Apply to Existing Deficit in Another Index | <ul style="list-style-type: none"> • Positive balance to be moved to another index with an existing deficit via 1903 or transfer JV entry in Banner. |
| FE | Course Fees | <ul style="list-style-type: none"> • Course fees are intended to help defray costs specifically associated with certain courses and are not intended to replace general operating costs, which are paid from tuition. All students who pay course fees must benefit from the fees collected. Course fees include class fees and curriculum fees. <ul style="list-style-type: none"> ▪ Cost of activities related to a course (e.g., field trip, tickets to off-campus lecture or event) ▪ Private instruction and models (e.g., guest speakers, models, tutors) ▪ An object or product of value retained by the student (e.g., artwork, safety gear) ▪ Expendable class costs (e.g., specialized equipment or materials, risk management, laboratory supplies, or expendable products) ▪ Expendable curricular costs (e.g., computer hardware and software, networking components, cameras, projectors and |

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| | | <p>recorders, maintenance fees, sound equipment, musical instruments, laboratory equipment)</p> <ul style="list-style-type: none"> ▪ Personnel costs associated with curriculum support (e.g., technical staff support, training course development, etc.) ▪ Gross anatomy program support ▪ Student progress assessments, clinical or practical skills assessments, and standardized patient costs ▪ Supplemental instruction programs ▪ Support of program research requirements and travel to present research ▪ Medical education computer support including provision of tutorial and standardized patient computer interface (HSC only) ▪ Develop, install, and maintain technology capabilities in lecture halls & classrooms |
| OP | General Operating | <ul style="list-style-type: none"> • Includes any expenses for materials and services necessary for day-to-day office operations. • Examples include <ul style="list-style-type: none"> ▪ Printer Paper ▪ Telephone Lines ▪ Pens ▪ Binders |
| PD | Travel/Professional Development | <ul style="list-style-type: none"> • Includes any expenses for in and out of state travel/foreign travel, conferences, meals, recruitment cost, moving expense and training. • If these types of costs are related to Faculty Start-up, they should be categorized under ST - Faculty Startup. |
| PI | Part-time Instruction | <ul style="list-style-type: none"> • Costs incurred by Schools/Colleges to cover the cost of instruction. Courses offered during all terms (Summer/Fall/Spring) <ul style="list-style-type: none"> ▪ Faculty Overloads ▪ T/TT Summer Instruction ▪ Adjunct Professors ▪ Teaching Assistants |
| PS | Professional Service Contracts | <ul style="list-style-type: none"> • Consultant fees • Professional and technical services • Contract services |
| RC | Rescission Set Aside | <ul style="list-style-type: none"> • Balances funding a State or internal rescission of I&G allocations. |
| SF | Seed Funding | <ul style="list-style-type: none"> • Funding set aside to cover costs associated with new programs/initiatives, e.g., funding provided by Extended University to start new on-line programs/courses. |
| SS | Scholarships | <ul style="list-style-type: none"> • Typically merit based awards made to students to assist them in the financial cost of their education. • A contractual agreement does not exist between the University and the student until the award has been made. |
| ST | Faculty Startup | <ul style="list-style-type: none"> • The hiring process for a new Faculty member has not been completed and an offer letter is pending; therefore, a contract does not exist between the University and an employee. <ul style="list-style-type: none"> ▪ Salary (Bridge Funding and Summer Salary) ▪ Lab expenses ▪ Equipment expenses ▪ GATA/RA/PA's |

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| | | <ul style="list-style-type: none">▪ Post Doc▪ Travel▪ Moving Expenses▪ Recruiting Expenses |
| ZZ | Other | <ul style="list-style-type: none">• Any dedicated funds that do not fit into the categories listed above |

CATEGORY: DISCRETIONARY

Include reserves in this category that remain after accounting for all Committed and Dedicated funds.

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