

# University of Northern Colorado

## Revenue Coding Procedures

Banner revenue account codes and program codes have been established to record revenue in accordance with NACUBO national higher education accounting standards. Italicized definitions of revenue types described below are taken from NACUBO's Financial Accounting and Reporting Manual (FARM). The appropriate revenue accounts and program codes to be used are listed below each definition.

See the last page for a quick reference table.

### **OPERATING REVENUE**

#### Student Tuition and Fees

*The tuition and fees category includes all tuition and fees (net of refunds, bad debt estimates, and any discounts recognized) assessed for educational purposes. Tuition and fees that are levied for academic terms that fall entirely within one fiscal year are recognized as revenue in that fiscal year. Care should be taken to ensure that prepaid tuition is deferred and that unpaid tuition is accrued at the end of the fiscal year.*

**Account Codes**  
**51000-51999**  
**Except 51695**

**Program Code**  
**0110**

#### Grants and Contracts

*Grants and contracts that are considered exchange revenues and not contributions (i.e., non-exchange transactions) are recorded as revenues under accrual accounting principles. This means that revenues should be recognized when earned, and expenses should be recognized when incurred. The grants and contracts category includes all amounts earned on grants, contracts, or cooperative agreements from federal, state, or local government agencies, and amounts from nongovernmental organizations and individuals, including funds resulting from contracting or the furnishing of goods and services of an instructional, research, or public service nature.*

**Account Codes**  
**Federal (including loan contributions)**  
**52000-52999, 57775**  
**State/Local (including loan contributions)**  
**53000-53999, 57776**  
**Non-governmental**  
**54000-54999**

**Program Code**  
**0120**  
**0130**  
**0140**

Note that **52060 Federal Admin Cost Allowance** should only be used to record administrative cost allowances received separately from other federal funds, for example Pell ACA. See also Account 57510

Sales and Services of Educational Activities

*The sales and services of educational activities category includes (1) revenues that are related incidentally to the conduct of instruction, research, and public service and (2) revenues of activities that exist to provide instructional and laboratory experience for students and that incidentally create goods and services that may be sold to students, faculty, staff, and the general public. Sales of such items are reported as operating revenues. Examples of revenues of educational activities are film rentals, sales of scientific and literary publications, testing services, and sales of products and services of dairy creameries, food technology divisions, poultry farms, and health clinics (apart from health services) that are not part of a hospital. If sales and services to students, faculty, or staff, rather than training or instruction, is the purpose of an activity, the revenue should be classified as sales and services of auxiliary enterprises.*

*Institutions should not take the revenues received from sales and services of educational departments to external parties and offset them against departmental expenses. Such a practice would have the effect of netting activity.*

**Account Codes**

**55000-55999**

**Program Code**

**0150**

Sales and Service of Auxiliary Enterprises

*An auxiliary enterprise is an entity that exists predominantly to furnish goods or services to students, faculty, or staff, and that charges a fee directly related to, although not necessarily equal to, the cost of the goods or services. The general public may be served incidentally by some auxiliary enterprises.*

Auxiliary enterprises typically include residence halls, food services, college unions, college stores, and services such as copy centers, day-care centers, barbershops, beauty parlors, and movie theaters. Auxiliary enterprises may also include other units like intercollegiate athletics and student health services, if they are essentially self-supporting (See FARM 335.2 and 342.2)

Note that if a fund is considered to be a self-supporting auxiliary enterprise, both its revenue and expense should be coded as auxiliary (0160, and 9xxx respectively). One exception is that if an auxiliary enterprise receives gift or grant revenue, it should be coded as a grant or gift (0120,0130,0140,0510) and not auxiliary revenue (0160).

**Account Codes**

**56000-56999 And 51695**

**Program Code**

**0160**

### Other Operating Revenue

*The other sources category includes all sources of revenues not included in other classifications. Examples are miscellaneous rentals and sales, miscellaneous fees, and items that are not material enough to warrant separate disclosure.*

Examples include:

- Sales revenue of units that are not essentially self-supporting. This revenue is a supplement to the primary revenue source, which is typically a share of general revenues (tuition & fees and state support).
- Loan fund revenues (except state and federal contributions – see account 57775 and 57776 under grants & contract revenue).

<u>Account Codes</u>	<u>Program Codes</u>
<b>57000-57499</b>	<b>0170</b>
<b>57520, 57580</b>	<b>0170</b>
<b>57600-57699</b>	<b>0170</b>

### Facility and Admin Cost Recovery

On many grants the university may charge the grantor for facility and administrative costs (formerly known as Indirect Costs or IDC). The revenue from the granting agency is recorded in the grant as federal or state grant revenue (0120, 0130 , 0140). The expense to the grant is not a specifically identifiable cash outlay but a "recovery" of general facility and administrative costs. The recovery process is recorded through a credit to the 57510 "revenue" account in a 1xxxx fund and a debit to the 74004 expense account in the grant fund. The 57510 revenue is eliminated through adjusting entries.

<u>Account Codes</u>	<u>Program Codes</u>
<b>57510</b>	<b>0290</b>

### Agency Fund Income

Agency funds are not university funds. Agency transactions are processed through the university accounting records as a means of assisting informally organized groups related to the university (e.g., student clubs). Agency activity is excluded from university financial statements.

<u>Account Codes</u>	<u>Program Codes</u>
<b>57590</b>	<b>9700</b>

### Internal Sales

Various university units act a self-supporting enterprise, selling goods and services to other university units. This results in "revenue" to the internal services unit that is really not revenue, because it is not from outside the university. Therefore, these sales are eliminated through adjusting entries.

<u>Account Codes</u>	<u>Program Codes</u>
<b>57900-57999</b>	<b>9500</b>

## **NON-OPERATING REVENUE**

### State Operating Appropriations

*Appropriations for operating purposes are reported as non-operating revenues in the Statement of Revenues, Expenses, and Changes in Net Assets. Operating appropriations may be either restricted or unrestricted. If the restriction is broad, such as to provide education and other public service, the appropriation should be classified as unrestricted net assets. Legislatures may also restrict appropriations for specific purposes, such as salaries, repairs to facilities. These appropriations should be reported as restricted expendable net assets.*

**Account Code**  
**58010**

**Program Code**  
**0210**

### Investment Income

*GASB Statement 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, does not provide specific requirements for the recognition and measurement of certain components of investment income, namely dividends, interest, rents, or royalties. Rather, GASB Statement 34 states that institutions that report as BTAs should use accrual accounting (i.e., revenues should be recognized when earned). Accordingly, dividends should be recognized when declared and interest income should be recognized as earned, i.e., over time.*

*Certain investments, including debt securities and equity securities that have determinable fair values, should be reported at fair value and that unrealized gains and losses be reported along with realized gains and losses. Statement 31 indicates that these gains and losses should be included in investment income.*

**Account Codes**  
**58110-58190**

**Program Code**  
**0220**

### Other Non-operating Revenue

Currently the only "other non-operating revenue" is real property rent revenue. Any gifts (other than capital gifts) received by the university would also be non-operating revenue. Capital gifts are "Other Revenue" – see account 58520.

**Account Code**  
**58530**

**Program Code**  
**0240**

## **OTHER REVENUE**

### Capital Appropriations

*Appropriations for capital purposes, such as construction of new facilities, are reported as capital appropriations in the Statement of Revenues, Expenses, and Changes in Net Assets. This caption is reported after the non-operating revenues and expenses section. Amounts recognized as revenues are classified as restricted expendable net assets.*

**Account Codes**  
**58510**

**Program Code**  
**0500**

### Capital Grants and Gifts

**Account Codes**  
**58520**

**Program Code**  
**0510**

# REVENUE CODING REFERENCE

TYPE OF REVENUE	VALID ACCOUNT CODES	VALID PROGRAM CODES
<b>Operating Revenue:</b>		
Student Tuition and Fees	51000-51999 <b>Except 51695</b>	0110
Federal Grants & Contracts	52000-52999	0120
State/Local Grants & Contracts	53000-53999	0130
Non-Governmental Grants & Contracts	54000-54999	0140
Sales and Service of Educational Activities	55000-55999	0150
Sales and Service of Auxiliary Enterprises	56000-56999 <b>And 51695</b>	0160
Other Operating Revenue	57000- 57499,57520,57580, 57600-57699	0170
Grant Facility & Admin Cost Recovery <i>(Note: Revenue is eliminated through adjusting entries)</i>	57510	0290
Agency Fund Income <i>(Note: Agency Income is excluded from financial statements)</i>	57590	9700
Student Loan Revenues	57700-57899 <b>Except 57775 &amp; 57776</b>	0170
Federal Loan Contributions	57775	0120
State Loan Contributions	57776	0130
Internal Services Sales <i>(Note: Revenue is eliminated through adjusting entries)</i>	57900-57999	9500
<b>Non-Operating Revenue:</b>		
State Appropriated Revenue <i>(Note: does not include fee-for-service or COF stipends)</i>	58010	0210
Interest and Investment Income	58110-58190	0220
Other Non-Operating Revenue	58530	0240
<b>Other Revenue:</b>		
State Capital Appropriations	58510	0500
Capital Grants & Gifts	58520	0510