University of Minnesota Funds

Fund accounting classifies resources for accounting and reporting purposes in accordance with regulations, restrictions, or limitations imposed by donors, parties outside of the University, or the Board of Regents.

A fund is an accounting entity with self-balancing sets of accounts that record cash and other financial resources (assets), with related liabilities, fund equity (net assets) and other corresponding changes.

1. Fund Group: Current Unrestricted Funds

Current unrestricted funds are expendable for any purpose in performing the primary objectives of the institution. These funds have no constraints imposed by external creditors, grantors, contributors, or laws or regulations of government. While it is necessary to abide by constraints that are imposed by University management and the Board of Regents, these are internally imposed and, therefore, they do not meet the accounting definition of 'restricted.'

Fund Class: State Appropriations and Tuition (1000—also called "O&M", which is short for Operations and Maintenance--or allocation or state funding).

Appropriations made available to the University by legislative acts of the State of Minnesota for general operations and maintenance purposes; tuition charged to students.

Fund Class: Auxiliaries (1100)

University units that are essentially self-supporting, that provide goods and services on a regular and continuing basis primarily to individuals in the University community (students, staff, etc.). An auxiliary enterprise may receive incidental income from the general public. Examples include Housing, Food Services, Bookstores.

Fund Class: Internal Sales (1150)

Funds received through the internal sale of goods or services provided to other University departments. These funds require annual rate development, review and reporting to the university's Internal Sales Compliance Office.

Fund Class: Other Unrestricted Funds

- **1024 is Indirect Cost Recovery, or ICR**
- **1026 is Other Unrestricted, such as course fees, Student Service Fees, non-athletic events and admissions, external sales**

Other sources of funds where no constraints are imposed on the University by external creditors, grantors, contributors, or laws or regulations of other governments.

2. Fund Group: Current Restricted Funds

Restricted current funds are expendable for current operating purposes, but have constraints imposed by external creditors, grantors, contributors, or laws or regulations of government, as to the specific purpose for which they may be expended. The University is obligated to use these funds in accordance with the purpose established by the external party. Current restricted funds may be either Nonsponsored or Sponsored.

Fund Class: Restricted State Specials (1801)

Amounts made available to the University of Minnesota by legislative acts of the State of Minnesota. These appropriations are restricted in that the state imposes limitations on the use of the funding: Agriculture; Health Science; Technology; Tobacco; Miscellaneous; MN Care. UMD's NRRI receives state special funding.

Fund Class: Nonsponsored Foundations (1701-University of Minnesota Foundation)

Nonsponsored restricted funding received from external entities which are not administered by SPA. These entities include donors who may restrict the types of expenditures funded.

Fund Category: Sponsored Funds (3000 through 3015)

Sponsored funds are external funds provided through a grant, contract or cooperative agreement for research, training, and other public service activities that are administered by the Office of Sponsored Project Administration (SPA). All sponsored funds are restricted and are generally governed by specific terms and conditions and subject to special reporting and invoicing procedures.

In addition to the above funds used for general operations of the University, the U also uses Loan Funds, Investment Pool Funds, Endowments Funds, Plant Funds, and Agency Funds.