



INSTRUCTIONS

FORM A-1: OPERATING REVENUES & EXPENDITURES

OVERVIEW

Institutions should follow these guidelines as Forms A-1 are prepared:

1. Form A-1 is intended to provide a financial accounting to the State Board of Regents, Legislature and Governor on the budgeted and actual use of appropriated funds during a fiscal year.
2. Institutions should complete three Forms A-1 (Budget, Short, and Actual) for every line item and program receiving appropriated revenue during a fiscal year.
3. *Form A-1-Budget* shows estimated expenditures and appropriated revenue for a fiscal year. *Form A-1-Short* shows preliminary, summary expenditures and revenues for a completed fiscal year. *Form A-1-Actual* details actual expenditures and revenues for a completed fiscal year.
4. Instructional faculty FTEs and dollars on *Form A-1-Actual* should tie to instructional amounts reported in the Cost Study. The only exception is if a faculty member teaching an appropriately categorized budget-related class is supported with institutional funds other than state funds.
5. All schools must follow GAAP/GASB for all state and regent budgets.

Three Variations on Form A-1

Institutions are required to complete three different Forms A-1 during a budget cycle. As a general rule, the line-by-line instructions contained in this document apply to all forms. Some exceptions between *Form A-1-Budget* and *A-1-Actual* are noted in the instructions for the applicable lines. *Form A-1-Short* has a longer list of exceptions that will be discussed below.

Form A-1-Actual

Form A-1-Actual provides a comprehensive report of expenditures and revenues for the most recently completed fiscal year. *Form A-1-Actual* should be reconcilable to an Institution's audited financial statements. This form must be submitted to the Office of the Commissioner by the deadline listed on the USHE website (usually October 10).

Form A-1-Budget

After the legislative session and Regent action on tuition are completed, appropriated funding levels will be established for the upcoming fiscal year that begins on July 1. *Form A-1-Budget* is designed to report the anticipated expenditures and revenues during that fiscal year. This form must be submitted to the Office of the Commissioner by the deadline listed on the USHE website (usually June 20). The State Board of Regents will then review and approve these reports by mid-August.

Form A-1-Short

Because of Utah Code requirements for all state entities to submit information to the Division of Finance earlier than complete *Form A-1-Actuals* can be compiled, USHE has developed *Form A-1-Short*. This form does not include FTE information or the breakout of expenditures by NACUBO function. However, line numbers and general format are maintained the same for *Form A-1-Short* as for the other Forms A-1, except the NACUBO classification columns are eliminated. This is meant to facilitate the use of the same set of instructions.

Refer to the appropriate line number in these instructions to answer questions on *Form A-1-Short*. Institutions should complete and submit *Form A-1-Short* to the Office of the Commissioner before the deadline listed on the USHE website (usually August 15).

NACUBO Functional Classifications

Education and General expenditures fall into the following categories:

Instruction

All expenditures associated with instruction including academic, vocational, and remedial education.

Research

All expenditures related to research and development.

Public Service

Funding for non-instructional services including the Cooperative Extension at Utah State University.

Academic Support

Support services to meet the primary mission of the institutions such as libraries, museums, computer support and academic deans.

Student Services

Admissions, registration, counseling, financial aid, career development, as well as the social aspect of college life such as student organizations and athletics.

Institutional Support

Expenditures associated with executive level activities such as the management of the institution, planning and programming, legal services, fiscal operations, administrative data processing, space management, and human resource management.

Scholarships

Expenditures from restricted and unrestricted funds in the form of grants to students.

Operation and Maintenance

Expenses associated with the operation and maintenance of the physical plant including utilities and insurance.

Transfers

Funding moved within the Utah System of Higher Education.

Section A: Expenditures and Transfers Out

FULL-TIME EQUIVALENCY (FTE)

The following FTE definitions apply to *Forms A-1-Actual, A-1-Short, and A-1-Budget* as well as to the Cost Study. The following four general rules apply to all categories of the FTE section of Form A-1.

Early Retirees: Do not include any FTE for early retirees. Salary expenditures for early retirees should be included in the appropriate salary and wages expenditure line.

Split assignment (employee type): If an employee has a split assignment (e.g. 50% faculty/50% staff), proportion that employee's FTE into the appropriate FTE lines on Form A-1 (i.e. faculty, executive, or staff).

Split assignment (NACUBO classification): Enter FTE information into the appropriate NACUBO classification in the Form A-1 report. Refer to the classification definitions found at the beginning of this document. These classifications are the columns across the top of the expenditure section of the report. The source of funding is the primary indicator for NACUBO classification. As an example, for instructional employees count only those supported by appropriated instructional budgets. The reporting of NACUBO classifications does not apply to *Form A-1-Short*.

Split funding: If an employee is paid from multiple sources of funding (e.g. 50% appropriated/50% non-appropriated), count only that portion of the FTE supported by appropriated funds in that line item.

Line 1. Regular Instructional Faculty (Applicable to USHE Forms C-2, A-1, S-11, and S-12)

- A. Generally, a faculty member on a full-time, two semester-equivalent contract who is paid totally with state appropriated funds equals one faculty FTE.
- B. Exclude from the faculty count deans, provosts, vice presidents, presidents, and others with faculty appointments who are not paid from appropriated instructional budgets. Classify these as executives or staff.
- C. Convert department chairs to faculty FTE fractions based on the percentage of their time spent in direct instruction rather than administrative duties, if applicable. Exclude the fraction related to administrative duties from faculty FTE. Include this piece with staff FTE on Line 5.
- D. Include faculty on sabbatical or paid administrative leave who are paid from state appropriated funds in the faculty FTE count. Reduce the FTE calculation if the faculty member on sabbatical or paid administrative leave is compensated at a reduced rate during the year. Make the FTE reduction proportionate to the reduction in salary.
- E. If a faculty member teaches Summer term in addition to a full-time teaching load during Fall and Spring semesters, convert the Summer term work to a fractional FTE according to rate of compensation. Use the following two rules to determine whether to include or exclude this FTE in Line 1:
 - 1) If the faculty member is compensated based on the salary rate received during Fall and Spring, convert summer work to an FTE fraction equivalent to the Summer salary divided by the two-semester base salary and include the FTE in Line 1.
 - 2) If the faculty member is compensated at a rate other than that received during Fall and Spring, consider the overload work as Adjunct/Wage-rated Faculty and include it in the FTE count on Line 2.
- F. Do not consider adjunct/wage-rated faculty as regular faculty.

Line 2. Adjunct/Wage-Rated Faculty (Applicable to USHE Forms C-2, A-1, and S-12.)

- A. Generally, an adjunct/wage-rated faculty FTE equals an amount of instruction generated by adjunct, wage-rated, and overload faculty which is equivalent to the instruction generated by a regular faculty member on a two-semester contract.
- B. Convert adjunct faculty, wage-rated faculty, and regular faculty teaching on an overload basis to FTEs. To do this, divide the total instructional credit hours these faculty generate by 30. An acceptable alternative method to calculate adjunct/wage-rated faculty FTEs is to divide total adjunct/wage-rated/overload faculty compensation by the institution's standard credit/contact rate of compensation for such instruction.

Line 3. Teaching Assistants (Applicable to USHE Forms C-2, A-1, and S-12.)

- A. Generally, a teaching assistant FTE equals a teaching assistant on a full-time two semester work equivalent contract.
- B. Convert part-time teaching assistants to FTEs in the proportion their workload is to a full-time teaching assistant's workload.

Line 4. Executives (Applicable to USHE Forms A-1 and S-12)

- A. Generally, an executive FTE equals an employee in an executive position on a 12-month contract.
- B. Include the following positions in this category: president, vice presidents, provost, vice provosts, associate vice president/provost, assistant vice president/provost, chief information officers, deans, and the equivalent of these positions.
- C. Exclude any portion of these positions included as regular faculty on Line 1.
- D. Include executives on paid administrative leave who are paid from state appropriated funds in the executives FTE count. Reduce the FTE calculation if the executive on paid administrative leave is compensated at a reduced rate during the year. Make the FTE reduction proportionate to the reduction in salary.

Line 5. Staff

- A. Generally, a staff FTE equals an employee on a 12-month contract not serving in an executive position.
- B. Place FTE for all other regular, benefits-eligible (contract) employees on Line 5.
- C. Include regular staff on paid administrative leave who are paid from state appropriated funds in the staff FTE count. Reduce the FTE calculation if the staff on paid administrative leave is compensated at a reduced rate during the year. Make the FTE reduction proportionate to the reduction in salary.
- D. Do not report FTEs for wage payroll (hourly) employees on Form A-1. However, report actual or budgeted expenditures for wage payroll staff on Line 12 as directed below.
- E. Do not report staff FTEs for work done on an overload basis if the compensation is different than regular compensation received by that staff member. Treat this type of work the same as wage payroll by including compensation on Line 12, but not reporting FTEs on Form A-1.

Line 6. Total FTE

- A. Line 6 is a formula that sums entries on Lines 1 to 5.

PERSONAL SERVICES EXPENDITURES

Personal services expenditure definitions apply to Form A-1 and other USHE reports as identified below. In the personal services section, the most important rule to follow is **dollars follow the FTE**. Because of this, the same four general rules that apply when reporting FTE also apply when reporting personal services expenditures.

Early Retirees: Although FTE for early retirees are not included, report salaries and benefits for these individuals on the appropriate line. Remember to reflect salary reductions, if applicable, in these amounts.

Split assignment (employee type): If an employee has a split assignment (e.g. 50% faculty/50% academic support staff), proportion state-appropriated expenditures for that employee's salary or wages into the appropriate lines on Form A-1 (i.e. faculty, executive, or staff).

Split Assignment (NACUBO Classification): Place expenditure information into the appropriate NACUBO classification in the Form A-1 report. Refer to the classification definitions at the beginning of this document. These classifications are the columns across the top of the expenditure section of the report. The source of funding is the primary indicator for NACUBO classification. As an example, for instructional employee expenditures report only those expenditures from appropriated instructional budgets. The reporting of NACUBO classifications does not apply to *Form A-1-Short*.

Split funding: If an employee is paid from multiple sources of funding (e.g. 50% appropriated/50% non-appropriated), report only those expenditures from state-appropriated funds.

Line 7. Regular Faculty (Applicable to USHE Forms C-2 and A-1)

- A. Include salaries paid to regular faculty FTEs listed on Line 1. For split assignments, exclude the same portion of that person's salary as the FTE calculation. If needed, adjust amounts to reflect salary reductions for sabbaticals, paid administrative leaves, and early retirements.
- B. Include expenditures for Summer term faculty overload if the faculty member is compensated at the same rate they receive for their regular load during Fall and Spring (see Line 1-E.1).
- C. Do not include expenditures for Summer term faculty overload if the faculty member is compensated at a rate different than the rate received for Fall and Spring (see Line 1-E.2).

Line 8. Adjunct/Wage-Rated Faculty (Applicable to USHE Forms C-2 and A-1)

- A. Include salaries paid to adjunct/wage-rated faculty FTEs listed on Line 2.
- B. Remember to include expenditures for Summer term faculty overload if the faculty member is compensated at a rate different than the rate received for Fall and Spring (See Line 1-E.2)

Line 9. Teaching Assistants (Applicable to USHE Forms C-2 and A-1)

- A. Include salaries paid to teaching assistant FTEs listed on Line 3.

Line 10. Executives (Applicable to USHE Forms C-2 and A-1)

- A. Include salaries paid to executive FTEs listed on Line 4. If needed, adjust amounts to reflect salary reductions for paid administrative leaves and early retirements.

Line 11. Staff (Applicable to USHE Forms C-2 and A-1)

- A. Include salaries and wages paid to staff FTEs, defined as all other regular, benefits-eligible (contract) employees, listed on Line 5. If needed, adjust amounts to reflect salary reductions for paid administrative leaves and early retirements.

Remember to exclude salaries and wages paid to staff on an overload basis if they are compensated at a rate different than their regular rate.

- B. Do not include wages paid to wage payroll (hourly) employees. These will be included on Line 12.

Line 12. Wage Payroll (Applicable to USHE Forms C-2 and A-1)

- A. Include wages paid to wage payroll (hourly) employees. Wage payroll employees are not included in Form A-1 FTE counts.
- B. Include wages paid to staff on an overload basis if the rate of compensation is different than the normal compensation rate.

Line 13. Total Salaries and Wages

- A. Line 13 is a formula that totals salary and wage information on Lines 7 to 12.

Line 14. Employee Benefits (Applicable to USHE Forms A-1 and C-2 Form S-10)

- A. Include total benefits paid in association with the salaries and wages listed on Lines 7 to 12.

Line 15. Total Personal Services (Applicable to USHE Forms C-2 and A-1 Form S-10)

- A. Line 15 totals salaries and benefits to reflect total employee compensation.

NON-PERSONAL SERVICES EXPENDITURES

Follow the directions for Lines 16 to 20 to complete the non-personal services section. Continue to refer to the NACUBO Classifications listed previously, as needed, to classify departments and place their expenditure information into the appropriate NACUBO classification in the *Form A-1-Actual/Budget* report. These classifications are the columns across the top of the expenditure section of the report. The reporting of NACUBO classifications does not apply to *Form A-1-Short*.

Line 16. Travel

- A. Include all travel-related expenditures, as defined by institutional policy. Possible categories of travel-related expenditures include mileage reimbursement, motor pool expenses, airfare, lodging, per diem, meal and incidental expenses reimbursement, on-campus travel, board travel/per diem, and vehicle rentals.

Line 17. Current Expense

- A. Include on Line 17 all expenditures not classified as travel, fuel and power, or equipment.

Line 18. Fuel and Power (Energy Savings)

- A. Include fuel and power expenses to coincide with *Form E-1, Calculation of Requested Fuel and Power Changes*. Generally these expenses include natural gas, heating oil, coal, and electric power. Other acceptable expenditures can include energy loans and efficiency equipment. Exclude sewer and water payments from the fuel and power category.

Line 19. Equipment

- A. List expenditures associated with the purchase of capital equipment. Include non-capital equipment on Line 17.

Line 20. Total Non-Personal Services

- A. Line 20 sums Lines 16 to 19 to show the non-personal services portion of the budget.

Line 21. Total Expenditures

- A. Line 21 combines Lines 15 and 20 to show total institutional expenditures.

Line 22. Transfers to Other Funds

- A. Report transfers of unrestricted appropriated funds to institutional restricted accounts as Transfers to Other Funds or transfers out. Use the Transfers column to report these items. Except on Line 22, entries should not appear in the Transfers column. One exception is for State Board of Regents/Statewide Program line items transferred by the Office of the Commissioner to institutions. For these line items, show transfer amounts by type of expenditure.
- B. Specific detail is not required, but institutions should be prepared to support all transfers reported in this category.
- C. Transfers between line items are prohibited.

Line 23. Total Expenditures and Transfers

- A. Line 23 combines Lines 21 and 22 to show total expenditures and transfers.

Section B: Revenues and Transfers in

STATE TAX FUNDS

Forms A-1-Actual and A-1-Short show all state tax funds appropriated by the legislature for the actual fiscal year. *Form A-1-Budget*, includes one-time legislative appropriations. Show only the ongoing budget. Refer to the Appropriations Summary (Sideways Sheet) to see the difference between ongoing state tax fund appropriations and total state tax fund appropriations.

Line 24. State General Fund

- A. Include amounts appropriated by the legislature from the State General Fund. Remember to include only the ongoing appropriation for *Form A-1-Budget*.

Line 25. Education Fund

- A. Include amounts appropriated by the legislature from Income Tax Revenue. Remember to include only the ongoing appropriation for *Form A-1-Budget*.

Line 26. Total State Tax Funds

- A. Line 26 totals the amount of revenues on Lines 24 to 25.

GENERAL DEDICATED CREDITS

State Board of Regent Policy R521, Dedicated Credits, establishes definitions and guidelines for handling dedicated credits in the budgeting and accounting systems. These instructions refer frequently to this policy.

Line 27. Tuition and Fees

- A. Include amounts that meet the definitions established in SBR R521-3.1.1, R521-3.1.2, and R521-3.1.5.
- B. Treat all tuition waivers (see SBR R510-6), excluding summer non-residents, as a reduction in revenue.
- C. The amount reported on Line 27 should tie to the amount on Form R-1 Tuition and Waivers, Line j.
- D. Include on *Form A-1-Budget* any revisions to work programs approved by the State Board of Regents.

Line 28. Sales and Services of Educational Activities

- A. Include amounts generated from the net proceeds of sales or rentals as outlined in SBR R521-3.1.4.

Line 29. Land Grant

- A. Include funds appropriated to the University of Utah and Utah State University as a result of 19th century federal legislation.

Line 30. Other Sources

- A. Include funds received for contracted student exchange programs, as outlined in SBR R521-3.1.3 or other types of appropriate dedicated credits revenue.

Line 31. Total General Dedicated Credits

- A. Line 31 sums the amounts on Lines 27 to 30.

OTHER REVENUES

Line 32. Federal Appropriations

- A. Include amounts appropriated by Congress to Utah State University and the State Board of Regents that have historically been shown in appropriations of the Utah Legislature. Include the amounts as appropriated by the Utah Legislature.

Line 33. General Fund Restricted

- A. Include the amounts as appropriated by the Utah Legislature. Reference Appropriations and Sideways sheet.

Line 34. Mineral Lease Funds

- A. Include federal mineral lease funds appropriated to the Utah State University Water Research Laboratory.

Line 35. Other

- A. List amounts not previously included in Lines 32-34.

Line 36. Total Other Revenues

- A. Line 36 totals the amount of revenues on Lines 32 to 35.

Line 37. Total Revenues

- A. Line 37 combines the totals on Lines 26, 31, and 36 to show Total Revenues.

FUNDS AVAILABLE

Line 38. Balance Carried Forward

- A. List the Fund Balance (line 42) from the prior year's *Form A-1 Actual* report.

Line 39. Transfers from SBR Line Items

- A. Include only transfers received from the State Board of Regents. Refer to the State Board of Regents Institutional Payments sheet for questions regarding transfer amounts or purposes.
- B. When reporting the use of funds transferred from the State Board of Regents in Section A, Expenditures and Transfers Out, follow board guidelines that classify whether the revenue is restricted or unrestricted.
- C. List the specific transfers and amounts in the space provided for Notes below Section A.

Line 40. Transfers from Other Funds

- A. List all other transfers not included in Line 39.

Line 41. Total Available

- A. Line 41 totals the amounts on Lines 37 to 40 to show available funds for the fiscal year.

Section C: Balance Carried Forward
(For Forms A-1-Actual and A-1-Short Only)

Line 42. Fund Balance

- A. Line 42 subtracts total expenditures and transfers on Line 23 from total available revenue on Line 41 to calculate the fund balance.

Line 43. Less Commitments, Encumbrances, and Other Deductions

- A. Include amounts of commitments, encumbrances, and other deductions not previously included in any other section.

Line 44. Net Carryforward Balance

- A. Line 44 subtracts Line 43 from Line 42 to report the net carryforward balance.

Section D: Fund Balance Categories

Itemize the Net Carryforward Balance listed in Line 44 by the following categories:

- Compensated Absences/Early Retirement Not Expensed in Prior Year Form A-1
- Fuel and Power Reserves
- Departmental Balances
- Central Reserves
- Legislative Priorities (engineering, HETI, etc.)
- Other