

# UNIVERSITY OF WYOMING BUDGET PRIMER

UW Office of Academic Affairs and Budget Office

Last update April 2013

This document provides a brief overview of UW's budgets, originally developed for members of the Board of Trustees. The overview is organized as follows:

## **1. ASSETS:**

Overall asset categories

Section 1: specific funds

Section 2: specific funds

Major maintenance funds

## **2. EXPENDITURES:**

Expenditure categories

Programs supported by expenditures

Hard copies of the complete UW operating budget are available at the Coe Library circulation desk. Three pie charts at the end of this document give analyses of the Section 1 budget by source, objects of expenditure, and programs supported.

## 1. ASSETS

ASSET CATEGORY	DESCRIPTION
SECTION 1	<p>UW's general operating budget, supported by:</p> <ul style="list-style-type: none"> <li>• Legislative appropriations from the state's general fund (often referred to as the "067 agency account" after the section of the biennial appropriation bill in which the budget appears),</li> <li>• Federal formula funds for the College of Agriculture</li> <li>• UW Income Fund (mostly tuition)</li> <li>• Certain other revenues (land income, federal mineral royalties)</li> <li>• Unrestricted income from the UW Foundation</li> </ul> <p>It is common to refer to the Legislature-funded portion of the Section 1 budget as the "block grant", since UW has the authority to move money around within this account without seeking line-by-line approval.</p>
SECTION 2	<p>Anything else, consisting mainly of self-sustaining budgets, including:</p> <ul style="list-style-type: none"> <li>• Sponsored research grants and contracts,</li> <li>• Revenue from auxiliary operations (e.g., residence halls, student union, duplicating, concessions)</li> <li>• Student fees.</li> </ul>
SPECIAL APPROPRIATIONS	<p>Operating budgets for specific activities authorized by the Legislature outside of the Section 1 and Section 2 budgets. Included in this category are the UW-administered portion of the Western Interstate Commission for Higher Education ("069 agency account"), Enhanced Oil Recovery Commission ("070 agency account"), and UW - Medical Education ("167 agency account"). UW may not transfer funds among these accounts or between these accounts and the Section 1 budget. In addition, these accounts have constraints that do not apply to the block grant, such as caps on the number of employees.</p>
CAPITAL CONSTRUCTION	<p>Budgets for direct construction, architectural and engineering fees, equipment and furnishings, contingencies and associated costs. Funds for financing such projects may come from:</p> <ul style="list-style-type: none"> <li>• State general funds</li> <li>• Bonds issued against predictable sources of revenue, such as student use fees and federal mineral royalties.</li> <li>• Gifts and state matching funds</li> <li>• A combination of these sources.</li> </ul>
MAJOR MAINTENANCE	<p>A pool of funds allocated by the Wyoming Legislature each biennium to support the maintenance and repair of major building systems (windows, roofs, HVAC, electrical wiring, data networks etc.). State statutes constrain these funds to be spent to maintain the current uses of facilities. The allocations follow a numerical formula established by the state in 2004 and are subject to the availability of funds. The director of physical plant determines project priority levels based on discussions with vice presidents, deans, and directors and maintains a schedule of projects and their priority levels, costs, and status. Major maintenance funds are not part of UW's Section 1 block grant.</p>

**SECTION 1: SPECIFIC FUNDS, SOURCES OF MONEY, AND CONSTRAINTS ON THEIR USE**

FUND	DESCRIPTION
UW INCOME FUND	Revenue deposited to this fund comes from three sources: (1) tuition and fees (by far the largest source); (2) sale of agricultural products; and (3) income from intercollegiate athletic events. These funds are unrestricted except that athletic income is utilized only for Intercollegiate Athletics.
FEDERAL MINERAL ROYALTIES FUND	The source of income for this fund is mineral royalties from production on federal lands in Wyoming. These restricted revenues are used for the payment of principal and interest on bonded debt, constructing and equipping new buildings, repair of existing buildings and purchase of improved or unimproved real estate. UW currently uses a portion of this fund in the Section I budget for "Maintenance, Operation and Repair of Plant."
SALES AND SERVICES FUND	The primary revenue sources for this fund are indirect costs recovery and interest income from the investment of funds held by the University. Other sources include library fines, parking fines, bad check charges, utility sales to fraternities and sororities, and sale of livestock and agricultural products produced as a result of instructional activities. This fund is unrestricted and may be used for any University purpose.
FEDERAL FUNDS - AGRICULTURAL RESEARCH	These funds are provided by Congressional appropriation under the McIntire-Stennis and Hatch Acts. They are restricted to uses supporting agricultural research.
FEDERAL FUNDS - AGRICULTURAL EXTENSION	These funds are provided by Congressional appropriation under the Smith-Lever Act, and are restricted to be used for agricultural extension programs.
AGRICULTURAL COLLEGE LAND INCOME FUND	This fund was created by the federal Morrill Act which provided for a land grant of 90,000 acres to the Territory of Wyoming. A permanent fund was created in conjunction with the act to receive all proceeds from the sale of such lands. The fund derives its income from interest on the permanent fund and from rental of lands. These revenues are restricted to use for teaching of agricultural and mechanical arts, including military tactics.
UNIVERSITY LAND INCOME FUND	The fund was created by Federal Land Grant of 72 sections, and proceeds from the sale of such lands are placed in a permanent fund. The fund derives its revenue from interest on the permanent fund and from rental of lands. These funds are unrestricted and may be used for any University purpose.

**SECTION 2: SPECIFIC FUNDS, SOURCES OF MONEY, AND CONSTRAINTS ON THEIR USE**

FUND	DESCRIPTION
AUXILIARY ENTERPRISES	Income from self-sustaining enterprises, such as the auto repair shop, motor pool, university golf course, TransPark, residence halls, dining services and other enterprises. These units derive their operating budgets from fees for services.
GIFTS AND CONTRIBUTIONS	Non-federal support from corporations, foundations, and private contributors, in cases where there is no specific work for hire.
SPONSORED RESEARCH	Revenue primarily from Federal agencies but also state, corporate, contracts and grants, as well as foundation funding supporting sponsored research and specific educational and service programs. Sponsored research generally involves work for hire with specified time lines and deliverables.
ASUW	Revenue generated by student organizations (ASUW) and income received as gifts to support the student loan program.
DEBT SERVICE	Revenues, including federal mineral royalties, that are earmarked for interest and principal payments of the University's outstanding bonded indebtedness, and for other debt service charges such as sinking fund payments.
INTERCOLLEGIATE ATHLETICS	Revenues generated through gifts, grants and contracts, and auxiliary services used to support Athletic activities, as well as revenue from sport events.

## 2. SUMMARY OF EXPENDITURES

The National Association of College and University Business Officers classifies expenditures in two ways: (1) *objects of expenditure* (that is, the types of goods or services purchased) and (2) *programs* (that is, the parts of the institution's mission supported by the expenditures).

### OBJECTS OF EXPENDITURE DEFINED BY NACUBO

OBJECT	DESCRIPTION
PERSONAL SERVICES	All salary and wage compensation for university employees and students and employee benefit programs in which the university participates.
SUPPORT SERVICES	Expenses for services required by the university in the discharge of its functions or to fulfill legal obligations of the university. Types of expenditures include, but are not limited to, commodities purchased for consumption, such as office supplies, printing, stationery, and small tools, continuing costs for rental of real estate or equipment, irrigation assessments, insurance premiums, and maintenance service contracts rendered on a predictable basis.
TRAVEL	Travel expenses for university employees, students, guests or the Board of Trustees to attend business-related meetings, conferences, etc.
EQUIPMENT	Expenditures for non-consumable items acquired with a net cost of at least \$500 and a useful life of 2 years or more.
GRANTS AND AID PAYMENTS	Payments to local governments, private organizations, and individuals of grants and benefits of University aid distribution and distribution of federal aid and grant monies earmarked for specific purposes and programs, to be expended by university employees, students, or individuals.
NON-OPERATING EXPENDITURES	Fiscal transactions and expenditures, the costs of which are not ultimately borne by or chargeable to the university spending or distributing department or fund as a cost of administration of programs and purposes.
CONTRACTUAL SERVICES	Expenditures for services rendered to the university, and materials used therewith, under expressed contracts, usually special in nature and performed on a project or case basis.

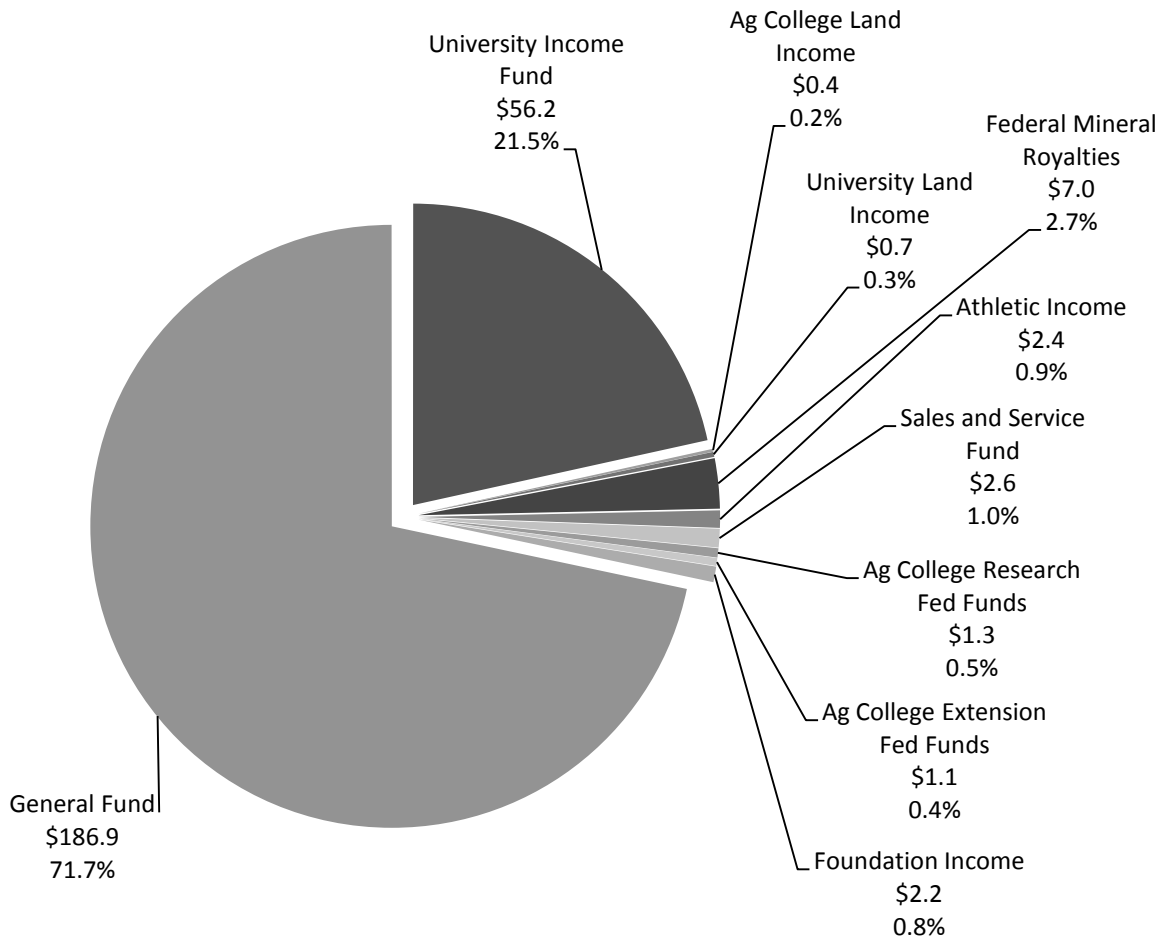
## NACUBO-DEFINED PROGRAMS SUPPORTED BY EXPENDITURES

Expenditures to support the programs listed below may be made in any of the NACUBO-defined objects of expenditure listed above.

PROGRAM	DESCRIPTION
INSTRUCTION	Expenditures for all activities directly related to instruction. Expenditures for credit and noncredit courses, for academic, vocational, and technical instruction, for remedial and tutorial instruction, and for regular, special and extension sessions are included in this program.
RESEARCH	This program includes all expenditures for activities specifically organized to produce research outcomes, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution. Subject to these conditions, it includes expenditures for individual and/or project research as well as those of institutes and research centers.
PUBLIC SERVICE	Funds are expended for activities established primarily to provide non-instructional services beneficial to individuals and groups external to the institution. These activities include community service programs (excluding instructional activities) and cooperative extension services. Included in this program are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar non-instructional services to particular sectors of the community.
ACADEMIC SUPPORT	Funds are expended primarily to provide support services for the institution's primary missions: instruction, research, and public service. It includes (1) operations for the retention, preservation, and display of educational materials, for example, libraries, museums, and galleries; (2) the provision of services that directly assist the academic functions of the institution; (3) audiovisual services and technology services, such as computing support; (4) academic administration (including academic deans but not department chairs) and personnel development to provide administration support and management direction to the three primary missions; and (5) separately budgeted support for course and curriculum development.
STUDENT SERVICES	Funds expended for the offices of admissions and the registrar and those activities whose primary purpose is to contribute to the student's emotional and physical well-being and to his or her intellectual, cultural, and social development outside the context of the formal instruction program. It includes expenditures for student activities, cultural events, the student newspaper, intramural athletics, student organizations, intercollegiate athletics (if the program is operated as an integral part of the department of physical education and not as an essentially self-supporting activity), counseling and career guidance (excluding informal academic counseling by the faculty), student aid administration, and student health service (if not operated as an essentially self-supporting activity).

<p>INSTITUTIONAL SUPPORT</p>	<p>Expenditures for: (1) central executive-level activities concerned with management and long-range planning of the entire institution, such as the governing board, planning and programming, and legal services; (2) fiscal operations, including the investment office; (3) administrative data processing; (4) space management; (5) employee personnel and records; (6) logistical activities that provide procurement, storerooms, safety, security, printing, and land transportation services to the institution; (7) support services to faculty and staff that are not operated as auxiliary enterprises; and (8) activities concerned with community and alumni relations, including development and fund raising.</p>
<p>OPERATION AND MAINTENANCE OF PLANT</p>	<p>Expenditures for the operation and maintenance of the physical plant. This program includes all expenditures from operations established to provide services and maintenance related to grounds and facilities. Also included are utilities, fire protection, property insurance, and similar items. It does not include expenditures made from the institutional plant fund accounts.</p>
<p>SCHOLARSHIPS AND FELLOWSHIPS</p>	<p>Expenditures for scholarships and fellowships in the form of grants to students, resulting either from selection by the institution or from an entitlement program. It also includes trainee stipends, prizes, and awards, except trainee stipends awarded to individuals who are not enrolled in formal course work, which are charged to instruction, research, or public service as appropriate.</p>
<p>INTER- COLLEGIATE ATHLETICS</p>	<p>Intercollegiate athletic accounts whose funding is supported by the University of Wyoming, including athletic scholarships but not including club sports, which fall under the student services program.</p>

**UNIVERSITY OF WYOMING -- \*Department 067  
 FY 2013 BUDGET, SECTION I FUNDING BY SOURCE  
 (\$s in Millions)**



**Total Section I Department 067 Funding:  
 \$260,818,497**

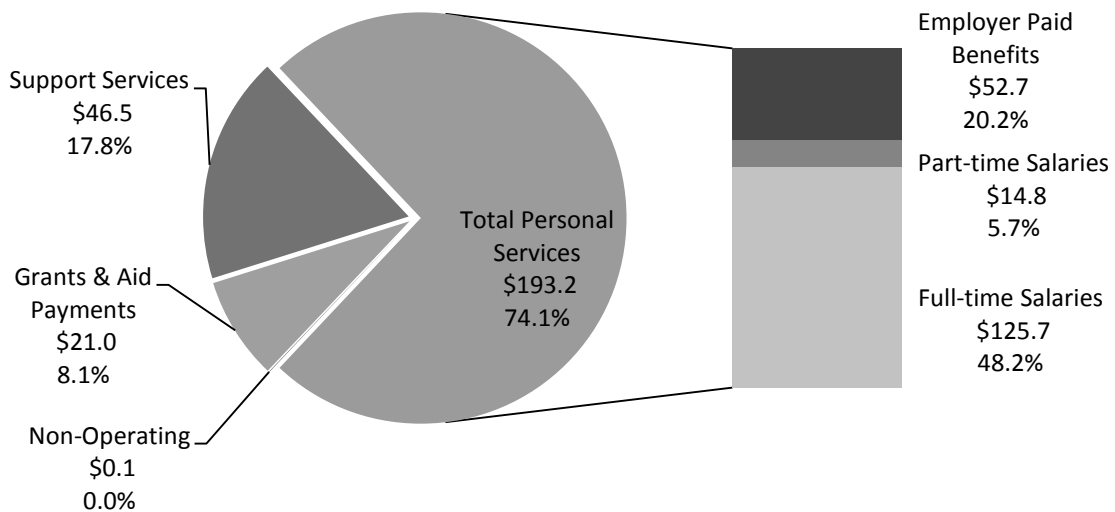
**\* 067 -- University of Wyoming  
 (Not including SER or NCAR)**



**MAJOR MAINTENANCE FUNDING: HISTORY OF THE PROGRAM**

FISCAL YEARS	APPROPRIATION	REMARK
2004	\$ 2,889,128	First year of the program
2005-2006	\$ 12,585,599	
2005-2006	\$ 2,074,250	Special appropriation for fire suppression in residential facilities
2007-2008	\$ 27,255,144	
2009-2010	\$ 19,709,452	
2011-2012	\$ 0	UW received \$27 million in federal "stimulus" funds instead
2013-2014	\$ 19,033,964	
TOTAL TO DATE	\$ 83,547,537	

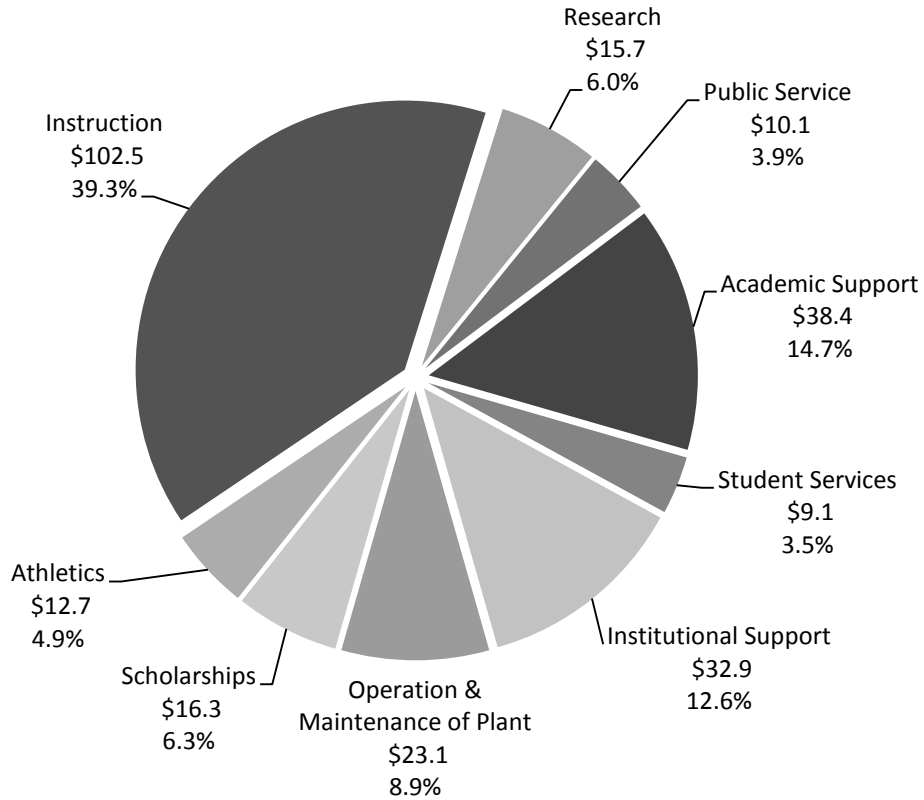
**UNIVERSITY OF WYOMING -- \*Department 067  
FY 2013 BUDGET, SECTION I OBJECT OF  
EXPENDITURE DISTRIBUTION  
(\$s in Millions)**



**Total Section I Department 067 Funding:  
\$260,818,497**

**\* 067 -- University of Wyoming  
(Not including SER or NCAR)**

**UNIVERSITY OF WYOMING -- \*Department 067  
 FY 2013 BUDGET, SECTION I FUNDING BY  
 PROGRAM  
 (\$s in Millions)**



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