

**APPENDIX A:
REPORTING THE BUDGET OF AN I/C**

I. Actual and Estimated Expenditures

a. Budget Categories to Include:

(1) *Educational and General* (SUS Appropriated Funds) – This category contains resources that provide educational opportunities to the citizens of Florida through instructional programs leading to formal degrees at the baccalaureate, masters, and doctoral levels; research directed toward solving technical, social, and economic problems facing the state and nation; and public service programs which apply the expertise of university personnel in solving public problems. This fund source includes all state appropriated funds which would include general revenue, lottery, student tuition funds, and all trust funds. State appropriated funds should not be converted to Contracts and Grants for distribution and should only be reported under SUS appropriated funds.

(2) *Contracts and Grants* – This category contains activities in support of research, public service, and training. These are funds which come from grants or awards from federal, state, local or private entities.

When a contract and/or grant has been awarded for a specific purpose, related expenditures should be reported under contracts and grants, regardless of the source. Indirect expenditures should also be reported with the total expenditures under contracts and grants. If indirect costs from a contract or grant are assigned to more than one center, a prorated amount should be reported in each applicable center's budget accordingly.

(3) *Fees for Services* – This category contains funds which are collected in return for services provided by the I/C. Expenditure of funds from fees paid by a state agency to pay for a service or product from the I/C should be reported here. In cases in which an I/C deposits fees into the university foundation account or another account, expenditures of these funds should also be reported here. These fees could include but are not limited to money collected from conferences, seminars, or lectures; license fees; royalty income and proceeds from the sale of publications.

(4) *Private & Other* – This category contains funds which are contributed by private sources (gifts or donations) and/or funds obtained by any other source that is not listed above. These types of funds may typically flow through foundation accounts but should still be reported under "private & other."

b. Expenditures to be Reported:

The total I/C actual and projected expenditures from each or any of the above listed fund sources should be included. Only expenditures from funds which come directly from the I/C's budget should be counted. Expenditures from any one fund source should not be double counted (reported under two fund sources). If an institute is made up of several subunits, be sure to include expenditures for all subunits.

The total expenditures being reported for the I/C could include (but not be limited to) expenses from expense categories such as the following:

- (1) *Salaries and Benefits for Faculty, A&P, and USPS positions* – This is the base salary rate plus employee benefits such as health insurance, life insurance, and retirement benefits.

The salary and employee benefits for positions that are either entirely or partially paid for by I/C funds should be included. The expenditure data for salaries and benefits for faculty, A&P, and USPS positions should be reported in terms of full-time equivalent (FTE) in person years times the position salary plus employee benefits. The FTE for each position will determine the portion of the position's salary and benefits to be reported in the expenses section. (A detailed explanation of how to calculate FTE is presented in the Position Information for the Institute/Center section below.) If a position is paid from two different fund sources within an I/C's budget, the expenditures should be split and reported accordingly under the appropriate fund sources for each portion of the FTE.

The six examples below demonstrate how to determine the portion of a position's salary and benefits to report:

Example 1: An A&P or USPS (12-month) position assigned for 12 months to the I/C (or 1.0 FTE) during which time the individual's salary and benefits are paid from the I/C's budget, the entire position's salary plus employee benefits should be reported under the appropriate fund source column.

Example 2: An A&P or USPS (12-month) position assigned for 3 months to the I/C (or .25 FTE) during which time the individual's salary and benefits are paid from the I/C's budget, one-quarter of the position's salary plus employee benefits should be reported under the appropriate fund source column.

Example 3: For a 9-month faculty position which is assigned 4 ½ months to the I/C (or .5 FTE) during which time the individual's salary and benefits are paid from the I/C's budget, one-half of the position's salary plus employee benefits should be reported under the appropriate fund source column.

Example 4: For a 12-month faculty position which is assigned 9 months to the I/C (or .75 FTE) during which time the individual's salary and benefits are paid from the I/C's budget, three-quarters of the position's salary plus employee benefits should be reported under the appropriate fund source column.

Example 5: If an A&P or USPS (12-month) position which is assigned for 12 months to the I/C, or 100 percent of the total position's time is assigned to the I/C during which time the individual's salary and benefits are paid from the I/C's budget, but the position was vacant for three of the 12 months, three-quarters of the position's total salary plus employee benefits should be reported under the appropriate fund source column (which represents only the salary and benefits the I/C actually paid).

Example 6: If a Faculty, A&P, or USPS (12-month) position is assigned for 12 months to the I/C and fifty percent of the individual's salary and benefits is being paid from Educational and General (state appropriated) funds and fifty percent is being paid from Contracts and Grants, the appropriate portion of the salaries and benefits should be reported under each fund source column accordingly.

b. Expenditures to be Reported: (cont'd)

(2) *Other Personal Services (OPS)* – This is compensation for services rendered by a person who is not a regular or full-time employee filling an established position. This includes, but is not limited to, services or temporary employees, student or graduate assistants, persons on fellowships, part-time academic employees, board members, and consultants.

Compensation for those persons filling OPS positions that is directly paid by the I/C should be reported. Compensation for persons working at the I/C that is paid out of department or other non-I/C funds should not be included in this report. For student fellowships, include only the portion of the fellowship that relates specifically to the work at the I/C. For Board members, include compensation for all I/C related expenses in addition to reimbursements for travel-related expenses.

(3) *Expenses* – This covers expenditures for items such as contractual services, commodities, and supplies of a consumable nature, current obligations, and fixed charges.

Some examples of expense items include office supplies; computer software; I/C travel-related expenses for faculty, staff, and students; and expenditures related to facility rentals/leases if paid for by the I/C which could include utilities, maintenance, and other overhead expenses.

(4) *Operating Capital Outlay* – This is the total cost at time of purchase for items such as equipment, fixtures, and other tangible personal property of a non-consumable and nonexpendable nature, the value or cost of which is \$1,000 or more. Construction costs should not be included in this report.

c. Expenditures That Should Not Be Reported:

The expenditures described below should not be reported in the Annual Report for Institutes/Centers.

(1) Do not report the salaries and benefits for faculty or A&P/USPS positions that work on I/C projects but are not paid for with any I/C funds (e.g. paid for with department funds or a non-I/C grant).

(2) Do not report capital expenditures related to new facility construction.

(3) Do not report equipment purchased with funds from a grant awarded to an entity other than the I/C but used to support research conducted by the I/C.

d. Frequently Asked Questions on I/C Expenditure Reporting:

(1) *Should cash or accrual accounting be used (cash accounting may be easier)?* Cash accounting should be used.

(2) *When should you count university faculty and staff costs associated with the center?* Only when these costs are funded from the I/C's budget. Faculty and staff on loan to the I/C but paid by another entity should not be included.

(3) *What costs should be reported in terms of salaries and benefit?* All costs associated with salaries and benefits should be reported if they are included in the I/C's budget.

(4) *Where should expenditures be counted when moving funds from one fund source to another?* This type of fund transfer should not be done. For instance, fees collected for a service provided by the I/C should not be transferred to E&G or C&G.

(5) *How should OPS expenditures be reported?* OPS expenditures should be included in the total expenditures section under the appropriate fund source.

II. Actual and Estimated Position Data**a. Positions to Include:**

In this section enter the number of Faculty Positions and the number of Administrative and Professional (A&P) and University Support Personnel System (USPS) Positions supported by each fund source. Only those positions which are funded from the I/C's budget should be reported. Vacant positions that are assigned to the I/C should also be reported, even if there are no expenditures being reported.

b. Calculating the FTE to Report for Each Position:

The position data is reported in terms of full-time equivalent (FTE) in person years. A person year is a budgeting term calculated and based on a position budgeted in twelve months of activity and full-time portion of effort which is the equivalent to 1.0 FTE. Therefore, for A&P and USPS positions, an FTE in person years is 12 months. For faculty positions, however, an FTE in person years can be 9 to 12 months depending on the position. A fraction of a position should be reported if only a part of that position's salary is paid out of the I/C's budget or if the position is assigned to the I/C less than full time. (If reporting a fraction of a position, round the number to no more than two decimals.)

In cases where it is difficult to determine the exact percentage of a position that is assigned to an I/C or paid from an I/C's budget, a best estimate on the fraction of FTE may have to be supplied.

The examples below demonstrate how to determine the FTE to report for various positions:

Example 1: If reporting an A&P or USPS (12-month) position which is assigned for 12 months to the I/C, or 100 percent of the total position's time is assigned to the I/C and paid from the I/C's budget, then it would be reported as 1.0 FTE under the appropriate fund source column.

Example 2: If reporting an A&P or USPS (12-month) position which is assigned for 3 months to the I/C, or 25 percent of the total position's time is assigned to the I/C and paid from the I/C's budget, then it would be reported as .25 FTE under the appropriate fund source column.

Example 3: If reporting a 9-month faculty position which is assigned half-time (or an equivalent to 4 ½ months) to the I/C and paid from the I/C's budget, then it would be reported as .50 FTE under the appropriate fund source column.

Example 4: For a 12-month faculty position which is assigned 9 months to the I/C, or 75 percent of the total position's time is assigned to the I/C and paid from the I/C's budget, then it would be reported as .75 FTE under the appropriate fund source column.

Example 5: If an A&P or USPS (12-month) position, which is assigned for 12 months to the I/C, and 100 percent of the total position's time is assigned to the I/C and paid from the I/C's budget, but the position was vacant for three of the 12 months, it should still be reported as 1.0 FTE under the appropriate fund source column.

Example 6: If any position which is paid from the I/C's budget is paid from two different fund sources within the I/C's budget, the FTE should be split and reported accordingly under the appropriate fund sources for each portion of the FTE. For instance, a Faculty, A&P or USPS (12-month) position which is assigned for 12 months to the I/C and 50 percent is paid from educational and general funds in the I/C's budget and 50 percent is paid from contract and grant funds in the I/C's budget, it should be reported as .50 FTE under educational and general and .50 FTE under contracts and grants.

c. Positions that should not be reported:

The FTE for positions such as described below should not be reported in the Annual Report for I/Cs.

- (1) Do not report the FTE for OPS positions as defined above.
- (2) Do not report the FTE for faculty and staff who are on loan to an I/C and not paid from the I/C's budget.
- (3) Do not report the FTE for faculty or A&P/USPS positions that work on I/C projects but are not paid for with any I/C funds (e.g. paid for with department funds or a non-I/C grant).
- (4) Do not report the FTE for faculty or A&P/USPS positions that are assigned to the I/C but are paid out of department funds and not I/C funds.