

## PROGRAM CODES

**GUIDANCE FOR INFORMED USAGE** 



#### LEARNING OBJECTIVES

- Know the purpose of program codes
- Understand the functional classification of expenses
- Use the program code guide to inform program code

use decisions

#### WHAT ARE PROGRAM CODES USED FOR?

- For reporting functional classification of expenses, which are used in:
  - Financial Statement disclosures
  - University Rankings (US News)
  - Reporting to Board of Governors
  - Facilities and Administrative Rate Proposal

### FUNCTIONAL VS. NATURAL CLASSIFICATION

Natural Classification		2016-17		2015-16
Employee Compensation and Benefits	\$	2,022.3	s	1,882.7
Services and Supplies		552.2		546.0
Depreciation		137.5		132.5
Scholarships, Fellowships and Waivers *		106.9		100.2
Utilities and Communications	_	71.9	_	70.6
Total Operating Expenses	\$	2,890.8	\$	2,732.0
Functional Classification		2016-17		2015-16
Instruction	\$	715.5	\$	674.9
Public Service		647.9		583.5
Public Service		047.9		
Research		635.2		619.9
				020.0
Research		635.2		187.6
Research Academic Support		635.2 204.6		187.6 161.8
Research Academic Support Institutional Support		635.2 204.6 152.9		187.6 161.8 132.5
Research Academic Support Institutional Support Depreciation		635.2 204.6 152.9 137.5		187.6 161.8 132.5 112.0
Research Academic Support Institutional Support Depreciation Auxiliary Enterprises		635.2 204.6 152.9 137.5 126.6		187.6 161.8 132.5 112.0 120.6
Research Academic Support Institutional Support Depreciation Auxiliary Enterprises Operation and Maintenance of Plant	_	635.2 204.6 152.9 137.5 126.6 121.6	_	619.9 187.6 161.8 132.5 112.0 120.6 100.2 39.0

#### FUNCTIONAL VS. NATURAL CLASSIFICATION

- Natural Classification Assigned based on GL account and fund
  - What was purchased with this expense?

- Functional Classification Assigned based on program code
  - What activity did this expense support?

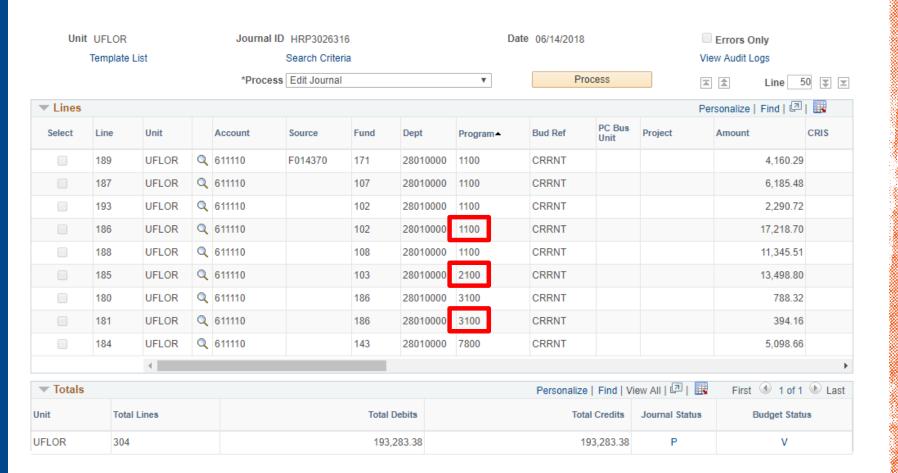
#### PROGRAM CODE GUIDE

- Explanation around program codes and purpose
- Definition of functional classification of expenses
- Description of functional categories
- Suggestions for frequently used program codes
- Mapping of program codes into functional categories

#### **FUNCTIONAL CLASSIFICATIONS**

- Operation and Maintenance of Plant
- Instruction
- Research
- Public Service
- Academic Support
- Student Services
- Auxiliary Enterprises
- Institutional Support
- Scholarships, Fellowships, and Waivers, Net

#### **EXAMPLE**



# EXAMPLE (CONT'D)

latural Classification		2016-17		2015-16		
Employee Compensation and Benefits	\$	2,022.3	\$	1,882.7		
Services and Supplies		552.2		546.0		
epreciation		137.5		132.5		
Scholarships, Fellowships and Waivers *		106.9		100.2		
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Public Service		647.9		583.5		
Research		635.2		619.9		
Academic Support		204.6		187.6	1	
Institutional Support		152.9		161.8		
Depreciation		137.5		132.5		
Auxiliary Enterprises		126.6		112.0		
Operation and Maintenance of Plant		121.6		120.6		
Scholarships, Fellowships and Waivers *		106.9		100.2		
Student Services	_	42.1	_	39.0		
otal Operating Expenses	\$	2,890.8	\$	2,732.0		

#### OTHER EXAMPLES

- Charges for power/water/gas from Facilities Services are coded to the 0200 - Utilities program code.
- Faculty salaries for teaching activities are coded to the 1100 General Academic Instruction program code.
- Expenses from individual project research like grants from the National Institute of Health are coded to 2200 – Individual or Project Research.
- Expenses for core administrative and accounting support of the entire University are coded to 6100 – General Administration

#### PROGRAM CODES MINIMIZATION

- General Accounting is making an effort to simplify Program Codes for campus. We are reviewing program codes with little activity or seem redundant for inactivation as well as reviewing definitions for relevancy and clarity for the campus community. Minimalizing the long list of program codes will hopefully decrease the amount of confusion among them.
- Our goal is to maintain the integrity of the ten functional classifications.

#### PROGRAM CODE IN MYUFL

Required value only for revenues and expenses

Restrictions by fund: <u>Program Codes Used by Fund</u>



QUESTIONS?

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