

FAQs for Revenue Budgets That Can Receive Operating Revenue (Reimbursable Budgets)*

No.	Type of Budget	Agency Account Budget	Auxiliary Enterprise Budget	Departmental Revenue Budget	Program Income Budget	Recharge and Cost Center Budget
1	Web site?	www.washington.edu/admin/finacct/agency.account.html	(In development)	(In development)	http://www.washington.edu/research/gca/uwin/policies.html	http://www.washington.edu/research/maa/recharge/index.html
2	What is the purpose of this budget?	<p>To record reimbursement:</p> <ul style="list-style-type: none"> • For charges incurred by non-UW organizations that are affiliated with the University • For University personnel, supplies and/or services 	<p>To record revenue and related expenses:</p> <ul style="list-style-type: none"> • For self-sustaining business or administrative units that support the UW's mission but provide non-academic services • Primarily from students, UW employees, and the public <p><u>Note:</u> Auxiliary Enterprise budgets are self-supporting for business activities on campus.</p>	<p>To record revenue and related expenses:</p> <ul style="list-style-type: none"> • For academic departments that produce goods and services • Primarily from students, UW employees, and the public <p><u>Note:</u> These revenues contribute program support to the educational mission, but they are not necessarily self-supporting activities. If the activity produces a profit, this money can be used to support other educational activities in the department.</p>	<p>To record revenue and related expenses:</p> <ul style="list-style-type: none"> • That is directly generated by an activity funded by a grant or contract <p><u>Note:</u> Each program income budget is associated with one parent grant or contract budget.</p>	<p>To record revenue and related expenses:</p> <ul style="list-style-type: none"> • Related to research or administrative support activity • Primarily from "internal revenue" for goods & services <p><u>Note:</u> "Internal revenue" means revenue from recharges to UW budgets. Recharge and Cost Center budgets would expect steady, on-going revenue.</p>
3	What is an example of this budget?	1) Governmental agencies (such as Harborview Medical Center) that have advance agreements to use the UW's central support systems (e.g., purchasing, payroll); 2) organizations that publish professional journals; and, 3) groups that organize UW-hosted conferences. As a convenience, key deposit accounts are set up as agency accounts.	Intercollegiate Athletics, University Press, Parking & Housing and Food Services.	Continuing education, conferences, course fees, revenue from scholarly publications & lab fees.	1) Income from books, video, publications, registrations fees, consulting or sale of educational materials; 2) fees earned from services performed under the project; and, 3) funds generated from sales of commodities such as tissue cultures, cell lines or research animals.	Campus units that charge for providing goods or services primarily to other campus units. Campus examples - Publication Services, Motor Pool, Biochemistry Store & Comparative Medicine (animal care).
4	How do I determine what to charge—can I make a profit in this budget?	It depends on the agreement with each outside organization. Agencies generally reimburse at cost; some pay for indirect cost, as well.	Generally, a reasonable profit margin would be allowed for sales to <u>non-UW entities</u> . See: http://www.washington.edu/admin/rules/APS/59.05.html for discussion about pricing.	Generally, a reasonable profit margin would be allowed for sales to <u>non-UW entities</u> . See: http://www.washington.edu/admin/rules/APS/59.05.html for discussion about pricing.	You can only recover costs that go into producing the product or service.	Generally, you can only recover costs; recharge centers are "break even" budgets, since we are not allowed to charge grants and other UW budgets more than actual costs. However, for sales to non-UW entities, a reasonable profit margin would be allowed.

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5	<i>What UW office is authorized to establish this budget in FIN?</i>	Financial Accounting	Budget Office	Budget Office	GCS initiates the process to set up the account and GCA does the on-going accounting.	MAA approves the request and the Budget Office sets up the budget.
6	<i>Whom do I contact for more information about this budget?</i>	<p style="text-align: center;">Financial Accounting http://www.washington.edu/admin/inacct/office/</p> <p style="text-align: center;">E-mail address: accountg@u.washington.edu Phone: (206) 221-7845</p>	<p style="text-align: center;">Budget Office http://www.washington.edu/admin/pb/home/opb-bo.htm</p> <p style="text-align: center;">E-mail address: bgtnum@u.washington.edu Phone: (206) 543-6277</p>	<p style="text-align: center;">Budget Office http://www.washington.edu/admin/pb/home/opb-bo.htm</p> <p style="text-align: center;">E-mail address: bgtnum@u.washington.edu Phone: (206) 543-6277</p>	<p style="text-align: center;">GCA http://www.washington.edu/research/gca/uwin/policies.html</p> <p style="text-align: center;">E-mail address: gcaques@u.washington.edu Phone: (206) 543-8454</p> <p style="text-align: center;">OR</p> <p style="text-align: center;">GCS http://www.washington.edu/research/gcs/</p> <p style="text-align: center;">E-mail address: gcsvcs@u.washington.edu</p>	<p style="text-align: center;">MAA http://www.washington.edu/research/maa/recharge/index.html</p> <p style="text-align: center;">E-mail address: recharge@u.washington.edu Phone: (206) 543-1266</p>
7	<i>What is the process for requesting a budget?</i>	To get the form to set up an agency account, see http://www.washington.edu/admin/inacct/forms/agency_approval.doc	Send an e-mail request via a school, college or vice president to bgtnum@u.washington.edu	Send an e-mail request via a school, college or vice president to bgtnum@u.washington.edu	GCS will issue a Notice to Establish Account (NEA) which will be forwarded to GCA for set up in FAS.	Contact MAA and your dean's office to prepare a rate proposal.
8	<i>What should be the primary source of revenue going into this budget (internal, external, or both)?</i>	<i>Not applicable – the revenue generated by an affiliated organization is not normally recorded in its UW agency account.</i>	Primarily external – can be both.	Primarily external – can be both.	Primarily external – can be both.	Primarily internal – can be both.
9	<i>How do I define this budget on the FIN 04 action screen?</i>	Budge type 53 or Fund 840.	Budget type 11 and program type not 20 through 23.	Budget type 10.	Budgets begin with 65-XXXX and carry budget type/class 05/51.	Budget type 11 and program type 20 or 21 (recharge center) or 22 or 23 (cost center).

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10	Should this budget charge institutional overhead to its <i>external</i> customers?	No	Yes, with some exceptions. See the APS (Administrative Policy Statement) for the institutional policy. http://www.washington.edu/admin/rules/APS/33.02.html	Yes, with some exceptions. See the APS (Administrative Policy Statement) for the institutional policy. http://www.washington.edu/admin/rules/APS/33.02.html	No	Yes, external revenue is subject to institutional overhead.
11	Will this budget be charged F&A (indirect cost)?	Certain budgets are subject to F&A. See the Financial Accounting web site.	No	No	Yes, normally, these budgets carry an 8% TDC (total direct cost) rate.	No
12	Should revenues generated by this activity cover incurred expenses (be self-sustaining)?	Yes	Yes	Yes Note: Departments can subsidize the cost of services provided by these budgets or the revenue from these budgets can partially subsidize other educational activities.	Yes	Yes, although the budget can receive support from other sources to cover any deficits.
13	Can revenue that isn't from sales be transferred to this budget?	No	Yes, from other self-sustaining budgets.	Yes, from other self-sustaining budgets.	No, the only revenue that should be added to this budget is that earned as a result of the award.	Yes, when subsidizing recharge center operations from other self-sustaining budgets. However, it is not appropriate to move deficits into these budgets.
14	If yes, what is the process to move revenue?	Not applicable	Journal Voucher (JV)	Journal Voucher (JV)	Not applicable	Journal Voucher (JV) for non-sales transactions (such as moving a surcharge to equipment reserve). See MAA web site for JVs that require MAA approval.
15	Can revenue be moved out of the budget?	Yes	Yes, to other self-sustaining budgets.	Yes, to other self-sustaining budgets.	Yes, but only upon closing the budget.	Generally, no. However, see MAA web site for exceptions.
16	If yes, what is the process?	Journal Voucher (JV)	Journal Voucher (JV)	Journal Voucher (JV)	Journal Voucher (JV)	Journal Voucher (JV) See MAA web site for JVs that require MAA approval.
17	Can <i>external</i> users be charged?	Yes	Yes	Yes	Yes	Yes

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18	<i>Can external users be charged more than cost (to make a profit)?</i>	No, charges should cover costs only.	Yes	Yes	No, charges should cover costs only.	Yes
19	<i>How do I record revenue from billing external customers?</i>	Cash Transmittal (for checks, cash or credit cards) OR JV (for electronic payments). Use revenue code 9715-XX.	Cash Transmittal (for checks, cash or credit cards) OR JV (for electronic payments).	Cash Transmittal (for checks, cash or credit cards) OR JV (for electronic payments).	Billings are handled through the Invoice Receivables Office in Student Fiscal Services.	Payment by external customers should be directed through Invoice Receivables in Student Fiscal Services.
20	<i>Can internal users be charged?</i>	<i>This is not typically done in an agency account.</i>	Yes	Yes	Yes	Yes
21	<i>Can internal users be charged more than cost (to make a profit)?</i>	No	No	No	No	No
22	<i>How do I bill internal customers?</i>	<i>Not applicable</i>	Internal Sales Document (ISD)	Cost Transfer Invoice (CTI). However, if the department doesn't have CTI authority, Journal Vouchers can be used for occasional transactions.	Cost Transfer Invoice (CTI)	Internal Sales Document (ISD)
23	<i>Are there restrictions on what costs can be charged to this budget?</i>	Yes, only costs that the affiliated organization has agreed to reimburse.	Yes, only costs that can be charged to a state budget (including tuition) can be charged to this budget.	Yes, only costs that can be charged to a state budget (including tuition) can be charged to this budget.	Yes, only if allowable by the purpose of the grant.	Yes, equipment (06) over \$5,000 per item can't be charged. Only costs for the purposes of running the center can be charged. See MAA policy on equipment at http://www.washington.edu/research/maa/recharge/equipment.html
24	<i>Can expenditures be transferred to this budget?</i>	Yes, if they relate to the agency account activities.	Yes	Yes	Yes, but only if allowable by the purpose of the grant.	Yes, if they relate to running the center.

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25	<i>What is the process for closing a budget?</i>	Contact Financial Accounting, accountg@u.washington.edu	Send an e-mail request via a school, college or vice president to bgtnum@u.washington.edu	Send an e-mail request via a school, college or vice president to bgtnum@u.washington.edu	Program income budgets are reported and closed at the same time as their parent budget. If the parent carries a GCF 25 or 28, contact GCA at ftrt@u.washington.edu . If the parent carries GCG 29, contact GCA at argca@u.washington.edu	Contact MAA and your dean's office when you no longer intend to operate a recharge or cost center. To close the budget, send an e-mail request via a school, college or vice president to bgtnum@u.washington.edu
26	<i>What can be done with money remaining in the budget after the proposed activity has been completed?</i>	In general, there should be no revenue remaining in the budget after it's closed.	Remaining balance can be transferred to other self-sustaining budgets.	Remaining balance can be transferred to other self-sustaining budgets.	There are 3 options: 1) return the balance to the sponsor; 2) request that GCS extend the budget for a period not to exceed one year; or 3) transfer the balance to a departmental revenue-related budget	Contact MAA when the center is no longer in operation.
27	<i>What are the department responsibilities unique to this budget?</i>	<ul style="list-style-type: none"> • Reconcile activity monthly with the BAR <ul style="list-style-type: none"> • Avoid deficits • Assure that all costs charged are paid by the agent for whom the account was created 	Avoid deficits	Avoid deficits	<ul style="list-style-type: none"> • PIs should obtain appropriate approval to establish a program income budget from GCS • Charge the budget with costs related to the generation of the program income <p>Dispose of remaining funds if there is an unexpended balance after the parent project period has expired</p>	<ul style="list-style-type: none"> • Prepare annual rate proposal, quarterly financial reports, and quarterly JVs (if depreciating equipment) <ul style="list-style-type: none"> • Bill users regularly
28	<i>What are the Central Admin. responsibilities for this budget?</i>	<p>Financial Accounting will:</p> <ul style="list-style-type: none"> • Consult with departments about accounting for these budgets <ul style="list-style-type: none"> • Notify departments when charges are not reimbursed • Charge the requestor's budget with any deficit 	Budget Office will monitor the fund balance.	Budget Office will monitor the fund balance.	<p>GCA will:</p> <ul style="list-style-type: none"> • Establish a program income budget in FIN • Report program income to sponsor • Upon expiration, transfer over expenditures from parent to sub-account 	<p>MAA will:</p> <ul style="list-style-type: none"> • Provide guidance on policy <ul style="list-style-type: none"> • Set up new center • Review and approve recharge center proposals <ul style="list-style-type: none"> • Review quarterly JVs • Follow up on excessive surpluses

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