

# Higher Education

## Fiscal Guidelines

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## **A. INTRODUCTION**

### **A.1. Financial Reporting**

Higher Education Institutions are required to comply with several reporting requirements mandated by state statute, GASB and other reporting authorities (e.g. DHE, OSPB, JBC). In addition, the National Association of College and Business Officers (NACUBO) provides industry reporting guidance unique to the Higher Education community. This discussion is intended to ensure consistent reporting in the Colorado State Financial Reporting System (COFRS) and to provide guidance regarding reporting practices within the institutions. Specifically, this guide addresses Fund Accounting, TABOR and Budgetary Reporting.

### **A.2. Legislation**

#### Tax Payer's Bill of Rights (TABOR)

Article X, Section 20, the Taxpayer's Bill of Rights (TABOR), was added to the Colorado Constitution as a result of the passage of Amendment 1 in the November, 1992 general election. One of the things TABOR does is limit increases in the state's revenue to the annual inflation rate plus the percentage change in state population, exempting certain revenues such as federal funds, property sales, donations, and enterprise activities.

The state's expenditures are capped at an annual fiscal spending limit which is based upon the revenue generation defined in the Article. All revenues are within the controlled spending limit unless specifically exempted in the constitution or subsequent legislation or voter referendum. Higher Education's General Fund and tuition revenues were not specifically exempted.

The constitution allows exemptions from the state's fiscal spending limitation if the revenues are generated by an "enterprise", constitutionally defined as a facility or activity that has authority to generate revenue bonds and gets not more than 10% of its revenues from state grants.

CRS 23-5-101.5 (HB93-1355) establishes a process by which Governing Boards may certify their auxiliary and self/funded facilities and activities as "enterprises" followed by an audit review and subsequent legislation. All auxiliary and self/funded revenues were considered within the fiscal spending limit, i.e. nonexempt, in FY94 until certified as an enterprise by the ruling Governing Board. At that point they became exempt for FY94. Those passed by the audit review and exempted by statute in the FY94 General Session, remain exempt for future years; those not remained nonexempt in FY95 and eligible for the process again. This process may be repeated as auxiliary activity becomes eligible for exemption and/or as new auxiliaries are created by the institutions of Higher Education.

#### College Opportunity Fund Act (COF)

In 2004 the General Assembly enacted SB04-189 creating the College Opportunity Fund Act (CRS 23-18-101) fundamentally changing the way Higher Education is funded in Colorado. The most significant changes include:

- Creating the College Opportunity Trust Fund consisting of a stipend for each eligible undergraduate student (CRS 23-18-201);

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- Require a performance contract between each State Higher Education Governing Board and the Colorado Commission of Higher Education (CRS 23-5-129);
- Allowing Higher Education Governing Boards to enter into Fee for Service Contracts with the Department of Higher Education (CRS 23-5-130); and
- Allowing for an institution of Higher Education or a Group of Institutions of Higher Education that is managed by a single Governing Board to be designated as an enterprise under Section 20, Article X of the State Constitution if they a) are a government owned business and b) retain the authority to issue revenue bonds and c) if they receive less than ten percent of their total annual revenue in grants from all Colorado State and Local Governments combined (CRS 23-5-101.7).

Rather than providing a direct General Fund Appropriation to each institution, the General Assembly appropriates funds to the College Opportunity Trust Fund. Eligible undergraduate students receive stipends from the trust fund to pay for tuition at the school of their choice. In addition, the General Assembly appropriates funds to the Department of Higher Education (DHE) for the payment of services received from institutions via the fee-for-service contracts.

In August of 2005 the Legislative Audit Committee agreed that stipend revenues and the Department of Higher Education fee for service revenues (other than economic development revenue) were not considered direct state support or state grants to the institutions. With these changes, the schools potentially may, and in many cases are expected to receive less than 10% of their total revenue from state or local government grants and may qualify as designated enterprises. If individual schools receive more than 10% of their total revenue from State or Local Grants, their revenue continues to be subject to TABOR.

#### Long Bill and Spending Authority

The amounts appropriated on the Long Bill are the limits to which an institution may raise or spend funds from those specific revenue sources. With the passage of TABOR, the legislature sought to control revenue subject to the state fiscal spending limit by separately appropriating those revenues on the Long Bill. The Long Bill was reformatted to create TABOR exempt and non exempt funds.

CRS 23-1-103.5, required all Higher Education revenue subject to TABOR to be appropriated. Higher Education's General Fund, tuition and nonexempt Auxiliaries revenues that were not specifically exempted from the state's annual fiscal spending limit were controlled by the legislature via the Long Bill.

When the Colorado Opportunity Trust Fund was created in 2004, all institutions (excluding AHEC) qualified as designated enterprises. CRS 23-1-103.5 was no longer applicable and the institutions were released from spending limits imposed by TABOR. However, the legislature continued to control total revenue for tuition, student academic and facility fees and fee for service revenue. This revenue was all appropriated on one line under the Cash Funds Exempt column of the Long Bill. Letter notes detailed the sources of revenue for informational purposes, but were not controlling.

In 2007, it was determined that the current Long Bill did not, realistically, allow the legislature to "control" revenue in regards to the state's annual fiscal spending limit as originally intended. In addition, the format included duplicate appropriations for revenues that were either transferred or earned between state agencies, and therefore did not provide an accurate picture of the state's annual budget. In order to identify these duplicate appropriations and to eliminate the TABOR exempt and nonexempt distinction, HB08-1320 was passed. It combined the exempt and nonexempt cash fund columns and created a new column for "Reappropriated Funds".

Also in 2007, several schools received significant amounts of state capital construction funds. This funding is considered state support and caused two institutions to exceed the 10% limit, resulting in the disqualification of their enterprise status. The disqualification would have required all of their revenues subject to the TABOR limit to be appropriated under CRS 23-1-103.5. It would also require the legislature to appropriate revenues to disqualified institutions differently than qualified institutions. Just as the legislature had agreed that the Long Bill was not effective in controlling revenue subject to TABOR, they also agreed CRS 23-1-103.5 was not effective in controlling TABOR revenue for Institutions of Higher Education. SB08-126 was passed rescinding the statute allowing consistent appropriations for both TABOR Exempt and NonExempt institutions.

While the same revenues (tuition, fee for service academic student and facility fees) continued to be appropriated for Higher Education, they are split between Cash Funds and the Reappropriated columns. The Reappropriated activity includes revenue that was first appropriated to the College Opportunity Fund and DHE, and then to the Institutions (i.e. fee for service revenue and the stipend share of tuition revenue). The student share of tuition and student fees are appropriated under the newly combined Cash Funds column.

## **B. FUNDS**

**B.1 NACUBO Funds** (Sources: NACUBO's Financial Accounting and Reporting Manual; NACUBO's Essentials of College and University Accounting)

The National Association of College and Business Officers (NACUBO) defines fund as "a self-balancing fiscal and accounting entity that is characterized by certain activities, certain objectives, or special regulations, restrictions, or limitations." GASB 34/35 eliminated the requirement for reporting by funds for the general purpose external financial statements. Although not required, many institutions continue to use funds internally to manage resources and provide accountability. Several reporting authorities require activity to be reported by traditional fund activity. In Colorado, DHE and the Joint Budget Committee (JBC) require General Fund activity to be reported on an annual basis. Funds also assist in reporting to the Federal Government, Private Grantors, Donors and Bond Holders.

With so many institutions using funds throughout the nation, NACUBO continues to provide guidance on their use. The Colorado Higher Education Financial Advisory Committee relies on this guidance when developing Higher Education Accounting Standards, Accounting Models and other reporting tools. Because NACUBO fund accounting is no longer required for financial statements and financial information is not audited from a fund perspective, the general usage of funds for Colorado institutions is summarized here for informational purposes only and is not intended to be prescriptive in nature. Specific reporting requirements will be discussed throughout this guide, but it is important to first understand the fundamental structure of our accounting information within the institution. For a more thorough review of fund definitions and usage, please review the NACUBO Financial Accounting and Reporting Manual (FARM) ¶321.

### **B.1.a. Current Funds**

Current funds include the economic resources available for the current (near-term) use in mission related activities, including instruction, research, public service and administrative and student support services. In Higher Education, current funds are normally divided between unrestricted and restricted funds.

#### Unrestricted Funds

Unrestricted funds include those funds available for accomplishing the primary mission of the institution. Generally, for Colorado institutions, these include the General and Auxiliary Funds.

General Fund – available for the general operations of the institution and not restricted by outside entities.

General Fund Revenue:

- Tuition
- Instructional Fees
- Charges for Services
- Sales & Services of Educational Activities
- Rental Income
- Transfers of General Fund Appropriation
- Indirect Cost Recoveries from Local Sources  
(when initially receipted here)
- Transfer of Indirect Cost Recoveries from Federal, State, and  
Private Sources (when receipted in the restricted fund)
- Unrestricted Federal and Private Funds and related Indirect Cost Recoveries

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- Sale of Surplus Equipment, Damage Awards, Royalties
- Interest Income
- Gain/Loss on Nonexempt Investments
- Gain/Loss on Exempt Investments
- Transfers

Auxiliary Funds – include Auxiliary Enterprises, Self-funded and Internal Service Centers (ISC). Enterprises include self-supporting activity that provides goods or services to students, faculty and staff in exchange for a fee (e.g. bookstore, housing, parking). ISC's provide goods and/or services to other internal institutional departments rather than faculty and students. ISC's are expected to break-even over time (e.g. telecommunications, printing, physical plant services).

Continuing Education – In Colorado, for budgetary purposes, Continuing Education programs are required to be self-supporting and do not receive allocations of state support. Several institutions have designated their continuing education activity as TABOR enterprises. Because of this designation and for budgetary reporting, the institutions agreed to account for and report continuing education activity in the auxiliary fund. For Financial Statement Reporting, continuing education revenue is still reported as tuition.

Auxiliary/Self-Funded Revenue:

- Revenues from Enterprises
- Self-funded Sales and Services
- Interest Income
- Gain/Loss on Investments
- Transfers
- Internal Service Activity
- Continuing Education

Agency Funds – used to account for the resources held by the institutions as custodian or fiscal agent for individual students, faculty, staff members, or organizations. These are considered unrestricted funds. Although subsidiary accounts are normally maintained for agency accounts, the institutions will report only the assets held on behalf of the organization and the offsetting liability (often deposits held in custody) on their financial statements.

Restricted Funds

Restricted funds include resources available for operating purposes, but restricted by donors or other outside entities. These funds may have either purpose or time restrictions.

Restricted Revenue:

- Federal Grants & Contracts
- Private Gifts, Grants & Contracts
- State Grants & Contracts
- Local Grants & Contracts
- Interest Income
- Gain/Loss on Nonexempt Investments
- Transfers

### **B.1.b. Student Loan Fund**

The student loan fund includes resources that are set aside to make loans to students, faculty and staff. Normally, these resources come from donors and the federal government.

Student Loan Revenue:

- Private Gifts
- Federal Contribution/Cancellation Payments
- Late Payment Penalties on Federal/Private Program Funds
- Collection Charges on Federal/Private Program Funds
- Interest Income
- Transfers (Institutional/Enterprise contributions)

### **B.1.c. Endowment Fund**

Endowment funds include resources invested to produce revenue. They may or may not be restricted and may be categorized as a true endowment, term endowment or quasi-endowment. With a true endowment, the donor requires the principal to be held in perpetuity and invested to create income. In a term endowment, the principal is only required to be held for a specified period of time (or occurrence of an event). Quasi-endowments include resources set aside by the institutions governing board.

Endowment Revenue:

- Private Gifts
- Interest Income
- Transfers

### **B.1.d. Plant Funds**

Plant funds include funds set aside to account long lived assets, for the renewal and replacement of assets, debt service and the retirement of indebtedness on institutional plant and for the acquisition of long lived assets. Plant funds are often subdivided for these purposes.

Plant Fund Revenue:

- Federal Funds
- Private Funds
- Transfer of State Capital Construction Appropriation
- Transfers – Internal Sources
- Interest Income
- Pledged Interest Income on Bond Proceeds
- Private Gifts/Grants/Contracts
- Additions to Fixed Assets
- Retirement of Indebtedness

## **B.2 COFRS Fund Structure**

Although discrete (NACUBO) fund accounting is still used by most institutions within their internal financial systems for reporting and management purposes, it is not required for reporting in the state's accounting system (COFRS). For State Financial reporting under GASB 34/35, higher education activity

is reported in a proprietary, enterprise fund on the Colorado Comprehensive Financial Report (CAFR). In general, all Higher Education activity could be recorded in one fund on COFRS. However, with the passage of TABOR, the Office of State Controller (OSC) is responsible for capturing the TABOR revenue for each agency in COFRS. This calculation requires the exclusion of all designated enterprise activity (revenue and expenses). Therefore, the OSC requires all TABOR designated activity to be reported in a separate COFRS fund to provide the data required for the exclusion.

All higher education designated enterprises activity will be reported in fund 320 – Higher Ed TABOR Enterprise, in COFRS. Higher Education activity that is not a designated enterprise will be reported in Fund 305 – Higher Ed NonTABOR Enterprise. Financial presentation entries will be recorded in fund 399 and appropriated capital and controlled maintenance projects will be accounted for in 461.

There may be some situations where an institution is appropriated funds for specific purposes not related to their general operating activity. In these instances, additional COFRS funds may be required. See below for a full description of the fund structure.

<b>Higher Education COFRS Funds</b>	
100	Specific Purpose GF appropriations
305	Higher Ed NonTABOR Enterprise
320	Higher ED TABOR Enterprise
333	Fitzsimons Trust Fund ( <b>CU Only</b> )
334	Wildfire Emergency Fund ( <b>CSU Only</b> )
335	Wildfire Preparedness Fund ( <b>CSU Only</b> )
336	Forrest Restoration Pilot Prog ( <b>CSU Only</b> )
337	Water Research Fund ( <b>CSU Only</b> )
399	Financial Presentation Fund
361	HE Lease Purchase Cash – DOHE (COP Cap Const)
461	Capital Construction - Appropriated

## **C. TABOR**

TABOR revenue is subject to the State's fiscal spending limits whether it is appropriated to the institutions or not. The OSC provides the legislature with the total TABOR revenues received within the fiscal year. Such information is based on the Revenue Source Codes (RSC) in COFRS. Each RSC is assigned a TABOR indicator code to determine if it is TABOR exempt or nonexempt revenue.

For institutions of Higher Education, all revenues are considered exempt within Fund 320 despite what RSC is used. If an institution receives more than 10% of its support from the state and loses their enterprise status, all activity not qualified as a TABOR Enterprise will be recorded in Fund 305. Total TABOR revenue received for that institution will be determined by the RSC's used in F305 and its associated TABOR indicator code. It is important to note that revenue recorded in F305 may or may not be subject to TABOR and it is essential the institution uses the correct RSC's to provide the data required for the TABOR calculation.

Because some institution's enterprise status is dependent on the amount of state capital or controlled maintenance funds received, they may not know if they qualify until late in the fiscal year. The change from funds 320 to 305 requires significant COFRS entries and possibly changes to their COFRS interfaces. The institutions agreed to continue using RSC's consistently in Funds 320 and 305 as if they were still subject to TABOR. This allows those schools moving in and out of enterprise status to continue using the same revenue codes and only requires a change to the fund.

### **C.1. NONEXEMPT TABOR REVENUE**

In general, all revenue is subject to the state's fiscal TABOR limits unless specifically exempted by statute. For institutions of Higher Education, the general categories of revenue that are considered nonexempt are listed below. See Appendix B for a detailed list of nonexempt revenues.

#### **C.1.a. General Fund Revenues**

##### Tuition Revenue

Higher Education's tuition revenues are not specifically exempted from the TABOR spending fiscal limit.

##### Other General Fund Revenue

Those unrestricted current revenues generated by sources other than tuition which are not exempted from the state's annual fiscal spending limit. This normally includes Student and Instructional Fees, Charges for Services, Sales and Services of Educational Activities and other miscellaneous revenues.

#### **C.1.b. Restricted Revenues**

##### Other State and Local Grants/Contracts

Grants and contracts from other states that are not pass-through grants funded by exempt federal or private dollars are included in this nonexempt revenue category. Grants or contracts received from any local municipality within Colorado are not exempt. Any related indirect cost recoveries is also included.

### **C.1.c. Auxiliary Revenues**

Clarification on identifying and classifying auxiliary and internal sales activity is provided by the Auxiliary Sales matrix found on the FAC website at <http://www.sco.state.co.us/fac/index.htm>

#### Auxiliary & Self/Funded Activities

The constitution allows exemptions from the state's fiscal spending limitation only if the revenues are generated by an "enterprise", constitutionally defined as a facility or activity that has authority to generate revenue bonds and gets not more than 10% of its revenues from state grants. CRS 23-5-101.5 (HB93-1355) establishes a process by which Governing Boards may certify their auxiliary and self/funded facilities and activities as "enterprises" followed by an audit review and subsequent legislation.

Auxiliary and self/funded facilities and activities which have not successfully completed this process are nonexempt and included in the fiscal spending limit.

### **C.1.d. Plant Funds**

A plant project for a nonexempt auxiliary supported by revenues from an exempt auxiliary will be treated as a nonexempt plant project.

### **C.1.e. Scholarship Allowance**

GASB Statement Nos. 34 and 35 require that revenue be reported net of discounts or allowances. Tuition and fee revenue are presented on the financial statements net of a scholarship allowance amount recorded at year-end. Potentially, an allowance could also be applied to Other General Fund Revenue and Nonexempt Auxiliary revenue.

The scholarship allowance is recorded by COFRS close of October, January, April and June in the operating fund where the revenue against which the allowance is being applied is recorded. Specific COFRS Revenue Source codes exist to distinguish the scholarship allowance as contra-revenue to exempt or nonexempt tuition and exempt or nonexempt auxiliaries and self-funded revenue. Refer to COFRS Accounting Model QTR1 for guidance on making the quarterly scholarship allowance entry on COFRS.

### **C.1.f. Investment Earnings**

While Net Assets are considered exempt and TABOR-neutral until that point, those balances represent historical exempt and nonexempt revenues over expenditures. To the extent that net assets are made up of funds generated by nonexempt activity, the interest earned on that portion of the balance, if any, is nonexempt interest revenue. Similarly, to the extent that net assets are made up of funds generated by exempt activity, the interest earned on that portion of the balance is exempt interest revenue. Therefore, it is necessary to, in effect, conceptually subdivide net assets by the nonexempt/exempt sources of revenue and separately identify nonexempt/exempt interest earnings.

The nonexempt interest earned must be recorded on COFRS in the appropriate nonexempt revenue source code.

## **C.2 EXEMPT TABOR REVENUE**

### **C.2.a. General Fund Revenues**

#### Fee for Service Revenue

The College Opportunity Fund Act (SB04-189) created the use of fee for service contracts between the Department of Higher Education and individual institutions. The Act states that “each contract may contain, but is not limited to one or more of the following components:

1. Educational Services in Rural areas;
2. Basic Skill courses;
3. Educational Services associated with the “Postsecondary Enrollment Act”;
4. Educational Services associated with the High Schools Fast Track Program;
5. Educational Services required of the commission to meet its obligation under reciprocal agreements pursuant to section 23-1-12;
6. Graduate School Services;
7. Educational Services that may increase economic development opportunities in the state, including courses to assist students in career development and retraining; and
8. Specialized educational services and professional degrees, including but not limited to the areas of dentistry, medicine, veterinary medicine, nursing, law, forestry and engineering.”

Because the payment is from the Department of Higher Education which is another state agency, fee for service revenue is exempt from TABOR. Economic Development funds are considered state support and are included in the institution’s 10% limit for their TABOR calculation. See Section C.6 for the TABOR Enterprise Calculation.

### **C.2.b. Auxiliary and Self Funded Activity**

Clarification on identifying and classifying auxiliary and internal sales activity is provided by the Auxiliary Sales matrix found on the FAC website at <http://www.sco.state.co.us/fac/index.htm>

#### TABOR Auxiliary Enterprises

The constitution allows exemptions from the state's fiscal spending limitation if the revenues are generated by an "enterprise", constitutionally defined as a government owned business that has authority to generate revenue bonds and gets not more than 10% of its revenues from state grants.

All auxiliary and self/funded revenues are considered within the fiscal spending limit, i.e. nonexempt, until certified as an enterprise by the ruling Governing Board. At that point they become exempt. If passed by the audit review and exempted by statute, they remain exempt for future years; if not, they remain nonexempt and eligible for the process again. See section B.6 regarding the TABOR Enterprise Calculation.

As explained in section B.2, all TABOR Enterprise Activity must be reported in COFRS Fund 320. This includes Auxiliary TABOR Enterprise Activity.

### Internal Service Centers

In some cases, internal service units may not be considered an auxiliary activity eligible for Governing Board designation as an exempt enterprise. In these cases, it is necessary to distinguish between business done with internal versus external customers. For purposes of TABOR, internal is defined as the State of Colorado and includes other state agencies. Therefore, internal service unit sales to other state agencies should be recorded as exempt revenue.

If the internal services unit has been designated as an enterprise by the Governing Board, the activity should be recorded as credits to the appropriate revenue source codes in Fund 320.

For internal service activity recorded throughout the fiscal year, the institution will make a year-end entry in the Higher Education discrete Presentation Fund 399 to eliminate the internal service activity in those Funds. Refer to COFRS Accounting Model YE10 for specific entries.

If an internal service unit has both internal and external activity, an institution may, depending upon materiality, make quarterly or annual adjustments to properly record the division of sales. In such a case, on an ongoing basis, the institution should interface the activity to the Revenue Source Code that correctly records the material portions of the activity. As revenue adjustments are made, expenditures must be adjusted to follow the associated revenue.

### **C.2.c. Scholarship Allowances**

GASB Statement Nos. 34 and 35 require that revenue be reported net of discounts or allowances. Tuition and fee and auxiliary revenue will be presented on the financial statements net of a scholarship allowance amount. Potentially, an allowance could also be applied to other types of revenue though this occurrence is uncommon.

The scholarship allowance is recorded by COFRS close of October, January, April and June in the operating fund where the revenue for which the allowance is being applied is recorded. OSPB, JBC and Legislative Council staff often pulls tuition and scholarship allowance data from COFRS to calculate revenue estimates for the year. In order to provide consistent data for these estimates, scholarship allowance should only be recorded on the dates agreed to by the Financial Advisory Committee. Specific COFRS Revenue Source codes exist to distinguish the scholarship allowance as contra-revenue to exempt or nonexempt tuition and exempt or nonexempt auxiliaries and self-funded revenue. Refer to COFRS Accounting Model QTR1 for guidance on making the quarterly scholarship allowance entry on COFRS.

### **C.2.d. Plant Funds**

A plant project for a nonexempt auxiliary supported by revenues from an exempt auxiliary will be treated as a nonexempt plant project. All other transfers to support a plant project result in exempt revenue. See section C.3 for transfer rules. Specifically:

- A plant project for a TABOR designated exempt auxiliary enterprise supported by revenues from that or another TABOR designated exempt auxiliary enterprise: The revenue is originally received as exempt revenue and transferred to the Plant Fund where it is received as exempt revenue. See Transfer Rule 5.

- A plant project for a TABOR nonexempt auxiliary supported by revenues from that or another TABOR nonexempt auxiliary: The revenue is originally received as nonexempt revenue and subsequently transferred to the Plant Fund where it is received as exempt revenue. The revenue was measured against the fiscal spending limit when originally received. See Transfer Rule 1.
- A plant project for a TABOR nonexempt instructional building supported by tuition & fees revenues: The revenue is originally received as nonexempt and transferred to the Plant Fund where it is received as exempt revenue. The revenue was measured against the fiscal spending limit when originally received and is therefore exempt when transferred to another fund. See Transfer Rule 1.
- A plant project for a nonexempt instruction building supported by exempt revenues, i.e. a private gift: The revenue is originally received as exempt in the Restricted Fund and subsequently transferred to the Plant Fund where it is received as exempt revenue. The revenue is exempt from the fiscal spending limit because of its original source (private). See Transfer Rule 1.
- A plant project for a nonexempt instruction building or a nonexempt auxiliary supported by nonexempt restricted revenues, e.g. funding received from a local government: The revenue is originally received as nonexempt in the Restricted Fund and subsequently transferred to the Plant Fund where it is received as exempt revenue. The revenue was measured against the fiscal spending limit when originally received in the Restricted Fund and is therefore exempt when transferred to another fund. See Transfer Rule 1.

### **C.2.e. Investment Earnings**

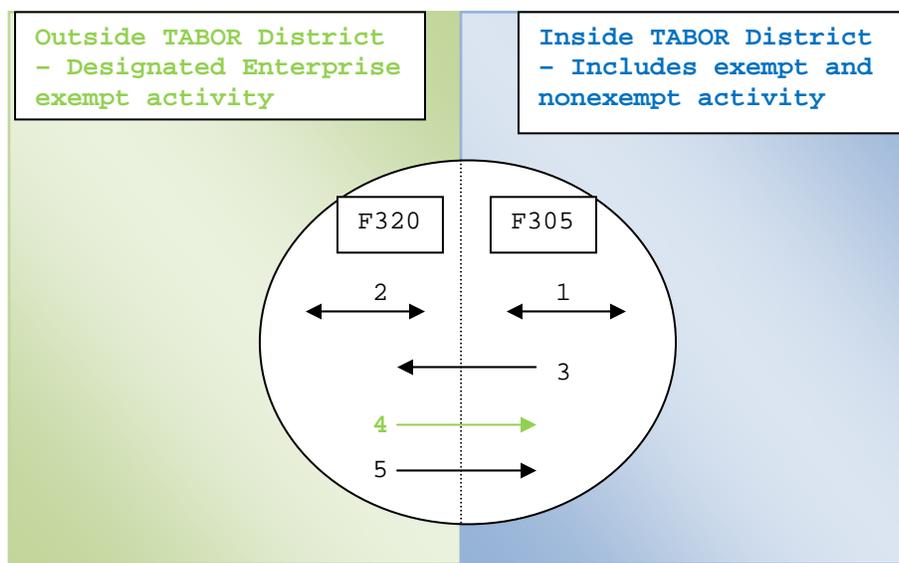
While Net Assets are considered exempt when expended and TABOR-neutral until that point, those balances represent historical exempt and nonexempt revenues over expenditures. To the extent that net assets are made up of funds generated by nonexempt activity, the interest earned on that portion of the balance, if any, is nonexempt interest revenue. Similarly, to the extent that net assets are made up of funds generated by exempt activity, the interest earned on that portion of the balance is exempt interest revenue. Therefore, it is necessary to, in effect, conceptually subdivide net assets by the nonexempt/exempt sources of revenue and separately identify nonexempt/exempt interest earnings.

The exempt interest earned must be recorded on COFRS in the appropriate exempt revenue source code.

### **C.3. Transfers**

Legislatively designated enterprise activities are considered outside the TABOR district and all revenues received by these activities are excluded from the state's fiscal spending limits. Revenues are counted for (or excluded from) state's fiscal spending limits under TABOR when originally received and are not counted again when transferred between activities entirely within or entirely outside the TABOR district. Only transfers crossing **into** the TABOR district must be counted and are considered nonexempt revenue. For institutions of Higher Education, this includes transfers from a TABOR designated enterprise to a non TABOR designated enterprise activity. One exception is when the transfer is to an internal plant fund related specifically to a TABOR designated enterprise which generates exempt revenue. All other transfers-in are considered exempt revenue for TABOR purposes. The following rules apply:

- Rule 1 Transferring dollars from a non TABOR designated enterprise to another non TABOR designated enterprise (transfers within the TABOR district) generates exempt transfer revenue. Refer to COFRS Accounting Model C for specific entries.
- Rule 2 Transferring dollars from a TABOR designated enterprise to another TABOR designated enterprise (transfers outside the TABOR district) generates TABOR exempt transfer revenue. Refer to COFRS Accounting Model A for specific entries.
- Rule 3 Transferring dollars from a non TABOR designated enterprise (within the district) to a TABOR designated enterprise activity (outside the TABOR district) generates TABOR exempt transfer revenue. Refer to COFRS Accounting Model C for specific entries.
- Rule 4 Transferring dollars from a TABOR designated enterprise activity to a non TABOR designated activity (within the TABOR district) generates TABOR nonexempt transfer revenue, except as discussed in Rule 5. Refer to COFRS Accounting Model E for specific entries.**
- Rule 5 Transferring dollars from a TABOR designated enterprise to an internal plant fund (including debt service funds) for activity directly related to a TABOR designated enterprise generates TABOR exempt revenue. Refer to COFRS Accounting Model A for specific entries.



### C.3.a Facilities & Administrative (F & A) Cost Recoveries

Facilities & Administrative (F & A) cost recoveries received from federal sources are exempt revenue. They may be received in either of the following ways:

- into the institution's Current Restricted fund using Revenue Source Code 7400, Federal Grant/Contract, Federal Direct - Operating or 7430 Federal Grant/Contract - Federal Direct –

Capital, then transferred to the Current Unrestricted fund per COFRS Indirect Cost Transfer Accounting Model G.

- into the Current Unrestricted fund using Revenue Source Code 7902, Fed Govt/Nongrant/Other.

Facilities & Administrative (F & A) cost recoveries received from private sources are exempt revenue. They may be receipted in either of the following ways:

- into the institution's internal Current Restricted fund using Revenue Source Code 6600, Donations - Private – Restricted, then transferred to the Current Unrestricted per COFRS Indirect Cost Transfer Accounting Model G.
- into the institution's internal Current Unrestricted fund using Revenue Source Code 6601 - Donations - Private - Unrestricted.

Facilities & Administrative (F & A) cost recoveries received from state sources are exempt revenue when originally receipted. They may be receipted in either of the following ways:

- into the institution's Current Restricted fund using Revenue Source Code 7600 State Govt Grant/Contract - Operating or 7630 State Grant/Contract – Capital then transferred to the Current Unrestricted Exempt per COFRS Indirect Cost Transfer Accounting Model G.
- into the institution's Current Unrestricted fund using Revenue Source Code 7600 State Govt Grant/Contract - Other.

Facilities & Administrative (F & A) cost recoveries received from local sources are non-exempt revenue when originally receipted. They may be receipted in either of the following ways:

- into the institution's Current Restricted fund using Revenue Source Code 7700, Local Grant/Contact - Operating or 7730 Local Grant/Contract – Capital then transferred to the Current Unrestricted Exempt fund per COFRS Indirect Cost Transfer Accounting Model G.
- into the institution's Current Unrestricted Nonexempt fund using Revenue Source Code 8200, Other Intergovernmental Revenue.

GASB Statement Nos. 34 and 35 require that Facilities and Administrative (F & A) cost recovery transfers be eliminated for financial statement reporting purposes. These revenues should be recorded per above throughout the year. The required elimination will be accomplished using the COFRS Higher Education discrete Presentation Fund 399 at year-end. See COFRS Accounting Model YE4 for specific entries.

#### **C.4. Fund Balances**

The constitution as changed by the TABOR Amendment specifically exempts expenditures from "reserves", i.e. fund balances, from the state's fiscal spending limit. Therefore, while a fund balance may be generated from an excess of exempt or nonexempt revenues over expenditures, the fund balance itself is neutral.

#### **C.5 TABOR Revenue Source Codes**

There is a need to record revenues in the correct TABOR exempt or nonexempt code. In most cases this determination can be made distinctly for each type of revenue received. However, for auxiliary and self/funded facilities and activities, the determination depends upon the exempt/nonexempt status of the function earning the revenue rather than the nature of the revenue itself. Appendix A lists COFRS Revenue Source Codes by their exempt and nonexempt status. This listing is deliberately intended to restrict the use of specific Revenue Source Codes. Should an institution or Governing Board identify a need for additional codes, their representative on the Financial Advisory Committee must discuss their need with the Committee towards making a change to this listing.

When making such specific coding requirements, it is necessary that everyone have the same understanding of what each code is intended to include. Therefore, the Revenue Source Code Definitions, Appendix C, have been developed. Should the Financial Advisory Committee approve use of an additional code in a fund, that code must be defined in this section.

Appendix A, Identification of Exempt Revenues, provides a listing of revenues commonly received in the specific Higher Education NACUBO funds and identifies them as TABOR nonexempt or exempt and if it is appropriated and subject to spending limits.

#### **C.6. TABOR Enterprise Calculation**

The constitution allows exemptions from the state's fiscal spending limitation if the revenues are generated by an "enterprise", constitutionally defined as a government owned business that has authority to generate revenue bonds and gets not more than 10% of its revenues from state grants. CRS 23-5-101.5 (HB93-1355) defines "grant" as follows:

23-5-101.5(2)(b)(I) "Grant" means any direct cash subsidy or other direct contribution of money from the state or any local government in Colorado which is not required to be repaid.

(II) Grant does not include:

(A) Any indirect benefit conferred upon an auxiliary facility or group of auxiliary facilities or an institution or group of institutions from the state or any local government in Colorado, including any interest in or use of existing facilities owned, funded, or financed by the governing board of an institution, the state, or any local government in Colorado;

(B) Any revenues resulting from market exchanges such as rates, fees, assessments, tuition, or other charges imposed by an auxiliary facility, or group of auxiliary facilities or by an institution or group of institutions for the provision of goods or services by such auxiliary facility, group of auxiliary facilities, institution or group of institutions, including services to the state or local government in Colorado and fees paid to the auxiliary facility or group of auxiliary facilities for internal services provided to the institution of higher education with which the auxiliary facility is associated;

- (C) Any federal funds, regardless of whether such federal funds pass through the state or any local government in Colorado prior to receipt by an auxiliary facility, group of auxiliary facilities, institution, or group of institutions;
- (D) Fees received by an institution pursuant to a fee-for-service contract between the department of higher education and the institution or the institution's governing board;
- (E) Revenues received by an institution or group of institutions that have been paid on behalf of an eligible undergraduate student from the College Opportunity Fund.

SB04-189 specifically excludes stipends as state support (CRS 23-5-101.5(2)(b)(II)(E)). This was confirmed in an opinion issued from Office of Attorney General on July 7, 2005 stating "it appears the stipend is not a grant for TABOR purposes because stipends drawn from the College Opportunity Fund result in an indirect government benefit to the educational institutions rather than a direct government grant." In August of 2005, the Legislative Audit Committee agreed and also concluded that stipends received from students did not constitute state grants and are not included in the TABOR calculation.

In addition, the Legislative Audit Committee agreed that several components of the fee for service contracts constitute business type activity. For all components except economic development, the Department of Higher Education is purchasing credit hours from the institutions thus creating a market exchange. They did not believe that payment for economic development qualified, stating that "since there is not a specific identification or basis for measurement of the services, we cannot conclude that the value of services to be provided is essentially equal to the purchase price in the contract". Therefore, revenue derived from providing economic development opportunities must be accounted for as a state grant or state support and be considered as such in the TABOR calculation. All other fee for service revenue is not considered state support and is exempt from the TABOR calculation.

Examples of other revenues received by institutions that are considered State Support include state funded capital construction, controlled maintenance transfers and benefits received from emergency controlled maintenance projects funded by the Department of Personnel. Also included are State payments for Certificates of Participation (COPs) where proceeds fund higher education capital construction projects and any direct General Fund appropriation received by an institution.

Additionally, 23-5-101.5 establishes a process by which Governing Boards may certify their auxiliary and self/funded facilities and activities as "enterprises" followed by an audit review and subsequent legislation. Revenues are considered within the fiscal spending limit, i.e. nonexempt, until certified as an enterprise by the ruling Governing Board. At that point they become exempt. If passed by the audit review and exempted by statute, they remain exempt for future years; if not, they remain nonexempt and eligible for the process again. Activities that have been designated as TABOR enterprises through this process are identified in this statute.

As explained in section B.2., all TABOR Enterprise Activity must be reported in COFRS Fund 320. This includes Auxiliary TABOR Enterprise Activity.

### **C.7 Qualification and Disqualification**

If an institution knows they will not qualify for Enterprise Status early in the year, they may elect to change the COFRS interface and feed the Non TABOR Enterprise activity to Fund 305 throughout the year. Sometimes institutions may not know until the end of the fiscal year, or they know they will be disqualified for only one fiscal year. In these instances, the institutions may decide to make the COFRS

adjustment via JV's directly in COFRS and will not change their interface. In either situation, the institutions losing enterprise status must accomplish the following tasks:

1. Ensure all activity that remains a designated enterprise as identified in CRS 23-5-101.5 remains in Fund 320. Move all non designated enterprise activity and balance sheet accounts to Fund 305.
2. Review all internal transfers and to ensure those from Fund 320 to 305 are recorded as nonexempt (unless they qualify for the exclusion). See section C.3. for more information.
3. Allocate interest revenue to exempt and non exempt activity (and fund balances) and record such revenue in the exempt/nonexempt Revenue Source Code. See section C.2.e. for more information.
4. Move their Long Bill appropriated budget from Fund 320 to Fund 305. See section D.1. for more information.
5. Notify all other state agencies doing business with the institution that it is no longer an enterprise and revenue received from the institution, Fund 305, will generally be exempt.
6. Calculate the beginning fund balance of the non TABOR enterprise.
7. Complete Exhibit A2 at fiscal year end.

Those institutions becoming enterprises must:

1. Ensure all activity is recorded in Fund 320.
2. All revenue within Fund 320 will be considered exempt despite the Revenue Source Code exempt/nonexempt status. The institution may review and update transfer and interest Revenue Source Codes to reflect exempt revenue, but these adjustments are not required.
3. Notify all other state agencies doing business with the institution that it is a designated enterprise and revenue received from this institution will generally be nonexempt.
4. Move their Long Bill appropriated budget from Fund 305 to Fund 320. See section D.1. for more information.
5. Complete Exhibit A2 at fiscal year end.

**D. Budget Reporting in COFRS**

**D.1. COFRS Appropriation Codes**

Long Bill Budget Appropriations are subject to spending limits and are statutorily required to be recorded in COFRS. Appropriation Code LBA, “Higher Education Appropriation” is used to record the Long Bill budget for each institution. Those institutions that are designated TABOR enterprises will use fund 320 to record their budget, and those that are not will use Fund 305.

Long Bill appropriations differ for Higher Education because the legislature only appropriates revenues rather than expenses as they do with other state agencies. Furthermore, the legislature appropriates (and controls) select revenues for Higher Education, not all revenue. Currently, these revenues include Tuition, Academic Student and Facility Fees and Fee for Service Revenue. These appropriations may change at their discretion. The amounts appropriated represent the maximum that may be raised or spent by an institution.

Because not all Higher Education revenue is appropriated and once received funds become fungible, the institutions have no practical way to match specific expenses with appropriated revenue in COFRS. This is particularly true because the revenues appropriated at the discretion of the legislature do not align with any NACUBO fund or GASB 34/35 reporting requirements. Therefore, while the appropriated budget is recorded in appropriation code LBA, all activity (revenue and expense) is recorded in appropriation code NAP, “Higher Education Activity”. However, the institutions are still required to comply with spending limits on their appropriated revenue.

In order to ensure the institutions do not exceed their appropriated spending limits, each school submits a budget entry in COFRS Fund 398 at the end of the fiscal year on an Exhibit H. This entry identifies all appropriated revenues that were received by the institutions and the total expense funded by those revenues. Again, because this activity cannot be easily identified COFRS, the institutions are required to pull the data from their internal systems for this entry and allocate expenses as necessary. The Office of State Controller records this entry into a COFRS “budgeted” fund to comply with reporting requirements for appropriated activity.

Additional appropriation codes are used for appropriated capital construction and activity appropriated for specific purposes. The table below shows the appropriation codes and applicable funds.

<b>Appropriation Codes</b>		
<b>Code</b>	<b>Description</b>	<b>Fund</b>
LBA	Higher Education Appropriation	320, 305
NAP	Higher Education Activity	320, 305, 399
XXX (diff for each project)	Misc State Appropriated Cap Construction	461
CPX, HPX, RFX, MRX	Misc Cap Construction funded with State COP proceeds	361

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or CMX		
FTZ	Fitzsimons Trust Fund (CU Only)	333
COP	COP Projects (CU Only)	333
410	Lease Purch of Acad Fac (CU Only)	333
TLS	Tobacco Litigation Settlement (CU Only)	20J
WEF	Wildfire Emergency Fund (CSU Only)	334
WPF	Wildfire Preparedness Fund (CSU Only)	335
FRP	Forrest Restoration Pilot Program (CSU Only)	336
CWI	Colorado Water Institute (CSU Only)	337
AVS	Area Vocation Support (CCCS Only)	320
CJT	Colorado First Customized Job Training (CCCS Only)	320
CVA	Colorado Vocational Act (CCCS Only)	320
DCL	Local District Junior College (CCCS Only)	100
EIT	Existing Industry Training (CCCS Only)	320
OCC	Division of Occupational Education (CCCS Only)	100, 320
SPA	Sponsored Programs – Administration (CCCS Only)	320
SPP	Sponsored Programs – Programs (CCCS Only)	320
VSA	Area Vocation Support (CCCS Only)	100

**D.2. COFRS Program Codes**

Prior to GASB 34/35, Program Codes in COFRS were used to delineate expenditures by function. When the new financial reporting requirements were implemented in fiscal year 2002, the Office of the State Controller no longer used Program Codes at the state level. However, higher education continues to use them for their individual financial statements.

Once schools began reporting all activity in COFRS Funds 305 and 320, there was a concern that General Fund information that had been reported in funds 310 and 311 could no longer be easily extracted from COFRS for reporting to the JBC and DHE. Therefore, the institutions agreed to use Program Code 1100 “Education and General” to identify their General Fund activity that would have been recorded in funds 310/311 and 1900 “Non Education and General” for all other activity. Program code 9111 will only be used if the institution receives disaster recovery funds.

Program Codes	
Code	Description
	<b>All Institutions:</b>
1100	Education and General
1900	Non Education and General
9111	Disaster Recovery

### **D.3. Appropriated Revenue and COFRS Revenue Source Codes**

As previously discussed in section D.1, the legislature controls specific revenues and appropriates spending authority for those revenues to each institution. The sources of those revenues include tuition, facility and academic student fees and fee for service activity. These revenues are required to be reported annually to the JBC for revenue estimates. They are also recorded in COFRS Fund 398 with an Exhibit H budget entry at the end of the fiscal year to ensure compliance with spending limits. While it would be extremely difficult to carve out the expense related to this revenue in COFRS, the institutions are able to identify the revenues by Revenue Source Codes for reporting purposes.

#### **D.3.a. Tuition Revenue**

One of the most significant changes resulting from the College Opportunity Fund Act (SB04-189) was the elimination of General Fund Support to the institutions. Instead, funds are appropriated to the College Opportunity Fund and eligible student can use these monies (stipends) to pay for tuition. Although the letter-notes in the Long Bill distinguish the amount of revenue received from COF and that received from the students, tuition revenue includes both the stipend and the student's share.

It is important to note that SB04-189 specifically excludes stipends as state support (CRS 23-5-101.5(2)(b)(II)(E)). This was confirmed in an opinion issued from Office of Attorney General on July 7, 2005 stating "it appears the stipend is not a grant for TABOR purposes because stipends drawn from the College Opportunity Fund result in an indirect government benefit to the educational institutions rather than a direct government grant." In August of 2005, the Legislative Audit Committee agreed and also concluded that stipends received from students did not constitute state grants and are not included in the TABOR calculation.

In order to track the amount of tuition revenue earned in COFRS for reporting purposes, the following Revenue Source Codes should be used:

- |                                |      |
|--------------------------------|------|
| • Resident Tuition – Grad      | 4801 |
| • Resident Tuition – Undergrad | 4802 |
| • Resident Tuition – Other     | 4803 |
| • Non-Res Tuition – Grad       | 4901 |
| • Non-Res Tuition – Undergrad  | 4902 |
| • Non-Res Tuition – Other      | 4903 |

#### **D.3.b Fee for Service Revenue**

The College Opportunity Fund Act created the use of Fee for Service Contract between the Department of Higher Education and individual institutions. The Act states that "each contract may contain, but is not limited to one or more of the following components:

1. Educational Services in Rural areas;
2. Basic Skill courses;
3. Educational Services associated with the "Postsecondary Enrollment Act";
4. Educational Services associated with the High Schools Fast Track Program;
5. Educational Services required of the commission to meet its obligation under reciprocal agreements pursuant to section 23-1-12;
6. Graduate School Services;
7. the state, including courses to assist students in career development and retraining; and

8. Specialized educational services and professional degrees, including but not limited to the areas of dentistry, medicine, veterinary medicine, nursing, law, forestry and engineering.”

In addition, it excluded this revenue from the definition of state support CRS (CRS 23-5-101.5(2)(b)(II)(D)). The Legislative Audit Committee agreed that several components of the fee for service contracts constitute business type activity. For all components except economic development, the Department of Higher Education is purchasing credit hours from the institutions thus creating a market exchange. They did not believe that payment for economic development qualified, stating that “since there is not a specific identification or basis for measurement of the services, we cannot conclude that the value of services to be provided is essentially equal to the purchase price in the contract”. Therefore, revenue derived from providing economic development opportunities must be accounted for as a state grant or state support and be considered as such in the TABOR calculation. All other fee for service revenue is not considered state support and is exempt from the TABOR calculation.

In order to track fee for service revenue separately for reporting purposes, it should be recorded in Revenue Source Code 4407 (Serv Charges from DOHE Exempt). Revenue from Economic Development activities is considered non-operating revenue and should be recorded in Revenue Source Code 7607.

### **D.3.c Student and Facility Fees**

The legislature controls the amount of academic/facility student fees institutions receive and continues to include an estimate for these revenues in the Cash Funds Exempt appropriation for each school.

Fees included on the Long Bill are no longer determined based on exempt/nonexempt status. Instead, the JBC staff defined includable fees as those which “directly support the academic mission of the institutions. They do not include fees for auxiliary programs like housing, food services, parking and student government” (Long Bill Narrative 2005). In general, if an academic fee or academic facility fee is required in order for a student to graduate, those revenues should be included in the appropriation. DHE has updated the Tuition and Fee policy to identify which fees should be appropriated. This policy may be found at: <http://higher.colorado.gov/Publications/Policies/Current/vi-partc.pdf>.

In order to track these fees in COFRS for reporting purposes, the following codes should be used:

- Instructional Fees (Appropriated Student Fees) 5002
- Non Appropriated Instructional Fees 5009
- Other Appropriated Student Fees (Include Approp Facility Fees) 5007
- Non Appropriated Student Activity Fees (Include Nonap Facility Fees) 5003

### **D.3.d. Scholarship Allowances**

Revenues appropriated on the Long Bill are gross revenues and do not include scholarship allowance.

**Appendix A: Revenue source Codes by NACUBO Fund**

	<u>Exempt Yes/No</u>	<u>Approp Yes/No</u>
<b>Unrestricted Funds</b>		
Tuition	<u>NO</u>	<u>YES</u>
Instructional Fees	<u>NO</u>	<u>YES</u>
Fee for Service Revenue	<u>YES</u>	<u>YES</u>
Charges for Services	<u>NO</u>	<u>NO</u>
Sales & Services of Educational Activities	<u>NO</u>	<u>NO</u>
Rental Income	<u>NO</u>	<u>NO</u>
Transfers of General Fund Appropriation	<u>YES</u>	<u>NO</u>
Indirect Cost Recoveries from Local Sources (when initially received here)	<u>NO</u>	<u>NO</u>
Indirect Cost Recoveries from Federal, State, and Private Sources	<u>YES</u>	<u>NO</u>
Unrestricted Federal and Private Funds	<u>YES</u>	<u>NO</u>
Sale of Surplus Equipment, Damage Awards, Royalties	<u>YES</u>	<u>NO</u>
Interest Income on Nonexempt Revenues	<u>NO</u>	<u>NO</u>
Interest Income on Exempt Revenues	<u>YES</u>	<u>NO</u>
Gain/Loss on Nonexempt Investments	<u>NO</u>	<u>NO</u>
Gain/Loss on Exempt Investments	<u>YES</u>	<u>NO</u>
Transfers from Other Funds	<u>YES</u>	<u>NO</u>
Transfers from Enterprises	<u>NO</u>	<u>NO</u>
<b>Auxiliary/Self-Funded Funds</b>		
Constitutionally Exempt Revenues	<u>YES</u>	<u>NO</u>
Revenues from Enterprises	<u>YES</u>	<u>NO</u>
Interest Income on Nonexempt Revenues	<u>NO</u>	<u>NO</u>
Interest Income on Exempt Revenues	<u>YES</u>	<u>NO</u>
Gain/Loss on Nonexempt Investments	<u>NO</u>	<u>NO</u>
Gain/Loss on Exempt Investments	<u>YES</u>	<u>NO</u>
Transfers from Enterprises to Nonexempt Auxiliary/Self-Funded Functions	<u>NO</u>	<u>NO</u>
Transfers from Nonexempt Auxiliary Functions to Enterprises	<u>YES</u>	<u>NO</u>
Transfers from any other Fund to Nonexempt Auxiliary Functions	<u>YES</u>	<u>NO</u>
Transfers from any other Fund to Enterprises	<u>YES</u>	<u>NO</u>
Internal Service Activity	<u>YES</u>	<u>NO</u>
<b>Restricted Funds</b>		
Federal Grants & Contracts	<u>YES</u>	<u>NO</u>
Private Gifts, Grants & Contracts	<u>YES</u>	<u>NO</u>
Interest Income on Federal and Private Funds	<u>YES</u>	<u>NO</u>
Gain/Loss on Nonexempt Investments	<u>NO</u>	<u>NO</u>
Gain/Loss on Exempt Investments	<u>YES</u>	<u>NO</u>
State Grants & Contracts	<u>YES</u>	<u>NO</u>
Local Grants & Contracts	<u>NO</u>	<u>NO</u>
Interest Income on Nonexempt Funds	<u>NO</u>	<u>NO</u>
Transfers from Enterprises	<u>NO</u>	<u>NO</u>

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	<u>Exempt Yes/No</u>	<u>Approp Yes/No</u>
<b>Student Loan Funds</b>		
Private Gifts	<u>YES</u>	<u>NO</u>
Federal Contribution/Cancellation Payments	<u>YES</u>	<u>NO</u>
Transfer of Institutional Contribution to Federal Program	<u>YES</u>	<u>NO</u>
Interest Income on Federal/Private Program Funds	<u>YES</u>	<u>NO</u>
Late Payment Penalties on Federal/Private Program Funds	<u>YES</u>	<u>NO</u>
Collection Charges on Federal/Private Program Funds	<u>YES</u>	<u>NO</u>
Interest Income on Institutional Program Funds	<u>NO</u>	<u>NO</u>
Transfers from Enterprises	<u>NO</u>	<u>NO</u>
<b>Endowment Fund</b>		
Private Gifts	<u>YES</u>	<u>NO</u>
Interest Income	<u>YES</u>	<u>NO</u>
<b>Plant Funds</b>		
Federal Funds	<u>YES</u>	<u>NO</u>
Private Funds	<u>YES</u>	<u>NO</u>
Transfer of State Capital Construction Appropriation	<u>YES</u>	<u>NO</u>
Transfers from Other-Than-Auxiliary/Self-Funded Exempt Fund(s)	<u>YES</u>	<u>NO</u>
Interest Income on Exempt Reserves	<u>YES</u>	<u>NO</u>
Pledged Interest Income on Bond Proceeds for Exempt Projects	<u>YES</u>	<u>NO</u>
Transfers from Enterprises for Nonexempt Projects	<u>NO</u>	<u>NO</u>
Interest Income on Nonexempt Reserves	<u>NO</u>	<u>NO</u>
Pledged Interest Income on Bond Proceeds for Nonexempt Projects	<u>NO</u>	<u>NO</u>
Private Gifts/Grants/Contracts	<u>YES</u>	<u>NO</u>
Additions to Fixed Assets	<u>YES</u>	<u>NO</u>
Retirement of Indebtedness	<u>YES</u>	<u>NO</u>

## Appendix B: Revenue Source Code by TABOR Nonexempt/Exempt Status

### Nonexempt Revenue Source Codes

4608	Nonexempt	Patient Revenue (TABOR Enterprise)
4801	Nonexempt	Resident Tuition - Graduate
4802	Nonexempt	Resident Tuition - Undergraduate
4803	Nonexempt	Resident Tuition – Other
4804	Nonexempt	Tuition (TABOR Enterprise) Continuing Ed (Fund 320 Auxiliary Enterprise only)
4805	Nonexempt	Tuition - Nonexempt Continuing Education (Fort Lewis only)
4901	Nonexempt	Nonresident Tuition – Graduate
4902	Nonexempt	Nonresident Tuition - Undergraduate
4903	Nonexempt	Nonresident Tuition - Other
5001	Nonexempt	Sales & Services of Educational Activities
5002	Nonexempt	Instructional Fees (State Appropriated)
5003	Nonexempt	Non Approp Student Activity Fees
5005	Nonexempt	Conference Fees
5007	Nonexempt	Other Appropriated Student Fees
5009	Nonexempt	Non Approp Instructional Fees
5050	Nonexempt	Scholarship Allowance – Nonexempt Tuition & Fees (contra-revenue account)
5061	Nonexempt	HE Internal Service Center Activity – NonExempt
5200	Nonexempt	Other Charges for Services
5208	Nonexempt	Credit Card Fees Nonexempt (contra-revenue account)
5402	Nonexempt	Nonexempt Higher Ed Auxiliary/Self-Funded Sales & Services
5404	Nonexempt	Intra HE NonExempt charges to Exempt Enterprises
5450	Nonexempt	Scholarship Allowance – Nonexempt Auxiliary Sales/Service (contra-revenue account)
5900	Nonexempt	Interest Income
5905	Nonexempt	Higher Education Loan Interest - Nonexempt
6000	Nonexempt	Gain/Loss on Investments
6400	Nonexempt	Rental Income – Non-Operating
6410	Nonexempt	Rents (TABOR Enterprise) Non-Operating
6420	Nonexempt	Rents-External-Operating Nonex
6700	Nonexempt	Donations from Public Sources
7624	Nonexempt	State Government Contract from an Enterprise
7730	Nonexempt	Local Grants/Contracts - Capital
7750	Nonexempt	Non-Colorado State Grant/Contract - Other
7700	Nonexempt	Local Grant/Contract - Operating
7770	Nonexempt	Non-Colorado State Grant/Contract - Capital
8200	Nonexempt	Other Intergovernmental Revenue
8202	Nonexempt	WICHE Capital Outlay (General Fund by CSU only)
8300	Nonexempt	Miscellaneous Revenues – Operating
8310	Nonexempt	Miscellaneous Revenues – Non-Operating
AAGB	Nonexempt	Nonexempt DOHE Institution Internal Transfers
EZGC	Nonexempt	IC RE DOHE Intrnl Non Exempt

### Exempt Revenue Source Codes

4407	Exempt	Serv Charges from DOHE Exempt (Fee for Service Activity)
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5051	Exempt	Scholarship Allowance – Exempt Tuition & Fees (contra-revenue account)
5060	Exempt	HE Internal Srvc Center Activity
5209	Exempt	Credit Card Fees Exempt (contra-revenue account)
5304	Exempt	Sale of Surplus Equipment
5311	Exempt	Inter/Intra Agency Sales
5400	Exempt	Exempt Higher Ed Auxiliary Sales & Services
5401	Exempt	Exempt Higher Ed Self-Funded Sales & Services
5405	Exempt	Intra HE Exempt charges to other Institutions
5451	Exempt	Scholarship Allowance – Exempt Auxiliary Sales & Service (contra-revenue account)
5850	Exempt	Damage Awards - Court Ordered
5860	Exempt	Insurance Recoveries – Current Years
5861	Exempt	Insurance Recovery - Previous Years
5870	Exempt	Damage Awards - Other Awards
5901	Exempt	Federal Equity Interest
5903	Exempt	Interest Income - Exempt
5904	Exempt	Higher Education Loan Interest - Exempt
6001	Exempt	Exempt Investment Gain/Loss
6100	Exempt	Royalties
6421	Exempt	Rents-External-Operating Exempt
6501	Exempt	Gain or Loss on Disposal of Assets
6504	Exempt	Gain or Loss on Impairment of Capital Assets
6600	Exempt	Donations - Private – General
6601	Exempt	Donations - Private – Endowment Additions
6603	Exempt	Donations - Private – Cash for Capital Assets
6604	Exempt	Donations – Private – For Operations
6609	Exempt	Donations – Capital Asset – Land
6610	Exempt	Donations – Capital Asset – Land Improvements
6612	Exempt	Donations – Capital Asset – Buildings
6614	Exempt	Donations – Capital Asset – Equipment
6615	Exempt	Donations – Capital Asset – Library Holdings
6617	Exempt	Donations – Capital Asset – Art & Historical Holdings
7400	Exempt	Fed Grant/Contract - FedDirect - Operating
7430	Exempt	Federal Grants/Contracts - Capital
7500	Exempt	Fed Grant/Contract - Subrecip - Operating
7530	Exempt	Federal Grants/Contracts – Subrecipient - Capital
7600	Exempt	State Govt Grant/Contract – Other
7607	Exempt	State Grants/Contracts – DOHE – Non-Operating
7630	Exempt	State Grants/Contracts - Capital
7800	Exempt	Private Grant/Contract - Operating
7830	Exempt	Private Grants/Contracts - Capital
7901	Exempt	Fed Govt/Nongrant/Federal Appropriation
7902	Exempt	Fed Govt/Nongrant/Other
8301	Exempt	Exempt Miscellaneous Revenue – Operating
8303	Exempt	Reimbursement Prior Yr Expense
8304	Exempt	Reversion of Expired (COFRS) Warrants
8311	Exempt	Exempt Miscellaneous Revenues – Non-Operating
AAGA	Exempt	OT CS DOHE Internal – Interfund
AAGB	Exempt	OT CS DOHE Internal COP elim
AAGG	Exempt	DOHE Internal COP Elimination
AAGN	Exempt	DOHE Internal State Share Int Cap (for COP interest)

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AAGP Exempt	DOHE Internal HE share Int Cap (for COP interest)
AAWM Exempt	DOHE from Dept of the Treasury (for COP expense elimination)
ABGA Exempt	DOHE Internal Transfers (Between 3XX Funds)
ABGC Exempt	DOHE Institutional Internal Transfers
ABGM Exempt	OT Exempt HE Capital Lease Elimination
ABGN Exempt	HE Retirement of Indebtedness Elimination
EAGA Exempt	OT CS DOHE Internal - Intrafund
EBGA Exempt	DOHE Internal Transfers (Between HE 3XX Funds & other funds)
EBGD Exempt	DOHE State Appropriation – Capital
ELGB Exempt	Student Financial Aid Transfers from CCHE (Fund 330 only)
EQGB Exempt	Exempt DOHE State Appropriation – Operating (General)
ERWB Exempt	Nonexempt DOHE/Controlled Maintenance Trust Fund
EZGA Exempt	IC CS DOHE Intrnl Nonexempt

**Special coding for transactions specific to unique activity or limited institutions:**

**To be used in the NACUBO Current Unrestricted Fund only by CSU :**

4100 Nonexempt Other Taxes

**To be used in the NACUBO Current Unrestricted Fund by CU Denver only:**

4605 Nonexempt Patient Revenue  
4608 Exempt Patient Revenue (TABOR Enterprise)

**To be used in the NACUBO Plant Fund only by CU Denver only:**

ABGB Exempt OT EX DOHE/CU FM Fitz Trust

**To be used in the NACUBO Current Unrestricted Fund by FRCC only:**

5302 Nonexempt Sale of Agricultural Products

**To be used in the NACUBO Current Unrestricted Fund by CSU only:**

8202 Nonexempt WICHE Capital Outlay

**To be used in the NACUBO Current Unrestricted by CCCOES (GJA):**

EBDG Exempt DOE/CVA Transfers to CCC  
EBEE Exempt Transfers from Governor's Job Training

**To be used in the NACUBO Current Unrestricted Fund by AHEC only:**

ABGF Exempt AHEC Constituents Long Bill Transfers

**To be used in the NACUBO Current Unrestricted Fund by AHEC, CCD, METRO, and CU-DENVER only:**

ABGH Exempt AHEC Constituents Non-Long Bill Transfers

**To be used in the NACUBO Endowment Exempt Fund only by Fort Lewis College, CSU, and CU Regents only:**

EBPP Exempt DONR/Land Board Transfers to DOHE

**To be used in the NACUBO Restricted Non-Exempt Fund only by CU only:**

EBWJ Exempt Transfers from Tobacco Settlement

**To be used for year-end entries in fund 399 Presentation Fund only:**

5030	N/A	Pledged Tuition & Fees
5930	N/A	Non-Operating Pledged Investment Income
5470	N/A	Pledged Auxiliary Revenues
7450	N/A	Pledged Federal Grants & Contracts
8330	N/A	Pledged Other Revenues

## Appendix C: Revenue Source Code Definitions

Nonexempt	4100	<u>Other Taxes:</u> <b>TO BE USED IN THE NACUBO GENERAL FUND BY CSU ONLY:</b> Revenue received from the Department of Revenue for taxes designated to support Professional Veterinary Medicine.
Exempt	4407	Serv Charges from DOHE Exempt: Revenue received from the Department of Higher Education for fee for service contracts.
Nonexempt	4605	<u>Patient Revenue - NONEXEMPT:</u> <b>TO BE USED IN THE NACUBO GENERAL FUND BY CU DENVER:</b> Revenue received from patient charges for service activities not designated as TABOR enterprises at the Health Sciences Center.
Nonexempt	4608	<u>Patient Revenue (TABOR Enterprise):</u> <b>TO BE USED IN FUND 320 BY CU DENVER ONLY:</b> Revenue received from patient charges at designated TABOR enterprise patient-service activities at the Health Sciences Center.
Nonexempt	4801	<u>Resident Tuition - Graduate:</u> Revenue received for tuition charged to resident graduate students.
Nonexempt	4802	<u>Resident Tuition - Undergraduate:</u> Revenue received for tuition charged to resident undergraduate students.
Nonexempt	4803	<u>Resident Tuition - Other:</u> Revenue received for tuition charged to resident students in other than graduate and/or undergraduate programs.
Nonexempt	4804	<u>Tuition (TABOR Enterprise) Continuing Ed:</u> <b>TO BE USED IN FUND 320 ONLY:</b> Revenue received for tuition charged to Continuing Education students.
Nonexempt	4805	<u>Tuition - Nonexempt Continuing Education:</u> <b>TO BE USED BY FLC ONLY:</b> Revenue received for tuition charged to Continuing Education students.
Nonexempt	4901	<u>Nonresident Tuition - Graduate:</u> Revenue received for tuition charged to nonresident graduate students.
Nonexempt	4902	<u>Nonresident Tuition - Undergraduate:</u> Revenue received for tuition charged to nonresident undergraduate students.
Nonexempt	4903	<u>Nonresident Tuition - Other:</u> Revenue received for tuition charged to nonresident students in other than graduate and/or undergraduate programs.
Nonexempt	5001	<u>Sales &amp; Services of Educ Activities:</u> Revenue received for activities that are related incidentally to the conduct of instruction, research, and public service and for activities that exist to provide instructional and laboratory experience for students and that incidentally create goods and services that may be sold to students, faculty, staff, and/or the general public.

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Nonexempt	5002	<u>Instructional Fees:</u> Appropriated revenue received from those mandatory fees charged to students where the fee is directly related to specific instructional programs per Accounting Standard Number 2, 4/3/89.
Nonexempt	5003	<u>Nonappropriated Student Activity Fees:</u> Revenue received for those mandatory fees charged to the student body in general as a result of their attending the institution per Accounting Standard Number 2, 4/3/89 and used to support EXEMPT activity and/or facilities.
Nonexempt	5005	<u>Conference Fees:</u> Revenue received as a flat charge for using institutional resources as a conference site. Does not include revenue received for rental of equipment and/or facilities for other than conference activities, see Revenues Source Codes 6200, 6300, or 6400.
Nonexempt	5007	<u>Other Appropriated Student Fees:</u> Revenue received for those mandatory fees charged to the student body in general as a result of their attending the institution per Accounting Standard Number 2, 4/3/89 and used to support NONEXEMPT activity and/or facilities.
Nonexempt	5009	<u>Nonappropriated Instructional Fees:</u> Revenue received from fees charged to students related to instructional programs where the fee is not mandatory for graduation.
N/A	5030	<u>Pledged Tuition &amp; Fees:</u> <b>TO BE USED IN FUND 399 ONLY:</b> All tuition & Fee revenue, regardless of status for TABOR purposes, pledged to debt that must be identified as such on the financial statements per GASB #34/35.
Nonexempt	5050	<u>Scholarship Allowance – Tuition &amp; Fees – Nonexempt:</u> <b>TO BE USED IN FUND 399 ONLY:</b> contra-revenue account used to record the nonexempt portion of the calculated scholarship allowance against nonexempt tuition and fees revenue.
Exempt	5051	<u>Scholarship Allowance – Tuition &amp; Fees – Exempt:</u> <b>TO BE USED IN FUND 399 ONLY:</b> contra-revenue account used to record the exempt portion of the calculated scholarship allowance against exempt tuition and fees revenue.
Exempt	5060	<u>HE Internal Servc Center Activity Exempt:</u> Internal Service Center revenue received from an activity, other than a TABOR designated enterprise, to be eliminated at fiscal year end.
Nonexempt	5061	<u>HE Internal Service Center Activity Nonexempt:</u> Internal Service Center revenue received from a TABOR designated enterprise to be eliminated at fiscal year end.
Nonexempt	5200	<u>Other Charges for Services:</u> Non-fee revenue received from students for charges incidental to the teaching mission, including charge-for-services revenue, charges related to the Registrar function, and penalty charges per Accounting Standard Number 2, 4/3/89.

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Nonexempt	5208	<u>Credit Card Fees Nonexempt:</u> Contra-revenue account to be used when an agency receives payment for credit card charges from the bank net of bankcard fees and is required to record those fees as a debit to revenue. May be used as contra revenue to any other nonexempt revenue code.
Exempt	5209	<u>Credit Card Fees Exempt:</u> Contra-revenue account to be used when an agency receives payment for credit card charges from the bank net of bankcard fees and is required to record those fees as a debit to revenue. May be used as contra revenue to any other exempt revenue code.
Nonexempt	5302	<u>Sale of Agricultural Products:</u> <b>TO BE USED IN THE NACUBO GENERAL FUND BY FRCC ONLY:</b> Revenue received from the Cooperative Extension Service, the Agriculture Experiment Station, and FRCC's Larimer Campus.
Exempt	5304	<u>Sale of Surplus Equipment:</u> Revenue received for the sale of surplus property.
Exempt	5311	<u>Inter/Intra Agency Sales:</u> Internal service unit revenue received from another state agency.
Exempt	5400	<u>Exempt Higher Ed Auxiliary Sales &amp; Services:</u> Revenue received directly from the operations of <u>auxiliary enterprises</u> that are certified and legislated to be EXEMPT. No Continuing Education revenues should be charged to this Revenue Source Code.
Exempt	5401	<u>Exempt Higher Ed Self-Funded Sales &amp; Services:</u> Revenue received directly from the operations of <u>self-funded activities</u> which are certified and legislated to be EXEMPT, <u>except for revenue received for Continuing Education tuition</u> which are to be charged to Revenue Source Code 4804.
Nonexempt	5404	<u>Intra HE Nonexempt Charges to Exempt Enterprises:</u> Revenue received from another Higher Education institution's designated enterprise, to be eliminated at the State level at fiscal year end.
Exempt	5405	<u>Intra HE Exempt Charges to Other Institutions:</u> Revenue received from another Higher Education institution, other than a designated enterprise, to be eliminated at the State level at fiscal year end.
Nonexempt	5402	<u>Nonexempt Higher Ed Auxiliary/Self-Funded Sales &amp; Services:</u> Revenue received directly from the operations of <u>auxiliary and self/funded activities</u> which are NOT certified and legislated to be exempt.
Nonexempt	5450	<u>Scholarship Allowance – Auxiliary Sales/Service - Nonexempt:</u> <b>TO BE USED IN FUND 399 ONLY:</b> contra- revenue account used to record the nonexempt portion of the calculated scholarship allowance against nonexempt auxiliary sales and service revenue.
Exempt	5451	<u>Scholarship Allowance – Auxiliary Sales/Service - Exempt:</u> <b>TO BE USED IN FUND 399 ONLY:</b> contra-revenue account used to record the exempt portion of the calculated scholarship allowance against exempt auxiliary sales and service revenue.

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N/A	5470	<u>Pledged Auxiliary Revenues: TO BE USED IN FUND 399 ONLY:</u> All Auxiliary and Self-Funded revenue, regardless of status for TABOR purposes, pledged to debt that must be identified as such on the financial statements per GASB #34/35.
Exempt	5850	<u>Damage Awards - Court Ordered:</u> Revenues received as damage deposits through court ordered settlements.
Exempt	5860	<u>Damage Awards - Insurance Recoveries – Current Year:</u> Revenues received as damage deposits through insurance recoveries received in the current year.
Exempt	5861	<u>Damage Awards – Insurance Recoveries – Previous Year:</u> Revenues received as damage deposits through insurance recoveries received for a previous year.
Exempt	5870	<u>Damage Awards - Other Awards:</u> Revenues received as damage deposits other than for court ordered settlements or insurance recoveries.
Nonexempt	5900	<u>Interest Income:</u> Revenue received from interest earned on nonfederal and non-private funds held by the institution.
Exempt	5901	<u>Federal Equity Interest:</u> Revenue received from the federal government as a result of the Cash Improvement Act determination of interest to/from Colorado.
Exempt	5903	<u>Interest Income - Exempt:</u> Revenue received from interest earned on exempt funds held by the institution.
Exempt	5904	<u>Higher Education Loan Interest – Exempt:</u> Revenue received from interest earned on the exempt loan activity of the institution.
Nonexempt	5905	<u>Higher Education Loan Interest – Nonexempt:</u> Revenue received from interest earned on the non-exempt loan activity of the institution.
N/A	5930	<u>Non-Operating Pledged Investment Income: TO BE USED IN FUND 399 ONLY:</u> All investment income pledged to debt that must be identified as such on the financial statements per GASB #34/35.
Nonexempt	6000	<u>Gain/Loss on Investments:</u> Revenue received from the disposition of nonexempt investments held by the institution.
Exempt	6001	<u>Exempt Investment Gain/Loss:</u> Revenue received from the disposition of exempt investments held by the institution.
Exempt	6100	<u>Royalties:</u> Revenue received for royalties.
Nonexempt	6400	<u>Nonexempt Rental Income – Non-Operating:</u> Revenue received for rental of equipment and/or facilities and that is classified as non-operating revenue on the financial statements per GASB #34/35. Does not include revenue received as a flat charge for using institutional resources as a conference site, see Revenue Source Code 5005.

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Nonexempt	6410	<u>Rents (TABOR Enterprise) Non-Operating:</u> <b>BE USED IN FUND 320 ONLY:</b> Revenue received for rental of equipment and/or facilities belonging to a designated enterprise and that is classified as non-operating revenue on the financial statements per GASB #34/35.
Nonexempt	6420	<u>Nonexempt Exempt Rental Income – Operating:</u> Revenue received for rental of equipment and/or facilities and that is classified as operating revenue on the financial statements per GASB #34/35. Does not include revenue received as a flat charge for using institutional resources as a conference site, see Revenue Source Code 5005.
Exempt	6421	<u>Exempt Rental Income– Operating:</u> Revenue received for rental of equipment and/or facilities belonging to a designated enterprise and that is classified as operating revenue on the financial statements per GASB #34/35.
Exempt	6501	<u>Gain on Disposal of Fixed Asset:</u> Funds received at disposal of a fixed asset above the depreciated value of the disposed asset.
Exempt	6504	<u>Gain or Loss on Impairment of Capital Asset:</u> Funds received from insurance recoveries in the same fiscal year as impairment. This code will offset the impairment loss in the current year.
Exempt	6600	<u>Donations - Private - Restricted:</u> Revenue received as restricted gifts from private sources.
Exempt	6601	<u>Donations - Private - Unrestricted:</u> Revenue received as unrestricted gifts from private sources.
Exempt	6603	<u>Donations - Private – Cash for Capital Assets:</u> Cash gifts received from private sources that are restricted for capital purposes.
Exempt	6604	<u>Donations – Private – For Operations:</u> Revenue received from private sources that are restricted for operations.
Exempt	6609	<u>Donations – Capital Asset - Land:</u> Land received as a gift and valued at an amount over the capitalization threshold.
Exempt	6610	<u>Donations – Capital Asset – Land Improvements:</u> Land improvements received as a gift and valued at an amount over the capitalization threshold.
Exempt	6612	<u>Donations – Capital Asset – Buildings:</u> Buildings received as a gift and valued at an amount over the capitalization threshold.
Exempt	6614	<u>Donations – Capital Asset – Equipment:</u> Equipment received as a gift and valued at an amount over the capitalization threshold.
Exempt	6615	<u>Donations – Capital Asset – Library Holdings:</u> Library holdings received as a gift and valued at an amount over the capitalization threshold.

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Exempt	6617	<u>Donations – Capital Asset – Art &amp; Historical Holdings:</u> Art and historical holdings received as a gift and valued at an amount over the capitalization threshold.
Nonexempt	6700	<u>Donations from Public Sources:</u> Revenue received as restricted and/or unrestricted gifts from public sources.
Exempt	7400	<u>Fed Grant/Contract - FedDirect - Operating:</u> Revenue received directly from the federal government for primarily operating grant and/or contract agreements with the institution.
Exempt	7430	<u>Fed Grant/Contract - FedDirect - Capital:</u> Revenue received directly from the federal government for primarily capital grant and/or contract agreements with the institution.
N/A	7450	<u>Pledged Federal Grants &amp; Contracts:</u> <b>TO BE USED IN FUND 399 ONLY:</b> All federal revenue pledged to debt that must be identified as such on the financial statements per GASB #34/35.
Exempt	7500	<u>Fed Grant/Contract - Subrecip – Operating:</u> Revenue received indirectly from the federal government for primarily operating grant and/or contract agreements with the institution. The entity from which the federal funds are passed may be a State, local, or private entity.
Exempt	7530	<u>Fed Grant/Contract - Subrecip - Capital:</u> Revenue received indirectly from the federal government for primarily capital grant and/or contract agreements with the institution. The entity from which the federal funds are passed may be a State, local, or private entity.
Exempt	7600	<u>State Govt Grant/Contract –Operating:</u> Revenue received from another <u>State of Colorado</u> agency for primarily operating purposes when the original source of funds is state and not federal funds.
Exempt	7607	<u>State Grants/Contracts – DOHE – Non Operating:</u> Revenue received from another <u>State of Colorado Department of Higher Education</u> agency for non-operating purposes.
Nonexempt	7624	<u>State Government Contract from an Enterprise:</u> Revenue received for primarily operating purposes from an entity designated as an enterprise by another <u>State of Colorado</u> agency or by Colorado statute.
Exempt	7630	<u>State Govt Grant/Contract - Capital:</u> Revenue received from another <u>State of Colorado</u> agency for primarily capital purposes when the original source of funds is state and not federal funds.
Nonexempt	7700	<u>Local Grant/Contract - Operating:</u> Revenue received from a <u>State of Colorado</u> local entity (cities, counties, authorities, school districts, or special districts) for primarily operating grant and/or contract agreements with the institution.

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Nonexempt	7730	<u>Local Grant/Contract - Capital:</u> Revenue received from a <u>State of Colorado</u> local entity (cities, counties, authorities, school districts, or special districts) for primarily capital grant and/or contract agreements with the institution.
Nonexempt	7750	<u>Non-Colorado State Grant/Contract – Other:</u> Revenue received from another state for primarily operating purposes when the original source of funds is state and not federal or private funds.
Nonexempt	7770	<u>Non-Colorado State Grant/Contract – Capital:</u> Revenue received from another state for primarily capital purposes when the original source of funds is state and not federal or private funds.
Exempt	7800	<u>Private Grant/Contract - Operating:</u> Revenue received from private sources for primarily operating grant and/or contract agreements with the institution no matter the original source of funds. This includes revenue received from any nonfederal public entity outside Colorado, i.e. non-Colorado state agencies, local entities, and/or colleges and universities.
Exempt	7830	<u>Private Grant/Contract -Other - Capital:</u> Revenue received from private sources for primarily capital grant and/or contract agreements with the institution no matter the original source of funds. This includes revenue received from any nonfederal public entity outside Colorado, i.e. non-Colorado state agencies, local entities, and/or colleges and universities.
Exempt	7901	<u>Fed Govt/Nongrant/Federal Appropriation:</u> <b>TO BE USED IN THE NACUBO GENERAL FUND ONLY:</b> Revenue received from the federal government as a direct appropriation to the institution.
Exempt	7902	<u>Fed Govt/Nongrant/Other:</u> <b>TO BE USED IN THE NACUBO GENERAL FUND ONLY OR IN FUND 320 BY CSU ONLY:</b> Revenues received from federal sources for other than a grant or contract or as appropriated funds.
Nonexempt	8200	<u>Other Intergovernmental Revenue - Nonexempt:</u> Revenue received from nonexempt sources for other than a grant or contract or as other than a direct appropriation to the institution.
Nonexempt	8202	<u>WICHE Capital Outlay:</u> <b>TO BE USED IN THE NACUBO GENERAL FUND BY CSU ONLY:</b> Revenue received from the Colorado Commission on Higher Education for WICHE capital outlay funding from the State of Colorado.
Nonexempt	8300	<u>Miscellaneous Revenues- Operating:</u> Revenue received from an activity classified as operating on the SRECNA which is immaterial and cannot be accurately classified into any other Revenue Source Code, including late penalty and/or collection charges for institutional loan programs and non-interest revenue on nonexempt construction projects.
Exempt	8301	<u>Exempt Miscellaneous Revenues - Operating:</u> Revenue received by a designated enterprise, classified as operating on the SRECNA, which is immaterial and cannot be accurately classified into any other Revenue Source Code.

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Exempt	8303	<u>Reimbursement for Prior Year Expenses:</u> Refunds received for expenditures made in a prior fiscal year.
Exempt	8304	<u>Revision of Expired (COFRS) Warrants:</u> Offset account for recording reversion of warrants issued by the COFRS which are generally limited to those issued by the Community College System and by institutions using COFRS to record fund 461 activity.
Nonexempt	8310	<u>Miscellaneous Revenues– Non-Operating:</u> Revenue received from an activity classified as non-operating on the SRECNA which is immaterial and cannot be accurately classified into any other Revenue Source Code, including late penalty and/or collection charges for institutional loan programs and non-interest revenue on nonexempt construction projects.
Exempt	8311	<u>Exempt Miscellaneous Revenues – Non-Operating:</u> Revenue received by a designated enterprise, classified as Non-Operating on the SRECNA , which is immaterial and cannot be accurately classified into any other Revenue Source Code.
N/A	8330	<u>Pledged Other Revenues:</u> <b>TO BE USED IN FUND 399 ONLY:</b> All revenue, regardless of status for TABOR purposes, pledged to debt - except Tuition and Fee Revenues (see Code 5030), Auxiliary Revenues (see Code 5470), and Federal Revenues (see Code 7450) - that must be identified as such on the financial statements per GASB #34/35.
Exempt	AAGA	<u>OT CS DOHE Internal:</u> <b>COP</b> - Used to offset the receivables and payables for the institution’s share of COP projects. This is an intrafund transfer code.
Nonexempt	AAGB	<u>Nonexempt Department of Higher Education Institutional Internal Transfers (previously code 9401):</u> Nonexempt transfer revenue received from another fund within the same institution.
Exempt	AAGG	<u>OT CS DOHE Internal COP Elim:</u> <b>COP</b> – Used to record the revenue for state funded COP projects.
Exempt	AAGN	<u>OT CS DOHE Int St Shr Int Cap:</u> <b>COP</b> – Used to record the state’s share of capitalizable interest on COP projects.
Exempt	AAGP	<u>OT CS DOHE Int HE Shr Int CAP:</u> <b>COP</b> – Used to record the institution’s share of capitalizable interest on COP projects.
Exempt	AAWM	<u>OT CS DOHE fm DOT:</u> <b>COP</b> – Used to record transfers from Department of Treasury for payments on COP projects.
Exempt	ABGA	<u>Exempt Department of Higher Education Internal Transfers (previously code 9400): TO BE USED FOR INTERNAL TRANSFERS BETWEEN 3XX FUNDS:</u> Exempt transfer revenue received from another entity in the Department of Higher Education and from a 3XX Higher Education discrete fund.

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Exempt	ABGB	<u>OT EX DOHE/CU FM Fitz Trust</u> : <b>TO BE USED IN THE NACUBO PLANT FUND BY GFE ONLY</b> : Transfer revenue from the Fitzsimmons Trust Fund to the CU Health Sciences Center.
Exempt	ABGF	<u>Exempt AHEC Constituents Long Bill Transfers</u> : <b>TO BE USED IN THE NACUBO GENERAL FUND BY GMA ONLY</b> : Transfer revenue received by the Auraria Higher Education Center from its constituent institutions that per the Long Bill.
Exempt	ABGC	<u>Exempt Department of Higher Education Institutional Internal Transfers (previously code 9400)</u> : Exempt transfer revenue received from another fund within the same institution.
Exempt	ABGH	<u>Exempt AHEC Constituents Non-Long Bill Transfers</u> : <b>TO BE USED IN THE NACUBO GENERAL FUND BY GMA, GFD, GHD or GJD ONLY</b> : Transfer revenue received by the Auraria Higher Education Center, the University of Colorado at Denver, the Community College of Denver or Metropolitan State College of Denver from any of these entities in accordance with agreements between them separate from the Long Bill appropriation.
Exempt	ABGM	<u>HE Capital Lease Elimination</u> : Used to eliminate Capital Lease expense in NACUBO operating funds and and reduce liability in Plant Funds. Used only when capital lease payments are made from operating funds.
Exempt	ABGN	<u>HE Retirement of Indebtedness Elimination</u> : Used to eliminate ROI additions and deductions between NACUBO ROI and Investment in Plant Funds.
Exempt	EAGA	<u>OT CS DOHE Internal</u> : <b>COP</b> – Used to record the reimbursement from the Mineral Lease or Maintenance and Reserve funds for direct appropriations in the COP fund.
Exempt	EBDG	<u>Exempt Department of Education transfers to Colorado Community Colleges</u> : <b>TO BE USED IN THE NACUBO GENERAL FUND BY GJA ONLY</b> : Exempt transfer revenue received from the Colorado Department of Education by the Colorado Community Colleges for Colorado Vocational Act Programs.
Exempt	EBEE	<u>Exempt transfers from the Governor’s Job Training Program</u> : <b>TO BE USED IN THE NACUBO GENERAL FUND BY GJA ONLY</b> : Exempt transfer revenue received from the Governor’s Job Training Program by the Colorado Community Colleges.
Exempt	EBGA	<u>DOHE Exempt Internal Transfers (previously code 9400)</u> : <b>TO BE USED FOR INTERNAL TRANSFERS BETWEEN 3XX FUNDS AND ANY OTHER FUNDS</b> : Exempt transfer revenue received from another entity in the Department of Higher Education and from <u>other than</u> a Higher Education 3XX discrete fund.
Exempt	EBGD	<u>Exempt Department of Higher Education Appropriation – Capital (previously code 8509)</u> : Exempt transfer revenue received from the State of Colorado for capital purposes.

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Exempt	EBPP	<u>Exempt Department of Natural Resources/Land Board to Department of Higher Education: <b>TO BE USED IN THE NACUBO ENDOWMENT FUND BY GFX, GGB or GGH ONLY:</b></u> Exempt transfer revenue received from the State of Colorado Department of Natural Resources Land Board by the University of Colorado, Colorado State University or Fort Lewis College.
Exempt	EBWJ	<u>Exempt Transfers from Tobacco Settlement: <b>TO BE USED BY GFA ONLY:</b></u> transfer revenue received from the State of Colorado Tobacco Settlement fund by the University of Colorado.
Exempt	ELGB	<u>Exempt Student Financial Aid Transfers from CCHE (<b>previously code 8506</b>): <b>TO BE USED IN THE NACUBO RESTRICTED FUND ONLY:</b></u> Exempt transfer revenue received from the Colorado Commission on Higher Education for state-funded student financial aid programs.
Exempt	ERWB	<u>Nonexempt Controlled Maintenance Trust Fund Transfers to the Department of Higher Education (<b>previously code 8725</b>): <b>TO BE USED IN FUND 461 ONLY:</b></u> Nonexempt transfer revenue received from the State of Colorado Controlled Maintenance Trust Fund for capital purposes.
Exempt	EQGB	<u>Exempt Department of Higher Education Appropriation – Operating (<b>previously code 8509</b>):</u> Exempt transfer revenue received from the State of Colorado for operating purposes.
Exempt	EZGA	<u>IC RE DOHE Intrnl Exempt:</u> Indirect cost transfers from a TABOR nonexempt institution to the Department of Higher Education.
Nonexempt	EZGC	<u>IC RE DHOE Intrnl Nonexempt:</u> Indirect cost transfers from a TABOR exempt institution to the Department of Higher Education.