Budget Definitions
October 2012

Budget
A budget has two parts, the forecasted level of revenues available and the associated expected expenditures for a fiscal year. The budgeted expenditures do not necessarily need to equal the budgeted revenue, but should not be greater.

Carry Forward
One-time funds generated either by actual revenues exceeding budgeted revenues, or actual expenditures being less than budgeted expenditures. These funds should be separately budgeted for as non-recurring items, or maintained for a reserve.

Designated Funds
Unrestricted funds tracked separately by the institution for specific purposes, i.e., conferences, certain instructional activities, such as continuing education, workshops, international, and extension programs.

Encumbrance
Funds already committed for a specific purpose; the setting aside of funds pending receipt of goods or services. This represents a legal obligation to pay, as evidenced by a purchase order, contract, or payroll.

Expenditure
Charges incurred for personnel, operations, maintenance, interest, and other goods or services made during the fiscal period, or for the purpose of addressing a liability.

Fund Balance
The difference between the assets and liabilities of a fund (assets - liabilities = fund balance). Fund balance represents the available resources of the fund at a specific point in time. A positive fund balance means there are more assets than liabilities, and a negative means liabilities exceed assets. The fund balance contains both designated and undesignated (restricted/unrestricted), and does not necessarily represent cash available for current expenditure. It may contain assets not cash related, such as net value of equipment.

General Fund
The main University fund used to record state appropriation, tuition, and expenses related to the University's core mission.

IDC (Indirect Cost Recoveries)
Recovery of institutional indirect costs related to grant and contract activity. IDC is sometimes referred to as Facilities and Administrative Cost Recovery (F & A), or by its acronym, ICR.
**One-time Funds**
Funds generally used for non-recurring items and for short-term purposes. Examples include indirect cost recovery rebates, carry forward funds, and funding provided by other units for a one-time purpose. The funds should not be relied on to correct recurring budget shortfalls.

**Other Education and General Funds**
Departmental funds designated for a specific purpose. These include Dispute Resolution, ETIC, Repair & Remodeling, and Endowments.

**Position Control**
Budgetary oversight of personnel decisions (recruitment, hiring, promotion, fte change, term of service change, and/or salary adjustments) wherein it is confirmed that adequate budget exists to support personnel actions. This includes maintenance of position budgets in Banner (i.e., Position Budget, Employee Job, and Position Definition modules) which requires coordination between Budget, Human Resources, and Departments. This process ensures that that hiring takes place in conformance with the budget and that funds are not expended in excess of available revenues.

**Self-Support Funds**
Funds used to record the collection of tuition for non in-load courses. The units that teach the courses collect the tuition in order to pay for the cost of providing the course.

**Targeted Funding**
Funding provided by OUS which must be spent for a specific purpose. Examples of these funds include ETIC, Oregon Solutions, and Dispute Resolution.

**Recurring Budget**
The amount budgeted for the recurring personnel, services and supplies expenditures anticipated for the fiscal year. These are funds that carry with them the expectation that they will occur each year, unless unforeseen events occur.

**Reserve:**
Carry-forward funds set aside at either a university or unit level for economic uncertainties, or to fund a specific project that requires the accumulation of resources to fund.

**Restricted Funds**
External revenues whose use has been designated by a third party.

**Rollup costs**
A calculation of full year (year 2) of payroll cost increases and benefit adjustments for mid-year salary and benefits adjustments made in a prior year (year 1). At PSU, this does not include the cost of mid-year hires.
**Salary Savings**
The savings during the period when a departed employee’s position is vacant until a replacement is hired or from a reduction in current year salary (sabbatical, grant buy out, leave of absence). Savings are recurring base dollars, but can be used as a source of one-time funds for the year in which the savings occur.

**Unrestricted Funds**
These funds are free from any external restrictions (but must conform to policies related to their appropriate use) and available for general use.

**Personnel Costs**
Includes salaries, wages, other payroll expenses (health benefits, retirement benefits, employer taxes, etc.) and encompasses all employee classes (unclassified, classified, student, and GA).

**Services & Supplies (S&S)**
All other non-payroll expenditures

**Transfers**
Resources moved from one fund to another.