

## Funds Management

The Funds Management section of the Best Practices Handbook is intended to explain the general structure, terminology, and proper usage of funds in relationship to the University's accounting procedures through SAP.

### 1. Fund Center Naming & Numbering Convention

Fund Center/Cost center

### 2. Account Types

Internal Order/Funded Program/Sponsored Program

Fund Center/Internal Order – Account Hierarchy

Unrestricted/General Use Funds

Designated/Restricted Funds

Grants (50,55)/Sponsored Programs (950, 955)

### 3. Account Set Up, Maintenance, and Closeout

Requesting new accounts

Maintaining current accounts

Closing out empty/retired accounts

### 4. General Ledger (GL) Accounts

SPH GL Accounts Short List

GL Coding Principles

## Funds Management

### 1. Fund Center Naming & Numbering Convention

#### Fund Center/Cost Center

To clearly define each area of responsibility, Boston University uses a Fund Center structure for budgeting and fund distribution.

Fund centers (also referred to as Cost Centers) support budgets at the department level and are used to track revenue and expenditures within an organizational unit (e.g. SPH departments).

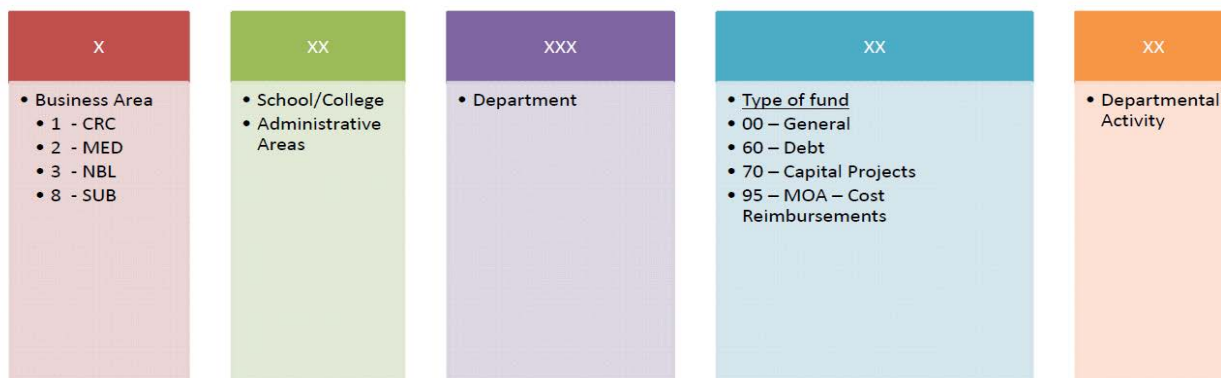
Although Fund Center numbers may seem puzzling at first glance, there is a structure that is followed when setting up this type of account. Each Fund Center number has a ten digit code based on five different elements.



BUworks

## Master Data Design

### Cost Center/Fund Center (1:1)



SPH Fund Center/Cost Center	Description
2 44 045 00 00	SPH Finance & Administration
2 44 023 00 00	SPH Admissions Office

Note All SPH Fund Centers begin with the numbers 244.

#### Helpful Links

[SAP Enterprise Structure](#)

## 2. Account Types

### Internal Order/Funded Program/Sponsored Program

An Internal Order (IO), also referred to as Funded Program or Sponsored Program (for Grant accounts), resides within a Fund Center and is used to allocate budgeted funds that support a specific strategic initiative.

The account structure used for Internal Orders is as follows

- Each account number has a ten digit code that begins with the number 9.
- The second and third digit indicate the Internal Order Type (as shown in the schedule below)
- The last 7 digits are system-generated (they have no meaning, and in no way indicate college, school, or department).

Prefix	IO Type		Sequential Numbering
9	09- Designated General	32 – Gifts – Building	XXXXXXXX
	20 –Endowment Principal	34 – Undesignated gifts	
	21 – Endowment Sep Invest	35 – Gifts Pledges	
	25 – Endowment Spendable	50 – Grant – Federal	
	30 - Gifts	55 – Grant – Non-Federal	

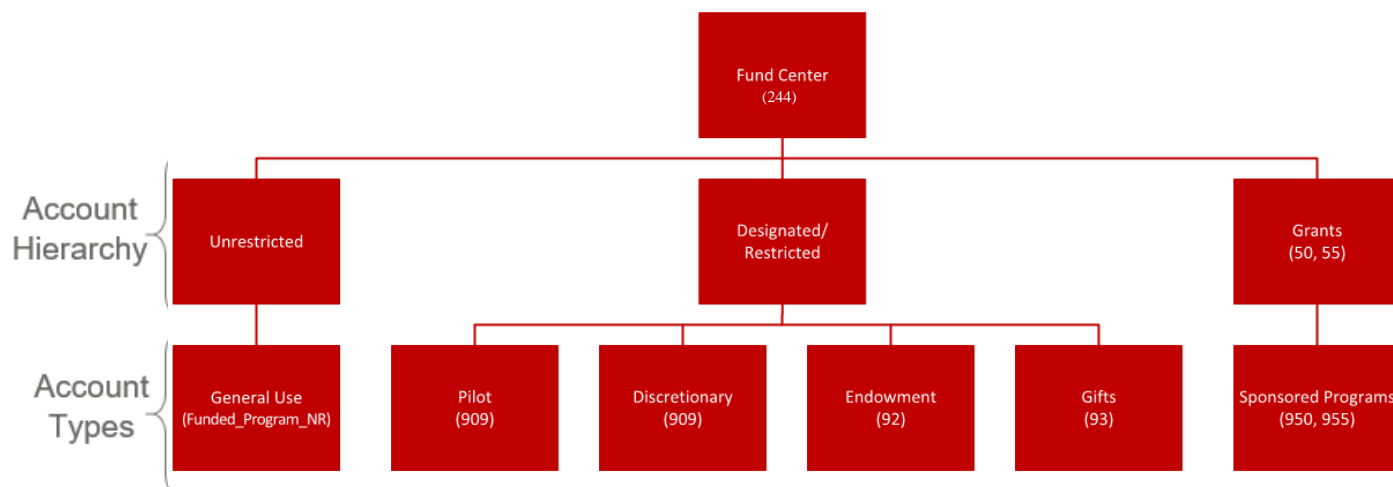
### Examples

Cost Center / Fund Center	Description
909 XXXXXXXX	Designated General (Pilot, Discretionary, etc.)
925 XXXXXXXX	Endowment Spendable
930 XXXXXXXX	Gifts
950 XXXXXXXX	Grant – Federal
955 XXXXXXXX	Grant – Non –Federal

### Notes

- All Internal Orders/Funded Programs/Sponsored Programs reside within a Fund Center
- All Internal Orders/Funded Programs/Sponsored Programs accounts begin with a 9

### Fund Center/Internal Order – Account Hierarchy

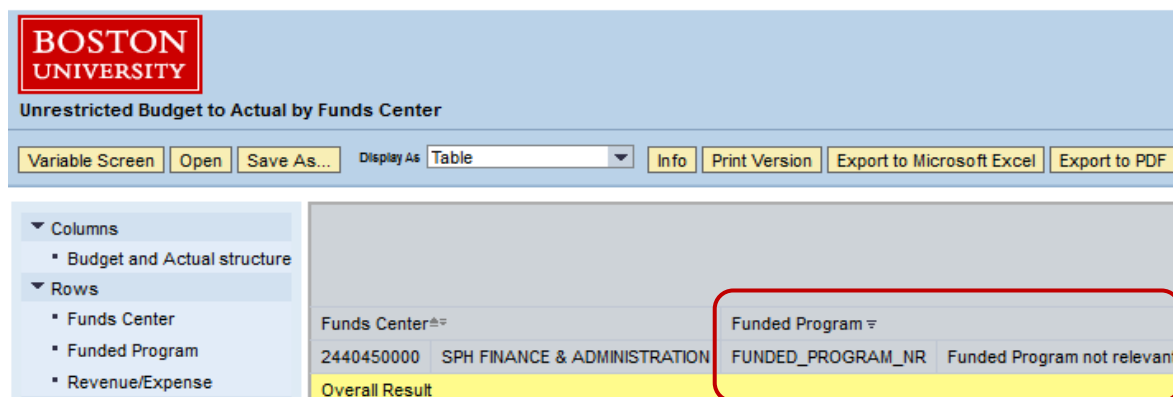


An Internal Order, Funded Program or Sponsored Program account is categorized based on its use and restrictions as described in this section of the Best Practices Handbook.

#### Unrestricted/General Use Funds

Unrestricted funds are distributed annually and are used to support each SPH department’s structural operating expenses. Typical charges found under this type of accounts include salaries, personnel training, office expenses, and technology. Although use of these funds is unrestricted in nature, they must follow Boston University accounting rules and SPH best practice guidelines.

When running Business Warehouse reports, you will notice that there is no Internal Order (or “Funded Program”) designation for this type of account. Instead, Business Warehouse reports categorize the Funded Program as “Funded\_Program\_NR” (Funded Program not relevant) as shown in the screenshot below.



## Designated/Restricted Funds

Designated Funds are general use funds that have been set aside to support a particular purpose or project at SPH.

Restricted Funds, on the other hand, carry explicit stipulations that must be met before the funds can be spent. Funding provided by sponsored agencies or corporations for a specific grant or contract work is also considered restricted.

The Boston University School of Public Health currently has four types of Designated/Restricted Funds

- A. Pilot Awards Program (909) - The SPH Pilot Awards Program offers multiple funding opportunities to support research and education initiatives that are carried out by our distinguished faculty members. To learn more about the SPH Pilot Award Program, please visit our [Faculty Handbook website](#).

**BOSTON UNIVERSITY**  
Designated/Restricted Balance & Activity

Variable Screen | Open | Save As... | Display As: Table | Info | Print Version | Export to Microsoft Excel | Export to PDF

Columns				
Rows	Funds Center	Funded Program Type	Funded Program Type	Funded Program
	2440480000	SPH Pilot Project Funding	Designated General Funds	90900 [redacted] [redacted] Pilot Funds
	Overall Result			

- B. Discretionary Funds (909) - Each faculty member with a primary faculty appointment at SPH (above the rank of Instructor) has an individual discretionary account. Funds in these accounts can be used at the discretion of the faculty member to support their research, teaching, and service activities and to invest in their own professional growth and development. To learn more about Annual Discretionary Funds, including guidance and expenditure restrictions, please visit our [Faculty Handbook website](#).

**BOSTON UNIVERSITY**  
Designated/Restricted Balance & Activity

Variable Screen | Open | Save As... | Display As: Table | Info | Print Version | Export to Microsoft Excel | Export to PDF

Columns				
Rows	Funds Center	Funded Program Type	Funded Program Type	Funded Program
	2442400000	SPH EPIDEMIOLOGY	Designated General Funds	90900 [redacted] [redacted] Rsrch/Educ
	Overall Result			

- C. Gift Funds (93) - Gifts are irrevocable transfers of assets, i.e. contributions from private sources, for which no goods or services are expected, implied, or forthcoming in return to the donor, and in which no proprietary interests are to be retained by the donor. To learn more about Gift, please visit the [Boston University Gift Policy Manual](#).

**BOSTON UNIVERSITY**  
Designated/Restricted Balance & Activity

Variable Screen | Open | Save As... | Display As: Table | Info | Print Version | Export to Microsoft Excel | Export to PDF | Filter | Settings

Columns				
Structure				
Rows	Funds Center	Funded Program Type	Funded Program	
Funds Center	2440400000	SPH DEAN ADMINISTRATION	Gift	93000 [REDACTED] SPH [REDACTED] EXCELLENC
Funded Program Type				
Funded Program				
Overall Result				

- D. Endowment Funds (92) - Endowment Funds are resources received by the University that help to provide a sustainable level of support for the University’s operating budget. The donor gift or principal amount is invested in the University pooled endowment to provide both income and long-term growth. Individual endowment funds are comprised of a specific number of “units” or shares within the University endowment that generate annual income either for distribution use or to be returned to principal. To learn more about Endowments, please visit the [Boston University Gift Policy Manual](#).

**BOSTON UNIVERSITY**  
Designated/Restricted Balance & Activity

Variable Screen | Open | Save As... | Display As: Table | Info | Print Version | Export to Microsoft Excel | Export to PDF | Filter

Columns				
Structure				
Rows	Funds Center	Funded Program Type	Funded Program	
Funds Center	2440400000	SPH DEAN ADMINISTRATION	Endowment Spendable	92500 [REDACTED] WILLIAM [REDACTED]
Funded Program Type				
Funded Program				
Overall Result				

## Grants (50,55)/Sponsored Programs (950, 955)

Grants or Sponsored Activities are those undertaken by the University with the support of an external entity which expects in return specific outcomes that either directly benefits the provider or a public purpose.

At a minimum, the provider requires the University to report on how the funds were spent and/or what progress has been made in accomplishing the goals of the activity. To clearly differentiate funding sources and track financial transactions for each activity, Boston University has created the following structure for Grant accounts

- Grant accounts reside within a Fund Center to clearly identify the School and Department responsible for administering the funds.
- Grant accounts funded by the Federal Government start with the two digit code 50.
- Grant accounts funded by sources other than the Federal Government start with the two digit code 55.

Generally, multiple Internal Orders, most commonly referred to as Sponsored Program accounts, are associated with one particular Grant and are structured as follows

- Federal Grant accounts that begin with 50 store Sponsored Program accounts that begin with 950.
- Non Federal Grant accounts that begin with 55 store Sponsored Program accounts that begin with 955.

Sponsored Programs can be classified based on their reporting period or the spending restrictions established by the sponsor. Below is an example of each grouping

Internal Orders Based on Reporting Periods		Internal Orders Based on Spending Restrictions	
Grant # 50XXXXXX		Grant # 50XXXXXX	
Internal Order# 950XXXXXX	Year 1	Internal Order# 950XXXXXX	Main Award
Internal Order# 950XXXXXY	Year 2	Internal Order# 950XXXXXY	Supplement Funding
Internal Order# 950XXXXXZ	Year 3	Internal Order# 950XXXXXZ	Participation Support Costs

Note Internal Order numbers associated with one Grant will not necessarily be in sequential order. For example, Grant # 50123456 may have order numbers 9500423783, 9500127400, and 9500374259 for years 1, 2, and 3.

### Federal Grant

**BOSTON UNIVERSITY**  
Budget vs. Actuals

Variable Screen | Open | Save As... | Display As Table | Info | Print Version | Export to Microsoft Excel | Export to PDF | Filter | Settings

- Columns
  - Budget/Actual
- Rows
  - Funds Center
  - Grant
  - Sponsored Program (IO)
  - Sponsor

Funds Center	Grant#	Sponsored Program (IO)	Sponsor
2442400000 SPH EPIDEMIOLOGY	5010 Health Advocates	9500 Primary Acct	NIH/National Cancer Institute
		9500 Prime Supplement	NIH/National Cancer Institute
Overall Result			

### Non Federal Grant

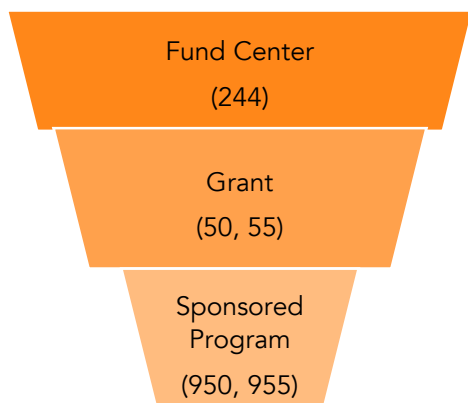
**BOSTON UNIVERSITY**  
Budget vs. Actuals

Variable Screen | Open | Save As... | Display As Table | Info | Print Version | Export to Microsoft Excel | Export to PDF | Filter | Settings

- Columns
  - Budget/Actual
- Rows
  - Funds Center
  - Grant
  - Sponsored Program (IO)
  - Sponsor

Funds Center	Grant#	Sponsored Program (IO)	Sponsor
2444000000 SPH CTR FOR GLOBAL HEALTH & DVLPM	5520 The STUDY: Using on-going newborn	9550 The STUDY	World Health Organization
		9550 Yr2	World Health Organization
Overall Result			

### Grant/Sponsored Program – Account Hierarchy



Federal Award
Grant = 50xxxxxx
Sponsored program# = 950xxxxxx

Non Federal Award
Grant = 55xxxxxx
Sponsored program# = 955xxxxxx

### Helpful Links

- [Grant Management Video Tutorial](#)
- [Office of Sponsored Programs - Manage an Award FAQ](#)



### 3. Account Set Up, Maintenance, and Closeout

Requesting new accounts

The procedure for creating new Fund Center or Internal Order accounts will vary depending on the type of account and funding source.

Please contact the following departments for assistance on creating new accounts

Fund	Department	Contact Person
Fund Center (244) Discretionary (909)	SPH Finance and Administration	Veronica Byam <a href="mailto:vbyam@bu.edu">vbyam@bu.edu</a>
Gift (92) Endowment (93)	SPH Development and Alumni Relations	Jacoba Van Heugten <a href="mailto:jivh@bu.edu">jivh@bu.edu</a>
Sponsored Program (95)	SPH Department Research Administrator	Department Research Administrator

Note Sponsored Program Pre-Award Accounts can be set up to 90 days in advance of actual award start date or in advance of delayed receipt of an award. The Office of Sponsored Programs will assist with the Pre-Award Account and the completion of the [IPAR form](#).

Maintaining current accounts

Monthly and quarterly reports should be run for each type of account to review the status of existing funds and the rate of spending. Certain Sponsored Programs will be required to produce periodic reports as part of the funding contract.

Please visit the [Reporting, Reconciliation, and Corrections](#) section of the handbook for information on running financial reports.

## Closing out empty/retired accounts

The procedure for closing out empty or retired accounts will vary depending on the type of account and funding source.

Please contact the following departments for assistance on closing out empty or retired accounts

Fund	Department	Contact Person
Fund Center Discretionary (909)	SPH Finance and Administration	Veronica Byam <a href="mailto:vbyam@bu.edu">vbyam@bu.edu</a>
Gift (92) Endowment (93)	SPH Development and Alumni Relations	Jacoba Van Heugten <a href="mailto:jjvh@bu.edu">jjvh@bu.edu</a>
Sponsored Program (95)	SPH Department Research Administrator	Department Research Administrator

Note Pre-Award Accounts allow for efficient accounting of sponsored awards' spending, and remove the need of creating correcting Cost Transfer Journal Entries later on.

### Helpful Links

[Sponsored Program Award Set-Up](#)

[Sponsored Program Financial Closeout](#)

#### 4. General Ledger (GL) Accounts

The general ledger is an accounting document that provides a general overview of an organization's financial transactions. An account, or general ledger (GL) code, is a number used to record business transactions in the general ledger. Boston University stores every general ledger (GL) code in the SAP system.

##### SPH GL Accounts Short List

At the School of Public Health we have developed a GL account short list to help our faculty and staff easily reference the accounts most commonly used when recording expenditures.

When looking to code travel and/or PCard expenditures, departmental and interdepartmental transactions, purchasing, etc., please refer to the SPH GL Codes Short List to find the most appropriate GL account to use.

This document may be searched for account numbers or keywords by using the 'Find' feature

- For Windows, use CTRL+F
- For Mac, use COMMAND+F

Note Unallowable does not mean that the SPH is not allowed to incur these costs; it simply means the government is not willing to pay for them, either directly or indirectly, through government contracts.

##### Helpful Links

[BU's GL Income and Expense Account Descriptions](#)

## GL Coding Principles

- A. All General Ledger accounts have a 6-digit number
- B. Leading digit of GL account number indicates the following type

GL Account (6 Char)
• 1xxxxx Assets
• 2xxxxx Liabilities
• 3xxxxx Net Assets (Fund Bal)
• 4xxxxx Revenue
• 5xxxxx Expenses
• 8xxxxx Allocations

- C. Payroll related GL account numbers range from 500010 to 500560, plus stipend GLs 523100 & 523105
- D. ISRs and FSRs are identified by leading digits = 89
- E. When creating and coding shopping carts, disbursement forms, and travel/PCard transactions, please remember to
  - i. Use the most appropriate GL account for the transaction(s)
  - ii. Ensure that the correct Fund Center, Internal Order or Sponsored Program is being charged
  - iii. Enter a meaningful text or description for each activity booked
  - iv. Include attachments as appropriate
  - v. Periodically compare the transactions you recorded to what has posted in BU's Business Warehouse reports

## Helpful Links

[Useful SAP Account Numbers and Doc Types](#)

**List of common GL accounts, by grouping**

Note: GL 510010 (Supplies) should not be used when coding departmental transactions. Particular attention should be paid when reconciling PCard activity, as the system uses GL 510010 as the default account. The system allows 7 days from the close of the monthly billing cycle to change accounting codes.

GL Group	Fed?	GL Account Number	GL Account Name	Dollar Limits	Definition
<b>Equipment</b>	Yes	510015	Computer Equipment	< \$5,000	Most laptop and desktop computers; see 510030 for computer charger, cable, and other accessories costs
	Yes	510100	Non-Capital/Minor Equipment	* Between \$1,000 to \$4,999.99 or * > \$5,000 if useful life is <b>less</b> than 1 year	Any article of non-expendable, tangible property within \$ threshold Includes: - Purchase and installation of office equipment, - Video equipment that is permanently installed, projector etc. - Delivery and installation costs
	Yes	571400	Capital Equipment	* > \$5,000 and useful life is <b>more</b> than 1 year	For tangible property that does <b>not</b> become a permanent part of a building. Includes: - Purchase and installation of office equipment or a capital lease buyout of \$5,000 or more, - Delivery and installation costs
<b>General Computer Expenses</b>	Yes	515009	Contracted Services- Hardware Maint		For contracted services in relation to computer hardware
	Yes	515010	Contracted Services- Software Maint		For contracted services for software maintenance
	Yes	516200	Software License		Software and ongoing software license costs
<b>Materials And Supplies</b>	No	510020	Consumable Supplies - Coffee/Water Servi		Coffee, bottled water, and other similarly consumable supplies
	No	510030	Consumable Supplies - Office		Pads, paper, pens, pencils, cleaners; computer chargers, cables, and other accessories
	Yes	510040	Consumable Supplies - Research Laborator		Small laboratory equipment (not including electronic parts) Includes: - Nitrogen, Carbon Dioxide, Tungsten, lamps, gauges, meters, lenses, culture dishes, and; - All related supplies used in laboratory testing, teaching or research.
	Yes	510050	Consumable Supplies - Research-Animal Re		Research animals & related supplies: food, bedding, and per diems
	No	510060	Consumable Supplies - Promotional Items		Marketing material: Mugs, T-shirts, etc.
	Yes	513400	Non-Library - Books & Periodicals		Books & periodicals
<b>Other Operating Expenses</b>	No	500730	Awards - Unallowable		Used for prizes and awards to faculty and students not recoverable from federal sponsors
	Yes	511900	Postage & Mail Service		Stamps and US post office expenses
	Yes	511930	Postage & Mail - Freight & Shipping		FEDEX, DHL, UPS - heavy freight and shipping costs
	Yes	513000	Reproduction And Printing		Kinkos, printing companies, posters, business cards
	No	513940	Dues & Membership		Fees paid to organizations for University purposes. Excludes: - Conference registration fees (use GL account 513900).
	No	516020	Donations/Contributions - Unallowable		Donations and contributions made by the University to others
	No	516050	Entertainment - Unallowable		Musician, student outing expenses, sporting events, meals, rentals, holiday parties expenses (including catering), retirement or baby shower parties, transportation, and gratuities.
	No	516060	Gifts - Unallowable		Greeting Cards, and Gifts to employees
	No	516080	Flowers - Unallowable		Flower arrangements
	Yes	535200	Study Subject Payments		Payments to human subjects participating in a research study
	Yes	535205	Human Subject Recruitment Advertising		Advertising for human subjects to participate in research studies
<b>Telecom</b>	No	511500	Telecomm Equipment - Landline		Telecom landline equipment & usage charges. Includes Telecom overhead
	No	511510	Telecom Usage - Mobile Device		Telecom cellphones and other mobile devices. Includes Telecom overhead
<b>Subcontracts</b>	Yes	517510	Subcontracts <\$25,000		For subaward agreements subject to Facilities and Administration (F&A) cost recovery charges; generally the first \$25,000 in charges.
	Yes	517520	Subcontracts >\$25,000		All expenditures for subaward agreements not subject to Facilities and Administration (F&A) cost recovery, generally in excess of \$25,000 in charges.

**List of common GL accounts, by grouping (continued)**

Note: GL 510010 (Supplies) should not be used when coding departmental transactions. Particular attention should be paid when reconciling PCard activity, as the system uses GL 510010 as the default account. The system allows 7 days from the close of the monthly billing cycle to change accounting codes.

GL Group	Fed?	GL account number	GL account name	Dollars Limits	Definition
Travel	Yes	509001	Recruitment Expenses Travel		Travel expenses relating to recruitment of faculty, staff, and students
	Yes	509002	Moving/Relocation Expenses		Moving and relocation costs
	Yes	513500	Travel - Domestic		Travel involving an <b>overnight</b> stay or transport via common carrier. Includes: - Travel expenses allowed under the BU travel policy (airfare, all ground transportation, meals, lodging and conference registration fees).  Domestic travel: travel within and between the United States, its territories and possessions and Canada. For an employee permanently located in another country, travel within that country is charged as domestic.
	No	513510	Travel - Domestic - Unallowable		First Class Travel (see Travel and Business Expenses Guidelines) See definition of 513500, Use this GL for similar costs where the cost is not allowable for recovery from a sponsored award
	Yes	513700	Travel - Foreign		Used for travel expenses outside of the United States, its territories and possessions, and Canada. United States Flag air carriers must be used unless advanced written approval is received from Research Accounting (353-4555)
	No	513710	Travel - Foreign Unallowable		See definition of 513700. Use this GL for similar costs where the cost is not allowable for recovery from a sponsor (first class travel, for example).
	Yes	513900	Conference Fees Paid		Conference and seminar registration fees
	Yes	513910	Meeting Expense - Staff/Business Meetings		For meetings in connection with University business. Includes travel to meetings when not accompanied by an overnight stay or on a common carrier. Includes: - Uber, Lyft, taxi companies, professional development meetings (when training is relevant to the sponsored award/federal contract) Excludes: - Coffee, water, and other office refreshments and other meeting expenses not allowable as a direct charge to a federal grant or contract; for these costs use 513920.
	No	513920	Meeting Expense - Unallowable		For meeting costs not allowable on sponsored grants and contracts. Includes: - Department retreat, professional development meetings, Uber, Lyft, room rentals, travel to meetings when not accompanied by an overnight stay or on a common carrier. - Coffee, water, and other office refreshments and other meeting expenses not allowable as a direct charge to a federal grant or contract.
Professional And Contracted Services	Yes	500740	Honoraria - US Citizen		Payment to Guest lecturers invited to attend a class, participate in a presentation, or provide a public lecture on a one-time basis.
	Yes	500745	Honoraria - Foreign		Payments to Guest Lecturers invited to attend a class, participate in a presentation, or provide a public lecture on a one-time basis. Payments to nonresident aliens must be paid through Payroll and withholding may be required depending on treaty status.
	No	515003	Contracted Services - Temporary Help Agen		For the cost of services retained through a temporary help agency
	Yes	515005	Contracted Services - Equipment Maint/Rep		For contracted services in relation to equipment maintenance and repair other than computing; see 515009 for computing hardware maintenance costs
	Yes	515015	Contracted Services - Consulting		For consulting services
	No	516010	Advertising/Public Relations - Unallowab		Advertising and public relations costs
	No	518020	Catering Services		Catering services
Parking	Yes	890188	ISR: BUMC PRKG COUPN		BUMC Parking Courtesy Coupons
F&A Reclass	Yes	860102	F & A External Corrections		F&A expense allocation -- external; corrections to calculated rate

\* Unallowable does not mean that the SPH is not allowed to incur these costs; it simply means the government is not willing to pay for them, either directly or indirectly, through government contracts.