What are Institutional Trust Funds?

- Are established at the University level by authority of Chapter 116, Article 1 of the General Statutes
- Are set up for specific business purposes as determined by the approved Fund Authority, and in compliance with UNC-FIT and University guidelines
- Are NOT state appropriated
- Are NOT for personal benefit

G.S. 116-36.1
# Types of Institutional Trust Funds

<table>
<thead>
<tr>
<th>Type of Fund</th>
<th>Banner Fund Begins With:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overhead/F&amp;A</td>
<td>12</td>
</tr>
<tr>
<td>Institutional Trust</td>
<td>14</td>
</tr>
<tr>
<td>Auxiliary Funds</td>
<td>310, 311, 316, 317</td>
</tr>
<tr>
<td>Restricted for Scholarships</td>
<td>23</td>
</tr>
<tr>
<td>Restricted for other use</td>
<td>24, 25, 27</td>
</tr>
<tr>
<td>Endowments Restricted for Scholarships or other use</td>
<td>2E, 6R, 6C, 6Z</td>
</tr>
<tr>
<td>Special Funds</td>
<td>312</td>
</tr>
<tr>
<td>Agency Funds</td>
<td>8</td>
</tr>
</tbody>
</table>

All numbered funds except: 11 (state), 15 & 21 (grants), 314 & 315 (ECUP)
Overhead/F&A Funds

- 12xxxx Fund
- We will come back to these later.
Institutional Trust - General

- Begin with 13xxx – 14xxxx (not 143xxx)
- Must be expended in accordance with approved fund authority form, University policies, and UNC-FIT guidelines

Examples

- Student activity programs
- Fees for services (i.e. registration, training, etc.)
- Royalties, patents, copyrights
Institutional Trust - Residual Funds

- Begin with 143xxx
- 143xxx are residual balances transferred from grants
  - Revenue/Income should only show in account code 58253 - Nonmandatory Restricted
  - No other funding should be deposited or transferred into these funds
- Expenditures must be research related
- Established at college or division level
Auxiliary Funds

- Begin with 31xxxx
- Includes student auxiliaries, institutional auxiliaries, and service center operations
- Self-supporting entities
- Examples
  - Parking and Transportation
  - Student Health Center
  - Housing and Dining
  - Student Stores
Restricted Trust Funds

• Must be used only for the donor-restricted purpose
• Restricted Trust Funds begin with 23, 24, 25, 27
  • 23 - Scholarships
  • 24 - Professorships
  • 25 - Departmental Use
  • 27 - Other Restricted

• Restricted Endowments begin with 2E, 6C, 6Z, 6R
  • 3 parts: Corpus (6C or 6Z), Restricted (6R), Spendable (2E)
  • Corpus and Restricted Funds cannot be spent
  • Principal is invested and interest earned is allocated annually to the spendable fund in accordance with ECU’s endowment policy.
Agency Funds

- Begin with 8xxxxx
- Funds Held for Others
- Use account 26500 “Funds Held for Other Noncurrent” for all transactions including revenue deposited.
- If ProCard is used, prepare a Journal Entry monthly to moved expenses to 26500.
Operation and Use of Trust Funds

- Need to maintain a positive cash balance
- Must be used as documented on the approved Fund Authority
- Must follow ECU spending guidelines, and comply with UNC-FIT and the General Statutes
- Requires VC approval to establish
- Changes in scope, purpose, source of revenue, organizational code, etc. must be reported to the ITF Office
  - Requires an updated Fund Authority
  - A new fund may be required
Do not use Self Service Banner for Institutional Trust Funds
ITF Fund Management

- To manage your ITF funds, use Banner 9 Admin Pages.
- Requires the use of only 2 screens:
  - FGITBAL – Trial Balance
  - FGIBDST – Operating Ledger (YTD Revenues & Expenses)
    - Use F3 to see details
MANAGING YOUR F&A FUNDS

With New ecuBIC Reports
WHAT IS F&A?

The Facilities and Administrative Rate (F&A Rate) is the mechanism used to reimburse the University for the infrastructure support costs associated with sponsored research and other sponsored projects. The F&A rate is essentially an overhead rate. It is calculated as a percentage of overhead associated with, an allocable to, sponsored research and other activities, divided by the direct costs of sponsored research and other activities.
F&A FUNDS

Begin with 12xxxx

Indirect cost earned from grants

- 50412 - Grant and Contract F&A Distribution
- 58259 – Indirect Cost Transfer (overhead to overhead)

Expenditures must be research related

Established at college or division level
Overhead/F&A Funds (cont.)

According to University Spending Guidelines, Overhead Receipt Funds may not be used for:

- Alcoholic Beverages
- Alumni Activities
- Bad Debts
- Charitable contributions, donations, gifts
- Commencement and Convocation Expenses
- Disallowed direct costs (Grants Office is responsible for checking for these types of expenses)
- Entertainment costs
- Fines, penalties, damages and other settlements
- Fund raising and investment management costs
- Investment costs, borrowed capital, etc.
- Legal Costs (attorney fees related to patents are allowed)
- Lobbying Costs
- Memberships in country clubs, social or dining clubs and organizations where purpose is lobbying
- Organizational costs of establishing a new organization e.g., broker’s fees, incorporation fees, attorneys, etc.
- Personal use goods or services
- Selling and marketing costs of products or services
- Student activities costs (publications, clubs, athletics, etc.)
- Travel or subsistence or living allowances for Board of Trustees or Board of Governor
GENERAL F&A SPLIT

*Agreements may vary
The Office of Research Administration and the Institutional Trust Funds office are excited to roll out the use of activity codes in banner on F&A (overhead) funds to allow for the tracking of revenues and expenditures by PI’s and departments.

Automate and Standardize F&A accounting.

Reports of F&A revenue, expenditures, and balances per department and PI.
All PI’s will need to have an activity code set-up by ITF with F&A Attributes.

To request a new activity code. This form will be available on our website.

The activity code will be the first 3 of First Name and First 3 of Last Name. If duplicate activity code exists, First 3 of First Name, First 2 of Last Name and a number (ANTBE1).

The department activity code is the same as your ORGN.

Please use the PI’s name as it is in Banner. For example, if you name is Thomas Smith, but they go by Tom. The activity should be THOSMI not TOMSMI

If your fund has no active PI’s, a departmental activity code is still needed. You will just complete the top portion of this form.

Return all forms to ITF-SpecialFunds@ecu.edu
Some PIs will have a two letter First name or Last, there activity will only be 5 characters instead of 6
- Al Rocker → ALROC
- Jet Li → JETLI

Some PIs will have a hyphenated name, a name with an apostrophe, or a space in their name.
- Sandra Day O’Connor → SANO’C
- Ban Ki-Moon → BANKI-
To access the reports navigate to ecuBIC.ecu.edu. Click on finance and Institutional Trust Funds. There are three reports that relate to F&A. Please add these to your ecuBIC favorites for easy access.
This report is used to search for a PI activity code. You can search by Banner ID, Last Name, Department Name, Activity Code, or ORGN.

- Please read the instructions to have a successful search. Last name needs to be followed by a %. Typing in “Smith%” will return all of the PIs with the last name Smith.
- Department Name also needs to have wild cards. For Chemistry, use “%Chemistry%”, for Academic Affairs use, “%AA%” Department will return the associated department activity code.
- Note: When using the ORGN search, a PI may have an activity code, but may not show up under you ORGN; regardless of their home ORGN this is okay as long as they have an activity code.
This report can be used to lookup a PIs activity code or to see all PIs associated with your ORGN.

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>ACTIVITY TITLE</th>
<th>STATUS</th>
<th>DEPT ORGN</th>
<th>DEPT TITLE</th>
<th>PI BANNER ID</th>
<th>PI NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>BREZEE</td>
<td>B000000789 Kieper Brett</td>
<td>A</td>
<td>668601</td>
<td>HSH BSOM Biochem and Molecular</td>
<td>B000000789</td>
<td>Kieper Brett</td>
</tr>
<tr>
<td>BRISHE</td>
<td>B001170428 Shewchuk Brian</td>
<td>A</td>
<td>668601</td>
<td>HSH BSOM Biochem and Molecular</td>
<td>B001170428</td>
<td>Shewchuk Brian</td>
</tr>
<tr>
<td>JOSCHA</td>
<td>B000000794 Chalovich Joseph</td>
<td>A</td>
<td>668601</td>
<td>HSH BSOM Biochem and Molecular</td>
<td>B000000794</td>
<td>Chalovich Joseph</td>
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<tr>
<td>KIMMIE</td>
<td>B01162387 Kow Kimberly</td>
<td>A</td>
<td>668601</td>
<td>HSH BSOM Biochem and Molecular</td>
<td>B01162387</td>
<td>Kow Kimberly</td>
</tr>
<tr>
<td>KULMAN</td>
<td>B00773509 Mansfield Kyle</td>
<td>A</td>
<td>668601</td>
<td>HSH BSOM Biochem and Molecular</td>
<td>B00773509</td>
<td>Mansfield Kyle</td>
</tr>
<tr>
<td>MYLCAE</td>
<td>B00936708 Cabot Mylas</td>
<td>A</td>
<td>668601</td>
<td>HSH BSOM Biochem and Molecular</td>
<td>B00936708</td>
<td>Cabot Mylas</td>
</tr>
<tr>
<td>RUTSCH</td>
<td>B000007024 Schwalbe Ruth</td>
<td>A</td>
<td>668601</td>
<td>HSH BSOM Biochem and Molecular</td>
<td>B000007024</td>
<td>Schwalbe Ruth</td>
</tr>
<tr>
<td>TONZEC</td>
<td>B00777176 Zaczycki Tonya</td>
<td>A</td>
<td>668601</td>
<td>HSH BSOM Biochem and Molecular</td>
<td>B00777176</td>
<td>Zaczycki Tonya</td>
</tr>
</tbody>
</table>
This report can also be used to lookup a PIs activity code by last name (below) or Banner ID.
THE NEXT REPORT IS FA BALANCES BY DEPARTMENT AND ACCT POOL SUMMARY
This report can be used to look at the fund in total.

To view the detail behind the transactions click the + beside the account and the click the underlined number.

This will need to be reclassified to the correct PI.
Let’s look at the Office Supplies. Click the $61.80 to drill down.
These two transactions will need to be transferred to the correct activity code. These numbers are positive so they are debits. The No Activity should be credited to clean this up and the correct activity code should be debited.

This form can be exported to excel. Click the floppy disk icon and then click excel. Once in excel you can copy and paste to a blank JE and add the activity and debit/credit.
Columns with red lettering indicates an invalid activity code, these transactions, as well as No ACTV, will need to be reclassified to the correct PI.

Grant and Contract F&A Distributions can post with the incorrect activity code (such as 56HEP above) when the grant distribution codes are not set up correctly in the system. This usually means the grant doesn’t have an activity code assigned to the distribution for this fund. If this occurs on your fund please contact your grants administrator.
EPAFs will need to be submitted to add an ACTV to salary line. If salary is showing in the no activity column a payroll redistribution is needed.
The total cash balance on the ecuBIC report will match to the Banner Admin Pages (Banner 9) cash balance on the FGITBAL screen.
Our reports can show **Current Activity to Date**… This will match FGIBDST in banner.

**Activity to period ending**…. The below report will show the combined total for July, August, September, and October.

**Activity for a specific period** …. The below report will show the totals for October.
THE NEXT REPORT IS FA BALANCES BY PI BY ACCT POOL SUMMARY
You can review the report by a single PI or a PI can review their own individual report. This report can be emailed weekly if you request a subscription to be set up.

### F&A Balances by PI by Acct Pool Summary

**FOR PI: Garcia Brandon**

#### CURRENT YEAR ACTIVITY

<table>
<thead>
<tr>
<th>FUND</th>
<th>ORGN</th>
<th>ACCT TYPE</th>
<th>ACCT POOL</th>
<th>ACCT</th>
<th>BRAGAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>120054-Indirect Cost Recovery Micro</td>
<td>668701-HSH BSOM Microbiology and Immuno</td>
<td>REVENUE</td>
<td>50412-Grant and Contract F&amp;A Distribution</td>
<td>(7,829.44)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>58259-Indirect Cost Transfer</td>
<td>(2,702.06)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>EXPENDITURES</td>
<td>73000-Purchased Contractual Svcs Pool</td>
<td>142.99</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>73800-Undistributed Budget</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>142.99</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(10,531.50)</td>
<td></td>
</tr>
</tbody>
</table>

#### AVAILABLE BALANCE

<table>
<thead>
<tr>
<th>FUND</th>
<th>ORGN</th>
<th>BRAGAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>120054-Indirect Cost Recovery Micro</td>
<td>668701-HSH BSOM Microbiology and Immuno</td>
<td>10,388.51</td>
</tr>
</tbody>
</table>
COLLEGE LEVEL F&A FUNDS
College level F&A Funds do not need to use activity codes because they are not tracking revenue and expenses by PI. When viewing FA Balances by Department and Acct Pool Summary for a college level fund, everything will show under ACTV Grouped.
NEW ITF WEBSITE UNDER ACCOUNTING SERVICES

https://financialservices.ecu.edu/

https://financialservices.ecu.edu/institutional-trust-funds/
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