



**Extension Council Funds
(Classes) Explanation**

The Extension Council accounting system is a fund accounting system. It recognizes receipts and disbursements on cash basis and recognizes accounts receivables and payables as accruals. Receipts and disbursements, accounts receivable and payable are maintained by Fund as defined in the List of Classes. **Restricted funds** are income and expenses that must meet specific guidelines for deposit of and disbursement of monies, as noted by the financial entity authorizing the fund. **Unrestricted funds** are income and expenses that are under the direct authority of the Extension Council. **Designated funds** are income and expenses that are earmarked for specific programs, investments, or other projects as authorized by the Extension Council.

Fund (Class)	Definition	Receipts	Disbursement	Use
County Appropriation (Restricted)	Class 1000-1999 are for appropriations from county government for the general operations of the Extension Council	County appropriation	general operating costs	As approved in the Council budget and agreement between the county and the Council
Center Operations (Unrestricted)	Class 2000-2999 are for general operating expenses for daily operations. Supplements County appropriations.	University Postage Subsidy, University Health care or Out of Pocket Subsidy. Fundraising.	Clerical wages and benefits, rent, utilities, program travel, supplies, postage, and other general operating costs.	As defined in the approved Council budget.
Education & Services (Unrestricted)	Class 3000-3999 are for fee-based educational activities and services administered by the Extension Council. These are not general operating funds.	Fees, service charges and other income associated with cost recovery.	Direct expenses related to the activity or service and unallocated direct costs (expenses that cannot be reasonably allocated to each activity, i.e. wages, printing),	As defined in the approved Council budget and project or short course budgets. Net Fees may be transferred from this Fund into the Center Operations Fund or other unrestricted funds.
Savings & Investments (Designated)	Class 4000-4999 are reserved to record transactions that involve purchases and receipts from Savings or Investments or where the Council has transferred money to this Fund and earmarked for specific purposes, i.e. investments for equipment or educational programs	Transfer of money from other Council funds and receipts from sale of assets and investment income.	Transfer of income to other Council funds and purchases of investments maintained as Assets.	As defined in the Council budget. These funds are not a part of general operations. Monies are recorded temporarily in this Fund until a check is generated to purchase the Asset. The Investment or Item purchased is maintained in a separate bank account or inventory account.

Grants & Contracts (Restricted)	Class 5000-5999 are for grant and contract activities in which monies are received from an external individual, agency, organization, or governmental unit for a specific purpose and with specific expenditure guidelines. The restrictions or guidelines are expressed in a formal agreement between granting authority & Extension Council.	Payments from grants or contacts.	Expenses for items specified in the grant or contract.	As defined in the conditions and guidelines of the grant or contract. This Fund is not a part of general operations.
Endowments (Restricted)	Accounts 6000-6999 are for receipts and disbursements associated with an endowment. An endowment is a situation in which the principal amount has been created by contributors and is to be maintained in perpetuity to create income for a specific purpose, designated by the donor or Extension Council action.	Contributions from individuals, businesses that may be managed either by the University or by the Extension Council. Revenue earned from the investment.	Expenses for the programs as stipulated by the endowment and the purchase of investments maintained in an asset account.	Purchase and sale of investments for endowments are handled through this Fund. Other Council investments should be handled through the Designated Savings and Investment Fund or the Designated Capital Fund. This Fund usually is not part of general operations. However, if endowment is unrestricted in its use, Council may take action to transfer endowment income to an unrestricted fund or used for general operations.
Capital (Designated)	Accounts 7000-7999 are for receipts and disbursements for the purpose of real estate, related indebtedness, and/or reserves for capital repairs and purchases. This Fund is used for the acquisition, maintenance, and upgrading of Extension facilities for Council-owned properties.	Income from investments, contributions, and transfers of income from other Council funds.	Expenses for the acquisition and maintenance of Extension facilities and purchase of investments. The investment principal is maintained in a separate asset account.	As defined in the Council budget. This Fund is not part of general operations.
Regional (Agency)	Accounts 8000-8999 are for monies owned by other Extension Councils and administered by the host Council. The purpose is to facilitate the efficiency and effectiveness of the management of Council monies in the region.	Reimbursements from other Extension Councils.	Expenses as identified in agreement with other Councils.	As defined in the agreement among Councils to establish the multi-county Fund. This Fund is not part of general operations.
Other (Agency)	Accounts 9000-9999 are for monies owned by other organizations (4H Councils, Fair Boards, FCE) and administered by the Council.	Income from other organizations or agencies.	Expenses as identified in agreement with the organization or agency.	As defined in the agreement between the Extension Council and the organization. This Fund is not available for general operations.