

Myron J. Dosch, CPA  
Controller  
Phone: (907) 450-8079  
Fax: (907) 450-8071  
myron.dosch@alaska.edu



209 D Butrovich Building  
910 Yukon Drive  
PO Box 756540  
Fairbanks, AK 99775-6540

UNIVERSITY  
*of* ALASKA  

---

*Many Traditions One Alaska*

July 14, 2009

To: Finance, Budget and Grants and Contracts Offices

From: Myron Dosch, Controller *Myron J. Dosch*

Re: Recent accounting and tracking changes for stimulus funds and state RSAs that use capital budget receipt authority

Scope: This document summarizes the following major accounting and recordkeeping changes:

1. American Recovery and Reinvestment Act (ARRA), or stimulus, new account codes
2. New fund types for restricted funds of an operating nature that utilize capital budget authority
3. New budget codes and budget reporting impact
4. FRAPROP, FRAGRNT and User Defined table codes tracking codes for stimulus funds

1. Account codes

Account code 9356 has been set up to record ARRA funds received directly from the federal government.

Account code 9332 has been set up to record ARRA funds passed through the state of Alaska.

It is very important to use these codes as it is the primary means to track ARRA funds.

2. New Fund Types

Issue:

How should the university record restricted funds that are of an operating (i.e. non-capital) nature, but utilize capital budget authority?

## Accounting Changes

July 14, 2009

Page 2

### Background:

The state provides Reimbursable Services Agreements (RSAs) to the university that they designate as using capital budget authority. Currently, these funds are set up in the Unexpended Plant Fund Group (fund 5) as funds 591XXX, so that they are excluded from the operating budget (fund 1 and 2/3). This creates an accounting issue because these RSAs are not normally of a capital nature, i.e. for “bricks and mortar”. They are recorded in the wrong fund group – essentially required to be there based on budget requirements.

Similarly, the state is providing capital budget authority for American Recovery and Reinvestment Act (ARRA), or stimulus, funds even though the activity is of an operating nature, e.g. a research grant. It does not make sense to record this activity in fund 5 as the projects are not normally of a capital nature.

A solution is needed to record operating restricted funds that draw capital budget authority in fund 2/3 rather than fund 5, so that activity of a similar nature is recorded in the same fund group. Further, such funds need to be automatically excluded from the operating budget reports, e.g. S-Reports.

### Solution:

Restricted funds of an operating nature utilizing capital budget authority should be recorded in fund 2/3 under new fund types:

AR, FR, JR or SR = Anchorage, Fairbanks, Juneau and Statewide, respectively - state RSAs or other non-stimulus restricted funds that are designated as using capital budget authority. (These RSAs have been traditionally recorded in 591XXX funds.)

AA, FA, JA or SA = Anchorage, Fairbanks, Juneau or Statewide, respectively - ARRA funds of an operating nature, i.e. not capital, that use capital budget authority.

These fund types will be automatically excluded from S-Reports and BRU budget reports.

Note that if a restricted fund is of a capital nature, e.g. the ship or an award for a building renovation, it should be set up in a fund 5.

Starting July 1, 2009, no fund 591XXX should be set up. These should all be in Fund 2/3. Existing 591XXX funds do not need to be transferred to the new fund type. They should be closed as they expire.

3. Budget coding and budget reporting impact

The new fund types, AR, FR, JR, SR, AA, FA, JA and SA, should use new budget rule code RSBD. This code is used instead of RBUD.

For assumptions, use new budget rule code RSFO. This code is used instead of RPFO.

Offset budget authority will be in fund 998100. This will not be on the S-Report.

Modifications to the S-Report and other budget tables are underway to automatically exclude the new fund types from the operating budget.

4. Proposal and grant tracking

The following summarizes new codes for proposal and grant tracking.

Codes to be used on FRAPROP – as PROPOSAL-TYPE follows:

- X1 – ARRA New Competitive
- X2 – ARRA New Non-competitive
- X3 – ARRA Pre-proposal
- X4 – ARRA Renewal Competitive
- X5 – ARRA Renewal Non-competitive
- X6 – ARRA Revision

On USER defined table:

ARRA – Amer Recovery & Reinvestment Act – (Proposal)

Codes to be used on FRAGRNT:

- AX = Cooperative Agreement ARRA Funds
- CX = Contract ARRA Funds
- GX = Grant ARRA Funds
- OX = Other ARRA Funds

On USER defined table:

ARRA – Amer Recovery & Reinvestment Act – (Grant)

