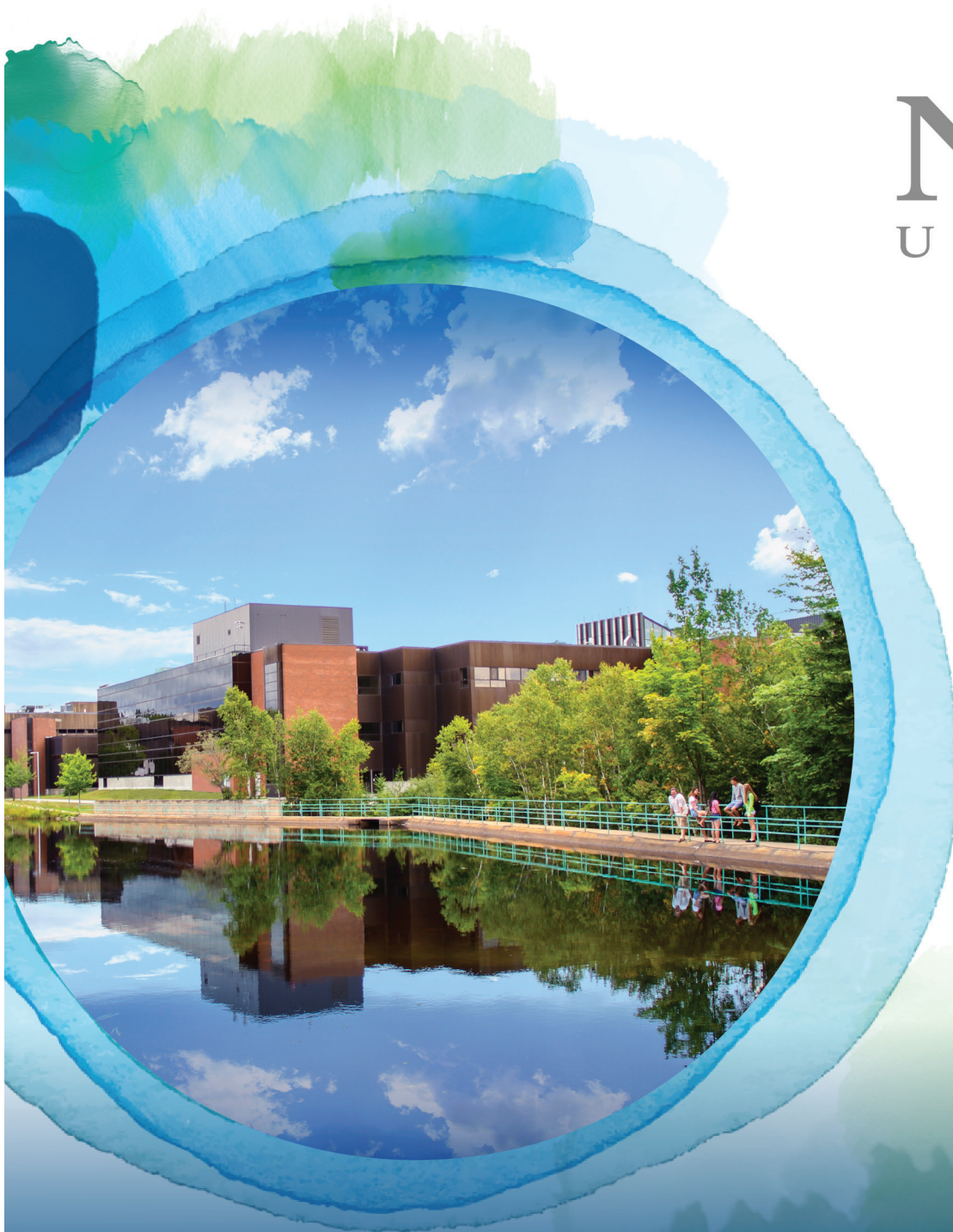


NIPISSING

U N I V E R S I T Y

Budget Report

2022 – 2023



PREAMBLE

A number of factors come to bear on the 2022-23 budget, some relating to historical factors, policy decisions, funding sources and market shifts, and others relating to the formation of a new University strategy which is based upon the foundations of transparency, the assumption of particular fiscal responsibilities, the creation of alternative forms of revenue, program decisions, long term sustainability, and strategic planning.

The necessary point of departure for the Board of Governors and the University is a balanced budget, year in and out, and to ensure that Nipissing University is not only surviving but thriving 25 years from now. Nipissing University has not balanced its budget in eight years. A number of factors have influenced this issue and continue to have a residual impact on University revenues.

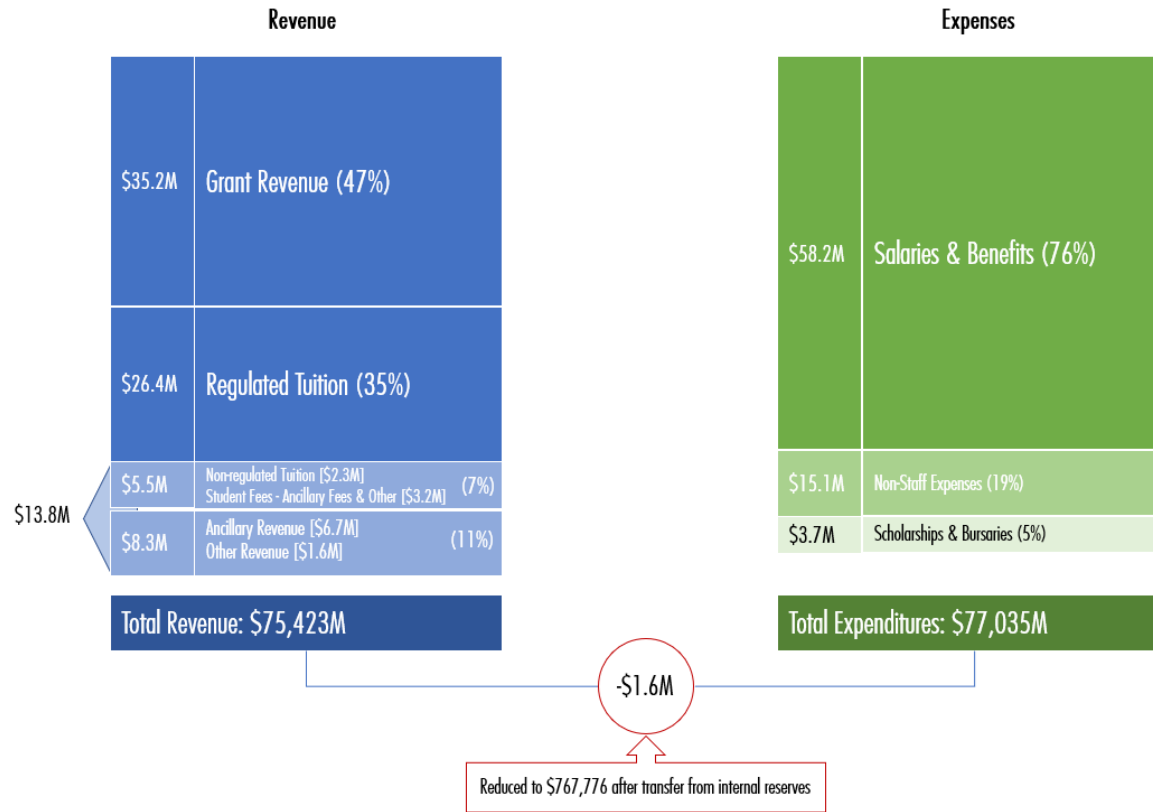
While the University has experienced challenges with tuition cuts/freezes and static corridor funding, at the same time, the University has not, in many respects, fulfilled its responsibility for establishing and developing alternative forms of revenue that are common streams at other universities. For example, Nipissing has resisted recruiting even modest percentages of international students during an era when the majority of universities in Canada secured significant tuition revenues from international students. These revenues cannot be generated overnight.

The University's endowments remain at a relatively minimal level of approximately \$12m, which provides limited offsets to operational expenses. The donation levels of both major donors and small gifts from donors and alumni remain at very low levels. Due to the significant reductions to resources over the past eight years, various units are suffering from a staff shortage in areas particular to generating forms of revenue, while failing to invest significantly in academic programs and program development.

To exacerbate a particularly challenging fiscal environment, the pandemic has wreaked havoc on the University's costs and revenue generation simultaneously.

Nipissing University is travelling uphill to energize and establish its potential in international student recruitment, ancillary services, donations, alumni support, and the reconfiguration of its academic structures and programs through the strategic planning process.

Fortunately, Nipissing University does not have significant long-term debt and unmanageable costs of borrowing, nor does it have an aging infrastructure. The 2022-23 budget demonstrates the long-term residual impacts of government policies, the unintended consequences of those policies, and specific University decisions which have rendered the University's capacity for generating alternative revenues extremely limited. However, this budget, albeit a deficit budget, demonstrates a more hopeful scenario for the present and the future. A deficit of any kind is unacceptable. However, Nipissing University cannot move the Province to effect meaningful change within and beyond its boundaries in one year. The deficit reflects the limitations imposed by the Province, but it also reflects new investments in revenue generating activities and meaningful policy and program changes on campus.



The core financial challenge influencing the budget is the reality that under the current government’s regulations, 82% of the University’s revenue is subject to 0% inflation increases. The remaining 18% of revenue is sourced from ancillary revenues and non-regulated tuition such as international tuition. In order to cover the structural deficit, non-fixed revenue must grow by over 12%. Alternatively, we would need to find an additional 2.2% in expense savings.

In order to meet the rate of inflation in expenses for future budget years, our non-fixed revenue will need to continue to grow by over 12% per year under the current government regulations. This is why it is imperative that we continue working on our sustainability strategies.

EXECUTIVE SUMMARY

The 2022-23 Budget is built on the foundation of the results of 2021-22, which are projected to be \$3.2M deficit in the combined Operating and Ancillary budgets, as well as a fully consolidated deficit of \$5M after accounting adjustments. During the 2021-22 fiscal year, Nipissing University received \$450,000 of pandemic relief from the Province (deferred from the one-time grant of \$2.9M received in 2020-21 fiscal year). The \$3.2M deficit is wholly attributable to the COVID-19 pandemic. Shortfalls in international enrolment and ancillary revenues coupled with increased expenses resulted in a deficit in excess of budget.

The 2022-23 Budget anticipates a \$1,429,232 deficit in the combined Operating and Ancillary results, reduced to a deficit of \$767,776 after transfers from internally restricted reserves. The fully consolidated deficit is projected at \$3.2M, reduced to \$2.3M with the use of internally restricted reserves. This budget will continue to erode our net assets. Our unrestricted net assets will be negative at the end of fiscal 2022. This budget will continue to have a negative impact on unrestricted net assets as well as internally restricted net assets. Our expendable reserves at the end of 2022-23 are projected to be approximately \$3M.

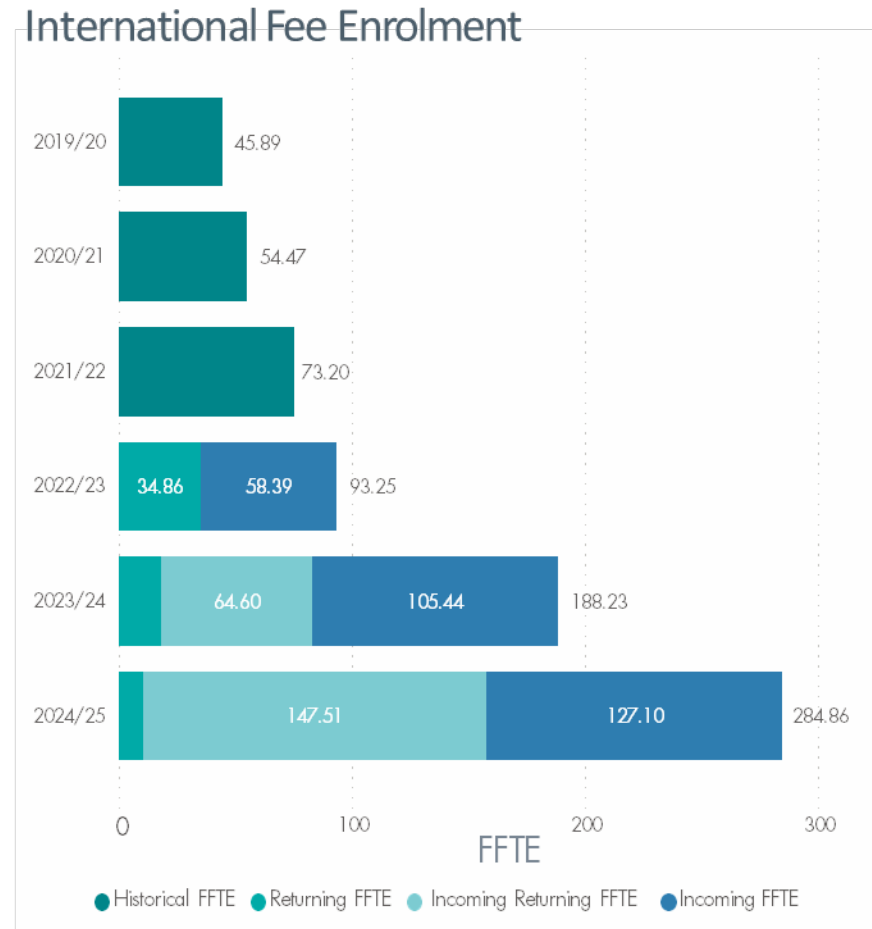
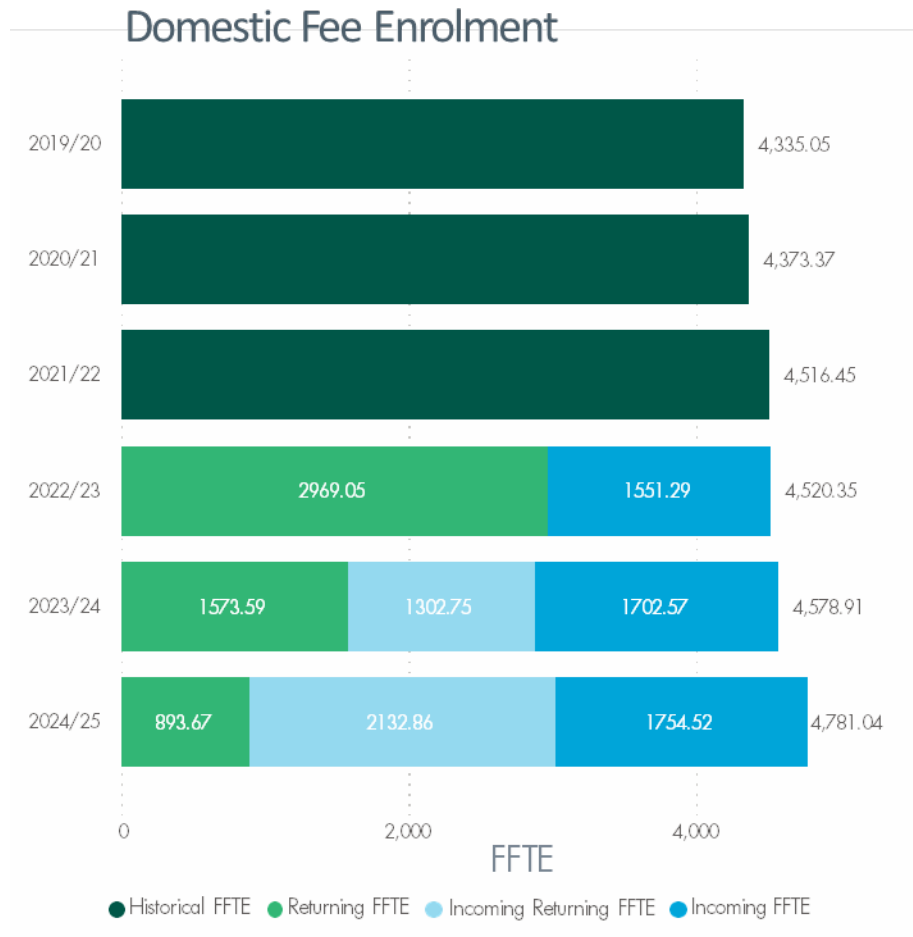
Enrolment

The majority of operating revenue is enrolment driven and is comprised of provincial grants and tuition fees. During the life of SMA3, the proportion of grant funding related to enrolment will decline with an increased emphasis on funding that is allocated based on KPIs (performance-based funding). Due to the impact of the pandemic, performance-based funding has been decoupled until 2023 providing Nipissing with an opportunity to position ourselves to maximize this allocation when recoupled next year.

Total enrolment for 2022/23 is projected to be 4,610 fiscal full time equivalent students (FFTE) compared to 2021/22 actual results of 4,599 which was comprised as follows:

Domestic – Undergraduate:	4187.6
Domestic – Graduate:	167.4
Domestic – Continuing Ed.:	161.5
International – Undergraduate	74.5
International – Graduate	8.7

Overall Domestic & International FFTE Forecast



Based on application data and our historical trends, we are forecasting limited enrolment growth in the 2022/23 Academic Year. 2022/23 marks the first time in ten years that we will reach our enrolment cap in the Bachelor of Education program (929 FFTE). Unfortunately, these enrolment gains will be absorbed due to a reduction in enrolment in Collaborative Nursing as we begin our program dissolution process with Canadore College. All remaining growth will largely come from international student enrolment.

Aggressive efforts to recruit domestic and international students will continue with a special emphasis, through strategic enrolment management, on enhancing student retention. In addition, Nipissing will continue to pursue opportunities to accommodate emerging demands in specific program areas.

NOTE: Historically, the Spring/Summer term has accounted for approximately 13% of our annual enrolment. Once Spring/Summer enrolment is finalized, we will reassess our enrolment projections and notify all stakeholders of any material changes we foresee.

Revenues

Total revenue in the Operating Fund is expected to increase by 3.8% to a total of \$68.7M. Operating grants are expected to increase slightly due to the inclusion of a one-time grant for northern institutions of \$1M and increases to the nursing grants.

Regulated tuition revenue is projected to remain consistent with 2021-22 levels. Non-regulated tuition revenue is projected to increase due to a modest projected increase in international student enrolment.

Ancillary revenues are projected to increase by \$985,980 or 78% based on increased residence revenues as well as increases in Ancillary, Conference and Extended Learning revenues as we ramp up our efforts in alternative revenue generation.

Expenditures

Total expenditures in the Operating Fund are expected to increase by \$1.2M or 1.75%.

Total compensation is expected to grow to \$56.1M representing an increase of 3.5% over last year. This increase is partially due to provisions in collective agreements, as well as an investment in our Sustainability Initiatives. Investments are being made in the areas of External Relations, Extended Learning and in International student recruitment and support.

Salary recoveries are lower this year due to decrease in one-time funding opportunities in the Specifically Funded category.

Non-staff expenses have decreased by 1.6% which is attributable to cost containment measures in an effort to keep the budget fiscally responsible. We anticipate a reduction in Scholarships and Bursaries with the change in our guaranteed entrance scholarship program, as well as finding ways to fund scholarships and bursaries with donor funds.

Transfers from other funds remain consistent. These include transfers from to and from restricted reserves.

NIPISSING UNIVERSITY
2022-2023 Draft Budget - Operating & Ancillary combined

	2022-2023 Draft Budget	2021-2022 Projected	2022-2023 Budget to 2021-2022 Projections Variance	% Variance
Revenue				
Government Grants	\$ 35,224,073	\$ 33,802,669	\$ 1,421,404	4.2%
Regulated Tuition	\$ 26,354,650	\$ 26,245,985	\$ 108,665	0.4%
Non-regulated Tuition	\$ 2,314,051	\$ 1,579,192	\$ 734,859	46.5%
Student Fees - Ancillary & Other	\$ 3,175,028	\$ 3,052,394	\$ 122,634	4.0%
Other	\$ 1,640,016	\$ 1,500,912	\$ 139,104	9.3%
Revenue Total	\$ 68,707,818	\$ 66,181,152	\$ 2,526,666	3.82%
Expenses				
Instructional Staff	\$ 30,331,234	\$ 30,322,540	\$ 8,694	0.0%
Non-Instructional Staff	\$ 17,832,308	\$ 16,828,137	\$ 1,004,171	6.0%
Benefits	\$ 9,477,969	\$ 9,049,524	\$ 428,445	4.7%
Salary recoveries	-\$ 1,518,541	-\$ 1,950,587	\$ 432,046	-22.1%
Total salaries & benefits	\$ 56,122,970	\$ 54,249,614	\$ 1,873,356	3.5%
Non-staff expense	\$ 12,676,946	\$ 12,852,344	\$ (175,398)	-1.4%
Scholarships and Bursaries	\$ 3,683,760	\$ 4,130,173	\$ (446,413)	-10.8%
Expenses Total	\$ 72,483,676	\$ 71,232,131	\$ 1,251,545	1.8%
Surplus (Deficit) Before Undernoted	\$ (3,775,858)	\$ (5,050,979)	\$ 1,275,121	-25.2%
Transfers				
Transfers (to) from other funds	\$ 763,391	\$ 614,766	\$ 148,625	24.2%
Transfers Total	\$ 763,391	\$ 614,766	\$ 148,625	24.2%
Total Operating Deficit	\$ (3,012,467)	\$ (4,436,213)	\$ 1,423,746	-32.1%
Total Ancillary Surplus	\$ 2,244,691	\$ 1,258,711	\$ 985,980	78.3%
Combined Operating & Ancillary	\$ (767,776)	\$ (3,177,502)	\$ 2,409,726	-75.8%

NIPISSING UNIVERSITY
2022-2023 Draft Budget - Ancillary

	2022-2023 Draft Budget	2021-2022 Projected	2023 Budget to 2022 Projections Variance	% Variance
Revenue				
Accommodations	\$ 6,102,885	\$ 5,129,635	\$ 973,250	19%
Ancillary services	\$ 288,000	\$ -	\$ 288,000	0%
Conference Services (Corporate events and Summer Accommodations)	\$ 139,570	\$ 64,096	\$ 75,474	118%
Extended Learning	\$ 173,153	\$ -	\$ 173,153	0%
Other	\$ 13,000	\$ 40,392	\$ (27,392)	-68%
Revenue Total	\$ 6,716,608	\$ 5,234,123	\$ 1,482,485	28%
Expenses				
Salaries and Benefits	\$ 2,093,628	\$ 1,519,677	\$ 573,951	38%
Operating	\$ 654,930	\$ 658,202	\$ (3,272)	0%
Occupancy	\$ 628,300	\$ 625,300	\$ 3,000	0%
Long term debt	\$ 1,175,059	\$ 1,172,233	\$ 2,826	0%
Expenses Total	\$ 4,551,917	\$ 3,975,412	\$ 576,505	15%
Surplus (Deficit) Before Undernoted	\$ 2,164,691	\$ 1,258,711	\$ 905,980	72%
Transfers				
Transfers from Internally Restricted	\$ 80,000	\$ -	\$ -	
Transfers Total	\$ 80,000	\$ -	\$ -	
Total Ancillary Surplus	\$ 2,244,691	\$ 1,258,711	\$ 985,980	78%

Nipissing University
2022-2023 Consolidated Budget

	Operating Fund 10	Internally Restricted 11	Ancillary Fund 15	Capital Fund 40	Trust Fund (Non-Endowed) 50	Research Fund 60	Specifically Funded 70	Endowed Funds 51,80	Employee Related	Total Consolidated Budget
REVENUE										
Government Grants	35,224,073					1,091,827	2,180,341			38,496,241
Student Fees - Tuition	28,668,701						75,737			28,744,438
Ancillary fees (Accomodation Fees, Conference Ser	3,175,028		6,543,455							9,718,483
Other	1,348,016		173,153				115,323			1,636,492
Amortization of Deferred Capital Contributions	-			1,550,000						1,550,000
Investment	190,000				700,000			245,500		1,135,500
Donations	102,000				870,935					972,935
TOTAL REVENUE	68,707,818	-	6,716,608	1,550,000	1,570,935	1,091,827	2,371,401	245,500	-	82,254,089
EXPENSES										
Salaries and Benefits	56,122,970	35,000	2,093,628		9,000	1,408,627	675,318		650,000	60,994,543
Operating and Research	8,639,565	523,200	654,930		100,000		226,823	5,500		10,150,018
Scholarships and Bursaries	3,683,760				400,000			240,000		4,323,760
Occupancy Costs	3,031,472		628,300		5,000		1,688,783			5,353,555
Amortization of Capital Assets	-			3,700,000						3,700,000
Principal and Interest on Long Term Debt	1,005,909		1,175,059	(1,247,559)						933,409
TOTAL EXPENSES	72,483,676	558,200	4,551,917	2,452,441	514,000	1,408,627	2,590,924	245,500	650,000	85,455,285
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUE) BEFORE THE UNDERNOTED	(3,775,858)	(558,200)	2,164,691	(902,441)	1,056,935	(316,800)	(219,523)	-	(650,000)	(3,201,196)
TRANSFERS										
Transfers from Schulich and other donations	1,056,935				(1,056,935)					-
Transfer to Fund 11 for negotiated allowances	(558,200)	558,200								-
Transfer to Research initiatives	(316,800)					316,800				-
TOTAL IN YEAR TRANSFERS	181,935	558,200	-	-	(1,056,935)	316,800	-	-	-	-
TOTAL EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(3,593,923)	-	2,164,691	(902,441)	-	-	(219,523)	-	(650,000)	(3,201,196)
Use of internally restricted reserves for telephone system upgrade							219,523			219,523
Use of internally restricted reserves for international expenses	581,456		80,000							661,456
TOTAL EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(3,012,467)	-	2,244,691	(902,441)	-	-	-	-	(650,000)	(2,320,217)

Appendix 1: Sustainability Plan Initiatives

	Increase/Decrease in 2023-24	Increase/Decrease in 2024-25
Revenue		
Strategic Enrolment Management		
Regulated Tuition	\$ 1,341,252	\$ 1,870,092
Unregulated Tuition	\$ 2,049,282	\$ 2,896,385
Conference services & events revenues	\$ 50,000	\$ 100,000
Extended Learning revenues	\$ 50,000	\$ 100,000
Other Ancillary Revenues	\$ 100,000	\$ 100,000
Revenue Total	\$ 3,590,534	\$ 5,066,477
Expenses		
Strategic Enrolment Management		
Instructional Staff	\$ 606,625	\$ 618,757
Non-Instructional Staff		
Student Support (Dom & Int)	\$ 100,000	\$ 100,000
Marketing & Communications	\$ 50,000	\$ 50,000
Conference Services	\$ -	\$ 50,000
Extended Learning	\$ -	\$ 50,000
Other Ancillary Revenues	\$ 50,000	\$ -
Benefits	\$ 169,391	\$ 182,439
Total salaries & benefits	\$ 976,016	\$ 1,051,196
Non-staff expense	\$ 150,000	\$ 150,000
Expenses Total	\$ 1,126,016	\$ 1,201,196
Total Surplus from Sustainability Initiatives	\$ 2,464,518	\$ 3,865,281

Appendix 2: Draft Budget Projections

	2022-2023 Draft Budget	2023-2024 Projected budget	2024-2025 Projected budget
Revenue			
Government Grants	\$ 35,224,073	\$ 35,224,073	\$ 35,224,073
Regulated Tuition	\$ 26,354,650	\$ 27,444,983	\$ 29,299,679
Unregulated Tuition	\$ 2,314,051	\$ 4,683,849	\$ 7,580,607
Student Fees - Ancillary & Other	\$ 3,175,028	\$ 3,253,567	\$ 3,425,332
Other	\$ 1,640,016	\$ 1,640,016	\$ 1,640,016
Revenue Total	\$ 68,707,818	\$ 72,246,488	\$ 77,169,707
Expenses			
Instructional Staff	\$ 30,331,234	\$ 31,544,484	\$ 32,794,130
Non-Instructional Staff	\$ 17,832,308	\$ 18,338,954	\$ 18,855,733
Benefits	\$ 9,477,969	\$ 9,976,688	\$ 10,329,973
Salary recoveries	-\$ 1,518,541	-\$ 1,518,541	-\$ 1,518,541
Total salaries & benefits	\$ 56,122,970	\$ 58,341,584	\$ 60,461,295
Non-staff expense	\$ 12,676,946	\$ 12,930,485	\$ 13,318,399
Scholarships and Bursaries	\$ 3,683,760	\$ 3,683,760	\$ 3,683,760
Expenses Total	\$ 72,483,676	\$ 74,955,829	\$ 77,463,455
Surplus (Deficit) Before Undernoted	\$ (3,775,858)	\$ (2,709,341)	\$ (293,747)
Transfers			
Transfers to (from) other funds	\$ 763,391		
Transfers Total	\$ 763,391	\$ -	\$ -
Total Operating Deficit	\$ (3,012,467)	\$ (2,709,341)	\$ (293,747)
	2022-2023 Draft Budget	2023-2024 Projected budget	2024-2025 Projected budget
Accommodations revenues	\$ 6,102,885	\$ 6,224,943	\$ 6,349,442
Conference services & events revenues	\$ 139,570	\$ 189,570	\$ 239,570
Extended Learning revenues	\$ 173,153	\$ 223,153	\$ 273,153
Other ancillary revenues	\$ 301,000	\$ 400,000	\$ 500,000
Total Ancillary revenues	\$ 6,716,608	\$ 7,037,666	\$ 7,362,165
Staff expenses	\$ 2,093,628	\$ 2,185,501	\$ 2,379,211
Non-staff expenses	\$ 2,458,289	\$ 2,707,455	\$ 2,988,678
Total Ancillary expenses	\$ 4,551,917	\$ 4,892,955	\$ 5,367,889
Net Ancillary Surplus	\$ 2,164,691	\$ 2,144,710	\$ 1,994,276
Transfer From Internally Restricted	\$ 80,000	\$ -	\$ -
Net Operating/Ancillary	\$ (767,776)	\$ (564,631)	\$ 1,700,528

Appendix 3: Net Expendable Net Assets



Appendix 4: Expenditures by Department

NIPISSING UNIVERSITY Arts & Science

	2022-2023 Draft Budget	2021-2022 Budget	Variance	% Variance
Expenses				
Salaries & Benefits	\$ 16,375,966	\$ 16,433,737	\$ (57,771)	-0.35%
Operating costs	\$ 129,081	\$ 123,238	\$ 5,843	4.74%
Expenses Total	16,505,047	16,556,975	\$ (51,928)	-0.31%
Transfers				
Transfers (to) from other funds	\$ (211,360)	\$ (223,160)	\$ 11,800	-5.29%
Transfers Total	\$ (211,360)	\$ (223,160)	\$ 11,800	-5.29%
Net expenses	\$ 16,716,407	\$ 16,780,135	\$ (63,728)	-0.38%

NIPISSING UNIVERSITY
Education and Professional Studies

	2022-2023 Draft Budget	2021-2022 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 21,135,523	\$ 20,396,936	\$ 738,587	3.62%
Operating costs	\$ 1,490,725	\$ 1,298,491	\$ 192,234	14.80%
Expenses Total	22,626,248	21,695,427	\$ 930,821	4.29%
Transfers				
Transfers (to) from other funds	\$ (197,575)	\$ (189,240)	\$ (8,335)	4.40%
Transfers Total	\$ (197,575)	\$ (189,240)	\$ (8,335)	4.40%
Net expenses	\$ 22,823,823	\$ 21,884,667	\$ 939,156	4.29%

Increases in salaries & benefits include increases in part-time for Education and Nursing programs where we expect increased enrolment.

Operating costs are expected to increase partly due to the dissolution of the Collaborative Nursing Program. Tuition revenues are expected to offset this increase throughout the dissolution period. Travel budgets have increased compared to prior year due to pandemic restrictions being lifted. Pre-covid requirements for field visits have been re-instated.

NIPISSING UNIVERSITY
Academic Support & Library

	2022-2023 Draft Budget	2021-2022 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 5,844,463	\$ 4,977,405	\$ 867,058	17.42%
Operating costs	\$ 2,315,740	\$ 2,411,252	\$ (95,512)	-3.96%
Expenses Total	8,160,203	7,388,657	\$ 771,546	10.44%
Transfers				
Transfers (to) from other funds	\$ (236,336)	\$ (184,800)	\$ (51,536)	27.89%
Transfers Total	\$ (236,336)	\$ (184,800)	\$ (51,536)	27.89%
Net expenses	\$ 8,396,539	\$ 7,573,457	\$ 823,082	10.87%

Salaries & benefits have increased for the following reasons:

- Decrease in salary allocations to external sources of funding
- Addition of one position in International Recruitment

Decreases in operating costs include decreased costs for consultants, supplies and equipment.

NIPISSING UNIVERSITY
Office of Indigenous Initiatives

	2022-2023 Draft Budget	2021-2022 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 724,687	\$ 653,371	\$ 71,316	10.92%
Operating costs	\$ 118,075	\$ 167,580	\$ (49,505)	-29.54%
Expenses Total	842,762	820,951	\$ 21,811	2.66%
Transfers				
Transfers (to) from other funds	\$ -	\$ -	\$ -	0.00%
Transfers Total	\$ -	\$ -	\$ -	0.00%
Net expenses	\$ 842,762	\$ 820,951	\$ 21,811	2.66%

*Increase in salaries & benefits due to prior year's budget including savings from staffing vacancies.
Reduced operating costs include reductions in travel and meals/hospitality expenses.*

NIPISSING UNIVERSITY

Student Services

	2022-2023 Draft Budget	2021-2022 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 3,404,772	\$ 3,343,563	\$ 61,209	1.83%
Operating costs	\$ 3,087,064	\$ 3,150,587	\$ (63,523)	-2.02%
Expenses Total	6,491,836	6,494,150	\$ (2,314)	-0.04%
Transfers				
Transfers (to) from other funds	\$ 285,692	\$ 360,216	\$ (74,524)	-20.69%
Transfers Total	\$ 285,692	\$ 360,216	\$ (74,524)	-20.69%
Net expenses	\$ 6,206,144	\$ 6,133,934	\$ 72,210	1.18%

NIPISSING UNIVERSITY

Athletics

	2022-2023 Draft Budget	2021-2022 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 1,231,490	\$ 1,224,826	\$ 6,664	0.54%
Operating costs	\$ 1,174,548	\$ 1,137,725	\$ 36,823	3.24%
Expenses Total	\$ 2,406,038	\$ 2,362,551	\$ 43,487	1.84%
Transfers				
Transfers (to) from other funds	\$ -	\$ -	\$ -	0.00%
Transfers Total	\$ -	\$ -	\$ -	0.00%
Net expenses	\$ 2,406,038	\$ 2,362,551	\$ 43,487	1.84%

Largest increase is in travel costs due to teams travelling for competition

NIPISSING UNIVERSITY
Administration

	2022-2023 Draft Budget	2021-2022 Budget	Variance	% Variance
Expenses				
Salaries & benefits	\$ 7,406,069	\$ 7,090,989	\$ 315,080	4.44%
Operating costs	\$ 8,045,473	\$ 8,024,071	\$ 21,402	0.27%
Expenses Total	15,451,542	15,115,060	\$ 336,482	2.23%
Transfers				
Transfers (to) from other funds	\$ 1,122,970	\$ 851,750	\$ 271,220	31.84%
Transfers Total	\$ 1,122,970	\$ 851,750	\$ 271,220	31.84%
Net expenses	\$ 14,328,572	\$ 14,263,310	\$ 65,262	0.46%

Salary & Benefit increases directly related to investments in additional positions to support sustainability initiatives.

Transfers from other funds has increased as we plan to realize deferred contributions from prior year positive market returns.

Appendix 5: Consolidated Budget fund descriptions

Separate funds are setup for activities, with each fund comprised of its own revenue and expenses. The following funds are used:

1. **Operating Fund (Fund 10):** Unrestricted general revenues and expenses that are directly related to the mission of the University, education and activities supporting research (i.e. not restricted by an agreement or contract).
2. **Internally restricted (Fund 11):** This fund accounts for expenses that are funded from various allowances negotiated through the collective agreement and Appointment letters such as Personal Expense Reimbursement, Research Allowance, Professional Development allowance, etc.. Transfers from the Operating fund increase the funds available in internally restricted net assets. Expenses are accounted for when expenses are incurred (i.e. conference fees, travel, etc..). Amounts in this fund are carried forward annually until fully spent or no longer available for spending.
3. **Ancillary Fund (Fund 15):** Sales of goods and services by departments that are defined as being supplementary to the University's primary operating activities of education and research. Such sales may be made to the University community and/or to external clients.
4. **Capital Fund (Fund 40):** Funding and expenditures for capital projects.
5. **Trust (Non-Endowed) Fund (Fund 50):** Donations and fundraising revenues with internal or external restrictions are recorded in this fund. Income generated from investments is also recorded as revenue in this fund. Donation revenue is recorded when expenses are incurred.
6. **Research Fund (Fund 60):** Research-related funds externally restricted by an agreement or contract for specific research purposes. The use of these funds is restricted by the donor or granting agency.
7. **Specifically Funded (Fund 70):** Funding provided by an external entity, or internally restricted by an agreement outlining expenditure of the funds and a requirement to return unspent funds at the end of the term.
8. **Endowments (Fund 51):** Donations or bequests received by the University that have a non-expendable requirement as well as other legal requirements for use as agreed upon by the donor and the University. This fund also includes internal endowments which are unrestricted donations that have been endowed by action of the Board of Governors.