

Funding Source Definitions (revised January 2024):

1. **State Appropriations (projects 200000-249999, 4xxx50)**
 - Funds appropriated by the General Assembly and accounted for in the General Fund.
 - Includes Student Tuition
2. **Federal Appropriations (projects 4xxxxx except 4xxx50, 4xxx52, 4xxx53)**
 - Included in the Agricultural Research (16031) & Cooperative Extension (16032) General Fund Budget Codes.
3. **State Appropriated Receipts (projects 300000-349999, 4xxx52, 4xxx53)**
 - Receipts are appropriated by the General Assembly and accounted for in the General Fund.
 - Examples include revenue from animal care services provided by the Veterinary Teaching Hospital, Farm Revenue such as sale of livestock, physical plant revenues etc.
 - State appropriated receipts follow the same spending guidelines as state appropriations. The budget for state appropriated receipts is updated in the long session of the General Assembly's biennial budget process.
 - In any given year the University can increase total receipts by 10% within each budget code (16030 - 32).
 - Units must realize actual revenue to support expenditures. You cannot spend more than you collect regardless of budget.
4. **Facilities & Administrative (F&A) (projects 250000-299999)**
 - Facilities and Administrative (F&A) are funds received as a partial reimbursement for the indirect administrative costs of grant activity. Funds provide general support expenses relating to a university function (mostly research) that cannot be specifically identified to a project. Technically, these F&A costs benefit the research project; but since they may also benefit other research projects and educational activities, these costs must be allocated based on the benefit derived by each function of the University (i.e., research, instruction, other activities).
 - The F&A rate is applied to the direct costs of research and is the means by which an institution is reimbursed for facilities and administrative costs associated with direct cost expenditures. Facilities and administrative costs are real expenses of the institution.
5. **Auxiliaries (projects 350000-399999)**
 - Sales and Service type activities that include receipts from the operation of auxiliary service enterprises which exist primarily to furnish goods and/or services to students, faculty and staff, and sometimes external parties..
 - Examples include Housing, Dining, Talley Student Union, Trademark Licensing, etc.
 - Except for exceptions granted under the State's Umstead Act, the University is prohibited from entering into sales and service activities that compete with private enterprises.
 - Funds must be used to directly support the operation of the associated activity.
 - Sales and Service activities may either be accounted for (1) as receipts in an appropriated receipt fund or (2) in a Trust Fund if approved by the University Budget Office.

6. Student Fees (projects 350000-399999)

- Must be used for the specific purpose for which the fee was established.
- All student fees approved by the BOG are accounted for as a “trust fund”

7. Contracts & Grants (projects 5xxxxx)

- A sponsored project is defined as any externally funded research or scholarly activity that has a defined scope of work or set of objectives, which provides a basis for sponsor expectations.
- Restricted by the Grantor and monitored for compliance
- Generally funds are received on a cost reimbursement basis.

8. Endowments (projects 7xxxxx)

- Typically restricted by the donor and non-transferable to other uses, unless expressly allowed by the donor.

9. Foundations (projects 6xxxxx)

- Foundation spending account projects are actually funds established for the convenience of the University and the affiliated foundations. These are separate projects that are authorized by the Foundations Accounting & Investments Office for spending as designated by the various foundations’ boards of directors or donors. Transfers are made to the University no less than once a week to reimburse the University for expenditures charged to the foundation funds. Expenditures from the foundation spending account projects are subject to the conditions and restrictions placed on them by the various foundations or donors.

10. Gifts & Loans (projects 7xxxxx)

- Gifts include all unrestricted and restricted gifts received from individuals, non-governmental organizations or other organizations. All gifts should be routed to the University Development Office for acceptance and must follow the North Carolina State University Standard Gift Acceptance Policy.

11. Agency Funds (projects 9xxxxx)

- Funds that are not owned by the University, but rather are held by the University for the benefit of the owner, which can be students, employees, or others. The University acts solely in a fiduciary or agent capacity to safeguard, account for and expend funds as directed or instructed by the owner. These funds are held in trust for others and are not reported in the University’s financial statements.