

Program Code Descriptions

AXXX – Instruction

All activities that are part of an institution’s instruction program; this includes expenses for credit and noncredit courses; academic, vocational, and technical instruction; remedial and tutorial instruction; and regular, special, and extension sessions.

Expenses for departmental research and public service that are not separately budgeted also should be included in this classification.

This classification excludes expenses for those academic personnel whose primary activity is administration—for example, academic deans (see program group DXXX).

A001 – General Academic Instruction

Includes expenses for instructional activities that are associated with **academic offerings for credit** as part of a formal postsecondary education degree or certificate program. Open university, short courses, and home study activities falling within this classification and offered for credit are included.

This program code does not include instructional offerings that are part of programs leading toward degrees or certificates at levels below the higher education level, such as adult basic education.

A002 – Vocation/Technical Instruction

Includes expenses for instructional activities that are associated with activities characterized as **vocational/technical instruction and offered for credit** as part of a formal postsecondary education degree or certificate program. Open university, short courses, and home study falling within this classification and offered for credit are included.

This program code does not include instructional offerings that are part of programs leading toward degrees or certificates at levels below the higher education level, such as adult basic education.

A003 – Community Education

Includes expenses for instructional activities that **do not generally result in credit** toward any formal postsecondary degree or certificate. It includes noncredit instructional offerings carried out by the institution’s extension division as well as noncredit offerings that are part of the adult education or continuing education program. This program code also includes expenses for activities associated with programs leading toward a degree or certificate at a level below the higher education level, such as adult basic education.

A004 – Preparatory/Remedial Instruction

Includes expenses for instructional activities that give students the **basic knowledge and skills required by the institution before they can undertake formal academic course work** leading to a postsecondary degree or certificate. Such activities, which are supplemental to the normal academic program, generally are termed preparatory, remedial, developmental, or special educational services.

These instructional offerings may be taken prior to or along with the course work leading to the degree or certificate. They are generally noncredit offerings, although in some cases credit may be provided specifically for required preparatory or remedial skills or knowledge. If students may satisfy preparatory requirements by taking offerings provided primarily for other than remedial or preparatory purposes, those offerings should be classified elsewhere.

A005 – Instructional Information Technology

Includes expenses for formally organized and/or separately budgeted instructional information technology. If an institution does not separately account for information technology resources, the costs associated with the three primary programs—instruction, research, and public service—will be classified as academic support and the remainder as institutional support.

Example: Classroom tech and support, instruction tech

BXXX – Research

All expenses for activities specifically organized to produce research, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution. Subject to those conditions, the classification **includes expenses for individual and/or project research as well as that of institutes and research centers**.

Expenses for departmental research that are separately budgeted are included in this classification. However, the research classification does not include expenses for departmental research that are not separately budgeted. **Departmental research that is not separately budgeted is included in the instructional category.**

B001 – Institutes and Research Centers

Includes expenses for research activities that are part of a formal research organization created to **manage a number of research efforts**. While this program code includes agricultural experiment stations, it does not include federally funded research and development centers, which are classified as independent operations.

Example: IDC Recovery accounts, center/dept general research

B002 – Individual and Project Research

Includes expenses for research activities that are managed within academic departments. Those activities may have **been undertaken as the result of a research contract or grant or through a specific allocation of the institution's own general resources**.

Example: Faculty start up accounts

B003 – Research Information Technology

Includes expenses for **formally organized and/or separately budgeted research information technology**. If an institution does not separately account for information technology resources, the costs associated with the three primary programs—instruction, research, and public service—will be classified as academic support and the remainder as institutional support.

Example: Informatics research

CXXX – Public Service

Includes expenses for activities established primarily to provide **non-instructional services for the benefit of individuals and groups that are external to the institution**. These activities include community service programs (excluding instructional activities) and cooperative extension services. Included in this classification are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar non-instructional services to particular sectors of the community.

C001 – Community Service

Includes expenses for activities organized and carried out to provide general community services, excluding instructional activities. **Community service activities make available to the public various resources and special capabilities that exist within the institution**. Examples include conferences and institutes, general advisory services and reference bureaus, consultation, testing services (for example, soil testing, carbon dating, structural testing), and similar activities. The activities included in this program code are generally sponsored and managed outside the context of both the agricultural and urban extension programs and the institution's public broadcasting station.

C002 – Cooperative Extension Services

Includes expenses for non-instructional public service activities established **as the result of cooperative extension efforts between the institution and outside agencies, such as the U.S. Department of Agriculture's extension service and the affiliated state extension services**. The distinguishing feature of activities in this subcategory is that the institution shares programmatic and fiscal control with the Department of Agriculture's extension service, the related state extension services, and agencies of local government.

C003 – Public Broadcasting Services

Includes expenses for operation and maintenance of **broadcasting services operated outside the context of the institution's instruction, research, and academic support programs**.

The following broadcasting services are **excluded** from this program code:

- Broadcasting services conducted primarily in support of instruction, which should be classified in the ancillary support program code of academic support
- Broadcasting services operated primarily as a student service activity, which should be classified in the social and cultural development program code of student services
- Broadcasting services that are independent operations, which should be classified in the independent operations/institutional program code of independent operations

DXXX – Academic Support

Includes expenses incurred to provide support services for the institution's primary programs of instruction, research, and public service. It includes the following activities:

- The retention, preservation, and display of educational materials, such as libraries, museums, and galleries
- The provision of services that directly assist the academic functions of the institution, such as demonstration schools associated with a department, school, or college of education
- Media, such as audio-visual services, and technology, such as computing support
- Academic administration (including academic deans but not department chairpersons) and personnel providing administrative support and management direction to the three primary missions
- Separately budgeted support for course and curriculum development

D001 – Libraries

Includes expenses for organized activities that directly support the operation of a catalogued or otherwise classified collection.

D002 – Educational Media Services

Includes expenses for organized activities providing audiovisual and other services that aid in the transmission of information in support of the institution's primary programs of instruction, research, and public service.

D003 – Academic Personnel Development

Includes expenses for activities that provide the faculty with opportunities for personal and professional growth and development to the extent that such activities are **formally organized and/or separately budgeted**. This program code also includes formally organized and/or separately budgeted activities that evaluate and reward professional performance of the faculty. Included in this program code are **sabbaticals, faculty awards, and organized faculty development programs**.

D004 – Academic Support Information Technology

Includes expenses for formally organized and/or separately budgeted academic support information technology. If an institution does not separately account for information technology resources, the costs associated with the institution's three primary programs—instruction, research, and public service—will be included to this program code and the remainder will be included in institutional support.

D005 – Ancillary Support

Includes expenses for organized activities that provide support services to the three primary programs of instruction, research, and public service, but that are not appropriately classified in the previous program codes. **Ancillary support activities usually provide a mechanism through which students can gain practical experience**. An example of ancillary support is a **demonstration school associated with a school of education**. The expenses of teaching hospitals are excluded. Hospital expenses have their own functional classification.

D006 – Academic Administration

Includes expenses for activities specifically designed and carried out to **provide administrative and management support to the academic programs**. This program code is intended to separately identify expenses for activities formally organized and/or separately budgeted for academic administration. It **includes the expenses of academic deans** (including deans of research, deans of graduate schools, and college deans), but **it does not include the expenses of department chairpersons** (which are included in the appropriate primary function categories). The program code also includes expenses for formally organized and/or separately budgeted academic advising.

Expenses associated with the office of the chief academic officer of the institution are not included in this program code, but should be classified as institutional support due to the institution-wide nature of that individual's responsibilities.

D008 – Museums and Galleries

Includes expenses for organized activities that provide for the collection, preservation, and exhibition of historical materials, art objects, scientific displays, etc. Libraries are excluded.

D009 – Course and Curriculum Development

Includes expenses for activities established either to significantly improve or to add to the institution's instructional offerings, but only to the extent that those activities are formally organized and/or separately budgeted.

EXXX – Student Services

Includes expenses incurred for offices of admissions and the registrar and activities that, as their primary purpose, contribute to students' emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program. This classification includes expenses for student activities, cultural events, student newspapers, intramural athletics, student organizations, intercollegiate athletics (if the program is not operated as an auxiliary enterprise), counseling and career guidance (excluding informal academic counseling by the faculty), student aid administration, and student health service (if not operated as an auxiliary enterprise).

E001 – Student Services Administration.

includes expenses for organized administrative activities that provide assistance and support (excluding academic support) to the needs and interests of students. This program code includes only administrative activities that support more than one subclass of student activities and/or that provide central administrative services related to the various student service activities.

Some institutions consolidate various activities in a unit titled enrollment management. Expenses of an enrollment management unit would be included in this program code.

This program code includes services provided for particular types of students (for example, minority students, veterans, and disabled students).

Excluded from this program code are activities of the institution's chief administrative officer for student affairs, whose activities are institution wide and therefore should be classified as institutional support.

E002 – Social and Cultural Development

Includes expenses for organized activities that provide for students' social and cultural development outside the formal academic program. It includes cultural events, student newspapers, intramural athletics, student organizations, etc.

Excluded from this program code are expenses for an intercollegiate athletics program that is operated as an auxiliary enterprise.

E003 – Counseling and Career Guidance

Includes expenses for formally organized placement, career guidance, and personal counseling services for students. It includes vocational testing and counseling services and activities of the placement office.

Excluded from this program code are formal academic counseling activities (which are included in academic support) and informal academic counseling services provided by the faculty in relation to course assignments (which are included in instruction).

E004 – Financial Aid Administration

Includes expenses for activities that provide financial aid services and assistance to students.

This program code does not include outright scholarship or fellowship grants to students.

E005 – Student Admissions

Includes expenses for activities related to the identification of prospective students, the promotion of attendance at the institution, and the processing of applications for admission.

E006 – Student Records

Includes expenses for activities to maintain, handle and update records for currently and previously enrolled students.

E007 – Student Health Services

Includes expenses for organized student health services that are not self-supporting. (Health services that are self-supporting are reported as auxiliary enterprises.)

E008 – Student Services Information Technology

Includes expenses for formally organized and/or separately budgeted student services information technology. If an institution does not separately account for information technology resources, the costs associated with the three primary programs—instruction, research, and public service—will be classified as academic support and the remainder as institutional support.

FXXX – Institutional Support

Includes expenses for central, executive-level activities concerned with management and long-range planning for the entire institution, such as the governing board, planning and programming operations, and legal services; fiscal operations, including the investment office; administrative information technology (when not accounted for in other categories); space management; employee personnel and records; logistical activities that provide procurement, storerooms, printing, and transportation services to the institution; support services to faculty and staff that are not operated as auxiliary enterprises; and activities concerned with community and alumni relations, including development and fundraising.

Appropriate allocations of institutional support should be made to auxiliary enterprises, hospitals, and any other activities not directly related to the primary programs—instruction, research, and public service—or their related support classifications.

F001 – Executive Management

Includes expenses for all central, executive-level activities concerned with management and long-range planning for the entire institution (as distinct from planning and management for any one program within the institution). This program code includes such operations as executive direction (for example, governing board), planning and programming operations, legal, risk, compliance, and internal audit operations.

All officers with institution-wide responsibilities are included, such as the president, chief academic officer, chief business officer, chief student affairs officer, chief research officer, chief enrollment management officer, and chief advancement officer.

F002 – Fiscal Operations

Includes expenses for operations related to fiscal control and investments. It includes the accounting office, bursar's office, and external audits.

Public institutions report all interest in a separate classification as a nonoperating expense.

Public institutions include bad debt expense arising from student loans in this program code. Bad debts from receivables (other than student loans) are recorded as a reduction of the specific revenue source that generated the receivable (e.g., tuition, auxiliary fees) rather than as an expense.

F003 – General Administration

Includes expenses for activities related to general administrative operations and services, with the exception of fiscal operations and administrative information technology. Included in this program code are personnel administration, space management, purchasing and maintenance of supplies and materials, campus-wide communications, transportation services, general stores, and printing shops.

F004 – Administrative Information Technology

Includes expenses for formally organized and/or separately budgeted administrative information technology. If an institution does not separately account for information technology resources, the costs associated with the three primary programs—instruction, research, and public service— will be classified as academic support and the remainder as institutional support.

F005 – Public Relations/F006 – Development

Includes expenses for activities to maintain relations with the community, alumni, or other constituents and to conduct activities related to institution-wide development and fundraising.

GXXX – Scholarships and Fellowships

Includes expenses for scholarships and fellowships—from restricted or unrestricted funds—in the form of grants that neither require the student to perform service to the institution as consideration for the grant, nor require the student to repay the amount of the grant to the funding source. In public institutions, they may result from selection by the institution or from an entitlement program. The classification also includes trainee stipends, prizes, and awards. (However, trainee stipends awarded to individuals who are not enrolled in formal course work should be charged to instruction, research, or public service.)

Excludes student awards that are made in exchange for services provided to the institution, such as graduate and teaching assistantships and student work-study programs. When services are required in exchange for financial assistance, charges should be classified as expenses of the department or organizational unit to which the service is rendered and reported as expenses of the function classification benefited by the work provided by the student. For example, a tuition remission to a graduate teaching assistant in the biology department would be charged to instruction. Remission of tuition or fees granted as a result of faculty or staff status or family relationship of students to faculty or staff, should be recorded as staff benefits expenses in the benefits pool or of the department or organizational unit to which the service was rendered. Those expenses will be allocated to the appropriate functional expense category.

G001 – Scholarships

Includes grants-in-aid, trainee stipends, tuition and fee waivers, and prizes to undergraduate students.

G002 – Fellowships

Includes grants-in-aid and trainee stipends to graduate students. It does not include funds for which services to the institution must be rendered, such as payments for teaching.

IXXX – Auxiliary Enterprises

An auxiliary enterprise exists to furnish goods or services to students, faculty, staff, other institutional departments, or incidentally to the general public, and charges a fee directly related to, although not necessarily equal to, the cost of the goods or services. The distinguishing characteristic of an auxiliary enterprise is that it is managed to operate as a self-supporting activity. Over time, the revenues will equal or exceed the expenses, although in any individual year there may be a deficit or a surplus. Examples are residence halls, food services, intercollegiate athletics (if operated as essentially self-supporting), college stores, faculty clubs, parking, and faculty housing. Student health services, when operated as an auxiliary enterprise, also are included. Hospitals, although they may serve students, faculty, or staff, are classified separately because of their financial significance.

The auxiliary enterprise category includes all expenses relating to the operation of auxiliary enterprises. Because of a desire to assess whether the enterprise is self-supporting, an allocation of expenses for operation and maintenance of plant, depreciation, interest, and administration is included, even though that allocation is not

required of public institutions for financial statement purposes. Also included are other direct and indirect costs, whether charged directly as expenses or allocated as a proportionate share of costs of other departments or units. To ensure that data regarding individual auxiliary enterprises are complete and adequate for management decisions, cost data should be prepared using full costing methods. Full costing means that the costs attributed to each enterprise includes a portion of indirect costs related to that enterprise, as well as the costs directly attributable to its operation.

I001 – Residence Halls

Includes expenses for a residential life (student housing) program when the program is operated in accordance with the definition of an auxiliary enterprise (that is, it is essentially self-supporting).

I002 – Food Service

Includes expenses for a dining services program when the program is operated in accordance with the definition of an auxiliary enterprise (that is, it is essentially self-supporting).

I003 – Intercollegiate Athletics

Includes expenses for an intercollegiate sports program when the program is operated in accordance with the definition of an auxiliary enterprise (that is, it is essentially self-supporting).

I004 – Bookstore

Includes expenses for a bookstore program when the program is operated in accordance with the definition of an auxiliary enterprise (that is, it is essentially self-supporting).

I007 – Faculty and Staff Parking

Includes expenses for a parking services program when the program is operated in accordance with the definition of an auxiliary enterprise (that is, it is essentially self-supporting).

I008 – Student Health Services

Includes expenses for a health services program when the program is operated in accordance with the definition of an auxiliary enterprise (that is, it is essentially self-supporting).

I009 – Internal Services

Includes activities that were established primarily to provide goods and services to other campus units on a fee-for-service basis. The following characteristics assist in identifying these units:

- They are self-supporting units that, over time, operate on a break-even basis for those goods and services offered to other units.
- They may provide, to a lesser extent, the same goods and services to faculty, staff, students, and related entities.
- The goods and services are provided at an institutional level. This characteristic excludes enterprises that only serve units within the same department.

For example, a telecommunications department that services the entire institution would be considered a self-supporting enterprise while the chemistry stores department that only services other chemistry units would be reported net within the academic support classification.

Expenses incurred under this program code should be netted against revenues since the predominance of transactions is internal. Use of this classification does not preclude entities from reporting these and similar activities in other functional categories (e.g., research, academic support).

I010 – Other Auxiliary

Includes expenses for auxiliary enterprise activities primarily intended to furnish goods and services that are related to the higher education mission. Customers for these goods and services generally are not students, faculty, or staff. Entities of this type are formed to meet the geographic and public service needs of a region and generally relate to an institution's mission of teaching, research, or public service. Examples of such an entity would be a drug testing center or a university press department.