The functional area is a critical component of the chart of accounts used to:

- Categorize expenses in the annual audited financial statements.
- Categorize restricted net position (fund balances) in the annual audited financial statements.
- Prepare the University’s budget and interim financial statements.
- Control the treatment of operating expenses and costs associated with space when calculating the Facilities and Administrative (F&A) rate used to charge grants for indirect costs.
- Report expenses to federal and state agencies such as the US Department of Education and the Council on Postsecondary Education.
FUNCTIONAL AREA

- Functional Area Categories:
  - 01: Instruction
  - 02: Research
  - 03: Public Service
  - 04: Academic Support
  - 05: Student Services
  - 06: Institutional Support
  - 08: Student Financial Aid
  - 10: Operations and Maintenance (O&M) of Plant
  - 11: Athletics
  - 12: Other Auxiliary
  - 13: Housing & Dining
  - 14: Hospitals & Clinics
  - 99: Space Only

Definitions for functional areas can be found in the Business Procedures Manual -
FUNCTIONAL AREAS
INSTRUCTION/RESEARCH

• **Instruction:**
  • 0110-General Academic Instruction
  • 0120-Vocational/Technical
  • 0130-Community Education
  • 0140-Preparatory/Remedial Instruction
  • 0150-Summer and Special Session

• **Research:**
  • 0210-Institutes and Research Centers
  • 0220-Individual and Project Research
  • 0230-Departmental Research
FUNCTIONAL AREAS
PUBLIC SERVICE/ACADEMIC SUPPORT

• Public Service:
  • 0310-Patient Services
  • 0320-Community Services
  • 0330-Cooperative Extension Services
  • 0340-KMSF Patient Care (This is used only for certain 101310XXXX, 101319XXXX, and 1013991XXXX)

• Academic Support:
  • 0410-Libraries
  • 0420-Museums and Galleries
  • 0430-Educational Media Services
  • 0440-Academic Support Information Technology
  • 0450-Ancillary Support
  • 0460-Academic Administration, Personnel Development, and Course and Curriculum Development
FUNCTIONAL AREAS
STUDENT SERVICES/
INSTITUTIONAL SUPPORT

- **Student Services:**
  - 0510-Student Service Administration
  - 0520-Social and Cultural Development
  - 0530-Counseling and Career Guidance
  - 0540-Student Admissions and Records
  - 0550-Financial Aid Administration
  - 0560-Student Health Services

- **Institutional Support:**
  - 0610-Executive Management
  - 0620-Fiscal Operations
  - 0630-General Administration
  - 0670-Public Relations and Development
  - 0690-Staff Benefits
FUNCTIONAL AREAS

STUDENT FINANCIAL AID / OPERATIONS AND MAINTENANCE (O&M) OF PLANT

• **Student Financial Aid:**
  • 0810-General Student Scholarships
  • 0811-Graduate Student Scholarships
  • 0812-Undergraduate Student Scholarships
  • 0820-Fellowships

• **Operations and Maintenance (O&M) of Plant:**
  • 1010-Physical Plant Administration
  • 1020-Custodial Services
  • 1030-Utilities
  • 1040-Bldg Repairs & Maintenance, Care and Repair of Grounds, and Utility Lines Maintenance and Repair
  • 1050-Debt Service-Educational and General
  • 1060-Other Maintenance and Operation Expense
FUNCTIONAL AREA
AUXILIARY ENTERPRISES

• Auxiliary Enterprises:
  • Athletics:
    • 1100-Athletics Admin & General
    • 1110-Athletics Facilities & Operations
    • 1120-Athletics Auxiliaries
    • 1130-Athletics Football
    • 1140-Athletics Basketball
    • 1150-Athletics Other Men’s Sports
    • 1160-Athletics Women’s Basketball
    • 1170-Athletics Other Women’s Sports

• Other Auxiliary:
  • 1240-Faculty & Staff Auxiliary Services
  • 1250-Other Auxiliary Services
FUNCTIONAL AREA
AUXILIARY ENTERPRISES

- **Housing and Dining:**
  - 1310-Student Auxiliary Services-Housing
  - 1330-Student Auxiliary Services-Dining

- **Hospitals and Clinics:**
  - 1400-Hospital and Clinics: Ambulatory Services, Dietary& Housekeeping, Equipment, General Administration Services, Nursing Services, Other Hospital Services, Other Professional Services, Pharmacy Central Supply, University Supporting Services
FUNCTIONAL AREA
SPACE INVENTORY

- **Space:**
  - 9910     Not Specified
  - 9920     Non-UK personnel
  - 9990     Unassignable
  - VVV      Toilets
  - WWW      Circulation Area
  - XXX      Building Service Area
  - YYY      Mechanical Area
  - ZZZ      Structural Area
Functional Area
Based on the Major use of Funds

- Instruction
- Research
- Public Service
- Academic Support
- Student Services
- Institutional Support
- Student Financial Aid
- Operations and Maintenance of Plant
- Auxiliary Enterprises
Instruction

Expenses for formally organized and separately budgeted instructional activities associated with academic offerings

Yes → 0110

No → 0120

Formal postsecondary education degree or certificate program in an occupational or technical program

Yes → 0140

No → Yes (Activities that provide basic knowledge and skills)

Noncredit offerings or Continuing Education (CE) Credit

Yes → 0130

No → Yes (Activities that provide basic knowledge and skills)
Research

Activities associated with a research center or Institute?

Yes

0210

No

Activities associated outside a research center or Institute?

Yes

0220

No

Departmental research that may become more formal research projects at a later time that do not meet the qualifications of a sponsored grant or contract.

Yes

0230
Public Service

- 0310
  - No

  - KMSF patient services
    - No
      - Activities beneficial to the general public excluding instructional services
        - Yes
          - 0320
        - No
          - Activities for non-instructional cooperative extension services
            - Yes
              - 0330
      - Yes
        - 0340
Institutional Support

- 0610
  - Yes
  - Activities related to fiscal control and investments
    - Yes
    - 0620
    - No
    - Activities related to general administrative operations and services
      - Yes
      - 0630
      - No
      - Alumni activities, public relations and college level development/philanthropy
        - Yes
        - 0670
        - No
        - Miscellaneous fringe benefits
          - Yes
          - 0690
Funds for graduate students as outright grants-in-aid and trainee stipends. Fellowships exclude teaching assistants or research assistants.
Operations and Maintenance of Plant

Expenses directly related to building repairs and maintenance and/or debt service

- Expenses for administrative activities that directly support physical plant operations
  - Yes → 1010
  - No → Expenses for janitorial and/or custodial operations
    - Yes → 1040
    - No → Expenses for any utilities necessary for operation of physical plant
      - Yes → 1060
      - No → Debt Service
        - Yes → 1050
        - No → Other expenses incurred in O&M not classified above. Includes safety and security activities
          - Yes → 1060
          - No → 1030
QUESTIONS?

• Please refer to the Business Procedures Manual-
• Additional information can be found in Section E-17-16.

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