

## CAUBO EXPENDITURE DEFINITIONS

With the introduction of Banner Finance, the University of Manitoba has re-organized its Chart of Accounts. One element is **Account** in the FOAP structure. In an effort to standardize the definition of these Accounts, the University has adopted the CAUBO (Canadian Association of University Business Offices) definitions. Specific definitions for each 6 digit data enterable account have been developed by University staff and have been provided for reference.

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**Line 5 Travel**

- Travel includes expenditures on recruitment, travel, moving and relocation of staff, field trips and all other types of travel necessary for the operation of the institution.

**Line 6 Library acquisitions**

- Library acquisitions include all purchases of, and access to (including electronic access), books, periodicals and other reference materials for the institution's main, branch and faculty or departmental libraries.
- Cost of binding may also be included if normally considered part of the acquisition cost.

**Line 7 Printing and duplicating**

- This line includes expenditures that would normally be consumed in the fiscal year such as printing, duplicating, photocopying, reproductions, illustrations, publishing and related supplies.

**Line 8 Materials and supplies**

- Materials and supplies include expenditures that would normally be consumed in the fiscal year such as sports supplies, stationery, computer and other office supplies.
- Also included are material and supplies for teaching and laboratories. Laboratory supplies include chemicals, instruments, animals, feed and seed.
- Small dollar value equipment and computer software items should be reported under furniture and equipment purchase (line 18).

**Line 9 Communications**

- Communications includes telephone, data communications, mailing and courier, but excludes expenditures reported as equipment rental and maintenance (line 19).
- Telephone includes wats lines, line services, long distance and other charges.

**Line 10 Other operational expenditures**

- This line includes space rental, property taxes, institutional membership fees, insurance, meals, advertising and promotion, and doubtful accounts.
- Space rental includes the cost of renting space and land on a long-term basis.
- Property taxes include all taxes paid directly to municipalities by the institution, whether assessed on property values or based on student population.
- Institutional membership fees include fees paid by the institution to organizations such as AUCC and CAUBO.
- This line includes all other expenditures that are not reported elsewhere.

### **Line 11 Utilities**

- Utilities include expenditures for items such as electricity, water, natural gas, fuel and sewer.
- Utilities also include the generating costs for electricity, steam, water, and natural gas.

### **Line 12 Renovations and alterations**

- This line includes expenditures for renovations and alterations to the existing space of the institution, whether the expenditures are internally performed or external contracted.

### **Line 13 Scholarships, bursaries and prizes**

- This line includes payments to students (except those for which the student is required to perform service for the payment) such as those for fee remission, prizes and awards.
- Payments for which the student is required to perform service for the payment are reported as other instruction and research (line 2), and include payments to graduate and under-graduate students who are instructors, tutors, markers, laboratory demonstrators, teaching assistants, research assistants, invigilators, clinical assistants, post-doctoral fellows, and others.

### **Line 14 Externally contracted services**

- This line includes all expenditures for services contracted to external agencies except for renovations and alterations (line 12), professional fees (line 15), equipment rental and maintenance (line 19), and buildings, land and land improvements (line 22).
- Examples of expenditures to be included are cleaning contracts, security services, snow removal and similar time and material contracts, and food services.
- Where food services are contracted, the contract amount in total should be shown on this line and not as cost of goods sold (line 16) or any other expenditure types, even though the contractor may provide a breakdown of costs.

### **Line 15 Professional fees**

- Professional fees include all fees paid to legal counselors (including retainers for the negotiations of collective agreements), auditors, and computer, human resource and other consultants.
- This line excludes consulting fees for renovations and alterations (line 12), equipment rental and maintenance (line 19), and buildings, land and land improvements (line 22).

### **Line 16 Cost of goods sold**

- Cost of goods sold is to be used where an inventory method of accounting is normally employed, (e.g. bookstore, food services) and should include the laid down cost of goods purchased for resale only. The remaining costs of operating the service, such as salaries and supplies, are to be shown in their respective expenditure types.
- Where a service is externally contracted, particularly for ancillary services, the total costs of the contract should be included in externally contracted services (line 14). For example, contracted food services are to be reported on line 14, under the Ancillary fund.
- The cost of goods sold is to be reported under the same fund as the income from the sale of the product (see Section III.C.2 - line 25).

### **Line 17 Interest**

- This line includes all interest expenditures to service debts of the institution. Examples include bank interest, mortgage or debenture interest and related charges, and the interest component of installment or lease payments
- Repayments of principal such as principal reductions on loans, mortgages, debentures or repayable grants are not reported as expenditures (see Section II.E.11).

### **Line 18 Furniture and equipment purchase**

- This line includes laboratory equipment (other than consumables), computing equipment and computer software packages, administrative equipment and furnishings (including carpets and drapery), copying and duplicating equipment, and maintenance equipment. Installation expenditures for the above items would normally be reported under the same expenditure type as the item installed.
- This line also includes installment payments and payments under lease purchase contracts, where the lease is a capital lease for accounting purposes. The interest component of any such payments should be reported on line 17.
- This line includes small dollar equipment and computer software items that would normally be expensed in the accounting records of the institution.
- Furniture and equipment purchases are reported under the same fund as the corresponding income (see Section II.E.5). For example, purchases made from CFI grants are reported under Sponsored research (see Section III.C.1 – Sponsored research). Purchases made or to be made from current or future ancillary services income are to be reported under Ancillary (see Section III.C.1 -Ancillary).
- Amortization is not reported as expenditure, but is included as a reconciling item in the Statement of Changes in Net Assets by Fund (see Section III.C.4 – line 10).
- Provisions for the replacement of furniture and equipment are considered to be transfers to appropriation or reserve accounts; consequently, such provisions are not to be reported as expenditures (see Section II.E.10).

**Line 19 Equipment rental and maintenance**

- This line includes all rental and maintenance expenditures for furniture and equipment including laboratory equipment (other than consumables), administrative equipment and furnishings (including carpets and drapery), copying and duplicating equipment, computing equipment, maintenance equipment and telephone equipment.
- This line also includes lease purchase contracts, where the lease is an operating lease for accounting purposes.
- This line also includes expenditures for equipment repairs and maintenance contracted to external agencies.