

# Managing IFR Accounts, Service Center Rates & Course Fees

Presented by the Controller's Office

# Topics

- Defining IFR accounts
- General IFR Guidelines:
  - Fringe Benefits, Admin Overhead, Accruals, Deficits, etc.
- IFR Deposits
- IFR Allocations
- When an IFR account should be used
- How to open an IFR account

# Topics

- Service Center Rates
- Conference/Event Fees
- Academic Course Fees
- Questions

# What are IFR accounts?

- Income Fund Reimbursable account
- Self-supporting accounts that support activities related to the campus' missions
- Revenue/Income is directly related to the nature of expenditures
- Cash balances are carried forward from one fiscal year to another

# General IFR Guidelines

- Each IFR account should have **one purpose** and **one revenue source**
  - ▶ If multiple purposes, need separate IFR accounts
    - Example: Department collects student fees and collects revenue for rental of lab space
- Incurs additional charges -
  - Fringe Benefits
  - Administrative Overhead

# General IFR Guidelines

- Need to budget for **Fringe Benefits** and **Administrative Overhead** charges
- The Office of the State Comptroller (OSC) and the Division of Budget analyze the actual fringe benefit costs on an annual basis
- After the rate is computed, OSC notifies all state agencies of the rate specific to a fiscal year and agency

|                        | <u>Fiscal Year 24/25</u> | <u>Fiscal Year 25/26</u> |
|------------------------|--------------------------|--------------------------|
| State Fringe Benefit   | 63.95%                   | 52.00%                   |
| Federal Fringe Benefit | 63.43%                   | 59.59%                   |
| Overhead Assessments   | 15.00%                   | 15.00%                   |

# General IFR Guidelines

- The **Fringe Benefit** rate is assessed on **salary expenses (PSR)**
- The **IFR Administration Overhead** assessment is charged on the **revenue**.
  - Administration Overhead rate = 15%
  - As revenue is deposited to your account, the assessment is charged. The charge is a direct reduction to your account's cash balance. It DOES NOT affect your account's allocation

# General IFR Guidelines

## Examples:

- IFR account will need \$45,600 in revenue to cover \$30,000 in Personnel Service (PSR):

\$30,000 PSR

\$15,600 Fringe Benefits —————  $\$30,000 \times 52.00\%$

\$45,600 Total Budgeted

- \$10,000 deposit (revenue) will be assessed 15% AOH

\$ 1,500 in Administrative Overhead —————  $\$10,000 \times 15\% \text{ AOH}$

\$8,500 IFR deposit

*\*\*When budgeting, it is important to keep these 2 assessments in mind to not run into a deficit\*\**

# General IFR Guidelines

## Key Points of Stony Brook's IFR Deficit Policy:

- IFR accounts should maintain **positive accrued cash balances**. The expenses charged to an IFR account should be covered by the revenue which that account takes in (self-supporting)
- Twice a year you will be required to provide **IFR Accrual Data** for 6/30 and 12/31 in CBM. You will be asked for your accruals (Accounts Receivable, Inventory, Liabilities, Equipment) as of 6/30 or 12/31
- After review and approval by the VP Offices, BFPA and the Controller's office will meet to review your accrual statements for reasonableness.
- IFR accounts which develop cash deficits as of an Accrual data deadline will have **one year to eliminate that deficit**. If the deficit is not eliminated in that year the Budget Office may reduce that VP area's state allocation

# IFR Deposits

All deposits are made at the campus Bursar's office.

- Bursar summarizes the deposits on the 15<sup>th</sup> and 31<sup>st</sup>

To view deposits in your IFR account:

- SBU Reporting (Power BI)\*
- SUNY BI\*
  - Only displays lump sum totals
- For details on a specific deposit, contact Bursar with the transaction number

\*Requires access from your [VP Coordinator](#).

# IFR Allocation

- It is the **allocation balance** in your account which allows you to spend funds, **NOT the cash balance** in the account
- Your account may have plenty of cash, yet Procurement is unable to process an order
- When Procurement processes a purchase order, they make an **encumbrance** against your account's *allocation*, **NOT** your cash
- When requesting your account's initial allocation, your request should be based on anticipated annual revenue and expenditures. If necessary, additional allocation may be requested through your VP coordinator

# IFR Allocation

Always keep in mind...

IFR accounts need allocation in order to spend,  
but it also needs cash in order for your allocation to be  
granted.

# IFR Allocation

## Unspent Allocation

- Unlike State Purpose funds, cash in your IFR accounts **do not lapse**
- Although the allocation is unspent, the **cash balance in IFR accounts rolls forward**
- The cash balance is one of the factors used to determine the account allocation for the following year

# IFR Allocation

## Unspent Allocation

- You may notice that unspent allocation was removed from your account
  - When IFR allocation is in short supply and projections indicate that you will not require all of your requested allocation, some may be transferred to other accounts that are short at the VP coordinator's discretion. This does not mean that your money has been taken; your cash balance is unaffected
- Should you need to request **additional allocation**, you will need to have the cash to backup the request. Contact your Dean or VP Office.

# When to Use an IFR Account

An **IFR account** should be used whenever the activity is **state funded**. All activity should go through an IFR unless there is an approved exception as stated below.

- **SBF (Stony Brook Foundation) account**
  - Use only when the revenue is from gifts or contributions
- **ASA (Auxiliary Services Association, previously FSA) account**
  - Use for the benefit of individual students, faculty or staff members or appropriately recognized organizations
- **RF S&F (Research Foundation Service & Facility) account**
  - Use when there is an employee paid with Research funds

# How to Open an IFR Account

- Contact your [VP Coordinator](#)
  - Determine what the account is to be used for.
  - Complete the [IFR Account Request Form & IFR Allocation Worksheet](#)
  - Projected Revenue and Expenses
- Upon VP approval (and Dean/Chair approval if academic dept), the VP Coordinator will submit the forms to the Office of the Controller for processing
- The Office of the Controller will inform all relevant parties once the account has been created

# Reports Available

## ▶ [SUNY BI](#)

- Basic training on navigating SUNY BI can be found [here](#)

## ▶ [SBU Reporting \(Power BI\)](#)

- Basic training on navigating SBU Reporting can be found [here](#)

For access contact your [VP Coordinator](#)

# Service Centers Fees/Rates

Departments may charge user fees (also known as a **Rate**) for the purpose of recouping costs for services being provided

If the IFR account will be for a service where you will be charging a **user fee**, there are additional steps involving completion of a **rate worksheet** to determine the rate to be charged

- Contact Dean's office/VP Coordinator for guidance and rate approval to charge **internal and external users**
- Rates are billed/invoiced to internal departments or third parties (external users)
- Service units must have clear bookkeeping records (invoicing, collections, usage logs, etc.) for audit purposes
- Approvals are required from service center's Dean/Chair, VP area, and Controller's Office
- All Service Center rates **MUST** be approved by the University Controller **PRIOR** to charging the users. This is SUNY policy!

# Service Centers Fees/Rates

Complete the [Rate Worksheet](#) showing:

- Projected annual expenses to operate the service:
  - Personnel Costs & Fringe Benefits
  - Direct Supplies & Contracts
  - Equipment Costs
- Projected annual unit of usage (i.e. annual hours, annual # of analyses/tests, etc)
  - Actual usage should be the basis in determining projections for existing service center rates
- The Balance Sheet is to be completed on an accrued basis as of a recent Month-End. This shows the financial condition of the IFR account.

# Service Centers Fees/Rates

- Service units should contact their Deans office business personnel for guidance in completing the rate worksheet
- The VP Coordinator will submit the new account forms and rate worksheet to Controller's Office to create the IFR account to house the fee revenue and related costs
- Controller's Office will review and submit the proposed rate request to the University Controller for **final approval** and submit the request to the SUNY System Administration to create the IFR account
- Upon final approval, Controller's Office will inform you of the new account number and **effective date** to begin charging the internal and external rates to users

# Service Centers Fees/Rates

## Regulations

- New Service Center rates - reviewed after one year
- Existing rates - reviewed every **two years**
  - Exceptions - large increase or decrease in rates or usage, reviewed in one year
- Interim review upon request
- All Service Center user fees **must** be approved by the University Controller **prior** to charging the users

# Service Centers Fees/Rates

## Regulations (cont'd)

- Internal users should only be charged for the cost of the service/product (breakeven)
- Per SUNY fee guidelines, we cannot make a profit on internal users
- External users can be charged any fee more than the approved **minimum external fee** (internal fee plus overhead). External rates are encouraged to be competitive but should not undercut rates offered in the market.

# Service Centers Fees/Rates

## Regulations (cont'd)

The Account Director must keep **a log of all activity** of the service center IFR account (including expenses, P.O.s, annual usage and surplus)

Information in the logs may be required during the campus rate review process

If there is revenue from external users, a log must be kept for **Excess Revenue from External sources**

- Surplus = Revenue collected more than the minimum external rate
  - Minimum External rate = Internal rate plus AOH (Breakeven point)

Refer to Service Center Guidelines in the [Controller's Office Website](#)

# Conferences & Events Fees

- Fees charged to attendees for university conferences or events (example: Registration fees)
- Normally treated as external revenue
- Collaborate with Dean and VP Offices to complete a Conference Budget worksheet and determine if a new IFR account is needed
- Visit the [Conference guidelines](#) on the Controller's Office website

# What are Course Fees?

As defined in SUNY's Fee Policy 7804:

“A fee may be charged for a course, or courses, that have extraordinary costs that meet the following criteria; this listing is not intended to be all-inclusive:

- Special course supplies and materials where the student retains an end product of worth,
- Special and unique services provided by the course,
- Extraordinary costs associated directly with degree, diploma, or certificate program delivery
- Costs associated with a course specific to scientific chemicals, supplies and materials, modest equipment, and proper disposal of waste,
- The fee represents a financially significant savings to the student

*Note that course fees are not permitted for routine materials (textbooks, etc.) and revenue from these fees may not be used to fund the cost of instruction, academic staff, or technicians.”*

**\*Program Fees are no longer allowed\***

# Academic Course Fees

- Course Fees are billed to students by the Bursar's office (Student Accounts)
  - Examples: Lab and supply fees, field trip fees, equipment usage fees, project fees, etc.
- Course Fees require both Campus and SUNY Budget Office approval
  - A formal proposal package is required and must include detailed justification for the fee, a full picture of itemized costs, Chair, Dean, and VP approvals
  - Completed Course Fee Template
  - Submission deadlines
  - Collaborate with Dean and VP Offices to ensure all conditions are met prior to submission to the Controller's Office

# Academic Course Fees (cont'd)

## To request a course fee:

- Visit the [Course Fee Guidelines](#)
- Gather the required documentation and work with your Dean's business office and VP Office to submit a formal course fee proposal.
- VP Office reviews/approves and submits proposal to the Controllers office for further review and approvals
- VP Finance submits proposal to SUNY's Budget Office for review and final approval
- SUNY Budget Office sends approval (or denial) letter to the President and VP Finance.
- Submit new account forms for the new IFR
- Student Financial Services (SFS) bills the course fee on the student's account

# Academic Course Fees (cont'd)

## Approved Course Fees

- IFR created to collect course fee revenue. May need subaccounts if there are multiple fees.
- Approved expenses should be direct charged to the course fee IFR
- Must maintain revenue and expenses log by course number. Should break even.
- Regular review to ensure compliance. The course fee revenue should only offset approved expenses
- Course fees IFRs are meant to break even. Making a profit or building a surplus to pay for future expenses is unallowed.
- Large surpluses are a red flag (may be overcharging students, a fee decrease may be required)

# Web Links

For helpful financial resources please visit the [Controller's Office webpage](#):

▶ [IFR Forms, Worksheets, Templates](#)

- Account Request Forms, IFR Policy & Procedure Manual, Allocation Worksheets, Rate Worksheets, etc.

▶ [Allocation and Expenditure Object codes](#)

▶ [State Transfer Templates](#)

- Expense Journal Transfers, Payroll Transfers, Allocation Transfers, Revenue Transfers)

▶ [Material and Services Requisition Form \(MSR\)](#)

▶ [FAQ](#)

# Contacts for Problem Resolution

## BUDGET

ALLOCATIONS - FORM 1  
ALLOCATIONS - INTERCHANGE  
BUDGET INQUIRIES

## CONTROLLER'S OFFICE

JOURNAL ENTRIES  
ALLOCATION CHANGES

## PROCUREMENT

REQUISITIONS, PURCHASE ORDERS  
VOUCHERS  
VENDOR CALLS

## BURSAR

CASH RECEIPT INQUIRIES  
(IFR COLLECTION ANALYSIS)

## PAYROLL

WAGES, OVERTIME, STANDBY  
AND LOCATION PAY

## HR

APPOINTMENT DISCREPANCIES

# Controller's Office Contacts

|                |                                                 |
|----------------|-------------------------------------------------|
| Sara Lehmann   | Assistant Controller                            |
| Guneeta Jaspal | Assistant Director of Expenditures and Analysis |
| Lolita Sung    | Manager, Recharge Accounting                    |

## Rate Reviews and Course Fee Reviews

- Brian Lellis
- David Heuthe
- Alex Dimitrakakis

## Conference Fees

- Aayesha Mushtaq

# Thank You!



# Questions ?