

Information

Continuing Education Financing

Effective

February 25, 2000

Number

BFP 007

Applicability

This policy applies to Deans, Lead Fiscal Officers, and Unit Business Managers.

Administrative Authority

Vice President for Finance and Chief Financial Officer

Responsible Unit

Budget and Financial Planning
Grawemeyer Hall, Room LL20
2301 S. Third Street
Louisville, KY 40208
502-852-6166
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History

Revision Date(s): July 7, 2016
Reviewed Date(s): July 7, 2016

Categories

Reason for Policy:

In accordance with directives from various agencies of state government, a policy is established regarding the financing of continuing education programs within the University.

Statement:

All financial activities stemming from continuing education programs will be part of the University's general fund, not part of the University of Louisville Foundation, Inc.

All revenue generated from continuing education activities, except for programs covered by specific grants, is considered University general fund revenue and will be deposited to appropriate general fund revenue accounts, specifically established for this purpose. Similarly, all expenditures for continuing education programs are to be expended from specifically budgeted general fund accounts established for this purpose. All continuing education expenditure accounts will be controlled, managed, coordinated, and monitored by the University Center for Continuing and Professional Education (UCCPE).

Similarly, all direct costs, directly related to continuing education programs, including salaries and fringe benefits, are to be charged to the appropriate continuing education budget. These costs are to be covered by revenue generated by the continuing education programs. University general funds will not be used to subsidize salaries of any individual performing work as a part of any continuing education program.

Surplus funds generated by continuing education programs will be shared between the UCCPE and the various academic units that generated the courses, programs, and conferences. The amount of any yearend surplus accruing to an academic unit will be determined as described in the policy and procedure "Sharing Surpluses from Co-produced Programs" dated February 3, 1992. This determination will be made after the fiscal year end by the UCCPE and will be confirmed by the Office of Budget & Financial Planning.

Subsequently, the Office of Budget & Financial Planning shall make the necessary budget adjustments to cause these amounts to be added to the budget of appropriate units. The adjustments shall be made early in the fiscal year following the continuing education activity in a specified general fund account.

As an alternative to co-producing programs, academic units may have contracted with the UCCPE on a fee for service basis. The deadline for exercising this option expired June 30, 1992, as described in the policy and procedure "UCCPE and Academic Unit Relationships". Under the fee for service arrangement, all financial activity shall be processed by the UCCPE, even though the academic unit bears all risk for the program breaking even. After completion of the program, the UCCPE shall deduct its fee from program revenue and pay all direct costs from program revenue. Any remaining surplus will be available to the academic unit in the form of a budget adjustment.

Related Information:

The primary objective of continuing education programs is to offer a wide range of quality noncredit educational programs to the various publics of the University's service area and to make these programs self-sufficient in regards to their budgets. Academic units are encouraged to broaden their continuing education offerings and to cooperate with other colleges and schools in joint continuing education ventures.

Definitions:

For purposes of this policy, continuing education programs will be broadly defined to include all instructional programs for which fees are received and for which no academic credit is granted.

Procedures:

The UCCPE will prepare annual budgets for continuing education programs to include both revenue and expenditure projections. This budget will be the UCCPE's financial operating plan, as it relates to continuing education, for the fiscal year and

will be developed in concert with the Office of Budget & Financial Planning and the guidelines published for the development of the University's annual operating budget.

The budget may be adjusted, either up or down, based on documented changes in realized revenue. This will be accomplished through the normal budget adjustment process.

Responsibilities:

Deans and directors of academic units will be responsible for assisting in developing continuing education programs directly related to their units and for cooperating with the UCCPE in all aspects of continuing education as defined above.