

Interest Income

VII-1



About This Policy

Effective Date:

10-01-1990

Last Updated:

11-09-2016

Responsible University Office:

Office of the Vice President and Chief Financial Officer

Responsible University Administrator:

Vice President and Chief Financial Officer

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Scope

All University departments and operating units.

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Policy Statement

Upon recommendation of the campus chancellors and review and approval by the Vice President for Planning and Finance Management, all or a port of interest income earned on the general fund operating balances of a campus can be receipted to a capital fund account to finance repair and rehabilitation projects of less than \$25,000 and to purchase land and facilities on that campus.

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Reason For Policy

To provide a source of funds for capital projects and land acquisition for which state appropriated funds are not available.

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Definitions

The appropriation act provides that:

"income, fees, earnings and receipts may be used for land and structures only if approved by the governor and the State Budget Agency."

The March 10, 1988, Guidelines for the Use of General Repair and Rehabilitation Appropriations, issued by the Indiana Commission for Higher Education, provide that:

"without exceptional circumstances—certain kinds of projects should not be considered for General Repair and Rehabilitation funding. These include:

1. projects which add gross square footage, or involve land or facility purchase.
2. projects which solely benefit 'supplemental' space.
3. projects which serve a purpose other than keeping existing space in good working condition (e.g., aesthetic improvements)."

Section 6 (e) of IC 5-13-9, "Deposit and Investment Powers," provides that:

"The board of trustees of a state university may designate a fund to which the interest of its investments shall be receipted."

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History

This policy was established on October 1, 1990.

Revised to add scope November 2016.