

## Functions Defined

The functional classification of expenses is defined in the Financial Accounting and Educational Reporting Manual (FARM) For Higher Education. Educational and General (E & G) are classified into the following categories:

**Instruction:** expenses for all activities that are part of an institution's instruction program. Expenses for credit and noncredit courses; academic, vocational, and technical instruction; remedial and tutorial instruction; and regular, special, and extension sessions.

APSU examples: academic departments, technology access fee expenses, distance education, extended education, academic support center, structured learning assistance

**Research:** expenses for activities specifically organized to produce research, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution.

APSU examples: Centers of Excellence, individual faculty research projects

**Public Service:** expenses for activities established primarily to provide non-instructional services beneficial to individuals and groups external to the institution.

APSU examples: Middle Tennessee Science and Engineering Fair, TSBDC matching, athletic facilities (Dunn Center/stadium), tennis center

**Academic Support:** expenses incurred to provide support services for the institution's primary missions: instruction, research, and public service. It includes the following: libraries, museums, and galleries, academic administration (including academic deans but not department chairpersons)

APSU Examples: Library, African American Cultural Center, Art Gallery, Learning Resource Center, Environmental Education Center (farm), faculty recruitment, academic advisement(undeclared), proficiency testing, deans – arts & letters, graduate studies, science & math, professional programs & social sciences, extended & distance, education, Ft. Campbell Center administration, faculty mentors

**Student Services:** expenses incurred for offices of admissions and the registrar and activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program. It includes expenses for student activities, cultural events, student newspapers, intramural athletics, student organizations, intercollegiate athletics (if the program is not operated as an auxiliary enterprise), counseling and career guidance (excluding informal academic counseling by the faculty), student aid administration, and student health service (if not operated as an auxiliary enterprise).

APSU examples: all student activity fee related expenses, student services administration, athletics, university facilities, id cards, child learning center, new student

orientation, dramatics, student counseling center, disability services, dean – enrollment management, academic testing, career services, student financial aid, admissions, registrar, student health services

**Institutional Support:** expenses for central, executive-level activities concerned with management and long-range planning for the entire institution.

APSU examples: President, vice presidents, accreditation expense, institutional research, business services, public safety, purchasing, human resources, affirmative action, university advancement, alumni, public relations

**Operations and Maintenance of Plant:** expenses for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant.

APSU examples: plant administration, safety & environmental compliance, building maintenance, expenses paid from the sustainable campus fee, custodial, power plant, utilities, property insurance, TBR facilities fee, roads and grounds, landscaping

**Scholarships and Fellowships:** expenses for scholarships and fellowships

APSU examples: state employee fee waivers, dependents of state employee and public school teacher fee discounts, peer mentors for academic support, governor's school scholarships, community college scholarships, honors program scholarships, out-of-state fee waivers, presidential academic scholarships.

**Auxiliary Enterprises:** exists to furnish goods or services to students, faculty, staff, and other institutional departments and charges a fee directly related to the cost of the goods or services. It is managed to operate as a self-supporting activity.

APSU examples: Residence life, food service, book store, post office