REQUEST TO ESTABLISH A STATE-SUPPORTED ACCOUNT
AND/OR REQUEST FOR A STATE ACCOUNT TO BE FRINGE REIMBURSABLE

State-supported accounts are those that are budgeted with general funds from the state and/or tuition revenues related to fall/spring credit courses.   In general, the fringes (object codes beginning with 27XX except for 2798) on the state accounts are funded by Central University with limited exceptions.   For the state accounts that are approved as fringe reimbursable, the account will be added to a month-end automated journal entry (AJE) that will reimburse the specific account for the fringe benefit expenses, using object code 2798 –Central Fringe Benefit Reimbursement. We also have a new account attribute in KFS, the fringe reimbursable code, that will easily identify fringe reimbursable accounts. When a new account is created, the default value on the state account will be N/A (not reimbursable). Budget and Fiscal Analysis (BFA) will change the code to reimbursable, as appropriate, using the general guidelines outlined below as one input with other inputs being the underlying circumstances and activity unique to each account. The fringe reimbursable status, once determined, is subject to periodic review for appropriateness. The process to approve the account creation in KFS and to add fringe reimbursable accounts to the monthly reimbursement journal entry (AJE), if applicable, varies depending on the type of account. The chart below identifies the various types of accounts, the general guidelines on whether the account is fringe reimbursable, and the organization responsible for the approval of the account creation and AJE.

Account Type (Subfund Group)	KFS Characteristic (Account Number)	General Guidelines for Determining Whether Reimbursable	Organization that Approves the Account Creation	Organization that Adds Reimbursable Accounts to Monthly AJE
State Operating	Accounts that begin with 1 except for Summer/Winter/ Freshman Connection	• Depends on the funding and individual circumstances and activity of the account. Please see the attached checklist that is required to be submitted to BFA with the account create or modification request.	BFA	BFA
Cost Share	Account that begins with 22 or 23 that has been set up to match costs with state funds for a specific contract and grant or have been established to track the NIH Salary Cap	• Yes, if established before January 1, 2015	Sponsored Programs Accounting and Compliance (SPAC)	SPAC
		• Yes, if established after January 1, 2015 and is established to specifically record salary costs related to NIH Salary Caps up to the budgeted state salary and percent FTE assigned as cost share.		SPAC
		• Yes, if established after January 1, 2015 and the employee(s)' salary was budgeted on a state position prior to the award up to the budgeted state salary and percent FTE assigned as cost share.		BFA
		• No, if established after January 1, 2015 and does not meet the criteria for 1) NIH Salary Cap or 2) Person was budgeted on a state position prior to the award.		Not Applicable
Maryland Industrial Partnerships	Accounts that begin with 292 that receive state funding under the MIPS program.	• Yes	BFA, upon request from the MIPS department	BFA
Restricted Agriculture Experiment Station (AES) and University Maryland Extension (UME)	Accounts that begin with 445XXX in AES or UME	• Yes	SPAC	BFA

The subsequent pages describe the account creation process for each type of account in more detail.

Checklist - Request to Establish/Modify a State Operating Account

State Operating Accounts are unrestricted state-supported accounts other than Ledger 2 Maryland Industrial Partnerships [1] (MIPS Ledger 2) (accounts that begin with 292) or Cost Shares[2] (accounts that begin with 22 or 23). When requesting a new state operating account, please complete this document and ensure it gets forwarded to Budget and Fiscal Analysis (BFA) by attaching to the KFS account create or modification document. Please add the College/Divisional Business Officer as an ad-hoc approver to the request. BFA **will not create or modify** the account unless the **CBO's/DBO's approval or his/her designee's approval** is obtained first.

BFA will use the information below to help in its determination of whether the account should be set up as fringe bearing or fringe reimbursable. The checklist is one input as well as other factors unique to the account's circumstances and activity. The fringe reimbursable status, once determined, is subject to periodic review for appropriateness. If fringe reimbursable, BFA will add the account to the monthly reimbursement automated journal entry and will change the "fringe reimbursable" code on the account from N/A to a reimbursable code. By default, the account will be fringe bearing (or N/A) unless this form is received with the account request/modification. Please check the following that applies to this account:

Applies to this Account	Is this Account....?	Fringe Reimbursable Yes or No
X	Funded by already existing state base funds within the college or division?	Yes
	Funded by Entrepreneurial Graduate Tuition Revenues?	Yes
	Funded by College Revenues other than UGRAD Tuition Differential or Entrepreneurial Graduate Tuition Revenues?	Yes
	Funded for Distinguished University Professors (DUP)?	Yes
	Funded by new enhancement, MPower, or other special funds provided by the Provost or General University?	No
	Funded by Undergraduate Tuition Differential Revenues?	No
	An account set up to track fellowships?	No
	Other---Please Explain Below	To Be Determined

Explanation of Other:

If your account fits into a category that is Fringe Exempt "yes" or "no" and you believe it should be different, please explain why.

(1) All MIPS Ledger 2 accounts are fringe reimbursable. BFA will automatically add MIPS accounts to the reimbursement automated journal entry (AJEs) and update the fringe reimbursable code.

(2) Please see the document "Requests to Establish a ~~Cost Share or NIH Salary Cap~~ State-Supported Account" for instructions on fringe reimbursement on these accounts.

Requests to Establish a Cost Share or NIH Salary Cap Account

Non-Reimbursable Cost Share Accounts

Non-reimbursable cost share accounts are created through the normal process in the pre-award office in the Office of Research Administration (ORA). Please ensure that your CBO is aware of the cost share requirement and the account number created.

State Budgeted Position Cost Share Account

Certain cost share accounts are eligible to be fringe benefit reimbursable if the employee's position was budgeted on a state account prior to the award date; i.e., a State Budgeted Position Cost Share Account.   Like non-reimbursable cost share accounts, State Budgeted Position Cost Share accounts are created through the normal process in the pre-award office in ORA. If the college wishes for the account to be considered reimbursable because it meets the criteria, the department must notify the College Business Office (CBO) of the account number, the employee name, the employee's UID, the itemized position number, the budget, the award date, and the duration. The CBO should send an email to both SPAC and to BFA to request for the account to be made reimbursable with this same information. The request should be emailed to: bfa@umd.edu and ocga@umd.edu.   For State Budgeted Position Cost Shares, BFA will review the justification and inform both SPAC and the CBO on the decision. BFA will add the State Budgeted Position Cost Share to a separate monthly AJE set up for those accounts. BFA will update the fringe reimbursable code from "n/a" to the appropriate reimbursable code. To remain eligible for reimbursement, the salaries subsequently charged to the account must meet the eligibility requirement.

NIH Salary Cap Account

NIH Salary Cap Accounts are accounts set up specifically to track these salary costs. NIH Salary Cap accounts are created by SPAC and are reimbursable by default.   If a college wishes to establish an NIH Salary Cap account, the department must notify the CBO. The CBO should send an email to both SPAC and to BFA to request for the account to be created and be made reimbursable. The CBO's email should include the employee name, the employee's UID, the itemized position number, the budget, the award date, and the duration. The request should be emailed to: bfa@umd.edu and ocga@umd.edu. SPAC will create the account and will notify both BFA and the CBO of the account number. SPAC will add the NIH Salary Cap to a monthly NIH Salary Cap fringe reimbursable AJE. BFA will update the fringe reimbursable code from "n/a" to the appropriate reimbursable code. To remain eligible for reimbursement, the salaries subsequently charged to the account must meet the eligibility requirement.

Process to Make State Budgeted Position Cost Share Accounts and NIH Salary Cap Accounts Reimbursable

The flow chart below depicts this process:

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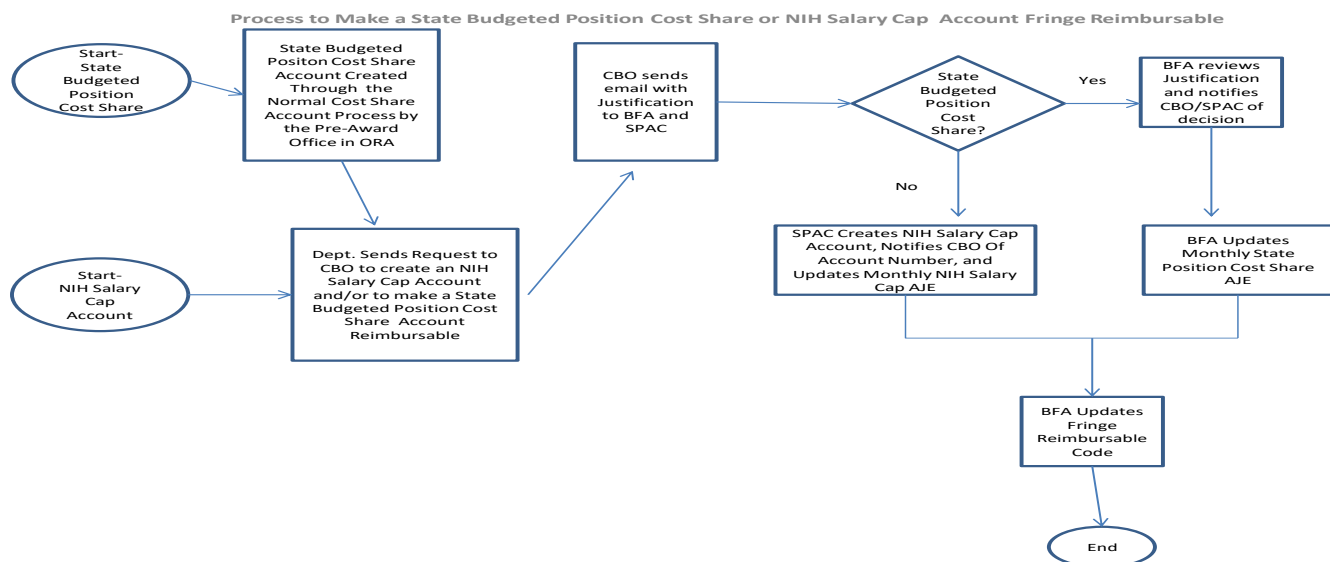
Request to Establish a Maryland Industrial Partnerships Program Ledger 2 (Accounts that Begin with 292)

The Maryland Industrial Partnerships Program (MIPS) initiates the MIPS account creation/modification in KFS and requests BFA's approval.   BFA approves the request, adds the account to the monthly AJE, and updates the fringe reimbursable code on the account from "n/a" to fringe reimbursable without need for further justification from the department.

 Please refer to MIPS's website for further information on the program at: http://www.mips.umd.edu/.

Request to Establish a Restricted Agriculture Experiment Station (AES) and University Maryland Extension (UME) Account (Accounts that Begin with 445XXX in the Agriculture Experiment Station (AES) or University of Maryland Extension (UME) program)

These state-supported restricted accounts are approved in KFS first by the AGNR CBO, then by SPAC. On a monthly basis, BFA will do a query to identify any new state restricted accounts and will update the monthly AJE and the fringe reimbursable code for these new accounts.