

Preparing County Records to Apply the Revenue Generation Formula

The Partnership Agreement for FY07 allows a Revenue Generation Credit allocation to counties equal to 10% of the total ISU Partnership Agreement support. The allocation for each county will be calculated by, first, calculating the Revenue Generation percentage of each county. This will be determined by using each County's FY05 Fee Program expenditures plus Grants expenditures divided by the County's total expenditures (less Fiscal Agent expenditures, if applicable).

Example A – County A:

Annual Fee Program Expenditures		\$25,123.12
Annual Grant & Contract Expenditures	+	45,126.35
	=	70,249.45
Total Annual County Expenditures (without Fiscal Agent Expenditures if applicable)	divided by	350,123.98
County Revenue Generation %	=	20.1%

Second, take the County Revenue Generation % (20.1% in Example A) and divide it by the total of all the percentages for all 100 Districts to get the County's Revenue Generation Credit %.

Third, multiply the County's Revenue Generation Credit % by the 10% of ISU Partnership Agreement Support to get the County's allocation.

Example B - Fictitious 4-County System:

County A County Revenue Generation %		20.1%
County B County Revenue Generation %	+	52.6%
County C County Revenue Generation %	+	5.2%
County D County Revenue Generation %	+	34.3%
Total County Revenue Generation %	=	112.2%
County A County Revenue Generation %		20.1%
Total County Revenue Generation %	divided by	112.2%
County A Revenue Generation Credit %	=	17.9%
County A Revenue Generation Credit %	=	17.9%
10% of ISU Partnership Agreement Support	X	\$13,600
County A Revenue Generation Credit	=	\$2,434

It is important that we establish uniform usage across the state for the two expense categories that are used in the FY07 Revenue Generation Formula: "O Fee Program Exp" and "Q Grants and Contracts". As of FY01, all county records were to be using the categories as listed in the [Main Categories](#) handout so the following instructions will build on those categories.

Revenue Generation Categories:

The [Definitions](#) being used for budgeting are these:

O Fee Prog Exp

Expenses for any program, project, meeting, event, workshop, activity, etc., including county 4-H related events, which has **specific** income in the form of user fees, donations, registration, fund raising, etc. to support it (including all 4-H related events, 4-H program development fee, 4-H State Fair Premiums and PPAT CIC expenses). “O Fee Prog Exp” would be a main category in Quicken, with program areas as sub-categories. Each program area subcategory (i.e. Families) would have specific programs as subcategories under it. Each program might have subcategories under it to more define the expenses incurred. (See green highlighted categories below.)

O Grants and Contracts

Expenses for any contract or grant utilized either by a county office, field specialist or other program entity, which are accounted for in the county office. This would include wages and employer expenses for an employee employed under the grant or contract. Each Grant and Contract should have its own subcategory line in Quicken. Each Grant or Contract subcategory may have subcategories under it to more define the expenses incurred. (See pink highlighted categories below.)

In the [All Categories List](#) the following expense categories are used to record expenses for Fee Programs and/or Grant and Contracts.

O Fee Prog Exp	Expns	O Fee Programs Expenses
4H-Yth	Sub	4H-Youth Activities
General	Sub	General 4H Income
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
State Fair	Sub	State Fair Communications
Entries	Sub	Commun., Clothing & Exhibit Entries
Premiums	Sub	Communications Premiums
Transportation	Sub	Exhibit Transportation
Ag	Sub	Ag Programs & Services
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
MG	Sub	Master Gardeners
PAT	Sub	PAT Workshops & CIC
Soil Test	Sub	Soil Tests Cost
Communities	Sub	Communities Programs
Fam.	Sub	Families Programs
CCTW	Sub	Child Care that Works

Grandma's	Sub	Grandma's Yellow Pie Plate
FS Travel	Sub	Field Specialist Travel (Rev Gen)
Staff	Sub	FS Staff Salary Support (Rev Gen)
Supplies	Sub	Supplies
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Youth	Sub	Youth Activities (non 4H)
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Q Grants & Contracts	Expns	Q Grants & Contracts
Contract	Sub	Contract Name
Contract	Sub	Contract Name
Grant	Sub	Grant Name
Employee Gross	Sub	Employee Gross Wages
Employer FICA	Sub	Employer FICA
Employer Med	Sub	Employer Medicare
Employer IPERS	Sub	Employer IPERS
Other Costs	Sub	Other Cost
Supplies	Sub	Supplies
Grant	Sub	Grant Name

In the Accounting System, the main expense category called "Other" is not designed to be used for revenue generating programs. This category is the category of last resort and should have either small amounts, such as, bank service charges or narrow restrictions, such as, fiscal agent for the Empowerment Board. "Marketing" continues to be recorded there.

It is to your District's advantage to have all of the District's programs in the correct place. We have found programs in the expense categories "N Activities" and "R Other" that should have been being recorded in "O Fee Prog Exp" and "Q Grants and Contracts".

Non-Revenue Generation Categories:

To help understand what belongs where, we are also clarifying the use of the expense categories, "N Activity", "P Resale Exp" and "R Other":

N Activity

Any program, project, meeting, event, workshop, activity, etc. which has **no specific** offsetting income to support it. This category should have subcategories that reflect our extension program areas. This category could also have a subcategory called "General" that might be used to record meeting expense incurred by the Extension Council and to record their IACEC membership. This line might also have a subcategory under the appropriate program area that could be used to record expenses incurred in the support of field specialist(s) housed in the county, such as books and/or equipment to use in their total job. (See example highlighted in green on the next page.)

N Activity	Expns	N Project Activity
4H Program	Sub	4H Program Expenses
Agriculture	Sub	Ag Expenses
Ag FS	Sub	Ag Field Specialist Expenses
Program	Sub	Ag Program (with no specific income)
Communities	Sub	Communities
Families	Sub	Families Expenses
Youth	Sub	Youth Program Expense
General	Sub	General

P Resale Exp

Expenses incurred to purchase any item obtained for resale through the county office. This includes, but is not limited to, publications (both general and 4-H for resale), T-shirts, cookbooks, garden calendars, farm and personal financial record books, 4-H supplies, etc.

P Resale Exp	Expns	P Resale Expense
4H Resale	Sub	4H Resale Materials
Cookbook	Sub	4-H Cookbooks
General	Sub	4H General Resale
T-Shirts	Sub	4-H T-Shirts
Resale-Pubs	Sub	Resale-Publications

In the Accounting System, the main expense category called "Other" is not designed to be used for revenue generating programs. This category is the category of last resort and should have either small amounts, such as, bank service charges or narrow restrictions, such as, fiscal agent for the Empowerment Board. "Marketing" continues to be recorded there.

R Other

Any expenses incurred in a county, which do not fit in the other categories. Please itemize those kinds of expenses individually on the lines provided. One line has already been itemized for you and that is the line named Marketing. You should record expenses for organizational marketing on that line. Create a subcategory in Quicken under "R Other Expenses" called "Marketing" to record organizational marketing expenses. In addition, if Fiscal Agent funds are being managed in the Education Operating Fund then the appropriate place to record the expenses is in a subcategory under this category.

What are Fiscal Agent funds: These are funds that we are holding and managing for another entity, such as an Empowerment Board. They are dollars not involved in our programming. Quite frequently these funds are managed in an Agency Fund since they are someone else's money. However, in some counties we have found these funds in the Education Operating Fund. When calculating the county's total expenditures to be used for the Revenue Generation Formula, we will be excluding expenses related to Fiscal Agent funds that your county may be holding in your Education Operating Fund (see Example A above).

R Other	Expns	R Other Expenses
Marketing	Sub	Marketing Expenses
Fiscal Agent	Sub	Expenses in Fiscal Agent fund
Bank	Sub	Bank Charges

Any changes that you determine need to be done to your Quicken categories are not required to be done before finishing the budgeting process, but will need to be done before FY05 year end.

Income Categories:

Income categories are not considered for Revenue Generation, but it would be good to revisit the definitions of the income categories, “4 Fee Prog Inc”, “5 Resale”, “6 Grants”, and “7 Other”. These categories are the “matching” income categories to the expense categories “O Fee Prog Exp”, “P Resale Exp”, “Q Grants and Contracts” and “R Other”.

4 Fee Prog Inc

Income from any meeting, project, program, workshop, activity, etc., (including all 4-H related events, 4-H program fee, 4-H State Fair Entries and PPAT CIC fees) which would come to the county in the form of registrations, user fees, fund raiser or donations. “4 Fee Prog Inc” would be a main category in Quicken with program areas as subcategories and individual programs as subcategories of the program areas.

4 Fee Prog Inc	Inc	4 Fee Programs Income
4H	Sub	4H Activities
1 From Trust	Sub	1. From Old Trust Fund
General	Sub	General 4H Income
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
State Fair	Sub	State Fair Communications
Entries	Sub	Commun., Clothing & Exhibit Entries
Premiums	Sub	Communications Premiums
Transportation	Sub	Exhibit Transportation
Ag	Sub	Ag Programs & Services
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
MG	Sub	Master Gardeners
PAT	Sub	PAT Workshops & CIC
1 From Trust	Sub	From Old Trust Fund
Income	Sub	PAT Registrations & Reimbursement
Soil Test	Sub	Soil Tests Cost & Postage
1 From Trust	Sub	From Old Trust Fund
Income	Sub	Soil Test Income
Communities	Sub	Communities Programs
Fam.	Sub	Families Programs
CCTW	Sub	Child Care that Works
Program	Sub	Program Name
Program	Sub	Program Name

Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name
Youth	Sub	Youth Activities (non 4H)
Program	Sub	Program Name
Program	Sub	Program Name
Program	Sub	Program Name

5 Resale

Income from any item obtained for resale through the county office. This includes but is not limited to publications (both general and 4-H for resale), T-shirts, cookbooks, garden calendars, farm and personal financial record books, 4-H supplies, etc.

5 Resale Inc	Inc	5 Resale Income
4H Resale	Sub	4H Resale Materials
Cookbook	Sub	4-H Cookbooks
General	Sub	4H General Resale
State T-Shirts	Sub	State 4-H T-Shirts
Resale-Pubs	Sub	Resale-Publications

6 Grants

Income from any contract or grant utilized either by a county office, field specialist or other program entity, which are accounted for in the county office. Each Grant and Contract should have its own subcategory line in Quicken.

6 Grants	Inc	6 Grants & Contracts
Contract	Sub	Contract Name
Contract	Sub	Contract Name
Grant	Sub	Grant Name
Grant	Sub	Grant Name

7 Other

Any income received in a county, which does not fit in any other categories. This category is the category of last resort and should have either small amounts, such as, income for copies paid for, but not used in programs or publications, or narrow restrictions, such as, fiscal agent for the Empowerment Board, the Postage Allocation from ISU or room and equipment rental. Each type of item for which this category is used should have its own subcategory.

7 Other	Inc	7 Other
Copies	Sub	Copies
Fiscal Agent	Sub	Income for Fiscal Agent funds
Postage Alloc	Sub	Postage Allocation
Rental	Sub	Room &/or Equipment Rental to Outside groups