Gift and Endowment Income Fund Terminations

If your unit has a gift or endowment income fund which is no longer needed, then a request should be submitted to uas@uillinois.edu to terminate the unused fund code in Banner. This helps ensure that misclassified transactions are not mistakenly posted to the fund and lessens the burden on your monthly reconciliations process, as you will no longer need to reconcile a fund once it is terminated.

Overview

Before reviewing the procedural steps on how to request termination of your gift or endowment income fund, see below for a few general tips and guidelines to keep in mind regarding fund terminations:

- Given the complexities of how Banner operates and the other systems that Banner integrates with, terminating a fund code can be a complex and tedious process. Due to these intricacies, UAFR has several layers of review to perform prior to approving and processing the termination. So, it is common for UAFR to reach back out to you with issues that will need to be addressed prior to completing the termination.
  - For example, if there is still an open purchase order tied to the fund which you are trying to terminate, then that will prevent UAFR from being able to complete the termination. We will cover these various issues in more details within the procedural steps below.

- When requesting a fund termination, keep in mind that we will only be terminating the actual fund code (and not the entire C-FOP). Given the way Banner operates, we cannot terminate an entire C-FOP string. Instead, each segment code is analyzed separately. For example, if an organization code needs terminated as well, then a separate request would have to be submitted to request termination of the organization code.

- Once a fund is terminated, you will see the effective date of the termination within the Termination Date field of Banner page Fund Code Maintenance (FZMFUND). However, if that field is blank, then that means your fund is still open and active.

- Once a fund code has been terminated, you will continue to receive monthly statements within Mobius View and other reporting tools until the end of the fiscal year if there was activity on that fund code during that fiscal year. However, assuming the terminated fund will have a $0 fund balance at the end of the fiscal year, then no balance will roll over to the subsequent fiscal year, and you will no longer see the terminated fund on your monthly reports in the following fiscal year.

- If a fund is terminated by mistake, the fund can be re-opened within Banner if there is a valid business reason to do so. If this occurs, contact University Accounting and Financial Reporting (UAFR) at uas@uillinois.edu and we can assist you with re-opening the fund.
Procedures

Now that we have provided an overview of fund code terminations, see the procedural steps below for guidance on how to submit a successful request to terminate your gift or endowment income fund:

1. Verify that the gift or endowment income fund has a $0 Budget Balance Available (BBA) within Banner by following the steps below:
   a. Go to Banner page Organization Budget Status (FGIBDST).
   b. Enter the applicable chart code for your university within the Chart field.
   c. Tab and type in the current two-digit fiscal year in the Fiscal Year field.
   d. Tab and type in the applicable gift or endowment income fund code in the Fund field.
   e. Tab to the Organization and Program fields and delete out any values that may have defaulted into those fields. For example, if your fund code has default organization and program codes assigned to it, then those codes may have automatically populated when you tabbed out of the Fund field. If that occurs, you will need to delete those codes out of these fields.
   f. Uncheck the Include Revenue Account box in the upper-left hand column.
   g. Click the Go button in the upper right-hand corner of the page.
   h. Ensure that the Net Total line under the Available Balance column (i.e., the last column on the right-hand side of the page) is $0. We cannot terminate any fund if the BBA is anything other than $0.
   i. If the BBA from the previous step is $0, then you can proceed to Step 2 at this point. If not, then proceed to Step 1.j. below.
   j. If the BBA from the previous step is not $0, then determine whether the balance is a surplus (positive amount) or a deficit (negative amount) and determine how you will address the BBA to reach $0.
      i. If the BBA is in a surplus, then the surplus balance will need to be addressed by either: (1) spending down the in line with the assigned donor intent restrictions balance using valid expenses, or (2) transferring the excess balance to another fund with the same fund type and allowable restrictions (see the Processing Fund Transfers Between Gift Funds job aid for further guidance). Contact UAFR for assistance and guidance if needed.
      ii. If the BBA is in a deficit, then the deficit balance will need to be addressed by either: (1) transferring excess expenses off the fund through expense reclassifications to another allowable fund, or (2) transferring unrestricted gift money into the fund via a funds transfer (see the Processing Fund Transfers Between Gift Funds job aid for further guidance). Contact UAFR for assistance and guidance if needed.
2. Next, verify that there are no dependencies assigned to the fund code. If any of these dependencies are tied to the fund code, they will need removed or inactivated before we can proceed with the termination. UAFR can run a query to tell you what dependencies (if any) are tied to your fund code if needed. See below for common dependencies which may be assigned to your fund code:
   a. Job positions
   b. Open purchase orders
   c. P-Cards and T-Cards
   d. Detail codes

3. Finally, send an e-mail to uas@uillinois.edu asking UAFR to terminate the Banner fund code. In addition, if your gift or endowment income fund is tied to a University of Illinois Foundation (UIF) fund, then we will need to know if you would like that related UIF fund to be terminated as well. Also, when sending your email, please be sure to include the following information:
   a. Chart
   b. Fund code
   c. Fund title
   d. Related UIF fund number (if applicable)

4. If the gift or endowment income fund is associated with a UIF Fund, UAFR will then need to forward the request to UIF for approval. This will add some processing time to your request as we need to wait on UIF approval before proceeding. UIF typically does not terminate funds if they expect that there will be future solicitations or donations to the fund.

5. If UIF approves the termination, UAFR will then terminate the fund in Banner page FZMFUND and will send your unit a notification of the termination.

6. Once your fund is officially terminated, you will see the effective termination date within the Termination Date field of Banner page FZMFUND.

7. If the gift or endowment income fund has any Banner index codes tied to it, UAFR will also ensure that this related index code is terminated in Banner page Account Index Code Maintenance (FTMACCI) as well.

Contact Information

For further details, reach out to UAFR’s applicable subject matter experts within the Gift Funds section of UAFR’s Who to Ask list.