**Weber State University**

Guidelines for Repair and Replacement Reserve Funds

August 31, 2009

It is appropriate to set aside portions of unrestricted current funds for the renewal, replacement or expansion of physical facilities and related equipment and systems--including data systems. The creation of these separate funds--known as repair and replacement reserve funds (R&R funds)--promote and support long-term planning for university needs. R&R funds are to be established in the Plant Fund, designated for specific, legitimate university projects and should be maintained separately for each department or activity by using individual subsidiary accounts. R&R funds may be established by academic, auxiliary and other support units of the university.

R&R funds should be used only for extraordinary items or circumstances and not for ordinary repairs to equipment and buildings or purchases of minor office equipment and supplies. Such ordinary items should be paid for by current operating funds.

Allocations from current unrestricted funds to R&R funds should generally be limited to one transfer per fiscal year. The transfers are to be permanent in nature. Prior to fiscal year end and after careful consideration of actual operating reserves, there may be one transfer of cash from unrestricted current funds to an established R&R fund. These allocations should be recorded as transfers. **The minimum amount for such transfers is $25,000.**

Annual requests to transfer funds to an R&R fund are subject to approval by the supervising vice president and the vice president for administrative services. A generalized schedule of plans or projects must be submitted to support the transfers no later than September 30th of the following fiscal year.