Policy memo:

Subject:	Revenue Recognition
Date:	September 2026
Department:	Business Office
Approved by:	CFO / President

This policy is subject to review, and may be changed (with the approval of the President) at any time. Any amendments / additions that have been approved will be included in a revised version of this document and posted on the University website.

The University has several principal sources of revenue:

- Tuition and tuition-related (fees etc.) revenue.
- Federal and State grants
- Gifts and donations (restricted, temporarily-restricted and unrestricted)
- Endowment draws
- Other tuition-related revenue
- Non-tuition-related or auxiliary revenue
- Auxiliary revenue (recurring)
- Other revenue (non-recurring, such as property sales and other one-time revenue items)

The classification of revenue is defined by the Business Office, as part of the annual budget process (see the University's Budget policy document). Any material changes to revenue classification will be communicated to the Auditor for confirmation and approval, and communicated to the FRFA Committee of the Board of Trustees on confirmation from the Auditor.

Revenue agreements, accounting, billing, and collection activities must comply with all accounting regulation, and with all Federal, state, and University requirements, as well as with the terms and conditions set forth in specific Revenue agreements. All departments and central offices that collect and process Revenue on behalf of the University must ensure that: Appropriate internal controls and sound financial business practices are adopted for the recognition and billing of Revenue, the collection and timely recording and deposit of cash receipts, and the management of accounts receivable. See also the University's Accounts Receivable policy document.

Revenue is recognized on an accrual basis for internal and external accounting purposes. Revenue must be recognized in the period in which it is earned, and not necessarily when it is received or paid. Revenue is considered earned when the University has substantially met its obligation to be entitled to the benefits represented by the revenue. The University recognizes Revenue in accordance with accounting principles generally accepted in the US ('GAAP'), and other applicable accounting regulatory requirements.

If the University is in doubt about whether an internal policy or procedure is in compliance with GAAP and all other applicable regulatory requirements, the University will consult the University's Auditor at the time for clarification.