
WVU POLICY

DIVISION OF FINANCE

USE OF RESTRICTED RESOURCES

1. PURPOSE & SCOPE

- 1.1. **Purpose** – To establish policy governing the priority of release of restricted resources when both restricted and unrestricted resources are available to satisfy an expense.
- 1.2. **Scope** – This policy applies to all West Virginia University departments, including those on the regional campuses - Potomac State College of WVU, WVU Institute of Technology, Charleston division of the Robert C. Byrd Health Sciences Center, Jackson's Mill State 4-H Conference Center and Camp, and the WVU Farms – and the West Virginia University Research Corporation.

2. POLICY

- 2.1. If an expense is incurred for a purpose for which both unrestricted and restricted net assets are available, the University's policy is to first apply and exhaust restricted resources to satisfy the expense, and then apply unrestricted resources towards that expense.

3. DEFINITIONS

- 3.1. **RESTRICTED RESOURCES** - Net assets are considered restricted when constraints placed on their use are either: (a) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

4. RESPONSIBILITIES

- 4.1. **Interpretation** – The responsibility for interpretation of this policy rests with the Senior Associate Vice President for the Division of Finance or designee.



Division of Finance
Policy #34

Category: Division of Finance
Title: Use of Restricted Resources
Responsible Unit: Institutional Accounting,
Reporting & Analysis (IARA)
Adopted: July 1, 2001
Revision History: October 2019
Review Date: February 2024

- 4.2. **Application** – The responsibility for application of this policy rests with Institutional Accounting, Reporting and Analysis.
- 4.3. **Procedure Development** – The responsibility for procedure development of this policy rests with Institutional Accounting, Reporting and Analysis.

5. AUTHORITY & REFERENCES

- 5.1. WVU Board of Governors Finance & Administration Rule 5.1 Approvals and Delegation of Authority for Financial and Administrative Matters (under consideration for approval and out for public comment).

6. SUPERCEDES

- 6.1. This policy supersedes all other Use of Restricted Resources policies, procedures or guidelines at the University to the extent those documents are inconsistent with and fall under the scope of this policy.

Signature: *Barbara Weiss* Date: 3/6/24

Barbara Weiss
Senior Associate Vice President – Division of Finance

