

# **The Ledger**

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## **Monthly Overhead Earnings Budgets**

Effective April 30, 2003, overhead budgets are recorded monthly instead of quarterly in college overhead funds. The budgets for the monthly overhead earnings are posted on the last business day of each month as part of the Controller's Office month end close process. The budget for the college share of overhead (account OH140) will be posted to college overhead funds unless the college requests that a portion of the earnings be distributed to departments.

Special budget allocations of overhead earnings will also be recorded on the last business day of each month. Special allocations are where some departments enter into special agreements with other departments to share overhead earnings. There are a few special agreements that could not be automated due to the complexity of the agreement. The budget allocations for these complex agreements will continue to be recorded manually on a quarterly basis.

## **New Finance Web Report – Departmental Overhead Earnings Report**

A Departmental Overhead Earnings Report has been added to the finance web reporting system.

This report provides a summary of overhead earnings for a college, department, or organization by Sponsored Program fund and overhead earnings accounts (OH120, OH130, OH140, OH150, OH160). The report can be sorted by senior management/organization code or by program code/senior management/organization code. The college share of overhead earnings is recorded in account code OH140 only.

Additional transaction reports can be obtained under the "Overhead Budget Entries Report Option". These reports can only be obtained for fiscal periods beginning April 2003 forward. These reports will only be useful at the college level unless the college has authorized a portion of the earnings be distributed to department funds in the monthly automated budget allocation process.

1. The "Monthly Allocations" report provides budget transactions that record the college's/department's monthly overhead earnings in their overhead funds and accounts.
2. The "Special Allocations" report provides budget transactions that record special allocations of the college's/department's monthly overhead earnings. Some departments enter into special agreements with other University departments to share their overhead earnings. This report shows what was taken away from one department and allocated to another department as a result of the special agreement.

If you have questions about this new report, please contact Christine Absher in the Research Division (1-9383) or Nancy Gruber in the Controller's Office (1-8554).