

Memo To: All UH-Downtown/PS Holders  
From: Dr. Loren J. Blanchard, President  
Subject: Expenditure Allocations & Adjustments Policy

UH-Downtown/PS 05.A.12  
Issue No. 5  
Effective date: 05/05/2023  
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## 1. PURPOSE

This policy statement defines the acceptable procedures by which expenditure allocations and adjustments are made at the University of Houston-Downtown (UHD).

## 2. DEFINITIONS

- 2.1 Service unit: defined as an auxiliary enterprise or service department from which University departments may obtain goods or services through non-cash transactions or service center requisitions. Examples: UHD Mail Services, Computing and Telecommunications, and Multimedia Services.
- 2.2 Non-service unit: described as all University departments not specifically authorized as service centers.

## 3. POLICY

- 3.1 Expenditure adjustments and allocations include the following transactions:
  - 3.1.1 Non-cash payments to service units for goods provided and/or services rendered;
  - 3.1.2 Corrections to inaccurate and inappropriate postings; and
  - 3.1.3 Requests for transfer of funds within or between departments:
- 3.2 Reimbursement for goods and/or services provided by a service center require the use of Service Center Vouchers (SC Vouchers). This form will credit the service providers and charge the procuring department's account. For further explanation, see [The Administrative Reference Manual](#).
- 3.3 University departments needing to correct inaccurate or inappropriate entries (expenditures posted incorrectly against an account or against the wrong account) shall complete a [Transaction Correction Request](#) and forward it to the Accounting Department. This form allows crediting and debiting the proper accounts for the expenditure involved. If the correction requested involves two departments, the request must be approved by both authorized signatories before submitting it to the Accounting Department. See [PS 05.A.02, Signature Authority of University Funds](#) for information on required approval levels.

- 3.4 If payroll reallocations or adjustments are necessary, a Payroll Account Reallocation Form, available in PeopleSoft – Human Resources, must be utilized and submitted the Budget Office.
- 3.5 A Transfer of Funds Request must be used when departments need to cover deficit balances or when an allocation of funds is authorized by the cost center manager. The request form, justifying the transfer requested, will be forwarded to the Budget Office for review and approval.
- 3.6 Equipment and furniture transfers between departments are not financial transactions; therefore, appropriate Property Management forms must be used. For further explanation, see [PS 07.A.01, Property Management Policy](#).
- 3.7 Requests for cost center expenditure adjustments are permissible only when all the following conditions are met:
  - 3.7.1 The original charge was made on a Service Center Voucher or a State of Texas Purchase Voucher
  - 3.7.2 The charge is reimbursable under state purchasing guidelines
  - 3.7.3 The source of funds is the same (i.e., Local/Local or State/State). Transactions between state and local funds require a new Purchase Voucher with a bank deposit. State-to-state fund transactions also require USAS entries.
  - 3.7.4 Exceptions to 3.7.1 or 3.7.2 or 3.7.3 must be brought to the Director of General Accounting and Financial Reporting.
- 3.8 Transfer of Funds Requests also require the same source of funds.
- 3.9 Departments are required to reconcile all cost centers on a monthly basis. Charges, encumbrances, reallocations and adjustments must be processed by all units within 90 days of the transaction date. At the end of the fiscal year, the time frame is shortened (see [PS 05.A. 14, Account Balance Verification Policy](#) for further clarification).

#### **4. PROCEDURES**

There are no procedures associated with this policy.

#### **5. REVIEW PROCESS**

Responsible Party (Reviewer): Vice President for Administration and Finance

Review: Biennial on or before August 31<sup>st</sup>.

Signed original on file in the Office of Human Resources.

## **6. POLICY HISTORY**

Issue #1: 05/16/09

Issue #2: 08/30/00

Issue #3: 05/20/15

Issue #4: 08/02/19 – Reaffirmed as Issue #5

## **7. REFERENCES**

[SAM 03.G.03, Financial System Verification of Cost Center Transactions](#)

[PS 05.A.02, Signature Authority of University Funds](#)

[PS 05.A.14, Verification of Cost Center Activity](#)

[PS 07.A.01, Property Management Policy](#)

[Administrative Reference Manual](#)

[Transaction Correction Request](#)