



The University of Georgia

Office of the Senior Vice President
for Finance and Administration

Date: December 12, 2011

To: Academic Vice President and Deans

From: Tim Burgess, Senior Vice President for Finance and Administration
Jere W. Morehead, Senior Vice President for Academic Affairs and Provost

TB
JWM

Re: Changes in accounting for Maymester salaries and tuition return

The University has been contacted by the Georgia Department of Audits and Accounts regarding the method used by UGA and other USG institutions to account for revenue and expenses associated with summer school. Historically, UGA followed guidance provided by the USG which allowed for Maymester and summer semester tuition and related expenses to be accounted for in the subsequent fiscal year. The Georgia Department of Audits and Accounts and the USG have both advised that a change in this accounting method will be required beginning with Maymester 2012:

- Since Maymester occurs entirely in the current fiscal year, the related expenses as well as the associated tuition revenue will now be recorded in the current fiscal year.
- This change means that Maymester 2012 payroll expenditures will need to be budgeted and expended in FY2012. Thus, the journal vouchers that were processed in the past to “move” the Maymester payroll charges on state funds and departmental sales accounts to the next fiscal year will no longer be processed.
- This change will have no adverse budgetary impact.

Because this accounting change becomes effective in FY2012, UGA’s FY2012 budget will include the revenue and expenses for both Maymester 2011 and Maymester 2012; the budget for subsequent years will only include the revenue and expenses for the Maymester session that occurs in that fiscal year (ie. FY2013 will include the revenue and expenses associated with Maymester 2013). Therefore, the FY2012 impact represents a “one-time shift” in budgeting and we are taking steps to ensure that this “shift” will not have an adverse budgetary impact on the individual academic units:

1. Since expenses associated with Maymester 2012 would have normally been budgeted in FY2013, academic units planning to deliver Maymester 2012 courses may not have sufficient funding in their FY2012 budget to support these activities.
2. Tuition return funds associated with the Maymester 2012 session will be available to the units in FY2012. (For units receiving study abroad and field school tuition return funds for the Maymester session, funds will be allocated so that final budget amendments can be prepared prior to the FY2012 and future fiscal years’ deadlines. Procedures will be the same as in the past, but instead of receiving the Maymester allocation in July or August, the Maymester portion will be allocated in June. Allocations for other summer terms will be provided in July or August. Further instructions will be provided prior to the Maymester begin date.)

3. Funds will be transferred from UGA's General Contingency to the academic units' FY2012 budgets to offset the Maymester 2012 instructional expenses that would typically have been funded by the units' FY2013 Resident Instruction general fund ("state") budgets.
4. We are asking each dean and vice president to submit a request for the additional funding that will be required for their respective units to be able to deliver Maymester 2012 courses. The request should include information on credit hours produced during Maymester in 2011 and 2010 and the associated expenses from your 1X-11-GHXXX-XXX (general instruction) accounts that produced these credit hours. Please use the attached template in completing your request by including the amount you are requesting, the expected credit hours to be produced from that amount, and in cases where the requests are substantially different from previous years, a thorough explanation for the increase or decrease.
5. For FY2013 and beyond, only expenses related to the Maymester session that occurs in that fiscal year will be included in the budget, and thus, no budgetary impact will result from this accounting change in future fiscal years. Thus, any funding provided from UGA's General Contingency for this Maymester accounting change will be a one-time allocation in FY2012 only.

As outlined above, please submit your request for funding support to Toni Rogers (trogers@uga.edu) in the Office of the Vice President for Instruction by January 20, 2012. Also, please take appropriate planning steps to ready your units for this change in procedure. You will receive additional instructions in the Summer school payroll procedures and departmental contacts memo, which is distributed in February each year.

Please contact Chad Cleveland in the Accounting Department (cclevela@uga.edu or 706-542-1197) for accounting related questions and Ken McCollum in the Budget Office (kenmcc@uga.edu or 706-542-2802) for budget related questions. Thank you in advance for your assistance and cooperation in making the procedural modifications necessitated by this State Audit directed accounting change.

cc President Michael Adams
 Vice President Laura Jolly
 Chris Miller
 Ryan Nesbit
 Holley Schramski
 Chad Cleveland
 Lisa McCleary
 Ken McCollum
 Toni Rogers

Request for College/School Instruction Funding: Maymester 2012
College/School Name

	Maymester 2010 Recap	Maymester 2011 Recap	Maymester 2012 Request *
Total Credit Hours			
Salary Expenses			

1. Include information from general funds accounts for teaching courses - "1X-11-GHXXX-XXX (general instruction) accounts"
2. Do not include Study Abroad or Field Study information (see memo for actions for these programs)
3. Do not include funding used for course development
4. Do not include any credit hours or expenses from OVPI summer school initiatives

* For requests which are substantially different from previous years,
attach a separate sheet with an explanation for the increase or decrease

Prepared by:

Date prepared:

Reviewed by:

Dean or Associate Dean for Academic Affairs signature

Please submit this request to Toni Rogers (trogers@uga.edu) in the Office of the Vice President for Instruction by January 20, 2012.