

# Expenditure Allocation PTA Request

(E-mail the completed request form to: Joanna Tseng, email: [jhtseng@stanford.edu](mailto:jhtseng@stanford.edu). Attach supporting documentation to the e-mail.  
If you cannot email the form then call RAPC at (650)723-5506 for assistance.)

(This form is used to request new Expenditure Allocation PTAs and to maintenance existing Expenditure Allocation PTAs. Please review the instructions to this form before completing.)

1. Requested By: \_\_\_\_\_ Date Requested: \_\_\_\_\_

Department: \_\_\_\_\_ Email: \_\_\_\_\_ Phone: \_\_\_\_\_

2. Please identify the expenditures you are allocating as one of the following categories:

Non-salary (expendable materials & supplies)

Salary

Other (Describe) \_\_\_\_\_

3. Describe why you need an expenditure allocation PTA, its purpose, intended use and the expenditures to be accumulated for allocation. Please be specific about the expenditures to be allocated. See [Administrative Guide 3.1.3](#).

*Attach additional documentation as needed.*

4. If these expenditures are currently being charged to account(s), please document how and where they are being charged. If not applicable enter "N/A". *Attach additional documentation as needed.*

5. Estimate the total expenditures anticipated to be allocated over 12 months (annually). \_\_\_\_\_

6. Will any of these expenditures be allocated to sponsored projects?

Yes          No

7. Do you anticipate anyone outside the University using the goods/services provided in this account?

*If you checked "Yes" please refer to the instructions to this form.*

Yes          No

8. Describe the allocation methodology, how the allocation basis logically relates to the type of costs being allocated and how the allocation produces a result in reasonable proportion to the benefit received. See Administrative Guide 3.2.3. Describe the accounting method for clearing the expenditures. See the instructions to this form. Attach additional documentation as needed.

9. The individual responsible for clearing the account on a monthly basis per Administrative Guide 3.2.3:

Name:	Position:
Email:	Phone:

10. Provide an unrestricted PTA to guarantee any unallocated expenditures.

Project:	Task:	Award:
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11. Setting up the request in Oracle - Select one of the following:

- I need a new PTA (No existing award, project, task)
- I need a new project(s) and task(s) (I have an existing award. *Provide an existing award in the table below.*)
- I need a new task(s) (I have an existing award and project. *Provide an existing award and project in table below.*)

	Number	Title (50 characters)	Organization	Manager	Principal Owner
Award:					
Project(s):					
Task(s):					

12. When does the Expenditure Allocation PTA need to be available for use? Date: \_\_\_\_\_

13. Authorization

Your authorization documents your agreement to comply with University guidelines policy, specifically Administrative Guides 3.1.3 Expenditure Allocation PTAs, 3.2.2 Cost Transfers, 3.2.3 Allocations and Offsets PTA and allocation PTA guidance at Allocation of Expense on the DoR website) and you confirm the following:

- a. The request is complete, accurate and complies with University guidelines and policy.
- b. The allocation methodology allocates all expenditures, directly relating the expenditure with the benefit received.



## How to Complete the Expenditure Allocation PTA Request Form

**Step 1: Complete all fields on the request form. Incomplete forms will be returned to requester.**

<p>1. Requested By, Date Requested, Department, Email, Phone:</p>	<p>Enter requester name and date requested (mm/dd/yyyy), department, email address and phone number (###-###-####).</p>
<p>2. Please identify the expenditures you are allocating as one of the following categories: Non-Salary, Salary or Other.</p>	<p>Non-salary and salaries expenditures may not be charged to the same expenditure allocation PTA. If these expenses must be combined, the department must set up a service center. Refer to the <a href="#">Service Center Policies and Practices</a> for more information about Service Center PTAs. Please direct questions about service centers to the RAPC Policy and Compliance Senior Analyst, Christine Siu at <a href="mailto:csiu@stanford.edu">csiu@stanford.edu</a>.</p>
<p>3. Describe why you need an expenditure allocation PTA, its purpose, intended use and the expenditures to be accumulated for allocation. Please be specific about the expenditures to be allocated. See <a href="#">Administrative Guide 3.1.3</a>. Attach additional documentation as needed.</p>	<p>Describe why an expenditure allocation PTA is needed, its purpose and intended use and the costs that will be accumulated for allocation. Remember: If at the time the expenditure is charged you can allocate the expenditure to the benefitting PTAs, you do not need an Expenditure Allocation PTA. Expenditure Allocation PTAs are for routine allocations of expenditures.</p>
<p>4. If these expenditures are currently being charged to account(s), please document how and where they are being charged. If not applicable enter "N/A". Attach additional documentation as needed.</p>	<p>Document how and where expenditures are currently being charged. Please specify the PTA(s) where the expenditures charged. If the expenditures have never been charged anywhere, enter "N/A" on the form.</p>
<p>5. Estimate the total expenditures anticipated to be allocated over 12 months (annually).</p>	<p>Record the total dollar amount of expenses you expect to allocate out of the PTA over a twelve-month period.</p>
<p>6. Will any of these expenditures be allocated to sponsored projects?</p>	<p>Indicate if any of the expenditures will be allocated to sponsored projects (award range Pxxxx through Vxxxx).</p>
<p>7. Indicate if you anticipate anyone outside the University using the goods/services provided in this account?</p>	<p>External users of expenditure allocation PTAs are prohibited. <b>Contact RAPC if you anticipate any external income.</b></p>
<p>8. Describe the allocation methodology, how the allocation basis logically relates to the type of costs being allocated and how the allocation produces a result in reasonable proportion to the benefit received. Describe the accounting method for clearing the expenditures. See <a href="#">Administrative Guide 3.2.3</a>. Attach additional documentation as needed.</p>	<p>Expenditure allocation PTAs are used to accumulate specific costs whose final distribution cannot be determined at the time the cost is incurred. Departments distribute (or allocate) these costs monthly to PTAs using an allocation methodology that:</p> <ol style="list-style-type: none"> <li>a. Logically relates to the type of cost incurred.</li> <li>b. Produces an allocation of costs to each PTA in reasonable proportion to the benefit received.</li> <li>c. Results in charges to PTAs that are allowable, allocable and reasonable.</li> </ol> <p><b>Allocation Process:</b> Describe the routine used to allocate all expenditures in the PTA on a monthly basis. Provide an example journal illustrating your allocation. Note: Online expenditure allocations (for example iJournals, labor distribution adjustments) should include comments about the basis for allocation. For additional information see <a href="#">Administrative Guide 3.2.3</a>.</p> <p><b><i>All expenditures should be allocated out of the PTA each month, clearing the PTA to zero.</i></b> Methodologies may use as a basis for allocating costs such</p>

*Continue on next page*

*Item 8 – continued from prior page*

measures as effort, space (square footage), head count, number of experiments, usage records - supply logs, copier logs (auditron), logs of hours used or surveys resulting in a measure or measures for allocating costs, etc. Where work on projects is interrelated due to overlapping scopes of work and the costs benefit more than one project, PI judgment may be used to allocate costs to one or more projects. Also review of the specific expenditures may be sufficient to determine where they should be properly charged.

Prohibited allocation methodologies include any methodology based on budgets, funding or available funds. Unallowable costs may not be allocated but must be transferred to an unrestricted PTA.

Administrative expenditures may not be distributed or rotated among sponsored projects. Pooled allocation methodologies may not be used to charge administrative costs to sponsored projects except by service centers with approved rates.

Allocation methodologies must be **documented and auditable**. Documentation should include support for the specific costs allocated and indicate how the allocation methodology is logically related to the cost being allocated. This support should be retained by the department and be made available for review. Allocation methodologies should be periodically reviewed to ensure the basis for the allocation is still valid.

**Some Examples of Allocation Methodologies:**

**Allocation Based on Effort:** A research assistant spends 80% effort on Project A and 20% effort on Project B. The research assistant uses supplies totaling \$3,000/month on the two projects. Usage is directly related to the amount of effort devoted to each project, therefore, \$2,400 (80% of \$3,000) is charged to Project A and \$600 (20% of \$3,000) is charged to Project B.

**Allocation Based on Usage:** The monthly cost of supplies/expendables to maintain a lab computer system is \$1,000. The computer system is used solely for projects A and B. The computer operating system keeps a log of users and their time on the system. A reasonable base to allocate the expenditure would be computer user hours. Project A assistants have 100 combined user hours a month and project B assistants have 80 combined user hours a month. The cost allocated to project A is \$560 (100 user hrs. /180 total user hrs. x \$1,000). The cost allocated to project B would be \$440 (80 user hrs. /180 total users hrs. x \$1,000).

**Allocation Based on Square Footage:** A student is paid a salary of \$1,500 a month to clean glassware in two laboratories that are conducting similar research. In this example, the square footage of the laboratories could be used as a reasonable basis. Lab A is 1600 square feet and Lab B is 1,200 square feet. Lab A is charged \$855 (1,600-sq. ft./2800 sq. ft. x \$1,500) and Lab B charged \$645 (1,200-sq. ft./2800 sq. ft. x \$1,500).

9. The individual responsible for clearing the account on a monthly basis per <u>Administrative Guide 3.2.3</u> .	Identify the individual to contact if there are any questions about the PTA. This individual should clear the PTA on a monthly basis, monitor PTA activity and maintain all required documentation. The individual is usually the task manager.
10. Provide an unrestricted PTA to guarantee any unallocated expenses.	Departments must provide an unrestricted PTA to guarantee expenses that are not cleared. Unrestricted PTAs may include gift, endowment income, or other department designated funds if their purpose allows. Sponsored project PTAs may not be used as a source of funds.
11. Setting up the Request in Oracle.	Please indicate how you wish your request to be set up. Check the box that corresponds to the PTA setup you require and document the appropriate PTA information in the table. New Expenditure Allocation PTAs are set up as a new project, task and award. Existing PTAs may be maintained by requesting a project(s) and/or task(s).
12. When does the Expenditure Allocation PTA need to be available for use? Please date.	Record the date when the Expenditure Allocation PTA need to be available for use.
13. Authorization/Approval.	The department manager and an individual with signature authority over the guarantee PTA (if not the department manager) must approve the request. This approval states the form is complete and accurate and you will comply with University guidelines/policies in particular items (a) through (g).

**Step 2: E-mail the completed request form to: Joanna Tseng, email: [jhtseng@stanford.edu](mailto:jhtseng@stanford.edu). Attach supporting documentation to the e-mail. If you cannot email the form then call RAPC at (650)723-5506 for assistance.)**

**Step 3: RAPC will review the request and inform the requester of their decision.**

**If you have any questions about this form, please contact Joanna Tseng at (650) 723-5506.**

*Form revised November 2013*