Request For Expenditure Allocation PTA

(Formerly Request for Clearing Account/Activity)

(Complete items 1 –14 & fax to Lisa Ciambrone, 150 Encina Commons, MS 6025, fax 723-9084, ph. 725-4246)

1. Date requested: _____   Requested by: _____   Phone: _____

2. Department: _____   E-mail:_____

3. Categorize the request as one of the following (*check one*):

    Allocating expendable materials & supplies ☐

    Allocating salary ☐

    Other ☐ *(Describe)* _____

4. Describe the purpose and intended use of the Expenditure Allocation PTA and the costs to be accumulated for allocation. See Guide Memo 34.2 "Accounts": *(Attach additional explanation if required.)*

    _____
    _____
    _____
    _____

5. Estimate the total expenses anticipated to be allocated over 12 months (annually) _____

    Will any of these expenses be allocated to sponsored projects?   ☐ Yes ☐ No

6. Do you anticipate anyone outside the University using the goods/services provided in this acct? ☐ Yes ☐ No
    If you checked "Yes" please refer to the instructions to this form.

7. 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 (*Attach supporting documentation as needed.)* See Guide Memo 38.1 "Allocations and Offsets".

    _____
    _____
    _____

8. Will other departments be charged (allocated expenses from this clearing account)? ☐ Yes   ☐ No
    If yes, you must obtain written approval (e-mail is acceptable) to charge the account from an individual with financial authority over the account. (See instructions.) This documentation must be retained in the department.
    If Yes, describe how you will obtain written approval _____

9. The individual responsible for clearing the account on a monthly basis per Administrative Guide Memo 38.1:

    Name: _____   Phone: _____ Fax: _____

    Position: _____Email: _____

10. Provide an unrestricted PTA to guarantee any uncleared expenses: _____ (Award)
                                                                        _____ (Project)
                                                                        _____ (Task)

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 and task** (I have an existing award.)

    ☐   **I need a new task(s)** (I have an existing award and project.)

11. **Award** If you are using an existing award, enter the award number: _____

    If you require a new award, please complete the following:

    Award Title: _____   Award Org: _____

    Award Manager: _____   Award Principal Owner:_____

12. **Project** If you using an existing project, enter the project number: _____

If you require a new project, please complete the following:

Project Title: _____ Project Org: _____

Project Manager: _____ Project Principal Owner: _____

13. **Task(s)**

a. Task Number: _____ Title: _____ Org: _____

Task Manager: _____ Task Principal Owner: _____

b. Task Number: _____ Title: _____ Org: _____

Task Manager: _____ Task Principal Owner: _____

If you need to add more tasks, photocopy this sheet and complete this section.

14. Authorization

a. Department Manager

Check box indicating you do/do not have signature authority over the guarantee account at item 11. ☐ Yes ☐ No
If you checked "yes", skip 12. b. below.

_____   _____   _____
Name (print/type)   Signature   Date

b. Individual with Signature Authority over Guarantee Account *(if not above)*

_____   _____   _____
Name (print/type)   Signature   Date

Your authorization documents your agreement to follow University guidelines policy (specifically Expenditure Allocation Guidelines, Admin guide sections 34.2.10, 38 and 38.1) and:

a. The request is complete, accurate and complies with University guidelines and policy.

b. The allocation methodology allocates all expenses, directly relating the expense with the benefit received.

c. Expenses will be allocated monthly.

d. The allocation methodology will be reviewed and adjusted (if required) at least once a year or whenever there has been a significant change to ensure all expenses are allocated.

e. Unallocated expenses are the responsibility of the department and are covered by funds in the guarantee account. Over recoveries may need to be refunded.

f. ORA may transfer expenditures that have not been allocated on a timely basis to the guarantee account.

15. Please inform the Office of Research Administration - Policy and Compliance of any changes to this form. Retain a copy of the request in your files.

	ORA- Policy and Compliance		
Routing - Approval	Name	Signature	Date
ORA Policy/Compliance Office	_____	_____	_____

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How to Complete the Request for Expenditure Allocation PTA
(formerly Clearing Activity/Account)
(Complete Items 1 – 13 and return the form to the Office of Research Administration)

1. Date Requested Requested By Phone	Self-explanatory
2. Department E- Mail	Department name and the requestors e-mail address.
3. Categorize the PTA as one of the following: a. Allocating expendable materials and services (EM&S), b. Allocating salaries, c. Other *(Describe)*	Categorizing the clearing account will assist OSR in setting up your PTA. In general, expenditure allocation PTAs are categorized by the expenses charged to them.
4. Describe the purpose and intended use of the PTA and the costs to be accumulated for allocation. See Guide Memo 34.2 "Accounts"	Describe, in your own words, the purpose and intended use of the PTA and the costs that will be accumulated for allocation. **Remember:** *Salaries and materials costs may not be charged to the same expenditure allocation PTA. (They may be charged to separate PTA's.) If these expenses must be combined, the department must set up a service center. Refer to the "Service Center Policies & Practices Manual" for more information about Service Center PTAs. Please direct questions about service centers to the ORA Policy and Compliance Senior Analyst, Christine Siu at csiu@stanford.edu.*
5. Estimate the total expenses anticipated to be allocated over 12 months (annually).	Record the total dollar amount of expenses you expect to allocate out of the PTA over a twelve-month period. Please indicate if these expenses will be allocated to sponsored projects (awards Pxxxx through Vxxxx)
6. Do you anticipate anyone outside the University using the goods/services provided in this acct?	***External users of expenditure allocation PTAs are typically prohibited but may be permitted by ORA on an exception basis.*** Refer to the **Service Center Manual Section VIII A.** for a definition of an external user. Attach a description of external users, if any, and document anticipated dollar volume.
7. Describe the allocation method(s) to be used and the allocation process(es). See Guide Memo 38.1 "Allocations and Offsets".	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: a. Logically relates to the type of expense incurred. b. Produces an allocation of costs to each PTA in ***reasonable proportion to the benefit received.*** c. Results in charges to PTAs that are allowable, allocable and reasonable. ***All expenses should be allocated out of the PTA each month, clearing the PTA to zero.*** Methodologies may use as a basis for allocating costs such 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 judgement may be used to allocate costs to one or more projects. Also review of the specific expenses 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 expenses 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.
Continued on next page	

Item 7 – continued from prior page	Allocation methodologies should be periodically reviewed to ensure the basis for the allocation is still valid. **Allocation Process** Describe the routine used to allocate all expenses in the PTA on a monthly basis. Note: Online expense allocations should include comments about the basis for allocation. For additional information see Guide Memo 34.2 "Accounts", Guide Memo 38.1 "Allocations and Offsets", Stanford University Cost Policy **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 expense 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).
8. Will other departments be charged (allocated expenses from this clearing account)? (Yes, No)	Check yes or no. The authorization should document what kinds of goods or services are covered, who can request the goods or services, dollar amount or other limits if needed, and the time period of the authorization (coinciding with a sponsored account project end date if applicable).
9. The individual responsible for allocating expenses in the account on a monthly basis per Admin Guide Memo 38.1.	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.
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.
Setting up the request in Oracle	Please indicate how you wish your request to be set up. For many requests, an existing award may be used. The requestor may just require a separate project or task.
11, 12. 13. Award, Project, Task	If you wish to use an existing award or project, please record the award or project number in the appropriate space. If you require a new award, please enter the requested information. It is assumed that a new task will always be required.
14. 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, accurate, complies with University guidelines/policies and the department guarantees any unallocated expenses.
15. Please inform ORA - Policy and Compliance of any changes to the form. Retain a copy of the form in your files.	Changes to information on this form made after PTA is set up should be communicated to the individual below. Examples include a change in the purpose and use of the account, individual responsible for clearing the account, allocation methodology, etc.

Send the request to Lisa Ciambrone, ORA Policy and Compliance, at
150 Encina Commons Mail Stop 6025. Fax: 723-9084 Ph: 725-4246 E-mail: ciambron@stanford.edu