RE: OVERHEAD TRANSFERS - Changes in accounting codes

Effective April 1, 2014, Financial Services will make changes in the ways overhead transfers appear in your accounts. As you know, up to now all overhead transactions have been credited, and expensed, to 5420 which is actually a revenue account.

After April 1, the following accounts will be used exclusively for research overhead transfers:

- **9602** Overhead Transfers Out (overhead charged to applicable grant and contract project accounts)
- **9603** Overhead Transfers In (revenue to Department and Faculty overhead accounts)

These overhead transfers are prepared and processed within Financial Services with the exception of a few other central units (IR&D, Faculty of Ag International Office); however, we want you to know that you will now see these entries in the expense section of your financial reports.

Please also note the following, which relates only to partner institutions with whom Dalhousie shares research overhead:

- **7226** Research Overhead Offsite (eg, for overhead payments from project to hospital)
- **5420** Overhead revenue received from external partner (eg, hospital) – this account will not be used for any other purpose.

The following types of transfers should be done using **9600** code on both credit and debit side of the entry:

- Any further distribution of overhead from Department or Faculty overhead accounts to individual researchers should be treated like an internal research grant to the researcher
- Any transfers of ‘fees’ (defined as something other than research overhead); for example, indirect costs on service agreement work, or other types of admin fees.

S:\Finance\GR\RES\Overhead\Memo of Campus March 2014.docx