Summary of Charge Back Procedure

Background

The College provides services such as postage, printing/duplicating, paper and envelopes, and parking cards to the various departments operating within the College. The expense for these services is "charged back" to the departments on a monthly basis. This process varies depending on the type of service provided and the reports or source documents available.

Problem Statement

In the past the sum of these items have been budgeted and charged to the VP cost centers, and others have been charged to specific departmental cost centers and grants. Additionally, some types of charges have been charged only to grants and agencies, but not to General Fund cost centers. For budgeting and reporting, as well as grant compliance purposes, it is important that this process is consistent.

Procedural Solution

In order to develop consistency in our charge back process, all internal charge backs will be applied to specific cost centers as specified by MCC managers/requestors. Appropriate activity numbers have been assigned for each type of chargeback type and are as follows:

Printing and duplicating	*23550*
Postage	*25430*
Toner	*23520*
Paper & Envelope charges	*23520*
Park Cards	*23520*

Printing

Currently, users order a print job by utilizing a requisition process within the "Printing/Duplicating Application". Users enter an account number on this requisition. The requisition totals are automatically calculated based on the type of paper used, size, color, special finishing, etc. and entered on the requisition within the application. On a monthly basis, the Accounting Department performs a download from the application of all the requisitions completed within the previous month and creates a journal entry upload based on the account numbers provided on the individual requisitions.

Postage

Postage charges are currently being charged back to individual/departmental cost centers on a monthly basis. The mail room has assigned a mail code to each department then sends the total dollar amount of postage (metered, bulk mail, business reply, express mail and UPS) used for each mail code to the Accounting Department on a monthly basis. Accounting then prepares a journal entry upload that includes a line item for each individual department (per mail type) based on the information provided by the mail room.

Toner

Toner is now charged on a per page basis, based on b/w or color, from Brady's Business Systems. Each individual printer has been assigned to a specific cost center based on the department/location and is maintained by ITS. On a monthly basis, Brady's charges the college's purchase card based on the overall usage of the college. Brady's also provides purchasing and accounting with a monthly breakdown of charges per printer and per medium used. All charges are posted monthly to the GL through a journal entry upload of purchase card transactions. Note: Charges in GL are approximately a month and a half behind (e.g. January's activity is charged to purchase card in February, which in turn does not post to the GL until the middle of March)

Paper & Envelopes

Paper and envelope charges are charged to the account number given to the mail room at the time these supplies are ordered. The mail room attendant writes this account number on each request slip. These slips are then forwarded to the Accounting Office on a monthly basis. The totals for each account number are entered on a worksheet along with the description of the item entered and the amount of each item. The charges are then posted to each account number via a journal entry upload based on the account numbers provided on the individual email requests to the mailroom.

Park Cards

Park card charges are charged back monthly to the account number given to Cashier's Office at the time the order for the cards is made. Once the charges are received from the Cashier's Office, Accounting prepares the journal entry in the general ledger system. There are not always charges each month.