



## Tuition Administrative Allocation (TAA) Budget Instructions

University Fiscal Year 2009 Budget  
Updated: March 15, 2008

### **General Instructions:**

The Tuition Administration Allocation (TAA) on student tuition was first assessed during fiscal year 2003 for the purpose of providing a revenue source to recover all overhead education costs. The intent of the Five-Year Financial Plan is to reach full overhead cost recovery by gradually increasing the recovery 5% each year. The initial allocation was 5% on all net tuition revenue, after remissions and exemptions, for FY 03 and it was increased by 5% from FY 04 through FY 07. The assessment will increase to 30% for FY 09.

### **Who the TAA applies to:**

This allocation applies to the following Schools:

- School of Medicine
- School of Nursing
- School of Dentistry
- Allied Health
- School of Science and Engineering

The TAA is based on all unrestricted tuition revenue, less unrestricted remissions, exemptions, allowances and bad debt expense related to education. It does not include student fees collected. These calculations are based upon actual results (as opposed to budgets).

### **Accounting Details:**

The TAA can be calculated by multiplying the TAA rate by the net revenue balance in the unrestricted tuition object codes as listed below (does not include student fees).

- Object codes 4201-4202
- Object codes 4204-4249
- Object codes 4270-4279
- Object codes 4291-4297
- Object code 4283

Central Financial Services will enter the TAA amount into your account on a quarterly basis using a mass allocation entry. The Object code 4203 - Tuition Admin Fee has been created for the budget and actual amounts.

Any department currently using object code 6332 to record tuition exemptions should discontinue using that object code, as it is not in the range of object codes used by the TAA calculation. The correct object code for tuition exemptions is 4291.

Any department currently using object code 7111 to record education related bad debt expense should discontinue using that object code, as it is not in the range of the object codes used by the TAA calculation. The correct object code for bad debt expense for tuition and fees is 4283.

If you have any questions regarding this allocation, please contact a member of the University Budget Department.