**POLICY: AUXILIARY OVERHEAD BUDGETS**

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**PURPOSE:**

The purpose of this policy is to make University of Wisconsin-Platteville’s departments that provide and receive financial support for auxiliary overhead expenses aware of the process for gaining approval of auxiliary overhead budget items, spending from those budgets and to also document how any budget savings will be handled. Supervisors in affected departments are responsible for communicating this policy to the necessary staff in their respective departments.

**BACKGROUND:**

A policy is necessary to ensure proper, agreed-up procedures are followed during the development of auxiliary overhead budgets, the spending of budgeted funds and the allocation of any unspent budgets.

UW-Platteville requires that auxiliaries, and other Fund 128 programs acting as auxiliaries, shall be charged for administrative and physical plant support services when those services provide a direct benefit to the auxiliaries (e.g., payroll services, building maintenance, and information technology services) and not charged for institutional oversight functions (e.g. chancellor, vice chancellor and assistant chancellors).

The auxiliary departments that provide funding for auxiliary overhead budget items include: Dining Services, Residence Life, Markee Pioneer Student Center, Pioneer Activity Center, Event Services, Student Health Services and the Textbook Center.

The Budget Office is responsible for maintaining and updating this document as well as providing training to those involved in this process.

**PROCEDURE:**

A. The budget for auxiliary overhead is developed during the annual budget development cycle, which generally begins September 15 and ends December 15.
   a. Any requests to add items to the auxiliary overhead budget must be submitted to the budget office (budget@uwplatt.edu) by December 15 using the Budget Request Form.
b. Requests will be reviewed by the budget office and presented by the requester to the account managers from the auxiliary departments and the Vice Chancellor for Administrative Services for their recommendation of approval or disapproval.
   i. The auxiliary budget analyst will present a projection of rates, factoring in the requested changes to auxiliary overhead, allowing account managers to see the impact on rates.

c. The final amount will be determined by the budget office, taking into consideration the feedback from auxiliary budget managers and the Vice Chancellor for Administrative Services, and communicated to the affected departments.
   i. Appeals of the decision can be made to the Controller.
   ii. The Controller will communicate the decision to the budget office, which will then contact the affected departments.

d. The Chancellor has the final review and approval of each individual auxiliary and other Fund 128 budget, which includes the portion of auxiliary overhead costs assigned to each unit.

B. The auxiliary budget analyst will be the account manager on all auxiliary overhead accounts.
   a. The auxiliary budget analyst will sign off on all expenses in auxiliary overhead accounts, with the exception of payroll expenses, to ensure proper use of auxiliary funds.
   b. Payroll expenses will be approved by the employees’ supervisors and the budget analyst will review the accounts periodically to ensure the approved positions are being charged to the auxiliary overhead accounts.

C. Any unspent funds at the end of the year shall either be allocated back to the auxiliaries in the same manner as it was allocated out originally, or approved for additional expenses that directly benefit the auxiliaries.
   a. Requests to spend any unspent funds on items not included in the initial budget should be submitted in writing to the budget office (budget@uwplatt.edu) by July 15 following the year in which there were savings.
      i. Requests should include the amount requested, a detailed description of how the funds will be used, a description of how the expenditure will benefit the auxiliaries and the expected spend date.
   b. Requests will be reviewed by the budget office and presented by the requester to the account managers from the auxiliary departments and the Vice Chancellor for Administrative Services for their recommendation of approval or disapproval.
   c. The final decision will be made by the budget office, taking into consideration the feedback from auxiliary budget managers and the Vice Chancellor for Administrative Services, and communicated to the affected departments.
      i. Appeals of the decision can be made to the Controller.
ii. The Controller will communicate the decision to the budget office, which will then contact the affected departments.

d. Approved requests will be added to the budget in the year following when the savings were generated.