

Accounting Issues Committee – Standardize G/L Advertising Account

Issue Summary	USG will adopt a standard G/L account for advertising expenses
Background	For the past several years, members of the Georgia Legislature have made information requests to the University System of Georgia for advertising expenses by institution for each fiscal year. Because the advertising account used by institutions is not the same, this information cannot be easily obtained from the consolidated GeorgiaFirst People Soft financials, and cannot be obtained through querying the Financial Data Warehouse. Therefore, each institution has been asked to provide this information individually, which causes time delays in getting the information to requesting parties and forces institutions to summarize and send the data to the University System Office. Use of a standard G/L account for advertising expenses would resolve these difficulties.
Risks	<ol style="list-style-type: none"> 1. G/L account codes used for advertising would not be consistent in FY11 with previous years for individual institutions. 2. Incorrect coding of advertising expense moving forward would cause amounts provided to requesting parties to be erroneous.
Possible Solution(s)	<ol style="list-style-type: none"> 1. Create a standard G/L account for advertising and request all institutions to utilize it in FY11 and forward. 2. Do nothing, and continue to request information from each institution whenever related information requests occur.
Escalating Sub-team and Lead	Fiscal Affairs – Vikki Williamson
Recommended Action	Option 1 adequately addresses the issue. Doing nothing will continue to make responses to requests for information both time-consuming and cumbersome.
Accounting Issues Committee Comments	<p>AIC agreed to create 2 new advertising accounts</p> <ul style="list-style-type: none"> • Advertising – Job/Personnel • Advertising – Other <p>AIC members agreed to reclass all FY2011 advertising expenditures to these accounts in order to realize the benefit of the new accounts as soon as possible.</p>