

### Important PRISM Attributes

#### Responsibility Center Listing

A Responsibility Center is a budgeting and financial reporting unit such as a school, branch campus, executive office or support unit designated by the University. The Responsibility Center Listing (PDF Format) is a listing of the hierarchy of these reporting units to facilitate proper budgeting and financial reporting within the financial systems of the University.

#### Subcode Listing

The Subcode Listing (MS Excel Format) provides the four-digit codes used to record financial transactions in their “natural classification” and serves as the University’s “Chart of Accounts”. The University’s Account Structure for the ORACLE general ledger can aid in the understanding and accuracy of the accounting for University expenses.

#### Unallowable Subcode Listing

The Unallowable Subcode Listing (PDF Format) provides the four-digit subcodes used to record financial transactions that are not recoverable and must not be charged to federal or other projects on either a direct or indirect costing basis. Costs can be unallowable because they are expressly unallowable per federal regulation, mutually agreed to be unallowable, unreasonable, or unallocable. See the University’s financial guideline on Allowability of Costs (PDF Format) for further explanation.

#### Modified Total Direct Cost (MTDC) Subcode Exclusions Listing

Total direct costs are the total costs that can be directly identified to a sponsored activity or a cost center. Modified Total Direct Costs (MTDC) are the total costs that can be directly identified to a sponsored activity less certain categories of direct costs that are excluded for purposes of application of indirect or overhead costs. The University is required to exclude certain categories of costs, by fund accounting entity, for purposes of overhead application to be compliant with Office of Management and Budget Circular A-21. The MTDC Exclusions for the current year are listed below. Historical MTDC Exclusions for prior fiscal years are also available upon request.

- **Entity 03 MTDC Subcode Exclusions List** (PDF Format) - Issued annually as part of the annual budget target letter
- **Entity 05 MTDC Subcode Exclusions List** (PDF Format) - Issued annually as part of the notification of approved Sponsored Program Facilities and Administrative Cost Rates

#### Function Code Listing

When an account is created in PRISM, it must be assigned a Function Code. The Function Code is a combination of two previously distinct function codes; the NACUBO Purpose Code and the OMB Circular A-21 Code. The Function Code is a three digit code where the first digit identifies the NACUBO function and the last two digits identify the A-21 function. There are 10 NACUBO functions and 15 A-21 functions which have been combined to form only 26 valid combined function codes.

# University of Pittsburgh

## Cost Accounting

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Although the functions listed for both reporting attributes bear some resemblance, there is a distinct difference in the purpose they serve. The NACUBO functions are expense classifications established and defined by the National Association of College and University Business Officers (NACUBO) to improve comparability of data among institutions of higher education and are used to prepare a footnote to the University's Audited Financial Statements, titled "Functional Expenses."

In contrast, the A-21 functions are expense categories established and described in Circular A-21 that provide a uniform method of grouping costs into various direct and indirect cost pools for the primary purpose of calculating indirect cost reimbursement rates on sponsored projects. These rates are submitted to the Federal government for approval in the University's Facilities and Administrative (F&A) Cost Rate Proposal, which is a cost study required by OMB Circular A-21.

The Function Code Listing (PDF Format) and related application to accounts facilitates the internal and external financial reporting and indirect cost determination of the University.

### **PRISM Error Messages**

In the PRISM general ledger system, there are two types of error messages that can occur. These error messages are either ORACLE defined error messages or University defined error messages. When a transaction cannot be processed in the PRISM system, the error message generated by the system aids in the identification of the problem with the transaction. Users are encouraged to read entire error messages before calling the PRISM Help Desk. This will assist in identifying errors and expedite their resolution.