7. Cost Types

Cost Types are codes defined by each individual department to describe categories of financial activities.

When setting up Projects, Cost Types are given overhead rates for the Project in which they are used (e.g. BEN for Benefits at 51.5%, TUI for Tuition at 0%). A single Cost Type may have different overhead rates in different Projects.

Cost Types may be up to 5 characters in length and will have one or more Object Codes associated with them.

When defining a Cost Type try to choose a code that conveys meaning to the users.

Some typical cost types are:
BEN – Employee Benefits
FAB – Fabrications
EQP – Equipment
RCH – Recharge
SAL – Salary
SUP – Supplies & Expenses
Each cost type is linked to a general ledger account. Some examples:

FAB – Fabrications are linked to Related Object Codes 9600 – Fabrication Components or Supplies and 9610 Fabrication cost excluded from overhead.
BEN – Employee Benefits are linked to Related Object Codes 8200 – Benefits and 8910 – Employee Benefit Cost Transfers
RCH – Recharge is linked to Related Object Codes 3900 – Recharges and 7280 – Services, Department Recharge
SAL – Salary is linked to Related Object Codes 1000 – Wages-Academic and 1100 – Wages-Non-Academic

When you have finished entering all information, click on [OK] to save your work or [Cancel] to exit without saving.