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Closure of cost points

Implementation date: 9/13/2006

forward together
sonke siya phambili
saam vorentoe

Closure of cost points

Type of document:	Policy
Approved by:	Finance Committee
Date of approval:	9/13/2006
Date of implementation:	9/13/2006
Date of next revision/frequency of revision:	As needed
Previous revisions:	None
Policy owner[1]:	Chief Operating Officer
Policy curator[2]:	Chief Director: Finance
Keywords:	Cost Points; Closure of Cost Points
Validity:	The English version of this regulation is the operative version, and the Afrikaans version is the translation.

[1] Rules Owner: Head(s) of Responsibility Centre(s) in which the rules functions.
[2] Rules Curator: Administrative head of the division responsible for the implementation and maintenance of the rules

2.2
CLOSURE OF A COST CENTRE

Policy Number: 048B/130906

Scope: The policy contains SU's procedure for the closure of a cost centre.

Policy:

Since the closure of a cost centre effect various divisions within the university, the following procedure is proposed:

- Requests for the closure of a cost centre must be directed to Financial and Management Systems who will check the following:

    - that the cost centre balance equals zero.
      If there is a balance, a cost centre should be indicated to which the balance can be transferred. A journal request will be sent to the accountant responsible for transfers.
    - that there are no commitments on the cost centre. If there are commitments the department will be asked to finalise them and confirm with Financial and Management Systems.
    - that there are no assets linked to the cost centre. If there are assets linked to the cost centre, Funds and Assets Management will move the assets to the indicated cost centre.
    - that if the cost centre receive interest, Funds and Assets Management will change the interest to the cost centre indicated.
    - that no remuneration is being paid from the cost centre. If so, Human Resources must be informed of the new cost centre by the department.

Please note that it is the department's responsibility to:

- identify cost centres that must be closed and to inform Financial Services or Financial and Management Systems thereof.
- see that all commitments are taken care of.
- indicate to which cost centre the surplus or shortage, interest and assets must be transferred to.

STAFF MEMBERS WHO LEAVE SU'S EMPLOY

The cost centre of persons who leave the employ of the University must:

Be identified by the Financial and Management Systems Division as soon as the monthly retirement list is received and be sent to the relevant accountant at Financial Services to:

- be cleared or closed; or
- The Dean and/or Vice-Rector (Research) should recommend what should be done with the staff member's research funds.

<u>Guidelines:</u>

K cost centre:	Return to Subcommittee A, B or C (B268A, B268B or B268C)
Research funds:	React to recommendation of Dean and/or Vice-Rector (Research)
Rector's Award	Return to B064
Statutory councils:	Refundable to statutory council
Establishment funds:	Return to Dean

CLOSURE AND OPENING OF COST POINT ACCOUNT COMBINATIONS: 0999

No salary cost point account combination may be closed during the final week of the month, when the Remuneration Division posts the salaries. The correct cost point must be provided by the department concerned to Human Resources with regard to the posting for the next month.

Contact Division:
Financial and Management Systems