March 24, 2020

**Mid Period Costing Allocations**

Effective April 1st, 2020, UM will enable the Mid-Period Costing Allocations for payroll, which will be new functionality for UM. This will mostly affect payroll on sponsored awards and will ensure a proper allocations of payroll cost between driver worktags for allocations starting or ending during a pay period. The current configuration only honors the costing allocation in effect when payroll runs and ignores any allocations during the same pay period that ended previously. This process has historically resulted in additional PAA’s.

A mid-period allocation occurs when a costing allocation ends within a pay period, creating two or more allocations within one pay period. The allocation process involves two steps: (1) prorating the salary expense to the allocation period and (2) the distribution of the prorated salary across the worktags.

Changes to expect:

- Proper allocation of payroll cost within pay periods when changing allocations during a pay period
  - For 9 month faculty, this will be based on Calendar days
  - For 12 month faculty, this will be based on Working days
- All earnings and deductions will be allocated consistently between all costing allocations and related worktags in effect for that pay period
- This includes sick and vacation pay
- No need to manually calculate and process PAA’s for non-exempt employees on grants if the grant ends during a pay period

If you have any questions please feel free to contact Ms. Gloria Gari in the Office of Research Administration at 305 284 4088 or via email at ggari@miami.edu.

For more information, please visit the ORA website at [www.ora.miami.edu](http://www.ora.miami.edu).