

ACCOUNTING FOR CONFERENCES

Certain University departments host and/ or organize conferences on behalf of third parties. Because the conference registration revenues are collected and the corresponding expenses are paid on behalf of third parties, they do not represent resource flows of the University. This procedure outlines considerations for the accounting for these transactions so that they are appropriately reflected in the University's financial statements.

Conference Fund

A distinct fund should be established for each conference. For annual conferences, the same fund may be utilized year after year. A fund represents a self-balancing set of accounts and will streamline the process of determining the net settlement amount due to the customer after all other revenues are collected and expenses are paid. The predecessor fund for conferences is E2030.

To request a new fund, complete the **Form to Request a New Organization and/ or Fund** and send the completed form to grp_FOAPAL_requests@wichita.edu. The form is available at the following location:

https://www.wichita.edu/services/controller/documents/New_Fund_Org_Request.pdf

Types of Transactions

Conference Revenues (Registration Fees)

The department should coordinate with WSU Accounts Receivable for assistance in determining the appropriate method to collect registration fees from participants. Marketplace can be utilized to establish the conference registration items for sale in the department's Marketplace Store. The following account code should be utilized for conference registration fees charged for conferences organized on behalf of third parties:

Account	Account Desc	Description
R80569	Conference Revenue	Revenue account to record conference registration fees collected on behalf of third parties

Using this account code will ensure revenue and expenses recorded in the conference fund will not result in a gross up of the University's revenue and expenses. If there are other revenue sources associated with the conference, please consult the Financial Reporting Director to determine the appropriate account code.

Conference Expenses

Conference expenses should be paid from the conference fund through the normal payment methods used to process payments for University expenses (e.g., Chrome River invoice, Chrome River expense, Wu-Buy, etc.).

Although the University is exempt from paying sales tax as an educational institution, sales tax may be paid on vendor invoices paid when they are being paid on behalf of third parties and funded by conference registration fees. If sales tax is included on the vendor invoice, please include the following comment on the Invoice:

“Funds were collected to pay these expenses including sales tax through registration fees.”

University Revenue

The University typically charges a fee for the services provided to host the conferences. This fee should be collected by submitting an Interorganizational Transfer Document (IOTD) to record the expense in the conference fund and a corresponding revenue in the department responsible for organizing the conference.

Account	Account Desc	Description
R80077	Professional Charges and Fees	Revenue recorded in the departmental account
2790	Other Professional Fees	Expense recorded in the conference fund

Customer Settlement

Generally, the contractual agreement between the University and the customer specifies that any remaining conference registration proceeds in excess of conference expenses are due to the customer within a specified time period after the event. This should be the final transaction charged to the conference fund and should result in a zero dollar cash balance.

Account	Account Desc	Transaction Desc
7993	Return of unexpended funds	Return of leftover funds to conference sponsor

This guide is intended to facilitate standardized processing of transactions related to conferences held on behalf of third parties. Should you have any questions about the application of the information presented here or how it applies to a particular arrangement with a customer, please contact the Financial Reporting Director.