Category A Overhead

Expenses in cost centers mapped to 00/XX or 94/XX activity/department will be budgeted in appropriate cost centers per the new activity codes for FY21 (please see definitions provided below). To prevent having to create all new cost centers, we will be able to change the cost center master records for overhead cost centers that are dedicated according to the definitions listed. Please review your current cost center list of Activity 00 and Activity 94 cost centers and assign each to one of the new activities listed according to how you use that cost center. If cost center expenses are specific to a program, then those expenses should be moved to an existing program cost center or a new cost center will be required because this is a change from overhead to program. If the existing overhead cost centers includes transactions related to two or more overhead categories, then you can change that cost center to one of the new overhead activities and create multiple new cost centers mapped appropriately to separate the expenses. Please use the multiple cost center template (Exhibit 8a) for requesting new cost centers. For example, if you have a cost center that includes accounting, payroll and procurement, then that cost center can be updated to 0E for Accounting and two new cost centers will need to be created, one for 0F Payroll and one for 0G Procurement.

Department code 89 UFM can be used with the new overhead activity codes.

Expenses in 00/XX and 94/XX cost centers include salaries and allocated benefits. Employee listings for all 00/XX and 94/XX overhead cost centers will need to be reviewed to ensure each employee is assigned to the appropriate cost center per the definitions below. Program managers working at more than one location can be allocated within the payroll system to split the expense between the appropriate program cost centers. Since benefits will post to the home cost center, the location where the manager spends the majority of his/her time should be the home cost center. CNIC headquarters can assist with the employee moves (in SAP HR) if needed.

Fixed Assets assigned to 00/XX, 94/XX and 0A-0R cost centers will need to be reviewed. Please be sure to check both the cost center and responsible cost center. Assets will need to be updated as follows:

* + If the asset is in asset classes 175000-178000 (Buildings and Building Improvements), the fixed asset will need to be moved to an installation level (0Q Program Overhead A/B or 0R Program Overhead C) G&A cost center. ***The 0Q and 0R cost centers will roll up to Cat A overhead for reporting purposes.***
  + Assets for any other asset class (170000-174000) will need to be moved to the program cost center where the asset resides. If the asset is overhead related, then it will need to be moved to a cost center using the new activity code. A copier in the office of the MWR Director would then reside in a cost center with activity 0B. If the asset is a pooled asset not specific to a program (motor vehicle pool) then use the 0Q or 0R as appropriate.

Note: Changing cost centers for asset depreciation is time dependent. This change can be done anytime but it is recommended that cost center changes be made after the final depreciation run for September 2020 so the depreciation expense is not in multiple cost centers for the year.

If you require assistance pulling the list of cost centers to review, please contact Jodi Sergent at (901) 874-6750 or [Jodi.Sergent@navy.mil](mailto:Jodi.Sergent@navy.mil) with the company code(s) you need.

Points of contact for assistance with running asset reports specific to overhead cost centers are Ms. Angela Williams, who may be reached at (901) 874-6561, DSN: 882-6561 or e-mail [angela.williams@navy.mil](mailto:angela.williams@navy.mil) or Ms. Jennifer Wilkinson who may be reached at 901-874-6590, DSN: 882-6590 or e-mail: [Jennifer.wilkinson@navy.mil](mailto:Jennifer.wilkinson@navy.mil).

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| --- | --- | --- | --- |
| **Act** | **Category** | **Description** | **N-Code** |
| **0A** | **N9 Admin** | **N9 expenses that are attributable to more than one program or support function. This includes: 1. N9 (Regional/Installation), deputy and admin staff, 2. EEO - ensuring employment opportunities are fair, equal and consistent for all employees according to Federal laws, statutes, regulations and policies, 3. Legal - ensuring the just and faithful execution of the laws, regulations and policies, provides complete and timely legal opinion, 4. Fiscal Oversight - provides management at all levels with an independent, unbiased review and constructive evaluation of the effectiveness and efficiency with which managerial fiscal responsibilities are being fulfilled. Fiscal Oversight includes the Internal Review Officers (IRO)** | **N9** |
| **0B** | **N92 MWR Overhead** | **MWR directors, N92 and admin staff should be posted here. N92 staff will be fair shared from this cost center to other company codes (CYP, NGIS, galley's etc.) Need to quantify staff that oversee multiple activities. Fitness Directors should not post here even though they over see aquatics and sports. Fitness directors should post to 62 fitness centers. HQ program staff should post to their largest program and split salary if necessary (i.e. bowling/golf manager). Recreation directors that over see multiple programs should post to their largest program which is probably CR. Costs that can be attributable to a program or activity should not be included in overhead.** | **N92** |
| **0C** | **N94 Overhead** | **N94 expenses that are attributable to more than one N94 support function and are associated with general management of support functions** | **N94** |
| **0D** | **Human Resources** | **Responsibility for oversight of various aspects of employment, compliance with policies and procedures governing NAF employees, compliance with labor laws, administration of employee benefits, retirement program, recruitment, drug programs, and background checks. Maintains the system of record for all NAF employees.** | **N94** |
| **0E** | **Accounting** | **Management of financial resources both APF and NAF in the SAP system. Comprehensive recording of financial transactions to includes analysis of data, accounts payable and NAF budgets. Includes investment program, treasury services and travel liquidation.** | **N94** |
| **0F** | **Payroll** | **Payroll related functions - ensure employees are paid accurately and timely with the correct withholdings and deductions.** | **N94** |
| **0G** | **Procurement** | **Supply/Service contract administrative support for processing requests for information, quotations, and proposals that may/may not lead to contract award for requirements outlined in a performance work statement. Includes NAF purchase card management** | **N94** |
| **0H** | **Marketing** | **Creation and distribution of print and audiovisual products, social media messaging, smart phone and tablet applications and websites. Includes commercial sponsorship and advertising.** | **N94** |
| **0J** | **Training** | **Create, administer and deliver virtual instructor led training, learning development, classroom and online training. Supports just in time, job aids, and NAF specific training tools.** | **N94** |
| **0K** | **Facilities & Construction** | **Support planning, facility sustainment/restoration advocacy and programming. Capital investment planning, design, and execution** | **N94** |
| **0L** | **Information Technology** | **Recommend business and technical applications to support program requirements through analysis, design and development/procurement and sustainment of IT services for MWR. Deploy commercial business systems from a data center, via a secure global network while maintaining cybersecurity standards. Maintains the data center that houses all financial, employee and retail sales data generated by the enterprise. Develop solutions based on submitted requirements supporting NAF programs. Includes solutions for Wi-Fi, managed devices including laptops, IPads and tablets. Region and Installation IT is primarily responsible for support to operational IT** | **N94** |
| **0M** | **Logistics** | **Central Warehouse costs** | **N92** |
| **0N** | **Custodial** | **Responsible for maintaining the premises.** | **N92** |
| **0P** | **Maintenance** | **Maintenance and repair of buildings and equipment** | **N92** |
| **0Q** | **Program Overhead A/B** | **Used to record Cat A and Cat B depreciation for asset classes 175000-178000 (Buildings and Building Improvements) and can be used for pooled assets that are not specific to a program** | **N92** |
| **0R** | **Program Overhead C** | **Used to record Cat C depreciation for asset classes 175000-178000 (Buildings and Building Improvements)**  **And can be used for pooled assets that are not specific to a program** | **N92** |
| **25** | **CYP Overhead** | **General and/or administrative income and expenses for the CYP fund. This is a Category B CYP activity. Usage includes Central/Local Depreciation, property liability insurance, foreign currency gains/losses, N9/N94 labor or non-labor allocations** | **N92** |
| **99** | **General** | **Used for flow through cost centers – ex. Cost center records expenses for Navy Flying Club employees and the expense is charged to NFC at month-end. The cost center is zero at month-end close.** |  |

