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**Consortiums at the University of Michigan**

Consortiums are an association of two or more organizations, universities, or government entities that are not legally incorporated. The consortium derives benefits from pooling resources together to achieve a common goal. In many cases, there is a host institution that oversees the operations of the consortium and bears additional responsibilities as defined in the consortium agreement. The additional responsibilities of the host institution often include assuming certain liabilities on behalf of the consortium and also control of financial transactions such as collection of fees and approval of operating expenses.

In some cases, the University of Michigan is the host institution. This arrangement will entail activity being recorded in the University’s general ledger. The hosting department will be responsible for overseeing these financial transactions, membership dues collected will be considered revenue of the University and the costs incurred to operate the consortium would be considered expenses of the University. This activity would typically be appropriate for the Designated Fund, as it is generally academic in nature but not funded by tuition revenues. Other funds, such as the Gift Fund, may be appropriate on a case-by-case basis.

Some examples of consortiums currently hosted at the University of Michigan include the following:

* Alliance for the Arts in Research Universities (A2RU)
* HathiTrust

If you have entered into this type of agreement, please reach out to Financial Operations to help ensure the proper accounting within the University’s general ledger. This would include any changes to the agreement; such as if it were to cease to exist or the host institution were to change.

Please email currentfunds@umich.edu for specific accounting guidance and assistance.