

MEMO TO FILE
3/11/19

Regarding Cyndi's allocation of her time to SLP Marketing, the following will explain the process between the two companies. There is no change in payroll processing and Cyndi's salary is still being recorded in account 72013-Administrative Assistant. After payroll is processed, I complete the following two journal entries:

HBOIF	Debit	Credit
<i>72013-Administrative Assistant</i>		895.49
<i>72080-Allocation-Permenter SLP Mktg</i>	895.49	
SLP		
<i>72080-Allocation-Permenter SLP Mktg</i>		895.49
<i>82411-SLP Other/Salary/Fringe</i>	895.49	

The entries to 72080-Allocation-Permenter SLP Mktg are eliminated when the two companies are combined (debit and credit equals zero). This leaves a reduced salary amount for Cyndi on the HBOIF side and the allocation to SLP Marketing of Cyndi's salary on the SLP side.