Office for Sponsored Programs Labor Redistribution Request Form

This Form is for a request to move a salary cost onto a sponsored project. It may also be used to request removing salary from a sponsored project.

Eagle ID	Name (Last, First)	Posn. #	Dept ID	Fund	Fund Srce	Account	Sequence #	Project	Amount (+/-)	PayDate (Comment)

1) Please explain why the charge/cost should be moved. Please explain how it was discovered <u>and</u> determined that the cost should be moved.

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2) Please explain what makes the cost appropriate to the chartstring now receiving the cost. For salary costs moved onto a Fund 500 or 120, what work did the employee perform and how does it benefit the project?

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3) If greater than 90 days, what action will be taken to prevent this delay from recurring?

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Preparer's Name:_______________________________ Signature:__________________________ Date:____________

Principal Investigator:_____________________________ Signature:__________________________ Date:____________

If greater than 90 days: Authorized Official – Dean or Dept. Chair *NOT THE PI*

Print:__________________________________ Signature:__________________________ Date:____________

OSP:__________________________________ Signature:__________________________ Date:____________

Please attach copies of the original transaction documentation (TDR, ECR, PI correspondence, etc.), and forward to the Office for Sponsored Programs.

Form Revised - July 2020

Labor Redistribution Request Form Guidance and Instructions

This Form is to be used to move a salary cost onto, or off of, a sponsored program (Fund 500 or 120). A non-salary cost transfer requests should utilize OSP's Cost Transfer Request Form. Some internal cost "movements" are not classified as cost transfers per OSP's Cost Transfer and Labor Redistribution Policy; see policy on OSP's website for details.

A Labor Redistribution invites the assumption that the transaction was not handled properly initially. The charge will be scrutinized for allowability and allocability to the benefiting sponsored project. The documentation and justification for moving a cost will also be scrutinized. This is to ensure a sponsor's requirements are met when costs transferred to a sponsored project were initially charged to other accounts.

Chart Fields / Chart String: Fill in the PeopleSoft chart fields from the line initially charged.
Then on the line below it, fill in the chart fields that are now to be charged the cost.

Eagle ID –employee's 8 digit BC Eagle ID number
Name (Last, First) – employee's name
Posn. # – employee's position number (Note: leading zeros may not be necessary; 00004150 becomes 4150)
HR ACCOUNT CODE:
Dept ID = department or responsibility center identification number used in PeopleSoft
(Note: HR Account Code typically drops the leading zero - dept 051001 becomes 51001)
Fund = 3-digit global classification of funding source (i.e. sponsored programs Fund 500 or Fund 120)
Fund Source = 5-digit, identifies specific sources from operations, sponsors, donors; (i.e. 12010 = Federal fund source)
xxxx =
Account = 5-digit, asset, liability, revenue, expense classifications (i.e. 50200 = Salary Assoc Prof FT Exempt)
Project = 7-digit, sponsored programs (PeopleSoft project/grant #) or capital projects
Amount – identify the amount being transferred (e.g. moving total amount or partial amount; if partial then clearly mark on TDR or TDI the amount and explain the allocation methodology in the questions on the Form).
Pay Date (Comment) – date pay is for (Ex. Sept. 2020 – which means the payment is for that time period worked.

Please make sure you have both sides of an entry. When added up, the lines total zero. Example $425.75 + ($425.75) = 0

Eagle ID	Name (Last, First)	Posn. #	Dept ID	Fund	Fund Srce	Account	Sequence #	Project	Amount (+/-)	PayDate
12345678	Johnson, Sam	4150	51001	100	10000	50400	D001		($425.75)	Sept 2020
12345678	Johnson, Sam	4150	51002	500	12040	50200	G024	5109999	$425.75	Sept 2020

HR Account Code - Lookup
Login to PeopleSoft HR via AGORA.
Main Menu > BC Custom > Inquire > Account Code Lookup.
On Account Code Lookup page, fill in DeptID with any additional chart field value(s) e.g. Fund Code:= 500.
Click Search to view a listing of HR Account Codes that match the search criteria you have entered.
You should get a list of Search Results. Click on the hyperlink for the line / row of data you want to select.

- HR Account Code is on the left under "Combination Code" and the financial chart fields are on the right.
- HR Account Code does NOT include the program code. It is replaced with a **sequence number**.
  - Function and property codes are not included in the HR Account Code conversion.
  - A chart field without a program is converted to D001, D002, D003… depending on the number of programs for that dept and account combination.
  - Sponsored Programs are converted to G001, G002, G003… depending on the number of programs for that dept and account combination.

Account Code Detail page will open after you click on a hyperlink on one of the data lines from the search results.
It will display the Combination Code (HR Account Code) at the top of the page.
For sponsored projects assistance, contact OSP (main # x2-3344).
For non-sponsored assistance, contact BC's Budget Office (x2-3383).

Supporting Documents

Documentation to accompany the Form includes paperwork that shows where the cost was originally charged (e.g. TDR, TDI, etc.) and documents to fully explain or identify the cost being transferred (e.g. emails from PI regarding work the employee performed on the sponsored project and time period of the work).

The Cost Transfer and Labor Redistribution Policy requires thorough documentation to support the transaction which includes fully and completely answering the questions on the Form. In addition, the transfer must be timely, complete, and comply with allowability, allocability, and reasonableness requirements. If applicable, please include additional documentation showing the relationship to the sponsored project ultimately being charged, e.g. PI communications.

Providing detailed documentation will facilitate the timely review and approval by OSP.

Utilize the Labor Redistribution Additional Information Form when more chart string lines are needed.

Tips for Writing the Justification

Answers to the Form's questions should be easily understood by anyone reviewing this paperwork, so please provide enough detail to inform approvers and auditors about the action. Think, can a third party not involved in the transaction understand who, what, when, where, why, and how.

Who: the person, organization, or department name(s) that caused or played a role
What: what events or circumstances are causing the need for the labor redistribution
How: how was the need to do a labor redistribution discovered or determined and by whom
When: the key date(s) (e.g. time period employee worked; Ex. Pay for the month of June 2020)
Why: why a labor redistribution is required, and how will the project receiving the expense benefit from the transfer.

The documentation needs to be able to stand on its own. Also will it still be understandable 3 years from now?
If you wonder if you have included enough information, you probably haven't.
Most important, remember, you cannot move a salary cost to a sponsored project just because it has money!

Question 1 has two parts to it; how and why: a) how did you figure out that a salary cost needed to be moved; how was this error or situation discovered; and b) why should the salary cost be moved onto or off of the sponsored project; why was it not charged correctly initially.

All labor redistributions must be supported by documentation that fully explains the situation. An explanation merely stating that the transfer was made "to correct an error" is not sufficient.

Transfers due to the same mistake multiple times indicate disorganized record keeping, which reflects poorly on the PI as well as the administration of sponsored programs. Cost transfers should be avoided whenever possible - they should be the exception, and not the norm.

All cost transfers should be made within 90 days of the original accounting date or the time period of the work performed.

Question 2 The purpose of your response is to explain what work was performed by the employee and how that work benefits the sponsored project. Please remember: Salary cost movements impact the Time and Effort Report certifications; and it is the responsibility of the PI in conjunction with the Dept. Research Administrator to ensure employees are paid from the correct funding sources, and that T&E Report certifications reflect changes being made; for further assistance with T&E Report certification contact OSP.

When a labor redistribution moves a salary cost onto a sponsored project, the date the original cost was incurred or date of work performed must fall within the effective dates / period of performance of the sponsored project.

At no time should a sponsored project be used as a holding account for a cost that will be subsequently and knowingly transferred elsewhere.

Timeliness

Question 3 deals with timeliness. Labor redistribution requests should be initiated as soon as possible after a need has been identified. Timely review of salary costs charged to a sponsored project and prompt execution of a labor redistribution request is critical. Regular PI reviews of the Monthly T&E Report auto generated by the payroll system (or you can run an ad hoc T&E Report) can go a long way in helping to catch a problem early. OSP recommends Departmental Research Administrators have periodic reviews (e.g. monthly) of a salary costs listing each employee paid from a sponsored project with the PI. Repeated use of labor redistributions may call into question a project's fiscal accountability, and could jeopardize the fiduciary responsibility entrusted to the PI.

Labor redistribution requests that do not meet the timeliness criteria of less than 90 days after the accounting date, will receive additional central review, and require further explanation and approvals.

Additional explanation needed includes:

- The reason for the delay in the timely processing of the labor redistribution
- That any systematic reasons which might cause this problem to be repeated have been addressed
- Steps taken to prevent recurrence e.g. controls to be implemented

Signatures and Approvals

Due to the interconnectedness of salary costs and Time and Effort Report certification, the PI is required to sign all Labor redistributions.

A labor redistribution request made more than 90 days after the initial charge (PeopleSoft accounting date) or from the time period the work was performed, requires both the PI's signature and the Dean or Department Chairperson's signature. The PI **cannot** sign both lines.

If the date the salary cost was initially charged, or when work was performed, is greater than six months then it **cannot** be moved onto a sponsored project. However, if a salary cost needs to be removed from a sponsored project, an exception can be made and should be discussed with OSP's Director prior to attempting to complete a Labor Redistribution Request Form. If approved by OSP, then this authorization must accompany the Form, and the Form still requires the signatures listed in the paragraph above (PI and Dean or Chairperson).

Once the Form and supporting documentation are complete, they should be submitted to OSP. Remember, answers to the Form's questions should have thorough explanations; must be specific and detailed responses. Responses that are inadequate will be returned/denied. An OSP staff member will review the Form with its accompanying documentation. When complete, OSP will sign the Form and forward the Labor Redistribution Request Form and supporting documentation to HR who will process the request via PeopleSoft. The Form's Preparer should ensure the labor redistribution is recorded correctly by reviewing the sponsored project's TDR, and ensure associated T&E Reports for the work time period(s) are correct (contact OSP if needed).

If a labor redistribution request is rejected, then it is the responsibility of the PI in conjunction with the Departmental Research Administrator to ensure that the cost is assigned to a non-sponsored account in a timely manner.
It is never acceptable to "park" costs on a sponsored project.