BOSTON UNIVERSITY

8/26/2021

SALARY COST DISTRIBUTION FORM – RETROACTIVE CHANGES
Best Practices

Background and Purpose

A Salary Cost Distribution form is a Personnel Action (PA) accessed through the BUworks Central Portal. It is submitted when an active non-student employee's cost distribution must change due to the expiration of a cost object or when a new cost object needs to be added to the current cost distribution of the employee. It can also be submitted when a Grant Salary Cost Transfer or Grant Salary Adjustment is needed to retroactively change an active non-student employee's cost distribution. Processing these grant related retroactive changes is the focus of this document.

Abbreviations

Abbreviations	Meaning
DA	Department Administrator
HCM	Human Capital Management
PA	Personnel Action
SP – Post	Sponsored Programs Post Award
PAR	Personnel Activity Report
PI	Principal Investigator
PYC	Payroll Coordinator
RA	Research Administrator
SA	School Administrator
SAP	BU's general accounting system
SARF	Salary Adjustment Request Form

Roles and Responsibilities

Person	Role
DA/SA	Ensure that salary charges to sponsored projects are accurate, appropriate, allowable, approved and supported with documentation. Regularly run HCM reports (Labor Distribution, Cost Distributions Soon to Expire etc.). Adhere to PA forms deadline calendar found on the HR website. Responsible for timely correction of errors in the allocation of direct salary expenses to or from sponsored projects. Initiate grant salary cost transfer requests including Salary Cost Distribution forms as necessary to correct such errors. Facilitate PI certification when appropriate or required. Submit re-certified PARs when needed. Where necessary, communicate all required information and documentation to Payroll Coordinator for submission of Salary Cost Distribution forms.
SP – Post RA	Review Salary Cost Distribution forms and attachments in a timely way for accuracy and completeness and process them as required.
Principal Investigator	Ensure that salary charges to sponsored projects are accurate, appropriate, allowable, approved, and supported with documentation. Confirm through regular after-the-fact review with DA/SA that errors in the allocation of direct salary expenses to or from sponsored projects are identified and corrected in a timely way. Review and approve greater than 90-calendar day grant salary cost transfer requests including Salary Cost Distribution forms. Re-certify PARs when needed.
PYC	Submit Salary Cost Distribution forms on behalf of DA/SA.

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Process Flow

- PI and/or DA/SA identifies an error in direct salary expense allocation to or missing from a sponsored project for an active non-student employee.
- DA/SA gathers documentation to support the necessity of the transfer including a detailed explanation of what caused the allocation error and how it was discovered.
    - Grant salary cost transfer requests in excess of the 90-calendar day period must also include the reason for the delay in processing the transfer, identification of the controls that will be implemented or what action has been taken to ensure the error does not occur again, and approval of PI.
    - A salary transfer is considered an Adjustment if it is done within the same SAP Grant or is the result of an award set-up issue where a Sponsored Program account is killed or cancelled. It is acceptable to answer "reallocation of expenditures" as the reason for the Grant Salary Adjustment.
    - The fringe calculation is excluded from the salary transfer adjustment amount.
    - For Charles River Campus faculty on accrual, DA/SA includes all original salary and accrual changes.
    - If the adjustment being requested changes the effort percentages for an employee whose Personnel Activity Report (PAR) has previously been certified and submitted, the DA/SA revises the PAR to include the adjustment and obtains the appropriate PAR signature.
    - If DA/SA is not also acting as the Payroll Coordinator submitting the form, DA/SA follows Department/Unit/School instructions for communicating all required information and documentation to the submitter.
- PYC initiates retroactive Salary Cost Distribution change via "Personnel Actions" in SAP and completes the form accurately and in its entirety.
    - Pays close attention to the period being corrected when deciding between the REPLACE and INSERT options.
        - REPLACE to remove and replace existing cost distributions from the effective date (past) continuing forward (future).
        - INSERT to change a particular period of time in the past only.
    - Confirms that the answers/explanations to the questions asked in the "Additional Fields" section of the form are complete.
    - Selects the appropriate PI approver for Over 90 Day transfer requests.
    - Checks the applicable "Acknowledgement" in situations where the payroll adjustment affects a cost distribution outside of the initiator's responsible Cost Center.
    - Attaches any additional documentation or comments necessary to support a complete record of the grant salary cost transfer request.
    - Submits retroactive Salary Cost Distribution form.
- PI provides electronic approval of Over 90 Day transfer request when requested.
- SP - Post RA attaches PI Over 90 Day approval when applicable, reviews request, and processes as required.

Reference Documents

- https://ppo.buw.bu.edu/
- http://www.bu.edu/tech/support/buworks/
- https://www.bu.edu/hr/hr-systems/buworks-form-deadlines/
- http://www.bu.edu/researchsupport/forms-policies/sponsored-program-salary-adjustment/
- http://www.bu.edu/tech/support/buworks/newsletters/hcm-newsletter-archive/hcm-newsletter-volume-3-march-2018/
- QRG-Personnel-Admin-Completing-a-Salary-Cost-Distribution.pdf

Approval and Revision History

Date	Changes
03 Nov 2020	SOP draft initiated