



# **Annual Payroll Distribution Certification**

Sara Bible, Office of the Vice Provost and Dean of Research

Ken Schulz, Research Financial Compliance and Services

# Payroll Distribution Certification is a Federal Requirement

Stanford will annually certify 100% of payroll charges for faculty, staff, including academic staff researchers (ASRs), students and postdoctoral scholars whose salary is charged in whole or in part to one or more of the following:

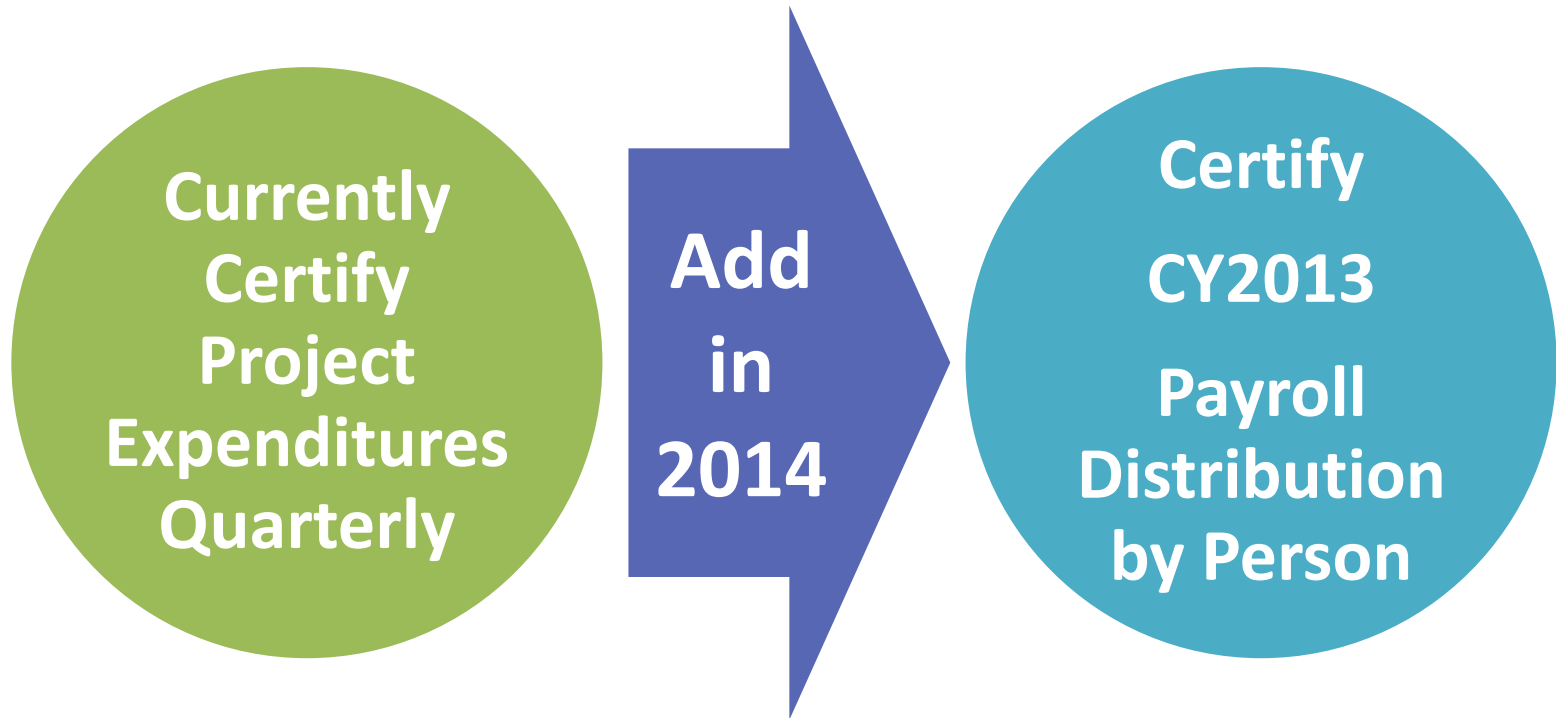
1. federally-sponsored projects
2. subawards with a federal prime sponsor
3. cost sharing accounts for federally-sponsored projects
4. non-federally sponsored projects that incorporate A-21

# Implementation for Calendar Year 2013




New annual process to be implemented in the eCertification system beginning spring 2014 for salary charges in calendar year 2013



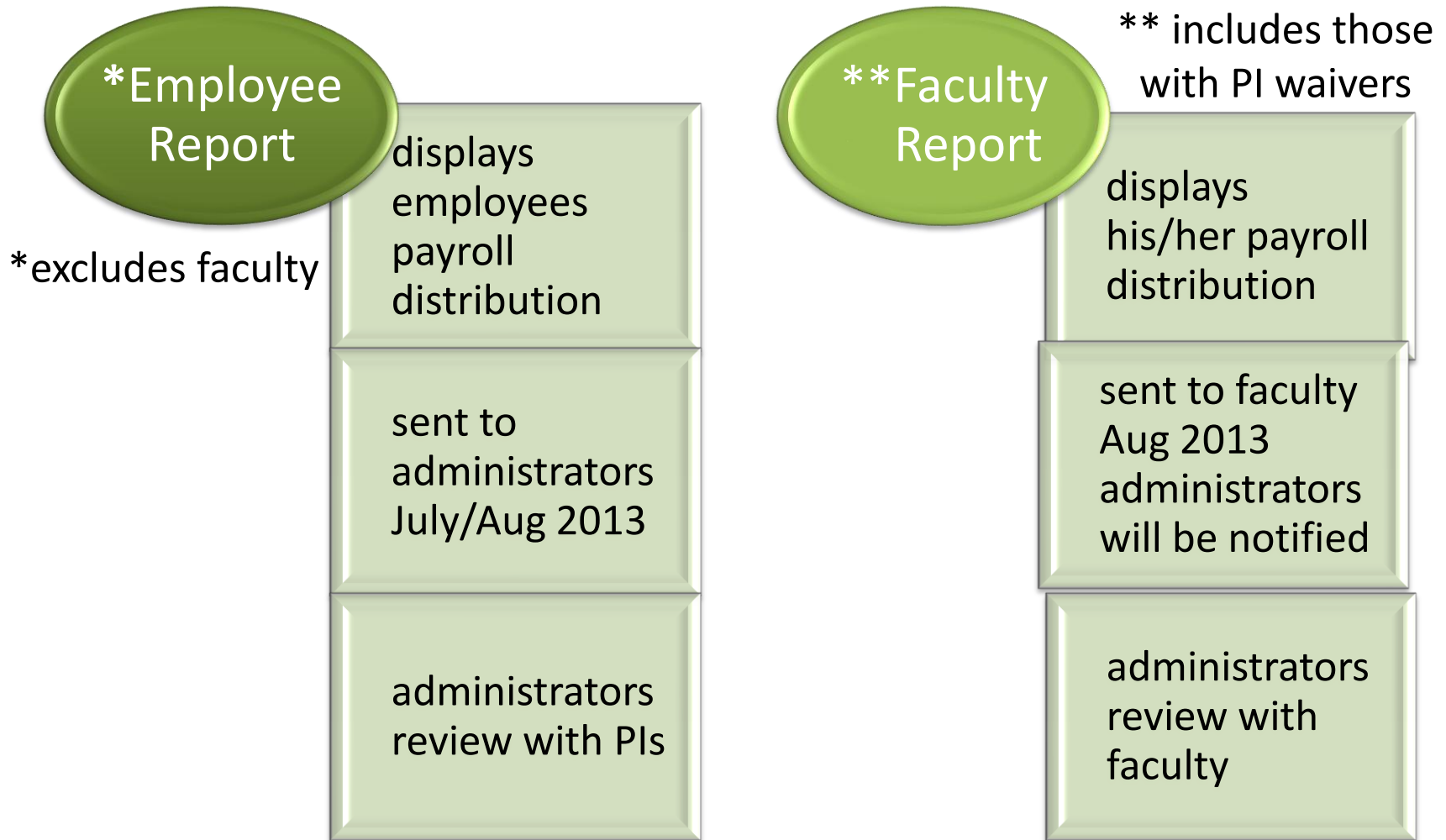
# The Change



# What Does 100% Look Like?

<b>Black, Bonnie</b>		
Activity	Payroll Distribution \$	Payroll Distribution %
 Sponsored Activities		
Grant A	20,000	10%
Grant B	20,000	10%
Grant C	20,000	10%
Subtotal Sponsored Activities	60,000	30%
 Over the salary cap charges	12,000	6%
Subtotal over the Salary Cap Charges	12,000	6%
 Non-Sponsored Charges		
Teaching	60,000	30%
Administration	8,000	4%
University Research	40,000	20%
Cost Sharing	20,000	10%
Subtotal Non-Sponsored Charges	128,000	64%
<u>Total</u>	<u>200,000</u>	<u>100%</u>

# Prepare With New FYI Quarterly Reports



**These reports do not require certification**

# Sample Quarterly Report

Principal Investigator: Joseph

Run Date: 09-JUL-2013 12:55 PM

STANFORD UNIVERSITY  
FYI QUARTERLY PAYROLL DISTRIBUTION REPORT

Period : JAN-2013 to MAR-2013

CONFIDENTIAL

PTA Number	PI/Task Owner	Task Manager	Funding Source	Award Name	Task Name	Funding Source Number	Payroll Distribution (\$)	Payroll Distribution (%)
<b>Urban, Keith</b> <b>Temp - Non-Exempt</b>								
<b>Sponsored Activities</b>	1132725-135-	Joseph	NATIONAL INSTITUTES OF HEALTH LOC	Induce	in the Understand	YR4 Collaborators	10,440	100 %
<b>Subtotal Sponsored Activities</b>							<b>10,440</b>	<b>100 %</b>
<b>TOTAL</b>							<b>10,440</b>	<b>100 %</b>
<b>Jones, Tom</b> <b>Postdoc Res Affiliate</b>								
<b>Sponsored Activities</b>	1121706-100-		NATIONAL INSTITUTES OF HEALTH LOC	09: Inducin	DP2s: New Pr	DP2 OD004437	0	0 %
	1159271-100-		NATIONAL INSTITUTES OF HEALTH LOC	Generation	via Developm	100	10,875	100 %
<b>Subtotal Sponsored Activities</b>							<b>10,875</b>	<b>100 %</b>
<b>TOTAL</b>							<b>10,875</b>	<b>100 %</b>
<b>Spears, Brittany</b> <b>Postdoc Res Affiliate</b>								
<b>Sponsored Activities</b>	1134003-100-		NATIONAL INSTITUTES OF HEALTH LOC	Integrated Strategies for Novel Treatment of My	YR1 1R01HL095571-01a	8-RHL	4,030	37 %
<b>Subtotal Sponsored Activities</b>							<b>4,030</b>	<b>37 %</b>
<b>Non-Sponsored Charges</b>	1136866-100-ACAES		STANFORD GENERIC NOT BILLED	B	Delivery SC	BioADD	733	7 %
	1008772-100-HAJWT		STANFORD GENERIC NOT BILLED	E		Epidermolysi	6,229	57 %
<b>Subtotal Non-Sponsored Charges</b>							<b>6,962</b>	<b>63 %</b>
<b>TOTAL</b>							<b>10,992</b>	<b>100 %</b>

# Use the FYI Quarterly Reports

- Get familiar with 100% payroll distribution display
- View employee's 100% payroll distribution in \$ and as a % of total salary
- Discuss the report(s) with the PI(s) associated with them
  - If a PI does not have firsthand knowledge of the work performed by an employee, reassignment of the employee needs to take place
- Change task manager assignments if necessary
- Consider changing task name(s) if that will make it easier to review the report(s)



# How Many Employees Must Pls Certify?

	How Many Employees	Number of Pls	% of Pls
	95-30	9	1.03
	29-20	19	2.18
	19-11	85	9.74
	10-1	760	87.06
Total		873	100%

The table displays the number of employees and the percentage of Pls for different employee count ranges. The '10-1' range is the most significant, accounting for 87.06% of the total Pls. A blue arrow points to this row from the left, and blue brackets group the first three rows.

# Reassign: For Firsthand Knowledge

- Review FYI quarterly reports
  - For large grants with multiple PIs, reassign employees to the PI who has firsthand knowledge that the work was performed.
  - For employees working on many projects such as glassware washers, lab assistants, computer technicians may reassign to the supervisor who has firsthand knowledge that the work was performed.
  - Other situations where PI may not have firsthand knowledge
- Please update and maintain “Reports To” field in PeopleSoft

# Annual Certification by Expenditure Item Date (EID)

- The sum of debits and credits in the calendar year being certified for an employee's salary is adjusted by:
  - the removal of all Labor Distribution Adjustments (LDAs) with original salary charges outside the certification year and
  - the addition of LDAs correcting salary transactions with original dates in the certification year.
  - The removal of selected expenditure types such as bonus, vacation accrual and BeWell Berries

# GL vs. EID Example

2013 Certification

Salary \$25,500

Postdoc

	Per Expenditure Statement	GL Payroll Distribution	Eliminate Prior Year LDAs	Calendar 2013 Labor Costs	EID Payroll Distribution
PACIQ	\$ (20,460)	-80%	\$ 20,460		
PABMW	\$ (27,262)	-107%	\$ 27,262		
UZABS	\$ 7,500	29%		\$ 7,500	29%
PCCPE	\$ 7,500	29%		\$ 7,500	29%
KBAYM	\$ 27,262	107%	\$ (27,262)		
KARAU	\$ 30,960	121%	\$ (20,460)	\$ 10,500	41%
	\$ 25,500	100%		\$ 25,500	100%

# No Calculations Necessary!

- FYI data may not tie back to 149 and 285 reports
- RFCS is developing a reconciliation report
  - Sum of four quarterly project reports and all labor distribution adjustments (LDAs)
  - Tie to each salary on each PTA of new employee-centric screen in eCertification



# eCertification System

- Dashboard displays employees to be reviewed and certified
- Screen(s) for each faculty, staff, ASR, student and postdoctoral scholar
- Displays 100% of CY13 payroll charges per individual
  - Sponsored activities
  - Over the salary cap charges
  - Non-sponsored charges
- Drill-down available for non-sponsored charges

demonstrate the prototype

Payroll Distribution eCertification System

# Transition Period

- Continue Quarterly Expenditure review and PI certification (149 report)
- Administrators continue the current practice of reviewing the monthly expenditure statements (285 report) and verifying their review by signing and dating the monthly statements through August 2013
- Beginning in September 2013, staff will review the monthly expenditure statements and will verify their review by signing the quarterly expenditure statements



# What's Coming

- Summer 2013
  - administrators will receive FYI reports for their PIs
  - faculty will receive their FYI report
- Fall 2013
  - next FYI reports received
  - pilot 100% Payroll Distribution eCertification System with independent labs
- Winter 2013
  - training on new policy system and process
- Spring 2014
  - CY2013 100% payroll distribution certification

# Thank You!

To our subject matter experts representing:

- Earth Sciences
- Engineering
- Education
- Humanities and Sciences
- Libraries
- Medicine
- DoR – Independent Labs, Institutes and Centers



# Outreach and Training

Assistance with policy:

Sara Bible, Office of the Vice Provost and Dean of Research  
[sbible@stanford.edu](mailto:sbible@stanford.edu)

Ken Schulz, Research Financial Compliance & Services  
[Kschulz@stanford.edu](mailto:Kschulz@stanford.edu)

Assistance with FYI reports:

Marilou Hemenway [marilou@stanford.edu](mailto:marilou@stanford.edu),  
Maryland Hastie [mhastie@stanford.edu](mailto:mhastie@stanford.edu)

Schedule faculty forums and training for administrators:

Patti McCabe [pmcabe@stanford.edu](mailto:pmcabe@stanford.edu)