



RESEARCH DEVELOPMENT AND ADMINISTRATION
SPONSORED PROJECTS ADMINISTRATION

Mail code AD 220 • 2525 S.W. 1st Ave., Suite 220 • Portland, OR 97201-4753
TEL: 503 494-0355 • FAX: 503 494-1191

SPA Labor Cost Transfer Approval (LCTA) form

Distribution Adjustment Entry Report (DAER) must be attached

This form is required for labor distribution adjustments effective 90 days or more prior to the entry date or to a closed effort certification period that do not meet the criteria for SPA expedited review and approval (see instructions for more information).

Employee Name: {1} Employee #: {2} LD Batch Name: {3}
Preparer Name: {4} Date: {5}
A separate LCTA must be submitted for each LD Batch

EFFORT CERTIFICATION:

- Yes No {6} Does the transfer affect (debit or credit) a Federal award? If "No" continue to the Background section.
Yes No {7} Does the transfer affect a closed effort certification period? If "No" continue to the Background section.
Yes No {8} If an Effort Certification Statement (ECS) was previously certified and submitted does this transfer change the previously certified effort on any Federal award more than 5%? If "No" continue to the Background section.

If the answer to all of the preceding questions is "Yes" follow the instructions below.

- If this transfer affects a Federal award on a previously certified ECS by more than 5% then an amended ECS will need to be certified and attached accompanied by a memo explaining why the original ECS was certified incorrectly, this memo needs to be signed by the individual who signed the original ECS.
If this transfer affects a Federal award in a closed effort certification period and an ECS has not been previously certified then an ECS will need to be prepared, certified and attached.

BACKGROUND:

HISTORY: Why was the labor originally charged to the account from which it is now being transferred?
{9}

SPECIFIC ROLE: Describe the specific role of the employee, as it relates to the scope of work, on the project(s) now being charged.
{10}

TIMELINESS: Is the entry date 90 days or more after the effective start date? If yes, explain the reason for the delay in initiating the entry.
{11}

CORRECTIVE ACTION: If 90 days or more, describe what action has been taken to eliminate future need for untimely cost transfers.
{12}

SIGNATURES: Required for all adjustments

Unit Administrator (PRINT & sign name)

Name: {13} Signature: {14} Date

SIGNATURES: Required for all adjustments that affect (debit or credit) Federal awards

Principal Investigator (PRINT & sign name)

Name: {15} Signature: {16} Date

Dept/Institute Head; Dean if this is also the PI (PRINT & sign name)

Name: {17} Signature: {18} Date

SPA Approval:

SPA Analyst - Date SPA Analyst - Date SPA Analyst - Date

SPA Analyst - Date Institutional Effort Coordinator - Date SPA LD Approver - Date



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SPA Labor Cost Transfer Approval Form Instructions

Purpose: The Oracle Labor Distribution (LD) module will not automatically allow payroll distribution to be changed on a Sponsored Projects account (POETA) if the effective date is more than 90 days prior to the entry date or if the funding change affects a closed effort certification period. The SPA Labor Cost Transfer Approval Form is a request to over-ride one or both of these rules to allow an exception.

General: When you enter the payroll distribution funding change, Oracle will give you a validation error message. The SPA Labor Cost Transfer Approval Form to Sponsored Projects Administration (SPA) as soon as possible after entering the transaction WHEN THE FORM IS REQUIRED, including a copy of the Distribution Adjustment Entry Report. When the validation error message is received, the transaction will be routed through workflow and the system will not allow other adjustments to be made to that employee's record until the existing validation error is resolved. If the proposed LD adjustment is approved, SPA will release the record for processing and notification of approval will be sent. If not approved, the record will be rejected within the system and the preparer will be notified. If the transaction is not rejected or approved within 90 days, the system will purge LD Adjustment. Copied and faxed forms cannot be approved in lieu of originals. **BE SURE TO ATTACH A COPY OF THE DISTRIBUTION ADJUSTMENT ENTRY REPORT WHEN SUBMITTING A SPA LABOR COST TRANSFER APPROVAL FORM.**

Exceptions: Certain types of transactions generally will not require the SPA Labor Cost Transfer Approval Form to be submitted. The following circumstances have been identified for expedited review:

Industry-sponsored clinical trials (ClinTrial) and Program Development Accounts (PDA) – These types of accounts do not require justification and are not subject to effort certification, so they do not require a form.

Other Payroll Expenses (OPE Only) – Adjustments made to OPE only do not affect Effort Certification so they do not require a form if the adjustment failed validation for the effort period. If the adjustment is greater than 90 days from the adjustment entry date then an LCTA will be required.

Adjustments to non-Federal awards (Non-Fed) – Non-federal awards are not subject to effort reporting requirements. Adjustments to non-Federal awards that fail validation for the effort period do not require a form. If the adjustment is greater than 90 days from the adjustment entry date then an LCTA will be required.

Adjustment to match correction to ECS (Match ECS) – An adjustment being made to reflect a change made to an ECS at the time of certification do not require a form. If the adjustment is greater than 90 days from the adjustment entry date then an LCTA will be required.

Adjustment changes ECS by less than 5% (<5% ECS) – Adjustment that do not change a previously certified ECS by more than 5% do not require a form. If the adjustment is greater than 90 days from the adjustment entry date then an LCTA will be required.

Cost Sharing Accounts (CS) - If cost sharing was correctly reflected on a previously submitted ECS, but the OGA cost sharing account was not listed, a new Effort Certification Statement (ECS) does not need to be submitted, therefore a form is not required. If the adjustment is greater than 90 days from the adjustment entry date then an LCTA will be required.

CHANGES MEETING THESE CONDITIONS GENERALLY DO NOT REQUIRE THE SUBMISSION OF A SPA LABOR COST TRANSFER FORM. SPA will contact the LD Adjustor if it is determined that the code used is not



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applicable and a form is required. **Be sure to add the appropriate code** to the beginning of the Comments section in the LD Notification stating the reason you will not be submitting the SPA Labor Cost Transfer Form (refer to your LD Users Guide for additional information). Your entry will not be automatically reviewed if a code is not listed and an LCTA form will be required. The codes for actions not requiring a form are as follows:

Code	Change Only Affects:
ClinTrial	Industry Sponsored Clinical Trials
PDA	Program Development Accounts (PDA)
OPE Only	Other Payroll Expenses (OPE), that are <90 days before adjustment date.
Non-Fed	A Non-Federal award with adjustment start date <90 days before adjustment date.
Match ECS	A Federal award with adj start date <90 days before adjustment date and the change is already reflected on the ECS.
<5% ECS	A Federal award with adjustment start date <90 days before adjustment date and the change is <5% from the certified ECS.
CS	Cost Sharing Account (provided effort was accurately reflected on ECS).

If you have erroneously entered a transaction into LD or failed to input an applicable code, please send an email to SPA LD Approver at spald@ohsu.edu, and request that the transaction be rejected. Once the transaction has been rejected, you can re-enter the correct information into LD.

Line Specific Instructions:

{1} Employee Name: Enter the full name of the employee whose funding you wish to change (Last, First MI).

{2} Employee Number: Enter the employee ID number of the person whose funding you wish to change.

{3} LD Batch Name: Enter the system-generated batch name. This will assist SPA in verifying that the information included on the SPA Labor Cost Transfer Approval Form matches the change in LD. **You will need to submit a separate SPA Labor Cost Transfer Approval Form for each batch.**

{4} Preparer Name: The person in the department who is preparing the SPA Labor Cost Transfer Approval Form. This is the person who will be contacted if there is a question regarding the validity of the change.

{5} Date: The date the department prepared the form.

EFFORT CERTIFICATION

{6} An Effort Certification Statement (ECS) is required on Federal awards. If only non-Federal grants are affected, the proposed change would not be subject to this requirement.

{7} An ECS must be maintained in SPA files that accurately reflects how an employee who contributed to a Federal award spent his or her time. Adjustments made to a closed effort period may require an amended or new ECS, depending on the funding source and amount of the proposed adjustment. Changes that are made before the close of an effort period will be reflected on the system generated ECS for that period.

{8} If the funding change affects effort on a Federal award by more than 5% of what was previously certified, an explanation of why the previously certified effort was incorrectly certified the first time is REQUIRED, this must be signed by the individual who signed the original statement. A re-certified ECS will also need to be submitted under these circumstances. Changes to a previously certified period will not be allowed without adequate justification and approval from the Director of SPA.



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BACKGROUND

This series of questions are designed to determine what, if any, additional information needs to be submitted with the SPA Labor Cost Transfer Approval Form as required by OHSU policies #04-40-003 and #04-90-010, and OHSU procedure #04-40-003.100. Highlights of the policy and procedure have been included:

{9} History: In order to determine if more documentation may need to be provided, we ask that you provide background history on why the employee's labor was being charged to the account from which it is now being transferred.

{10} Specific Role: Sponsored projects are subject to certain financial constraints and/or considerations, including the possibility of sponsor financial audit, therefore all LCTA forms require a reason for processing the transaction. The specific benefit and role of the individual as it relates to the scope of work on the project needs to be explained. Justification is REQUIRED.

{11} Timeliness: OHSU's procedure regarding timeliness is guided by federal regulations and the NIH Grants Policy Statement. The NIH Policy Statement states: "Cost transfers to NIH grants by grantees, consortium participants, or contractors under grants that represent corrections of clerical or bookkeeping errors should be accomplished within 90 days of when the error was discovered. The transfers must be supported by documentation that fully explains how the error occurred and a certification of the correctness of the new charge by a responsible organizational official of the grantee, consortium participant, or contractor. **An explanation merely stating that the transfer was made "to correct error" or "to transfer to correct project" is not sufficient. Transfers of costs from one project to another or from one competitive segment to the next solely to cover cost overruns are not allowable.**" (Emphasis added).

{12} Corrective Action: The NIH Grants Policy further states: "Grantees must maintain documentation of cost transfers, pursuant to 45 CFR 74.53 or 92.42, and must make it available for audit or other review (see "Administrative Requirements—Monitoring—Record Retention and Access"). The grantee should have systems in place to detect such errors within a reasonable time frame; untimely discovery of errors could be an indication of poor internal controls. Frequent errors in recording costs may indicate the need for accounting system improvements, enhanced internal controls, or both. If such errors occur, grantees are encouraged to evaluate the need for improvements and to make whatever improvements are deemed necessary to prevent reoccurrence. NIH also may require a grantee to take corrective action by imposing additional terms and conditions on an award(s)." Therefore, an explanation of corrective action taken to eliminate future untimely cost transfers must be provided.

SIGNATURES

{29} Signature of Unit Administrator: Signer must have high-level oversight and fiscal authority on the account being debited. If another department's account or employee is also being affected, you should notify the other department of the change. Please be sure to print the name of the signor on the form.

{30} The Principal Investigator (PI) has the ultimate responsibility for ensuring expenses posted to an award are accurate. Therefore, the PI must certify that all corrections to a Federal award over 90 days from the original transaction date are appropriate. Please be sure to print the name of the signor on the form.

{31} The signature of the Department or Institute Head is also required on all corrections to a Federal award over 90 days from the original transaction date. The department must absorb labor cost transfers that are disallowed by the sponsor. If the PI is also the Department or Institute Head, the Dean must sign. Please be sure to print the name of the signor on the form.