



Research and Development Administration
 Office of Proposal & Award Management
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LABOR COST TRANSFER APPROVAL (LCTA) FORM

This form is required for labor distribution adjustments that are effective 90 days or more prior to their entry date or that affect a closed effort certification period, and which do not meet the criteria for OPAM expedited review and approval (see instructions for more information). You may email the completed LCTA to spaeffrt@ohsu.edu. Digital and/or scanned signatures will be accepted.

Employee Name: 1	Employee #: 2	LD Batch Name: 3
<i>A separate LCTA must be submitted for each LD batch</i>		
Preparer Name: 4	Date: 5	
EFFORT CERTIFICATION:		
<input type="checkbox"/> Yes <input type="checkbox"/> No 6 Does the transfer affect a Federal award? <i>If "No", continue to the Background section.</i>		
<input type="checkbox"/> Yes <input type="checkbox"/> No 7 Does the transfer affect a closed effort certification period? <i>If "No", continue to the Background section.</i>		
<input type="checkbox"/> Yes <input type="checkbox"/> No 8 If an Effort Certification Statement (ECS) was previously signed and submitted, does this transfer change the previously certified effort on any federal project by more than 5%?		
<p>If this transfer involves a closed effort certification period, please read and follow the instructions below.</p> <p>* If this transfer affects a Federal award and an ECS has not been previously submitted, please attach a certified ECS.</p> <p>* If this transfer affects a Federal award on a previously submitted ECS by more than 5%, please attach an amended and certified ECS and a completed Effort Recertification form.</p>		
BACKGROUND:		
<p>SPECIFIC ROLE: Describe the specific role of the employee and what type of activity the employee is performing to benefit the project now being charged. Please be specific about the activity and how it relates to the scope of work.</p> <p>9</p>		
<p>HISTORY: Why was the labor originally charged to an incorrect account?</p> <p>10</p>		
<p>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.</p> <p>11</p>		
<p>CORRECTIVE ACTION: If 90 days or more, describe what action has been taken to eliminate future need for untimely cost transfers.</p> <p>12</p>		
Department Approval Signature(s):		
<p>13</p>		<p>14</p>
Award or Project Fiscal Manager - Date <i>Required for all adjustments - See instructions</i>		Principal Investigator - Date <i>Required only for adjustments affecting Federal awards</i>

FOR OPAM INTERNAL USE ONLY:		
OPAM Analyst - Date	OPAM Analyst - Date	OPAM Analyst - Date
OPAM Analyst - Date	Institutional Effort Coordinator - Date	OPAM LD Approver - Date

OPAM Labor Cost Transfer Approval Form Instructions

Purpose: The Oracle Labor Distribution (LD) module will not automatically allow payroll distribution changes on a sponsored projects account (POETA) if the effective date of the change is more than 90 days prior to the date it is entered in Oracle, or if the funding change affects a closed effort certification period. The 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. Please submit the Labor Cost Transfer Approval Form to the Office of Proposal & Award Management (OPAM) as soon as possible after entering the transaction IF THE FORM IS REQUIRED (see Exceptions below). When the validation error message is received, the transaction will be routed to OPAM for review. Please note that the LD 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, OPAM will release the record for processing and an email notification of approval will be sent to the LD adjustor. If it is not approved, the record will be rejected within the system by Oracle and the LD adjustor will be notified. **If the transaction is not rejected or approved within 89 days, the system will purge LD Adjustment.**

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

Industry-sponsored contracts, Program Development Accounts (PDA), and Intergovernmental Personnel Agreements (IPA) – These types of accounts do not require justification and are not subject to effort certification, so they do not require an LCTA form.

Specific adjustment types that are within 90 days but failed solely due to the closed effort period - LCTA forms are not required for the following adjustments if they are within the 90-day entry time limit:

- Adjustments to OPE
- Adjustments to non-Federal awards
- Adjustments changing previously certified effort statements by less than 5%

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 OPAM in verifying that the information included on the Labor Cost Transfer Approval Form matches the change in LD. **You will need to submit a separate Labor Cost Transfer Approval Form for each batch.**
- 4 **Preparer Name:** The person in the department who is preparing the 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 Federal awards are subject to effort certification. If only non-Federal grants are affected, the proposed change would not be subject to this requirement.
- 7 An ECS that accurately reflects how an employee who contributed to a Federal award spent his or her time must be maintained in OPAM files. 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. An Effort Recertification Form must be signed by the individual who signed the original statement. A new 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 OPAM Manager of Policy & Financial Compliance.

Background:

9 **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.

10 **History:** In order to determine if more documentation may be needed, we ask that you provide background history about why the employee's labor was being charged to the account from which it is now being transferred.

11 **Timeliness:** OHSU's procedure regarding timeliness is guided by federal regulations and the NIH Grants Policy Statement. The NIH Policy Statement says: "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: "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- Department Approval: Please be sure to also print the name of the signor on the form if handwritten signatures (rather than digital signatures) are used.

13 **Award or Project Fiscal Manager:** The signer must have high-level oversight and fiscal authority on the OGA account affected. For K and similar awards that involve multiple departments and PI's, the Award Fiscal Manager signature is preferable. For all other awards, the Project Fiscal Manager's signature is acceptable in accordance with each department's established signature authority levels. If another department's account or employee is also affected, you should notify the other department of the change.

14 The Principal Investigator (PI) has the ultimate responsibility for ensuring expenses posted to an award are accurate. Therefore, a PI must certify that all corrections to a Federal award over 90 days from the original transaction date are appropriate.