PROCESS CHANGE FY15 TO FY16 – PRORATION AND ACCRUALS

On July 1, 2015 we turned off the ecrt proration calculations. These cross quarter calculations were confusing and did not match the general ledger. Therefore effective for the final payroll of Q4 of FY15 the amounts posted in ecrt will match the general ledger (g/l) UNLESS there is a salary journal posted where the Period of Work Performed is not in the same period in which the journal was posted. These journals will cause the only variance between ecrt and the general ledger.

Please be aware of the follow university practice for posting the quarter end accruals. The quarterly payroll accruals are estimates based on the prior pay period salary and costing. If there is ANY difference between the payroll amount, or distribution to the g/l coding from the prior paycheck, the amounts charged to federal awards will not be the amounts anticipated on the award. This is NOT an ecrt issue as the amount in ecrt will equal what is posted in the g/l. Generally this is a small amount AND the total is not wrong, it is simply moving too much or little salary from one quarter to another. One result is that we are seeing some negative effort amounts in ecrt in Q4 FY16. Please review the following relating to Negative Effort.

NEGATIVE EFFORT
Negative effort is the result of either a payroll accrual when the salary or costing has changed from the prior pay period OR if there is a payroll reimbursement.
If there is negative effort in ecrt do one of the following:

1. If the negative effort is absorbed by other salary charges for the individual and the effort percentage is still correct (within the 3% threshold), no action is needed.
2. If the negative effort is absorbed by other salary charges for the individual and the effort percentage is incorrect, a payroll journal needs to be posted to move the Period of Work Performed (PWP) from that quarter to the previous quarter (or other quarter if it is a payroll reimbursement). This is a 4 line journal, reversing the initial charge and PWP and posting the correct PWP; it is not a CT journal as no costing is changed; the only change is the PWP.
3. If the negative effort remains on the award at the end of the quarter and is either less than $250 or a variance of less than 3%, the effort % in ecrt can be changed to zero. If there are other individuals on the certification it can then be certified. If this is the only individual on the certification it can then be voided. The change to 0% can only be done by the core team – please send an email to the ecrt helpdesk. Your Tub Effort Coordinator can void a 0$/0% statement.
4. If the negative effort remains on the award at the end of the quarter and is great than $250 and has a variance of over 3%, a journal needs to be posted to move the PWP from that quarter to the previous quarter (or other quarter if it is a payroll reimbursement). This is a 4 line journal, reversing the initial charge and PWP and posting the correct PWP; it is not a CT journal as no costing is changed; the only change is the PWP.

Please contact the ecrt helpdesk or your TEC with any questions about this issue.