

Georgia Institute of Technology

Personal Services Reporting Using the Plan Confirmation System

Personal Services Reporting
Under the United States
Government Office of Management
and Budget Uniform Administrative
Requirements, Cost Principles and
Audit Requirements

Georgia Institute of Technology

Office of the Associate Vice President
Financial Services
Office of the Vice Provost for
Research and Graduate Studies

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MEMORANDUM

TO: Employees Covered by the Plan-Confirmation System
FROM: James G. Fortner *J. Fortner*
SUBJECT: Personal Services Reporting under the
Plan-Confirmation System
DATE: July 29, 2015

This is your copy of the Personal Services Reporting using the Plan-Confirmation System Booklet. Please read the booklet thoroughly as to your responsibilities for personal services reporting under Georgia Tech's Plan-Confirmation System.

Please return the Acknowledgment Form included in the booklet to the Office of Grants and Contracts Accounting, Mail Code 0259, within thirty (30) days after receipt of your booklet. A properly completed Acknowledgment Form must be on file for each employee to permit personal service charges to sponsored projects. If you have successfully completed the PSR Online Tutorial, you do not need to complete the paper Acknowledgment Form in this booklet.

Your cooperation is appreciated.

JF/sm
Enclosure

CC Dr. G. P. Peterson
Mr. Steven G. Swant
Dr. Raphael L. Bras
Dr. Stephen E. Cross
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A Unit of the University System of Georgia An Equal Education and Employment Opportunity Institution

**Personal Services Reporting
Using the Plan-Confirmation System**

ACKNOWLEDGEMENT FORM

_____ I have received the Plan-Confirmation Booklet, have read it, and have a complete understanding of my responsibilities for personal services reporting under the Plan Confirmation System.

OR

_____ I would like to attend a presentation of the Plan-Confirmation Booklet in order that I may gain a more complete understanding of my responsibilities for personal services reporting under the Plan Confirmation System.

Employee's Name: _____
Please Print or Type

Employee Identification #
or GTID #: _____

School/Department: _____
Please Print or Type

Employee's Signature: _____

Date: _____

RETURN TO GRANTS AND CONTRACTS ACCOUNTING OFFICE, MAIL CODE 0259, WITHIN THIRTY (30) DAYS AFTER RECEIPT OF YOUR PLAN CONFIRMATION SYSTEM BOOKLET

Personal Services Reporting Using the Plan-Confirmation System

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3.2 Personal Services Reporting Using the Plan Confirmation System

Revised July 2015

The Federal Government's Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR 200) establishes principles for determining costs applicable to grants, contracts, and other agreements between Federal agencies and non-Federal entities (i.e., educational institutions). All Federal agencies that sponsor research and development, training, and other work at educational institutions must apply the provisions of the Uniform Requirements in determining the costs incurred for such work.

Policy Statement:

As a major research university that manages a large number of sponsored agreements, Georgia Institute of Technology must have financial systems and procedures in place to assure compliance with the terms and conditions of the agreements and State and Federal regulations concerning sponsored programs. One of the most important parts of these procedures involves the documentation and support of the distribution of salary and fringe benefits charges to sponsored programs.

Georgia Institute of Technology policy requires that the preparation of invoices to sponsors be based on the information in the accounting records, including the salary and fringe benefit charges determined by the Plan Confirmation System. In most instances, these billings are issued on a monthly basis. Every invoice must be signed and certified by an Institute financial officer. The signature certifies the accuracy of the charges presented on the invoice for payment:

- Are allocable to the project scope,
- Are allowable by the project budget,
- Are reasonable and have been incurred within the Period of Performance, and
- Have been incurred according to all Institute accounting policies and procedures.

For the above reasons, the distribution of personal service costs to sponsored projects is a sensitive issue in the university's operation of its sponsored programs; it therefore receives careful scrutiny by Institute officers, sponsor representatives, and federal government contracting officers and auditors.

Scope:

These provisions apply to all units of Georgia Tech other than the Georgia Tech Research Institute (GTRI). Employees of GTRI utilize hourly time sheet procedures designed to comply with Federal Acquisition Regulations 31.2, which have different requirements for the documentation of personal services expenses. The GTRI Policies & Procedures Manual includes specific instructions for GTRI time sheet preparation and time reporting.

Policy Terms:

eWAF

Electronic Workload Assignment Form report produced monthly for Plan Confirmation System employees to review their effort allocation for accuracy and make timely corrections.

eASR

Electronic Annual Statement of Reasonableness report produced annually for Plan Confirmation System employees documenting confirmation and certification that their effort allocation was reasonable and correctly posted in the past fiscal year.

Procedures:

Compensation for Personal Services

Compensation for personal services covers all amounts paid currently, or accrued by the institution, for services of employees rendered during the period of performance under sponsored agreements or other institutional activity. The distribution of salaries and wages, whether treated as direct (charges to activities such as instruction, research, public service) or F&A (indirect) costs (support activities such as Departmental Administration, contract administration and accounting, and central administrative office services), are based on payrolls documented in accordance with the generally accepted practices of colleges and universities. The payroll distribution system, which is incorporated into the official records of the institution, must reasonably reflect the activity for which employees are compensated by the institution, and it encompasses both sponsored and all other activities on an integrated basis.

Georgia Tech uses the Plan Confirmation System for Professorial and Professional Employees and the After-the-Fact Activity Records System for Non-Professional Employees for handling payroll distributions.

After-the-Fact Activity Records– Non-Professional Employees

Georgia Tech uses the After-the-Fact Activity Records system for non-

professional employees. OMB Uniform Requirements states that charges for salaries and wages of nonexempt employees must also be supported by records indicating the total number of hours worked each day. The use of time documents, as prescribed under current Georgia Institute of Technology payroll procedures, meets the requirements of the OMB Uniform Requirements for non-professional employees. So although these employees are covered by OMB Uniform Requirements, they are not included in the Institute's Plan Confirmation System.

Plan-Confirmation System – Professorial and Professional Employees

Georgia Tech uses the Plan-Confirmation System as the basis for its distribution of salaries and wages for most professorial and professional staff. Under this system the distribution of salaries and wages is based on budgeted, planned, or assigned work activity based on the initial annual budget and updated throughout the year to reflect any significant changes in work distribution.

Employees Covered by the Plan-Confirmation System

Professorial and Professional Staff

The Georgia Tech Plan-Confirmation System covers all professorial and professional staff employees who meet the following requirements at any time during the fiscal year:

- All academic personnel paid monthly whose activities are distributed to a sponsored project and/or more than one project or account.
- All other monthly paid personnel:

Whose activities are distributed directly either to one or more organized research projects, other sponsored agreements, or cost-sharing projects.

Who distribute their activities to more than one direct or indirect (Facilities and Administrative) activity.

Who split their effort between direct and indirect (Facilities and Administrative) activities.

Who have any or all of their effort distributed to Departmental Administration–Instruction, Departmental Administration–Research and/or Other Sponsored Activities.

Graduate Student Employees

Georgia Tech uses the Plan-Confirmation System as the basis for its distribution of salaries and wages for all appointed graduate students who are paid on a monthly basis from sponsored, cost-sharing, general research and departmental administration projects. Under this system the distribution of salaries and wages is based on budgeted, planned, or assigned work activity, which is updated throughout the year to reflect any significant changes in work distribution.

All graduate students who are paid on an hourly basis shall report their time worked on bi-weekly time documents, and the Plan-Confirmation System does not cover them. This procedure meets the OMB Uniform Requirements and no additional reporting is necessary.

Salary Planning and Distribution (SPD) System

The Institute uses a Salary Planning and Distribution System (SPD) which operates as a sub-system to our Office of Human Resources Payroll system. The SPD system is designed to receive employee and salary distribution information from the payroll system, and can accept new information about employee activities to update the distribution of salary and fringe benefits expenses. In most instances, the unit financial managers can enter updates to salary distribution directly to the system on a daily basis. Salary distribution changes for other units are processed on a daily basis by the SPD Center located in the Grants and Contracts Accounting Office. Salary distribution changes can be made throughout the month and updated summary reports of employee salary distribution can be printed after completion of each change. This information is directly submitted to the sponsored project accounting records to permit early evaluation of project financial status.

As a part of the SPD system features, any applicable fringe benefit expenses are charged to projects based upon the appropriate flat rate fringe benefits percentages as approved on an annual basis. In addition, graduate student tuition remission (GSTRP) charges are posted and encumbered for all projects that are eligible for these charges.

Georgia Institute of Technology Budget System

The Plan-Confirmation System (PCS) and the Salary Planning and Distribution (SPD) System have been developed and implemented to support the regular Institute budget process.

In preparing the annual budget, the Budget Office obtains original operating budget information from all campus organizational units. The initial budget information contains the details of each employee's salary as well as the distribution between state and sponsored projects. When the budget is approved, the salary information is uploaded to the Office of Human Resources' payroll system. Following that process, the SPD system is populated with the approved project allocations to initiate the activity monitoring required by the Plan-Confirmation System. Subsequent appointments are entered into the payroll system using the OHR appointment forms and then the information is updated in the SPD system.

Electronic Workload Assignment Forms

At the end of each month, a workload assignment form is prepared for each employee covered by the Plan-Confirmation system. Employees are notified by E-Mail from Grants and Contracts Accounting when their reports are available and may be accessed directly using a link provided on the message. These forms can also be reviewed by employees on their TechWorks Home Page when obtaining monthly payroll information. Unit financial managers may also produce copies for review by individual employees. Each monthly Electronic Workload Assignment Form (eWAF) covers an entire fiscal year, July 1 to June 30, including both actual payments and planned salary distribution for future periods. In this way, the employee is reminded of the current and future distribution of salary charges based on effort and his/her responsibility to report workload changes to his/her supervisor in a timely manner. See "Employee Responsibilities".

Significant Changes in Workload Distribution

The Plan-Confirmation System provides for the modification of an individual's salary distribution, commensurate with any significant change in the employee's workload or the ratio of activities comprising the total workload. Specific events, which will or may cause a significant change in workload distribution include, but are not limited to:

- The beginning or ending of work on a sponsored project or an internally funded project.
- A material change in the scope of work on a project.
- An increase or decrease in the number or level of courses taught.
- A new committee or major administrative assignment or relief from a committee or major administrative assignment.
- The beginning or ending of a sabbatical leave, leave without pay, or prolonged sick leave.
- Status changes from part-time to full-time or vice versa.

The system does not require an adjustment in the employee's workload assignment for day-to-day, or short-term, changes in his/her work schedule. However, the basic concept of the Plan-Confirmation System does require an adjustment for **all significant** changes in an employee's workload. Although there is no precise definition for the term "significant," Georgia Institute of Technology policy provides for a general rule that a change applicable to a given project or activity of 5% or more of an employee's total effort over the course of the academic term would warrant an adjustment.

Changes in an employee's workload distribution for future periods are generally acceptable but are subject to the standard documentation requirements noted below. Future period workload distributions are confirmed monthly via EWAF (described above).

Retroactive Changes in Workload Distribution

Retroactive changes to payroll distributions must be subjected to the closest scrutiny. These types of changes indicate a contradiction of previous monitoring reviews and, for that reason, should be limited to the correction of errors. If a retroactive change must be made, it must be approved and documented in accordance with the requirements included below.

Standard Documentation Requirements

Primary supporting documentation for Plan Confirmation System salary charges are either electronic or signed paper Acknowledgement of initial Personal Services Reporting (PSR) training; Monthly Workload Assignment Forms (EWAFs); and Annual Statements of Reasonableness (ASRs). These forms and reports are fully explained in other sections of this policy statement.

Georgia Tech authorizes the principal investigator (PI) and the properly authorized unit designee (financial manager and staff) to have primary responsibility for the management of sponsored agreement funds. Therefore, the actions of these individuals as documented using manual/electronic signatures and/or a system password is normally considered sufficient documentation to support standard workload allocation changes.

Retroactive changes that cross fiscal years may be made in extraordinary circumstances by manual journal entries when supported by appropriate documentation, including a revised Annual Statement of the Reasonableness of Salary Charges (ASR).

Special Documentation Requirements and Limitations – Externally-funded** Sponsored Projects

In addition to the standard documentation requirements noted above, retroactive salary distribution changes that add salary charges to externally-funded** sponsored projects must be accompanied by a written (or system-recorded) justification statement at an appropriate level of detail. Specific reasons for the transfer must be provided in the explanation. Transfer requests of this type that are not properly documented with an acceptable justification statement will be moved to the unit's sponsored undesignated project number by SPD Center staff.

Retroactive salary cost transfers to externally-funded** sponsored projects beyond 90 days of the original expense posting will not be allowed under normal circumstances.

Provisions for exceptions to the 90 day limit will be considered as follows:

- In situations where initial or continuing sponsor funding is delayed beyond 90 days after the effective date, consideration for recognition of cost transfers beyond the limit will be addressed by the Grants and Contracts Accounting Office if the transfer is requested within the reporting period of the sponsored project (typically 60-90 days after the expiration date of the project). If the terms and conditions of the sponsored agreement provide for acceptance and payment of the expenses covered by the proposed cost transfer and appropriate supporting documentation is provided, the Senior Director of Grants and Contracts Accounting will approve the proposed transfer.
- Other exceptions will be considered on a case-by-case basis and properly documented.
- Upon the proper approval of the Senior Director of Grants and Contracts Accounting, the Associate Vice President for Financial Services, and the Associate Vice President for Research, such entries will be recorded.

*** Excludes sponsored projects funded by the Georgia Tech Foundation and Georgia Tech Research Corporation. Transfers between projects associated with the same sponsored fund (award) are not subject to special documentation requirements or the 90 day limitation.*

Annual Statement of Reasonableness (ASR) of Salary Charges

The Plan-Confirmation System requires that at least annually a statement will be signed (electronically or manually) by the employee, principal investigator, or responsible official, using suitable means of verification that the work was performed, stating that salaries and wages charged to sponsored agreements as direct charges, or that salaries and wages charged to both direct and indirect cost categories, or to more than one (F&A) indirect cost category, are reasonable in relation to work performed.

The Annual Statements on the Reasonableness of Salary Charges (ASRs) for Georgia Tech coincide with the institution's fiscal year, which ends June 30 for covered employees having Fiscal or Academic Year appointments. The Salary Planning and Distribution (SPD) Center of the Office of Grants and Contracts Accounting will send email notifications to covered employees to complete the ASR certification electronically (eASR), with an embedded link, following the completion of the fiscal year. Employees will logon to the eASR application, review

their final fiscal year distribution, and electronically confirm their eASR with their userid and time/date stamp representing an electronic signature. For those not completing the electronic ASR, the SPD Center will distribute manual ASRs to School Chairs or organizational unit heads to be certified. EASRs and manual ASRs must be completed and returned according to the specific date selected each year.

The Annual Statement on the Reasonableness of Salary Charges presents the workload distribution of each employee for the fiscal year. This statement shows the amount of salary charged to each of the employee's projects and the percentage of each amount to the total effort. This statement merely restructures the Electronic Workload Assignment Form, which the employee has in his/her possession. The manual ASR provides a ready means of making adjustments in payroll distributions if corrections are required. The instructions on the manual Annual Statement provide that the percentages of certified annual effort, Column D on the form, are to be completed only if they differ from the actual amounts of salary charged to the various projects. If changes are required, the certified annual effort percentages in Column D must be entered for each project number and must total 100%. Also, if effort is reported in Departmental Administration (typically Project numbers ending in 290, 400, 990) the section on these activities must be completed by designating the activities performed.

ASR Signatory Requirements – Certification of Effort

The Electronic Annual Statement on the Reasonableness of Salary Charges (ASR) is designed for the employee to confirm that the distribution of salary charges to projects represents a reasonable estimate of the work performed during the stated period. In most instances, only the employee has the information required to complete this certification and therefore eASR's must be completed and signed by the covered employee.

The manual ASR does provide a second certification section to be used in limited instances when the covered employee is not available to complete the certification. This certification may be signed by a School Chair or other organizational unit head, without the employee's signature, provided the responsible official is prepared to certify that he/she has firsthand knowledge of all the employee's activities using suitable means of verification that the work was performed. If the responsible official cannot certify that he/she has personal familiarity with all of the employee's activities, then the employee is required to sign the statement. In some cases, an employee may be involved in a number of activities under different supervisors, and no single person other than the employee has firsthand knowledge of all his/her activities. In these cases, the employee must sign the documents.

If a covered employee or graduate student completes his/her term of employment

and/or is on leave from Georgia Tech during the certification period, a special ASR can be requested from the SPD Center for immediate confirmation prior to fiscal year-end. These special ASR's will be prepared to reflect all salary payments made to the employee at the end of the assignment.

Unit Financial Manager's Certification

The Plan Confirmation System procedures also require that the appropriate financial manager in each unit review the electronic or manual ASR statements before returning to the SPD Center in Grants and Contracts Accounting. This unit quality assurance review is needed to ensure that the ASR amounts and distribution agree with the payroll and SPD records, that the Departmental Administration section of the statement has been completed as needed, and that the form has been signed as required. The financial manager should sign and date each eASR or manual ASR to indicate that the review has been done. The eASR has the Financial Manager Userid and Time/date stamp representing an electronic signature. For manual ASRs, this action is in addition to any signature reported as a responsible official having firsthand knowledge of the employee's activities. In no case should the employee signing the manual ASR in the Certification section (above) also sign in this financial manager certification section

Forms

To obtain hard copy forms, please contact the Office of Grants & Contracts Accounting at spd.ask@business.gatech.edu.

Form Links:

[Personal Services Reporting Booklet](#)
[Personal Services Reporting Acknowledgement Form](#)
[Electronic Annual Statement of Reasonableness Trng](#)
[ASR Signature Example](#)

Responsibilities:

8.1 Departmental Responsibilities

Unit heads and financial managers (who have been delegated signature authority by unit heads for submission of salary information to the Budget and SPD Systems) are responsible for the accuracy of salary and fringe benefits transactions. This includes confirmation that the salary charges are allowable charges to the designated projects, and that funds are available to support such charges.

All changes to salary distribution are to be reported and corrected as soon as possible to assure the accuracy of monthly invoicing to sponsors. This reporting process is covered in the SPD System operating procedures and training programs. All retroactive salary distribution changes that add charges to externally-funded** sponsored projects are subject to additional documentation requirements, restrictions, and limitations. See "Retroactive Changes in Workload Distribution".

Unit financial managers are to provide instructions and support to employees covered by the Plan Confirmation System (PCS) to make sure that these employees understand their responsibilities in this regard. This training is supported by the Salary Planning and Distribution (SPD) Center in the Grants and Contracts Accounting Office via an on-line web tutorial entitled "Personal Services Reporting" (PSR). After viewing the required tutorial on the GT Training website, all employees covered by the system must complete an assessment questionnaire. If they score 80% or higher, they have passed the tutorial and can click an electronic Acknowledgement Statement that records their successful completion of the PSR training. An alternative training selection is to read this PSR booklet (found on the G&C website) and submit a paper acknowledgement form indicating that they understand their responsibilities for personal services reporting using the Plan-Confirmation System. This completed acknowledgement (either electronic or paper) must be on file in the SPD center for all employees whose salaries are charged directly or indirectly to sponsored projects.

8.2 Principal Investigator Responsibilities

Each Georgia Tech PI is responsible for effectively overseeing and managing his/her sponsored projects based to a considerable extent upon his/her knowledge of the field of study and his/her capabilities to conduct the projects in an efficient and productive manner.

Monthly "PI Sponsored Project Review" reports are provided directly to PIs by the Office of Grants and Contracts Accounting to permit timely reviews and approval/confirmation of all charges posted to his/her assigned sponsored projects. PIs are to perform periodic reviews of these charges to provide proper financial oversight.

8.3 Employee Responsibilities

The employee has definite responsibilities in the operation of the Plan-Confirmation System (PCS), and these are set forth below for his/her information and guidance:

- All employees with appointments to positions or activities covered by the PCS must develop an understanding of their responsibilities for PCS reporting by participating in the on-line Web Personal Services Reporting training program and/or reading the Personal Services Reporting booklet. After successfully completing the required training, the employee must submit an acknowledgement (either through electronic or manual means) indicating that they understand their responsibilities for personal services reporting using the Plan-Confirmation system.
- The employee is to review the Monthly Workload Assignment form to confirm the accuracy of current and future salary distribution. To assist in this regard, each monthly report includes a notification regarding changes made to their workload allocations since the last report.
- The employee must advise his/her supervisor or unit financial manager if his/her Monthly Workload Assignment forms are not received in a timely manner.
- The employee must advise his/her supervisor if the actual effort for a given project or planned to be given to a project or activity varies by 5% or more of the total estimated effort shown for the current assignment, so that the workload may be modified.
- The employee must provide additional supporting documentation to his/her supervisor for any change in salary distribution that is reported over 90 days after the payroll date. For all salary distribution charges to externally-funded sponsored projects, an alternate funding source is to be provided.
- If appropriate action is not initiated promptly by his/her supervisor or the designated unit financial manager, the employee should immediately notify the SPD Center at spd.ask@business.gatech.edu.
- The employee must retain in his/her files the initial workload assignment form as well as all Monthly Electronic Workload Assignment Forms received during the current fiscal year.
- The employee must electronically or manually complete, sign, date, and return their Annual Statement on the Reasonableness of Salary Charges for each fiscal year by the stated deadline.

DEFINITION OF TERMSInstruction

Instruction means the teaching and training activities of an institution. This term includes all teaching and training activities, whether they are offered for credits toward a degree or certificate or on a non-credit basis, and whether they are offered through regular academic departments or separate divisions, such as a summer school division or an extension division. Departmental research is a part of the instruction function.

Instruction - Departmental Research

Departmental Research represents general research and development and scholarly activities that are funded by the department general research budget. These activities, which are not separately budgeted and accounted for in the financial records, are part of the Instruction function.

Instruction - Sponsored Instruction

Sponsored instruction represents specific instructional or training activities established by grants, contracts or cooperative agreements funded by agencies external to the institution.

Organized Research

Organized research means all research and development activities of an institution that are separately budgeted and accounted for by the institution. This term includes research and development activities that are sponsored by Federal and non-Federal agencies and organizations, as well as those that are separately budgeted by the institution under an internal allocation of institutional funds. It also includes activities involving the training of individuals in research techniques (commonly called research training) where such activities utilize the same space and facilities as other research and development activities, and where such research and development activities include all costs incurred by the institution in performing the activities.

Sponsored Research

Sponsored research is that portion of organized research, which is funded by agencies external to the institution.

DEFINITION OF TERMS (Continued)University Funded Research

University funded research is that portion of organized research, which is separately budgeted under an internal allocation of institutional funds. This type of research may be conducted by faculty members who wish to develop their ideas to the point where they would be considered worthy of support by external agencies.

Organized Research - Cost Sharing

Organized research - cost sharing is Georgia Tech's contribution to sponsored research projects, which is separately budgeted and accounted for on the Institute's records.

Public Service

This category includes funds expended for activities that are established primarily to provide non-instructional services to individuals and groups external to the institution. Activities included are programs designated as Community Services.

Community Services includes expenditures incurred in the process of making faculty/staff/student knowledge and skills available to the community in activities other than Instruction and Research. Examples of such activities are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar non-instructional services to particular sectors of the community.

It should also be noted that, when viewed from the standpoint of Educational and General operations, such activities as patient care, cooperative extension services, marine extension services, and public broadcasting, would be included as Public Services.

Other Sponsored Activities

Other sponsored activities include programs and projects financed by Federal and non-Federal agencies and organizations which involve the performance of work other than instruction and organized research. These activities are established to provide non-instructional services to individuals and groups external to the Institute.

APPENDIX I

DEFINITION OF TERMS (Continued)

Departmental Administration - Instruction (Indirect Instruction)

Departmental Administration - Instruction includes those activities which are essential to the administration of instruction but which, since they are incurred for common or joint objectives, cannot be readily or specifically identified with a particular instructional activity or project. Examples of such activities are: supervisory or managerial functions, personnel administration, purchasing, budget control, committee assignments, editing instructional reports, postage and shipping, telephone service, etc.

Departmental Administration - Research and Other Sponsored Activities (Indirect Research)

Departmental Administration - Research and Other Sponsored Activities includes those activities which are essential to the administration of organized research and other sponsored activities but which, since they are incurred for common or joint objectives, cannot be readily or specifically identified with a particular research project or other sponsored activity. Examples of such indirect research activities are: supervisory or managerial functions, personnel administration, purchasing, budget control, committee assignments, editing research reports, postage and shipping, telephone service, etc.

Foundation Supplements

Foundation supplements are salary supplements provided by the Georgia Tech Foundation and the Callaway Foundation. Although these supplements increase the total compensation of employees receiving them, they do not affect the budgeted EFT and are not included as a part of the 100% effort reported for each employee on the Annual Statement on the Reasonableness of Salary Charges.

| Fund | Project | Acct./Obj# | ORGAN CL# | Start/Stop Date | HR_RCS# | Rcd# | JCS | 10010 Our Unrestricted - Sal | | 21001123 | | 10010 Our Unrestricted - Sal | | 21001123 | | 10010 Our Unrestricted - Sal | | 21001123 | | Total | |
|------|---------|------------|-----------|-----------------|---------|------|-----|------------------------------|--------|--------------|--------|------------------------------|---------|--------------|---------|------------------------------|---------|-----------|---------|-----------|--------|
| | | | | | | | | Original Amt | Adj \$ | Original Amt | Adj \$ | Original Amt | Adj \$ | Original Amt | Adj \$ | Original Amt | Adj \$ | | | | |
| | | | | | | | | 0 | 470624 | 0 | 470624 | 0 | 470624 | 0 | 470624 | 0 | 470624 | 0 | 470624 | 0 | 470624 |
| | | | | | | | | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | |
| | | | | | | | | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | |
| | | | | | | | | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 0.00 | 1,250.00 | |
| | | | | | | | | 1,000.00 | 0.00 | 1,000.00 | 0.00 | 1,000.00 | 0.00 | 1,000.00 | 0.00 | 1,000.00 | 0.00 | 1,000.00 | 0.00 | 1,000.00 | |
| | | | | | | | | 844.11 | 22.252 | 844.11 | 22.252 | 2,155.89 | 94.029 | 2,155.89 | 94.029 | 2,155.89 | 94.029 | 2,155.89 | 94.029 | 2,155.89 | 94.029 |
| | | | | | | | | 0.00 | 0.00 | 0.00 | 0.00 | 1,000.00 | 100.000 | 1,000.00 | 100.000 | 1,000.00 | 100.000 | 1,000.00 | 100.000 | 1,000.00 | |
| | | | | | | | | 0.00 | 0.00 | 0.00 | 0.00 | 3,800.00 | 100.000 | 3,800.00 | 100.000 | 3,800.00 | 100.000 | 3,800.00 | 100.000 | 3,800.00 | |
| | | | | | | | | 0.00 | 0.00 | 0.00 | 0.00 | 2,000.00 | 100.000 | 2,000.00 | 100.000 | 2,000.00 | 100.000 | 2,000.00 | 100.000 | 2,000.00 | |
| | | | | | | | | 0.00 | 0.00 | 0.00 | 0.00 | 2,800.00 | 100.000 | 2,800.00 | 100.000 | 2,800.00 | 100.000 | 2,800.00 | 100.000 | 2,800.00 | |
| | | | | | | | | 0.00 | 0.00 | 0.00 | 0.00 | 3,000.00 | 100.000 | 3,000.00 | 100.000 | 3,000.00 | 100.000 | 3,000.00 | 100.000 | 3,000.00 | |
| | | | | | | | | 7,244.11 | | 7,244.11 | | 24,825.99 | | 24,825.99 | | 24,825.99 | | 24,825.99 | | 24,825.99 | |
| | | | | | | | | -210.77 | | -210.77 | | -210.77 | | -210.77 | | -210.77 | | -210.77 | | -210.77 | |
| | | | | | | | | 31,538.46 | | 31,538.46 | | 31,538.46 | | 31,538.46 | | 31,538.46 | | 31,538.46 | | 31,538.46 | |

APPENDIX II
SPD SYSTEM MONTHLY EMPLOYEE COST DETAIL REPORT

Workload Assignment Report

Home Dept: 210-Electrical & Computer Engr
Name: Filo Barney

Work Department: 210-Electrical & Computer Engr
Title: Temp Research Engineer II

Emp lye ID: 333333
Fiscal Year: 2010
Month: January

INSTRUCTIONS:

This Workload Assignment Report has been provided for review, confirmation, and/or correction in accordance to Plan Confirmation System requirements.

1. **REVIEW** the distribution of your salary to projects to determine if it accurately reflects your current and planned activities.
2. **ERRORS** Contact your departmental Financial Manager or click "Report A Change Or Issue" button at the bottom of this page if:
 - a. This workload distribution is not correct (deviates 5% or more from your actual effort).
 - b. You are not familiar with one or more of the projects being charged for your effort.
3. **NO ERRORS** Retain a printed or electronic copy of this Workload Assignment Report and any modifications.
4. **QUESTIONS** Contact Robert Ellington (894-3483), Grants and Contract Accounting, if you need information about your responsibilities under the Georgia Tech Plan Confirmation System Requirements.

IMMEDIATELY CONTACT THE SPD CENTER AT SPD.ASK@BUSINESS.GATECH.EDU OR (404) 894-3488 IF ERRORS THAT YOU REPORTED IN A PREVIOUS MONTH HAVE NOT BEEN CORRECTED.

| Project | Sponsor | Project Title | Project Dates | |
|----------|------------------------------|-----------------------|---------------|----------|
| | | | Start | Term |
| 21003123 | GFA VL10.B12-Terpy/G.K.Chang | | 07/01/09 | 06/30/10 |
| 21065CA | GTF | EMINENT SCHOLAR CHAIR | 08/21/87 | 06/30/11 |

ALERT: YOUR PERSONAL SERVICES DISTRIBUTION WAS UPDATED DURING THIS REPORT PERIOD. LAST UPDATE: 01-26-2010.

Current Personal Services Distribution:

| Project | Percent | Total | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June |
|--------------|---------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 21003123 | 21.21 | 7,113.34 | 1,230.00 | 1,230.00 | 1,230.00 | 1,230.00 | 1,500.00 | 613.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 21065CA | 78.79 | 26,425.12 | 1,230.00 | 1,230.00 | 1,230.00 | 1,230.00 | 1,500.00 | 1,925.12 | 3,000.00 | 3,000.00 | 3,000.00 | 3,000.00 | 3,000.00 | 3,000.00 |
| Total | 100.00 | 33,538.46 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 3,000.00 | 2,538.46 | 3,000.00 | 3,000.00 | 3,000.00 | 3,000.00 | 3,000.00 | 3,000.00 |

Report Run on 02/03/2010 at 01:51:07 PM

SPD SYSTEM PROJECT COST DETAIL REPORT

Report ID: 070000
 Georgia Institute of Technology
 MONTHLY PROJECT COST DETAILS
 Fiscal Year 2010 (09/01-01 through 2010-06-30)
 (SG TITLE: Electrical & Computer Engr)
 Page No. 1
 Run Date 02/03/2010
 Run Time 11:44:55
 PROJECT END DATE 06/30/2010

*** PAST PERIODS APPLIED FOR ***
 PROJECT NUMBER : 21003123
 PROJECT TITLE : GFA VL10.B12-Terpy/G.K.Chang

EMPLOYEE ID
 EMPLOYEE NAME
 FISCAL YEAR

| EMPLOYEE ID | EMPLOYEE NAME | FISCAL YEAR | MONTHLY PROJECT COST DETAILS | | | | | | | | | | | | TOTAL FS | TOTAL FS | TOTAL IN | | | | |
|-------------|---------------|-------------|------------------------------|----------|----------|----------|----------|--------|--------|--------|--------|--------|--------|----------|----------|----------|----------|-----------|-----------|------|------|
| | | | Aug FS | Sep FS | Oct FS | Nov FS | Dec FS | Jan FS | Feb FS | Mar FS | Apr FS | May FS | Jun FS | TOTAL FS | | | | TOTAL FS | TOTAL IN | | |
| 533353 | Filo Barney | 2010 | 1,230.00 | 1,230.00 | 1,230.00 | 1,230.00 | 1,500.00 | 613.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 7,113.34 | 7,113.34 | 0.00 | |
| | | | 311.25 | 311.25 | 311.25 | 311.25 | 371.50 | 152.72 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,771.23 | 1,771.23 | 0.00 | |
| | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 599999 | Taylor, Andy | 2010 | 2,076.46 | 2,076.46 | 2,076.46 | 2,076.46 | 2,076.46 | 654.88 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11,077.18 | 11,077.18 | 0.00 | |
| | | | 517.04 | 517.04 | 517.04 | 517.04 | 163.07 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,746.26 | 2,746.26 | 0.00 | |
| | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | 3,226.46 | 3,226.46 | 3,226.46 | 3,226.46 | 1,268.22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 19,150.52 | 19,150.52 | 0.00 | |
| | | | 828.29 | 828.28 | 828.29 | 828.29 | 315.79 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,519.49 | 4,519.49 | 0.00 | |
| | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

APPENDIX V
ANNUAL STATEMENT OF REASONABLENESS OF SALARY CHARGES (PAGE 1)

GEORGIA INSTITUTE OF TECHNOLOGY Page 1 OF 2

ANNUAL STATEMENT ON THE REASONABLENESS OF SALARY CHARGES

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

GL ORG 210
 SCHOOL/DEPARTMENT

Electrical & Computer Engr

| <u>NAME</u> | | <u>EMPLOYEE ID</u> | | | | | |
|-------------------------------|---|--------------------|---|-------------|---|---------------|---|
| Fife, Barney | | 535353 | | | | | |
| FME Temp Research Engineer II | | | | | | | |
| <u>Project Number</u> | <u>Academic/Fiscal Salary Charged %</u> | | <u>Summer School July/Aug & May/June Salary Charged %</u> | | <u>TOTAL FISCAL YEAR SALARY CHARGED %</u> | | <u>Certified Annual Effort (1) (Dollars)%</u> |
| | | | | | | | |
| 21003123 | 7,113.34 | 21.21 | | | 7,113.34 | 21.21 | |
| 21065CA | 26,425.12 | 78.79 | | | 26,425.12 | 78.79 | |
| TOTALS | 33,538.46 | 100.00 | 0.00 | 0.00 | 33,538.46 | 100.00 | |
| COLUMN | | | A | B | C | D | |

* CONSISTENT WITH BOARD OF REGENTS' POLICY, PERCENTAGES ARE NOT SHOWN FOR FOUNDATION SUPPLEMENTS (700 AND 780 ACCOUNTS).

NOTES: (1) COMPLETE DOLLAR CHANGES IN COLUMN C AND PERCENT CHANGES IN COLUMN D ONLY IF ACTUAL ANNUAL EFFORT PERCENTAGES ARE DIFFERENT FROM THOSE SHOWN IN % COLUMN B FOR "TOTAL FISCAL YEAR SALARY CHARGED". IF CHANGES ARE REQUIRED TO BE ENTERED IN

COLUMNS, C AND D THESE COLUMNS MUST BE COMPLETED FOR EACH PROJECT NUMBER. THE CERTIFIED ANNUAL EFFORT PERCENTAGES SHOWN IN COLUMN D MUST ADD TO 100%

PLEASE CERTIFY THE ABOVE SALARY CHARGES DISTRIBUTION BY SIGNING THIS FORM ON PAGE 2

APPENDIX VI
ANNUAL STATEMENT OF REASONABLENESS OF SALARY CHARGES (PAGE 2)

Page 2 OF 2

(2) IF EFFORT IS REPORTED IN THESE CATEGORIES, DEPARTMENTAL ADMINISTRATION - INSTRUCTION (290 ACCOUNTS), DEPARTMENTAL ADMINISTRATION - RESEARCH (400 ACCOUNTS) OR DEPARTMENTAL ADMINISTRATION - PUBLIC SERVICE (990 ACCOUNTS), YOU MUST COMPLETE THE FOLLOWING SECTION ON THESE ACTIVITIES:

DEPARTMENTAL ADMINISTRATION (INDIRECT) ACTIVITIES

INDICATE INDIRECT ACTIVITIES BY CHECKING ONE OR MORE BOXES BELOW

- SUPERVISORY AND MANAGERIAL ACTIVITIES
- PERSONNEL ADMINISTRATION, INCLUDING WORK ASSIGNMENTS AND MONITORING OF WORK ASSIGNMENTS
- BUDGET CONTROL
- PURCHASING
- FACILITIES MANAGEMENT, INCLUDING PROPERTY CONTROL
- GRANT AND CONTRACT ADMINISTRATION (DESCRIBE TYPE OF WORK)
- SUPPORTING ACTIVITIES - STOCKROOM, CLERICAL, ETC. (WHICH) _____
- COMMITTEE ASSIGNMENTS (NAME OF COMMITTEE) _____
- EDITING AND PUBLISHING OF RESEARCH AND OTHER REPORTS
- RESEARCH AND PUBLIC SERVICE ACCOUNTING AND RECORD KEEPING
- OTHER (DESCRIBE) _____

(3) PLEASE COMPLETE SIGNATORY CERTIFICATION REQUIREMENTS ON WORK PERFORMED.

CERTIFICATION OF EFFORT - SIGNATORY CERTIFICATION REQUIREMENTS

THIS SIGNATURE SECTION SHOULD BE USED IN ALL CIRCUMSTANCES EXCEPT FOR UNUSUAL SITUATIONS OR (USE ONLY FOR EXCEPTIONS) I CONFIRM THAT I HAVE FIRSTHAND KNOWLEDGE OF ALL THE WORK PERFORMED BY THE ABOVE EMPLOYEE AND THAT THE DISTRIBUTION OF SALARY CHARGES ON PAGE ONE REPRESENTS A REASONABLE ESTIMATE OF WORK DURING THE STATED PERIOD.

EMPLOYEE: Barney Fife TITLE _____

SIGNATURE _____ SIGNATURE _____

DATE _____ DATE _____

UNIT FINANCIAL MANAGER'S CERTIFICATION:

THE AMOUNTS REPORTED ABOVE MATCH THE DEPARTMENT PAYROLL AND SPD RECORDS, THE DEPARTMENTAL ADMINISTRATION SECTION HAS BEEN COMPLETED IF REQUIRED, AND THE STATEMENT HAS BEEN SIGNED IN ACCORDANCE WITH REQUIREMENTS

FINANCIAL MANAGER: _____ DATE: _____

THE COMPLETED FORM MUST BE RETURNED TO THE SPD CENTER IN THE OFFICE OF GRANTS AND CONTRACTS ACCOUNTING, MAIL CODE 0259, BY AUGUST 31, 2010.

Practice Exercise for Employee Interviews During Audits

During each year, several audits are performed on the Personal Services/Plan-Confirmation System and these audits include interviews of employees. The purpose of the interviews is to determine employees' knowledge of the Personal Services reporting system.

The types of questions that have been asked during prior interviews are provided below:

1. Provide a current Georgia Institute of Technology ID card.
2. What is your title? (example: Research Scientist, Engineer)?
3. What do you do as a (example: Research Scientist, Engineer)?
4. Do you perform research? instruction? both? administrative activities?
5. Have you received any training regarding timekeeping procedures?
6. Have you completed the Personal Services Reporting Under the Plan-Confirmation System Acknowledgement Form?
7. May I see your current Monthly Workload Assignment Form?
8. Do you know how the percentages of time are determined on your Electronic Workload Assignment Form?
9. If you needed to make adjustments to your Monthly Workload Assignment, how would you do it?
10. Do you maintain any records of how you spend your time?
11. Who would approve any adjustments to your Monthly Workload Assignment?
12. Have there been any changes to your Monthly Workload Assignment since the beginning of the year?
13. Where do you charge your administrative effort? Do you charge any of your time to Departmental Administration- Research and Other Sponsored Activities?
14. Are you working on any sponsored projects? If yes, what are they, who is the sponsor, and how long have you been working on these sponsored projects?
15. Have you ever started work on a sponsored project without updating your workload Assignment?
16. Have you ever found it necessary to charge one project for work you have done on a different project?
17. Are you teaching any courses? If so, how many?
18. Are you doing any consulting? If yes, is it reflected on your Monthly Workload Assignment?
19. Who is your supervisor?

Practice Exercise for Employee Interviews During Audits

Practice Exercise for Employee Interviews During Audits

This Practice Exercise has been prepared to provide examples of questions and answers from prior interviews. Employees have provided the responses used in this exercise during prior audits of the system.

Scenario: You are sitting across a table from a representative from Georgia Tech and an auditor who is conducting an audit of the Personal Services Plan-Confirmation System. The following questions are being asked. Please select answers to these questions based on your understanding of the Plan-Confirmation System requirements and your activities.

1. Provide your current monthly workload assignment form.
 - a. What workload assignment form?
 - b. One moment, I'll get it out of my file.
 - c. I'm having chest pains.
 - d. It's in my briefcase at home.
 - e. The department's business office never gave it to me.
 - f. I threw it away because I didn't think it was important.
2. Do you know how the percentages of time are determined on your monthly workload assignment?
 - a. I'm paid by the State of Georgia. Why should I care how the percentages are determined?
 - b. Magic!
 - c. Gee, I have no clue how they're determined!
 - d. My director and I decided that I would teach 75% of my time and do research the other 25%. The percentages reflect my workload.
 - e. I just do what I'm told. I guess the department's business office is determining the percentages.
3. If you needed to make adjustments to your workload assignment, how would you make the change?
 - a. I would discuss it first with my supervisor and then with his/her permission, I would inform the department's business office about the new workload. I would then check subsequent workload assignment forms to ensure the change had been properly stated.
 - b. Call Grants & Contracts Accounting!
 - c. I'd never make an adjustment even if I should because it's probably more trouble than it's worth.
 - d. Shouldn't my attorney be here with me?

Practice Exercise for Employee Interviews During Audits

4. Did you submit your Annual Statement of Reasonableness on time for the last year?
 - a. Yes
 - b. No
5. Where do you charge your administrative effort? Do you charge any of your time to Departmental Administration-Sponsored Research (indirect research)?
 - a. My administrative effort for instruction is charged to 2101290 and for research, it's charged to 2101405.
 - b. I have no administrative effort.
 - c. What's Departmental Administration-Sponsored Research (indirect research)?
 - d. My salary is on 2101680 which is, you know, "funny money"!
 - e. If you audit us, who audits DCAA?
 - f. I don't know where they charge my administrative effort.
6. Your workload assignment sheet indicates you're working on a sponsored research project. What's the project number and who's the sponsor?
 - a. I'm have no earthly idea!
 - b. I'm working on 2606681 and it's sponsored by the Navy.
 - c. Is this a trick question?
7. Are you doing any consulting? Is it reflected on your workload assignment sheet?
 - a. No, I'm not doing any consulting.
 - b. Yes, I'm doing consulting with the knowledge and consent of my immediate supervisor even though it won't be reflected on my sheet.
 - c. Yes, I am doing consulting. It's not reflected on the Monthly Workload Assignment Form, but if you'd like more information, my consulting time is documented on file in my director's office.
8. Do you have a copy of the written policies/procedures regarding timekeeping procedures?
 - a. Yes
 - b. No

Practice Exercise for Employee Interviews During Audits

9. Do you maintain any personal records of how you spend your time?
 - a. Should I?
 - b. Yes, it helps me keep track of what I'm working on each term.
 - c. I'm too busy for such stupidity.
 - d. No. That's my story and I'm sticking to it!
10. May I see a current picture ID?
 - a. Yes
 - b. No

Practice Exercise for Employee Interviews During Audits

Answers to Example Questions

1. b.
2. d.
3. a.
4. a.
5. a.
6. b.
7. All of the answers can be applicable.
8. a.
9. b.
10. a.