



Retro Policy

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UAH Retro Policy/Process

Policy

Corrected Bi-Weekly Leave and Labor Reports (BLLR) are processed to adjust the percent distribution of labor on payroll accounts when the salary distribution for the period was not consistent with the actual work performed. Caution: *some funding agencies require prior notification if there is going to be a reduction in effort of 25%, or more, of the original commitment.* Retro forms may also be submitted to correct data entry errors on Bi-weekly Labor and Leave Reports. Caution: per Circular A21 (relocated to 2 CFR, Part 220), Section C.4 (b) “*Any costs allocable to a particular sponsored agreement under the standards provided in this Circular may not be shifted to other sponsored agreements in order to meet deficiencies caused by overruns or other fund consideration, to avoid restrictions imposed by law or by the sponsored agreement, or for other reasons of convenience.*”

If an award is pending, the Contract Administrators (OSP) will initiate a Risk Memo to create a new organization code. The Risk Memo will be forwarded to the fiscally responsible department for approval, and, if the department is unable to cover the Risk Memo, the Vice President for Research should be asked for assistance. Any labor effort expended in support of the pending award should be charged to the new organization code.

OMB regulations (J10c(2)(b)) require that “*charges are promptly adjusted if significant differences are indicated by activity records.*” Therefore, **all corrected BLLRs, (see Exhibit D) must be submitted no later than 28 days after the check date.** Redistribution of charges to a contract, grant or cost share organization code must be submitted to Contract & Grants Accounting. Redistribution of charges to state, foundation or other organization codes must be submitted to Budgets and Management Information. **Also, each pay period can only be redistributed once.** This is to be in compliance with A-21 and to preserve the integrity of the effort report. The definition of “significant” is commonly accepted as 5% or more. **A justification memo must be attached to all corrected BLLRs over 28 days.** A corrected BLLR may be rejected if the justification is not sufficient. In addition, Redistributions over 28 days may be charged to the PI’s residual or home labor (state) account.

All completed Retro BLLRs submitted to Budgets and Management Information must be processed, since they represent a significant change in effort. Budgets and Management Information has the authority to charge the department’s home labor organization code or the PI’s residual account, if the research organization code(s) cannot be accessed. The organization code may not be accessible when the labor information cannot be verified, or because the contract or grant is closed. Labor information may not be verifiable due to the age of the data.

Process

- A preparer must send the Retro (BLLR) for Contract and Grant awards to Contract & Grant Accounting. A preparer may be a Budget Analyst, Administrative Assistant, Student Assistant, or Primary Investigator. The Redistribution must be signed by the employee performing the work, a responsible person, and the Budget Unit Head. A responsible person is an official who can verify, using suitable means, that the work was performed. If the employee is no longer with the university, a responsible person may verify the change in effort on the corrected BLLR. The Retro BLLR must have a current date, that is, the signatures may not be dated the same as the original timesheet. Retro BLLRs must also include account codes.
- C&G Accounting forwards an approved Retro BLLR to Budgets and Management Information. C&G Accounting will return a signed copy of the approved Retro BLLR to the applicable department/center for filing.
- If the Retro BLLR is for a pay period over 28 days from the check date, a justification memo is prepared and sent with the BLLR, through C&G Accounting to the Vice President for Research. If the corrected BLLR is approved, it is forwarded by C&G Accounting to Budgets and Management Information with the original justification memo.
- Retro BLLRs that cannot be approved by C&G Accounting will be returned to the originating department with a memo explaining the reason(s) for non-processing.
- Retro BLLR charges for other than contract, grant, or cost share organization codes are sent to Budgets and Management Information directly from the preparer. The Retro BLLR must be signed by the employee performing the work, the Budget Unit Head, and a responsible person. A responsible person is an official who can verify, using suitable means, that the work was performed. If the employee is no longer with the university, a responsible person may verify the change on the Retro BLLR. The Retro BLLR must have a current date, that is, the signature may not be dated the same as the original timesheet. Retro BLLRs must also include account codes.
- Retro BLLRs will be processed at the next available Payroll run (the next check date.) Retro BLLRs are usually processed with a Saturday transaction date in order to be differentiated from a regular Payroll run.

Exhibit B

Justifications for Re-certifications (Retro)

Generally, re-certification (Retro) is not allowed. The following are reasons for allowing and not allowing re-certifications:

Allowing

- A new research account number is created due to Sponsor issuing continuing funding under a new contract/grant number. This is only applicable for accounts operating under an approved Risk Memo.

Not Allowing (including but not limited to)

- Available balance in account.
- Overruns
- Charges beyond the period of performance.
- Failure to monitor budget statements.
- Failure to verify correct accounts for labor charges.
- Adjustments to comply with commitments, not actual work performed.