
Procedure

Initiating, Amending and Approving Personnel Charges to Sponsored Projects

Purpose

The largest category of direct expense on a sponsored project is typically personnel costs. The principal investigator (PI) is responsible for ensuring that personnel performing work for the sponsored project are appropriately charged and the proportionate amount of salaries charged accurately reflects the work performed.

Salary Basis

Charges for work performed on sponsored projects during the academic year are allowable at the Institutional base salary (IBS) rate and is based on the individual's academic/fiscal year compensation. In no event should charges to sponsored projects, irrespective of the basis of computation, exceed the proportionate share of the institutional base salary for that period. See Clemson's [Institutional Base Salary \(IBS\)](#) policy for additional information on what is included and excluded for the IBS calculation. Some sponsors may choose to limit the salary or cap the rate at a maximum level. In these cases, any salary that exceeds the limitation or proportionate share over the cap is an unallowable expense on that project.

Further, charges for work performed by faculty members on sponsored agreements during the summer months will be determined for each faculty member at a rate that is not in excess of their institutional base salary. The salary period used in computing charges for work performed during the summer months will be the number of months covered by the faculty member's official academic year appointment. For example, if a PI works on a sponsored project for one month during the summer, the maximum amount of salary chargeable to the project is one-ninth of the academic year salary, assuming the academic year appointment is nine months.

Initiating Pay for Personnel on a Sponsored Project

Once an award has been received by the institution or a Risk Project has been requested, the principal investigator should communicate with the college or departmental grants administration personnel to identify those individuals who will be working on the sponsored project; what will be their **level of effort on the project, and when will the work begin**. A Fund 20 Sponsored Project Number and chartfield string will be provided by Office of Grants and Contracts Administration (GCA) once the award document has been reviewed by the Office of Sponsored Programs (OSP) and all regulatory requirements [i.e. Conflicts of Interest (COI), Institutional Review Board (IRB) and Institutional Animal Care and Use Committee (IACUC), when applicable] have been met.

New Employee (Post-recruitment): When a new employee is being onboarded at Clemson, and it is anticipated that he/she will be working and charged to a sponsored project, whether in total or a portion of their pay amount, contact your Department/College Human Resource representative for assistance with submitting the

correct forms to complete the hiring and pay processes. The [Tiger Talent online electronic form](#) initiates the charge process for new hires, which requires the entry of the intended pay-lines/Earnings Distribution. When charges are allocated to a fund 20 project, the tiger talent form must be routed and approved by the PI. Additional forms to be completed include: [New Employee Data Sheet](#), and the [I-9 Form](#). Please note the Tiger Talent Earnings Distribution and later changes made via the [Earnings Distribution form](#) are required to be signed by the PI as it confirms where (i.e. project(s) and chartfield string(s)) the employee is paid along with the percentages or amounts. For additional information or guides to assist with completing the forms above, please refer to the [Human Resources Resource Library](#) for assistance.

Adding a new sponsored project to an existing employee's HR pay record: When a new sponsored project number has been established and an existing university employee's pay distribution needs to be updated to include the new project, the [Earnings Distribution Form](#) should be completed and submitted, at a minimum of 15 days in advance of the pay day, to add, change or remove chartfield strings, as well as to redistribute the salary among existing projects.

Once the earnings distribution updates have been entered into the HR system, the semi-monthly payroll amounts will continue to charge salary and pooled fringe, per those distributions, until a new earnings distribution request is submitted to change or reallocate the pay among new or existing project lines.

Amending Pay for Personnel on Sponsored Projects

When a principal investigator manages multiple ongoing projects, the distribution of salaries of the PI, research assistants, postdocs, graduate students and other staff to the various projects must be carefully reviewed and adjusted as changes occur. Salary for personnel on sponsored projects must be reasonable, and commensurate with the work performed. As the need for changes to personnel charged to sponsored projects arise, the following information will assist in guiding you through the steps and processes.

PRIOR TO PAYROLL POSTING to the GENERAL LEDGER

- **FUTURE PAY PERIODS:** The HR pay record should always be kept accurate, and a new [earnings distribution form](#) should be submitted to:
 - make **permanent** changes to the HR pay record for future pay distributions, or
 - remove old and outdated pay distributions to remove closed projects.

NOTE: Signed and completed earnings distribution forms must be submitted and entered by HR personnel into the HR system prior to the first day of the active pay period for the new distributions to be active. (i.e. entered by end of day June 30 to be effective for July 15 payroll).

- **CURRENT PAY PERIOD ONE-TIME CHANGES:**
 - **Exempt Employees** – are paid a salary and are not required to track time worked. A small window of time exists to make changes to pay distribution for the current active pay period for “one-off” or missed deadline situations. There are three steps in the payroll process where changes may be made to the current and active pay periods’ distribution prior to

the pay posting to the general ledger. The chart below describes the steps and processes of how to make corrections, if needed.

	For Job Earning Distribution, If...	And Payroll Status...	And Change Type...	Then... (for more detail, see Process Steps below)
	HR Record Accurate	Payline Accurate	N/A	No change needed
Step 1:	HR Record Inaccurate	Paylines open	One-time change	Change Payline ¹ with PI approval documentation
			Permanent change	Change Payline ¹ with PI approval documentation and submit change to HR via Earnings Distribution Form
Step 2:	HR Record Inaccurate	Paylines closed, payroll not complete	One-time change	E-mail Payroll@clemsom.edu ² with PI approval documentation
			Permanent change	E-mail Payroll@clemsom.edu ² with PI approval documentation and submit change to HR via Earnings Distribution Form
Step 3:	HR Record Inaccurate	Payroll posted to G/L as HRE and Accounting Services is clearing errors	One-time change	E-mail Gena Burris ³ with PI approval documentation
			Permanent change	E-mail Gena Burris ³ with PI approval documentation and submit change to HR via Earnings Distribution Form

Process Steps	How
¹ Change Payline	PI submits e-mail to department and/or college payroll processor and copies their College Post Award Contact Person . E-mail must contain Change From Chartfield, Change To Chartfield and Amounts.
² E-mail Payroll@clemsom.edu	Payroll processor forwards e-mail noted above from PI to payroll@clemsom.edu.
³ E-mail Gena Burriss	Contact forwards e-mail noted above from PI to Gena Burriss.

NOTE: An email approval from the PI is required only for changes made to **Fund 20** projects (includes both increases and reductions).

- **Non-Exempt Employees** – are paid hourly and are required by the Fair Labor Standards Act (FLSA) to have timecards that document their daily time worked. Most of the University uses Kronos, a web-based electronic time-keeping system, to record and document their daily time worked. Those who are not able to use the Kronos system keep manual timecards, which are routed, approved and submitted to payroll processors by the semi-monthly payroll deadline.

For sponsored projects, there are many times when a non-exempt employee may work on and be paid from two or more project accounts. Since the time worked among these projects may, in some cases, fluctuate daily, time records must be kept that document the

hours worked on each project during the recorded pay period. There are a few methods used by campus personnel to document time worked among multiple projects.

- a. ***When there are little or no time fluctuations among projects for current or future pay periods:*** The PI signed Earning Distribution form is the guiding document when the timecard is generated. When adjustments are necessary, the PI should [follow the same process for Current Pay Period one-time changes for exempt employees by](#) emailing his/her HR or payroll timekeeper with the appropriate hours and project number allocation in order for the time to be entered and paid appropriately.
- b. ***When there are frequent fluctuations for current and future pay periods:***
 1. Time worked is tracked manually by the employee and submitted to the PI when Kronos or manual timecard approval is required, or
 2. Individual paper timecards are maintained for each project and submitted for PI approval and routed to the HR/payroll timekeeper for each pay period.

NOTE: There are some sponsors that require documentation that is more specific than signed earnings distribution and/or timecard sheets. For example, in a few cases sponsors require timecards to be maintained or hours to be tracked by project objective; in these cases, the sponsors' requirements or guidelines are to be followed.

Regardless of the method used for documenting time worked among multiple projects, there must be timecard documentation and approvals that support the time charged to each sponsored project award. This documentation is frequently requested by Federal and State auditors when reviewing expenses charged to sponsored projects.

CHANGES TO POSTED "AFTER-THE-FACT" PAYROLL TRANSACTIONS

Necessary changes to payroll transactions that have already posted must follow the University payroll correction (PRC) [policy](#) and [procedure](#). When changes involve corrections to a sponsored project, which involve changes to the "**Project**" number in the chartfield string, the university [cost transfer policy](#) applies. Transfers involving sponsored projects should be performed within 90 days of the original transaction posting date. Timely corrections ensure that future reviews and approvals of sponsored reports are accurate at the time of review. PI's should contact their department or college post award personnel for assistance.

After-the-Fact Approval of Sponsored Compensation

The U.S. Office of Management and Budget Uniform Guidance (2 CFR 200.430i) requires that charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated; (ii) Be incorporated into the official records of the non-Federal entity; and (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for Institutions of Higher Education (IHE), this is per the IHE's definition of IBS).

All universities must have a system of internal controls that account for the total compensation of employees who are paid from sponsored projects or related cost share projects. To meet this requirement, Clemson University uses the Sponsored Compensation Verification System (SCVS) which is an electronic, web-based system. SCVS is an after-the-fact project-based payroll

confirmation process conducted on a semi-annual basis, where Principal Investigators (PIs) review and approve salaries and wages (i.e., compensation) for all personnel charged to their awarded sponsored projects. (See [Sponsored Compensation Verification System](#) website for more information).

Compensation reports are generated twice per year (typically August and February) for activity incurred during periods January 1 through June 30 and July 1 through December 31, respectively. When reports are made ready for PI review and approval, PI's will receive a system email notification to login and approve their assigned reports. University policy provides 30 days for the review and approval of the reports following their release.

During the review and approval process. Investigators are asked to review:

- a. The project reports and verify that the individual(s) paid during the referenced reporting period performed work for the grant during that period, and
- b. The compensation received was commensurate with the work performed, and
- c. Anyone not listed on the report, who worked and should have received compensation from the sponsored project, should be noted in the corrections box after selecting "**Approval with Corrections**". The appropriate department or college business office contact should be informed so that the proper payroll corrections can be made.

If the sponsored compensation report is accurate and no adjustments are necessary, the **approval** check box may be checked to approve and finalize the report. If adjustments are necessary for any listed personnel, or personnel are identified as missing from the report, selection of the **approval with corrections** box will permit the addition of notes and comments so that corrections may be performed that correspond with noted corrections. Grants and Contracts Administration (GCA) personnel monitor the comments field and follow up with the appropriate department or college business office to ensure corrections are completed.

Sponsor Approvals – Personnel Compensation

If any of the following actions occur during the project's performance, Sponsor approval may be necessary:

- a. Addition, withdraw, or substitute of any project key personnel
- b. Long-Term Disengagement of PI/PD or Key Personnel from the project for a period greater than three months.
- c. Changes in Person-Months Devoted to the Project where the PI, or any key project personnel, devote substantially less time (25%) to the project.

The PI and the responsible department/college personnel should:

- Contact their Grants and Contracts Administrator to notify the sponsor, if required,
- Review and adjust salary charges,
- Review any cost-sharing commitments based on salary.

REVISION HISTORY		
EFFECTIVE DATE	VERSION NUMBER	MODIFICATION
November 13, 2019	000	Release Date
March 3, 2020	001	Updated to insert the Tiger Talent process for onboarding and provide additional examples for documenting current pay period one-time changes.
April 27, 2021	002	Updated Header