Salary Expense Transfer (ST)

The Salary Expense Transfer (ST) e-doc is used to move salary and employee benefit expenses that have been charged to the wrong account or object code.

The ST e-doc is used to move the expenses:
- specific for a given employee,
- for a particular accounting period (or set of periods),
- FROM one or more accounts TO one or more other accounts.

This document is used to correct an employee's payroll expense that was charged to an incorrect accounting string. This error could have occurred for a number of reasons, including, but not limited to:

- initial account misinformation,
- a payroll system problem, or
- an account or object code correction made after an employee was paid which needs to be retroactive.

In order to be able to initiate a Salary Expense Transfer (ST), the initiator must have certain roles and permissions in KFS, including:
- Departmental User and Departmental Labor User roles,
- Access to view financial information on the account(s) FROM which the salary expenses are to be transferred. This would include being the fiscal officer, account manager or account supervisor on the account(s), or having another role involving the rights to view all information, in all accounts in the organization corresponding to the account.

If the account the expenses are being moved TO is a Sponsored project (SPON Sub-Fund Group Code), the expenses must be Allowable, Allocable, and Reasonable as defined by OMB Circular A-21. In addition the following criteria must be met:

- Expenses must benefit the project
  The expenses being transferred must have benefited the project to which they are being moved.

- The transfer must be completed and submitted in a timely manner
  Costs should be transferred as soon as the error or need for the cost transfer is discovered, but no later than 90 days after the close of the month.
  - In rare circumstance a late Salary Expense Transfer (ST) will be considered for approval but must include a detailed justification for the lateness of the transfer.

- Must conform to Institute and sponsor allowability standards
  The cost to be transferred must be an allowable cost under the Institute’s financial policies and/or sponsor award terms.

- The transfer may not be made for the following reasons:
  - to cover cost overruns or to utilize unspent funding,
  - if the cost was incurred after the end date of a project,
  - to avoid restrictions imposed by the award, or
  - for other reasons of convenience.
Follow this path to access the e-doc.

Departmental Menu >> Transactions | Labor Distribution >> Salary Expense Transfer
Salary Expense Transfer (ST) Document Layout

The ST e-doc has two main parts:

1. The Document Header
2. The Salary Expense Transfer Tabs
The DOCUMENT HEADER displays the:

- Document Number (Doc Nbr)
- Initiator
- Status and Date and Time Stamp (Created).

These four fields in the Document Header are automatically filled-in when you initiate (open) a new document. The Status will update based on actions taken by the initiator, as well as, approvers and reviewers, as the e-doc routes for approval.

The other three fields (Doc Nbr, Initiator and Created) cannot be changed or modified in any way.

It’s a good idea to write down the Doc Nbr on your original documentation so you can easily pull up the ST when you are performing a search.

Remember, any place you see this you can click for on screen help.
SALARY EXPENSE TRANSFER TABS
For purposes of this instruction section, begin with all tabs collapsed by clicking collapse all.

Here is the resulting screen.

You can open each tab, one at a time, by clicking show on each individual tab.

Three tabs of the ST are always required: Document Overview, Ledger Balance Importing and Accounting Lines.
Start with clicking **show** on the **Document Overview** tab.

Note the tab opens and the **show** button becomes a **hide** button.

**Document Overview** shows what the Salary Expense Transfer e-doc is created for and it allows the user to enter both a Description (required) and a brief Explanation (optional).

**NOTE:** As always, fields marked with an asterisk (*) are required and cannot be left blank.

**Description** is a required field that can hold up to 40 characters. Choose terminology that will make sense to you later when you perform searches. The system will precede your 40 character description with the words “Salary Expense Transfer“, consider that when using the forty characters to best refer to your transaction. **This description will appear in the general ledger as the title for this transaction.** (The Action List is a user specific list of the e-doc’s requiring their review, completion, approval or acknowledgement. The description will show on the Action List.)

**Explanation** is optional, but can be very useful to the initiator and the subsequent approvers as the document routes through the workflow approval process.

**Org. Doc #** is an optional field defined for departmental purposes.

**Total Amount** is a display field that will populate after the **Accounting Lines tab** is completed and saved.
We completed the **Document Overview** tab as follows:

![Document Overview Tab]

We will keep the **Document Overview** tab open. Unlike most other e-docs, you cannot save at this point. The next tab must be completed prior to saving.

Click **show** on the **Ledger Balance Importing** tab.

![Ledger Balance Importing Tab]

The **Ledger Balance Importing** tab allows the user to enter criteria to search for the Labor Ledger record that needs to be corrected. After the user enters the Employee ID (Emp ID), the name of the employee is displayed on the screen below the number. Click **on** to search by name in the Person Lookup screen.

![Person Lookup Tab]
In our example we will look for James Smith.

Click search.

Note the retrieved records will appear beneath the search criteria screen.

Click on return value.
The information will fill the *Emp ID field of the **Ledger Balance Importing** tab.

![Ledger Balance Importing](image)

**Click save** after completing each tab!

The save button is located at the bottom of the e-doc screen.

**Click search.**

The **Ledger Balance Lookup for Salary Expense Transfer Document** will be the next screen.

![Ledger Balance Lookup](image)

Viewing rows 1 to 1

- Fiscal Year: 2012
- Employee ID: 12345

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Chart Code</th>
<th>Account Number</th>
<th>Sub-Account Number</th>
<th>Object Code</th>
<th>Sub-Object Code</th>
<th>Balance Type Code</th>
<th>Position Number</th>
<th>Object Type Code</th>
<th>Employee Name</th>
<th>Beginning Balance</th>
<th>Contracts/Grants</th>
<th>Account Line Annual Balance Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>SI</td>
<td>1100273</td>
<td>------</td>
<td>5201</td>
<td>---</td>
<td>AC</td>
<td>00000302</td>
<td>EX</td>
<td>Smith, James</td>
<td>0.00</td>
<td>0.00</td>
<td>2,500.00</td>
</tr>
</tbody>
</table>

**Click** in the box(es) preceding the month(s) you wish to select, or use the **select all** buttons as necessary.
In our illustration we will choose July. Click **return selected**.

The **Accounting Lines** tab **From** section will fill with the data from the month you selected. You may need to click **show** on the **Accounting Lines** tab.

Click **copy**.

This will fill the same line of accounting into the **To** section of **Accounting Lines** tab.
Now adjust the **To** line as necessary. If needed you can **copy** the **From** line again if you will be moving the expense **To** more than one account. In our example we changed the account number here.

Next we will change the **From** and **To** amounts to $1,250 as we are only transferring 50% of the expense.

Please note, **Object Codes** are **NOT** to be altered under any circumstances. Also, if you are copying multiple lines, please ensure that you allocate the correct portion to each **Pay Period**.

Note the changes in the **From** and **To** sections as well as the **Totals**.

**Save** the document and note the **Total Amount** on the **Document Overview** tab.
Click **show** on the **Labor Ledger Pending Entries** tab.

**Labor Ledger Pending Entries (LLPE)** displays G/L transactions that are pending until the ST is complete and the G/L updated. Pending Entries shown on this tab will go away after the e-doc status turns **FINAL**, (one day after the Fiscal Officer’s date of approval). Before submitting the ST, the LLPE tab will report that there are no pending entries. After the ST is submitted, LLPE will look similar to the screen shown below.

In our example, note the 12 entries generated by the two lines we entered. An explanation of each follows.

Line 1 is the entry to move the actual (**Balance Type:** AC) expense **From** account 1100273, the credit entry.

Lines 2 and 3 are the A21 (**Balance Type:** A2) adjustments to the appropriate accounting period.

Lines 4 through 6 are the associated employee benefits expenses for lines 1 through 3.

Line 7 is the entry to move the actual (**Balance Type:** AC) expenses **To** account 1100293, the debit entry.

Lines 8 and 9 are the A21 (**Balance Type:** A2) adjustments to the appropriate accounting period.

Lines 10 through 12 are the associated employee benefits expenses for lines 7 through 9.
Transaction recorded to the A21 Balance Type (A2) are used for the time and effort certification process. These transactions will impact the salary and benefit amounts in the accounting period in which the original payroll was posted.

Transactions recorded to the Actuals Balance Type (AC) will impact the salary and benefit amounts in the accounting period in which the Salary Transfer edoc is posted to the general ledger.

Example: A Salary Transfer edoc is prepared and posted to the GL in September to move payroll charges from July. The A2 transactions will impact the July payroll and benefit expense totals. The AC transactions will affect the September payroll and benefit expense totals.

Click **hide** on the **Labor Ledger Pending Entries** tab.

Click **show** on the **Notes and Attachments** tab.

**Notes and Attachments** is used to provide supplementary documentation regarding the Salary Expense Transfer, such as a worksheet showing how the amount was determined and the required documentation. You can either type a note into the **Note Text** box by itself, or type a note and attach a file. The **Note Text** field is a required field **ONLY IF** there is an **Attached File**.

Proper documentation is necessary. This will ensure that the Salary Expense Transfer e-doc can sustain internal and external audit months or even years after the fact.

**The following items should be attached to the ST e-doc:**

- **Completed Transfer of Expense Worksheet**

- **Traditional Payroll Notice**
  It is not necessary to upload Virtual Edge Reqs into KFS, as they are available in the payroll system if needed. However, if a hard copy, paper notice (traditional SIT payroll notice prior to VE) is generated for the period in question, please attach it.

- **90 day Justification Letter** (if applicable)
  Written justification is required if the transfer is in excess of 90 days (typically only required for transfers **TO a Sponsored project**) 

To attach a file click on the **Browse** and choose the file from your computer to attach.

In our illustration we added a note of why we were completing a salary expense transfer.

Remember to click **add** for each line of entry to present a new line.
Click **hide** on the Notes and Attachments tab.

Open the Ad Hoc Recipients Tab by clicking on **show** on that tab.

A user can enter names into Ad Hoc Recipients to route the document to individuals outside the established routing for approval (we will look at approvals required in the Route Log tab).

Under **Action Requested** there are three choices: APPROVE, FYI and ACKNOWLEDGE

**APPROVE** requires the named person to review and approve the document.

**FYI** does not require any action by the recipient.

**ACKNOWLEDGE** requires the recipient to open the e-doc. It does not delay the processing. However, the document will never reach its status of FINAL until the recipient asked to ACKNOWLEDGE has opened the e-doc.

Remember to click **save** after completing each tab!

The save button is located at the bottom of the e-doc screen.

Close the Ad Hoc Recipients Tab by clicking on **hide** on that tab.

The user needs to **submit** the document, using the submit button at the bottom of the e-doc. A message will present at the top of the e-doc noting the document was successfully saved or indicating an error. In the case of an error, the user will be directed to the tab with the error or missing information.

Click **submit**.

Click **show** on the Route Log tab.
**Route Log** tells you where a document is in the workflow process. This is a helpful place to come back and see whether your e-doc is complete. From the Route Log tab the user can see the Actions Taken already, the Pending Action Requests, as well as, the Future Action Requests.