STAYING OUT OF TROUBLE AT THE UW

Ethics  Grants  Payroll  Travel  Faculty Effort & HR

Temporary Hires & Purchasing

Faculty Training May 4 & May 10 2012
Your Survival Guides

• **Ethics and the RCW** – Lynne Hamilton

• **Grants** – Leesa Brown

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• **Temporary Hires & Purchasing** – Susan Lien
We’re here to keep you out of trouble:

- Help you to be productive
- Provide information that you may not already know
- Review some compliance challenges that we all face

Why the broccoli?

- Because it’s good for you, just like this presentation
Ethics and the RCW

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Harry has overspent by $13,254 on a grant and wants to move the charges to another grant that is doing a similar project.

Can he do that?

Answer: Absolutely not!
Why Not?

- A sponsor agrees to pay for a **specific** project.
- It is **illegal** to “borrow” funds from one project to pay for another.
- Costs must be **reasonable, allocable, consistently treated and allowable** to the project. OMB-Circular A-21
- PIs are **responsible** for all deficits. Grants Information Memo 2 (GIM2)
- Deficits can **only be paid** with department, surplus, discretionary or gift budgets or with personal funds.
The Correct Process

- The PI is **always** responsible
- Monitor the budget for **fiscal compliance** (as well as scientific compliance) to stay out of deficit
- Correct **any errors** in expenditure as soon as they are discovered
- Understand what expenditures can and cannot be moved from the varying budget types at the UW
A faculty will be consulting for a national company and prepares her PowerPoint presentation on her UW office computer.

But what’s wrong with that?

It’s an ethics violation
Use of UW equipment (belonging to the State or Federal government) is **prohibited** to use for non-UW work except for a de minimus amount of work.
What’s Really Wrong With This?

You can be fined, embarrassed, fired, disciplined or all of the above.

You are not “protected” by the University on an ethics violation.
The Faculty is Fiscally Responsible Regardless...

Even if it was not faculty’s intent to overspend
Of who faculty has delegated to review the BARs, monitor the budget, etc.
If the deficit is under a certain dollar amount

Understand the UW Outside Consulting Policies

Become Familiar with the Revised Code of Washington (RCW)

- Chapter 42.52 Public officers and agencies: Ethics in Public Service
- Chapter 28B.20 Higher Education: University of Washington Statutes
✓ Four main areas of the Ethics Act

• Conflict of Interest
• Gifts
• UW Policy of the use of UW Resources
• Outside Employment

✓ Take the Quiz on the Washington State Ethics Board Website to Familiarize yourself with RCW

✓ SEE YOUR HANDOUTS!
Grants

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A PI is submitting a grant application and thought the proposal would have a better chance of being funded if the indirects could be reduced to 10%.

Can we do this?

Answer: No
• The Health Services share of the indirects (also known as RCRs – Research Cost Recovery) will decrease with Activity Based Budgeting (ABB).

• The UW will be implementing ABB starting July 1, 2012. Indirects will be subject to a central tax and a Dean’s tax that will fund central University and School operations.

• A waiver of indirects must be approved by the Chair, the Dean and OSP. It is rare that waivers are approved. See GIM 13 for more details.
Before you start work on a grant, let the Administrator know:

- If the sponsor for a grant or contract does not allow for full indirects.

- If PI requests a waiver for a reduction of the indirects.
Can I include a faculty member located at another university in the budget as a consultant rather than subcontract?

Answer: It depends...
Yes, can be a consultant if the following criteria are met ...

- When the individual will not be participating in the programmatic decision-making.
- The time devoted to the grant is “in addition to” the professional time and effort the consultant spends at their home university appointment.
- The consultant uses personal equipment and materials. Does not use their university’s facilities to work on the project.
- Does not have any type of paid appointment at the UW.
- Has not been a paid UW employee in the past 12 months.
No, it must be a subcontract if ....

- Directly **responsible** for the completion of the project’s aims.
- Responsible for adhering to applicable program **compliance** requirements (i.e., OMB Circulars, agency regulations, etc.).
- May be a **co-author** on publications from the grant or may seek **patent protection** for inventions.
- Investigator is using their home **university’s** resources – including computer and office space.
Maybe – this is complicated!

- If in **doubt**, have the potential consultant check with his/her university or institution to see if it is allowable to be a consultant.

- **Give yourself enough time!** If it ends up being a subcontract, the subcontractor will need time to produce the needed forms and internal approval.
CRITICAL TAKEAWAYS

- **Don’t wait** to determine if the person is a subcontractor or a consultant! The information needed for each application is different.

- **Never assume!** This is a complicated topic and depending on the situation, you can get different answers.
Payroll

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A faculty member is sitting in her office, contemplating the status of expenditures on a grant for which she is the PI, and she says to herself: “I am going to end this project with a balance remaining unless I increase my percentage of time! Apparently this is because I got a late start in hiring an RA to help with the data analysis.”

What should she do?

Answer: Send me an email, but what should she say in that email?
“I’m approaching the end of project ‘x’ and I’ll need to increase my level of effort in order to complete the final data analysis and write the final report. Can you increase my FTE on the project by ‘x’ percent starting with the next pay period?”

“Lynn, inasmuch as we are approaching the end of the project, it would be helpful if you could do a budget projection, taking this increased effort into account.”
The Correct Process

- FTE increase or decrease is adequately justified in an email
- Request for budget projection is justified
- Emails are the official records for audit purposes
OTHER PAYROLL ISSUES

- Staff FTE changes **require** the same written documentation, with the email originating from the PI or the supervisor.

- **PI must be copied** on all emails with payroll changes.

- **SEE YOUR HANDOUTS!**
Travel

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A professor needs to travel to Reno, Nevada to attend a required meeting. He purchases his airfare from Expedia.com with his personal credit card.

Is this an allowable purchase?

Answer: No
Why Not?

• Use of personal funds to purchase airfare is **prohibited**
• UW corporate account such as a Central Travel Account (CTA) or individual UW Travel VISA are the **only allowed** methods of payment

• Airfares must be purchased from:
  - A state contract travel agency
  - Directly from the airline via their website or 800 number, or
  - Azumano.com
The Correct Process

- Have your Travel Pre-Authorization Form approved before making any travel plans
- Contact a contract travel agency to plan your flight itinerary (we use AAA Washington) Contact information is on the travel form
- If you have an UW Travel VISA, you may purchase your airfare directly from the airline via their website or 800 number
All airfares must be purchased on a Department Central Travel Account (CTA) or an UW Travel VISA, unless the trip includes personal travel.
A professor attends a conference in New York. He then flies to Maine to visit family for three days before returning to Seattle.

Is the airfare for this trip reimbursable?

Answer: A portion of the trip is reimbursable if required procedures are followed.
Adding personal travel to a UW business trip is **allowable** when the following conditions exist:

1) Primary purpose of trip is official UW business

2) UW doesn’t incur any extra expenses beyond what it would normally incur

If possible, purchase airfare for the personal segment separately from the UW business trip.
If personal airfare cannot be purchased separately from UW business airfare, obtain a comparison itinerary priced at the lowest available coach fare before your trip from a contract travel agency, contract internet provider or other travelers taking the same trip without a personal segment.

The comparison itinerary should reflect the trip with the same parameters that existed for the actual trip (i.e. the same advance purchase date and the same days and times for departure and return flights).
Submit a copy of the comparison itinerary and your actual itinerary along with your Travel Reimbursement Form.

Reimbursement is for cost of actual ticket or value of comparison itinerary, whichever is less.

Deduct or prorate any personal expenses from the reimbursement.

Note personal time, dates and locations on your reimbursement form.
CRITICAL TAKEAWAYS

Whenever possible, purchase airfare for personal travel separately.

If not feasible, obtain a comparison itinerary at the same time you book your actual trip.
✓ Receipts
✓ Car Rental
✓ Non-Reimbursable Meals
✓ Travelers are required to select the most economical travel options and pay any additional costs incurred for personal preference or convenience.
✓ Travelers are responsible for being familiar with the State, University and Department travel policies.
✓ Review the UW Travel web page for information regarding allowable costs and reimbursement procedures. See handout for web links.
Jim reviews his online Faculty Effort Certification report and notices that his reported effort is misaligned with his actual effort. To make the reporting deadline, he approves the FEC and requests that his payroll coordinator process a retroactive salary transfer.

Is this the correct process?

Answer: No
Why Not?

- **Never** sign an incorrect FEC. FECs are testimony to the federal government that the distribution of salaries charged to federally funded programs reflects actual effort expended.

- Errors should be identified **in advance** by reviewing the monthly BARs.

- Recertification of FECs is **rarely allowed** and greatly increases audit risk when permitted.

- **Misreporting** of effort may result in disallowed project costs.
It is the responsibility of the budget PI to ensure the accuracy of effort reported on the BARs, GCCRs, and FECs.

Manage and review effort on a monthly basis to ensure that you are in the paper for the right reasons!
OTHER EFFORT
REPORTING ISSUES

- Delegation of Signature Authority
- Timely Certification
- Audit Risks
Professor Smith directs an academic program and supervises one professional, two classified, and one hourly employee, plus a Teaching Assistant.

How do the supervisory requirements vary for each employment type?

Answer: They don’t!
For all employees, supervisors should...

- Communicate Expectations
- Establish Core Competencies
- Monitor Work/Leave Use
- Monitor Performance
- Establish a Back-up Supervisor
- Provide Feedback and Resolve Issues Promptly
- Recognize Achievement
- Annual Evaluations (to include a review and revision, if necessary, of employee’s current job description)
Effective supervision is the key to employee success.
OTHER HR ISSUES

• Time Sheets
• Staff FTE Changes
• Volunteers
• Telework
• Position Descriptions
• Employment Offers
• SLP Training
Temporary Hires and Purchasing

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Kristen comes to my office, unloads her book bag and says Dr. Phillips’ is out of the country but he asked her to come sign up for payroll.

By the way, she started working as an RA two weeks ago.

Is this the correct process?

Answer: NO!
A Research Assistant (or any employee) may not begin working without Health Services Administration approval.
The Correct Process

- Complete a Request to Hire a Research Assistant Under a Prior Existing Relationship Form
- Have the student forward a Research Assistant Application Packet to me
- Forms are reviewed for compliance
- Offer letter is created and forwarded for signatures

**CRITICAL!** No offer of employment should be made to a RA or TA until the Department Administrator has signed the offer letter.

We have created some great handouts on hiring RAs, TAs and hourly employees.
Under no circumstances can an employee begin working without Health Services and/or Central Human Resources approval.
• Request to Hire Forms
• Primary Time Sheet Approvers
• Hourly RA rates
I receive an email requesting that I process a conference registration. The email contains the budget number and URL to the organizations web page but no other details.

Is this email sufficient to register a faculty member for the conference?

Answer: No
What else is needed?

• A signed ProCard-Purchase Order form with back-up documentation.

• Supplemental information as required by registration form.
A signed ProCard/Purchase Order Request Form and supporting documentation is required for all purchases.
OTHER PURCHASING ISSUES

- Authorized Budget Approver
- Packing Slips
- Food Purchases
- SEE YOUR HANDOUTS!
I’m glad
I now know
how to do
it!
Thank you!

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And a BIG Thanks to Joel, Trish and Kathryn!
Congratulations!