

REIMBURSEMENTS FROM RESEARCH PROJECTS TO IFR ACCOUNTS

PURPOSE:

To clarify and define the policies and procedures used by The Office of Research Administration to process Income Fund Reimbursable (IFR) transactions.

OVERVIEW:

The IFR process in the Research environment is designed to compensate the state for the effort of state employees devoting their time on research projects. The salaries of these state employees are paid by the department employing them. Reimbursement for the effort devoted to work on research will, therefore, be to the IFR account of the Department paying the salary. In the event that a State Purpose account was charged for the salary in its entirety; IFR reimbursements will be made to the Departmental IFR Salary account.

It is important to note that IFR transfers are not to be used to manage grant funds; they are only used for making the State whole.

PROCESS:

State:

A UP-1 or UP-2 Form must be processed in order to assign the distribution of effort and corresponding salary. The appropriate accounts, base salary and salary distribution must be identified, in completing this form, e.g. A state employee having an annual base salary of \$100,000 spending 20% effort on research should have the following in the remarks section of the UP Form:

State Purpose (Departmental Account)	6700XX-XX	80%	\$80,000
IFR (Departmental Salary Account)	921323-XX	<u>20%</u>	<u>\$20,000</u>
Total State Base		100%	\$100,000

This has the effect of distributing the individual’s salary in the manner identified above as of the effective date of the UP Form.

Research:

A Research Foundation –IFR Assignment (Appointment/Change) Form must be processed in order to reimburse the IFR Departmental Salary Account for the 20% of the salary that was charged to the account. In completing this form, the following must be clearly identified: 1) the research award/project the state employee is working on 2) the percentage of effort to be reimbursed to the state (in the above example 20%) 3) the total State base salary (excluding any Also Receives) and 4) the IFR Departmental Salary Account that was charged the individual’s state salary.

This has the effect of generating a charge of 20% of the individual’s salary [plus the corresponding IFR fringe benefits] to the research project and reimbursing the IFR Departmental Salary Account for the component of the salary and fringe benefits charged to the state account. The Research Foundation will reimburse the State through the issuance of a check, which will be credited to the IFR Departmental Salary Account. The credit will appear on the State records, in approximately two months.

Changes in effort devoted to research for those State employees who have an IFR salary component in their base:

Reimbursement for changes in effort devoted to research by state employees is accomplished through the processing of a Research Foundation IFR Assignment (Appointment)/Change form and a state UP-2 Form, e.g. A state employee currently devoting 20% time on research (example above) may anticipate spending additional time (30%) or less time (10%) on research. The appropriate research and state forms must be processed in a timely manner in order to correctly reflect these changes.

PROCESS:

State:

UP Forms must be processed to reflect the change in effort. An increase of effort in research from 20% to 30% will result in the new salary distribution to be as follows:

		OLD	NEW
State Purpose (Departmental Account)	6700XX-XX	80%	70%
IFR (Departmental Salary Account)	921323-XX	<u>20%</u>	<u>30%</u>
		100%	100%

A reduction of effort in research from 20% to 10% must be shown on a UP Form as follows: For reductions in effort, a UP-2 form reflecting the change MUST be submitted with the Research Foundation IFR (Assignment/Change) Form.

		OLD	NEW
State Purpose (Departmental Account)	6700XX-XX	80%	90%
IFR (Departmental Salary Account)	921323-XX	<u>20%</u>	<u>10%</u>
		100%	100%

Research:

The Research Foundation IFR Assignment (Appointment)/Change form must be processed to increase or decrease the effort devoted to research with the corresponding increase or decrease in the disbursements that are to be made to the IFR Departmental Salary Account.

Changes in SUNY Base Salary:

Any changes in SUNY base salary must have a Research Foundation IFR Assignment (Appointment)/Change form submitted that reflects the adjustment. For example: COLA increases, collective bargaining increases, salary decreases, etc.

Retroactivity:

All IFR reimbursements must conform with the accepted Research Financial Compliance and Management guidelines consistent with OMB Circulars A21 and A133. Retroactive requests of more than 90 days will create an audit liability.

Functional Changes to the Program:

There are “personal” IFR accounts (i.e. IFR accounts whose activity is not under Departmental purview) established in the State system. These accounts include the faculty member’s name in the description. Effective July 1, 2005, the Research Foundation will no longer reimburse IFR accounts that are not linked to a departmental IFR account. **Further, no new “personal” IFR accounts will be created.**

Any faculty member who has a “personal” IFR account listed as a component to their base salary is required to have a UP-2 form completed. When processed, this will substitute the corresponding Departmental Salary IFR account in place of the “personal” IFR account.

Effective December 31, 2005, all “personal” IFR accounts will be merged into the respective Departmental Salary IFR accounts.

Summary:

IFR reimbursements are to follow the source of the original State payment. Therefore, all IFR reimbursements will be directed to the IFR account from which the payment was made.

For Example:

SOURCE of State SALARY (as per UP form)	TARGET for RF IFR REIMBURSEMENT
921323-XX	921323-XX
900238-XX**	900238-XX**
6700XX-XX	921323-XX
**Personal IFR Accts will be eliminated	