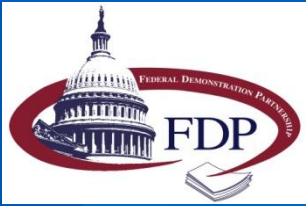


# **Payroll Certification Demonstration Project**

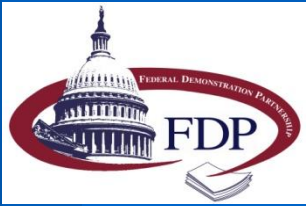
## **Current University of California Activities at Irvine and Riverside Campuses**

**Rich Andrews  
Controller, University of California, Irvine  
August 28, 2012**



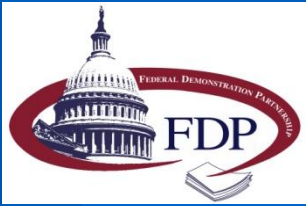
# Topics

- The close out process
- Federal agency feedback
- A-133 audit impact
- Riverside Statistics
- Faculty and staff questionnaire



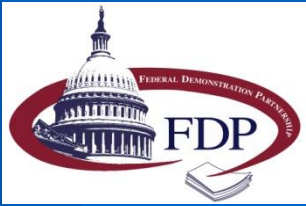
# Close Out Process

- **No Change**
- **Additional assurance regarding charges**



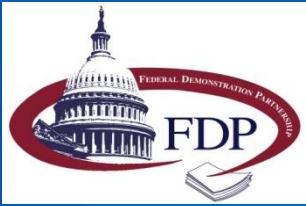
# Federal Agency Feedback

- **UCR: Payroll Certification provided to USDA and EPA for desk reviews. Provided Demonstration agreement. No federal feedback.**
- **UCI: No contact with federal agencies**



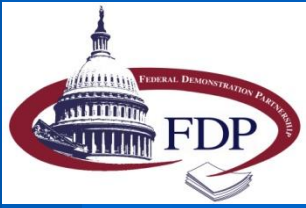
# A-133 Audit Impact

- None
- Auditors have been informed
- Unique A-133 audit process



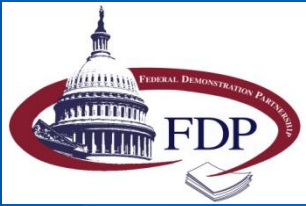
# UC Riverside Statistics

- Payroll Certifications issued from April 2011 to June 2012: 964
- Payroll Certifications completed: 963
- If Effort Reports were used: 6,110



# Payroll Certification Questionnaire

- UCI and UCR Survey Population: 894
- Returned: 219 (24%)
- Many did not answers questions

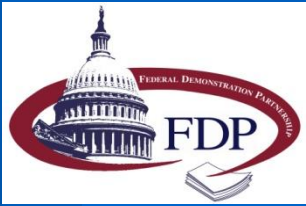


# Questionnaire

**How would you rate your level of understanding of the Payroll Certification process?**

- **High: 63**
- **Medium: 46**
- **Low: 28**

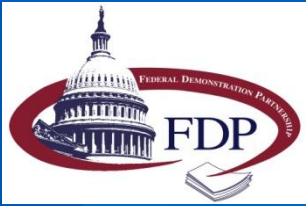




# Questionnaire

**Did you receive any training (in-person, one-on-one, or on-line) or review documentation on the Payroll Certification process?**

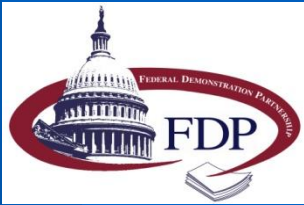
- **Yes: 90**
- **No: 46**



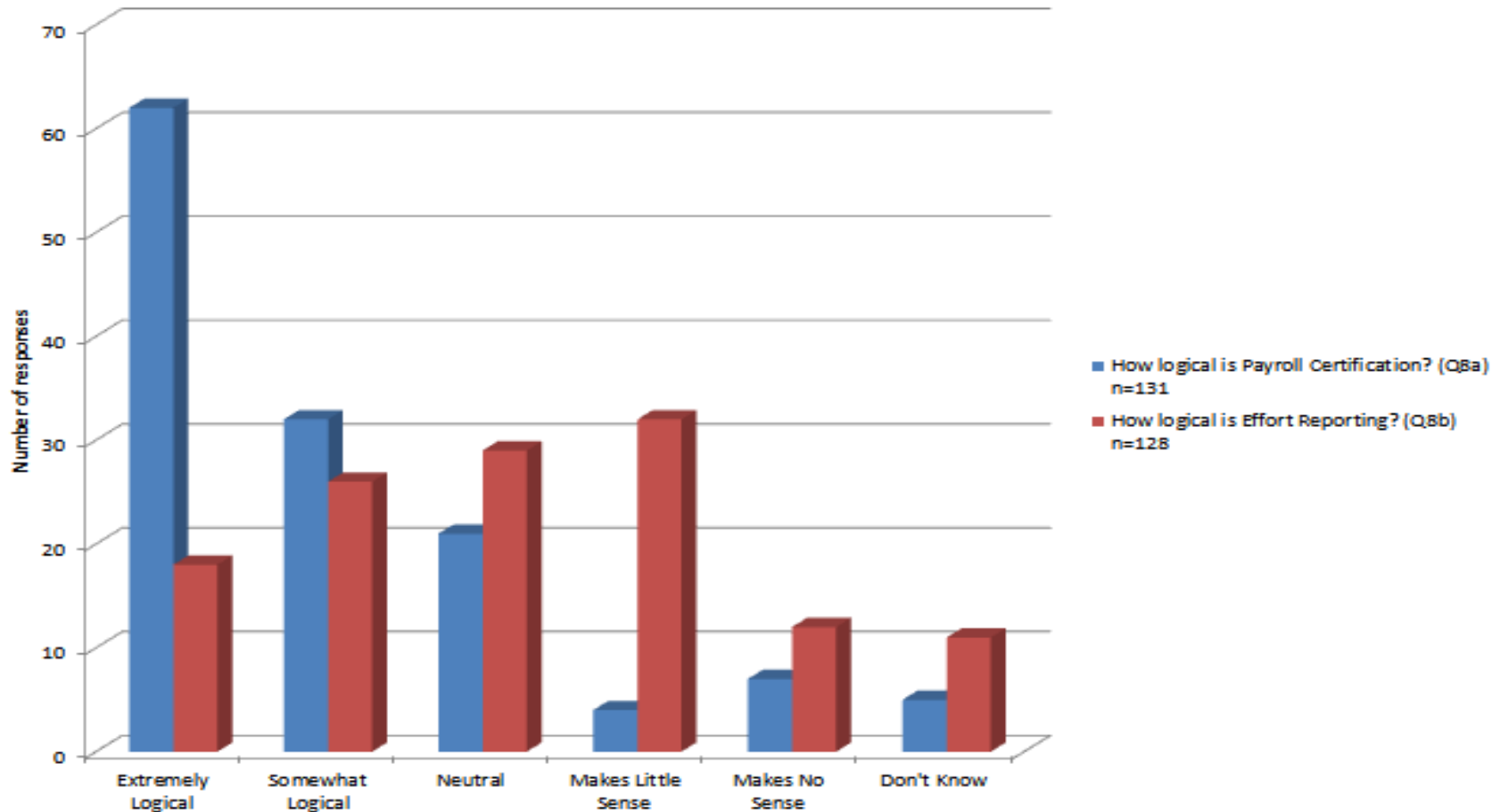
# Questionnaire

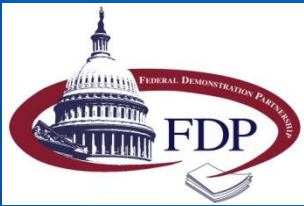
**How would you rate your level of understanding of the Payroll Certification process?**

- **High: 63**
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- **Low: 28**

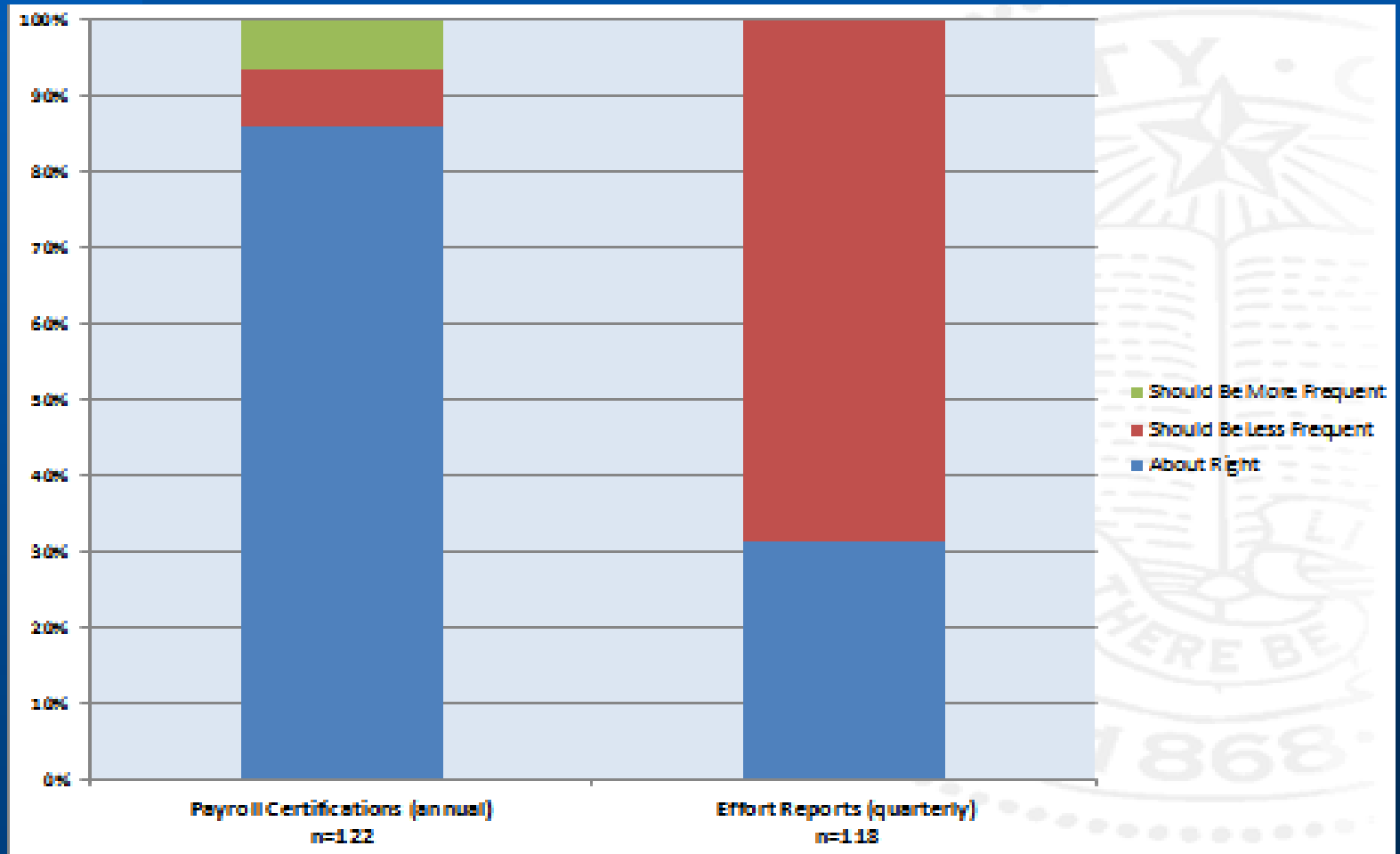


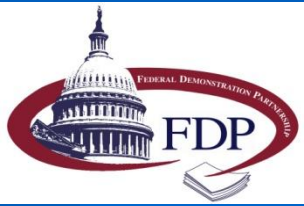
# How logical is the Methodology?



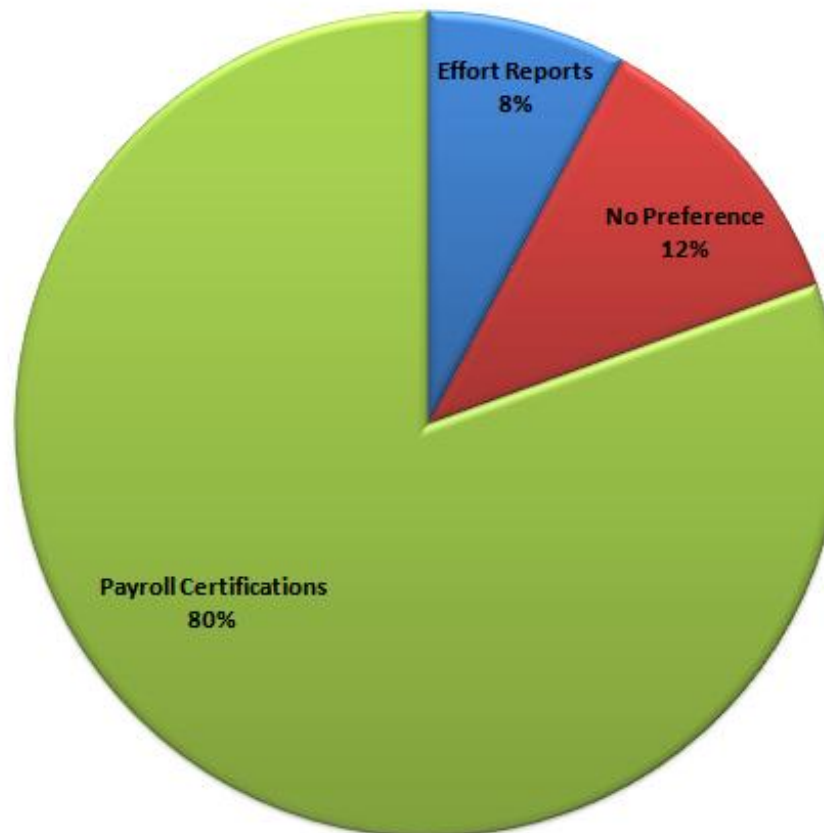


# Frequency of Reporting

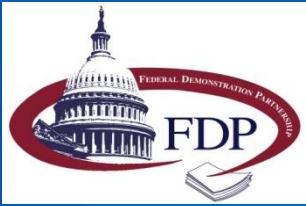




# Which system do you prefer?



n=77

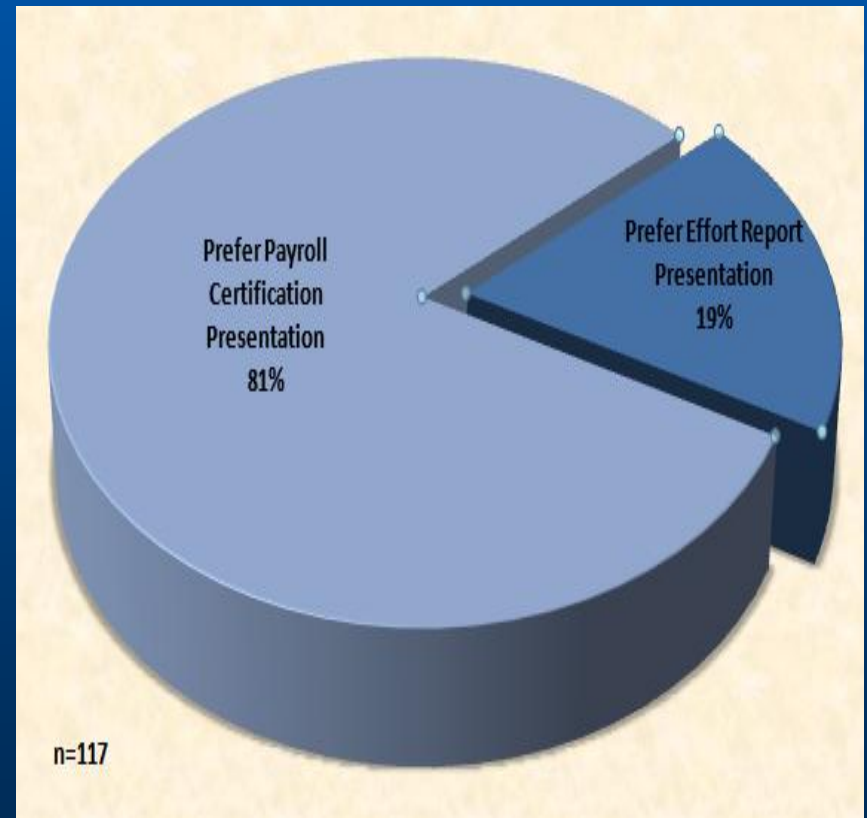


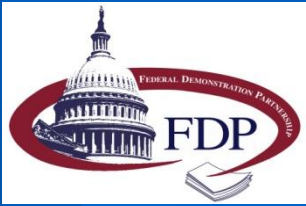
# Questionnaire

Payroll Certifications are generated on a project-by-project basis.

Effort Reports are generated on an employee basis.

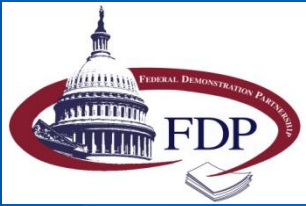
What is your preference?





# Strengths of Payroll Certifications

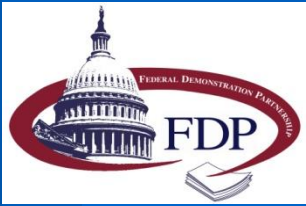
- The Payroll Certification process is a more straightforward approach to certifying salaries charged to federal awards.
- Simple and understandable.
- Once a year, makes more sense, and less time intensive.



# Strengths of Payroll Certifications

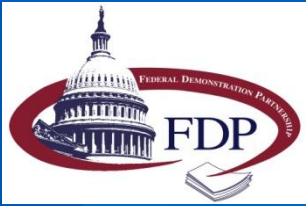
- Recognizes the way research is actually conducted, and a PI can accurately judge whether an amount paid for salaries was reasonable over the course of a year.
- Online system allows for error checking and special notice flagging.





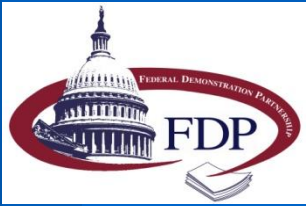
# Weakness of Payroll Certifications

- Should report more frequently.
- Does not show other federal funding sources of personnel.
- “Percentage of Annual Salary” column causes confusing for Pls signing the report.



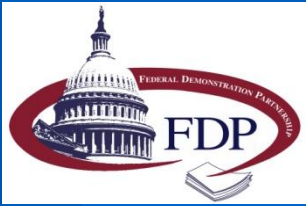
# Weakness of Payroll Certifications

- **No changes are allowed after the report is completed.**
- **Greater risk to UC if Payroll Certification are not returned.**
- **It is difficult to step away from the concept of effort reporting.**



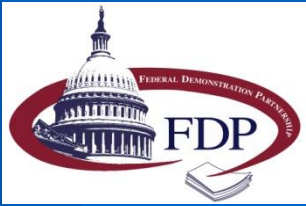
# Strengths of Effort Reporting

- **Complete accounting for all activities per individual.**
- **Simple, logical, consistent pattern of reporting. More reliable and intelligent as we ask the only person who really knows their effort (the employee) to confirm that they have actually worked as they are paid.**



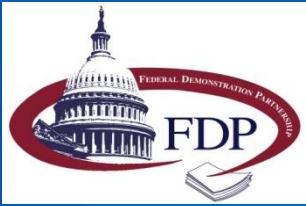
# Strengths of Effort Reporting

- Reporting quarterly.
- Less confusing.
- Simple and to the point.



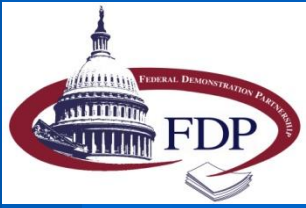
# Weakness of Effort Reporting

- Determining effort percentages is confusing. The system is trying to measure effort which is hard to quantify.
- Still difficult to determine when an individual has tasks on multiple awards.
- A little more time intensive, always option to revise.
- Cumbersome, too frequent.



# Weakness of Effort Reporting

- Redundant, doesn't make much sense, not efficient.
- Requires more work and reporting is not accurate.
- Effort outlined by employee and percentage----so vague; There is no salary cost associated with the percentages on Effort Reporting; Highly burdensome for Principal Investigators and support staff.



# Payroll Certifications



Questions?