

SMLR Financial and HR Procedures (9/9/2012)

All transactions must be in compliance with Rutgers ethics and conflict-of-interest guidelines

All financial and non-financial transactions must be conducted in a manner consistent with the "Rutgers Plain Language Guide to Fundamental Ethics and Conflicts Rules Established by State Law, Federal Law, and University Policy". All SMLR faculty and staff must complete and certify to the SMLR Dean's office that they have completed the on-line ethics training. Department chairs and Center directors should assure that all new hires are aware of this requirement.

Only authorized individuals may sign internal Rutgers forms

Any University form that has a signature line labeled "Dean/director" should be signed by the SMLR Dean or Assoc Dean, and not by center or program directors, or by department chairs. The only exceptions to this policy should be cases where the Dean's office has in writing delegated signature authority for particular forms to department chairs or center directors.

No one within SMLR may sign a contract with a non-Rutgers entity

No one within SMLR or in the SMLR dean's office may sign a contract with a non-Rutgers organization. This policy is applicable to contracts which commit the resources of the University or create obligations on behalf of the University, except those contracts for the procurement of goods and services which are subject to purchasing policies and procedures under Purchasing Policy 20.1.11. As stated in University policy 50.3.13 (<http://policies.rutgers.edu/PDF/Section50/50.3.13-current.pdf>) the term "contract" may be referred to by many different names, including but not limited to, agreement, memorandum of understanding, memorandum of agreement, memorandum of intent, cooperative agreement, proposal, purchase order and notice of award. All of these types of documents, no matter what they are called, commit the resources of the University or create obligations on behalf of the University. All such contracts must be processed through ORSP, Purchasing, DOCS, Academic Affairs, or the Rutgers Foundation. Those departments are the only authorized to sign on behalf of Rutgers.

Individuals who enter into agreements without authority pursuant to this policy may be personally liable for such agreements. Individuals who sign contracts without proper authority pursuant to this policy may also be subject to disciplinary action, up to and including termination.

Extension contracts through DCO or DGCA

Our Center for Management Development and our Labor Extension Program (LEARN) operate a large number of non-credit training courses and other extension activities each year. Some of these are custom programs delivered under contract for a specific organization. The following guidelines should be used to determine whether these contracts should be processed through the Division of Continuing Studies for signature or processed through ORSP/DGCA for signature by that office.

Most of our custom program contracts are with a specific corporation or labor union and are written on a flat-fee basis, e.g., we get \$10,000 to deliver a specific training program for a group 25 individuals. Flat fee contracts of this type should be processed through DOCS for signature by that office.

A minority of our custom programs are with governmental or other organizations that require a cost-reimbursement contract and sometimes cost-sharing on the part of the University. Under these contracts we get reimbursed only for the exact amounts we have spent on salaries, benefits, and other

expenses authorized in the contract. DGCA is the only University office authorized to generate financial reports certifying expenditures and the University's cost-sharing contributions. All extension contracts involving cost reimbursement and/or cost-sharing should be processed through ORSP/ DGCA for signature by that office.

Prohibition on contracting with family members and hiring family members

The Rutgers Ethics Guidelines

(<http://uhr.rutgers.edu/ethics/PlainLanguageGuide.htm#Standards>) caution that "State law generally prohibits contracts between Rutgers and a company in which (a) a Rutgers employee, his or her family or business associates own directly or indirectly more than 1% of the company or (b) a professional corporation in which any Rutgers employee, family member or business associate has any direct or indirect ownership interest. N.J.S.A. 52:13D-19."

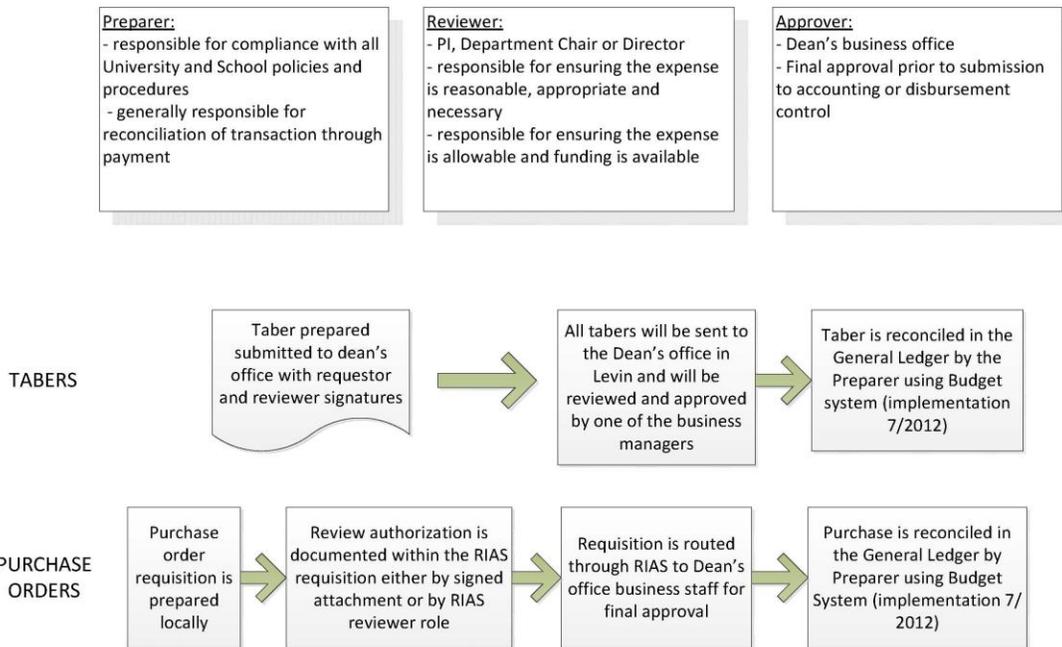
Under these Guidelines it is prohibited for a Rutgers employee to be involved in the hiring of relatives and/or to directly supervise them. This precludes the hiring of a relative to work on grants of a family member or supervision of a relative in that capacity. In no case should a relative of any SMLR faculty or staff member be hired prior to conferring with the SMLR dean's office to assure that this hire is permissible under the Ethics Guidelines.

Financial transactions must be approved by individual with budgetary responsibility

All purchase orders, wire transfers, travel orders, and other financial transactions must be approved in RIAS or via email by the Department Chair or Center Director if charged to a University account, or by the PI if charged to a grant account. Purchase orders must be submitted and approved **before** any work is done. After being signed by the Chair/Director or an authorized designee the requisition must be approved by a SMLR Business Manager.

For all grants, the Rutgers Division of Grant and Contract Accounting (DGCA) issues a signature authorization form. This form needs to be completed, and mailed back to DGCA with a copy sent to the SMLR Grant's Manager. Only individuals listed on the signature form are authorized to approve charges (purchases and/or payroll) on a grant account. Since PIs retain ultimate responsibility for all expenditures under their grants they should be appropriately cautious in delegating signature authority. After being signed by the PI or the PI's designee the PO must be approved by the SMLR Grants Manager.

DRAFT SMLR procedures and role definition
for Taber and Requisition processing



2/2/2012

***All travel orders, wire transfers, travel advances and other financial transactions follow the procedures of Purchase orders**

Travel reimbursement must be consistent with the Rutgers travel policy

All travel and travel reimbursement must be consistent with the Rutgers travel policy described at <http://policies.rutgers.edu/PDF/Section40/40.4.1-current.pdf> . All TABERs must go to a SMLR Business Manager for approval prior to submission to Disbursement Control (if the travel is to be charged to a grant account, Business Manager will have the TABERs reviewed/approved by Grants Manager to ensure compliance with grant conditions). Before being forwarded to the Business Manager all TABERs should be signed by the traveler and approved by the “reviewer” if charged to a non-grant account, or approved by the PI if charged to a grant account. Center directors should not approve TABERs unless they are themselves the PI. No one can approve his or her own TABER. If the traveler is the Department chair or PI, the TABER must be approved by the traveler’s supervisor. This approval is in addition to the requirement that all travel must be pre-authorized and this pre-authorization must be documented and attached to the taber. The originating department and/or traveler should keep copies of all TABERs and the accompanying documentation submitted to the SMLR Business Manager. Travel arrangements processed through Travel Orders and requests for Travel Advances should follow the same approval process as travel reimbursements processed through a TABER.

Please remember that all travel costs must be reasonable and cost effective. Travelers are responsible to ensure due diligence in containing costs for travel expenses. Only reasonable travel expenses will be

reimbursed and any expenses in excess of this will be the responsibility of the traveler. For example, travel to/from the airport will only be reimbursed at the most cost effective means of transportation. If a traveler uses car service as transportation to/ from the airport, you must include a justification that demonstrates it was the most cost effective means of transportation or that there were other circumstances justifying the car service. Reasonable costs are most commonly calculated as mileage, tolls and parking or public transportation when available. Long term trips may justify a car service if the cost of parking exceeds the cost of car service.

For example, if an employee is traveling for 2 days from Newark airport, a reasonable cost for transportation to/from the airport in NJ would be approx. \$60 including parking fees, tolls and mileage. This is one-third the approximate cost of round trip car service to/from the traveler's home. In this case, going forward, only the \$60 rate will be reimbursed to the traveler. In a different scenario, such as a 5 or 6 day trip where parking fees, tolls and mileage are the same or more than car service however, the cost of car service will be reimbursed.

Another example, if an employee is required to travel to New York City for an event or program, reasonable costs will be calculated at the cost of public transportation. Car service to/from the city will not be reimbursed unless, there is a business purpose justification.

Remember that all travel requires documented (email) pre-authorization which must be attached to the taber upon return and reimbursement for travel expenses.

No research involving human subjects may begin before IRB approval is granted

As an institution holding a Federal-wide Assurance, Rutgers University must review and approve all research projects involving human subjects research prior to the commencement of research, whether or not the project is funded. In the social and behavioral sciences whether a project will be considered human subjects research is not always obvious. Guidance in making that determination can be found at: http://orsp.rutgers.edu/Humans/policy_socialbehavior.php .

ORSP will not issue an account number prior to IRB approval but the start of the contract can be retroactive to a date prior to the IRB approval. The human subjects research itself must not start prior to the IRB approval.

Time and effort charged to grants must be carefully documented

Time and effort reporting must follow University policies and procedures.

a) All PIs whose grant pays a portion of a salary of a faculty and/or staff must certify their effort in ECRT system. Electronic certifications will be required 3 times a year for the following periods; Jan-May, June-Aug, and Sept-Dec. The University requires PACE reports for Federal and State grants, but SMLR will require them for all grants. The SMLR Grant's Manager will generate a report similar to the PACE report for all grant-funded employees who do not receive it directly from DGCA. The Pace Report instructions can be found at: http://postaward.rutgers.edu/PACE_Report.htm . The PI on each grant should retain a copy of these reports with all other grant records for at least 8 years after the end of the grant or after the date that the final invoice has been submitted whichever is later (see DGCA record retention policy at:

(<https://www.rci.rutgers.edu/~rurecmgt/schedules/dgca.shtml>)

b) All SMLR faculty and staff who have more than 45% of their salary charged to a grant or grants must maintain weekly documentation on their grant-related activity. These records should be signed and dated each week; they should include for each grant a list of any significant grant related phone calls, meetings or other activities and a description of any blocks of time devoted to grant related research, analysis, or writing. Individuals are encouraged to maintain a daily calendar and when relevant attach the appropriate calendar excerpts to these reports. We will supply a sample form, but the intent is for each individual to keep a record in the way that is most time effective for him or her. The purpose of this additional effort requirement is to protect the researchers and the School, should time and effort on grants be called into question. It is the PI's responsibility to retain these records for all individuals paid through their grants. The SMLR dean's office or University auditors may from time to time request to review these records.

The percent of salary charged to a grant cannot exceed the percent of effort devoted to that grant. This is unrelated to the number of hours worked. For example, a grant-funded employee that worked 60 hours a week during the semester (40 hours per week on grant A and 20 hours per week on grant B) could not charge 100 percent of his/her time to A and zero percent to B. That individual's salary should be charged 2/3 to A and 1/3 to B. Please note that time spent writing new proposals cannot be charged to a current grant unless proposal writing is explicitly permitted under the current grant.

Consultant and professional service agreements must be processed through the RU Purchasing Office *before* any work is done

It is essential that all SMLR units fully comply with the new Rutgers Policy for Engaging and Paying for Professional Service Providers and Consultants that became effective July 1, 2010. All individuals responsible for engaging and paying for professional services providers must review the new policy and procedures at <http://purchasing.rutgers.edu/ProfessionalServices.html>. Some important changes and clarifications include:

- Expansion of the policy to include all professional service providers, not just individual consultants
- Scope of Work template to assist departments with drafting the requirements of the engagement. This should include the key deliverables, timeline for completion, the consultant's daily rate or negotiated payment for deliverable and what time will be counted (i.e. what payment, if any, for travel time), dates of service
- Consulting contracts should include an estimate of expected travel by the consultant, and reimbursement for these may be provided as part of the fee paid to the consultant. University consultants are not allowed to be reimbursed for travel expenses using TABERS and consultant travel expenses cannot be paid directly by Rutgers.
- Updated Professional Service Provider Agreement (formerly the Consultant Agreement) and Requests for the Engagement of a Professional Service forms. Copies of the new forms and Scope of Work can be found at: <http://rias.rutgers.edu/forms.htm>.
- Requirement that all Professional Service Provider Agreements must be signed by RU Purchasing Office ***BEFORE any work is begun***.
- Individuals providing instructional services must be hired as employees.

The Professional Service Provider Agreement requires the signature of a "project director". For non-grant projects within SMLR that should be the Department chair or Center director and for grant-funded projects within SMLR it should be the Principal Investigator. That form also requires the signature of the

“Dean, director, or Vice President”. For all consultants or professional service providers hired by any SMLR unit the signature of the Dean or Associate Dean is required.

The University and the IRS require a careful determination of whether an individual should be hired as a consultant (i.e., an independent contractor) or as an employee. The check list to guide this determination can be found at:

http://www.rci.rutgers.edu/~univcont/New/tax_department/forms/ContractorChecklist.pdf. In general, an individual who has been previously paid as employee (including PTLs) should not be re-hired as a consultant but instead should continue to be paid as an employee through the payroll system.

The University will not allow payment to any vendor or consultant without an invoice. An invoice serves as the University’s written certification from the outside vendor or consultant that the listed products or services were provided and that the amounts billed are correct. In no case should an invoice to Rutgers be generated wholly or in part by Rutgers faculty or staff. If an organization, e.g., Staples or Dell, sends us a bill on their letterhead that’s usually sufficient. But if we are being billed by an individual consultant, the invoice should be signed by the consultant. At a minimum, invoices received from consultants should include:

- Dates of services: If the services occurred over a period of time, note the start and end date
- Description of service provided: e.g. analyzing data on _____, preparing report on _____, etc.
- Basis for payment: hourly or daily rate times number of hours or days worked, or flat fee for specific deliverables. These terms must be consistent with the consultant agreement.
- Purchase Order number

Consulting invoices should also be signed by the project director listed on Professional Service Provider Agreement verifying that the work for which Rutgers is being invoiced has been completed. The department or center should keep a copy of the fully signed invoice on file and send the original to Disbursement Control. Invoices requesting reimbursement for consultant’s travel should include copies of all receipts (the consultant needs the original receipts for their tax returns).

Invoices from sub-contractors under grants

All PIs on grants with sub-contracts should review the sub-recipient monitoring guidelines available at: http://postaward.rutgers.edu/BYOB_subrecipient%20monitoring.ppt.

The Rutgers PI is responsible to sign each invoice received from the subcontractor. The PI signature certifies that the expenses invoiced are allowable and in accordance with the scope of work and approval of the work completed to date. If there is any concern about the invoice or the work product or progress on the project by the sub-grantee, the PI should NOT sign the invoice. The subcontractor’s invoice with the PI’s signature should then be sent to SMLR Grants Manager who will forward it on to Disbursement Control..

Membership dues and fees must be processed through Rutgers DGCA

The Rutgers Division of Grant and Contract Accounting (DGCA) has provided SMLR with the following written guidance on the processing of membership fees. All SMLR centers and units who wish to collect membership fees must fully comply with this guidance.

“Membership fees are defined as sponsorships received from an entity to join a recognized Rutgers center, institute or bureau (CBI) in support of specific activities for a defined timeframe which entitles them to certain rights and privileges at the CBI. These rights and privileges are described in a formal membership agreement which is executed amongst the

parties. Membership agreements are generally prepared and/or reviewed by the Office of Technology Commercialization. The fees are paid typically upfront in full upon 30 days within execution of the membership agreement or any subsequent renewals.

Since most membership fees are to support research or other sponsored activities, these fees are deposited in a restricted 43XXXX account, referred to as a BR3 account (or non-budgetary) and administered by Division of Grant and Contract Accounting (DGCA). These funds would not be charged F&A. Membership fees are not subject to RU Gift Assessment Fees. BR3 account requests do not go through the ORSP endorsement process and are requested directly by contacting DGCA.”

Fee-for-service revenues must be processed through Rutgers DGCA

The Rutgers Division of Grant and Contract Accounting (DGCA) has provided SMLR with the following written guidance on the processing of Fee-for-service revenues. All SMLR centers and units must fully comply with this guidance.

“Fee-for-service revenue is defined as income generated through the sale of products or services by a Rutgers entity if such sale is an integral part, or reasonably related to an activity which is essential to the fulfillment of the institution’s instructional, research or public service mission. Fee for service activities typically involve standard routine analysis, evaluation, classification, diagnostic or interpretation of a client’s data, samples, procedures or products as detailed and approved in advance by the University. No applied or basic research by the University is involved in the preparation of or in the conduct of the proposed activity.

Prior to the sale of any product or service, the responsible Rutgers department must complete and submit a schedule of charges for all services/products they plan on offering to DGCA for approval. Upon approval, an unrestricted recharge-service center 28XXXX account will be established whereby all associated costs and revenues will be deposited. Recharge center accounts do not get charged F&A, nor are subject to the RU Foundation Gift Assessment fees.”

Hiring and payroll transactions must be done through the new on-line HCM system

All hiring and payroll transactions must be processed through the SMLR HR Liaison. Paper PAFs and PDRs will no longer be accepted.

1. Hiring full-time or part-time faculty and staff

Before any full-time faculty or staff positions are advertised and before any offer is made, the Department Chair or Center Director must obtain written approval from the Dean. The request to the Dean must describe the position to be filled, the need for the position, and how the cost of the position is to be covered. All faculty hiring proposals will require the approval of the SMLR Dean. Staff hiring proposals will require the approval of the SMLR Dean or Associate Dean. After receiving written approval from the Dean’s office to begin the hiring process, the Department Chair or Center Director should coordinate with the SMLR HR Liaison to assure that all UHR position classification and search requirements are being satisfied. All submissions to UHR from a SMLR Department or Center should be routed through the SMLR Dean’s Office.

After all required searches have been completed, the Department chair or Center director must provide the Dean with a written (or email) notification of the name of the candidate they propose to hire. A vita must be attached in the case of all faculty and research staff positions. All individuals must

have credentials and backgrounds appropriate to the job title being proposed. If approval to make a job offer is granted, **the department will prepare and the Dean's office will sign the offer letter.**

Only after a written offer has been extended and accepted, can the new hire be entered into the on-line HCM system. One or two individuals in each Department will be authorized as "Departmental Preparers" and only these individuals or an authorized "Dean's Office Preparer" will be able to access the HCM screens to enter a new employee into the Payroll system. After this information is entered by a "Preparer", the system will automatically forward it to an authorized "Approver" in the SMLR Dean's Office. The SMLR Business Manager and Assistant Dean will be the authorized "Approvers" in the HCM system.

2. Position reclassifications for current employees

A classification review will be conducted whenever a new position is created or when the functions of an existing position change significantly and either the position holder and/or the department chair/center director request a re-evaluation of the position. All reclassifications and new positions must have prior approval from the Dean's office. University Human Resources (UHR) determines the appropriate classification and grade/range for all new and existing positions through a review of the position's duties and responsibilities. The key duties and responsibilities of the position must be outlined in the Classification and Recruitment Form (CARF) (<http://uhr.rutgers.edu/documents/CARForm-ATS.doc>) and forwarded to the SMLR UHR Liaison via the Applicant Tracking System (ATS) (<http://uhr.rutgers.edu/ATS>).

3. Changes in salary distributions for current employees

The percent of salary charged to a grant cannot exceed the percent of effort devoted to that grant. PIs are responsible for assuring that all employees charged to their grants satisfy this requirement. Salary allocations must be adjusted whenever necessary to remain in compliance with this requirement. The PI should contact the SMLR Grants Manager to initiate such changes. It is highly recommended that PIs consult with the SMLR Grants Manager on a regular basis to assure compliance and to plan for the efficient use of grant resources. Any retroactive salary reallocation must be approved by the PI and either the SMLR Associate Dean or Business Manager

4. Appointment of Part Time Lecturers

The Department chairs or credit program directors should email draft PTL appointment letters to the SMLR HR Liaison. These will be reviewed for compliance with the PTL collective bargaining agreement, signed by either the Dean or Associate Dean, and then mailed to the individual receiving the PTL appointment. The SMLR HR Liaison should be consulted with questions about the letters or hiring process, including pay rates. When a signed acceptance has been returned to the Dean's Office, the SMLR HR Liaison will forward it to the appropriate Department so that on-boarding and payment can be processed via the HCM system.

5. Overload payments to SMLR faculty

Faculty may receive overload pay for teaching a credit or non-credit course only if a SMLR overload compensation form has been signed ***in advance*** by the faculty member, the program director requesting the overload teaching, the faculty member's Department chair, and the SMLR Dean or Associate Dean. Each of these individuals must certify that the faculty member is fully meeting all of his/her in-load responsibilities and that this overload work will not interfere with those in-load responsibilities.

It is SMLR policy that faculty not teach more than one 3-credit overload course per semester. Exceptions to this limit will be approved only in unusual cases when doing so is necessary to prevent serious disruption to the credit offerings of our School.

Faculty interested in teaching for units within Rutgers but outside of SMLR must seek written permission from their department chair and the Associate Dean. SMLR reserves the right to ensure SMLR courses are covered before allowing overload teaching for other units.

School Policy on Spending from Research versus Department Accounts

Faculty expenses should be charged appropriately to either the departmental account or their research accounts. SMLR's policy for when these accounts should be used for expenses is as follows:

1. Department or School

- a. Travel on School or Department Business
- b. Travel to present paper or serve as a discussant or facilitator at scholarly meeting in which faculty member is on the program. Travel when required as a member of leadership team of the conference or division of the conference or for editorial responsibilities is also covered.
 - * Except for unusual circumstances, the department will cover up to 2 conference trips per calendar year if the faculty member is on the program.
 - * For international conferences, the Department Chair may require the use of research funds to offset some or all of the costs for participating in the program.
- c. Computer equipment and supplies of type provided to all faculty. If the faculty member prefers a laptop to an office PC, the laptop will be covered for the first \$1,000 and research funds will be used for any costs beyond that.
- d. Copying for Rutgers related business associated with Teaching, Research, and Service activities.

2. Research account

- a. Travel to scholarly meeting when not presenting a paper
- b. Memberships in professional associations
- c. Research travel
- d. Books and journal subscriptions to support teaching and research
- e. Research assistants other than supported PhD students
- f. Computer equipment and supplies other than that provided to all faculty
- g. Other Rutgers expenses with **department chair approval in advance**

****Research account funds are NOT to be used for hiring Teaching Assistants****

If you have any questions about these guidelines (or suggestions for revision) please do not hesitate to contact any one of the following individuals:

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Elaine Kovac Stroud, SMLR Assistant Dean
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