Overview and Perspective

Financial Management Year-End Financial Review – General Guidance

Organizations should be reviewing their financial reports on a regular basis, but it’s especially important as we approach fiscal year-end. Running the Spendable Balance Report is a good first step to reviewing your financial activity. Any chartstrings with a negative available balance (deficit) should be further investigated. Organizations should review the detail posted to these chartstrings (using Ledger Detail Report) to ensure that no transactions were posted in error. Corrections must be made through Labor Accounting if the transaction is labor based. Funds Management will be communicating more specific ChartField guidelines in the near future. Any questions can be directed to Finance & Treasury Funds Management.

The Year-End Close process provides an opportunity for departments to review departmental labor charges to ensure that labor costs are being appropriately and accurately associated with their relevant source of funds in the General Ledger. It is also an opportunity to ensure the accuracy of any remaining encumbrances at year-end.

What You Should Do

Review labor charges in Labor Accounting:

• Confirm that Labor Accounting expense charges for individuals, including graduate student support, are reflected against correct earnings codes and against correct chartstrings.
• Confirm that FY19 and FY20 distributions are correct.
• Move any staff who may have defaulted incorrectly to A0000 or A0001 to other funds, if part or all of their compensation is to be covered by other fund sources.
• Confirm open encumbrances reflect outstanding unpaid payroll commitments on correct chartstrings.
• Review any remaining FY19 and FY20 encumbrances for clean-up and resolution:
  • FY19 remaining labor encumbrances will be automatically removed as part of the Final Close-out process, during the FY20 year-end process.
  • FY20 remaining labor encumbrances will be restated in FY21 on the General Ledger as part of the FY20 year-end process.

This Labor Accounting (LA) Reference Guide includes 4 sections:
1. Invalid Distribution Chartstrings for Labor Charges
2. Labor Accounting Warehouse Reports for Reviewing Departmental Labor Costs
3. Finding help in LA for Making Changes to Commitments and Distributions
4. Helpful links for further information about LA.

1. Invalid Distribution Chartstrings for Labor Charges
The Office of Finance and Treasury has put together a set of chartstring combination “rules” for assistance in cleaning up departmental labor charges for Year-end close. There are certain ChartField combinations that are not considered to be valid on the PeopleSoft Financials General Ledger. While the University enforces some of these combo-edit rules through PeopleSoft Financials directly (for instance any G0001 Fund transactions require a Project), not all are systematically enforced.

Below is a set of ChartField combo-edit rules that should be followed. Please use the Labor Accounting Warehouse Reports to review the ChartField combinations in use for your department, and if you notice any of these “invalid” ChartField combinations, please modify the distributions for your faculty, staff and graduate students accordingly in the LA application. You can contact the Financial Service Center (“FSC”: 258-3080 or finance@exchange.princeton.edu) or LA Manager Clara Richardson if you need guidance on how to make corrections. Finance & Treasury staff may also be reaching out to your organization directly on how to “clean-up” these invalid ChartField combinations.

The following table provides the detailed invalid distribution chartstrings which should contain NO labor expenses:

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Account</th>
<th>Program</th>
<th>Site</th>
<th>Project</th>
<th>Act</th>
<th>Notes:</th>
</tr>
</thead>
<tbody>
<tr>
<td>All depts</td>
<td>A0000</td>
<td>FA%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO labor costs on these Fund/Program chartstrings.</td>
</tr>
<tr>
<td>All depts</td>
<td>A0000</td>
<td>FB%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO labor costs on these Fund/Program chartstrings.</td>
</tr>
<tr>
<td>All depts</td>
<td>A0000</td>
<td>GA%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO labor costs on these Fund/Program chartstrings.</td>
</tr>
<tr>
<td>All depts</td>
<td>A0000</td>
<td>VA%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO labor costs on these Fund/Program chartstrings.</td>
</tr>
<tr>
<td>All depts</td>
<td>A0000</td>
<td>OA%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO labor costs on these Fund/Program chartstrings.</td>
</tr>
<tr>
<td>All depts</td>
<td>A0014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO Distributions more than 3 months old; these distributions should be moved to the appropriate sponsored research project. After 90 days, a transfer to a sponsored project will require a Cost Transfer Justification in the distribution approval workflow.</td>
</tr>
<tr>
<td>All depts</td>
<td>A0014</td>
<td>5531</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Graduate student base fellowship stipend</td>
</tr>
<tr>
<td>All depts</td>
<td>A0014</td>
<td>5511</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Graduate student base fellowship tuition support</td>
</tr>
<tr>
<td>All depts</td>
<td>A0014</td>
<td>5201</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Graduate student AI salary</td>
</tr>
<tr>
<td>All depts</td>
<td>A0014</td>
<td>5511</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Graduate student AI tuition support</td>
</tr>
<tr>
<td>All depts</td>
<td>A0004</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>This fund may be used ONLY with departments denoted with &quot;(RC)&quot; at the end of the description.</td>
</tr>
<tr>
<td>Admin Depts:</td>
<td>A0001</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO labor costs on A0001, A0002, A0003, A0024 in Administrative depts.</td>
</tr>
<tr>
<td>Admin Depts:</td>
<td>A0002</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ONLY for faculty on teaching budget, graduate student AI's, graduate student AR cost share tuition.</td>
</tr>
<tr>
<td>Admin Depts:</td>
<td>A0003</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PDRF's (earning code 172) must use A0000 with program GU093.</td>
</tr>
<tr>
<td>Admin Depts:</td>
<td>A0024</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO staff allowed on A0000.</td>
</tr>
<tr>
<td>Acad depts:</td>
<td>A0000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO postdoc's (earnings code 170) on A0000.</td>
</tr>
<tr>
<td>Acad depts:</td>
<td>A0001</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Typically should NOT be used for faculty, AI or researcher costs. Used for Staff. Up to the department’s discretion.</td>
</tr>
</tbody>
</table>

Notes:

1. Fund Descriptions:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A0001</td>
<td>Academic Dept Administrative Allowance</td>
</tr>
<tr>
<td>A0002</td>
<td>Research Rebate</td>
</tr>
<tr>
<td>A0003</td>
<td>Science</td>
</tr>
<tr>
<td>A0004</td>
<td>Recharge Center/Chargeback</td>
</tr>
</tbody>
</table>
2. Program Descriptions:

<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>FA% and FB%</td>
<td>Faculty-Specific</td>
</tr>
<tr>
<td>GA%</td>
<td>Graduate Student-Specific</td>
</tr>
<tr>
<td>VA%</td>
<td>Post-Docs &amp; Visitor-Specific</td>
</tr>
<tr>
<td>OA%</td>
<td>Other Person-Specific</td>
</tr>
</tbody>
</table>

The “%” sign is known as a ‘wild card’. In the Prime Warehouse Detailed Personnel Expense by Chartstring Report (FIN048) or Commitment, Paid & Encumbrance Report (FIN052), in the Program prompt, you can input the Program values exactly as they are above, and ALL Programs beginning with the named first two letters will be returned for the report. Here is an example:

**Program:**

**Keywords:**
Type one or more keywords separated by spaces.

FA%

Search

Options

Results:

- FA001 - Landweber, Laura F
- FA002 - Harman, Elizabeth
- FA003 - Zhang, Shou-Wu
- FA004 - Wakabayashi, Haruko
- FA005 - James, Marzenna
- FA006 - Ozsvath, Peter S
- FA007 - Lewis, Paul
- FA008 - Silvestre, Conrad L
- FA009 - Cameron III, Charles I

Select all Deselect all
2. Labor Accounting Warehouse Reports for Reviewing Labor Costs

To run LA Prime Warehouse reports, access the Prime Warehouse reports from the Prime Portal page. If you do not have access to the Prime Warehouse, or to the LA reports folder in the Prime Warehouse, please contact the FSC.

In the Prime Reporting Warehouse, click on the Labor Accounting Tab.

Once you click on the Labor Accounting folder, the Labor Accounting reports appear:

A. Verify that Faculty and Staff are charged to the correct Distribution Chartstrings for FY19 and FY20:

In the Labor Accounting folder, select FIN048 - Detailed Personnel Expense by Chartstring. This provides detailed personnel expense by person within each departmental chartstring.

1. Verify that your department has no labor charges on the Invalid Distribution ChartField Combinations Table for FY19 and FY20.

Use FIN048 to check that you have had no labor charges to those invalid chartstrings.
a. For example:
   i. Date Options: Filter by Earnings Period To and From
   ii. Period From and Period To – July through the open period
   iii. Home Department = your department
   iv. Charged department = blank
   v. Fund = A0000
   vi. Program = FA%
   vii. No other prompts.
   Should return no results.

b. Another example, for an administrative department:
   i. Date Options: Filter by Earnings Period To and From
   ii. Period From and Period To – July through the open period
   iii. Home Department = your department
   iv. Charged department = blank
   v. Fund = A0001  A0002  A0003  A0024
   vi. No other prompts.
   Should return no results.

c. Third example, for an academic department:
   i. Date Options: Filter by Earnings Period To and From
   ii. Period From and Period To – July through the open period
   iii. Home Department = your department
   iv. Charged department = blank
   v. Fund = A0000
   vi. Staff class = staff
   vii. No other prompts.
   Should return no results.

Note: Reports should be run by Earnings period through the open period. Retroactive adjustments to prior earnings periods may have been made after the original charge posted.

The Detailed Personnel Expense by Chartstring Report generates a list of the individuals charged on each chartstring by individual, by earnings code. If regular salary charges are found on invalid ChartField combinations, they should be corrected in the Labor Accounting application. See Section 3 below, Finding help in LA for Making Changes to Commitments and Distributions. For changes to Overtime, Accrued Vacation, Severance, Childcare Assistance, etc., an LA Cost Transfer form must be used. The LA Cost Transfer form can be found in the Policy Library on the Office of Finance & Treasury webpage.

2. Verify that all other labor costs charged against Chartstrings for your department are correct.
   a. Set up the prompts as follows:
      i. Date Options: Filter by Earnings Period To and From
      ii. Period From and Period To: July through the open period
      iii. Home Department = blank
      iv. Charged department = your department
      v. No other prompts.
Reminder: Reports should be run by Earnings period through the current open period. There may be retroactive adjustments to prior earnings periods made after the original charge posted.

When the report is generated, each charged distribution chartstring is listed separately. The report provides detail by period for each person charging to the chartstring with a subtotal by person, a subtotal by chartstring, and an overall total of labor charges to the department. The report provides the name & emplid for each person. The report can be converted to an excel data extract for further analyses.

You may want further information about an individual’s charging before going into the LA application to make changes. The person’s name in Detailed Personnel Expense by Chartstring is a live link that will drill to FIN036 - Detailed Personnel Expense by Individual. Detailed Personnel Expense by Individual provides the person’s complete expense detail for all chartstrings for the earning period selected in Detailed Expense by Chartstring.

If incorrect/invalid charges are found on departmental chartstrings, they should be corrected in the Labor Accounting application. If you need assistance on how to change a Commitment or Distribution in the LA application, see section 3 below, Finding help in LA for Making Changes to Commitments and Distributions.

### B. Review and Clean-up for FY19 and FY20 remaining labor encumbrances:

1. It is important for departments to review their staff’s commitments, payments and remaining encumbrances as part of the Year-end close process.
   - **FY19** remaining labor encumbrances will be removed as part of the Final Close process during Year-end close.
   - **FY20** remaining labor encumbrances will be restated in **FY21** on the General Ledger as part of the Year-end close process.

   In the Labor Accounting folder, select FIN052 - Commitment, Paid, and Encumbrance. This report provides an annual summary view of an individual’s commitment, paid and encumbrance by chartstring.

2. Verify that faculty and/or staff in your department have no remaining unexpected labor encumbrances for **FY19** and **FY20** by running the Commitment, Paid and Encumbrance report as follows:

   a. For example:
      i. Date Options: Select Earnings Year and Earnings Period
      ii. From Earnings Year Through Earnings Year, and Earnings Period July through June
      iii. View by Person and Home Department
      iv. Total by Year
      v. Home Department = your department
      vi. Charged department = blank
      vii. Fund = blank
      viii. Program = blank
      ix. No other prompts.

   It is recommended to run the report separately for **FY19** and for **FY20**, to see results most clearly.
When the report is generated, each person’s commitments, payments & remaining encumbrances will be listed separately by chartstring. Most individuals will already have zero remaining encumbrances for FY19. You can export the report to PDF format for easy review of each person’s FY19 status. The report also provides a link to Detailed Expense by Person to facilitate further investigation if a remaining encumbrance is discovered.

If an individual’s status contains a remaining encumbrance in FY19, further investigation may be required.

1. Verify that the person was paid correctly for the year. If the person was paid correctly for the year, any remaining encumbrance will be safely and automatically removed by the Final Close process during Year-end close.

2. If the person does not appear to have been paid correctly, this may be because the person has moved from one home department to another during FY19. It may be necessary to run the Commitment, Paid and Encumbrance report specifically for the person (remove the Home department filter, and instead insert the employee last name or empid in the Person prompt), in order to see all commitments, both before and after the department change.

3. If there is a remaining encumbrance of concern, contact HR or LA staff to investigate further.

FY20 remaining encumbrances should also be reviewed to ensure that only appropriate encumbrances are restated in FY21.

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3. Finding help in LA for Making Changes to Commitments and Distributions

The Labor Accounting application has Help material right in the application:

LA Help contains extensive information on how to change commitments and distributions.

1. Click on LA “Help” in the LA banner in the LA application, or on “The Learning Center” icon on the LA Home page.

2. Click on “View outline” on the LA Help Introduction screen.

Labor Accounting is the systematic recording and maintenance of the costs charged to the general ledger or bookkeeping system.

In Labor Accounting, commitments are a record of funds that are expected to be spent. Commitments cannot be changed in Labor Accounting, although some can be.

Other commitments are entered directly in Labor Accounting, or can be...
3. In the Outline, open the LA topic of interest:
   a. Manage Commitments & Distributions (Basics)
   b. Manage Grad Student Commitments & Distributions
   c. Manage Labor on Sponsored Projects

Within each topic, you can see a video of the process, or step through the process in an interactive video, or read through the steps with PDF.

If you need additional assistance, please contact the Financial Service Center at finance@exchange.princeton.edu or 258-3080, or contact LA Manager Clara Richardson.

4. Helpful links for further information about LA.
   - Prime Portal: https://prime.princeton.edu/. Click on Information & Training, then follow options below.
   - Web pages: Prime Portal > Information & Training > Labor Accounting (scroll down to Labor Accounting section – Labor Accounting header in black)
   - The “Learning Center” icon on the Labor Accounting application Home Page, or the “Help” on the LA application banner at the top of each LA screen.