

Business & Finance

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Accounting

General Information

Policy No: 1.1

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

To provide guidance to schools, colleges, departments or units of the Institute as it relates to general accounting functions.

Policy Statement:

The following policies in this policy book provide guidance to schools, colleges, departments or units of the Institute regarding general accounting functions. Other functions such as Payroll, Accounts Payable, Purchasing, Budgets, Grants and Contracts and Equipment Management are in separate policy books in the policy library.

Scope:

This policy applies to all schools, department, and units of the Institute.

Responsibilities:

- Controller's Office

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Updates to verbiage

Account Number Structure

Policy No: 1.2

Type of Policy: Administrative

Review Date: 2015-01-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

The object of this procedure is to provide a basic explanation of the account numbering systems of Georgia Tech.

Policy Statement:

General Guidelines

A thorough explanation of the Board of Regents Account number can be found in the Accounting Procedures and Instructions Manual - Revised (BPM-1) provided by the Board of Regents of the University System of Georgia. An explanation of values comprising the Chart of Accounts can be obtained by contacting the Accounting Services

Department. The Board of Regents Chart of Accounts is authorized by the Board of Regents of the University System of Georgia. However, values for some segments of this account are internal to this Institution. As such, they gain authority from the Senior Vice President for Finance and Administration.

Georgia Tech currently uses four types of account numbers:

1. Board of Regents Account Number

The "official" account number of Georgia Tech is the Board of Regents (BOR) account number. This number is based upon account definitions in the Business Procedures Manual, Revised (BPM-1), of the University System of Georgia. It is, therefore, known at Georgia Tech as the Board of Regents (BOR) Account Number. This account number is used for all official reports and for the financial statements. The structure of the BOR Account Number is the same for all types of accounts (balance sheet, revenue, and expenditure); but the fields, or components of the accounts, vary according to the type of account. The differences will be shown graphically in pages 3 through 6 of this procedure.

2. PeopleSoft Account Number

The PeopleSoft Account Number is comprised of five Chart Field components that exist within the baseline of the PeopleSoft product. The SpeedType is a short, user-friendly number that is used primarily for data entry and inquiry. The Chart Field components and the SpeedType composition are described in pages 6 and 7 of this procedure.

3. MSA Account Number

In 1985, the Business Office at Georgia Tech implemented a new financial system for the General Ledger, Accounts Payable, and Purchasing functions. These functions were to be executed on an IBM mainframe computer and would operate under MSA software. In order to accommodate this software, a new account structure was developed, from the existing BOR account number. This new structure became known as the "MSA Account Number." The segments of the MSA number are derived from actual segments of the BOR number. The order and the length of the two account numbers differ. The Accounts Payable and Purchasing Departments operate with the MSA number.

4. Old (Short) Account Number

A numbering scheme that has existed for many years is now referred to at Georgia Tech as the "Old Account Number." This number is familiar to the campus because it is the shortest of the account numbers used, and because it has some meaning built into it. The Old Account number is used for such systems as Budgeting, Payroll, Grants & Contracts Accounting, Physical Plant Job Order System, and the Chemistry Stockroom.

Chart of Accounts Report

The Chart of Accounts report lists all account numbers. Translation programs are used to "link" each account to the others. These reports may be sorted by any of the four account types and within each account type they can be sorted numerically, alphabetically, or numerically by Organization within any one of the types.

Procedures:

Board of Regents Account Segments

Following is a brief description of the segments comprising the Board of Regents Chart of Accounts.

1. Fund Group

Fund Group is an accounting entity with a self-balancing set of accounts consisting of assets, liabilities and fund balance.

The Fund Groups used by departmental units are as follows:

- Current Operating Fund Group
 - Fund Number 10 - Resident Instruction
 - Fund Number 21 - Georgia Tech Research Institute (GTRI)
 - Fund Number 22 - Continuing Education
 - Fund Number 23 - Center for Rehabilitation Technology (CRT)
 - Fund Number 24 - Advanced Technology Development Center (ATDC)
 - Fund Number 25 - Economic Development Institute (EDI)
 - Fund Number 40 - Restricted Funds - Resident Instruction

- Fund Number 41 - Restricted Funds – GTRI
- Fund Number 42 - Restricted Funds - Continuing Education
- Fund Number 43 - Restricted Funds - CRT
- Fund Number 44 - Restricted Funds - ATDC
- Fund Number 45 - Restricted Funds – EDI
- Fund Number 48 - Restricted Funds – Plant Funds
- Fund Number 50 - Auxiliary Enterprises
- Fund Number 95 - Student Activities
- **Loan Funds**
 - Fund Number 70 - Loan Funds
- **Endowment Funds**
 - Fund Number 75 - Endowment Funds
- **Plant Funds**
 - Fund Number 80 - Unexpended Plant Funds
 - Fund Number 82 - Renewals and Replacements
 - Fund Number 85 - Investment in Plant
- **Agency Funds**
 - Fund Group 90 - Agency Funds - Private Trust

2. Function

The Function is a group of related activities having as their purpose the accomplishment of a major service or program for which the institution is responsible. A two-digit, numeric code is used to designate this.

- Functions and their numbering ranges can be categorized as follows:
 - Instruction 10-19
 - Research 20-29
 - Public Service 30-39
 - Academic Support 40-49
 - Student Services 50-59
 - Institutional Support 60-69
 - Operation and Maintenance of Plant 70-79
 - Scholarships and Fellowships 80-89

3. Source

The Source is a one-digit, numeric code that indicates the origin of revenue funds. Current codes are as follows:

- Research Consortium Funds (State)
- General or State Funds
- Special Initiative Funding
- Lottery Funds (State)
- Departmental Sales and Services
- Sponsored Operations

4. Cost Center

The Cost Center is a two-digit, numeric code that describes the organizational unit (usually a department) originating financial transactions.

5. Sub-Cost Center

The Sub-Cost Center is a three digit, numeric code used to divide specific cost centers into sub-sections. This allows for the identification of individual accounting units within a given cost center.

6. Project

The Project designator, a five-digit, alphanumeric code, identifies the sponsored project originating financial transactions. The exception, however, is that some non-sponsored Olympic accounts are also established with a project identifier of "Y."

7. Sub-Project

The Sub-Project is a three digit, alphanumeric code used to show the various sections into which a project has been divided. The sub-project allows a distinction between the main project and a sub/CO-project, while concurrently functioning as an indicator of project duration.

8. Object

The five digit, numeric Object Code provides a method of classifying expenditures according to what is

received in return for the expenditures, e.g., personal services, travel, operating supplies and expense and equipment.

Refer to Appendix A for a complete listing of object codes. The numbering of object codes proceeds as follows:

- 50000-59999 Personal Services Expenditures
- 60000-69999 Travel Expenditures
- 70000-79999 Operating Supplies and Expense
- 80000-89999 Equipment

Agency Funds

Agency Funds General Information and Overview

Policy No: 1.3.1

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

To provide guidance to Georgia Tech colleges, schools, departments and units as it relates to Agency Funds.

Policy Statement:

Agency funds are monies held by the Institute acting as custodian or fiscal agent, when the custody of them provides a benefit to Georgia Tech. The monies are deposited with the Institute for safekeeping, to be used or withdrawn by the depositor at will. These funds may be held on behalf of students, faculty, staff, organizations, or some other third party that has a relationship with Georgia Tech. The Institute holds these funds temporarily and has no claim to them.

Before establishing an agency fund, the Georgia Tech should ensure that its relationship with the organization or third party is that of custodian or fiscal agent. A request for an agency account can originate from department acting on behalf of an external organization or from an outside third party.

Because an agency fund represents activity that is related, but not fundamental, to the Institute's primary missions of education, research and public services, it is important that agency fund treatment is not awarded to activities that are a normal and continuing part of the institution's mission. For example, Student Housing Fees should not be accounted for as an agency account because Student Housing is fundamental to an institution's education mission.

The process of evaluating an activity for agency treatment must be in place to ensure the accuracy of the institution's accounting for agency funds, and to facilitate effective stewardship of funds for which the institution has a fiduciary responsibility. At the same time, ongoing accountability and oversight for agency funds must be established to minimize Georgia Tech's financial exposure.

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Procedures:

Criteria for Serving as a Fiscal Agent

The Institute may agree to serve as a fiscal agent for an agency fund only after satisfactorily considering all the following:

1. The purpose for the agency fund must relate to, but not be a fundamental aspect of, activities dedicated to the achievement of educational, research and public service goals.
2. The agency fund is in the best interests of the institution, taking into account all risk management implications.
3. The establishment of an agency fund account is appropriate, according to the circumstances and reporting principles involved.
4. An agreement governing the agency relationship is established.

Responsibilities:

The college, school, department or unit is responsible the fiscal management of Agency Funds requested by their unit. This includes reviewing and approving transactions, ensuring the fund is active, resolving deficits timely, and notifying the Controller's Office of any changes in the fund.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Establishing, Maintaining and Closing an Agency Fund

Policy No: 1.3.2

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

To provide guidance to Georgia Tech colleges, schools, departments and units as it relates to establishing an Agency Funds.

Policy Statement:

Colleges, schools, departments, organizational units, individuals, or groups may request the establishment of an Agency Fund which provides a benefit to Georgia Tech. The requester must provide justification with the request for establishment of the fund. Agency Fund agreements should be completed and maintained by the institution. The agreement should be signed by representatives of both the institution and the external organization or by the department representing the external organization. Each agreement should contain complete information on the terms and conditions of the agency relationship, including:

- The business reason for the agency account; that is, the reason why the organization does not open its own bank account
- The nature of activities that will be processed through the fund
- Any specific restrictions, terms or conditions for the use of the funds
- The estimated annual receipts and source of revenue/receipts
- The legal/corporate status of the organization. For example, 501(c)(3), Corporation, Not for Profit Organization, etc.
- The Federal tax ID number of the organization
- The affiliation of the organization with Georgia Tech
- The agreement from date and to date
- The disposition of any remaining funds at the end of the agreement
- The printed name, title and signature of the person(s) responsible for managing the funds including authorizing receipts and initiating disbursements
- The printed name, title and signature of the Dean, Chair, Director or Department Head approving the agency fund

Departments, organizational units, individuals, or groups may request the establishment of an Agency Fund which provides a benefit to Georgia Tech. The requester must provide justification with the request for establishment of the fund.

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Procedures:

Establishing an Agency Fund

Colleges, schools, departments, organizational units, individuals, or groups requesting an Agency Fund must complete the [Agency Fund Agreement Form](#). The form may be mailed to the Controller’s Office at Lyman Hall Mail Code 0257, or it may be scanned and emailed to accounting.ask@business.gatech.edu. Once received, the Controller’s Office will review the request and notify the college, schools, department, organizational unit, individual, or group requesting the fund by email whether or not the Agency Fund is approved. If an Agency Fund is approved, the email to the custodian will include terms and restrictions for managing the Agency Fund.

Responsibilities:

The college, school, department or unit is responsible the fiscal management of Agency Funds requested by their unit.

Enforcement: To report suspected instances of noncompliance with this policy, please visit Georgia Tech’s EthicsPoint, a secure and confidential reporting system, at:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller’s Office	Periodic review and verbiage update, new form. New Title. New Form.

Cash Receipts and Accounts Receivable

Daily Cash Deposits

Policy No: 1.4.1

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Policy Owner: Bursar’s Office

Contact Name: Terry Fair

Contact Title: Controller

Contact Email: terry.fair@business@gatech.edu

Reason for Policy:

To provide guidance to schools, colleges, departments or units of the Institute as it relates to depositing funds received.

Policy Statement:

Normally, all funds received by a unit should be deposited no later than the next business day following the date of receipt. For instances in which a unit receives small amounts of cash or checks (total less than \$100) which would

not warrant a daily trip to the Bursar's Office, the funds may be held no more than five business days. Each unit must establish operating procedures to ensure compliance with the daily or weekly deposit requirements. All deposits should be hand delivered to the Bursar's Office in order to comply with the twenty-four hour deposit requirement. The Bursar's Office is open daily from 8:30am to 4pm.

There are a limited number of departments on campus who have been authorized by the Institute to transmit cash to the bank for their department. Although they do not go through the normal process, they are still responsible for submitting information related to funds received to the Bursar's Office so it can be posted to the Institute's ledger.

All checks payable to Georgia Institute of Technology must be deposited to the Institute's bank account. Funds should never be deposited to an individual's bank account or to a bank account which has not been specifically authorized by Treasury Services as belonging to the Georgia Institute of Technology. Checks and cash must be kept in secure locations at all times.

Scope:

This policy applies to all schools, department, and units of the Institute.

Procedures:

Transmittal Cash to Bursar's Office

The [Deposit Remittance Form](#) should be used as a transmittal sheet for deposits. Forms are available from the Bursar's Office. These forms may be copied for use by units at Georgia Tech.

Responsibilities:

Campus Schools, Colleges, Departments or Units are responsible for timely remittance of funds to the Bursar's Office and establishing operating procedures to ensure compliance with the daily or weekly deposit requirements

The Bursar's Office is responsible for timely remittance of funds to the Bank

Controller's Office is responsible for timely reconciliation of the Institute's Bank Accounts

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Minor updates to contacts, verbiage, etc. Policy reassigned to Bursar's Office

Gift Deposits

Policy No: 1.4.2

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

To provide guidance to schools, colleges, departments or units of the Institute as it relates to receiving and depositing gifts of funds to the Institute.

Policy Statement:

Georgia Tech requires all donors to make gifts to Georgia Tech payable the Georgia Tech Foundation Inc., a charitable corporation that receives and manages contributions made for the benefit of Georgia Tech. The Foundation is a 501(c)(3) organization, qualified to receive tax deductible contributions under the Internal Revenue Code. Anyone soliciting support for the Institute should request that gifts be made to the Georgia Tech Foundation Inc., rather than the Institute.

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Procedures:

Gifts Payable to Georgia Tech

All checks and securities intended as gifts to the Georgia Institute of Technology should be routed to the Office of Development for acceptance and acknowledgment. Those funds should then be deposited into the Institute's bank account. If related documentation indicates the donor intended to direct the gift to the Foundation, the funds will be transferred after appropriate review. **No attempt should be made to deposit a check to any entity other than the Payee. Under no circumstances should a check be modified to change the Payee.**

The primary exception to this policy is for gifts of equipment or other tangible property which may more effectively be made directly to the Institute. However, even gifts of equipment or other tangible property are to be reported to and acknowledged by the Office of Development.

It is the policy of the University System of Georgia Board of Regents (BOR) that all gifts to the Institute exceeding \$100,000 in value must be officially accepted by the BOR. Conditional acceptance and acknowledgement of gifts, however, may be issued at the discretion of the Vice President for Development and his/her designee.

Responsibilities:

- Campus Schools, Colleges, Departments or Units are responsible for notifying the Office of Development in advance of any gifts that are intended for Georgia Tech.
- The Office of Development is responsible for accepting and acknowledging any gifts made to Georgia Tech.
- Controller's Office is responsible for ensuring all Institute gifts are properly reported on the Institute's books.
- The Property Control Department is responsible for ensuring gifts of equipment or tangible property are properly identified and added to the Institute's capital asset records.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Updates to verbiage

Cash Handling Procedures

Policy No: 1.4.4
Type of Policy: Administrative
Review Date: 2015-02-00T00:00:00
Policy Owner: Bursar's Office
Contact Name: Terry Fair
Contact Title: Controller
Contact Email: terry.fair@business@gatech.edu
Reason for Policy:

This procedure provides general guidelines for the handling of cash receipts by campus units.

Procedures:

Each department/unit is responsible for the funds it receives for the Institute. Cash receipts must be officially recorded on a cash register, approved validating equipment, or in official pre-numbered receipt books. If the receiving location receives an average of \$250 per day in cash or checks through the mail, mail receipts should be listed on a [checks received log form](#) by someone other than the person who prepares the deposit slip. The list should be updated with the number of the deposit slip which includes the checks on the list. All checks in payment of amounts due the Institute must be made payable to "Georgia Institute of Technology." Checks should not be made payable to departments, department heads, or any Institute officials or employees designated by name. If checks are received with the payee improperly designated, but yet deemed acceptable for deposit to Georgia Tech, they should be appropriately endorsed as payable to Georgia Institute of Technology so that they can be properly endorsed to the credit of the Institute by the Bursar. If checks of a repetitive nature are received without the proper payee designation, the drawer should be informed to make future checks payable to "Georgia Institute of Technology."

Petty Cash

Petty Cash Fund General Guidelines

Policy No: 1.5.1
Type of Policy: Administrative
Effective Date: 2011-02-00T00:00:00
Last Revised: 2014-10-00T00:00:00
Review Date: 2017-10-00T00:00:00
Contact Name: Carol Gibson
Contact Title: Controller
Contact Email: cgibson@gatech.edu
Reason for Policy:

To provide guidance to schools, colleges, departments or units of the Institute as it relates to purchasing items and receiving reimbursement for such purchases via Petty Cash funds. This policy and procedure will detail the authorized use of petty cash funds and restrictions on purchases.

Policy Statement:
Petty Cash Fund

A petty cash fund is used by campus departments to reimburse employees for small dollar purchases. Funds may

generally be classified into one of two types:

1. Departmental Petty Cash Funds
2. Bursar's Office Petty Cash Fund

Allowable Transactions

The transactions are allowable using petty cash funds:

1. Purchases for small dollar needs
2. Purchases for which the goods are received at the time of purchase

Typical allowable transaction types include office supplies, lab supplies, telephone reimbursements, local parking reimbursements, mailing services, copy and photo services.

No single petty cash fund transaction should exceed \$250. Reimbursement exceeding \$250 must be made via the Institute's Travel and Expenses system. For more information, please see policy 5.2.1.5 – Reimbursement for Purchases Made Using Personal Funds.

Unallowable Transactions

The following transactions and purchases are not allowed to be processed with petty cash funds:

1. Items covered by State or Institute contracts
2. Entertainment
3. Travel reimbursements (meals, lodging, taxi, airfare)
4. Per diem and fees and other service payments
5. Gifts, awards, prizes
6. Memberships
7. Personal check cashing and loans
8. Food, beverages, catering (for more information related to purchasing food, please see the policy 5.2.1.9 – Procurement of Group Meals for Employees, Students and Official Visitors.

Any items that are unallowable via the Institute's Purchasing department are also unallowable to be purchased using petty cash funds. Please see the Institute's Allowable Cost Matrix at www.controller.gatech.edu/allowable-cost-matrix for additional information on allowable and unallowable Institute purchases. Also, items that are required to be purchased through the Purchasing department may not be purchased with petty cash funds even if the shipment of the item has been delayed or it is out of stock. Violations of petty cash policy may result in non-reimbursement or fund closure.

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Policy Terms:**Departmental Petty Cash Funds**

Departments may request approval to establish departmental petty cash funds to reimburse petty cash expenditures. Change Funds are used to give change to customers when they are paying for goods or services. Please refer to "[Departmental Petty Cash Fund Procedures](#)" for specific information regarding departmental petty cash procedures or "[Departmental Petty Cash Fund Checking Account Procedures](#)" for specific information regarding petty cash checking account procedures.

Bursar's Office Petty Cash Fund

Departments that do not have their own petty cash funds may use the Bursar's Office petty cash fund for reimbursement of petty cash purchases. Please refer to "[Petty Cash Reimbursement Procedures](#)" for specific information regarding the use of the Bursar's Office petty cash fund.

Procedures:

Petty Cash Guidelines

Petty cash must be held in a locked cash drawer or locked cash box. (Security recommends a smooth metal finish box for fingerprinting purposes.) A primary key to the drawer or box must be held by the custodian while a secondary key should be held by the department head or delegate for emergency purposes.

In the event the fund custodian has a scheduled absence, a temporary custodian can be assigned by the department head. The funds must be counted in the presence of the authorized custodian before the leave period begins and again once the custodian returns. This procedure is used when the petty cash fund is greater than \$200.

In the event the fund custodian has an unscheduled absence, a temporary custodian can be assigned by the department head. The funds must be counted in the presence of the department head or his designee before the funds are used. A similar cash count must be performed upon the return of the regular fund custodian. The department should maintain the cash count verifications until the next cash count is performed. This procedure is used when the petty cash fund is greater than \$200.

The total amount of the petty cash fund should always equal the cash on hand plus any unreimbursed amounts. If the Department Head or Financial Services feel it is warranted based on circumstances surrounding a shortage, Internal Auditing may be contacted for investigation. Internal Auditing will notify Risk Management. If Internal Auditing determines the custodian was negligent in their duty to safeguard the petty cash, the custodian may be held liable for replacement of uninsured losses. Shortages exceeding \$200.00 should always be reported to Internal Auditing.

Unannounced cash counts should be performed quarterly by someone other than the custodian. The individual should be selected by the Department Head, preferably not the same person each quarter. The cash count should be recorded on the [Cash Count Form](#). The completed forms should be retained in a Departmental file. Unannounced cash counts may be performed by Internal Audit. Account balance verification will be performed at year-end by the Controller's Office.

Department petty cash "change funds" should be counted daily.

Petty cash funds should always be kept separate from other cash receipts. To discourage thefts, avoid dispensing money from the petty cash box in the presence of the person requesting money.

Where possible, keep locked box in limited access locked drawer, safe or file cabinet. Funds must be secured each time the custodian leaves the office. The keys to the box and file cabinet, safe, or drawer should be kept in the possession of the custodian, not left in desks or in the office overnight. The custodian and department head may be held jointly liable for uninsured losses that occur as a result of negligence.

In the event of a theft of petty cash funds, the custodian should immediately notify the Georgia Tech Police Department and the Internal Audit Department. Police Department incident reports will be distributed within three days of the theft to the Department Head, Risk Management, the Controller's Office, and Internal Auditing. The Internal Audit Department will communicate to the Controller's Office whether loss is insured or loss is a result of negligence.

Upon departure/termination of custodian or department head, keys to secured petty cash area must be returned to the appropriate departmental authority. A change of custodian requires submission of a new [Petty Cash Fund Request/Maintenance Form](#). A final count and submission for replenishment should occur prior to the new custodian assuming responsibility. The new custodian receipts the cash at the Bursar's Office and signs Section Five of the new Petty Cash Fund Request/Maintenance Form.

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Updates to verbiage

Petty Cash Reimbursement Procedures

Policy No: 1.5.2
Type of Policy: Administrative
Effective Date: 2009-11-00T00:00:00
Last Revised: 2014-10-00T00:00:00
Review Date: 2017-10-00T00:00:00
Contact Name: Carol Gibson
Contact Title: Controller
Contact Email: cgibson@gatech.edu
Reason for Policy:

To provide guidance to schools, colleges, departments or units of the Institute as it relates to reimbursement of items purchased that meet the criteria for being reimbursed via Petty Cash funds from the Bursar's Office.

Policy Statement:

Petty cash expenditures made by an individual in a department that has its own petty cash fund should be reimbursed via the petty cash fund in the department.

Petty cash expenditures made an individual in a department that does not have its own petty cash fund are reimbursed by the Bursar's Office. Please refer to "[Petty Cash Fund General Guidelines](#)" for specific information regarding allowable petty cash transactions

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Procedures:

Reimbursement Procedures

Departments should submit a completed [Petty Cash Replenishment/Reimbursement Request Form](#) along with supporting documentation to the Bursar's Office within ten (10) working days following a purchase. If the reimbursement is needed during year end closeout, the reimbursement must be received by the published cutoff date for the Bursar's Office. Failure to turn in receipts promptly may jeopardize reimbursement if the funding source has lapsed.

Responsibilities:

- Campus Schools, Colleges, Departments or Units are responsible for submitting timely reimbursement requests to the Bursar's Office.
- The Bursar's Office is responsible for reimbursing small dollar purchases for department that do not have a petty cash fund.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Updates to verbiage

Departmental Petty Cash Fund Procedures

Policy No: 1.5.3
Type of Policy: Administrative
Effective Date: 2009-11-00T00:00:00
Last Revised: 2014-10-00T00:00:00
Review Date: 2017-10-00T00:00:00
Contact Name: Carol Gibson
Contact Title: Controller
Contact Email: cgibson@gatech.edu

Reason for Policy:
 To provide guidance to schools, colleges, departments or units of the Institute as it relates to Departmental Petty Cash funds.

Policy Statement:
 This procedure describes the methods required to establish and maintain a petty cash fund along with procedures for the operation and replenishment of the fund. Please refer to "[Petty Cash Fund General Guidelines](#)" for specific information regarding allowable petty cash transactions.

Scope:
 This policy applies to all schools, colleges, departments, and units of the Institute.

Procedures:
Fund Establishment
 To establish a departmental petty cash fund, Section one and three of the [Petty Cash Fund Request/Maintenance Form](#) is to be completed and submitted to the Controller's Office for approval and establishment of the account.

If approved, the Controller's Office will establish the petty cash fund account number and forward the information to the Bursar's Office for processing. For funds established for \$500 or less, the Bursar's Office will provide cash to the custodian for the amount of the fund. Upon acceptance of the funds, the custodian will receive the cash and sign Section Five of the Petty Cash Fund Request/Maintenance Form. For funds established for more than \$500, the Bursar will forward the information to Accounts Payable for check preparation and Accounts Payable will notify the department when the check is ready. Upon acceptance of the funds, the custodian will receive the check and sign Section Five of the Petty Cash Fund Request/Maintenance Form at the Bursar's Office.

If changes to the established fund amount become necessary, a new Petty Cash Fund Request/Maintenance Form must be submitted to the Controller's Office noting the existence of the current petty cash fund and the request for an increase or decrease of funds and/or change of custodian. (Changes are noted in Section Two of the Form.)

- Responsibilities:**
- Campus Schools, Colleges, Departments or Units are responsible for managing departmental petty cash funds per the guidelines and procedures in this policy.
 - The Controller's Office is responsible for establishing the petty cash fund account number on the ledger.
 - The Bursar's Office is responsible for replenishing departmental petty cash funds as requested.

Enforcement:
 To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Updates to verbiage

Departmental Petty Cash Fund Checking Account Procedures

Policy No: 1.5.4

Type of Policy: Administrative

Effective Date: 2009-11-00T00:00:00

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

This policy was created to provide guidance to schools, colleges, departments or units of the Institute as it relates to Departmental Petty Cash Fund Checking Accounts.

Policy Statement:

This policy describes the methods required to establish or maintain a petty cash fund in a checking account. Please refer to "[Petty Cash Fund General Guidelines](#)" for specific information regarding allowable petty cash transactions.

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Procedures:

Fund Establishment

To establish a petty cash checking account, a completed [Petty Cash Request/Maintenance Form](#) should be submitted to the Controller's Office for approval. The Controller's Office will notify the department head once the fund is approved. The department head will notify the custodian and ask that he/she request the following information from the local bank:

1. Signature cards
2. Checking account information
3. Bank contact person

This information should be forwarded to the Controller's Office so that the initial checking account can be set up. The custodian will then be forwarded the following information from the Controller's Office:

1. Bank contact for the account
2. Procedures for reconciling the bank account
3. Copy of agreement with the bank and Georgia Tech
4. Copy of authorized check writers (signature card)
5. Any other pertinent information required to establish this account

Responsibilities:

- Campus Schools, Colleges, Departments or Units are responsible for managing departmental petty cash fund checking accounts per the guidelines and procedures in this policy.
- The Bursar's Office is responsible for replenishing departmental petty cash funds as requested.
- The Controller's Office is responsible for reviewing requests for petty cash fund checking accounts and setting up the initial checking account with assistance from Treasury Services.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Updates to verbiage. New section added by Treasury Services.

Non-Student Accounts Receivable

Policy No: 1.6

Type of Policy: Administrative

Last Revised: 2015-03-00T00:00:00

Review Date: 2018-03-00T00:00:00

Policy Owner: Bursar's Office

Contact Name: Terry Fair

Contact Title: Associate Bursar

Contact Email: terry.fair@business.gatech.edu

Policy Statement:

The Bursar's Office is responsible for billing and collecting for goods and services to external parties for units of the Institute such as IPST and Facilities.

Procedures:

When requesting a billing, the college, department, or organizational unit must, at a minimum, provide the following information:

1. Name of originating office
2. Name and telephone number of contact person in originating office.
3. Name and address of customer to be billed.
4. Telephone number of customer (if possible).
5. Detailed description of services to be billed including any supporting documentation – See below
6. Dollar amount to be billed.
7. Revenue/expense account to be credited
8. PeopleSoft project #

Responsibilities:

Units sending information to the Bursar's Office for invoices to be created are required to implement procedures internally to avoid accepting payment within the unit. Any such payments received by the unit should be forwarded to the attention of the General Accounts Receivable Manager in the Bursar's Office. They should not be deposited through a Daily Cash Transmittal Form.

Policy History:

Revision Date	Author	Description
March 2015	Bursars Office	Update poli

Departmental Sales and Services (DSS)

Policy No: 1.11

Type of Policy: Administrative

Review Date: 2015-01-00T00:00:00

Policy Owner: Controller's Office

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

This policy addresses accounting requirements for departmental sales and services (DSS) charges and enables the Budget Office and Campus Departments to easily identify carry forward eligible funds. This policy also helps to ensure Institute and Board of Regents (BOR) policy requirements for Service Centers and Departmental Sales and Services funds, respectively, are met.

Policy Statement:

Overview

Georgia Tech has accounting requirements related to departmental sales and services (DSS) funds and the ability to carry eligible funds forward in the next fiscal year. DSS accounting requires DSS project numbers to correctly point to a non-lapsing fund code which then allows campus units to carry forward eligible funds. Certain and requirements must be met by the department to carry forward funds. DSS accounting also requires specific revenue account codes to be used for Internal (includes GT Affiliates), External to GT and GT Affiliates and External Sponsored Projects. The ability to carry forward funds enables revenue centers to better manage their operations and plan ahead for future commitments. Department financial administrators/managers are solely responsible for managing carry forward funds for their unit.

Exclusions

Revenue received for continuing education courses offered by Georgia Tech Professional Education (GTPE) is excluded from this process.

Project ID's

To ensure compliance with Board of Regents (BOR) and state audit requirements, DSS project ID's are required to be established in the 14xxx fund code range for Departmental Sales and Services.

Fund Codes

Each Resident Instruction department with DSS activity will be assigned a fund code in the 142xx DSS fund code range. Georgia Tech Research Institute (GTRI) DSS activity will be assigned to fund code 14321 and Enterprise Innovation Institute (EI2) DSS activity will be assigned to fund code 14325. At year-end close, DSS projects meeting the carry forward requirements will be flagged and will not be included in the departmental year-end balance calculation. The remaining DSS projects will be used to determine the deficit or surplus balance for each DSS fund. Deficit balances in DSS funds for each entity at year end is required to be covered by the entity using General Operations funding.

Accounts

DSS accounts must clearly distinguish external DSS revenue from internal DSS revenue. This is accomplished by the use of specific accounts for DSS revenue transactions. DSS revenue is broken down into three categories;

- Internal (includes GT Affiliates)
- External to GT and GT Affiliates
- External Sponsored Projects.

Internal DSS revenue is defined as income from sources internal to the Institute. DSS occurs when one campus department (service department) provides goods or services to another campus department (receiving department) and subsequently charges the receiving department for the goods or services. The service department books revenue to recognize income for the goods or services provided and the receiving department is charged an

expense to recognize the cost of the goods or services received.

Transactions between Georgia Tech and its affiliated organizations are also considered Internal DSS. By definition, affiliated organizations are legally separate corporations that partner with Georgia Tech to fulfill its mission. Georgia Tech's affiliated organizations are listed at <http://larm.gatech.edu/affiliated-organizations>.

All internal DSS revenue must be charged to revenue account 471900.

DSS revenue that is External to GT and GT Affiliates is defined as income from sources external to the Institute. All DSS revenue External to GT and GT Affiliates must be charged to account 452900. Examples of DSS revenue that falls into this category include:

- General Public
- Faculty/Staff/Students
- Direct payments from Other Institutions/Agencies
- Agency Funds
- GTPE Revenue

DSS revenue from External Sponsored Projects is defined as income from sponsored projects where the funding source is external to the Institute and its affiliated organizations. All DSS revenue from External Sponsored Projects must be charged to account 452800. Examples of DSS revenue that falls into this category include

- Federal Sponsored Projects (USAF, DOE, DOD, NASA, etc.)
- State of Georgia Sponsored Projects
- Local Sponsored Projects
- Private Industry Sponsored Projects

Both internal and external revenue may be posted to a DSS project number, however the account must correctly reflect the type of revenue: Internal (account 471900), External to GT and GT Affiliates (account 452900) and External Sponsored Projects (452800).

Split Funded Transactions

When DSS transactions are charged to multiple funding sources, the revenue recognized by the service department should be split between DSS revenue accounts based on the percentage each funding source pays for the service. For example, if 25% of the purchase is funded by a Georgia Tech Foundation (GTF) project (DSS - Internal) and 75% of the purchase is funded by a National Aeronautics and Space Administration (NASA) Sponsored project (DSS - External Sponsored Project), 25% of the revenue recognized by the service center should be charged to account 471900 (Internal DSS) and 75% of the revenue recognized by the service center should be charged to account 452800 (External Sponsored Project).

Cost Share Funds

DSS transactions charged to Cost Share projects should be treated as Internal DSS and charged to account 471900.

Start Up Funds

DSS transactions charged to Start Up projects should be treated as Internal DSS and charged to account 471900.

Georgia Tech Professional Education (GTPE) Revenue Transfers

DSS revenue transferred to departments by GTPE should be treated as revenue External to GT and GT Affiliates and charged to account 452900. Since the original source of the revenue is "External to Georgia Tech and Georgia Tech Affiliates", the revenue is considered external.

Georgia Tech Research Institute (GTRI) Funds

DSS transactions charged to non-sponsored GTRI funds should be treated as Internal DSS and charged to account 471900.

Enterprise Innovation Institute (EI2) Funds

DSS transactions charged to non-sponsored EI2 funds should be treated as Internal DSS and charged to account 471900.

Auxiliary Services Funds

DSS transactions charged to Auxiliary Services Funds should be treated as Internal DSS and charged to account 471900.

Student Activities Funds

DSS transactions charged to Student Activities funds should be treated as Internal DSS and charged to account 471900.

DSS Surplus Balances

Departmental Sales and Services are exempt from the state law concerning lapsing funds. Therefore, DSS surplus balances may be carried forward if certain requirements are met. The requirements per section 2.2.1 of the University System of Georgia's *Business Procedures Manual (BPM)* are as follows:

- The activity must generally be self-supporting.
- The activity should not use State-Appropriated or other General Operations funds.
- Revenue and associated expenses for each DSS activity should be readily identifiable; e.g., by class code, department, project indicator, etc.
- At least 50% of the revenue source must be from external sources; e.g., student, faculty, staff, general public, grantors, other institutions/agencies, etc.

Source: http://www.usg.edu/business_procedures_manual/

Salaries and the accompanying fringe benefits associated with DSS activity should be charged to each DSS fund in proportion to the effort of employees providing the goods or services.

Service Centers

All salary and other expenses included in approved Service Center charge rates must be recorded to the appropriate DSS fund and project number. Due to the administrative requirements of managing centers of this type, there must be a clear business-case for establishing and renewing internal and external charge rates. The requisite business-case includes the following basic parameters:

- Self-Supporting Revenues - Service center annual recoveries should typically be sufficient to fund the annual operating costs of the center. Operating costs include allocable salaries, fringe benefits, supplies, equipment maintenance, equipment replacement, and other facilities and administrative costs applicable to the center.
- Local Administrative and Financial Support - The unit/department must be equipped to manage the additional accounting and reporting requirements of the Center. These activities include separate accounting for expenses and revenues (recoveries) and precise tracking of utilization for charge-out purposes.
- College and Institute Level Approval – The “Service/Recharge Center Request & Approval Form” must be completed and approved by the appropriate School or Department Head and the appropriate College or Institute level officer prior to being submitted to Grants and Contracts Accounting for consideration. The form can be found on the Grants and Contracts website:
http://www.grants.gatech.edu/admin_standard_blank_forms.php

Policies and procedures related to Georgia Tech “Resident Instruction” Service Centers are available in the Policy Library - Administrative Policy 3.14:

<http://www.policylibrary.gatech.edu/cost-service-centers>

As DSS funds, surplus balances for approved Service Centers may be carried forward in accordance with the requirements of BPM Section 2.2.1 (noted above). Surplus balances for Centers with less than 50% external

revenue will be managed under existing procedures for requesting carry forward of year-end fund balances. Procedures and related forms are available on the Institute Budget Planning & Administration web-site: <http://forms.budgets.gatech.edu/view.php?id=13450>.

In order to qualify for carry forward approval, surplus balances for approved Service Centers with less than 50% external revenue must meet the following requirements:

- The activity must be self-supporting.
- The activity should not use State-Appropriated or other General Operations funds.
- Revenue and associated expenses for each DSS activity should be readily identifiable; e.g., by class code, department, project indicator, etc.
- Surplus revenues must be attributable to the Center's cost of facilities (in whole or part) as defined by OMB Circular A-21 (2 CFR 220) and as supported by individual Service Center cost studies. Facilities costs include equipment depreciation and maintenance expenses.

The Office of Grants & Contracts Accounting will provide assistance as needed in confirming that the above requirements for service centers have been met.

Contact Information

For assistance with this policy, please see the contact information below:

- accounting.ask@business.gatech.edu – Questions related to DSS revenue account use
- gc.ask@business.gatech.edu – Questions related to Georgia Tech "Resident Instruction" Service Centers
- gl.ask@business.gatech.edu – Questions related to accounting for DSS transactions
- [Department Budget Analyst](#) - Questions related to DSS carry forward requests, eligibility for carrying forward funds and setting up DSS project ID's

Scope:

This policy applies to all Georgia Tech staff, faculty, and researchers who generate revenue from departmental sales and services.

Policy Terms:**Departmental Sales and Services (DSS)**

Transactions generated from the sales of goods and services by one campus department to another campus departments or to entities outside of Georgia Tech.

Procedures:**Sales and Services Procedures****Campus Departments**

Campus departments will utilize the new chart of accounts structure (project ID and Account) for DSS funds to more easily identify DSS revenue and carry forward funds.

Campus Department Requests

Campus departments will make an online request to the Budget Office to carry forward eligible DSS funds in late June each year.

Campus Service Center Requests

Campus Service Centers will make an online request to the Budget Office to carry forward eligible DSS funds in late June each year. Service Center requests will be reviewed by Grants and Contracts Accounting prior to campus department notification.

Budget Office

The Budget Office will determine the carry forward amounts after year end close and communicate that information to campus departments.

Responsibilities:

Campus Department

The campus department is responsible for following the guidelines in the policy as well as initiating requests to set up new DSS projects ID's and requests to carry forward DSS funds at year end.

Budget Office

The Budget Office is responsible for setting up DSS project ID's, processing carry forward fund requests at year end and working with campus units to ensure eligibility to carry forward DSS funds is met.

Controller's Office

The Controller's Office is responsible for working with campus units as it relates to DSS accounting and ensuring campus units understand the policy.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's *EthicsPoint*, a secure and confidential reporting system, at: <https://secure.ethicspoint.com/domain/media/en/gui/7508/index.html>

Policy History:

Revision Date	Author	Description
12-3-2013	Carol Gibson	Minor revisions to verbiage
3-26-2014	Carol Gibson	Updated document exclude GTPE revenue from this process. Minor revisions to verbiage. Updated Procedures section.

Studies Abroad Program

Policy No: 1.7

Type of Policy: Administrative

Effective Date: 2009-11-00T00:00:00

Last Revised: 2015-06-00T00:00:00

Review Date: 2018-06-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

This procedure provides general guidelines for the operation of Studies Abroad Programs.

Policy Statement:

Approval

An instructor (program director) who is interested in sponsoring a Studies Abroad Program must first prepare a formal proposal. The proposal must reflect all information related to the program including:

1. Nature and purpose of the program;
2. Type and number of credit/noncredit hours and contact hours, course title and number, examples of course-related activities and excursions outside the classroom and whether the course is undergraduate or

- graduate;
3. Projected number of students and faculty;
 4. Projected cost to each student (tuition, matriculation, room and board, insurance, etc.);
 5. Projected budget to include non-instructional and instructional income and expenses using and exchange rate based on the previous 365 days average and amount and source of faculty compensation;
 6. Faculty salaries must be paid from instructional funds
 7. Faculty travel and expenses should be paid from instructional funds. If inadequate funds exist in the instructional project, then funds may be transferred from the agency project to the instructional project to cover these expenses.
 8. Programs should budget between 5 - 20% of program fee as reserve fund
 9. Program affiliations;
 10. Security and travel arrangements;
 11. Countries and cities to be visited;
 12. Insurance and risk management information;
 13. Any information and/or agreements needed from the college abroad;
 14. Program must follow the Study Abroad Committee process and adhere to GT deadlines for registration, tuition payments, etc.

In addition to the written proposal, a "[Request for Approval for Studies Abroad Programs](#)" form must be completed and submitted to the following persons for approval in the order listed below:

1. Departmental Chair/Director of unit sponsoring the program
2. Dean of the College
3. Executive Director of the Office of International Education
4. Vice Provost for International Initiatives or his designee
5. Executive Vice President for Administration & Finance

Registration of Students and Payments of Fees

The Program Director is responsible for ensuring that the Studies Abroad courses are properly included on the On-line Student Computer Assisted Registration (OSCAR) system. Also, the Director must properly advise students of any and all special arrangements that must be made in order to participate in the program. The student has the ultimate responsibility for registering for the course that he/she wants to take.

The Office of International Education (OIE) is responsible for submitting all information relating to the registration of students to the Registrar's Office. Georgia Tech credit will be awarded to students who properly register for Studies Abroad courses listed on the OSCAR. If students choose to participate on a non-GT study abroad program, non-Georgia Tech course credits are subject to the college credit transfer policies outlined in the Georgia Tech Catalog.

Fees for the Studies Abroad Program should be paid to the Bursar's Office. The Program Director is responsible for ensuring that the proper projects have been established by the Controller's Office to accommodate deposits made for the respective program. The sponsoring faculty member and/or department should have previously requested the establishment of projects by following instructions in "[Establishing An Agency Fund Account](#)". Study Abroad programs that require a Tuition Revenue project should contact the Budget Office to set up the appropriate project. Cross-registered students from other colleges may not participate in Studies Abroad Programs sponsored by Georgia Tech. Those particular students must apply and be accepted by the Admissions Office as transient students in order to participate in such programs. Acceptance requirements for the cross-registered students should be coordinated between the Admissions Office and the OIE. These students must also pay tuition and fees for the program directly to the Bursar's Office.

Accounting for Revenues and Expenses

To comply with instructions issued by the Assistant Vice Chancellor for Fiscal Affairs at the Board of Regents on June 13, 1994, all Studies Abroad Programs will be accounted for as follows:

An Agency Fund project will be established for each Studies Abroad Program and will be used to collect and disburse funds for the program. These projects will be established by the Controller's Office at the request of the program/department sponsor. A signed copy of the "Request for Approval for Studies Abroad Programs" form

should be included as an attachment to the request to establish the project. By agreement between the Board of Regents and the State Audit Department, all funds for a Studies Abroad Program must be expended or transferred within eighteen months from the beginning of the program. Applicable tuition and fees, and any other instructional fees, will be transferred by the Controller's Office to Resident Instruction as initiated or requested by the department. All instructional salaries and benefit costs must be paid from the sponsoring units within Resident Instruction, based upon the approved budget. All other costs can be handled in Agency Funds. Examples of costs processed in Agency Funds include the following: travel, supplies, printing, materials, tours lodging, insurance, rental of meeting places, and exchange rate variance cost. Promotional materials must include a statement indicating the type of expenses that will be paid from program fees. Rules and regulations related to the documentation of travel and reimbursable expenditures shall be followed according to procedures established in "[Travel](#)". Reasonable cash advances may be made by the Institute, but they must be supported by appropriate documentation at the conclusion of the program. The fee for each Studies Abroad Program will vary depending upon the feature of a particular program, but all must include matriculation fees and applicable tuition (non-resident) fees. The fee for non-resident students has been established at \$250 for all Studies Abroad Programs (except for GT Lorraine's undergraduate program, which has a \$3,500 non-resident fee) by the Board of Regents while the matriculation fees will vary depending on the number of credit hours taken. After all expenses for a Studies Abroad Program have been paid, but no later than eighteen months from the beginning of a program, any excess funds remaining in the Agency Fund Project must be transferred to an Institute Project. Any deficit incurred as result of a Studies Abroad Program must be funded by the sponsoring school/department.

Scope: This policy applies to all schools, colleges, departments, and units of the Institute.

Definitions:

Terms specific to this Policy. Where possible, use terms from the Master Glossary of terms that apply to this policy.

Policy History:

Revision Date	Author	Description
June 2015	Controller's Office	Language clarification throughout policy

GT Foundation Awards

GT Foundation Award Accounting

Policy No: 1.8.1

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

To provide guidance to schools, colleges, departments and units of the Institute as it relates to the accounting for grants awarded to the Georgia Tech Foundation (GTF) and administered by the Institute.

Policy Statement:

This policy provides provide guidance to schools, colleges, departments and units of the Institute as it relates to the accounting for grants awarded to the Georgia Tech Foundation (GTF) and administered by the Institute.

Management of GTF and Financial Aid Projects

GTF and Financial Aid projects are managed by the Accounting Services Department. All other sponsored awards (including sub-projects) are managed by the Office of Grants and Contracts Accounting. GTF awards are handled in the same manner as other sponsored projects) as described in the Policies and Procedures referenced below.

- Grants & Contracts: [General Information](#)
- Grants & Contracts: [Plan-Confirmation](#)
- Grants & Contracts: [Undesignated Sponsored Accounts](#)
- Grants & Contracts: [Unallowable Expenses](#)
- Grants & Contracts: [Unbillable Sponsored Projects](#)
- Grants & Contracts: [Cost Transfer Requests](#)

- [Cost Transfer Form](#) (Excel document)

- Grants & Contracts: [Write-off Requests](#)
- Grants & Contracts: [Project Set Up in Grants Master](#)
- Grants & Contracts: [Project Close-out in Grants Master](#)
- Grants & Contracts: [Establishing a Sub-Project Account](#)

- [Establishing/Revising a Sub-Project Budget Form](#)

Grants & Contracts: [Sponsored Project Budget Revisions](#)

- [Budget Revision Input Form](#) (Excel document)
- [Budget Revision to Sponsored Project Form](#) (Excel document)
- [Budget Categories and Object Codes Form](#) (Excel document)

Allowable Expenditures

All allowable expenditures relating to the grant will be processed through the Institute. Any expenditures determined to be unallowable by the Institute, but allowable to the grant, may be paid directly by the Foundation. Any such charges must be communicated to the Controller’s Office where a memo entry will be made to the project accounting records in order to properly accumulate and report costs incurred.

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Responsibilities:

- Campus Schools, Colleges, Departments or Units are responsible for managing GTF funds assigned to their unit.
- The Controller’s Office and Bursar’s Office are responsible for overseeing GTF funds allocated to the Institute.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech’s EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
08-2013	Policy Library	Fixed Unbillable Sponsored Projects link
10-03-2014	Controller's Office	Updates to verbiage. New gift

Revision Date	Author	Description	
			transmittal form

Georgia Tech Foundation Award Project Number Assignment

Policy No: 1.8.2
Type of Policy: Administrative
Last Revised: 2014-10-00T00:00:00
Review Date: 2017-10-00T00:00:00
Contact Name: Carol Gibson
Contact Title: Controller
Contact Email: cgibson@gatech.edu
Reason for Policy:

To provide guidance to schools, colleges, departments and units of the Institute as it relates to establish project numbers for grants awarded to the Georgia Tech Foundation (GTF) and administered by the Institute.

Policy Statement:

This policy provides provide guidance to schools, colleges, departments and units of the Institute as it relates establishing new sponsored projects in the accounting records of the Georgia Institute of Technology (GIT) where the Georgia Tech Foundation (GTF) is the sponsoring entity. Effective February 1, 1999, all business transactions financed by GTF funds are to be processed through GIT in accordance with generally accepted business practices and processes; therefore, a GIT sponsored project is to be established for GTF awards. For additional information, see the Business and Finance – Foundation Funds section in the Policy Library for a complete description of the policies and procedures for Solicitation, Acceptance and Expenditure of Georgia Tech Foundation Funds.

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Procedures:

Project Establishment

The Controller’s Office is charged with the establishment of sponsored projects in accounting records of the Georgia Institute of Technology upon receipt of properly completed [GTF “Gift Transmittal Form”](#) from the Foundation (PDF Version). Please use updated form.

Upon receipt of a gift or budgetary allocation, the Georgia Tech foundation will establish a GTF account number for the funds. GTF will transmit the account number, dollar amount, restricted use of the funds, and any effective or expiration dates for the funds to the Controller’s Office, using the Gift Transmittal Form. All funds reported on this form will be budgeted in the “Other Memo” category. If specific budget details are required, the budget information should be entered on the second page of the Form using the spaces provided. The Gift Transmittal Form must be approved by authorized personnel at the Georgia Tech Foundation.

When gifts and/or awards are received initially by the operating units, a Gift Transmittal Form should be prepared by the unit and forwarded directly to the Foundation with all supporting documentation. Requests received by the Controller’s Office without a properly completed Gift Transmittal Form will be forwarded to the Georgia Tech Foundation for action.

Responsibilities:

- Campus Schools, Colleges, Departments or Units are responsible for managing GTF funds assigned to their unit.
- The Controller’s Office and Bursar’s Office are responsible for overseeing GTF funds allocated to the

Institute. The Controller’s Office is also responsible for setting up GTF projects and sub-projects.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech’s EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller’s Office	Updates to verbiage. Title update

Scholarship and Fellowship Projects

Establishing Scholarship and Fellowship Projects

Policy No: 1.9.1

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

This procedure is intended to explain the method of establishing a new scholarship or fellowship project number and account maintenance in the accounting records of the Georgia Institute of Technology.

Policy Statement:

The Accounting Services Department is charged with the establishment of scholarship and fellowship project numbers in the accounting system to allow expenditures by the Georgia Institute of Technology upon receipt of properly authorized/approved budgetary and invoicing documentation. The Accounting Services Department is also responsible for budget entry and review of expenditures incurred and payments received from donors/sponsors for scholarship and fellowship accounts. Each authorization should be initiated by an award notification from the donor/sponsor and approved by authorized personnel in the Office of Student Financial Planning and Services or other units that may control distribution of awards to the Institute. Additionally some requests are received resulting from proposals submitted through the Office of Sponsored Programs. Requests received by the Accounting Services Department without sufficient will be returned to the appropriate unit for further action.

Procedures:

1. Upon receipt of a request for a new scholarship or fellowship project, the Accounting Services Department will assign the project number within the appropriate range of numbers (997xxxx for Scholarships / 998xxxx for Fellowships) and updates the accounting records of the Institute.
2. If “deliverables” (e.g. progress report, financial report, etc.) or a contract/agreement mutually signed by the sponsor and the Institute (either GTRC or GIT), the award documents should first be forwarded to the Office of Sponsored Programs (OSP) for review. OSP takes necessary steps to execute the agreement and requests project assignment from the Office of Grants & Contracts Accounting (GCA).
3. If a scholarship or fellowship project is to be created as a sub-project under an existing project number, the department is required to submit an online budget revision request through the Grants Management System ([Establishing a Sub-Project Account](#)). This request should include the proper department/organization number (997 for scholarships, 998 for fellowships) PI name, start/end date, project

- name, amount and specific explanation in remarks before submitting the revision.
4. The Accounting Services Department (or GCA as required) notifies the requesting unit of the project number. This notification is the first opportunity for allowable expenditures related to the scholarship/fellowship award to be recorded to the accounting records of the Institute.
 5. Requests for payments from scholarship or fellowship awards require various approvals based upon the specific award's guidelines. The award package is maintained by the Office of Student Financial Planning and Services or other designated campus administrative office.
 6. Copies of award documents requiring invoicing should be forwarded to the Accounting Services Department for action with the request for project number assignment. This will help the proper accounting office maintain complete account files and insure timely invoices to donor/sponsors.

Processing Scholarship, Fellowship and Other Student Payments

Policy No: 1.9.2

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Policy Owner: Bursar's Office

Contact Name: Terry Fair

Contact Title: Controller

Contact Email: terry.fair@bursar.gatech.edu

Reason for Policy:

To provide guidance to Georgia Tech colleges, schools, departments and units as it relates to processing scholarship, fellowship other student payments.

Policy Statement:

The Internal Revenue Service (IRS) Publication 520 covers the rules for the taxation of student payments. The publication states that the part of any grant, scholarship, or fellowship that represents payments for teaching, research or any other service is taxable to the student. Colleges and universities are obligated to withhold taxes on any award that represents compensation for services. Nonresident alien students may have taxes withheld on awards that do not represent compensation for services. Their tax obligations are governed by their visa status, United States (US) tax laws, and/or the tax treaty between the US and their country of residence.

The Institute is responsible for withholding payroll taxes on the portion of a fellowship or traineeship award made to a student (U. S. Citizen, Resident Alien, or Nonresident Alien who is not claiming an exemption under the provisions of a tax treaty), which represents payment for services required to be performed in order to receive the award. **Failure to withhold the taxes when required may create unexpected tax liabilities for Georgia Tech students and cause the Institute to incur serious financial penalties.** The Institute will provide the student with a Form W-2 at year-end, which will report to him/her income earned and taxes withheld. The student is responsible for determining his/her tax liability and filing his/her individual income tax return with the IRS. The department is responsible for determining if a student's scholarship, fellowship or other award is requires services to be rendered before receipt of payment. The student, however, is responsible for providing sufficient information to the department to enable a determination of status. **Ultimately, it is the student's responsibility to determine his/her tax liability and file a tax return with the Internal Revenue Service each year.**

For more information related to the responsibility of the student in determining his/her own tax liability, please visit the Office of Scholarships and Financial Aid (OSFA) [Tax Information](#) website.

This policy is not applicable to payments made to graduate student assistants (GSA's), graduate research assistants (GRA's), and graduate teaching assistants (GTA's).

Scope:

This policy applies to all schools, colleges, departments, and units of the Institute.

Procedures:

Scholarship – Trainee - Fellowship Payment Grid

The Scholarship – Trainee – Fellowship payment grid provides detailed information on processing student payments. That information includes the following:

1. Type of Program/Student
2. Program Description (Training Grant, Award, Schl, Fell)
3. Account Code
4. Project ID (997 project, 998 project or other project)
5. Routing Information (Financial Aid, Bursar, AP, Payroll, etc)
6. Forms Required (Check Request Form, Vendor Profile Form, Bursar's Special Payment Form, etc)
7. IRS Reporting Requirement for US Students and Non-US Students

Responsibilities:

- The student is responsible for providing sufficient information to the department to enable a determination of status. The student is also ultimately responsible for determining his/her tax liability and filing his/her individual income tax return with the IRS.
- The department is responsible for determining if a student's scholarship, fellowship or other award is requires services to be rendered before receipt of payment.
- The Bursar's Office, Accounts Payable and the Payroll Office are responsible for ensuring timely payments to students.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Periodic review and verbiage update. Policy Number change. Assignment change to Bursar's Office.

Tax Implications for Student Receiving Scholarships, Fellowships or Traineeships

Policy No: 1.9.3

Type of Policy: Administrative

Review Date: 2015-02-00T00:00:00

Contact Name: Carol Gibson

Contact Title: Controller

Contact Email: cgibson@gatech.edu

Reason for Policy:

This policy was created to provide tax guidance to students receiving scholarships, fellowships or traineeships.

Policy Statement:

The Internal Revenue Code has special provisions that address the tax status of scholarships/fellowships/traineeships. Any tax responsibility under this law belongs to the student. Each scholarship, fellowship or traineeship recipient is responsible for determining how the tax law applies to his/her particular circumstances. The procedures outline some key points regarding the tax law.

Scope:

This policy applies to all colleges, schools, departments, and units of the Institute.

Procedures:

Student Award – No Services Required

A student (US Citizen or Resident Alien) who receives a scholarship, fellowship or traineeship award for which he/she is not required to perform services (past, present, or future) may exempt the portion of the award that is used for qualified tuition and related expenses (tuition, fees, books, supplies, and other equipment required for courses). Any portion of the award used for other expenses, such as room and board or travel, is considered part of the student's gross income and must be reported on his/her individual tax return. Because the student has no employment relationship with the Georgia Institute of Technology (the Institute), the Institute is not required to withhold taxes on the taxable portion of the award and has no tax reporting obligation to the Internal Revenue Service (IRS) or the student.

Responsibilities:

- The student is ultimately responsible for determining his/her tax liability and filing a tax return with the Internal Revenue Service each year.
- The Institute is responsible for withholding payroll taxes on the portion of a scholarship/fellowship/traineeship award made to a student as needed.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-03-2014	Controller's Office	Updates to verbiage. Removed obsolete portions. Updated title.

Student Prizes and Awards

Policy No: 1.10

Type of Policy: Administrative

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Policy Owner: Bursar's Office

Contact Name: Terry Fair

Contact Title: Controller

Contact Email: terry.fair@business.gatech.edu

Reason for Policy:

This policy was created to explain the method of authorizing payment of a prize or award and establishing a

sponsored project in the accounting records of the Georgia Institute of Technology to charge expenditures related to prizes or awards.

Policy Statement:

The Office of Grants and Contracts and/or the Controller’s Office are charged with the establishment of sponsored projects in the Chart of Accounts and the accounting records of the Georgia Institute of Technology upon receipt of properly authorized/approved budgetary and invoicing documentation for prizes and awards. The Office of Scholarships and Financial Aid and the Bursar’s Office are charged with the review and approval of prize and award payments issued by the Georgia Institute of Technology. Requests for payment should include a valid Institute project number from which the payment should be made and must include adequate documentation describing the purpose of the payment (e.g. annual staff award, prize for participation in special program, etc.). Funding should come from sources that permit the prize and award payments, such as Georgia Tech Foundation and Georgia Tech Research Corporation, etc. **State funds cannot be used to pay prizes and awards.**

Scope:

This policy applies to all colleges, schools, departments, and units of the Institute.

Procedures:

Prize and award recipients who have been employed in the current calendar year should be submitted on the [prize and award form](#) that can be obtained from the payroll department. Payroll Prize forms should be forwarded to Accounting Services for approval. The following steps will be taken upon receipt of a request for issuance of an award or prize:

1. The Bursar’s Office will initially verify the purpose of the prize or award. The requesting department must include a description of the reasoning/rationale for the prize on the request form and attach any/all supporting documentation (e.g. attach a notice of annual competition.)
2. The Bursar’s Office will review the request for an authorized sponsored project number to be charged for the prize and award. If this information is not clearly identified on the request, the initiating unit will be contacted in order to determine the project number. If no funding source can be identified, the request will be returned to the initiating department. If a project does not already exist in the accounting records of the Institute, the initiating department must request to establish a new sponsored project. If funding is from either the Georgia Tech Foundation or the Georgia Tech Research Corporation, instructions for establishing projects should be followed as described in the Policy and Procedure Manual. If funding is from external sources, a sponsored project should be initiated and requested through the Office of Sponsored Programs.
3. The Bursar’s Office will verify budget availability prior to the approval of prize and award payments. The initiating department is responsible for all costs incurred if payments are not reimbursed from the designated sponsor. The departments should read the instructions carefully on the award and prize forms when calculating the award amount and estimated total department’s expenditures. For more information regarding tax withholdings, refer to Payroll procedure “10.12 Employee Awards and Prizes”.
4. Upon completion of the review of the prize or award request, the approved form will be forwarded to the appropriate office for payment.
 1. Forms for awards and prizes to recipients who have been employed in the current calendar year will be forwarded to the Payroll Department for payment. The Payroll Department will first verify GIT employment for the recipient. Payments will be posted to the accounting records as extra compensation -- account code 511910. The Employer portion of FICA at 7.65% should be included in the budgeted amount for payments to these recipients. Refer to Payroll procedure 10.12 regarding the gross up amount of award if the department is willing to absorb expenses for the employee’s income taxes and FICA withholdings. Payment can either be added to the employee’s next scheduled payroll or checks will be distributed to initiating departments.
5. Payments made to prize and award recipients who have not been employed in the current calendar year will be processed through the Accounts Payable Department. A check in the award amount will be issued to the recipient using the account code 751120 for such payments. No tax will be withheld, but the recipient may receive a 1099 form if annual payments meet/exceed certain levels established by IRS guidelines. Recipients that have been classified as “non-resident aliens” may be taxed unless a current tax treaty exists between his/her home country and the United States. The department is required to provide the

recipient's GTID on the prize form.

Responsibilities:

- The student is ultimately responsible for determining his/her tax liability and filing a tax return with the Internal Revenue Service each year.
- The Institute is responsible for withholding payroll taxes on the portion of a scholarship/fellowship/traineeship award made to a student as needed.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's EthicsPoint, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:	Revision	Author	Description
	Date		
	10-03-2014	Carol Gibson	Updates for responsible party changed from Accounting Services/Controller's Office to Bursar's Office. Title change.

Budget

General Information

Type of Policy: Administrative
Review Date: 2017-03-00T00:00:00
Policy Owner: Budget, Planning and Administration
Contact Name: Jim Kirk
Contact Title: Exec Dir-Institute Budget Planning & Administration
Contact Email: jim.kirk@business.gatech.edu
Reason for Policy:

The function of the Georgia Tech Budget Office is to plan, prepare, maintain, monitor and report on all institutional budgets at Georgia Tech according to established Institutional and Board of Regents (BOR) policies. The Georgia Tech budget expresses the intentions of the Institute in terms of dollars. These intentions include a fiscal year (July 1 - June 30) plan for the Institute, which is reflected in the Annual (Original) Operating and Capital Budget. Any changes made during the fiscal year must be reflected through an amendment process.

The President of the Institute is held responsible by the Board of Regents of the University System of Georgia for planning and administering all programs and related budgets for the Institute. Administrative and planning responsibility for budgetary units within Georgia Tech is delegated by the President to the Provost, Senior Vice President, and Vice Presidents. It is further delegated to division heads, including deans and other division heads reporting directly to the President.

Policy Statement:

The Budget Office is required to follow an established set of guidelines and policies set forth by the State of Georgia, the Board of Regents and the Institute. These are found in Section 702 of the Board of Regents policy manual. Key portions of the BOR policy are cited below.

Organization of Budget and Accounting Structure

Financial and budgetary procedure for the University System shall divide financing, accounting, and operation of fiscal affairs into two parts: first, educational and general programs, such as cost of instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, and

scholarships and fellowships, and such income as student fees, federal grants, endowment income, vocational funds income from sales, gifts, rentals, and other related items; and, second, auxiliary enterprises, such as dining halls, residence halls, and other related items. (Section 702)

Preparation of Operating Budgets

Each institution of the System shall prepare an operating budget for educational and general activities and an operating budget for auxiliary enterprises of the institution for the fiscal year within the limit of funds allocated plus estimated internal income of the institution. Operating budgets of separately incorporated athletic organizations are specifically excluded from this process, although the transfer of student fees to those separately incorporated organizations must be reflected as a single item in the budget submitted to the Chancellor (BR Minutes, 1946-47, pp. 214-15). (Section 702.02)

Budget Amendments

Institutions are authorized to amend their annual operating budgets without prior approval of the Board of Regents except that any amendment which exceeds \$1 million and involves state general fund appropriations, auxiliary enterprise funds or student activity funds shall be submitted to the Board of Regents for approval. Prior Board of Regents approval shall not be required for any budget amendment involving special purpose state funds, non-state funds, or internal revenue sources. Institutions shall be required to report quarterly on all budget amendments to the Vice Chancellor for Fiscal Affairs and the Treasurer under procedures developed by his/her staff. The Chancellor or the Vice Chancellor for Fiscal Affairs and the Treasurer reserves the right to require prior approval of the budget amendments at any institution of the University System which he/she determines has failed to manage its budget within available resources or in a manner consistent with Board of Regents goals and priorities. Under these circumstances, the Chancellor or the Vice Chancellor for Fiscal Affairs and Treasurer may request the institution to develop a remediation plan to assure more appropriate decisions on future budget changes (BR Minutes, 1951-52, pp. 365-66; June, 1999, p. 17). (Section 702.3)

Definitions

The consolidated operating budget for Georgia Tech includes Resident Instruction, Georgia Tech Research Institute (GTRI), Distance Learning and Professional Education (DLPE), Advanced Technology Development Center (ATDC), Economic Development Institute (EDI), Center for Assistive Technology and Environmental Access (CATEA), Auxiliary Services, and Student Services. The consolidated budget includes all the financial resources available to Georgia Tech during a given year. There is a separate budget for major capital projects. The budget for the academic core of the Institute, plus executive management and all general Institute support activities such as Library, Administration & Finance, Information Technology, Plant Operations, etc. is referred to as the "Resident Instruction Budget." See the next section for additional definitions pertaining to Georgia Tech budgets.

Policy Terms:

- **Account (was Object Code)**

A detailed identifier for classifying expenditures. For example, supplies, equipment, health insurance, wages, etc.

- **Allocation**

The process of distributing funds to the campus. Separate processes are used to allocate the funds from the different sources. Resident Instruction funding is usually placed in a unit's budget and forms the base budget for the new year. Additional funds added to the base are called "new workload" funds. Generally, the base budget plus new workload form the budget for the next year.

- **Auxiliary Enterprises**

Operations that support the mission of the institute by providing essential services to students, faculty and staff, including food service, housing, and parking. Fees support these operations. Auxiliary Enterprises are considered self-supporting and therefore do not receive an allocation from the State.

- **B Units**

Other organized activities at Georgia Tech with separate appropriations in the State of Georgia budget. These are: Georgia Tech Research Institute (GTRI), Advanced Technology Development Center (ATDC) and Enterprise Innovation Institute (EII).

- **Budget**

The annual financial plan of the Institute. With the approval of the Board of Regents, the Institute adopts the Original Budget in July of each fiscal year and subsequently approves an amended budget each month. The amended budget must be approved quarterly by the Board of Regents.

- **Budget Amendment**
The process that campus units use to update their Original Budgets. The process involves, but is not limited to, the re-distribution of funds between accounts, function and sources of funds, additions or reductions of funds, or changes in personal services status, such as position changes, title changes, and resignations. According to Board of Regents policy, “any expansion in operations that would necessitate an increase in the budget shall be submitted to the Board for approval before any obligation is incurred...”
- **Capital Budget**
Budget established to account for funds used in the acquisition, construction, renewal or replacement of new or existing physical properties or land.
- **Departmental Sales and Services**
Revenues collected on behalf of a specific program to be used solely for that program, such as a copy fee charged by the Library.
- **Education and General**
All of the Institute’s operating budget with the exception of Auxiliary Enterprises; excludes major capital expenditures.
- **Expenditure Budget**
That part of the budget where the funds will be spent.
- **Fiscal Year**
Twelve-month period that is the basis for the budget and financial statements: July 1 through June 30 for State of Georgia entities.
- **FTE (Full Time Equivalent)**
The effort a person works in a fiscal year expressed in a percent. “FTE” is used to equalize effort expended for personal services by the Institute. For example, a person who works fulltime for twelve months is 1.00 FTE; a person working half time for twelve is .50 FTE. An academic faculty member who works full-time for the fall and spring semesters is .75 FTE.
- **Fund**
Accounting and budgeting entity with its own set of self-balancing accounts. The funds are established on the basis of Generally Accepted Accounting Practices and state law. Operating budgets are included as “current funds.” The Institute’s core functions are included in the major fund category “Resident Instruction.”
- **Group Position**
Personal services budget line that contain more than one non-permanent position, such as graduate students, student assistants, and summer faculty.
- **Internal Revenue**
Revenue derived primarily from tuition and fee income and recoveries of indirect costs from research conducted at Georgia Tech. (Other revenues included in this category are miscellaneous student fees, gifts and grants, sales and services of departments, and any other sources.
- **Lottery**
Special allocations from the State that are funded from the State lottery. These funds are designated and limited in use and must be separately identifiable.
- **Non-Personal Services**
A grouping of project numbers not related to salaries and fringe benefits. These categories include travel, supplies, and books/equipment.
- **Operating Budget**
The "Resident Instruction Budget," together with the “B” Unit Budgets and the Auxiliary Enterprises, are referred to as the "Operating Budget." It includes all the financial resources available to Georgia Tech for educational, general, research, and auxiliary activities during a given fiscal year. The operating budget, also known as “total current funds,” excludes major capital expenditures.
- **Original Budget**
The budget beginning July 1st of the fiscal year, which must be approved by the Board of Regents.
- **Personal Services**
A grouping of project numbers directly related to salaries, wages and fringe benefits.

- **Program / Function**

A classification of expenditures specifying a major service or program. The program categories as defined by U.S. Department of Education, Instruction, Research, Institutional Support, Public Service, Operation of Plant, Student Services, Academic Support, and Fellowships and Scholarships.

- **Project ID**

For Georgia Tech accounting, the lowest level identifier where funds are budgeted or expended.

- **Research Consortium**

Special allocations from the Board of Regents. These funds are designated for a specific program, such as Georgia's Traditional Industries, and must be separately identifiable.

- **Resident Instruction Budget**

The budget for the academic core of the Institute that includes academic units plus executive management and all general Institute support activities. The "B" Units, Auxiliary Enterprises, and Student Activities are excluded from Resident Instruction.

- **Revenue Budgets (Sources of Funding)**

There are several sources of revenue for the Institute's operating budget:

1. State Appropriations
2. Internal Revenue
3. Sponsored Operations
4. Departmental Sales and Services
5. Special Funding Initiatives

Sponsored Operations includes funding from the Georgia Tech Research Corporation (GTRC) and Georgia Tech Foundation (GTF), two affiliate organizations.

- **Special Funding Initiative (SFI)**

Special allocations from the Chancellor's Office. These funds are designated for a specific program and also must be separately identifiable. An example is GT Savannah or CEISMIC.

- **Sponsored Operations**

Revenue from sponsor reimbursement of direct and indirect costs of sponsored research, instruction, and other institutional activities funded through Grants and Contracts.

- **State Appropriation**

An authorization by the Legislature to a state entity to spend from public funds, a special sum of money for a fiscal year. For higher education appropriations are made to the Board of Regents for allocation to institutions.

Annual Operating Budget (Proposed Budget)

Type of Policy: Administrative

Review Date: 2015-01-00T00:00:00

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Reason for Policy:

The Georgia Institute of Technology budget expresses in terms of dollars the funded programs and plans of the Institute for the specific budget (fiscal) year. Revenue estimates are also identified to support these programs and plans. Budgetary approval by the Board of Regents (BOR) of the University System of Georgia (USG) and by the Institute administration constitutes authorization to expend the funds as budgeted and to collect the anticipated revenue. The approved budget is the primary instrument of fiscal control and must contain all revenue and expenditures of the Institute.

Institute revenue or program support derives from State Appropriations and Internal Income such as Student Fees, Indirect Cost Recoveries from Sponsored Projects, Gifts and Grants, Sales and Services, and Sponsored Operations. Each year the State of Georgia Legislature appropriates funds to the University System of Georgia for support of all Institutions in the system. The BOR in turn allocates state funds to each institution on the basis of a funding formula and specific guidelines established in the state Appropriations Act.

Policy Statement:

Guidelines & Policies

The Georgia Tech Office of Budget Planning and Administration (the “Budget Office”) is required to follow an established set of guidelines and policies set forth by the State of Georgia, the Board of Regents, and the Institute. These guidelines require an annual operating budget be prepared for each budgetary unit of the Institute.

- **General Policy**

The Board of Regents (BOR) annually allocates funds to each institution at its April meeting or next regular meeting following the approval of the appropriations act or as soon after as practical every year. The BOR approves the budgets of the institutions and Office of the Board of Regents at its regular May meeting each year, or as soon thereafter as practical.

The Board of Regents is the only medium through which all formal requests are made for appropriations from the General Assembly and the Governor of Georgia.

- **Operating Budgets**

Each institution in the University System prepares an Operating Budget for educational and general activities of the Institution for the fiscal year within the limit of funds allocated, plus estimated internal revenue. In addition, a budget is prepared for Auxiliary operations that are supported by fees and other revenues.

- **Sources of Revenue**

There are five basic sources of revenue for the Institute Resident Instruction operating budget: 1) State Appropriations; 2) Internal Revenue; 3) Sponsored Operations; 4) Departmental Sales and Services; and 5) Georgia Tech Research Corporation (GTRC) and the Georgia Tech Foundation (GTF).

1. State Appropriation

Annual allocation of funds from the Board of Regents' legislative appropriation, funded by the State of Georgia.

2. Internal Revenue

Derived primarily from tuition and fee income and recoveries of indirect costs from research conducted at Georgia Tech. (Note: Direct cost is anything that is directly related to a sponsored project, such as salaries and work supplies. Indirect cost recovery refers to the funds used to pay for administrative and support costs of the Institute, such as administration, facilities, and the Library.)

- Tuition and Student Fees
- Gifts and Grants
- Indirect Cost Recoveries
- Sales and Services of Educational Departments
- Other Sources

3. Sponsored Operations

Revenues from sponsor reimbursement of direct costs of sponsored research, instruction and other sponsored institutional activities.

4. Departmental Sales and Services

Revenues collected on behalf of a specific program to be used solely for that program, such as students are charged a computer fee to be used to maintain the computer facilities they use and colleges charge fees for non-credit courses offered to businesses and the community.

5. GTRC and GTF

Limited resources are available from the Georgia Tech Research Corporation and from the unrestricted (not designated for specific purposes) endowment of the Georgia Tech Foundation.

- **Distinctions in Sources of Revenue**

Sponsored operations and departmental sales and services revenues are collected to support a specific project or program and therefore are limited in their use to that project or program alone. GTF funds are generally used to support students, faculty and staff in non-research activities. GTRC funds are generally allocated to students, faculty and staff for research purposes. State appropriations and internal revenue, on the other hand, can be used for any part of the Resident Instruction program, including state-funded research activities.

Separate processes are used to allocate the funds from the different sources. Resident Instruction funding is usually placed in a unit's budget and forms the base budget for the next year. Additional money added to the base is called "new workload" funds. Generally, the base plus new workload forms the base for the following fiscal year. Funds from the Foundation and the Georgia Tech Research Corporation, on the other hand, are more likely to be treated as one-time grants.

Procedures:

Applicable Forms

Forms to be used in preparing the Annual (Proposed) Operating Budget are specified each year in the guidelines and instructions provided to campus units. See the [Budget Office web site](#) for current forms.

Approval and Budgetary Review of Elective Student Fees and Other Special Fees

Type of Policy: Administrative

Policy Owner: Budget, Planning and Administration

Contact Name: Barbara Villa

Contact Title: Budget Manager

Contact Email: barbara.villa@business.gatech.edu

Reason for Policy:

Policy Objective

Approval by the President of Georgia Institute of Technology is required for all elective fees and special charges per the Board of Regents (BOR) policy included as an appendix to this document. The purposes of Georgia Institute of Technology's elective fees and other special fee approval policy are to:

- Provide a consistent approach to approval and treatment of fees and
- Ensure that students are not burdened with costs that should be covered by tuition or state funds.

Policy Statement:

General Policy Provisions

In general, departments are expected to cover normal instructional costs within their general operations budget, and elective fees and other charges should be needed only in exceptional situations. The financial needs of the department or school must be weighed against the impact of the fees on students and also the costs of administering the fees (assessment and collection). Fees must be used to augment, rather than replace general budgeted funds for departmental instructional costs.

Board of Regent approval is required for any fee or charge that is mandatory for all full-time undergraduate students or all undergraduate students in a specific degree program. All other elective fees will continue to be approved by USG presidents.

Increases in these fees should be kept moderate and gradual. Fees approved under this policy must be reviewed by the Bursar's Office to determine the most appropriate way to assess and collect these fees. Fees approved under this policy will be administered and collected directly by the Bursar Office. **All new fees and increases to existing fees must be approved by the President, and when approved, will be implemented in the following academic year.**

The following are examples of what may be funded through elective fees and special charges:

- Cost of providing course materials to be consumed, retained or used by the student
- Special costs associated with the use of University-owned tools and equipment for extracurricular or out-of-class learning activities
- Cost of other materials or services necessary to provide a special supplemental educational experience of direct benefit to the student

- Doctoral binding fee
- Transcript fees

This policy specifically excludes the following cost items to be paid through fees:

- Salaries, wages, and employee benefits of support personnel (including honoraria)
- Instructional equipment located and utilized in classrooms and labs primarily during scheduled periods of instruction
- Reproduction of copyrighted materials
See the BOR website for a summary of copyright policy: (<http://www.usg.edu/copyright/>).
- Course syllabi

Procedures:

Establishment of New Elective Fees and Special Charges

All elective fees and special charges must conform to stated Georgia Tech policy. Departments may not assess and collect course-related fees that the President has not approved under the policy.

The Provost’s Office, Office of Budget Planning and Administration (“Budget Office”), and Bursar’s Office are responsible for applying the policy and ensuring adequate campus oversight of all fees. This responsibility includes review of fee proposals, review of the costing and proposed fee levels, and the appropriate distribution of collected fees.

1. Review Process

All requests to establish a new elective fee/special charge or an adjustment to an existing fee must follow these review procedures and be approved by the President. These requests will be reviewed annually in January for implementation during the following academic year. Separate fee requests are not required for courses taught during the summer if they have already been approved for fall and spring. The approved fee is automatically assessed during the summer if the course is offered under the same course number and course description.

2. Allowable Costs

When proposing new fees, departments must follow the following guidelines:

- Departments must apply a test of reasonableness to ensure that funding has not already been provided to the department or school through other fund sources, such as current state or tuition funds.
- Guidelines for the types of items that may be included in the fee are listed in Section II. Only direct costs (not overhead/indirect costs) may be included in the computation of the fee, and departments must fully and accurately document the cost of supplies, consumables, and support services associated with each elective fee.
- Each proposed fee must provide course-specific cost information.
- If equipment is included in the fee, the cost of the equipment must be allocated over the useful life of the equipment and cannot be fully expensed in the year of acquisition. For the calculation of course materials fees, “equipment” is considered to be tangible property having a useful life of more than one year.
- If the fee is to be assessed for a course during the summer as well as the academic year, the expected costs and income associated with the summer session should be included in the calculation of the overall fee. Alternatively, departments may request a different fee for the summer.

3. Designation and Collection of Elective Fees and Special Charges Revenue

Each fee will be established in the student fee fund/account/project range.

All approved course fees will be assessed through Banner (student system) to all students enrolled in specific course at the time of registration. The published tuition and fee deadlines for each term will be in effect for these type fees. For all other type fee approvals, a review will be made by the Bursar’s Office to determine the most appropriate method for assessment and subsequent collection. These fees will generally be due at the time of assessment.

4. Utilization of Elective Fee Revenue

Revenue from each individual elective fee and special charges must be expended only for costs that were specified in the calculation of the approved fee. Revenue cannot be used for other costs, and should not be used as a profit generating mechanism.

5. Proposal Format and Submission

Forms for requesting new fees and increases to existing fees are available in Excel format on the Budget Office’s website ([Elective Fee Form](#)) and examples are included as Appendices 2 and 3 to this policy. The forms include a cost table that must be completed to identify specific costs covered by the fee and to show the basis of the proposed fee level. Completed proposals, reviewed and signed by the appropriate department head and dean/division head, should be submitted by December 15 to the Provost’s Office of Financial Administration. Off-cycle proposals will be considered in special circumstances. Following the Provost Office’s review, the Budget Office and Bursar’s Office will review the proposal prior to submission to the President. The Bursar’s Office will review and include a recommendation for the assessment and collection of the fee. Only fees approved by the President should be assessed to students. Once approved, new or increased fees will be implemented in the following academic year.

Budget Amendments

Type of Policy: Administrative

Review Date: 2015-01-00T00:00:00

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Reason for Policy:

The Office of Institute Budget Planning and Administration (“Budget Office”) is responsible for the development, implementation, maintenance, and control of Georgia Tech’s non-sponsored budgets, based on allocations approved through appropriate academic and administrative processes. The budget consists of funding from general, departmental services, special funding initiative, research consortium, lottery, sponsored, auxiliary, student services, and agency operations. In addition, budgets are maintained for a large number of capital projects.

Policy Statement:

The budget for each department or project should be amended to reflect the current estimate of expenditures and income (if applicable) for the fiscal year. The following list shows some, but not all types of transactions that would require a budget amendment:

1. Establish a budget amount or change the amount budgeted for non-personal services expenditures, such as travel, operating supplies and expense, and equipment.
2. Establish a budget amount or change the amount budgeted for anticipated income (revenue and departmental sales and services) for the fiscal year.
3. Establish or change the amount budgeted for a vacant position.
4. Make an approved increase or decrease to your original budget amount.

Procedures:

Steps in Budget Amendment Process

1. Log into the IBS System
 - Enter your Operator ID (GT ID number).
 - Enter your password.
 - Click “enter.”
2. Check Totals
 - Go to Totals Page
 - Verify approved budget for all funding sources.
3. Check Amendment

- Go to Review and Submit Page
 - Check Salary Planning and Distribution for any changes automatically generated by IBS.
 - These changes are driven by and reflect the SPD system the day the amendment was run. Delete/correct accordingly.
 - If increasing or decreasing budget, make adjustments to your personal services and/or non-personal services to reflect the change. After each entry is made make sure you click "Save."
 - Complete "Amendment Notes" and "Comments" fields (see "Use of Comments Fields" section below)
 - If there is no change to the "bottom-line" budget and funds are being transferred between personal services and non-personal services, there must be a zero balance.
4. Check Request Prior to Budget Submission
- Go to "Review and Submit" page.
 - Verify funding source totals for any increases or decreases.
 - Verify total.
 - Make sure funding is not transferred from one source to another. For example, do not move funds from General Operations to Departmental Sales and Services (DSS).
5. Budget Submission
- Click "Submit" button.
 - Your department is locked out to allow the Budget Analyst to process your changes.
 - An e-mail is generated and sent to the Budget Office to process your request.
 - Your budget amendment is updated. An e-mail notification is sent to you that your budget amendment is ready to print.
6. Printing Reports
1. Go to "Reports" page.
 2. All reports are available in MS Excel.
 3. Note that Bud802 and Bud805 are generated after the BA is submitted.
 4. Print report for use by your unit's financial administrators in review of authorized monthly budget activity.

Capital Budgets

Type of Policy: Administrative

Review Date: 2015-02-00T00:00:00

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Policy Statement:

Capital projects, generally those costing more than \$1 million, are funded from various sources. These sources, which include State of Georgia, Board of Regents, Georgia Tech Foundation, and campus funds, usually dictate who has administration of the project.

The State of Georgia funds the construction of buildings and the Georgia State Finance and Investment Commission (GSFIC) coordinates the project and disburses the funds.

The Board of Regents (BOR) receives an allocation from the state legislature referred to as Major Repair and Rehabilitation (MRR) funds. The MRR Fund is generally used for projects costing less than \$1 million. The Board of Regents allocates these funds to the various units of the University System. These funds may be funneled through GSFIC if they are bond funds. The administration of the project may be handled by GSFIC or Georgia Tech depending on the type of project.

The Georgia Tech Foundation (GTF) funds various capital projects on campus. GTF retains administration of some of the projects and the facilities office/plant operations administers the remainder. These GTF projects require prior approval from the Board of Regents.

Some projects are funded by resources held by Georgia Tech, i.e. discretionary endowment funds and Auxiliary Enterprises reserve funds. These projects are controlled by Georgia Tech personnel after receiving Board of Regents approval.

Procedures:**State of Georgia Funding**

Each year a "Five-year Capital Outlay Budget Request" is prepared by the units of the University System of Georgia and submitted to the Board of Regents. The Board of Regents examines all requests and prepares a consolidated priority list. Only a portion of the list is funded by the legislature's allocation. The unfunded projects normally remain on the priority list the following year. Funds for the approved projects are transferred to GSFIC for disbursement and project administration. These projects are defined as new buildings, building additions, and building renovations estimated to cost \$1,000,000 or more.

Board of Regents Funding

The Board of Regents receives a special allotment from the State of Georgia called Major Repair and Rehabilitation (MRR) funds. Each unit of the University System submits to the Board of Regents a prioritized list of repair/renovation projects estimated to cost less than \$1,000,000 each. At Georgia Tech this list is prepared by the Space Administration Committee. The Board of Regents reviews each submission and decides which projects will be funded from the MRR allocation. The Board of Regents assigns a project number and authorizes GSFIC to make disbursements from the MRR allocation if the source is bond proceeds. Occasionally projects in excess of \$1,000,000 will be funded from MRR funds. When this happens they are usually funded in phases.

Georgia Tech Foundation Funding

GTF funds special projects as determined by the President of Georgia Tech and the Board of Trustees of GTF. These projects may be coordinated by GTF or the funds may be transferred to Georgia Tech and handled by Georgia Tech personnel.

Campus Funds

These are discretionary funds held by Georgia Tech consisting mainly of endowment funds and Auxiliary reserve funds. The use of discretionary endowment funds must have the President's approval or his designee prior to establishing a project budget. The Auxiliary Reserve funds are used to renovate existing Auxiliary Enterprise facilities, construct new Auxiliary Enterprise facilities, and purchase equipment needed by Auxiliary Enterprise units.

Unexpended Plant Funds

This fund group is used to account for the construction or acquisition of physical properties, renovation of existing properties, and purchase of inventories and non-inventoried equipment.

Expenditures in this fund group are categorized as follows:

- Land
- Buildings - New
- Buildings - Additions (Cost a minimum of \$5,000 and a useful life of more than three years)
- Buildings - Renovations (Cost a minimum of \$5,000 and a useful life of more than three years)
- Improvements Other Than Buildings - landscaping, parking lots, fences, etc.
- Equipment/Inventories - items costing \$1,000 or more; (items made of glass or other fragile materials are supplies)
- Equipment items costing \$5,000 or more are capitalized and depreciated
- Equipment/Non-inventoried - items costing less than \$1,000 are considered supplies

Firm Fixed Price (FFP) Residual Balances

Type of Policy: Administrative

Review Date: 2018-01-00T00:00:00

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Policy Statement:

Some grants and/or contracts awarded to the Institute are considered “firm fixed price” contracts. For these types of contracts, a unit will produce a product for a pre-set price. (Most other grants and contracts are based on reimbursement of actual expenditures.) If a product is delivered and not all the sponsor funds have been utilized, the department may request the remaining funds.

Procedures:

Procedures for obtaining FFP Residual Balances

1. Request documentation of FFP residual balance amount from Grants and Contracts.
Note: Units only receive the direct portion of the residual balance.
2. Obtain approval of funds transfer from Budget Office. This may be done via email. Please contact the Director of Budget Planning and Administration, copy to the Associate VP of Financial Services. Include Grants and Contracts documentation as an attachment.
3. Once approved, the Unit may include the new funding in the next monthly budget amendment.
4. The Budget Office will establish a unique project number for these funds and post the appropriate budget amount.

Note: The revenue generated by this transaction is unique. The BOR classifies these funds as either Indirect Cost Recoveries or Other Miscellaneous Income, depending on details of the transactions.

Expenditures must be charged to the same fund as the revenue. Budget amendments to these projects are not allowed.

Indirect Cost (F&A) Incentive Allocation

Type of Policy: Administrative

Review Date: 2015-02-00T00:00:00

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Policy Statement:

Georgia Tech allocates 30% of the Resident Instruction F&A (facilities and admin) indirect cost recoveries generated by academic units back to those units. This includes all colleges. Depending on actual performance, a unit may generate additional or reduced budget allocations each fiscal year. Incentive allocations are approved by executive staff, subject to availability of funds. The allocation is made to the college level (not the department level), and funds are distributed at the discretion of each dean.

Procedures:

Original Budget Allocation

Each academic unit's Original Budget for the next fiscal year contains an F&A base. This base is 30% of the Office of Grants and Contracts' revenue estimate for the current fiscal year as of March 30. The Office of Budget Planning and Administration provides estimates to the units of their incentive allocations during the budget development process to permit them to plan their expenditures and budget accordingly.

Mid-Year Budget Allocation

Mid-year permanent budget allocations may be approved by executive staff based on changes to F&A recoveries

during the fiscal year. If approved, the allocations will be based on the most current Office of Grants and Contracts' revenue estimates for current fiscal year.

Reconciliation

After the close of the fiscal year, the incentive allocations will be re-computed based on actual earnings for the previous year. These funds will be distributed as permanent additional or reduced budget adjustments in the first budget amendment of the new fiscal year. This will make the units whole for recoveries from the prior fiscal year.

Mandatory Student Fee and Budget Approval Process

Type of Policy: Administrative

Last Revised: 2016-01-00T00:00:00

Review Date: 2019-01-00T00:00:00

Policy Owner: Budget, Planning and Administration

Contact Name: Jim Kirk

Contact Title: Executive Director, Institute Budget Planning and Administration

Contact Email: Jim.Kirk@business.gatech.edu

Reason for Policy:

This policy implements the following Board of Regents policy pertaining to mandatory student fees.

[Board of Regents Policy 7.3.2.1](#) (February 9, 2000, amended in June 2009, January 2010, and May 2010)

Mandatory Student Fees:

"Proposals to increase mandatory student fees and proposals to create new mandatory student fees, submitted by an institution, shall first be presented for advice and counsel to a committee at each institution composed of at least 50% students. The committee shall include at least four students, who shall be appointed by the institution's student government association. Institutions and student government associations should make a concerted effort to include broad representation among the students appointed to the committee.

Mandatory student fees shall be used exclusively to support the institution's mission to enrich the educational, institutional, and cultural experience of students. All payments from funds supported by student mandatory fees shall be made according to approved business procedures and the appropriate business practices of the institution."

Policy Statement:

The Georgia Institute of Technology Mandatory Student Fee Advisory Committee ("Committee") is created to implement the provisions of [Board of Regents Policy 7.3.2.1](#). The Committee shall make recommendations to the President on changes to existing mandatory student fees or on any new mandatory fees. Fees considered by the Committee shall exclude elective fees that are paid by the students who choose to receive specific services. Mandatory fees are defined in the Board of Regents' Policy manual as follows in BOR Policy 7.3.2.1:

"Mandatory student fees are defined as fees that are assessed upon enrollment to all students, all undergraduate students, or all full-time undergraduate students on one or more campuses of an institution. Fees assessed to one of the aforementioned groups of students with an exclusion for distance learning students are also defined as mandatory fees. Mandatory fees may be required by the Board of Regents or by the institution subject to approval by the Board of Regents."

The Committee shall be composed of twelve members selected as follows:

- Eight students appointed by the Graduate and Undergraduate Presidents of the Student Government Associations (SGA);
- Two faculty members appointed by the Provost;
- The Executive Director, Institute Budget Planning and Administration (IBPA);
- One additional staff member appointed by the Executive Vice President, Administration and Finance (EVP A&F).

The Executive Director, IBPA, is a permanent member of The Committee. The two faculty members and the second staff member shall serve two year terms. The Committee is co-chaired by one of the eight student members appointed by the SGA Presidents and by the Executive Director, IBPA. The IBPA Office provides staff assistance to the Committee and submits the required documentation to the BOR in support of Georgia Tech's fee recommendations.

In addition, there shall be non-voting, ex officio members of the Committee as follows, unless these individuals are appointed as voting members. The ex-officio student Committee members shall be the Presidents of the Graduate and Undergraduate Student Government Associations, the Editor of the Technique, the Vice President for Finance and Chair of the Joint Finance Committee, and any other students appointed by the Student Government Association Presidents. Ex-officio faculty and staff Committee members may include the Vice President for Student Affairs, the Associate Vice President for Auxiliary Services, and up to two faculty or staff appointed by the Provost or Executive Vice President, Administration and Finance.

Below are the fees for which the Committee provides recommendations to the President, along with the organizations that provide recommendations to the Committee:

- Technology Fee - Technology Fee Committee (for recommendations on fee levels only and *not* on projects to be funded)
- Transportation Fee - Parking and Transportation Advisory Committee
- Student Health Fee - Student Health Advisory Committee
- Student Activity Fee - Student Government Association
- Athletic Fee - Georgia Tech Athletic Association.

Excluded from the Committee's review are any "general purpose fees" approved by the BOR, as stated in the BOR policy (BOR Policy 7.3.2.1). Other offices or student organizations also may propose new fees to the Committee. It would be up to the Committee Co-Chairs and the SGA presidents whether such proposals are to be considered.

Procedures:

The Committee is responsible for reviewing proposals for rate changes to current mandatory student fees and any newly proposed mandatory fees, and to review budgets funded from the fees. The Committee then provides its recommendations to the Georgia Tech President, who submits the request to the Chancellor of the University System of Georgia for approval.

The following guidelines shall govern voting by the MSFAC:

1. The Committee votes on all mandatory fees, whether changes are proposed or not, and to add any new fees. (NOTE: The BOR policy only refers to the committee's consideration of increases to existing fees and new fees. By inference this policy also includes recommendations to reduce existing fees.)
2. Where a staff Committee member works in a program funded through a fee, he or she must recuse him/herself from the vote on that particular fee.
3. When a Committee member is absent from a meeting, a substitute may be requested for that member, subject to approval of the co-chairs.
4. In no case shall the number of voting student members at a meeting fall below one-half of the total voting Committee members.

The Committee meeting schedule shall be structured so as to provide the Chancellor with mandatory student fee and budgetary recommendations in sufficient time for approval, typically in January of each year. The Committee should strive to complete its review and prepare a preliminary recommendation prior to the end of the fall semester. The staff chair will coordinate with BOR staff to ensure that fee recommendations are made on a timely basis. Submitting organizations are responsible for preparing the forms required by the BOR and by Georgia Tech to support fee submissions, with the assistance of the Office of Institute Budget Planning and Administration.

Posting Dept Video-Based Instruction System (VBIS) Revenue

Type of Policy: Administrative

Review Date: 2015-02-00T00:00:00

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Policy Statement:

The current method of posting VBIS revenue is to debit a Departmental Sales and Services (DSS) project ID and revenue account for Distance Learning and Professional Education (DLPE) and to credit a Departmental DSS project ID and revenue account. Since VBIS revenue is tuition revenue, the Institute needs to ensure the transfer of funds between DLPE and the Departments is consistent with the original revenue source (tuition). Listed below are the new procedures for transferring VBIS revenue:

- As VBIS revenue is receipted in the BANNER system, it will post to DLPE project ID 221105000 and to the appropriate VBIS revenue account (4019XX).
- After all tuition and adjustments have posted for the semester, DLPE will prepare a journal entry to transfer VBIS revenue to the department. Example Journal Entry:

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- **Note that the tuition revenue account is used when posting the transfer.** DLPE will provide the Budget Office and Departments appropriate documentation regarding the transfers for each semester.

In the same month the VBIS revenue is transferred, each department should prepare a budget amendment to amend both the revenue and expense budgets of their VBIS Tuition project number. The amended amount for both revenue and expense should match the information provided to the Budget Office by DLPE.

- Departments should request new project numbers from the Budget Office by September 20, 2010 so the Summer Semester transfer may be processed. If a project number is not requested by the deadline, one will be assigned.
- Departments should note that VBIS Tuition Project numbers will be responsible for their own fringe benefits costs.

This new procedure only impacts VBIS tuition revenue. All other non-credit hour professional education revenue will be recognized as DSS.

Project ID and Revenue Account Number Request (Non-sponsored)

Type of Policy: Administrative

Review Date: 2015-01-00T00:00:00

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Policy Statement:

Georgia Tech units may request new non-sponsored project ids and revenue accounts be established by accessing the Budget Office website. Units may also use the site for the revision of project and account titles or to delete existing non-sponsored expenditure project ids. The websites may be accessed from the Budget Office homepage or by clicking below:

[Project Number Maintenance Request](#)

[Revenue Account Request](#)

Policy Terms:

Non-sponsored funds include the following activities funded by General Operations, Special Initiative Funding, and Departmental Sales and Services:

- Instruction
- Research
- Public Service
- Academic Support
- Student Services
- Institutional Support
- Plant Operations

Non-sponsored funds also include Auxiliary Enterprises and Student Activities.

Procedures:

Units access the appropriate request page and submit a completed request form. The Budget Office receives the completed form and creates the new project id or revenue account in the PeopleSoft financial system. The requesting unit receives an email containing the new project id or revenue account. Project numbers and revenue accounts are available for use the next business day.

Resource Allocation and Overall Budget Process

Type of Policy: Administrative

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Policy Statement:

The President of Georgia Tech, within the constraints established by the Board of Regents, ultimately determines Georgia Tech's internal budget allocations within the constraints imposed by sponsoring organizations, donors, and the Board of Regents (BOR) of the University System of Georgia. Georgia Tech's internal budget process requires all campus units to develop requests on the basis of the Strategic Plan of Georgia Tech and their own strategic plans. Institute executive staff receive input from the college deans and directors of other units and also from committees that make recommendations on fees for the coming year.

The following factors enter into decisions about resource allocations to colleges and other units:

- Revenue projections, including the level of expected state funding and tuition and fee and other revenue

- Budget requests from the units
- Expected impact of requests on Georgia Tech's overall strategic plan and on individual unit plans
- Committee recommendations

The process begins in the fall with a review by executive staff and division heads of performance metrics that are to be used to help determine budget allocations. The process also involves the review of mandatory and elective fee increase requests from Auxiliary and other units funded through student fees and development of tuition recommendations to be provided to the BOR. Early in the calendar year units are required to prepare budget requests for the following fiscal year. Budget proposals address funding above base budgets and, if required, reallocations or reductions. Requests include the assignment of unit-wide priorities and an explanation of how the requests address their strategic plans. In most years the President's Office conducts meetings on unit budget priorities.

The attached flow chart summarizes the budget process, explained in more detail as follows.

Procedures:

Allocation Schedule

The process for determining resource allocations for the following fiscal year generally follows the following schedule:

- **July through January**
 - Institute Planning Activities
The Office of the President, which includes the Provost, Executive Vice President for Research, and the Executive Vice President for Administration and Finance, review the Institute's strategic plan and the related action plans and also review performance metrics of the Institute's academic and administrative units. The President establishes unit operating and capital budget request guidelines, Institute operating budget request priorities, capital plan guidelines, operating budget allocation policy and guidelines, and capital plan priorities.
 - Unit Strategic Planning Activities
Each Georgia Tech unit reviews its strategic plan, including strategies, objectives, and action plans accompanied by resource requirements. Also, each unit reviews its performance metrics from the previous fiscal year and projections for the current year, to be used in developing budget requests for the following year.
 - Preliminary Central Budget Analysis
Offices of the Institute Planning and Resource Management (IPRM) team perform preliminary planning activities, including revenue estimates, preparation of fee and tuition recommendations, and determination of mandatory cost increases anticipated for the following fiscal year. The IPRM office coordinating this effort is the Office of Institute Budget Planning and Administration (IBPA, or "Budget Office").
 - Tuition and Fee Recommendations
The following four efforts proceed during the November through January time period related to tuition and fee review and approval:
 - IPRM staff prepare recommended graduate and undergraduate tuition recommendations on the basis of comparisons of Georgia Tech with its peer institutions. The primary office conducting this work is the Office of Institutional Research and Planning (IRP).
 - The Mandatory Student Fee Advisory Committee receives recommended fee changes from the following units partially funded through such these fees paid by all students: transportation, student activities, technology, student health, and athletics. The Committee recommends the fee levels to the President, who in turn recommends mandatory fees to the Board of Regents. See the separate policy describing this fee process, which is coordinated by the Budget Office.
 - Units that administer fees may recommend changes to these fees for the following year to the Budget Office for review. Except for the mandatory fees noted above, the President approves new fees or changes to existing fee levels. See the separate policy on non-mandatory fees.

- Academic units may seek approval of tuition differentials for professional masters programs. These are submitted to the Budget Office for initial review and must be recommended by the President to the Board of Regents, which approves all tuition differentials. See the separate policy on tuition differentials.

• **January through March**

◦ Central Budget Analysis Activities

Preliminary allocation figures and detailed budget instructions, including salary administration guidelines, are distributed to units. Revenue and institutional expense estimates are updated on the basis of preliminary information from the Board of Regents and the status of the state appropriations act. The General Assembly is scheduled to complete the appropriations act by the end of March each year.

◦ Budget Request Activities

College deans and other division heads prepare budget requests for the following fiscal year based on guidelines issued by the Budget Office. Requests must be linked to the Institute and unit strategic plans and must reference performance metrics to justify the requests. The requests could involve reallocation of existing resources or budget reduction plans, depending on the Institute's expected budget status and the guidelines provided by the President. The Office of the President reviews the Institute budget situation with input from IPRM and holds budget meetings with the major division heads. The Office of the President establishes priorities for the Institute budget following consideration of unit requests and projections of resources available.

◦ Preliminary Resource Allocation Decisions

The Office of the President determines preliminary allocations and/or budget reductions based on expected resource level information available at the end of March. These decisions are made on the basis of a review of the Georgia Tech Strategic Plan and previous and projected performance data such as student enrollment.

• **April and May**

◦ Resource Allocation Activities

- The Board of Regents is scheduled to approve the following at its April meeting:

- Tuition rates
- Mandatory fee rates (fees paid by all students such as student activities, student health, transportation, and athletics)

Budget allocations on Georgia Tech are the basis of the approved unit budgets.

Instructions from the Office of the President. These include pay raise guidelines based on the Legislature's and the Board of Regents' guidelines.

◦ Detailed Budget Preparation

Campus units prepare detailed "Original Budgets" within the resource allocation and pay raise guidelines. The tool used for this preparation is the Internet Budgeting Solution (IBS).

• **May and June**

◦ Final Budget Activities

The individual unit budgets are reviewed and incorporated into the Institute's budget. This final Original Budget is sent to the Board of Regents.

◦ Establishing and Executing Approved Original Budget

The Budget Office works with campus units to establish final budgets for implementation in the new fiscal year.

Tuition Differentials & Studies Abroad Revenue

Type of Policy: Administrative

Policy Owner: Budget, Planning and Administration

Contact Name: Lisa Godfrey

Contact Title: Dir-Institute & Capital Plan Budget Mgt

Contact Email: lisa.godfrey@business.gatech.edu

Reason for Policy:

Units have the option to budget estimated Tuition Differentials and Study Abroad Program revenues for the current fiscal year in September. This allows use of funds before the actual revenues for Fall and Spring are known.

Policy Statement:

- Departments are allowed to “pre-budget” **up to but not exceeding the total actual revenue earned in the prior fiscal year.** Actuals information is provided by the Bursar’s Office. The 5% administrative overhead retained by the Institute should not be included in the department’s budget. It is the responsibility of units to submit a budget amendment in September to receive their early allocations.
- The Bursar’s Office will report to units the actual Fall and Spring differentials and studies abroad revenue earned. Fall totals will be reported no later than the first work day of December, and Spring totals no later than the first work day of May. Units will be required to adjust any pre-budgeted September amount to the actual differentials/study abroad revenues earned in the current fiscal year. For departments that chose not to take advantage of the “pre-budget” opportunity in September, the current year actual revenue amount must all be budgeted no later than the May budget amendment. Board of Regents policy requires that available allocations **must be expended during the same fiscal year that the revenues are earned.**
 - When students are enrolled in dual degree programs with differentials, both programs will receive a portion of the total differential paid. The distribution is determined by the ratio of differentials to each other between two programs. A template for calculating the split of such differentials is available on the [Budget Office website](#) (See **Appendix A** for a sample).
 - Summer semester revenues: Units receive 60% of the upcoming summer revenue in the current fiscal year. The remaining 40% will be budgeted for the following fiscal year. This split coincides with requirements for reporting Summer tuition & fees from all sources to the Board of Regents. If desired, a carry-forward of the current year’s 60% may be requested via e-mail to the unit’s assigned budget analyst, no later than May 31. For purposes of estimating the 60%, the maximum allowed carry-forward is 60% of the PRIOR summer’s revenue. A ‘true up’ opportunity is provided in the next fiscal year after Summer semester ends and information about actual revenue earned is provided by the Bursar’s Office in September (See **Appendix B** for an example of budgeting adjustments).

Units should contact their assigned analysts with any questions or concerns regarding the procedure. To look up the contact information for the analyst assigned to a division/department, go to "[Institute Budget Planning & Administration Staff](#)" and click on the link “Budget Analyst Assignments” below the list of Budget Development & Management staff.

Procedures:

Appendix A

Example of Method for Allocating Differential When a Student Is In Two (or More) Differential Programs

Student is charged highest tuition rate based on programs in which the student is enrolled. The differential is then split between the programs based on ratio between the differentials in play.

Enter Data Into Blue Cells

	FY11 GT Base Tuition	Program A Tuition	Program A Differential	Program B Tuition	Program B Differential	Differential Charged To Student (Highest Differential)	Program A Differential Allocation (Per Student)	Program B Differential Allocation (Per Student)	# of Students	Extended Program A Differential Allocation	Extended Program B Differential Allocation
Resident	\$ 4,318	\$ 7,044	\$ 2,726	\$ 11,000	\$ 6,682	\$ 6,682	\$ 1,936	\$ 4,746	\$ 2	\$ 3,872	\$ 9,492
Non-Resident	\$ 13,102	\$ 18,372	\$ 5,270	\$ 16,856	\$ 3,754	\$ 5,270	\$ 3,078	\$ 2,192	\$ 1	\$ 3,078	\$ 2,192

Year-End Deficits and Division Carry Forwards

Type of Policy: Administrative
Last Revised: 2015-04-00T00:00:00
Review Date: 2018-04-00T00:00:00
Policy Owner: Institute Budget, Planning and Administration
Contact Name: Lisa Godfrey
Contact Title: Dir-Institute & Capital Plan Budget Mgt
Contact Email: lisa.godfrey@business.gatech.edu
Reason for Policy:

This policy establishes procedures for handling year-end deficits or surpluses incurred by Georgia Tech divisions. The policy pertains to Resident Instruction General Operations funds budgeted in the following fund numbers: 10010 (State Appropriations), 10015 (Indirect Cost Recovery), 10500 (Tuition), and 10600 (Other General).

Policy Statement:

General Operations Funds

At the beginning of each fiscal year, an expense budget is established for General Operations funded projects. These budgets are funded by the following revenue streams: State Appropriations, Indirect Cost Recoveries, Tuition, and Other General. During the year the Institute may allocate additional budget authority to units, depending on need and funding availability. At year end budgets should equal expenditures plus encumbrances (total expenses). When a college or other division's spending exceeds or is less than the final amended budget, either an adjustment must be made to balance the total Institute budget or a documented carry forward plan must be in place.

Departmental Sales Funds

Please refer to the DSS policy for DSS carry forward requirements and request forms;
<http://www.policylibrary.gatech.edu/business-finance/departmental-sales-and-services-dss>

Operating Deficits

Audit guidelines state that Institutions shall not overspend their Board of Regents approved budget authority, nor will expenses exceed revenues. When budgets are overspent or expenses exceed revenues, an operating deficit is created. Before the fiscal year can be closed, the operating deficits must be corrected. To help facilitate more effective management of the Institute’s budget as a whole, divisions will be responsible for any year end deficits that are not previously approved by the administration.

Surplus

A division may request the return of a surplus funds at year-end for use in the next fiscal year, often referred to as a “carry forward of funds.” To meet the needs of the division, the Office of Institute Budget Planning and Administration (“Budget Office”) must manage the carry forward in the year of close and in the following year as well. Because of the restrictive state rules governing carrying forward funds and year-end closing, surplus/carry forward arrangements must be documented and reviewed to ensure proper accounting and budgeting methods have been followed. This policy establishes carry forward guidelines to ensure that all requirements are met.

Procedures:

Rules and Guidelines

Division Deficits

If, during the fiscal year, a division becomes aware of a deficit situation, the Budget Office should be notified by the division head or chief division budget director as soon as possible. The Executive Director, Institute Budget Planning and Administration will inform the administration of the situation. In some cases, operating deficits may be allowed by the administration due to special circumstances. After the fiscal year closes, the Budget Office will conduct an analysis of budget to actual total expenses. If any division has an unapproved net operating deficit, the division’s current fiscal year budget will be reduced on a one-time basis by the year-end deficit amount in the first budget amendment or an approved re-payment plan will be established.

Division Carry Forwards

If a surplus or excess budget is anticipated for year end, and the college or other division would like those funds returned in the next fiscal year, complete the online request form (<http://forms.budgets.gatech.edu/view.php?id=14652>) before April 15. These will be reviewed by the Executive Director, Institute Budget Planning and Administration, and where appropriate, by executive staff, with a final decision to be communicated to the division by May 15. Requests submitted by individual departments, programs, centers, or schools will not be accepted except for tuition differential or studies abroad 60/40 split of summer semester revenues. In the request, the division should explain:

- the explanation of the source of funding
- the projected amount to be carried forward
- an explanation of why the funds will be available, and
- the purpose for which those funds will be used in the next fiscal year.

If, prior to June 1st, the division’s estimate of the year-end surplus changes, the Budget Office should be notified. The division should keep in mind that expenses funded from carry forward funds are subject to audit. Documentation should be kept to verify that purchases were in accordance with the purpose originally stated.

Approval is subject to the Institute’s generation of an overall surplus of at least the approved amount. These are one-time funds that will not be built into the unit’s permanent base budget. If the unit’s net year-end balance for General Operations is less than the amount requested, only the year end-balance may be budgeted in the upcoming fiscal year. If the net year-end balance exceeds the amount requested, the maximum amount approved per the request may be budgeted in the upcoming fiscal year. The Budget Office will verify final carry-forward amounts with the units in the first budget amendment of the new fiscal year.

Policy History:

Revision Date	Author	Description
April 2015	Budget Office	Clarification of

Revision Date		Author		Description	
					form

Equipment Management

General Information

Policy No: 7.1

Type of Policy: Administrative

Last Revised: 2013-08-00T00:00:00

Review Date: 2016-08-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Mgr. of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This procedure provides general information regarding the function and responsibilities for asset management of the Institute. Management of assets is administered by the Property Control Department of the Business Services unit.

Policy Statement:

The State of Georgia General Statutes requires the Institute to be accountable for all equipment under its control. The Institute must also comply with the provisions of the Approval of Management, Budget Circulars A-21, Revised, SAS 112 (Federal Audit Guidelines) and A-110 to assure proper reimbursement of federally funded research and training projects.

The maintenance of a perpetual inventory of equipment is necessary to achieve correct financial reporting for the institution, to provide the basis for suitable insurance coverage, and to assist departments in accountability for their equipment.

Procedures:

Threshold Requirements

In accordance with state guidelines, the current threshold for which an inventory of assets is maintained is \$3000 with a life expectancy of one or more years. Items which do not meet the criteria stated in the law may be maintained on the inventory if, in the judgment of those responsible, the inclusion is essential to meet contractual requirements, or to effect proper management of small and/or unique groups of movable personal property. The following are the items, which are inventory controlled without regard to the \$3000 minimum cost:

1. Books and periodicals (Total dollar value is capitalized each year)
2. Firearms
3. Vehicles

Policy History:

Revision Date	Author	Description
08-2013	Property Control	Update to policy

Disposal of Property

Policy No: 7.9

Type of Policy: Administrative

Last Revised: 2013-08-00T00:00:00

Review Date: 2016-08-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Mgr. of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This procedure explains how Georgia Tech equipment is retired by the Property Control Department Department .

Policy Statement:

Non-Inventoried Supplies and Materials

All supplies, materials and equipment, regardless of value purchased through the Institute is the property of the state, federal government, or private grantor agency. As such, it cannot be sold, surplused, or transferred from Georgia Tech without the prior written approval of the appropriate federal sponsoring agency and/or the Institute Logistics (Surplus) Property Officer. Property that is considered valueless may be disposed of by cannibalization, recycling, or waste disposal provided an Affidavit of Disposal is obtained by the Institute's Logistics (Surplus) Property Officer prior to disposal.

Building maintenance, repair and operation items are not required to have an Affidavit of Disposal. They may be disposed of by cannibalization, recycling or waste disposal if, in the judgment of the installing mechanic and/or his superior, that the economic value is such that transporting and storage of the property is not practical.

Inventoried Equipment and Materials

Equipment, inventoried, with a value of \$3,000 or more purchased through the Institute is the property of the state, federal government, or private grantor agency. As such, it cannot be sold, surplused, or transferred from Georgia Tech without the prior written approval of the appropriate federal sponsoring agency and/or the Institute Logistics (Surplus) Property Officer.

Non-Inventoried Equipment and Materials

Equipment, with a value less than \$3,000 is the property of the state, federal government, or private grantor

agency. As such, it cannot be sold, surplused, or transferred from Georgia Tech without the prior written approval of the appropriate federal sponsoring agency and/or the Institute Logistics (Surplus) Property Officer. For non-inventoried equipment, departments can utilize the Non-Inventory Property Surplus Report form. A Non-Inventory Property Surplus Report Form may be obtained by downloading it from the following site:

<http://www.procurement.gatech.edu/logistics>

Instructions for completion of the form:

All necessary information must be entered on the Non-Inventory Property Surplus Report Form. This will include:

1. Your name and phone number or the designee's name and phone number
2. The department's unit number and name
3. Today's date
4. Completion of all applicable fields in the tabled area:
 - o a) Quantity - like items can be combined (i.e. desks, chairs, printers and even computers), if they are non-inventoried items. Please make sure that you validate equipment that still have an asset tag (i.e. white decal with the gold GT logo) in the upper left corner before grouping them with other equipment. If you inform Property Control that an asset is still showing "In Service" in your inventory and was a part of a previous surplus request in as a grouped item, Property Control will advise you to mark the asset missing because it does not have a proper audit trail for the asset record.
 - o b) Description – give an adequate description for the item(s)
 - o c) Model Number- optional field
 - o d) Serial Number – optional field
 - o e) Current location and room number for asset
 - o f) State the condition of the asset(s)
5. Submit a copy of the completed form to Logistics via email or fax as indicated on form.

Requirements for Data Security

To comply with [Georgia Tech's data security policies](#)

and the State of Georgia 's Electronic Scrap Disposal Policy. (See Chapter 15: Electronics Disposal in the [Georgia Surplus Property Manual](#).)

Surplused computers (PCs/CPU's) will have their hard drives removed and shredded. Central Receiving will formulate and issue instructions on pick up procedures to comply with these requirements. (effective 07/01/06)

Exempt Property

Under the authority of OMB Circular A-110 "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" and the Federal Grant and Cooperative Agreement Act (31 U.S.C. 6306), equipment purchased using federal grant/contract funds by Georgia Institute of Technology is considered to be "exempt" property. Based on these regulations, should a Federal awarding agency not establish conditions, title to exempt property upon acquisition vests with the Institute without further obligation to the Federal Government.

A-110 "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations"

OMB Circular ___ Definitions Section

(n) Exempt property means tangible personal property acquired in whole or in part with Federal funds, where the Federal awarding agency has statutory authority to vest title in the recipient without further obligation to the Federal Government. An example of exempt property authority is contained in the Federal Grant and Cooperative Agreement Act (31 U.S.C. 6306), for property acquired under an award to conduct basic or applied research by a non-profit institution of higher education or non-profit organization whose principal purpose is conducting scientific research.

___ Property Standards Section .33 "Federally owned and exempt property"

(b) Exempt property . When statutory authority exists, the Federal awarding agency has the option to vest title to property acquired with Federal funds in the recipient without further obligation to the Federal Government and under conditions the Federal awarding agency considers appropriate. Such property is "exempt property." Should a Federal awarding agency not establish conditions, title to exempt property upon acquisition shall vest in the recipient without further obligation to the Federal Government.

Federal Grant and Cooperative Agreement Act (31 U.S.C. 6306)

___ § 6306. Authority to vest title in tangible personal property for research

The head of an executive agency may vest title in tangible personal property in a nonprofit institution of higher education or in a nonprofit organization whose primary purpose is conducting scientific research—

1. when the property is bought with amounts provided under a procurement contract, grant agreement, or cooperative agreement with the institution or organization to conduct basic or applied scientific research;
2. when the head of the agency decides the vesting furthers the objectives of the agency;
3. without further obligation to the United States Government; and
4. under conditions the head of the agency considers appropriate.

Procedures:

The Asset Management Web System is used to report surplus items to the Property Control Department Department/Procurement Services. A disposal is considered to be the removal of equipment from the custody and accountability of Georgia Tech.

Therefore, if a college/department “disposes” of equipment by providing it for the use of another university or State Agency, this activity is considered to be a transfer, rather than disposal, of the equipment. Please refer to ["equipment transfer within georgia tech"](#) for information regarding the transfer of equipment.

Policy History:

Revision Date	Author	Description
08-2013	Property Control	Update to policy

Equipment Transfer (within Georgia Tech)

Policy No: 7.2

Type of Policy: Administrative

Last Revised: 2013-08-00T00:00:00

Review Date: 2016-08-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Mgr. of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This section explains the procedures for updating the property management system when property is transferred from one Department to another.

Policy Statement:

Equipment movement must be recorded on the Institute's property management system when there is a permanent change in equipment location or physical custody (e.g., from one department to another). If the equipment is temporarily loaned or relocated and the intention is to reclaim the item in the near future, the equipment record need not be changed.

Procedures:

Moving ownership of an asset from one department to another is a semi-manual process. The department giving the asset away should request that the asset be transferred via the AM module. An email is generated to the sending unit, receiving unit and the Property Control Department. When the email is received, the Property Control Department will obtain approval from the receiving department and complete the transfer process and notify all parties that the transfer has been completed. The department will be instructed to update the asset to the new location. This request is not used for transfer of equipment to another State Agency or the disposal of equipment to the Department of Administrative Services' Surplus Division.

Policy History:

Revision Date	Author	Description
08-2013	Property Control	Update to policy

Fabrication of Property

Policy No: 7.5

Type of Policy: Administrative

Last Revised: 2008-06-00T00:00:00

Review Date: 2016-09-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Mgr. of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This procedure outlines the accounting process for fabricated equipment.

Policy Terms:

Fabricated equipment

any piece of equipment with a value of \$3,000 or greater, and with a useful life of at least one year, which has been assembled from parts purchased with supply or non-inventory equipment accounts (714***). All Georgia Tech equipment that is assembled from parts which were not purchased under an equipment account code must be properly recorded as inventoried equipment (account range 743*** and value of \$3,000 to \$4,999.99) or capitalized

equipment (account range 84**** and value exceeding \$5,000.00) once completed.

Procedures:

A Fabricated Property Report must be completed when a piece of equipment is fabricated. This form , its supporting purchasing documentation, and cost transfer form should be prepared and submitted to the Property Control Department at mail code 0303 as soon as a determination is made that the item is a piece of equipment and the department property coordinator has tagged it. The Property Control Department will review and forward the approved documents to the Grants & Contracts Office. They will record accounting changes necessary to classify expense items as equipment which will feed into the Asset Management System.

Gift of Property

Policy No: 7.8

Type of Policy: Administrative

Last Revised: 2013-08-00T00:00:00

Review Date: 2016-08-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Mgr. of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This procedure outlines the accounting for gifts of equipment to Georgia Tech.

Policy Statement:

Equipment received as a gift by Georgia Tech becomes the property of the Institute/Board of Regents. As such, it cannot be sold, surplused, or transferred from Georgia Tech without the prior written approval of the Institute Surplus Property Officer (Logistics Department).

Procedures:

1. Contact the Georgia Tech Development Office at 4-5544 to notify them of the proposed gift. They will guide you through the process to receive the gift. Be aware that they will want to know the nature of the gift, the appraised value of the gift, and any written conditions or provisions, which the donor is attaching to the gift.
2. The Development Office will notify the Property Control Department when the Institute officially accepts the gift.
3. Once officially accepted, the Property Coordinator for the receiving unit should tag the equipment item and enter the required information into the Assets Management System. To obtain training on the use of the Asset Management System, please [register for classes here](#)

Policy History:

Revision Date	Author	Description
08-2013	Property Control	Update to policy

Home or Off-campus Use of Property

Policy No: 7.4

Type of Policy: Administrative

Last Revised: 2013-08-00T00:00:00

Review Date: 2016-08-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Mgr. of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This procedure outlines the steps that should be followed to place equipment off campus at a remote site or an employee's home.

Policy Statement:

Equipment owned/managed by the Institute may be used at a remote site or at home by Georgia Tech faculty/staff employees, provided the following criteria are met:

1. The equipment is used only for Georgia Tech business.
2. Use of the equipment off site or at home will not interfere with the operational needs of the college/department.
3. Home use is approved by the appropriate Dean/Director/Department Head.

Procedures:

Individuals who receive college/department approval to remove equipment from the campus should complete an Equipment Loan Agreement Form.

Instructions for completion of the form:

1. Print name of person using equipment.
2. Enter the location (address) where the equipment will be used.
3. Enter the reason for using the equipment off campus.
4. Enter Georgia Tech tag number.
5. Enter a short description of the asset, including serial number, model and replacement cost.
6. Sign Form and enter telephone number.
7. Enter Employee ID Number.
8. Print Department Name and have Dean/Director/Department Head sign and date form. The form should be retained in the unit for audit and insurance recovery purposes. Unit staff should contact Risk Management (4-3483) to obtain information on how to insure the property off site.
9. The Unit Head or his designee (Property Coordinator) must update the Asset Management System to indicate that the equipment item is now off-site.

Policy History:

Revision Date	Author	Description
08-2013	Property Control	Update to policy

Stolen Property

Policy No: 7.7

Type of Policy: Administrative

Last Revised: 2013-08-00T00:00:00

Review Date: 2016-08-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Mgr. of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This procedure outlines the steps to take to remove a stolen item from the Institute's inventory.

Policy Statement:

All Georgia Tech equipment, which is stolen, must be reported to the campus police and the Property Control Department (for removal from the Asset Management System).

Procedures:

If a department has an equipment theft, the property coordinator should contact the campus police at ext. 4-2500 to obtain a report of the incident prepared by an officer. The property coordinator should also log onto the Asset Management System and mark the department status as stolen on the Disposal Worksheet, enter the Incident # in the GT Info 1 field of the BASIC ADD page, and save the record. The Property Control Department will retire equipment upon receipt of the incident report. No further action is required by the department.

Policy History:

Revision Date	Author	Description
08-2013	Property Control	Update to policy

Trade-in of Property

Policy No: 7.6

Type of Policy: Administrative

Last Revised: 2013-08-00T00:00:00

Review Date: 2016-08-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Mgr. of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This procedure outlines the process for accounting for equipment trade ins.

Policy Statement:

All Georgia Tech equipment traded in must be deleted from the Asset Management System, and the replacement item must be valued correctly within the system. To accomplish this, follow the procedure outlined below.

Procedures:

A Trade-In Authorization Request, must be completed and forwarded to Purchasing at Mail Code 0300 when a piece of equipment is to be traded in. (Note: If a computer upgrade involves sending the existing Computer Central Processing Unit back to the vendor in exchange for another Central Processing Unit, this IS considered a trade-in.) Purchasing will forward a copy of the form to Property Control for approval. Once approved, the form will be returned to Purchasing, and a Purchase Order will be issued to the selected vendor. No further action is required by the requesting department except to coordinate the transfer of the old item and the receipt of the new item.

Instructions for completion of the form:

1. Enter the name of the department initiating the trade-in.
2. Enter the Georgia Tech asset tag number of the equipment.
3. Enter a short description of the equipment, the serial number and the model number.
4. Enter the condition of the equipment.
5. Enter the acquisition date and original cost of the equipment, if known.
6. Enter the amount the vendor is deducting from the cost of the new equipment for the equipment traded in.
7. Enter a short description of the equipment being purchased, and the price of the new equipment.
8. Enter the Document Number and Account Number used for the purchase of the new equipment.
9. The form must be signed and dated by the Department Head or his/her designee. Also enter the Department requesting the trade-in.
10. Mail the completed form to Purchasing at Mail Code 0300.

Policy History:

Revision Date	Author	Description
08-2013	Property Control	Update to policy

Transfer Property (to entities outside GT)

Policy No: 7.3

Type of Policy: Administrative

Last Revised: 2016-07-00T00:00:00

Review Date: 2019-08-00T00:00:00

Policy Owner: Property Control

Contact Name: Tom Provancher

Contact Title: Director of Insurance, Claims & Property Control

Contact Email: tom.provancher@business.gatech.edu

Reason for Policy:

This procedure explains how to transfer Georgia Tech equipment to other State Agencies.

Policy Statement:

Equipment, which is the property of the state, cannot be given away to an individual under any circumstances. It may not be sold or transferred to an entity outside the Board of Regents for the University System of Georgia without the prior written approval of the State Surplus Property Officer.

Procedures:

If a department has an item to transfer to another state agency, the property coordinator should log onto the Asset Management System and mark the department status as Requested Transfer outside Georgia Tech, save the record and then follow the procedure listed below to complete the transfer.

1. Submit a written request to the Manager of the Property Control Department, Mail Code 0303 or via email; am.ask@business.gatech.edu.
2. The request should describe the equipment, list the tag number and model number and the location (building and room number) of the equipment.
3. The request should state name of state agency to receive the equipment.
4. The request must be approved by the Department Head or his/her designee.

When a request is received that includes all the information noted above, the Manager of the Property Control Department will coordinate with others at the Institute and the state Department of Administrative Services (DOAS) to facilitate the transfer. Note that approval/contact is required with others at the Institute, DOAS, and the receiving state agency to complete this process. Some time will be required to get all the approvals needed. Once the proper

form/authorizations are received from all parties, the transferring department will receive written authorization from the Property Control Department to complete the transfer.

Policy History:

Revision Date	Author	Description
July 2016	Insurance, Claims, Property Control	Minor edits
08-2013	Property Control	Update to policy

Foundation Funds

Gifts

Distinction Between Gifts and Sponsored Activities

Policy No: 11.1.2

Type of Policy: Administrative

Effective Date: 1999-02-00T00:00:00

Last Revised: 2012-10-00T00:00:00

Review Date: 2015-10-00T00:00:00

Policy Owner: Georgia Tech Foundation

Contact Name: Mark Long

Contact Title: GTF Controller

Contact Email: mark.long@gtf.gatech.edu

Reason for Policy:

Contributions to GIT must be distinguished from private support, which creates a contractual obligation on the part of the Institute. Generally, funds received for the benefit of the Institute may be classified as "Gifts", "Grants and Sponsored Agreements" or "Contracts" as described below.

Procedures:

Gifts

Gifts represent contributions made for which the provider receives no direct benefit and requires nothing in exchange beyond a general assurance that the intent of the contribution be honored. Contributions which are considered "Gifts" should be made to Georgia Tech Foundation, Inc. and accepted and processed as provided for in this document. The following guidelines are to be used to determine if a proposal will result in a "Gift" to the Institute: Key indicators include:

- No contractual requirements are imposed
- The award is irrevocable
- No period of performance is specified
- No formal financial reporting to donor is required
- No requirement to return unexpended funds
- Funds are donative in nature and bestowed voluntarily without expectation

Facilities & Administrative Costs Associated with Account Management**Policy No:** 11.1.2.1**Type of Policy:** Administrative**Effective Date:** 1999-02-00T00:00:00**Review Date:** 2016-09-00T00:00:00**Policy Statement:**

Facilities & Administrative (Indirect) costs incurred to manage gifts to the Institute are supported by the Institute budget and are not charged to the gift accounts. In recognition of the additional support services required to manage sponsored projects and contracts managed through the Office of Contract Administration, Facilities & Administrative (Indirect) costs are charged to the project operating costs. In certain instances, requests to waive charges for Facilities & Administrative (Indirect) costs are considered by the Vice-Provost of Research according to OSP Policies & Procedures. Refer policy no 45 of this manual.

Gift Processing**Policy No:** 11.1.3**Type of Policy:** Administrative**Effective Date:** 1999-02-00T00:00:00**Last Revised:** 2014-02-00T00:00:00**Review Date:** 2017-02-00T00:00:00**Policy Owner:** Development, Office of**Contact Name:** Pat Barton**Contact Title:** Director**Contact Email:** pat.barton@dev.gatech.edu**Procedures:****Gifts of Cash or Securities**

All checks or securities intended as donations to Georgia Tech and payable to Georgia Tech Foundation, Inc. should be forwarded with the original letter from the donor and a completed Gift Transmittal Form, [Gift Transmittal Form](#), if applicable promptly to the Georgia Tech Foundation, Inc. All checks or securities payable to the **Institute** should also be forwarded to the Georgia Tech Foundation, Inc., which will then process them for deposit by the Institute. Contributions intended for the Foundation but made payable to the Institute or one of its units may be transferred to the Foundation on receipt of written documentation of the donor's intent. No attempt should be made to deposit a check to any entity other than the Payee. Under no circumstances should a check be modified to change the Payee.

Contributions of securities should also be made to the Georgia Tech Foundation, Inc., either by transfer via DTC (Depository Trust Co.) or transfer of the actual stock certificates to the Georgia Tech Foundation, Inc. Transfer via DTC is the most efficient and preferred method of handling transfers of securities. Questions pertaining to the transfer of securities should be directed to the Georgia Tech Foundation Accounting Office.

Solicitation of Gifts

Policy No: 11.1.1

Type of Policy: Administrative

Effective Date: 1999-02-00T00:00:00

Last Revised: 2013-10-00T00:00:00

Review Date: 2018-08-00T00:00:00

Policy Owner: Office of Development

Contact Name: Pat Barton

Contact Title: Director of Gift Accounting

Contact Email: pat.barton@dev.gatech.edu

Policy Statement:

Philanthropic support from private sources, i.e. individuals, corporations, foundations, and other organizations, is becoming increasingly important to the continuation of the quality instruction, research, and service functions that are a trademark of the Georgia Institute of Technology. The Office of Development is charged to secure private support to meet the Institute's strategic goals and objectives.

All Vice Presidents, Deans, School Chairs, Department Directors, faculty, and staff initiating efforts to obtain gifts or private, non-contractual grants must coordinate their efforts with the Office of Development through their respective assigned Development Officer or, where none is assigned, through the Office of the Vice President for Development. Such coordination must **begin before making formal contact** with a new funding source and will continue on a regular basis after initial contact is made.

Prior to the formal submission of written proposals to private funding sources, the submission should be cleared through the Office of Development.

The Office of Development is responsible to ensure proper acceptance of gifts to the Institute and its affiliated organizations that receive private gifts for the benefit of Georgia Tech, including the Georgia Tech Foundation, Inc. and the Alexander-Tharpe Fund. Private gifts include gifts of equipment and other property as well as cash and securities. Acceptance of most gifts will be routine; however, gifts which may obligate the Institute beyond the approved budget or program of a College, School, or Department should be discussed in advance with the Vice President for Development. The following are NOT considered charitable gifts and are not to be accepted as such.

- Advertising revenue;
- Contract revenues;
- Contributed services;
- Gifts of intellectual property rights;
- Governmental funds, whether local, state (including state matching grants), federal or foreign;
- Investment earnings on gifts, even if accrued during the reporting period;
- Sale of merchandise;
- Software licenses where the Institute is exempted from paying annual license or maintenance fees;
- Tuition payments.

All gifts to Georgia Tech and its affiliated organizations will be acknowledged by the Vice President for Development or his designee. Other acknowledgments are strongly encouraged. Copies of acknowledgments will be distributed to the proper offices.

It has been the policy to encourage donors to make gifts designated for academic purposes, excluding gifts of equipment and in-kind contributions, to the Georgia Tech Foundation, Inc., rather than to the Institute proper. Therefore, anyone soliciting support for the programs at the Institute should request that the donation be made to Georgia Tech Foundation, Inc. rather than to the Institute. Gifts of equipment and in-kind contributions are more effectively handled by the Institute. Such gifts include donations of: (a) instructional and research equipment; and (b) books and other library materials. The Gift Accounting Office in the Office of Development should receive all documents regarding gifts of equipment and in-kind contributions, including the original letter of transmittal, as well as tax forms and other documents requiring signatures. In addition, the Gift Accounting Office in the Office of

Development should be informed when a GT unit accepts a software license for stewardship and reporting purposes, even when the software license does not qualify as a gift under IRS regulations or CASE (Council for the Advancement and Support of Educations) standards.

Using GTF Funds - General Policy Statement

Policy No: 11.2

Type of Policy: Administrative

Effective Date: 1999-02-00T00:00:00

Last Revised: 2012-10-00T00:00:00

Review Date: 2015-10-00T00:00:00

Policy Owner: Georgia Tech Foundation

Contact Name: Mark Long

Contact Title: GTF Controller

Contact Email: mark.long@gtf.gatech.edu

Policy Statement:

The use of all funds held by the Georgia Tech Foundation (GTF) must be in accordance with the restrictions or intent of the donor and with Georgia Institute of Technology (GIT) policies and procedures. GTF funds intended to benefit a function of GIT(instruction, research, service, and supporting functions) are to be recorded on Institute financial records. All transactions financed by GTF funds are to be made through GIT in accordance with generally accepted business practices and procedures except where there are specific prohibitions on the use of Institute funds, or when prior approval of individual transactions has been received from the Office of the President. These standard operating procedures are designed to minimize costs and duplication, and to enhance accountability.

Setting up Accounts for GTF Funds

Policy No: 11.2.1

Type of Policy: Administrative

Effective Date: 1999-02-00T00:00:00

Last Revised: 2012-10-00T00:00:00

Review Date: 2015-10-00T00:00:00

Policy Owner: GT Foundation, Inc

Contact Name: Mark Long

Contact Title: Chief Financial Officer

Contact Email: mark.long@gtf.gatech.edu

Policy Statement:

This procedure is to be used to establish a new sponsored project in the accounting records of the Georgia Institute of Technology (GIT) where the Georgia Tech Foundation (GTF) is the sponsoring entity. Business transactions financed by GTF funds are to be processed through GIT in accordance with generally accepted business practices and processes, as provided in these procedures.

Procedures:

Account Establishment

Upon receipt of a gift or budgetary allocation, the Georgia Tech Foundation will establish a GTF account number for the funds. GTF will transmit the account number, initial dollar amount, restricted use of the funds, and any effective or expiration dates for the funds to the Unit and to the Controller's Office or to GTRI Accounting for awards to GTRI units using the [Gift Transmittal Form](#). All funds reported on this form will be budgeted in the "Other Memo" category. If specific budget details are required, the budget information should be entered on the second page of the Form using the spaces provided.

The Contoller's Office and GTRI Accounting are charged with the responsibility of establishing sponsored projects in the GIT Chart of Accounts, the Grants and Contracts accounting system and GTRI accounting subsystems, and

the preparation and maintenance of accounting records and financial reports for these accounts. Upon receipt of account information from GTF, the Controller's Office determines the type of account to establish and assigns a sponsored account number and general ledger account center number within the numbers assigned for the unit requesting the account. The account number is then submitted electronically for review and update to the Chart of Accounts. The budget for the project will be established in the "Other Memo" category unless specific information is provided on the second page of the Form in detail.

Expenditure of GTF Funds

Policy No: 11.2.2

Type of Policy: Administrative

Effective Date: 1999-02-00T00:00:00

Last Revised: 2012-10-00T00:00:00

Review Date: 2015-10-00T00:00:00

Policy Owner: Georgia Tech Foundation

Contact Name: Mark Long

Contact Title: GTF Controller

Contact Email: mark.long@gtf.gatech.edu

Procedures:

Signature Approval

As with the use of any GIT funds, faculty and staff are to use prudence and good business judgment with the use of GTF funds. Unit management is responsible for assuring the funds are used properly and has the responsibility and accountability for the use of funds consistent with all gift requirements, GIT and GTF policies and procedures, and applicable state and federal laws.

Signature approval of financial documents (purchase orders, travel requests, and direct pay vouchers, etc.) is necessary to indicate that an expenditure of GTF funds is consistent with any applicable restrictions imposed on the specific funds being used and with the purpose and mission of the Institute, and that adequate funds are available in the designated account(s). The approver must be an authorized individual who is knowledgeable of account restrictions, GTF and GIT Gift Accounting procedures.

Georgia Tech Foundation Account Numbers

Policy No: 3.9.1

Type of Policy: Administrative

Effective Date: 1999-02-00T00:00:00

Review Date: 2016-09-00T00:00:00

Contact Name:

Policy Statement:

This procedure is to be used to establish a new sponsored project in the accounting records of the Georgia Institute of Technology (GIT) where the Georgia Tech Foundation (GTF) is the sponsoring entity. Effective February 1, 1999, all business transactions financed by GTF funds are to be processed through GIT in accordance with generally accepted business practices and processes, therefore, a GIT sponsored project is to be established for GTF awards. For additional information, see [Processing and Use of Georgia Tech Foundation Funds](#)(Georgia Tech Policies And Procedures-Business and Finance) for a complete description of the policies and procedures for Solicitation, Acceptance and Expenditure of Georgia Tech Foundation Funds.

Procedures:

The Office of Grants and Contracts Accounting is charged with the establishment of sponsored projects in the Chart of Accounts and the accounting records of the Georgia Institute of Technology upon receipt of properly completed GTF "Gift Transmittal Form" (click for [Word](#) or [Adobe .pdf](#) formats) from the Foundation.

Upon receipt of a gift or budgetary allocation, the Georgia Tech Foundation will establish a GTF account number for the funds. GTF will transmit the account number, dollar amount, restricted use of the funds, and any effective or expiration dates for the funds to the Office of Grants and Contracts Accounting, or to GTRI Accounting for awards

to GTRI units, using the Gift Transmittal Form. All funds reported on this form will be budgeted in the "Other Memo" category. If specific budget details are required, the budget information should be entered on the second page of the Form (back of the Form) using the spaces provided. The authorization should be approved by authorized personnel at the Georgia Tech Foundation.

When gifts and/or awards are received initially by the operating units, a Gift Transmittal Form should be prepared by the unit and forwarded directly to the Foundation with all supporting documentation. Requests received by the Office of Grants and Contracts Accounting without a properly completed Gift Transmittal Form will be forwarded to the Georgia Tech Foundation for action.

Grants & Contracts Accounting

General Information

Policy No: 3.1

Type of Policy: Administrative

Last Revised: 2005-09-00T00:00:00

Review Date: 2016-09-00T00:00:00

Reason for Policy: The purpose of the Grants and Contracts Accounting Office is to provide fiscal and administrative support to the Institute in its contribution to the fulfillment of the scientific and technical needs of the State of Georgia through education, research and service. The primary functions of G&C: Financial administration of Georgia Tech's (excluding GTRI) sponsored projects; special studies relating to indirect costs, fringe benefits, and cost centers; audit liaison related to external audits; ensuring that the Institute's payroll reporting system documentation is in compliance with OMB Circular A-21, Revised; interpretation and implementation of Federal guidelines as related to sponsored projects administration.

Policy Statement:

The Office of Grants and Contracts Accounting is required to follow an established set of guidelines and policies set forth by the Federal Government, State of Georgia, the Board of Regents and the Institute.

Responsibilities:

Organizationally, Grants and Contracts Accounting Office report to the Associate Vice President for Financial Services but works in close partnership with the Office of Sponsored Programs (OSP) and the Georgia Tech Research Corporation (GTRC).

Allowable Expenses

Policy No: 3.4

Type of Policy: Administrative

Effective Date: 2014-12-00T00:00:00

Last Revised: 2014-12-00T00:00:00

Review Date: 2017-12-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Sr. Director Office of Grants and Contracts Accounting;

Contact Email: sandra.mason@business.gatech.edu

Reason for Policy:

Direct charges to sponsored projects are allowable if they can be identified specifically to a particular sponsored project and are not treated as a facility or administrative (F&A) cost item. F&A cost items, such as office supplies, departmental administration, facility costs, and general purpose equipment are charged to sponsored projects via the appropriate F&A rate. Typical costs charged directly to a sponsored agreement are the compensation of employees for performance of work under the sponsored agreement, including related fringe benefit costs; the costs of materials consumed or expended in the performance of the work; and other items of expense incurred for

the sponsored agreement. The cost of materials supplied from stock or services rendered by specialized facilities or other institutional service operations may be included as direct costs of sponsored agreements, provided such items are consistently treated and are charged under a recognized method of computing actual costs. Policies and procedures developed by the Office of Grants and Contracts Accounting are based on the Federal government's Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR Part 200) Subpart E "Cost Principles". Individual sponsored awards may contain terms and conditions that are more specific and that are either more or less restrictive than 2 CFR Part 200 Subpart E. In these cases, the individual award/agreement will be used to determine the allowability of expenses posted directly to the associated sponsored project(s). In all cases, expenses must be accounted for in accordance with applicable Georgia Tech operating procedures.

Policy Statement:

From OMB 2 CFR Part 200.403: The factors affecting allowability of costs under these principles are:

- They must be necessary, reasonable, and allocable;
- They must conform to any limitations or exclusions set forth in the principles or in the Federal award as to types or amount of cost items;
- They must be consistent with policies and procedures that apply uniformly to both Federally-financed and other activities of the non-Federal entity;
- They must be accorded consistent treatment as either a direct or indirect cost;
- They must be determined in accordance with generally accepted accounting principles (GAAP);
- They must not be included or used to meet cost sharing or matching requirements of any other Federally-financed program; and
- They must be adequately documented

If any activity/expense cannot meet the above criteria, it may not be charged directly or indirectly to a sponsored project, regardless of its purpose.

Policy Terms:**Reasonable**

...does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost (200.404)

Allocable

...the goods or services involved are chargeable or assignable to that award in accordance with relative benefits received (200.405)

Consistently Treated

...may not be charged as a direct cost if any other like cost has been allocated or charged as an indirect cost (200.403)

Allowable

conforms to limitations or exclusions set forth in the sponsored agreement and these principles as to types or amounts of cost items

The following expense types are typically "unallowable" as a direct charge to a sponsored project (list not all-inclusive):

- Office supplies
- Telephone toll charges / hand-held communications device charges
- Dues and membership fees
- Administrative or clerical salaries*
- Postage
- First Class or Business Class travel
- Entertainment, including alcohol

* Salaries of administrative and clerical staff may be charged directly only if all of the following conditions are met:

1. They are integral to the project or activity;
2. Individuals involved can be specifically identified with the project or activity;
3. Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
4. The costs are not also recovered as indirect costs.

The following expense types are typically allowable as a direct charge to a sponsored project (2 CFR Part 200.453):

- In the specific case of computing devices, charging as direct costs is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award.

Facilities and Administrative (F&A) (or indirect) costs are charged to sponsored projects via the Institute's F&A rate. Typical F&A cost items include office supplies, departmental administration, facility costs, general purpose equipment, and others as listed above (list not all-inclusive). See G&C "[Facilities & Administrative Rates](#)" for additional information.

If it is determined that the individual award/agreement allows direct charging of costs normally expensed as F&A costs (e.g., postage, local telephone, office supplies, membership dues, and general purpose equipment), a Cost Accounting Standards (CAS) Exception Form must be completed, certified, and kept on file in the project files of the PI's home academic department. This form must be properly supported by pertinent award/agreement documentation. The CAS Exception Form can be found on the [Grants and Contracts website](#).

Certain allowable non-sponsored expenses may be unallowable for purposes of the F&A Cost study.

Examples include fines/penalties, commencement expenses, and fund-raising activities. Unique project numbers are used to identify unallowable activities.

Procedures:

Georgia Tech authorizes the principal investigator (PI) and the properly authorized unit designee (financial manager and staff) to have primary responsibility for the management of sponsored agreement funds. The actions of these authorized individuals are documented using manual/electronic signatures and/or a system password. It is the responsibility of PIs, unit heads and staff delegated signature authority by unit heads to ensure that only allowable charges are posted as direct expenses to sponsored projects. Unit financial managers are in the most knowledgeable position with up-to-date information regarding the status of their respective sponsored projects. As such, local management's signature approval of a financial transaction indicates:

- Approval for the action requested
- Goods or services are directly related to the project scope
- Charges are allowable according to the approved project budget
- Charges have been incurred within the project time period
- Charges have been incurred in accordance with GIT financial and accounting policies and procedures
- Charges have been incurred in accordance with Terms and Conditions of the sponsored agreement
- Funds are available in the designated projects

Quarterly Compliance Reviews

The Office of Grants and Contracts Accounting will perform a quarterly "Sponsored Project Allowable Costs" compliance review to accomplish the following objectives:

1. Provide means for monitoring compliance with 2 CFR Part 200 and implementing adequate internal controls to ensure that departmental business managers are monitoring compliance with respect to expenditures charged to sponsored projects.
2. Implement systematic queries of sponsored project charges to evaluate the appropriateness of direct costs charged to projects.

The Office of Grants and Contracts Accounting conducts regularly scheduled [training sessions](#) pertaining to

allowable and unallowable costs.

Contact the [Grants and Contracts Accounting Department](#) for specific guidance related to managing sponsored projects at Georgia Tech.

Responsibilities:

Each Georgia Tech PI is responsible for effectively overseeing and managing his/her sponsored projects based to a considerable extent upon his/her knowledge of the field of study and his/her capabilities to conduct the projects in an efficient and productive manner. Monthly “PI Sponsored Project Review” reports are provided directly to PIs by the Office of Grants and Contracts Accounting to permit timely reviews and approval/confirmation of all charges posted to his/her assigned sponsored projects. PIs are to perform periodic reviews of these charges to provide proper financial oversight. Additional information pertaining to “PI Sponsored Project Review” reports is available on the [Grants and Contracts website](#).

List the units or individuals who are responsible for aspects of the policy (e.g., colleges, departments, offices, faculty, students, employees, etc.). Summarize the major responsibilities – the “what” not the “how” of the responsibility. Details of “how” should be in the procedures section.

Enforcement: To report suspected instances of noncompliance with this policy, please visit Georgia Tech’s EthicsPoint, a secure and confidential reporting system, at:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
12-26-2014	Office of Grants and Contracts Accounting	Update to conform to Office of Management and Budget Uniform Requirements issued 12-26-2013

Cost / Service Centers

Policy No: 3.14

Type of Policy: Administrative

Effective Date: 2014-12-00T00:00:00

Last Revised: 2015-04-00T00:00:00

Review Date: 2018-04-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

Service centers are defined as operating units established for the primary purpose of providing specialized service to the educational and research community. Service centers are also known as Specialized Service Facilities and are subject to the terms and conditions of OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR 200), Section 200.468.

Policy Statement:

This cost accounting policy is based on OMB Uniform Administrative Requirements, Section 200.468 (2 CFR 200) which states: "The costs of such services, when material, must be charged directly to applicable awards based on actual usage of the services on the basis of a schedule of rates or established methodology".

Scope:

This policy is applicable to all Cost/Service Centers established at the Institute.

Definitions:

<p>Service Facilities/Cost Centers/Service Centers</p>	<p>Operating units which provide specialized services to the university community, either an operation of \$50,000 or more with a majority of charges to sponsored projects, or any operation with charges of \$50,000 to sponsored projects regardless of the size of the operation, so long as substantially all of the utilization is measured and invoiced to users. Additional procedures related to Service Center rate studies are included below.</p>
<p>Recharge Centers</p>	<p>Operations of less than \$50,000 with a majority of charges to sponsored projects, or operations with less than \$50,000 of charges to sponsored projects regardless of size where the business-case for establishing a separate recharge center has been properly justified and is approved in advance by the Sr. Director of Grants and Contracts Accounting and the Associate Vice President for Financial Services. Costs for materials/services should constitute a pass-through of direct costs only. Recharge centers should be able to demonstrate that there is an advantage to the sponsor to justify its existence. Grants and Contracts Accounting is available to provide assistance in developing such pass-through rates.</p>
<p>Facility Usage Rates</p>	<p>Rates established for the infrequent and non-recurring use by external entities of Georgia Tech lab facilities that are unique and not commercially available. Grants and Contracts Accounting will develop the appropriate Facility Usage rates in coordination with the requesting department.</p>

Procedures:

Basic Requirements

Due to the administrative requirements of managing service and recharge centers, there should be a clear business-case for establishing and renewing separate service/recharge center charge rates. The requisite business-case includes the following basic parameters:

1. **Self-Supporting Revenues** - Service/recharge center annual recoveries should typically be sufficient to fund the annual operating costs of the center. Operating costs include allocable salaries, fringe benefits, supplies, equipment maintenance, equipment replacement, building depreciation, and building operations and maintenance expenses (including utilities).

- 2. **Local Administrative and Financial Support** - The unit/department must be equipped to manage the additional accounting and reporting requirements of the Center. These activities include separate accounting for expenses and recoveries and precise tracking of utilization for charge-out purposes.
- 3. **College and Institute Level Approval** - The "Service/Recharge Center Request & Approval Form" must be completed and approved by the appropriate School or Department Head and the appropriate College or Institute level officer prior to being submitted to Grants and Contracts Accounting for consideration. The form can be found on the [Grants and Contracts](#) website.

Service/recharge center rates may only be established or renewed after the above basic requirements have been met, documented, and properly approved. Thereafter, rate studies are prepared and billing rates are established and renewed based on the following procedures:

Responsibilities:

Contact the Grants and Contracts Accounting Department at gc.ask@business.gatech.edu for additional guidance related to Cost/Service Centers at Georgia Tech.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's *EthicsPoint*, a secure and confidential reporting system, at:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
April 2015	Office of Grants & Contracts Accounting	Update with new OMB Requirements
12-30-14	Office of Grants & Contracts Accounting	Align with requirements of 2 CFR 200
07-01-12	Office of Grants & Contracts Accounting	Administrative review

Cost Share

Cost Share Expenses

Policy No: 3.9

Type of Policy: Administrative

Effective Date: 2014-12-00T00:00:00

Last Revised: 2014-12-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

Cost share (Matching) funds are those funds contractually obligated by the Institute to meet the financial requirements specified in a sponsored award. These expenses represent the Institute's contribution to an externally funded sponsored project. When a cost share obligation is identified in the sponsored agreement, it must be accounted for in the Institute's accounting records and reported to the sponsor. Cost share expenses should generally be incurred at the same rate as the sponsor's portion of award expenses.

Policy Statement:

The Federal Government's Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR 200 – 200.306 "Cost sharing or matching") indicates that all contributions, including cash and third party in-kind contributions, must be accepted as part of the recipient's cost sharing or matching when such contributions meet all of the following criteria:

1. Are verifiable from the recipient's records.
2. Are not included as contributions for any other Federal award.
3. Are necessary and reasonable for accomplishment of project or program objectives.
4. Are allowable under Subpart E – Cost Principles.
5. Are not paid by the Federal Government under another award, except where authorized by Federal statute to be used for cost sharing or matching.
6. Are provided for in the approved budget when required by the Federal awarding agency.
7. Conform to other provisions of this Part, as applicable.

If any expense cannot meet the above criteria, it is not eligible to be recorded and reported as cost share. In addition to expenses incurred by Georgia Tech, the following types of expenses may be counted as cost sharing if properly approved, documented, and supported:

- Unrecovered F&A (indirect) costs, including indirect costs on cost sharing or matching, with the prior approval of the Federal awarding agency based on approved rates.
- Unrecovered tuition remission costs with the prior approval of the Federal awarding agency based on approved rates.
- Donated supplies, equipment, or property based on current fair-market values and period-of-use requirements [reference 200.434 "Contributions and donations"].
- Third party contributions of personal services, supplies, equipment, property based on current fair-market value and period-of-use requirements [reference 200.434 "Contributions and donations"].

Generally speaking, only expenses that would be allowable to the sponsored project are allowable as cost sharing expenses. Any exceptions to this rule must be approved and documented (i.e., salaries in excess of the NIH salary cap or waived Tuition Remission expenses).

Scope: All employees engaging in sponsored research activity.

Policy Terms:

Unrecovered F&A

The difference between the amount charged to the Federal award and the amount which could have been charged to the Federal award under the recipient's approved negotiated indirect cost rate.

Internal Institutional support

Internal institutional funding provided to the unit upon successful receipt of a research award, which is not contractually obligated by the sponsored program.

Procedures:

The GM System obtains contract information directly from the OSP database. Since all projects with Cost Sharing requirements must be managed by OSP, the GM System receives all authorized Cost Share/Matching information at the time of the award or any subsequent amendment. Upon completion of an agreement by OSP, Project Numbers are assigned. If there is a contractual Cost Sharing requirement a Cost Sharing Project number will be assigned.

The amount of the Cost Sharing requirement is entered into the Project Demographic section of the GM Project files. Cost Share budgets are entered by the departments via the Institute budgeting process into the Institute's General Ledger System. These budget amounts are subsequently added to the GM project files systematically. The budgets in the GL System will only reflect the amount of funds budgeted by the departments.

The Grants Management (GM) System allows for all companion cost share projects to be linked, summarized, and reported in accordance with applicable requirements. For this reason, all cost share projects should be associated

with the appropriate sponsored award/fund within the GM system.

The GM System reports Cost Share Obligation on the "Fund" Demographics Panel. The amount of the budget to be reflected in the cost share project(s) is to represent the funded amount available to spend (plus amounts already expended). A comparison of the total amount budgeted (including State funded cost sharing and GTRC funded projects) to the obligation will indicate the amount of additional funding required.

All related cost share projects are linked to the sponsored project for reporting purposes. Additional companion Cost Share projects may be established by appropriate personnel throughout the life of a sponsored project to properly account for all applicable cost sharing expenditures. When this occurs, the Office of Grants and Contracts Accounting should be notified immediately in order to ensure proper set-up in the GM System.

Projects should not be set up or allocated in the accounting records as cost share projects unless they are contractually required by the sponsor. Internal institutional support that is necessary but not contractually required should be set up by the Budget Office as other State funds outside of the matching fund group of sponsored projects.

Responsibilities: Principal Investigators, assigned delegates, and unit financial officers are responsible for providing proper oversight and management of sponsored projects during the performance and close-out periods.

Enforcement: To report suspected instances of noncompliance with this policy, please visit Georgia Tech's *EthicsPoint*, a secure and confidential reporting system, at:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
11-05-2014	Office of Grants & Contracts Accounting	Align with requirements of 2 CFR 200
04-01-2014	Office of Grants & Contracts Accounting	Administrative review

Cost Transfer Requests

Policy No: 3.6

Type of Policy: Administrative

Effective Date: 2015-10-00T00:00:00

Last Revised: 2015-10-00T00:00:00

Review Date: 2018-10-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

The matter of cost transfers is a sensitive issue in a university's operation of its sponsored programs and one which always receives careful scrutiny by sponsor representatives, especially federal government contracting officers and auditors. Accordingly, the following policy and implementation procedures are established pursuant to sound business practice and in order to ensure full compliance with federal regulations, contract and grant terms and other conditions concerning cost transfers for Resident Instruction (RI), Georgia Tech Professional Education (GTPE), and Enterprise Innovation Institute (EII) programs. Georgia Tech Research Institute (GTRI) has a separate policy/procedure in place that is applicable to its projects.

Policy Statement:

Cost transfers that are required to correct errors or to achieve proper, consistent, and equitable distribution of costs to sponsored projects will be allowed, provided adequate justification for the change is furnished and necessary approvals that certify the accuracy of the charges are received. Such cost transfers should be made as soon as possible after the necessity for the transfer is recognized. A cost transfer made within 60 days after the posting date of the transaction requiring a transfer will be considered timely. In other exceptional instances, cost transfers may be required after the 60 day period identified above. For example, if costs are deemed to be unallowable by an audit of project expenditures after submission of the final reports, it will be necessary to process a cost transfer to adjust the final project costs. In such situations, it would be acceptable to process a cost transfer beyond the 60 day limit if the cost transfer request is properly supported, certified, and adequate documentation is provided that clearly demonstrates that the need for the transfer could not have been known within the acceptable time period.

The procedures included below are applicable to Non-Personal Service Cost Transfers. See Policy 3.2 "Personal Services Reporting Using the Plan Confirmation System" for specific procedures related to retroactive salary distribution changes.

Scope: All employees engaging in sponsored research activity.

Policy Terms:**Cost Transfer**

For the purpose of this policy, a cost transfer involves action in which costs are moved from a non-sponsored project to a sponsored project or from a sponsored project to any other project. Excluded are initial transfers of charges for supplies or services from an inventory account, a cost center, or other similar operations in accordance with established accounting procedures. Also excluded are corrections of processing errors that occur within the Business Office accounting systems such that when the correction is made, the accounting records are in agreement with the documentation that authorized the change. Corrections of encumbrances are not considered cost transfers, and any such changes are to be processed according to Procurement and Business Services Office procedures.

Electronic Cost Transfer (ECT)

Electronic Cost Transfer refers to an online system that takes advantage of the features of the Institute's Financial System to automate the cost transfer process.

Procedures:**Non-Personal Service Cost Transfers**

Georgia Tech authorizes the principal investigator (PI) and the properly authorized unit designee (financial manager and staff) to have primary responsibility for the management of sponsored agreement funds. The actions of these authorized individuals are documented using manual/electronic signatures and/or a system password.

All requests for a non-personal service cost transfer should originate with the department that originally approved the charge. The request will require adequate supporting statements that clearly indicate that the costs being moved to a project are directly related to the project scope, allowable by the project budget, and have been incurred in a timely manner to benefit project activities. In this regard, it must be recognized that justification must always consist of more than a simple statement such as "to correct an error" or "purchases posted to the wrong project number." While such statements may be correct, justification must be considered adequate to convince a sponsor or auditor of the accuracy of the charge to the sponsored project. The review of these transactions will usually occur no earlier than eighteen months after its occurrence, and no information will be available to substantiate the charge except that provided by the transfer request and the supporting documentation. The designated financial administrator or other responsible party with first-hand knowledge, according to delegated authority within the department, must certify as to the accuracy of the cost transfer.

Responsibilities:**Principal Investigator (PI) Responsibilities**

Each Georgia Tech PI is responsible for effectively overseeing and managing his/her sponsored projects based to a considerable extent upon his/her knowledge of the field of study and his/her capabilities to conduct the projects in an efficient and productive manner.

Monthly “PI Sponsored Project Review” reports are provided directly to PIs by the Office of Grants & Contracts Accounting to permit timely reviews and approval/confirmation of all charges posted to his/her assigned sponsored projects. PIs are to perform periodic reviews of these charges to provide proper financial oversight.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech’s *EthicsPoint*, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-01-2015	Office of Grants & Contracts Accounting	Updated Non-Personal Service Cost Transfers Requiring Special Approval Authorization for externally-funded Sponsored Projects from 120 days beyond the original expense posting date to 90 days aligning with close-out requirements of OMB 2 CFR 200.
11-05-2014	Office of Grants & Contracts Accounting	Align with requirements of 2 CFR 200
04-01-2012	Office of Grants & Contracts Accounting	Administrative review

Establishing Sponsored Sub-Project Numbers

Policy No: 3.18

Type of Policy: Administrative

Last Revised: 2014-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Contact Name: Sandra Mason

Contact Email: sandy.mason@business.gatech.edu

Policy Statement:

This procedure describes the process to be used by departments and the Office of Grants and Contracts Accounting to establish and distribute project information for new sub-projects under sponsored awards and to redistribute the budgets of existing main and sub-projects. The Office of Grants and Contracts Accounting is responsible for assigning sub-project numbers for externally funded awards and internally funded projects (i.e., Georgia Tech Research Corporation and Georgia Tech Foundation). Georgia Tech Foundation projects are managed by the Controller's Office.

Procedures:

Departmental/Unit Approval for Budget Revision to Sponsored Projects

Staff with the proper approval and authority may initiate a request for a new sponsored sub-project number using the WEB Grants Management system. Users of the web-based Budget Revision to Sponsored Project tool have a responsibility to ensure the accuracy and legitimacy of the sub-project requests they initiate. When Budget Revision requests are submitted, the user must read, confirm, and acknowledge the following:

1. I have Departmental/Unit authorization to prepare and approve this request for a new sub-project and/or

budget revision.

2. This request for a new sub-project and/or budget revision has been reviewed and approved by the project director.
3. This request for a new sub-project and/or budget revision complies with all terms and conditions of the supporting sponsored agreement.
4. This request for a budget revision has been approved by OSP or does not require OSP approval.

The Office of Grants and Contracts Accounting is charged with establishing project numbers for sub-projects in sponsored operations, maintenance of budget information related to sub-projects in sponsored project files, and maintenance of Institute accounting records for Resident Instruction (RI), Georgia Tech Professional Education (GTPE), Enterprise Innovation Institute (EII), and Plant funds (if applicable). Requests to establish a sub-project are to be initiated and approved by the academic or administrative unit of the main project director.

Requests for sub-projects supported by the Georgia Tech Research Institute (GTRI) are to be provided to the Office of Grants and Contracts Accounting with required source documentation as prepared by the GTRI Accounting office.

Facilities & Administrative (F&A) Cost Rates

Policy No: 3.15

Type of Policy: Administrative

Effective Date: 2014-12-00T00:00:00

Last Revised: 2015-04-00T00:00:00

Review Date: 2018-04-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

Georgia Institute of Technology/Georgia Tech Research Corporation utilizes Facilities and Administrative (F&A) rates to obtain recovery of costs, other than direct costs, incurred to support sponsored projects.

Policy Statement:

This cost accounting policy is based on OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200), Section 200.414 which states: "For major IHEs (Institutions of Higher Education), indirect (F&A) cost must be classified within two broad categories: "Facilities" and "Administration".

Scope:

This policy is applicable to expenditures incurred on sponsored projects.

Definitions:

<p>Facilities costs</p>	<p>Facilities costs include depreciation and use allowances, interest on debt associated with certain buildings, equipment and capital improvements used for sponsored projects, operation and maintenance of plant expenses incurred for space used for sponsored projects, and allocated library expenses.</p>
<p>Administrative costs</p>	<p>Administrative expenses include the allocated portion of general administrative and general expense, departmental administration, sponsored project</p>

	administration, and the allocated portion of student services administration.
Modified Total Direct Cost (MTDC)	MTDC consists of all salaries and wages, fringe benefits, materials and supplies, services, travel, and sub-grants and sub-contracts up to the first \$25,000 each; and excluding equipment, capital expenditures, charges for tuition remission, rental costs, scholarships and fellowships, participant support costs, as well as the portion of each sub-grant and sub-contract in excess of \$25,000.

Procedures:

Facilities and Administrative costs (previously referred to as indirect costs) are comprised of two main categories: Facilities costs and Administrative costs. (See definitions above.) The distribution base used to determine F&A Rates is the Modified Total Direct Cost (MTDC) as defined by OMB Uniform Administrative Requirements (2 CFR 200) . An F&A rate is expressed as a percentage multiplied times the appropriate cost base on the grant or contract to determine the amount of F&A cost to be charged. The F&A cost is billed to the sponsor along with direct costs.

Facilities and Administrative (F&A) rates are determined on an annual basis according to the provisions of OMB Uniform Administrative Requirements (2 CFR 200), Section 200.414, and audits by the Defense Contract Audit Agency (DCAA), with negotiation and approval of rates by the Department of Navy, Office of Naval Research (ONR). The Institute and ONR negotiate F&A rates to be used over a period of years, based on the audited rate proposal report.

The negotiated F&A rates are to be used on externally-funded grants and contracts. Other sponsors, including the State and private foundations, tend to limit, by their own policy, the F&A rate they are willing to pay. Federal training and fellowship grants, clinical trials and drug studies also limit the F&A rate.

Responsibilities:

Contact the Grants and Contracts Accounting Department at gc.ask@business.gatech.edu for additional guidance related to F&A rates at Georgia Tech.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech’s *EthicsPoint*, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
12-30-14	Office of Grants & Contracts Accounting	Align with requirements of 2 CFR 200
07-01-12	Office of Grants & Contracts Accounting	Administrative review
April 2015	Office of Grants & Contracts Accounting	Updated based on OMB Uniform Requirements

Fringe Benefits Cost Rates

Policy No: 3.16

Type of Policy: Administrative

Effective Date: 2014-12-00T00:00:00

Last Revised: 2014-12-00T00:00:00

Review Date: 2015-07-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

Georgia Institute of Technology/Georgia Tech Research Corporation utilizes Institute and Sponsor-Funded Fringe Benefits rates to charge benefiting activities for the cost of all employees' fringe benefits. This policy reduces the amount of accounting required to accurately distribute fringe benefits expenses to benefiting activities.

Policy Statement:

This cost accounting policy is based on OMB Uniform Administrative Requirements, Section 200.431 (2 CFR 200) which states: "except as provided elsewhere, the costs of fringe benefits are allowable provided that the benefits are reasonable and are required by law, employee agreement, or an established policy of the institution".

Scope:

This policy is applicable to all employees eligible for Institute fringe benefits.

Procedures:

Institute and Sponsor-Funded Fringe Benefits rates are determined on an annual basis according to the provisions of 2 CFR 200, and audits by the Defense Contract Audit Agency (DCAA), with negotiation and approval of rates by the Department of Navy, Office of Naval Research (ONR). Upon approval by ONR, rates are used to charge fringe benefits expenses to institute-funded and sponsor-funded activities and projects during the fiscal year. Following the end of the fiscal year, the actual fringe benefits rates are determined. If Fringe Benefits rates have been approved on a "Fixed with Carry-forward Basis", any amount of over or under-recovery of expense is incorporated into the next fringe benefits rate proposal. This procedure provides for the collection or repayment of any over or under-recovery of fringe benefit expenses.

The following benefits are included in the Institute and Sponsor-Funded Fringe Benefits rates for the academic units of Georgia Tech (excluding GTRI):

- Social Security
- Health Insurance
- Retirement
- Termination Vacation Leave
- Other Non-Payroll Benefit Expenses – Includes Worker's Compensation, Unemployment Compensation, Retiree Group Insurance

Responsibilities: Contact the Grants and Contracts Accounting Department at gc.ask@business.gatech.edu for additional guidance related to Fringe Benefits rates at Georgia Tech.

Enforcement: To report suspected instances of noncompliance with this policy, please visit Georgia Tech's *EthicsPoint*, a secure and confidential reporting system, at:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
12-08-2014	Office of Grants & Contracts	Align with requirements of 2 CFR

Revision Date	Author	Description
		Accounting 200
04-01-2012		Office of Grants & Contracts Accounting Administrative review

Georgia Tech Research Corporation Project Numbers

Policy No: 3.10

Type of Policy: Administrative

Last Revised: 2014-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Contact Name: Sandra Mason

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

This procedure explains the method of establishing a new sponsored project in the accounting records of the Georgia Institute of Technology where the Georgia Tech Research Corporation is the sponsoring entity.

Policy Statement:

The Office of Grants and Contracts Accounting is charged with the establishment of sponsored projects in the Chart of Accounts and the accounting records of the Georgia Institute of Technology upon receipt of properly authorized/approved budgetary and invoicing documentation. The authorization should be approved by authorized personnel to obligate funds from the Georgia Tech Research Corporation. Requests received by the Office of Grants and Contracts Accounting without approval by appropriate personnel will be returned to the requesting unit.

Procedures:

Upon receipt of a properly authorized request for a new sponsored project, the Office of Grants and Contracts Accounting determines the scope of work to be funded and assigns a sponsored fund and project number within the requesting unit. The project number is then submitted electronically for review and update to the Institute accounting records. The following steps are then taken to complete the project number assignment and notification process:

1. The Office of Grants and Contracts Accounting sets up the fund and project in the Grants Management (GM) System and the Chart of Accounts. The appropriate budget information is entered into GM based upon data provided in the request.
2. The unit requesting the project and the recipient unit are notified by the Office of Grants and Contracts Accounting of the fund and project number which should be used for related charges.

Graduate Student Tuition Remission Program (GSTRP)

Policy No: 3.17

Type of Policy: Administrative

Last Revised: 2007-11-00T00:00:00

Review Date: 2016-11-00T00:00:00

Policy Statement:

Georgia Tech developed and implemented a plan in 1996 named the Graduate Student Tuition Remission Plan (GSTRP). This plan was reviewed and approved by the Office of Naval Research (ONR). Since that time annual rate studies have been provided to ONR that are audited by the Defense Contract Audit Agency (DCAA) to produce approved rates for each fiscal year.

The key features of this program are:

1. The Tuition Remission Award is managed through our graduate coordinators in each academic department. Upon approval of the appointment as a Graduate Research Assistant or Graduate Teaching Assistant (GRA/GTA) the home department of the student will enter a waiver code into the student system and then a credit is processed to the student's account for the fee reduction for the academic term (set on an annual basis). All GRA/GTA appointments are processed in this manner. The fee reduction is charged against one of two ledger accounts based on whether the reduction is for in-state or out-of-state tuition.
2. Part of the requirement for the appointment as a GRA/GTA includes the appointment to provide services to GIT at 33% to 50% time, registered for at least 12 credit hours of which 9 are letter grade/pass/fail. GRA/GTA's must be hired in the appropriate job code for a GRA/GTA in Human Resources. These appointments are made by the academic departments and the charges will be made against appropriate benefiting activity.
3. On a monthly basis, the Salary Planning and Distribution (SPD) System identifies the GRA/GTA payroll charges to sponsored projects and charges the sponsored project the approved monthly rate. If the student provides services to multiple projects, the charge is prorated. The charge to the sponsored project is offset by a credit to a Revenue Account- Sponsored Funded Fees.
4. Waivers of GSTRP charges to sponsored projects are considered by the Office of the Provost when required. Any such request should identify the unique features of the sponsored project that might warrant this special accounting treatment.

Participant Support Stipends Or Subsistence Allowances

Memorandum Of Understanding

Policy No: 3.12.4.a
Type of Policy: Administrative
Review Date: 2015-01-00T00:00:00

**MEMORANDUM OF UNDERSTANDING
 PARTICIPANT SUPPORT STIPENDS OR SUBSISTENCE ALLOWANCES**

Note: This Memorandum of Understanding is to be prepared and submitted with each request to disburse participant support stipends or subsistence allowances to individuals who participate in sponsored conferences or research or instructional training programs.

Name of Program	Project/Fund Number
Department/Unit	Month/Day/Year

Participant is to place an (X) in the box below and complete the signature section indicating that you understand your obligation(s) regarding the reporting of stipend or subsistence allowances as taxable income on your tax return.

I am a United States Citizen or a Resident Alien, and I am participating in a research or instructional training program. To the best of my knowledge I am performing activities designed to train individuals in the performance of instructional or research projects, and this is not work the Institute would employ individuals to perform. I understand that I am not a Georgia Institute of Technology employee for payroll tax withholding purposes, and I am not covered by Worker's Compensation under Georgia Law. Georgia Institute of Technology will issue an IRS Form 1099 for these payments. Furthermore, I understand that it is my responsibility to determine my tax liability and file my United States tax return with the IRS.

Definition of Participant Support Stipends or Subsistence Allowances

Participant Support stipends or subsistence allowances are paid to help defray the costs of personal maintenance while participating in a conference or training activity. Participants may be paid a stipend, per diem or subsistence allowance, based on the type and duration of the activity, as outlined in the pertinent sponsored program announcement and in the grant instrument. Such allowances must be documented and represent reasonable costs, in conformance with the Georgia Institute travel policies and procedures.

Definition of Participant Support Reimbursement of Expenses

Travel costs of participants in research or instructional training programs may be allowable as outlined in the pertinent program announcement and in the grant instrument.

Printed Name of Participant	Social Security Number
Signature of Participant	Date
Signature of Departmental Representative	Date

Distribution: Accounts Payable; Participant; Department

Processing Participant Support Stipends Or Subsistence Allowances

Policy No: 3.12.4
Type of Policy: Administrative
Last Revised: 2014-04-00T00:00:00
Review Date: 2017-04-00T00:00:00
Contact Name: Sandra Mason
Contact Email: sandy.mason@business.gatech.edu

Policy Terms:

Participant Support Stipends or Subsistence Allowances

Participant Support stipends or subsistence allowances are paid to help defray the costs of personal maintenance while participating in a conference or training activity. Participants may be paid a stipend, per diem or subsistence allowance, based on the type and duration of the activity, as outlined in the pertinent sponsored program announcement and in the grant instrument. Such allowances must be reasonable and conform to Institute policies. A Memorandum of Understanding (MOU) between the department/unit and each participant is recommended. Please refer to G&C Policy No. 3.12.4.a – Memorandum of Understanding to obtain an MOU template.

Human Subject/ Research Participant payments are defined differently from Participant Support and are not included under the purview of this policy. Please see Georgia Institute of Technology Institutional Review Board Policies & Procedures – XIV “Compensation and Incentives for Research Participation.” Questions regarding these payments may be directed to ap.ask@business.gatech.edu.

Participant Support Reimbursement of Expenses

Travel costs of participants in research of instructional training programs may be allowable as outlined in the pertinent program announcement, the grant instrument, and Georgia Tech policy. For participant expense reimbursements, the participant should retain original receipts and submit only copies with the reimbursement request.

Procedures:**Participant Support Payments to GT students**

Participant Support Payments can be made using one of the following methods:

1. Payment through the Accounts Payable Office using an AP Payment Request Form (formally known as the Check Request form) and the recommended MEMORANDUM OF UNDERSTANDING - PARTICIPANT SUPPORT STIPENDS OR SUBSISTENCE ALLOWANCES for direct payment to the participants.
2. Payment through Financial Aid (ie: SURE, FACES) using an appropriate project specific to Undergraduate or Graduate students (i.e., projects with a 997 or 998 prefix).
3. Payment through payroll if the participant is being paid a stipend and is already paid as a student employee through payroll. The stipend amount for students already paid through payroll must be set up in the SPD/Payroll system by the department. A subproject should be set up in the accounting system within the same fund for the participant support costs with a zero percent F&A rate.

Personal Services Reporting Using the Plan Confirmation System

Policy No: 3.2

Type of Policy: Administrative

Effective Date: 2014-12-00T00:00:00

Last Revised: 2015-10-00T00:00:00

Review Date: 2018-10-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

The Federal Government's Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR 200) establishes principles for determining costs applicable to grants, contracts, and other agreements between Federal agencies and non-Federal entities (i.e., educational institutions). All Federal agencies that sponsor research and development, training, and other work at educational institutions must apply the provisions of the Uniform Requirements in determining the costs incurred for such work.

Policy Statement:

As a major research university that manages a large number of sponsored agreements, Georgia Institute of Technology must have financial systems and internal control procedures in place to assure compliance with the terms and conditions of these agreements and State and Federal regulations concerning sponsored programs. One of the most important parts of these procedures involves the documentation and support of the distribution of salary and fringe benefits charges to sponsored programs.

Georgia Institute of Technology policy requires that the preparation of invoices to sponsors be based on the information in the accounting records, including the salary and fringe benefit charges determined by the Plan Confirmation System. In most instances, these billings are issued on a monthly basis. Every invoice must be signed and certified by an Institute financial officer. The signature certifies the accuracy of the charges presented on the invoice for payment:

- Are allocable to the project scope,
- Are allowable by the project budget,
- Are reasonable and have been incurred within the Period of Performance, and
- Have been incurred according to all Institute accounting policies and procedures.

For the above reasons, the distribution of personal service costs to sponsored projects is a sensitive issue in the university's operation of its sponsored programs; it therefore receives careful scrutiny by Institute officers, sponsor representatives, and federal government contracting officers and auditors.

Scope: These provisions apply to all units of Georgia Tech other than the Georgia Tech Research Institute (GTRI). Employees of GTRI utilize hourly time sheet procedures designed to comply with Federal Acquisition Regulations 31.2, which have different requirements for the documentation of personal services expenses. The GTRI Policies & Procedures Manual includes specific instructions for GTRI time sheet preparation and time reporting

Policy Terms:

eWAF

Electronic Workload Assignment Form report produced monthly for Plan Confirmation System employees to review their effort allocation for accuracy and make timely corrections.

eASR

Electronic Annual Statement of Reasonableness report produced annually for Plan Confirmation System employees documenting confirmation and certification that their effort allocation was reasonable and correctly posted in the past fiscal year.

Procedures:

Compensation for Personal Services

Compensation for personal services covers all amounts paid currently, or accrued by the institution, for services of employees rendered during the period of performance under sponsored agreements or other institutional activity. The distribution of salaries and wages, whether treated as direct (charges to activities such as instruction, research, public service) or F&A (indirect) costs (support activities such as Departmental Administration, contract administration and accounting, and central administrative office services), are based on payrolls documented in accordance with the generally accepted practices of colleges and universities. The payroll distribution system, which is incorporated into the official records of the institution, must reasonably reflect the activity for which employees are compensated by the institution, and it encompasses both sponsored and all other activities on an integrated basis.

Georgia Tech uses the Plan Confirmation System for Professorial and Professional Employees and the After-the-Fact Activity Records System for Non-Professional Employees for handling payroll distributions.

After-the-Fact Activity Records – Non-Professional Employees

Georgia Tech uses the After-the-Fact Activity Records system for non-professional employees. OMB Uniform Requirements states that charges for salaries and wages of nonexempt employees must also be supported by records indicating the total number of hours worked each day. The use of time documents, as prescribed under current Georgia Institute of Technology payroll procedures, meets the requirements of the OMB Uniform Requirements for non-professional employees. So although these employees are covered by OMB Uniform Requirements, they are not included in the Institute's Plan Confirmation System.

Plan-Confirmation System – Professorial and Professional Employees

Georgia Tech uses the Plan-Confirmation System as the basis for its distribution of salaries and wages for most professorial and professional staff. Under this system the distribution of salaries and wages is based on budgeted, planned, or assigned work activity based on the initial annual budget and updated throughout the year to reflect any significant changes in work distribution.

Employees Covered by the Plan-Confirmation System

Professorial and Professional Staff

The Georgia Tech Plan-Confirmation System covers all professorial and professional staff employees who meet the following requirements at any time during the fiscal year:

- All academic personnel paid monthly whose activities are distributed to a sponsored project and/or more than one project or account.
- All other monthly paid personnel:

Whose activities are distributed directly either to one or more organized research projects, other sponsored agreements, or cost-sharing projects.

Who distribute their activities to more than one direct or indirect (Facilities and Administrative) activity.

Who split their effort between direct and indirect (Facilities and Administrative) activities.

Who have any or all of their effort distributed to Departmental Administration–Instruction, Departmental Administration-Research and/or Other Sponsored Activities.

Graduate Student Employees

Georgia Tech uses the Plan-Confirmation System as the basis for its distribution of salaries and wages for all appointed graduate students who are paid on a monthly basis from sponsored, cost-sharing, general research and departmental administration projects. Under this system the distribution of salaries and wages is based on budgeted, planned, or assigned work activity, which is updated throughout the year to reflect any significant changes in work distribution.

All graduate students who are paid on an hourly basis shall report their time worked on bi-weekly time documents, and the Plan-Confirmation System does not cover them. This procedure meets the OMB Uniform Requirements and no additional reporting is necessary.

Salary Planning and Distribution (SPD) System

The Institute uses a Salary Planning and Distribution System (SPD) which operates as a sub-system to our Office of Human Resources Payroll system. The SPD system is designed to receive employee and salary distribution information from the payroll system, and can accept new information about employee activities to update the distribution of salary and fringe benefits expenses. In most instances, the unit financial managers can enter updates to salary distribution directly to the system on a daily basis. Salary distribution changes for other units are processed on a daily basis by the SPD Center located in the Grants and Contracts Accounting Office. Salary distribution changes can be made throughout the month and updated summary reports of employee salary distribution can be printed after completion of each change. This information is directly submitted to the sponsored project accounting records to permit early evaluation of project financial status.

As a part of the SPD system features, any applicable fringe benefit expenses are charged to projects based upon the appropriate flat rate fringe benefits percentages as approved on an annual basis. In addition, graduate student tuition remission (GSTRP) charges are posted and encumbered for all projects that are eligible for these charges.

Georgia Institute of Technology Budget System

The Plan-Confirmation System (PCS) and the Salary Planning and Distribution (SPD) System have been developed and implemented to support the regular Institute budget process.

In preparing the annual budget, the Budget Office obtains original operating budget information from all campus organizational units. The initial budget information contains the details of each employee's salary as well as the distribution between state and sponsored projects. When the budget is approved, the salary information is uploaded to the Office of Human Resources' payroll system. Following that process, the SPD system is populated with the approved project allocations to initiate the activity monitoring required by the Plan-Confirmation System. Subsequent appointments are entered into the payroll system using the OHR appointment forms and then the information is updated in the SPD system.

Electronic Workload Assignment Forms

At the end of each month, a workload assignment form is prepared for each employee covered by the Plan-Confirmation system. Employees are notified by E-Mail from Grants and Contracts Accounting when their reports are available and may be accessed directly using a link provided on the message. These forms can also be reviewed by employees on their TechWorks Home Page when obtaining monthly payroll information. Unit financial managers may also produce copies for review by individual employees. Each monthly Electronic Workload

Assignment Form (eWAF) covers an entire fiscal year, July 1 to June 30, including both actual payments and planned salary distribution for future periods. In this way, the employee is reminded of the current and future distribution of salary charges based on effort and his/her responsibility to report workload changes to his/her supervisor in a timely manner. See "Employee Responsibilities".

Significant Changes in Workload Distribution

The Plan-Confirmation System provides for the modification of an individual's salary distribution, commensurate with any significant change in the employee's workload or the ratio of activities comprising the total workload. Specific events, which will or may cause a significant change in workload distribution include, but are not limited to:

- The beginning or ending of work on a sponsored project or an internally funded project.
- A material change in the scope of work on a project.
- An increase or decrease in the number or level of courses taught.
- A new committee or major administrative assignment or relief from a committee or major administrative assignment.
- The beginning or ending of a sabbatical leave, leave without pay, or prolonged sick leave.
- Status changes from part-time to full-time or vice versa.

The system does not require an adjustment in the employee's workload assignment for day-to-day, or short-term, changes in his/her work schedule. However, the basic concept of the Plan-Confirmation System does require an adjustment for **all significant** changes in an employee's workload. Although there is no precise definition for the term "significant," Georgia Institute of Technology policy provides for a general rule that a change applicable to a given project or activity of 5% or more of an employee's total effort over the course of the academic term would warrant an adjustment.

Changes in an employee's workload distribution for future periods are generally acceptable but are subject to the standard documentation requirements noted below. Future period workload distributions are confirmed monthly via EWAF (described above).

Retroactive Changes in Workload Distribution

Retroactive changes to payroll distributions must be subjected to the closest scrutiny. These types of changes indicate a contradiction of previous monitoring reviews and, for that reason, should be limited to the correction of errors. If a retroactive change must be made, it must be approved and documented in accordance with the requirements included below.

Standard Documentation Requirements

Primary supporting documentation for Plan Confirmation System salary charges are either electronic or signed paper Acknowledgement of initial Personal Services Reporting (PSR) training; Monthly Workload Assignment Forms (EWAFs); and Annual Statements of Reasonableness (ASRs). These forms and reports are fully explained in other sections of this policy statement.

Georgia Tech authorizes the principal investigator (PI) and the properly authorized unit designee (financial manager and staff) to have primary responsibility for the management of sponsored agreement funds. Therefore, the actions of these individuals as documented using manual/electronic signatures and/or a system password is normally considered sufficient documentation to support standard workload allocation changes.

Retroactive changes that cross fiscal years may be made in extraordinary circumstances by manual journal entries when supported by appropriate documentation, including a revised Annual Statement of the Reasonableness of Salary Charges (ASR).

Special Documentation Requirements and Limitations – Externally-funded** Sponsored Projects

In addition to the standard documentation requirements noted above, retroactive salary distribution changes that add salary charges to externally-funded** sponsored projects must be accompanied by a written (or system-recorded) justification statement at an appropriate level of detail. Specific reasons for the transfer must be

provided in the explanation. Transfer requests of this type that are not properly documented with an acceptable justification statement will be moved to the unit's sponsored undesignated project number by SPD Center staff.

Retroactive salary cost transfers to externally-funded** sponsored projects beyond 90 days of the original expense posting will not be allowed under normal circumstances.

Provisions for exceptions to the 90 day limit will be considered as follows:

- In situations where initial or continuing sponsor funding is delayed beyond 90 days after the effective date, consideration for recognition of cost transfers beyond the limit will be addressed by the Grants and Contracts Accounting Office if the transfer is requested within the reporting period of the sponsored project (typically 60-90 days after the expiration date of the project). If the terms and conditions of the sponsored agreement provide for acceptance and payment of the expenses covered by the proposed cost transfer and appropriate supporting documentation is provided, the Senior Director of Grants and Contracts Accounting will approve the proposed transfer.
- Other exceptions will be considered on a case-by-case basis and properly documented.
- Upon the proper approval of the Senior Director of Grants and Contracts Accounting, the Associate Vice President for Financial Services, and the Associate Vice President for Research, such entries will be recorded.

*** Excludes sponsored projects funded by the Georgia Tech Foundation and Georgia Tech Research Corporation. Transfers between projects associated with the same sponsored fund (award) are not subject to special documentation requirements or the 90 day limitation.*

Annual Statement of Reasonableness (ASR) of Salary Charges

The Plan-Confirmation System requires that at least annually a statement will be signed (electronically or manually) by the employee, principal investigator, or responsible official, using suitable means of verification that the work was performed, stating that salaries and wages charged to sponsored agreements as direct charges, or that salaries and wages charged to both direct and indirect cost categories, or to more than one (F&A) indirect cost category, are reasonable in relation to work performed.

The Annual Statements on the Reasonableness of Salary Charges (ASRs) for Georgia Tech coincide with the institution's fiscal year, which ends June 30 for covered employees having Fiscal or Academic Year appointments. The Salary Planning and Distribution (SPD) Center of the Office of Grants and Contracts Accounting will send email notifications to covered employees to complete the ASR certification electronically (eASR), with an embedded link, following the completion of the fiscal year. Employees will logon to the eASR application, review their final fiscal year distribution, and electronically confirm their eASR with their userid and time/date stamp representing an electronic signature. For those not completing the electronic ASR, the SPD Center will distribute manual ASRs to School Chairs or organizational unit heads to be certified. EASRs and manual ASRs must be completed and returned according to the specific date selected each year.

The Annual Statement on the Reasonableness of Salary Charges presents the workload distribution of each employee for the fiscal year. This statement shows the amount of salary charged to each of the employee's projects and the percentage of each amount to the total effort. This statement merely restructures the Electronic Workload Assignment Form, which the employee has in his/her possession. The manual ASR provides a ready means of making adjustments in payroll distributions if corrections are required. The instructions on the manual Annual Statement provide that the percentages of certified annual effort, Column D on the form, are to be completed only if they differ from the actual amounts of salary charged to the various projects. If changes are required, the certified annual effort percentages in Column D must be entered for each project number and must total 100%. Also, if effort is reported in Departmental Administration (typically Project numbers ending in 290, 400, 990) the section on these activities must be completed by designating the activities performed.

ASR Signatory Requirements – Certification of Effort

The Electronic Annual Statement on the Reasonableness of Salary Charges (ASR) is designed for the employee to confirm that the distribution of salary charges to projects represents a reasonable estimate of the work performed

during the stated period. In most instances, only the employee has the information required to complete this certification and therefore eASR's must be completed and signed by the covered employee.

The manual ASR does provide a second certification section to be used in limited instances when the covered employee is not available to complete the certification. This certification may be signed by a School Chair or other organizational unit head, without the employee's signature, provided the responsible official is prepared to certify that he/she has firsthand knowledge of all the employee's activities using suitable means of verification that the work was performed. If the responsible official cannot certify that he/she has personal familiarity with all of the employee's activities, then the employee is required to sign the statement. In some cases, an employee may be involved in a number of activities under different supervisors, and no single person other than the employee has firsthand knowledge of all his/her activities. In these cases, the employee must sign the documents.

If a covered employee or graduate student completes his/her term of employment and/or is on leave from Georgia Tech during the certification period, a special ASR can be requested from the SPD Center for immediate confirmation prior to fiscal year-end. These special ASR's will be prepared to reflect all salary payments made to the employee at the end of the assignment.

Unit Financial Manager's Certification

The Plan Confirmation System procedures also require that the appropriate financial manager in each unit review the electronic or manual ASR statements before returning to the SPD Center in Grants and Contracts Accounting. This unit quality assurance review is needed to ensure that the ASR amounts and distribution agree with the payroll and SPD records, that the Departmental Administration section of the statement has been completed as needed, and that the form has been signed as required. The financial manager should sign and date each eASR or manual ASR to indicate that the review has been done. The eASR has the Financial Manager Userid and Time/date stamp representing an electronic signature. For manual ASRs, this action is in addition to any signature reported as a responsible official having firsthand knowledge of the employee's activities. In no case should the employee signing the manual ASR in the Certification section (above) also sign in this financial manager certification section.

Responsibilities:

8.1 Departmental Responsibilities

Unit heads and financial managers (who have been delegated signature authority by unit heads for submission of salary information to the Budget and SPD Systems) are responsible for the accuracy of salary and fringe benefits transactions. This includes confirmation that the salary charges are allowable charges to the designated projects, and that funds are available to support such charges.

All changes to salary distribution are to be reported and corrected as soon as possible to assure the accuracy of monthly invoicing to sponsors. This reporting process is covered in the SPD System operating procedures and training programs. All retroactive salary distribution changes that add charges to externally-funded** sponsored projects are subject to additional documentation requirements, restrictions, and limitations. See "Retroactive Changes in Workload Distribution".

Unit financial managers are to provide instructions and support to employees covered by the Plan Confirmation System (PCS) to make sure that these employees understand their responsibilities in this regard. This training is supported by the Salary Planning and Distribution (SPD) Center in the Grants and Contracts Accounting Office via an on-line web tutorial entitled "Personal Services Reporting" (PSR). After viewing the required tutorial on the GT Training website, all employees covered by the system must complete an assessment questionnaire. If they score 80% or higher, they have passed the tutorial and can click an electronic Acknowledgement Statement that records their successful completion of the PSR training. An alternative training selection is to read the PSR booklet (found on the G&C website) and submit a paper acknowledgement form indicating that they understand their responsibilities for personal services reporting using the Plan-Confirmation System. This completed acknowledgement (either electronic or paper) must be on file in the SPD center for all employees whose salaries are charged directly or indirectly to sponsored projects.

Enforcement: To report suspected instances of noncompliance with this policy, please visit Georgia Tech's *EthicsPoint*, a secure and confidential reporting system, at:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-01-2015	Office of Grants & Contracts Accounting	Revise Special Documentation Requirements and Limitations – Externally-funded Sponsored Projects from 120 days beyond the original expense posting date to 90 days aligning with close-out requirements of OMB 2 CFR 200.
11-05-2014	Office of Grants & Contracts Accounting	Align with requirements of 2 CFR 200
04-01-2012	Office of Grants & Contracts Accounting	Administrative review

Project Close-out in Grants Management System

Policy No: 3.11

Type of Policy: Administrative

Effective Date: 2015-10-00T00:00:00

Last Revised: 2015-10-00T00:00:00

Review Date: 2018-10-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

This procedure explains the method of review to financially close sponsored projects in the accounting records of the Georgia Institute of Technology in accordance with close-out requirements mandated by Federal regulations, including the Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR 200), sponsor requirements, and award terms and conditions. Timing of the financial close is often included in contractual clauses and efforts should be made to meet deadlines and limit the risk of loss.

Policy Statement:

The Office of Grants and Contracts Accounting is charged with the financial close-out of Sponsored projects in the accounting records of the Georgia Institute of Technology for sponsored activity in Resident Instruction (RI), Georgia Tech Professional Education (GTPE), and the Enterprise Innovation Institute (EII).

Scope: All employees engaging in sponsored research activity.

Policy Terms:

Matching/Cost Sharing Funds

Funds contractually obligated by awards accepted by the Office of Sponsored Programs (OSP) in the name of Georgia Institute of Technology or the Georgia Tech Research Corporation.

Procedures:

The Office of Grants and Contracts Accounting is responsible for the financial close-out of sponsored awards in the accounting records of the Georgia Institute of Technology for both externally funded awards and internally funded projects (i.e., Georgia Tech Foundation, managed by the Controller’s Office, and the Georgia Tech Research Corporation). Steps taken to complete the financial close-out process are as follows:

1. Accountants in the Office of Grants and Contracts Accounting review expenditures and encumbrances allocated to sponsored projects throughout the life of the award. These checks may include, but are not limited to, line item transaction review and verification that transactions occurred within the performance period. This process is designed to ensure expenditures are within sponsor guidelines established in the award document and in compliance with applicable laws and institutional policies, including the Federal Government’s Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR 200). In accordance with 2 CFR 200.343, the non-Federal entity must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award.
2. An administrative report entitled "90 Days to Expiration" is available to Project Directors/Principal Investigators, unit financial officers and other appropriate Grants Management (GM) system users as notice of initiation of the financial close-out process.
3. Upon project expiration, the G&C Accountant responsible for financial review of the expiring project contacts the administrative unit responsible for expenditure allocation. The purpose of the contact is to verify that all appropriate expenditures and/or encumbrances have been recorded properly in the accounting records. Any unrecorded activity must be verified by the Accountant as allowable in order to include those costs and/or unliquidated obligations in the financial reporting to the sponsoring entity.
4. Upon confirmation that all expenditures and/or obligations have been verified, the G&C Accountant reviews transactions for propriety, and reconciles indirect charges. Charges are verified to be allowable and within contractual budgets and terms of the award. The accounting review includes the same checks with respect to contractually obligated matching/cost sharing funds as it does to sponsored funds.
5. Final invoices, vouchers, or cash requests are prepared according to instructions included in the award document or standard procedures for specific sponsoring entities.
6. Final financial reports, if required, are prepared and submitted to the sponsoring entity in compliance with external reporting requirements.
7. Accountants in the Office of Grants and Contracts Accounting are responsible for monitoring projects which have been financially closed with the sponsor but have outstanding action required by campus units. Until all internal adjustments are complete, the sponsored project cannot be inactivated in the accounting records.
8. At the time final payment from the sponsoring entity is received and all internal actions have been processed in the accounting records, the Office of Grants and Contracts Accounting inactivates the fund and project(s) in the Institute's records.

Responsibilities:

Principal Investigators, assigned delegates, and unit financial officers are responsible for providing proper oversight and management of sponsored projects during the performance and close-out periods.

Valuation and disposition of equipment and supplies, including computing devices, must be managed in accordance with 200.313 “Equipment” and 200.314 “Supplies” of the OMB Uniform Requirements (2 CFR 200).

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech’s *EthicsPoint*, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
10-01-2015	Office of Grants & Contracts Accounting	Revise close-out process for Firm Fixed Price awards
11-05-2014	Office of Grants & Contracts Accounting	Align with requirements of 2 CFR 200
04-01-2014	Office of Grants & Contracts Accounting	Administrative review

Project Set Up in Grants Management System

Policy No: 3.8

Type of Policy: Administrative

Last Revised: 2014-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Contact Name: Sandra Mason

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

This procedure explains the method of establishing a new sponsored project in the official accounting records of the Georgia Institute of Technology. Projects are set up in the accounting records upon authorization of the sponsoring entity and the acceptance of the funding terms and conditions by the Georgia Institute of Technology or the Georgia Tech Research Corporation.

Policy Statement:

The Office of Grants and Contracts Accounting is charged with the establishment of sponsored projects in the accounting records of the Georgia Institute of Technology upon receipt of properly authorized/approved budgetary and invoicing documentation for awards under the direction of Institute personnel in the following funds: Resident Instruction (RI), Georgia Tech Professional Education (GTPE,), and Enterprise Innovation Institute (EII). Awards are accepted and/or negotiated with external sponsors by the Office of Sponsored Programs (OSP) to minimize the risk to the Institute. After an agreement is accepted and a project number assigned, OSP forwards copies of the documentation to the Project Director/Investigator, the School Administrator, the Grants and Contracts Accounting office and appropriate representatives within the respective campus units via electronic notification. With the exception of sponsored awards funded by the Georgia Tech Foundation and the Georgia Tech Research Corporation, most requests received by the Grants and Contracts Accounting office without approval by the Office of Sponsored Programs will be returned.

Procedures:

Upon receipt of an accepted award, OSP contacts the Office of Grants and Contracts Accounting to establish a sponsored fund and project number in the accounting records of the Institute. Only after the project number is assigned can costs be allocated to the award for cost recovery from the sponsoring entity. At the time the project number is assigned, the Grants and Contracts Accounting office has notification that an award has been accepted by the Institute and/or Corporation and the following steps are taken to monitor the project and establish the sponsored project in the accounting records:

1. Demographic information is sent electronically from OSP to the GM System.
2. Contractual budgets are established in the accounting records by the Office of Grants and Contracts Accounting.
3. A project accountant is assigned based upon the sponsoring entity at the time a project number is assigned.
4. A review of the contractual terms and conditions for financial matters (i.e., budget, financial reporting, billing, etc.) budget distribution, contractual matching cost requirements, invoicing and financial reporting requirements, effective and termination dates is performed by the Grants and Contracts accountant to limit the risk that contractual obligations will not be met. Discrepancies are brought to the attention of the Contracting Officer in OSP for clarification and/or adjustment.
5. Posting errors should be brought to the attention of the accounting staff in the Grants and Contracts Accounting office for correction.

A separate process/procedure has been developed to account for minor Gifts and Grants (amounts usually

between \$1,000 and \$15,000) received by Georgia Institute of Technology that contain restrictions as to the use of the funds, but have no requirements for project deliverables or intellectual property rights. These Gifts and Grants are identified as GIT Miscellaneous Awards in the accounting records of the Institute. If the award meets these requirements, the Director of Grants and Contracts Accounting is authorized to establish a restricted fund to manage the award upon receipt of a "New Project Request Form" from a Unit Financial Manager along with the funds. If the award has deliverable requirements, any stipulations related to intellectual property, represents an award from a federal sponsor, or exceeds the limit of funding referenced above, the award documentation will be forwarded to the Office of Sponsored Programs for processing or other action in accordance with existing procedures.

Record Retention - Federal Sponsored Projects

Policy No: 3.20

Type of Policy: Administrative

Effective Date: 2014-12-00T00:00:00

Last Revised: 2015-04-00T00:00:00

Review Date: 2018-04-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

The procedure is to explain the special record retention requirements governing Federal sponsored projects.

Policy Statement:

Georgia Tech is a unit of the Board of Regents of the University System of Georgia (USG). The Institute follows the official USG Records Retention guidelines. These guidelines (including retention periods) can be found at the following web link:

http://www.usg.edu/records_management/schedules/A

Scope:

This policy is applicable to accounting records relating to Federal sponsored projects.

Procedures:

Standard payroll, procurement, accounts payable, travel, and general accounting supporting documentation is maintained centrally in accordance with USG retention guidelines.

P-Card, Electronic Cost Transfer (ECT) and other subsidiary expenditure documentation is maintained at the local unit level.

Additional Retention Requirements – Federal Sponsored Projects

Central sponsored program files, including award documentation, financial reports and summarized accounting system information are retained in accordance with the Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR 200), Section 200.333 – 200.337 – "Record Retention and Access". Section 200.333, Retention requirements for records, states financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to an award must be retained for a period of three years from the date of submission of the final expenditure report** or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient.

Detailed Federal sponsored project expense records that exceed the USG/Institute retention period should be

maintained by the home department of the Project/Sub-Project Principle Investigator in accordance with 2 CFR 200 requirements.

**Final Expenditure Reports are typically due 60-90 days after the final expiration date of the sponsored award.

Responsibilities:

Contact the Grants and Contracts Accounting Department at gc.ask@business.gatech.edu for additional guidance related to record retention for Federal sponsored projects at Georgia Tech.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's *EthicsPoint*, a secure and confidential reporting system, at:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
April 2015	Office of Grants & Contracts Accounting	Update per OMB Requirements
12-30-14	Office of Grants & Contracts Accounting	Align with requirements of 2 CFR 200

Sponsored Project Budget Revisions

Policy No: 3.19

Type of Policy: Administrative

Last Revised: 2014-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Contact Name: Sandra Mason

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

This procedure describes the process to be used by centers, departments and the Office of Grants and Contracts Accounting (G&C) to prepare and process revisions to existing sponsored project budgets. The Office of Grants and Contracts Accounting is responsible for processing budget revisions for sponsored projects managed by Resident Instruction (RI), Georgia Tech Professional Education (GTPE), Enterprise Innovation Institute (EII), and Plant funds (if applicable).

Procedures:

Departmental/Unit Approval for Budget Revision to Sponsored Projects

Staff with the proper approval and authority may initiate a request for a new sponsored sub-project number using the WEB Grants Management system. Users of the web-based Budget Revision to Sponsored Projects tool have a responsibility to ensure the accuracy and legitimacy of the sub-project requests they initiate. When Budget Revision requests are submitted, the user must read, confirm, and acknowledge the following:

1. I have Departmental/Unit authorization to prepare and approve this request for a new sub-project and/or budget revision.
2. This request for a new sub-project and/or budget revision has been reviewed and approved by the project director.
3. This request for a new sub-project and/or budget revision complies with all terms and conditions of the supporting sponsored agreement.
4. This request for a budget revision has been approved by OSP or does not require OSP approval.

Unbillable Sponsored Costs - Cost Overruns / Sponsored Project Exceptions

Policy No: 3.5

Type of Policy: Administrative

Effective Date: 2014-12-00T00:00:00

Last Revised: 2014-12-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Office of Grants and Contracts Accounting

Contact Name: Sandra Mason

Contact Title: Senior Director

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

Although all expenditures and encumbrances are obligations of the Institute, only those costs to sponsored projects within the project performance period, approved award value, and terms and conditions of the award, are billable costs. Any other costs are unbillable and must be paid from alternative sources of funding. It is the fiscal responsibility of the incurring unit to cover costs obligated.

Untimely resolution of unbillable amounts may cause serious cash flow problems, may result in misstated financial statements, and may also result in unfavorable audit scrutiny.

Policy Statement:

After notification by the Office of Grants and Contracts (G&C) Accounting that unbillable costs have been incurred on an externally funded sponsored project, the unit will be given an opportunity to resolve the problem before the expenditure is moved to the unit's cost overrun project.

Scope: All employees engaging in sponsored research activity.

Policy Terms:

Advanced Project Number

A project to which expenses may be charged on behalf of an anticipated program prior to receipt of a grant or execution of an agreement, with approval from the Office of Sponsored Programs.

Procedures:

To assist with the identification of sponsored projects that need special attention and corrective action, G&C Accounting prepares a monthly exception report to identify all awards with expenditures in excess of available funds and/or active awards with expired term dates. The monthly exception report is distributed to G&C personnel, unit financial officers and appropriate Deans/Directors; representing formal notification to the incurring unit. Corrective action must be taken to clear unbillable amounts as identified each month in the Sponsored Project Exception Report.

In addition to the monthly reporting procedures, G&C Accountants will initiate additional action to clear unbillable costs on sponsored projects. When the assigned G&C Accountant determines that costs incurred are unbillable to the sponsor, the following steps are taken:

1. G&C contacts the incurring department to determine if immediate action can be taken to resolve the unbillable costs. If the administrator indicates that action will be taken to clear all unbillable amounts within a reasonable time frame (typically 30-60 days), no additional action is required at that time. The assigned G&C Accountant may also contact the Office of Sponsored Programs (OSP) at this stage to determine if official modifications are pending.
2. If action is not indicated by the department or there is no pending action indicated to resolve the outstanding unbillable costs, the project will be reported to a G&C Accounting Manager. Review and follow-up by G&C Accounting is on a continuing basis until the unbillable costs are resolved in some manner.
3. If appropriate action is not taken by the incurring unit and no additional information is provided to substantiate the unbillable amounts within approximately 60-90 days, all questioned costs will be transferred to the unit's cost overrun project. This cost transfer will typically be processed within 90 days of

the reported exception but may occur sooner as required by applicable financial reporting and/or invoicing requirements. It should be noted that costs transferred to a unit's cost overrun project may be redirected to other projects as appropriate and as approved.

These corrective action procedures do not apply to sponsored projects established with OSP-approved Advance Project Numbers or to current projects pending receipt of official modifications. However, written proof/justification from the sponsor is required under these circumstances.

Responsibilities: Principal Investigators, assigned delegates, and unit financial officers are responsible for providing proper oversight and management of sponsored projects during the performance and close-out periods.

Enforcement: To report suspected instances of noncompliance with this policy, please visit Georgia Tech's *EthicsPoint*, a secure and confidential reporting system, at:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
11-05-2014	Office of Grants & Contracts Accounting	Align with 2 CFR 200
04-01-2014	Office of Grants & Contracts Accounting	Administrative review

Undesignated Sponsored Projects

Policy No: 3.3

Type of Policy: Administrative

Last Revised: 2014-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Contact Name: Sandra Mason

Contact Email: sandy.mason@business.gatech.edu

Reason for Policy:

Undesignated Sponsored Instruction (580), Sponsored Research (680) and Sponsored Other (880) projects are used as a means of facilitating the budgeting of personal services only when specific project numbers are not yet known.

Undesignated expenditures must be completely removed from the accounting records before the end of each fiscal year.

Policy Statement:

Undesignated projects should only be used where there exists a high degree of assurance that the awards will be approved or where administrative delays have been encountered in the issuance of award documents and the assignment of project numbers. They were never intended as a budgetary device to cover salaries for which adequate funding had not been made and only hopes exist to cover them in the future. Undesignated projects are not to be used as a means of "balancing" a budget and they should never be used when valid project information is available.

Procedures:

An undesignated sponsored report is produced each month by the Salary Planning and Distribution (SPD) Center for each unit and for the Office of the Executive Vice President for Research (EVPR).

For the first eleven months (July - May) of the fiscal year, any undesignated expenditures over 60 days will require

justification in accordance with procedures managed by the Office of the EVPR.

Prior to the end of the fiscal year, any balances in the Undesignated Sponsored Projects must be removed and posted to an appropriate unit project or other allowable funding source.

Contact the Grants and Contracts Accounting Department at gc.ask@business.gatech.edu for specific guidance related to managing sponsored projects at Georgia Tech.

Write-Off Requests

Policy No: 3.7

Type of Policy: Administrative

Last Revised: 2005-09-00T00:00:00

Review Date: 2016-09-00T00:00:00

Reason for Policy:

This procedure explains how to write-off cost overruns on sponsored projects.

Policy Statement:

Any budgetary unit incurring a cost overrun on a sponsored project will be solely responsible for its removal.

Procedures:

The budgetary unit must submit a Request for Cost Transfer - Sponsored Projects form in accordance with the procedures established and detailed elsewhere in the Policy Library.

1. It is permissible to transfer an expense to the budgetary unit's current year's State funds or to discretionary sponsored funds if the expense causing the overrun is incurred in the current fiscal year. (Instruction or General Research funds - NEVER to Indirect Research)
2. The expense must be written-off against current year funds for active projects. The budgetary unit must identify the current year's State account which is being used to cover the deficit.

Purchasing and Accounts Payable

Accounts Payable

Accounts Payable Processing

Policy No: 5.5

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Policy Statement:

Accounts Payable is responsible for the processing of all Institute payments, other than student financial aid/awards and employee payments for salary/wages.

Procedures:

Category	Form	Process
Trade	Vendor	Vendor

Category	Form	Process	
	Vendor Payment for Goods/ Services	Invoice that references GT PO#	sends invoice to AP. AP enters invoice directly into BuzzMart.
	Recurring Payment for Stipends, Non-GT Fellowship, Rent	AP Recurring Payment Request Form	Department completes form and sends to AP. AP establishes recurring payments based on schedule due dates.
	Non-PO payments for Refunds, Reimbursements, Registrations, Memberships, Utilities and Honoraria	AP Check Request Form	Department completes form and sends to AP with supporting documentation. For all first-time payees, a Vendor Profile Form must be completed prior to payment.
	Wire transfer payment	Wire Transfer Request Form	All regular procurement policies apply. Wire transfers are restricted to international payees
	Nonemployee travel	TES for Nonemployees	See Section 6: Travel Policies

These following sections provide instructions for the processing of each of these payment categories.

Document Management and Archive Retention**Policy No:** 5.5.4**Type of Policy:** Administrative**Effective Date:** 2011-02-00T00:00:00**Review Date:** 2017-02-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** Ap.ask@business.gatech.edu**Policy Statement:**

Georgia Tech Business Services retains electronic imaged documents as the official Institute record for invoices, Check Requests, Purchase Orders, vendor documents, and receipt documents for expense reimbursements (T&E and TES forms). In addition to vendor invoices, a rendered e-invoice is created for all invoice data that is received electronically from vendors.

Campus departments and document processing should retain the original documents until they have been scanned and linked into the document imaging system, ImageNow. The original can be destroyed after the document has been digitized. Providing the digitized document reflects the information as originally created and can be accessed electronically for later reference.

Users are required to complete an access form to be granted privileges to view these documents. The form can be found [under ImageNow Access Request Form](#).

Documents will be maintained in the document imaging system for the required retention period. Archive and document retention requirements can be found [here](#)

Fiscal Year-End Encumbrances**Policy No:** 5.5.2**Type of Policy:** Administrative**Effective Date:** 2011-02-00T00:00:00**Review Date:** 2017-02-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** Ap.ask@business.gatech.edu**Policy Statement:**

Beginning with the fiscal year ending June 30, 2001, Georgia Tech adopted a new policy regarding the accounting for open purchase orders at fiscal year end. Both state and non-state orders remain encumbered obligations of the budget year in which the orders are placed. This reserves monies to pay for the orders and at the same time it allows the Institute to account for funding in accordance with state appropriation guidelines (i.e., the funding is an obligation of the year in which the order is placed, not the year the obligation is paid).

(Note that prior to June 30, 2001, the Institute "expensed" open state funded purchase orders to obligate funding. This facilitated state budgetary reporting, but it was a violation of Generally Accepted Accounting Principles (GAAP). This variance from GAAP was noted in the Institute's annual audit. Under the new practice, this disclaimer to our financial statements will be removed.)

To better understand how the new process works, know that each purchase order placed is associated with two different "year" designations. One of these is the "budget year". This maps expenses and encumbrances to the state's/BOR's approved budget for Georgia Tech. The second designation is "fiscal year". This indicator tracks expenses for GAAP (as opposed to budget) reporting. Most management reports developed for the campus track to the "budget year" automatically, since the budget is the primary management tool in place to control spending. In most instances, the budget and fiscal years are the same for a procurement transaction; however, for carry forward orders the encumbrance and expense will be reported as obligations of the old budget year, not the current budget year.

Procedures:

For prior budget year orders, units should approve invoices for payment once goods are received and forward the approved invoices to Accounts Payable (AP). AP will make payment to the vendor using the prior year funding. If insufficient funding is available on the prior year order to pay the invoice, a new distribution line using the same accounting information will be added for the overage in the current budget year. If there is a remaining balance of state funds on a prior budget year purchase order after all invoices have been paid, they will be lapsed to the Institute's unreserved fund balance (surplus). This lapsed funding is not available to the unit. If there are remaining non-state funds available on a prior budget year order after all invoices have been paid, it will be released from the budget year obligated and moved to the current budget year as available funds.

Request for Stop Payment of AP Checks**Policy No:** 5.5.5**Type of Policy:** Administrative**Effective Date:** 2011-02-00T00:00:00**Review Date:** 2017-02-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** Ap.ask@business.gatech.edu**Policy Statement:**

A stop payment is a request by the Institute to our bank to refuse the processing of a check upon presentation. The most frequent reasons for stop payments are a lost, stolen, or damaged check. The associated action is a request to reissue the payment via a new check. A stop payment is made to prevent two checks being presented for payment.

If a check was sent in error, a stop payment without a reissue request is requested.

Procedures:

The status of Accounts Payable check payments can be reviewed via the AP/PO Web Payment Inquiry tool on the Procurement website. Checks that have cleared the GT bank account will reference the date in the 'DATE CLEARED' field. Checks that have cleared the Institute's bank cannot have a stop payment request placed.

A stop payment on a check may be requested by either the payee or the campus unit that originally requested the payment. In either case, the request must include the payee name, check#, campus ref/PO#, and amount. The reason for the request must be provided, as well as the request to reissue the check, if appropriate. If a campus unit requests that a check be reissued, it is the responsibility of the campus unit to alert the payee to ensure that the payee does not attempt to cash the check.

Stop payment requests can be requested 10 days after check date, to allow for check audit and mail delivery. After confirmation of the stop payment from the bank is received, a new check will be reissued, if requested.

Vendor Invoice Submission and Payment Matching**Policy No:** 5.5.1**Type of Policy:** Administrative**Effective Date:** 2011-02-00T00:00:00**Review Date:** 2017-02-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** Ap.ask@business.gatech.edu**Policy Statement:**

1. Submission of invoices for payment by trade vendors (goods, services)

Vendor invoices for goods and services must be sent directly to Accounts Payable:

711 Marietta Street
Atlanta, GA 30318

- All invoices must include a 10-digit GT Purchase Order#
- Payment Terms are net 30 days from date of invoice, receipt of goods, or receipt of correct invoice, which invoices shall be scanned and attached via [email](#).

2. Submission of invoice for payment against OSP sub-agreements
Vendor invoice must be sent directly to OSP
3. Vendors may use the web AP Payment Inquiry Tool to review payment status for all Invoices that have been entered for payment. This tool includes the scheduled due date, payment type, amount, remit address for checks, and a remit message. Access to the web tool is through the Accounts Payable web site. Vendors may contact by [e-mail](#) to make inquiry regarding any past-due invoices.

Check Request Form

Policy No: 5.5.1.6

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Policy Statement:

This form is used for all non-employee payment requests specifically listed on the form. Payments for office supplies, equipment, service agreements, sub-contracts, and other categories where the vendor provides an invoice should be processed via the BuzzMart requisition/approved invoice process. Employees use the **Travel & Expense System** for reimbursement of travel expenditures and the **Employee Payment Request Form** for non-travel reimbursements, including parking and STRAP reimbursements, program advances, and reimbursements for food/group meal events.

The Check Request Form (CRF) is designed to request check payment for the following payment types:

Procedures:

Agency Fund Payments

Agency Funds are funds held by Georgia Tech as an agent for an organization or group affiliated with Georgia Tech. Expenses must be used to support the purpose of the Agency Fund. Projects that are designated as Agency Fund projects will always have a '9' in the 4th digit of the project (for example, 210990724-Lego Camp and 536990110-Residence Hall Activity Fees).

Employee Payment Requests (Non-Travel Related)

Policy No: 5.5.1.7

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

The [Employee Payment Request Form](#) is designed to request payments to employees for non-travel related activity. Employees include all individuals who are active on payroll. All travel reimbursements are processed via the **Electronic Travel and Expense System in Techworks**.

Procedures:

Refund of Personal Funds for Institute Expenses

Refunds are processed for employees who are due a personal refund for key deposits, study abroad deposit, BUZZ card, parking refunds, payroll STRAP, etc). The original Georgia Tech receipt should be included or may be referenced on the form with the receipt# and deposit date. Refunds should be charged to the same account used for the original deposit of funds.

Federal Express Accounts

Policy No: 5.5.1.8

Type of Policy: Administrative

Effective Date: 2012-04-00T00:00:00

Last Revised: 2015-05-00T00:00:00

Review Date: 2018-05-00T00:00:00

Contact Name: Bev Wright

Contact Title: PCard Manager

Contact Email: Pcard.ask@business.gatech.edu

Reason for Policy:

This procedure applies to the request for, assignment of, and use of UPS and Federal Express Accounts. Effective November, 2005 Georgia Tech transitioned from an EDI process to a PCard process to pay Federal Express charges and then in January, 2013 to pay UPS charges.(Note: Fed Ex should only be requested if shipping dangerous chemicals or if required for shipments per sponsors).

Policy Statement:

The authority to make purchases of freight is delegated to the administrative departments. This authority is vested in the Purchasing Department and administrated under the State Purchasing Rules and Regulations.

Procedures:

Establishment of Account

One or more accounts per delivery address may be established. A UPS Employee Agreement Form or a Fed Ex Employee Agreement Form should be completed and approved and sent to the Georgia Tech PCard Program Administrator. It should be noted that a default account number is required to establish an account. Please note the payment procedures noted below. The PCard Program Administrator will establish the account with UPS and Federal Express and set up the applicable PCard. The department should take care in releasing the UPS and FedEx Account number as all charges to the account will be billed to the PCard.

Policy History:

Revision Date	Author	Description
May 2015	P-Card Manager	Added UPS to

Invoice Approval

Policy No: 5.5.1.5

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Procedures:

Overview

An invoice may be processed with no other supporting documentation, if a valid Georgia Tech BuzzMart Purchase Order is referenced on the invoice and the invoice matches the PO within tolerances.

Vendor invoices that reference a valid BuzzMart PO are entered directly by Accounts Payable and the system auto-matching process will match the invoice to the PO and the receipt (for orders \$3000 and over)>

Payment Approval Authorization

Policy No: 5.5.1.2

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Policy Statement:

This policy documents the signature approval and authorization requirements necessary to commit Institute funds for the payment of goods, services and other non-payroll expenditures through Accounts Payable.

Procedures:

Delegation of Approval Authority

The Dean, director, or department heads may delegate the authority to approve payments, but not the primary responsibility of the approver. Deans, directors and department heads document authority through completion of the [AP Signature Authorization Form](#) (Check Request, Wire Transfer Request Form) and [BuzzMart Role Request Form](#). Delegated signers should always sign their own name, rather than sign the name of the dean, director or department head. Once a signature delegation is provided, it is valid until cancelled by the unit.

Payment Terms

Policy No: 5.5.1.11

Type of Policy: Administrative

Effective Date: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Policy Statement:

General trade vendor payment terms for orders will be net 30 days. Days are calculated from date of invoice, date of receipt of goods/services, or date of receipt of accurate invoice, whichever is later. Payment discounts will be taken when earned.

General payment terms for employees, official guests and visitors, and most payments paid via the Check Request Form will be net 00 days. Construction contractors and OSP sub-agreements will be paid as per the payment terms of the contract.

Payment Turnaround

Policy No: 5.5.1.3

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Policy Statement:

Governor's Executive Order - Prompt Payment of Invoices

Georgia Tech is mandated by Executive Order of the Governor of the State of Georgia to pay vendor invoices within 30 days from the latter of:

- Invoice date
- Date the invoice is received by Georgia Tech Accounts Payable
- Date goods and/or services are received by Georgia Tech

Procedures:

Departmental Approval Turnaround

Invoices are entered by Accounts Payable and processed against the PO reference on the invoice. Invoices that are delivered directly to the department by the vendor must be sent to Accounts Payable immediately to ensure timely record of receipt. Departments are responsible for entering receipts for all POs \$3000 and over and are responsible for managing all invoices that are in match exception status. Delays in approval or receipt entry should be noted in the Comments of the BuzzMart PO; for example, "Goods received damaged 06/30/2011, replacement anticipated 07/05/2011."

Invoices that do not reference a valid PO will be forwarded to the departmental invoice approval Work queue in WebNow and should be approved using the payment request worksheet linked to the invoice image.

Processing Credit Memos and Refund Checks

Policy No: 5.5.1.10

Type of Policy: Administrative

Effective Date: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Procedures:

Credit Memo Instructions

Vendors issue credit memos for returned goods as well as pricing discrepancies. If a credit memo is anticipated, for overpayments, exchanges, etc., the department should hold the original or final invoice until it receives the corresponding credit memo. The credit memo and the invoice should be approved and submitted to Accounts Payable for payment. In the event an invoice is processed prior to receipt of the corresponding credit memo, the department can approve the credit, referencing the original campus reference # and account distribution, and submit to Accounts Payable for processing. Future invoice payments from any department will offset credit memos. If the corresponding invoice has been paid, and the department does not anticipate doing additional business with this vendor, the department is responsible for requesting a refund check in lieu of a credit.

Processing Fellowship and Stipend Payments**Policy No:** 5.5.1.9**Type of Policy:** Administrative**Effective Date:** 2011-04-00T00:00:00**Review Date:** 2017-04-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** Ap.ask@business.gatech.edu**Policy Statement:****Overview of Fellowships, Scholarships, and Trainee Program Payments**

The Internal Revenue Service (IRS) [Publication 970: Tax Benefits for Education](#) covers the rules for the taxation of student scholarships and fellowships. The publication states that the part of any grant, scholarship, or fellowship that represents payment for teaching, research or any other service is taxable to the student. Colleges and universities are obligated to withhold taxes on any award that represents compensation for services. Nonresident alien students may have taxes withheld on awards that do not represent compensation for services. Their tax obligations are governed by their visa status, United States (US) tax laws, and/or the tax treaty between the US and their country of residence.

The Institute is required by federal law to withhold taxes on fellowships that require the student to perform services (past, present or future) to receive the award. Students that are required to perform a service as part of the fellowship agreement, must be classified as employees and payments are processed through the OHR/Payroll process. The consequences of not properly withholding the taxes may cause the Institute to incur serious financial penalties. The department is responsible for determining if a student's fellowship/trainee award requires that a service be performed. The Office of Human Resources can assist departments that need clarification regarding proper employee classification.

All payments to students for research training grants, participant support, and scholarship/fellowships must be approved by Accounting Services Financial Aid Team prior to payment. The Vendor Profile Form must accompany the payment request. Once approved, the payment request and related documentation will be forwarded to Accounts Payable or Financial Aid for payment processing. For more information regarding graduate fellowships, refer to Accounting procedure [Processing Fellowship Payments](#). Procedures related to undergraduate scholarships and fellowships can be found in Accounting procedure [Processing Undergraduate Training Program Grants](#).

Procedures:**Overview of Stipends for Participant Support**

GT Students: Stipends for Georgia Tech students are processed through Student Financial Planning and payments are posted to the student's account through the Banner system.

Employees: Stipends awarded to employees are processed through Payroll.

Stipends to non-Georgia Tech students who are also not employed by Georgia Tech are processed through Accounts Payable via the **Check Request Form**. A Vendor Profile Form (or W-8BEN for foreign students) is required for all participant support stipend payments made through Accounts Payable. These payments are reported to the IRS on Form 1099-misc annually (or 1042S for foreign students).

Rush Payment Requests**Policy No:** 5.5.1.4**Type of Policy:** Administrative**Effective Date:** 2011-02-00T00:00:00**Review Date:** 2017-02-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** Ap.ask@business.gatech.edu**Policy Statement:**

General Guidelines

As noted in "[Payment Turnaround](#)", Accounts Payable is responsible for processing payment requests within ten calendar days of receipt of request. In order to allow efficient processing of all payments, requests should be submitted in time to allow processing. There will be instances, however, that the campus unit is unable to do this. In these instances, the campus unit should follow the rush payment request procedures to ensure the payment is received in the necessary time frame. In all cases, a Vendor Profile Form must be on file for payments to trade vendors and all payments for rents, royalties, and services.

Same-day checks are not possible, due to payment processing production schedules.

Procedures:

Rush Invoice Payments

Submit the approved invoice via [email attachment](#) with the appropriate PO reference and sufficient encumbrance balance to cover the payment. If the PO is \$3000 or greater, a receipt must be entered in BuzzMart to ensure that the 3-way match is not delayed. Send an email to ap.ask@business.gatech.edu with 'RUSH PAYMENT REQUEST' in the subject line to ensure priority payment processing.

Types of Payments

Policy No: 5.5.1.1

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Procedures:

Payments processed by Accounts Payable for goods and services may generally be classified into the following types:

Payment Type	Description
EFT	EFT payments are made for all active employee reimbursements. Establishment of EFT Detail is through TechWorks Employee Self-Service for Payroll payments.
ACH	ACH payments are available for all non-employee payments. Establishment of ACH Is through GT's Bank of America PayMode system. A registration link

Payment Type	Description
	is available via The Business Services Vendor Information website.
Check	The standard payment process is via paper check mailed to the remit address on the Payment request or invoice.
Wire Transfer	International payees can receive funds in US or foreign currency via departmental Completion of the Wire Transfer Request Form.
Foreign Draft	A foreign draft can be issued to vendors that can not accept a wire transfer or a check In US currency. Use the Check Request Form and provide documentation to support the request for foreign currency payment.
PCard	The PCard can be used for small dollar purchases (less than \$5000, with no single item over \$3000) for non-GT contract catalog items.

- [P Card](#) - P Card is the preferred method of payment for materials, supplies and services equal to or less than \$5,000.

Vendor Registration, Maintenance and Inquiries

Policy No: 5.5.3

Type of Policy: Administrative

Last Revised: 2012-04-00T00:00:00

Review Date: 2018-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Vendor.help@business.gatech.edu

Procedures:

New Vendor Registration

A new trade, service, individual, or consultant vendor may be set up upon submission and approval of a Georgia Tech Vendor Profile Form. The Vendor Profile Form includes data required for IRS, State and Federal, and SBA reporting (note: registration vendors must supply FEI/EIN on the registration form, otherwise a Vendor Profile Form will need to be submitted). In rare cases, as italicized below, IRS Form W-9 may be submitted in lieu of a Vendor Profile Form (legal settlements, estate checks and various government entities). Form W-8 and the Foreign Vendor Profile Form must be submitted for all foreign companies, partnerships, organizations, institutions, and individuals. Links to the Vendor Profile Form can be found on the [Vendor/Supplier Information Bank](#). IRS W-9 and W-8 forms and instructions can be accessed via the irs.gov website.

Exceptions for the requirement for submission of a Vendor Profile Form, W-9, or W-8 are listed below:

1. Human Subject Participants with expected annual payments of less than \$600. The department financial administrator or PI will maintain appropriate documentation to determine if \$600 reportable IRS income has been attained in any calendar year and contact Accounts Payable with details.
2. Non employee expense payable vendors based on supporting documentation provided on the Check Request Form or Travel Expense Statement. Examples include student key deposit refunds, expense reimbursements for faculty candidates and other official guests/visitors, and parking refunds.
3. Subscriptions

Contracts

Policy No: 5.4

Type of Policy: Administrative

Last Revised: 2007-09-00T00:00:00

Review Date: 2016-09-00T00:00:00

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Policy Statement:

All contracts entered into in the name of the Georgia Institute of Technology are subject to the Policies and Procedures of the State Board of Regents. In addition, many of the University's contracts are subject to State purchasing regulations and to the statutory constraints on contracts entered into by State agencies.

Policy Terms:

contract

any document that creates an obligation, right, or liability for the Georgia Institute of Technology.

Procedures:

General Guidelines

Very few people within the Georgia Tech community are authorized to sign contracts on behalf of the University. These people include the President; the Vice President for Finance & Administration; the Vice President for Research; Purchasing Agents; and certain staff of the Office of Contract Administration.

No member of the Institute, faculty or staff may sign a contract without specific written authorization from

the President. State law provides that persons entering into contracts without complying with all applicable State laws and regulations become personally liable for any amounts due under those contracts. DPO's are delegated to departments.

The procedures set forth in this policy are designed to ensure contracts are entered into in a proper fashion, including signature by proper parties. The following is a list of the major contract types and the initiation, review, approval and signature procedures for each. All references to legal review of contracts are to the Legal Division of Georgia Institute of Technology.

Any questions concerning University contracts should be addressed either to the Purchasing Department (administrative or State-funded contracts) or to the Office of Contract Administration (sponsored contracts or intellectual property).

Note: For payment of Contracts reference "[subcontract processing](#)"

Responsibilities:

Each Georgia Tech unit requesting a contract shall designate a responsible person to monitor vendor performance and subsequent evaluation of their contract(s). Central Purchasing will provide assistance to units for vendor evaluations when applicable.

Gift Card Policy

Type of Policy: Administrative

Effective Date: 2014-03-00T00:00:00

Last Revised: 2014-03-00T00:00:00

Review Date: 2017-03-00T00:00:00

Policy Owner: Business Services

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable and Travel

Contact Email: sharon.jackson@business.gatech.edu

Reason for Policy:

This policy addresses gift card usage, as a form of payment to employees, for the purpose of incentives, awards, door prizes, gifts for personal accomplishments, and compensation. This policy ensures compliance with IRS tax reporting requirements for employee 'cash equivalent' payments and codifies the Institute practice that prohibits distribution of gift cards to employees.

Policy Statement:

Gift card usage, as a form of payment to employees, is prohibited for the following purposes:

- Incentives
- Awards
- Door prizes
- Gifts for personal accomplishments, including retirements
- Holiday or graduation gifts
- Compensation

This policy applies to both direct payment for gift cards and reimbursement for the purchase of gift cards, using all funding sources through Georgia Institute of Technology. This policy does not apply to gift cards provided using personal funds. This policy applies to payments made through the Georgia Tech Foundation on behalf of the Institute. Employees that receive allowable extra compensation can be compensated through Payroll through either the *Awards and Prizes Form* payment process (Policy 10.12) or *Special Payment Request Form* process, where appropriate.

Gift card usage is allowable for the following purposes:

- Research participants, including employees that participate in sponsored research activities
- Students that participate in student surveys or activities, including student employees

In all cases, use of an appropriate funding source is required and selection of gift card, as a method of payment, should be used only when the gift card is the most economical and efficient payment method.

Scope:

This policy applies to all Georgia Tech staff, faculty, and researchers. Use of gift cards for non-employee research participants, survey respondents, and advisory board members are not within the scope of this policy.

Policy Terms:

Gift Card

A preloaded debit card or certificate that allows the cardholder to use it for the purchase of goods or services at either a specific retailer or anywhere that accepts major credit cards.

Procedures:

5.1

Payment of Gift Cards

Where allowed by the policy, gift cards can be purchased using established Institute procurement policies from a vendor that accepts a Georgia Tech purchase order.

The Georgia Tech PCard cannot be used for the purchase of gift cards.

Reimbursement for Purchase of Gift Cards

Where allowed by the policy, an employee may purchase gift cards and seek reimbursement through the Employee Payment Request Form process.

Responsibilities:

Responsible Party

Accounts Payable will make payments associated with allowable gift card purchases and will report taxable payments to the IRS.

Enforcement:

To report suspected instances of noncompliance with this policy, please visit Georgia Tech's *EthicsPoint*, a secure and confidential reporting system, at: https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=7508

Policy History:

Revision Date	Author	Description
03-2014	Business Services	New policy

Overview and Procurement Authority/Responsibility

Policy No: 5.1

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Statement:

1. Business Services under the direction of the Vice President of Campus Services is responsible for supporting all activities related to the procurement and payment of goods and services in support of Georgia Tech's instructional, research and public service programs. Business Services is comprised of Accounts Payable/Travel, Business Systems/Analysis, Insurance/Property Control, Logistics/Surplus Property and Purchasing.
 - Accounts Payable/Travel is responsible for the prompt and accurate payment of the non-salary

- expenditures of the Institute that are within the regulatory framework established by federal, state and Institute authorities.
 - Business Systems/Analysis is responsible for functional system support of all Business Services applications, user support, data reporting and analysis and application testing and implementation.
 - Insurance/Property Control is responsible for the accurate recording and insuring of the Institute's assets.
 - Logistics/Surplus Property is responsible for the accurate
 - Purchasing is responsible for procuring affordable quality equipment, supplies and services in a timely manner within the guidelines established by federal, state and Institute policies.
2. Guidance for the performance of these functions and responsibilities is provided from several sources. The primary authorities are:
 - The Department of Administrative Services, the agency empowered by the Purchasing Act, State of Georgia annotated Code 50-5
 - State of Georgia Purchasing manual
 - Board of Regents Procedures manual
 - Georgia Institute of Technology Administrative Policies and Procedures
 - Federal Acquisitions Regulations/OMB
 - State of Georgia Department of Audits
 3. The Sr. Director of Business Services, The Director of Accounts Payable and the Director of Purchasing will establish and maintain policies and procedures to provide for the efficient and responsible conduct of all procurement and disbursement activities.
 4. No employee of the Institute, except as authorized by the President's letter of delegation, is empowered to incur any obligation or make any commitment on behalf of the Institute for the procurement of products, services or equipment unless approved in writing by the Director of Purchasing.
 5. Officers or departments other than Purchasing that have been delegated the responsibility for procurement of certain goods and services must procure those goods and services in accordance with Institute procurement policy.
 6. All procurements must be made for the purpose of Institute-related activities. Purchasing any goods or services for personal use or benefit is prohibited.
 7. Business Services is responsible for maintaining records of all procurement and disbursement transactions. Institute faculty and staff who have been authorized to use the PCard (see "[procurement cards pcard](#)") are responsible for maintaining records of all procurement credit card transactions.
 8. Business Services Procure-to-Pay Applications
 - BuzzMart is the Georgia Tech electronic procurement system.
 - PeopleSoft is the official financial ERP system.
 - PCard is the state procurement card system.
 - ImageNow/WebNow is the document management system

Procurement of Goods

Procurement of goods

Policy No: 5.2

Type of Policy: Administrative

Effective Date: 2012-07-00T00:00:00

Last Revised: 2012-07-00T00:00:00

Review Date: 2018-07-00T00:00:00

Policy Owner: Purchasing and Procurement

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Policy Statement:

The official Institute process for the procurement of goods is categorized into four areas:

- BuzzMart non-catalog procurements less than \$10,000, which are delegated to the departments
- BuzzMart catalog procurements less than \$10,000, which are delegated to the departments
- BuzzMart catalog procurements greater than \$10,000 and non-catalog procurements greater than \$10,000, which require review and processing by Purchasing
- Procurements less than \$10,000 that are exempt from review by Purchasing

The following policies and procedures provide instructions for the processing of each of these categories which are initiated via BuzzMart.

BuzzMart Purchases**BuzzMart Purchases & Departmental Approval Workflow****Policy No:** 5.2.1**Type of Policy:** Administrative**Effective Date:** 2012-07-00T00:00:00**Last Revised:** 2014-10-00T00:00:00**Review Date:** 2017-10-00T00:00:00**Policy Owner:** Purchasing and Procurement**Contact Name:** Ajay Patel**Contact Title:** Director of Purchasing**Contact Email:** ajay.patel@business.gatech.edu**Policy Statement:**

1. The BuzzMart electronic procurement system and the GT PCard are the Institute's approved buying methods for procurements from external suppliers. Use of the appropriate buying tool must be in compliance with Institute policies and procedures.
2. Access to the BuzzMart electronic procurement system is contingent upon training and role responsibility.
3. All construction related procurements are processed solely by the Facilities Department in compliance with BOR policies and procedures.
4. All OSP sub contract related services procurements are processed solely by the departments and are not reviewed by Purchasing.
5. Procurement approval authority for catalog orders

Delegated Authority**Policy No:** 5.2.1.1**Type of Policy:** Administrative**Effective Date:** 2012-07-00T00:00:00**Last Revised:** 2012-07-00T00:00:00**Review Date:** 2018-07-00T00:00:00**Policy Owner:** Purchasing and Procurement**Contact Name:** Ajay Patel**Contact Title:** Director of Purchasing**Contact Email:** ajay.patel@business.gatech.edu**Policy Statement:**

The procurement authority of the Institute is delegated by the State of Georgia, Department of Administrative Services. This authority is vested in State Purchasing and administered under the State Purchasing Act. In all procurement instances, the Order of Precedence should be followed as described in the Georgia Procurement Manual Section 1.3. If the goods or services are not exempt nor procurement requirements waived,

then the purchasing decision should be made in the following order:

- Mandatory state contract supplier
- GT contract supplier
- Statutory supplier (mandatory products from Georgia Correctional Industries Administration or Georgia Enterprises for Products and Services)
- Any of the following : convenience state contract supplier, piggyback contract supplier , open market supplier, SPD approved consortia/co-op supplier

Exempt Procurements

Policy No: 5.2.1.2

Type of Policy: Administrative

Effective Date: 2012-07-00T00:00:00

Last Revised: 2013-07-00T00:00:00

Review Date: 2016-07-00T00:00:00

Policy Statement:

1. Procurement of goods and services less than \$10,000: Delegated authority assigned to departments.
2. The following are exempt from Procurement review at any dollar amount. Any Institute, BOR and State related policies and procedures must be followed.
 - Agency fund purchases
 - Bank Charges
 - Facilities contracts
 - Honorariums
 - Institutional memberships
 - Real estate rental/leases
 - Refunds
 - Registrations
 - Reimbursable expenses
 - Relocation reimbursements
 - Royalties
 - Scholarships/Fellowships/Participant Stipends
 - Subagreements – Office of Sponsored Programs contracts
 - Travel
 - Utilities
3. The following are exempt, but are reviewed by Procurement for amounts greater than \$2,499 when processed via BuzzMart
 - Exempt goods and services identified by DOAS by NIGP code and posted on their website
 - Registration, advertising, memberships, rentals, etc
 - Exempt goods and services identified in the State Purchasing Act
 - Technical instruments, service, etc

Policy History:

Revision Date	Author	Description
07-2013	Policy Library	Update to policy

Gasoline Credit Cards/Fuel Management System**Policy No:** 5.2.1.7**Type of Policy:** Administrative**Effective Date:** 2011-02-00T00:00:00**Review Date:** 2017-02-00T00:00:00**Policy Owner:** Purchasing and Procurement**Contact Name:** Ajay Patel**Contact Title:** Director of Purchasing**Contact Email:** ajay.patel@business.gatech.edu**Reason for Policy:**

This procedure applies to the request for, assignment, and use of fuel credit cards for use with Georgia Tech owned or rented vehicles and provides detailed instructions for obtaining and using the cards.

Policy Statement:

The Board of Regents mandated that, effective December 1, 1998, all institutions in the University System would use the fuel management system established by the State of Georgia, Department of Administrative Services, Materials Management Division.

Procedures:

The issuing of fuel credit cards is administered through Facilities. Please contact Facilities for additional information.

Approval for Catalog Purchases less than \$3,000**Policy No:** 5.2.1.4**Type of Policy:** Administrative**Effective Date:** 2011-04-00T00:00:00**Last Revised:** 2014-07-00T00:00:00**Review Date:** 2017-07-00T00:00:00**Policy Owner:** Purchasing and Procurement**Contact Name:** Ajay Patel**Contact Title:** Director of Purchasing**Contact Email:** ajay.patel@business.gatech.edu**Reason for Policy:**

It is a best business practice to order from contract vendors whenever possible. The majority of contract orders are placed via BuzzMart using an on line catalog. Catalog suppliers in BuzzMart are suppliers that Georgia Tech has active contracts with. Most catalog purchases are less than \$3000. In order to expedite low dollar contract purchases, orders less than \$3000 generated via BuzzMart catalogs require one approval in the workflow from the departmental Financial Approver.

Policy Statement:

BuzzMart catalogs must be used for these purchases. Only users with the Requester role are permitted to generate a requisition to a BuzzMart catalog vendor under \$3000. Departmental users with the Financial Approver role must approve the requisition prior to generating the Purchase Order.

Procedures:

Georgia Tech's standard workflow approval process for requisitions requires approval by a Spend and Financial approver. To expedite the approval process for Catalog purchases under \$3,000, Georgia Tech will allow departments the ability to have these requisitions approved by just the Finance Approver. Departments may elect this expedited approval process by submitting a request to Purchasing and completing any required paperwork.

Procurement of Group Meals for Employees, Students, and Official Visitors**Policy No:** 5.2.1.9**Type of Policy:** Administrative**Effective Date:** 2010-07-00T00:00:00**Last Revised:** 2013-09-00T00:00:00**Review Date:** 2016-09-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** Ap.ask@business.gatech.edu**Policy Statement:****Allowable Funding Sources for Purchase of Food and Meals**

Institutional funds include all funds to which the Institute holds title, such as student fees, auxiliary revenues, state appropriated funds and departmental sales/service, revenue. The funding source should match the supported program and participants. For example, student activity funds might be used to purchase water for a volunteer event sponsored by a student group. Sponsored funds may be used where specifically permitted in the sponsored agreement. Institutional funds cannot be used to purchase alcohol.

Funds collected by the sponsoring institution for intra-institutional events are normally collected in and expended from an agency account created for that purpose.

Employees with responsibility for administering institutional funds and employees requesting reimbursement from institutional funds should ensure that funds are spent only for legitimate business purposes and not for the personal benefit of the employee or other individuals. The misuse of institutional funds may result in both employment termination and various civil and criminal penalties.

Food purchases and reimbursements for group meals/food should be charged to the 727700 expenditure account, "Special Group Meals." Payments made to caterers should be charged to 751106- Catering, to ensure compliance with 1099-misc reporting. These accounts will be subject to special audit scrutiny, to ensure that such expenditures are infrequent, rather than routine.

Procedures:**I. Georgia Tech Employee Business and Training Meetings using Institutional Funding**

Under certain infrequent circumstances, employees may be required to remain at the work site during mealtime. Such circumstances include emergency situations such as natural disasters or significant public safety events, but may also include intra-departmental meetings or training sessions, where the meeting or training session continues during the meal and the employees are not permitted to leave the premises of the meeting site. The following standards will be used when deciding whether a meal may be purchased under this policy:

Group meals should be held only to facilitate the effective and efficient operations of the departments involved. For example, it may be that scheduling an intra-departmental meeting or training session is the most effective and efficient use of employees' time given teaching schedules, other meeting commitments, etc. In this instance, requiring employees to participate in a meeting over lunch may be the best means available to get the required participants in the same place for the period of time required.

Group meals should only be provided in those instances where the meeting lasts for at least four (4) hours. A meeting less than four hours could generally be scheduled prior to or after a normal meal without significantly impacting employees on different work schedules.

Group meals held at the start and/or finish of a meeting are not eligible for payment under this policy.

Purchase of a group meal is authorized solely as a convenience to the employer and in those instances where employees may not leave for a normal meal due to the time constraints associated with the meeting or training session. Those events not starting until the normal meal time should be delayed until after the normal meal time, or employees may bring employee-purchased food ("brown-bag") to the meeting.

Authorized group meal expenditures are limited to the purchase of meals only and do not include snacks.

Purchase of group meals are to be approved by the Director, Department Head, or his/her designee, prior to the date of the event (for non-emergency situations). The [Food / Group Meal Event Documentation Form](#) will be used to document event details and ensure compliance with this policy. All of the documents that were a part of the approval process should be submitted with the payment request, or retained with Pcard documentation.

Meal limits outlined in Georgia Tech Travel Policy, "[Meals and Incidental Travel Expenses](#)", must be followed.

Meal limits apply to the actual food and drink purchased for the meal. Set-up and delivery costs associated with the group meal are allowable and shall not be included in the meal limit calculation.

Policy History:

Revision Date	Author	Description
08-2013	Accounts Payable	Update to policy
09-2013	Policy Library	Updated link to Procurement Forms

Reimbursements for Purchases Made Using Personal Funds

Policy No: 5.2.1.5

Type of Policy: Administrative

Effective Date: 2014-07-00T00:00:00

Last Revised: 2014-04-00T00:00:00

Review Date: 2019-04-00T00:00:00

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Policy Statement:

This policy outlines the expectation that individuals that have a procurement need will utilize the Institute's procurement tools and processes to ensure compliance with state and institute purchasing policies and minimize institutional risk. Convenience and/or a lack of proper planning are not legitimate reasons to circumvent standard institute procurement processes. Use of personal funds, up to \$500, is allowed only when logistical or extenuating circumstances occur that preclude use of the BuzzMart procurement process or PCard. Allowable exceptions to this policy are noted below. Any other exception must be approved by the Director of Purchasing.

Reimbursement for Purchase of Supplies, Equipment

Use of personal funds for the purchase of goods incurs additional cost due to sales tax and non-contract pricing, in addition to the loss of procurement data metrics necessary for strategic sourcing activities. Reimbursements for goods and supplies should only be made for small dollar items less than \$500 where it is not practical or possible to make the purchase using standard institute procurement processes. Purchases over \$500 that have not been approved by the Director of Purchasing may be classified as personal purchases and may not be reimbursed.

Reimbursement for Payments Related to Personal Services, Rentals, and Royalties

Payments for personal services (consultants, temps, awards and prizes, rentals, royalties, and honoraria) must be processed through the Institute via the Procurement and Business Services' procurement process, regardless of dollar amount, to ensure compliance with IRS and other federal regulations.

Allowable Exceptions

- Travel expenses for individuals
- Conference and meeting registration fees
- Cell phone/internet expenses (mobile and home use)
- Agency fund (as defined in the chart of accounts) purchases
- Study abroad expenses incurred during overseas activity
- Small dollar research participant payments (
- Allowable restaurant meal purchase associated with an official GT conference/event/meeting
- STRAP tuition reimbursements
- CRC/ORGT reimbursements for trip leaders (Alaska, National Parks, etc)

- Allowable food/beverage supplies purchased at retail store
- Business center supplies/printing/shipping incurred while on travel status
- Supplies required for student projects/competitions and official GT student events

Procedures:**Reimbursement to Employees**

Employees may be reimbursed via the T&E System for supplies and allowable expenses up to \$500.

Reimbursements requests for the allowable exceptions, referenced previously, are allowable for amounts over \$500, if approved by the unit financial approver. Reimbursements associated with program and participant research advances are processed via the **Employee Payment Request Form**.

Reimbursements for employees that pay for meal expenses for official guests/visitors, or seek reimbursement for food/group meals, may also be reimbursed via the Employee Payment Request Form. In that case, documentation requirements include the **Food Group Meal Documentation Form**, list of attendees (if less than 15), an agenda and an itemized receipt. Employees should not pay for travel-related expenses on behalf of other GT employees, due to state reporting requirements. In all cases, the receipt is to be the vendor's normal and customary receipt. The receipt must reflect the vendor's name, date of purchase, quantity, description, price of items purchased and the total amount paid.

Reimbursement to Non-Employees

Non-employees (including Students) will be reimbursed through Accounts Payable via the **AP Payment Request Form** for approved reimbursements up to \$500. Allowable exceptions outlined above apply to non-employees.

Reimbursements for students, up to \$250, may also be made through the Bursar's Office petty cash process by using the **Petty Cash Replenishment/Reimbursement Request Form** (see Bursar's Office form bank on web).

All travel-related reimbursement to non-employees is processed via the **Travel Expense Statement**.

Sales/Use Tax**Policy No:** 5.2.1.6

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Procedures:**Georgia Sales and Use Tax**

As a unit of the State of Georgia, Georgia Institute of Technology is exempt from the payment of Georgia Sales and Use Tax.

Taxes of Other States

Generally, the Institute is not liable for sales taxes of other states if the transaction, or delivery of goods takes place in the State of Georgia. If title passes in the other state, the Institute may be liable to pay taxes if a specific tax exemption is not obtained. Georgia Tech is exempt from sales and use tax for the states of Ohio, Tennessee, Florida for goods delivered to units within those states.

Obtaining Exemption Certificates

Copies of the exemption certificates are available on the Business Services form bank.

Invoices Charging Sales Tax

Invoices charging sales tax should be approved for the amount less the sales tax if the goods are shipped to a state that allows tax exemption.

Petty Cash and Travel

Individual payments for petty cash purchases and travel are not exempt from sales tax as the transaction was with an individual, not Georgia Tech.

Hotel/Motel Excise Tax Policy

Employees traveling within the state of Georgia on official business are exempt from local, county and municipal excise tax on lodging in accordance with Act No. 621.

The "[State of Georgia Exemption of the Local Hotel/Motel Excise Tax Form](#)" should be utilized to obtain an exemption. The form should be submitted when the traveler initially checks in to the hotel

Unallowed Procurements or Sensitive Procurements

Policy No: 5.2.1.3

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Purchasing and Procurement

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Policy Statement:

1. Procurements for personal use using state funds
 - It is unlawful to make procurements for the personal use of an employee. While it is difficult to define specifically all such goods and services, the following list includes examples of items which have been denied (by State Purchasing, other state agencies and Georgia Tech) on the grounds that the apparent end-use is primarily personal in nature:
 - Holiday decorations and cards
 - Cut flowers/plants
 - Entertainment and recreational activities
 - Alcoholic beverages
 - Bottled water, coffee and beverage service, snacks
 - Watches, groundbreaking shovels and other items to be granted as a donation or gratuity in favor of a person, corporation or association
 - Dues to a Chamber of Commerce
 - Clothing, such as tuxedos, used for commencement services or other personal use
 - Personal moving expenses, other than authorized relocation expenses
 - Airline club memberships
 - Gifts and gift cards
2. Procurements by employees
 - The Board of Regents Policy Manual, Statement 707.02 states the following:
 - Employee Purchasing: Employees of the University System shall not purchase goods or services through channels used in the procurement of goods and services for the operation of the University System.
 - An employee cannot use the Institute's buying power for personal procurements.
3. Memberships
 - The Attorney General's Opinion 68-110 states the following concerning memberships. Payment of dues and fees are permitted as follows:
 - Membership is in the name of the state department, institution or agency or
 - Membership is in the name of an individual, but the individual is required by his state department, institution or agency to be a member of the organization as part of his employment.
 - No dues or fees are approved, in any instance, unless the organization is related to the functions of and assimilates information for the benefit of the state agency involved and the organization also performs other services beneficial to that state agency. Further, no membership dues or fees are approved to any individual except where he is required by his employment to be a member of the organization.
4. Allowances
 - If an organization allows institutional memberships, any membership must be in the Institute's

name. If the organization does not allow institutional memberships, individual memberships may be allowed if there is a cost justification for such membership. These include:

- The savings on the cost of registration is more than the cost of membership. For example, membership fees are \$100. The cost of a workshop to members is \$150 and to nonmembers is \$300. The registration fee and membership combined is less than the nonmember registration. By joining, there is a cost savings to Georgia Tech.
- The savings on the cost of required publications is more than the cost of membership. For example, the department is ordering some publications. Without membership the cost would be \$450. The cost of membership is \$50 and includes a discount on publication that would reduce the above order to \$300. So, by joining, there is a cost savings to Georgia Tech.

5. Printing for Charitable Campaign

- In September 1992, the Chancellor’s Office of the Board of Regents made a ruling to allow the printing of the Charitable Campaign material from state funds.

6. Animals for Research

- Animals procurements for research must have prior approval by the Georgia Tech Institutional Animal Care and Use Committee (IACUC)

7. Radioactive Materials

- All procurements of radioactive materials/isotopes and any X-Ray generating devices are governed by the GT Radiation Safety Committee (GTRSC) and the license granted by the Georgia Department of Natural Resources. All procurements of radioactive material/isotopes and any X-Ray generating devices must be approved by the GT Office of Radiological Safety. The Office of Radiological Safety procedures and forms can be found at www.ors.gatech.edu

Inter-Departmental Sales and Services

Policy No: 5.2.4

Type of Policy: Administrative

Effective Date: 2016-06-00T00:00:00

Last Revised: 2016-06-00T00:00:00

Review Date: 2018-06-00T00:00:00

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Procedures:

1. Each unit that is able to provide services and collect revenue by expensing and Institute project account is required to adhere to the policy herein. Purchases between or within departments of the Institute must be executed using one of the following Institute approved purchasing methods:
 - Interdepartmental Sales and Services Authorization form
 - Email
 - Telephone
 - Internet

An approved Interdepartmental Sales and Services Authorization Form is the accepted Institute standards for walk up business.

2. For transactions, the service provider will always require a departmental Document ID number and PeopleSoft Project number. If this information is not available, the requester will be advised that he/she must obtain this information from his/her unit business officer prior to any provision of service. In addition to the purchases made in person at the seller’s location, departments are permitted to order by telephone, email or the Internet. To utilize these latter purchasing methods, the buyer must provide an authorized departmental Document ID number and the PeopleSoft Project Account number to the seller in addition to the goods or services desired.
3. Departmental Operations
 - Individual departments are to establish departmental operating procedures and practices, however, the requester of goods or services must secure departmental approval before placing any order. A

department Document ID number will be provided to the requester after approval from the respective business officer has been granted. The Document ID number shall be ten digits, the first three digits will denote the unit. This number, along with the Project Account number will be the order number as well as the tracking mechanism for each individual business unit for all interdepartmental transactions. Departmental procedures should address document preparation, approval, retention and the receiving of goods or services.

4. Recording of Expenditures

- Interdepartmental purchases will not be encumbered as the transaction will be posted as a journal entry. The journal entry is to be processed by the service provider, as soon as possible following the rendering of the service, but is required to be processed within thirty (30) days. The journal entry must include the department Document ID number as this order number will be reported on the ledger statements. The services provider is to retain documentation to support the journal entry. All communications regarding the journal entry are to be between the service provider and buying unit personnel.

5. Description of the Interdepartmental Sales and Services Authorization Form

- The Interdepartmental Sales and Services Authorization Form is used to detail all purchases between or within departments of the Institute. Each number below refers to the corresponding area depicted on the example figure. The form is available on the [Business Services form bank](#).

6. Completion of the Interdepartmental Sales and Services Authorization Form

Procurement Cards (PCard)

Policy No: 5.2.1.8

Type of Policy: Administrative

Effective Date: 2015-05-00T00:00:00

Last Revised: 2016-07-00T00:00:00

Review Date: 2019-07-00T00:00:00

Policy Owner: Purchasing and Procurement

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Policy Statement:

The Georgia Tech Procurement Card (PCard) is a Visa purchasing card that may be used by Institute employees for authorized business purchases within the delegated authority limit. The Pcard is a tool for purchases of non-equipment, business related items under \$2,500 (for vendors who are not currently setup in BuzzMart or for vendors with whom we expect to only make one purchase). Cardholders must follow State of Georgia (DOAS), Board of Regents (BOR), and Georgia Tech purchasing policies and strive to obtain the maximum ultimate value for each dollar of expenditure. Additionally, Institute employees and officials assigned PCard responsibilities should familiarize themselves with the provisions of public law governing PCards to include Title 50, Chapter 5, Article 3 of the O.C.G.A. at:

<http://www.lexis-nexis.com/hottopics/gacode/default.asp>

Enter 50-5-83 in the search box and click Search

To view the text click on: [§ 50-5-83. Definitions: requirements for state purchasing card program](#)

The use of the card is beneficial to the individual purchaser, the purchaser's department, the Institute, and the suppliers. It simplifies the purchasing and payment process and expedites receipt of goods. The PCard provides significant cost savings to Georgia Tech while providing electronic control and accountability. Any vendor that accepts Visa will accept the PCard.

Procedures:

General Guidelines

The purpose of this PCard Policy Manual is to provide Institute guidelines for the issuance and use of the PCard along with instructions for reconciliation and review of transactions. The Manual will be reviewed for adequacy by

the Institute's PCard Program Manager at least annually.

Policy History:	Revision Date	Author	Description
	March 2015	Purchasing and Procurement	Added addition
	07-2013	Purchasing and Procurement	Update to poli

Purchases Requiring Approval by the Purchasing Department

Policy No: 5.2.2
Type of Policy: Administrative
Last Revised: 2013-07-00T00:00:00
Review Date: 2019-07-00T00:00:00
Policy Owner: Purchasing and Procurement
Contact Name: Ajay Patel
Contact Title: Director of Purchasing
Contact Email: ajay.patel@business.gatech.edu
Policy Statement:

In general, purchases that are \$2,500 or greater may require review and approval by the Purchasing Department. The following sections describe the processing of these purchase requests.

Policy History:	Revision Date	Author	Description
	07-2013	Purchasing and Procurement	Update to policy

Capital Equipment Procurements

Policy No: 5.2.2.2
Type of Policy: Administrative
Effective Date: 2011-02-00T00:00:00
Review Date: 2017-02-00T00:00:00
Policy Owner: Purchasing and Procurement
Contact Name: Ajay Patel
Contact Title: Director of Purchasing
Contact Email: ajay.patel@business.gatech.edu
Policy Statement:

1. The GT BuzzMart electronic procurement system is used to purchase equipment.
2. Items are classified as "Equipment" if the value is between \$3,000.00- \$4,999.99. These items are listed in the department's inventory but are not considered capital equipment. Items are classified as "Capital Equipment" if the value is \$5,000.00 and above. These items are listed in the department's inventory and are considered capital equipment.
3. The End User/Spend Authority is the individual using the capital equipment and, therefore, becomes the Custodian, accountable to Capital Assets Accounting for physical location and condition
4. The funding sources can be a sponsored project or state funds.
5. Title is the ownership of the equipment when purchased. Title establishment is mandatory when creating a requisition. A sponsor may retain title or transfer the title of the equipment to Georgia Tech. Georgia Tech retains title on all equipment purchased partially or totally with state funds.
6. Proper classification of the purchase is important for budgetary, reporting and property control purposes. Appropriate classification and account codes should be indicated on the requisition.

7. The department is required to complete and attach in BuzzMart the Used Equipment Justification form found on the Purchasing forms bank. By completing and attaching this form, the End User/Spend Authority affirms "Department personnel have personally examined this used equipment and do state that the condition of the equipment is as represented and that they will accept full responsibility and that the best interest of the State of Georgia and Georgia Tech will be served by the purchase of this used equipment". If purchased with sponsored funds, sponsor approval may be required prior to purchase.
8. If the equipment is to be added to existing Georgia Tech equipment and will increase the value, the GT Decal Number, if available, should be included on the requisition. This may also change the classification from equipment to capital equipment if the new combined value exceeds \$5,000.00.
9. Sponsored Deliverable Equipment as specified in the contract is defined as capital property.

Federal Sponsored Grants and Contract Procurements

Policy No: 5.2.2.3

Type of Policy: Administrative

Effective Date: 2012-07-00T00:00:00

Last Revised: 2016-07-00T00:00:00

Review Date: 2019-07-00T00:00:00

Policy Owner: Purchasing and Procurement

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Policy Statement:

1. Catalog purchases \$10,000 and over and non catalog purchases \$10,000 and over that are processed by Purchasing shall contain FAR or Federal Prime Grant clauses, whichever is applicable, on all Purchase Orders using federal funds.
2. For Federal Awards, Georgia Tech will continue to follow the procurement standards outlined in OMB circular A-110 until June 30, 2017. Effective July 1, 2017, Georgia Tech will follow the procurement standards specified in the OMB Uniform Guidance 2 CFR 200.
3. The Purchasing Department shall insure the following certifications at the appropriate dollar threshold are incorporated into the Purchase Order.

For Contract purchases:

- Under \$30,000 – Appropriate Commercial or Non Commercial FAR paragraph and DOD statement if applicable
- Over \$30,000 – Certification Regarding Debarment(FAR 52.209-5)
- Over \$100,000 –Certification Regarding Small Disadvantaged Business, Verified through SBA Website,
- Over \$150,000 –Certification Regarding Lobbying (FAR 52.203-11),
- Over \$650,000 –Small Business Subcontracting Plan (FAR 52.219-9),
- Over \$700,000 – Cost and Accounting Standards (FAR 52.230-2)

For Grant purchases:

- Under \$30,000 – Appropriate Grant Statement
- Over \$30,000 –Certification Regarding Debarment(FAR 52.209-5)
- Over \$100,000 –Certification Regarding Small Disadvantaged Business, Verified through SBA Website,
- Over \$150,000 –Certification Regarding Lobbying (FAR 52.203-11),

Policy History:

Revision Date	Author	Description
May 2015	Purchasing and Procurement	Policy Statem

Revision Date	Author	Description
07-2013	Purchasing and Procurement	Update to po

Purchase Order Changes and Open Encumbrances

Policy No: 5.2.2.4

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Purchasing and Procurement

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Procedures:

1. Non Catalog Purchase Orders in BuzzMart can be changed in any of the following ways:
 - Change in accounting distribution, such as account code and project number
 - Change in line item details, such as quantity, unit price, item description or scope of work
 - Closing of remaining encumbrance
 - Adding a new item
 - Cancel partial or entire order
2. Purchase Order changes are initiated by the campus department by submitting a BuzzMart Purchasing Change Request form
 - The Purchasing Order Change Request form can only be submitted for non catalog orders
 - Workflow routes the request to department finance approvers
 - The Change Request should indicate if the vendor requires a revised Purchase Order
3. Campus departments will need to submit a journal entry for project or account changes to catalog orders
 - Campus departments are responsible for contacting the catalog vendor, if necessary
4. Purchase Order Change Requests are processed by the Business Services staff
5. Changes to Purchase Orders processed in Purchasing must be approved by the contract officer if they effect line item details
6. No change request is required if the increase is less than \$500 over the encumbered amount.
7. Decisions may be made by senior Financial and/or Business Services staff to close low dollar encumbrances. When made, these decisions will be communicated to the campus. This is especially true with prior year encumbrances at fiscal year-end
8. Departments are encouraged to run and review the online PeopleSoft Open Encumbrance Report and to close unused balances in a timely fashion. This process can be completed in lieu of the Purchase Order Change Request Form when appropriate.
 - Closures on the Open Encumbrance report should be [emailed](#)
 - Or sent via campus mail to Business Services at Mail Code 0300

Purchase Requests**Policy No:** 5.2.2.1**Type of Policy:** Administrative**Last Revised:** 2016-07-00T00:00:00**Review Date:** 2019-07-00T00:00:00**Policy Owner:** Purchasing and Procurement**Contact Name:** Ajay Patel**Contact Title:** Director of Purchasing**Contact Email:** ajay.patel@business.gatech.edu**Reason for Policy:**

This procedure provides guidelines for purchases that are \$2,500.00 or greater.

Policy Statement:

The purchasing authority of Georgia Tech is delegated by the State of Georgia, Department of Administrative Services, Materials Management Division. This authority is vested in Procurement and Business Services and administered under the State Purchasing Rules and Regulations.

Procedures:

BuzzMart is used to request the purchase of materials, equipment, and services, including consultants and independent contractors, where the total order value is \$2,500.00 or greater.

On all procurements \$10,000.00 and over that are sole source or single response to bid a price reasonableness or cost analysis shall be addressed by the Purchasing Department. A copy of the price reasonableness or cost analysis shall be maintained in the purchase order file, if applicable.

Emergency procurements have special requirements. Examples of emergency situations include:

Academic, research or technical personnel being idle and unable to perform their mission due to the lack of materials and/or services.

Equipment or hardware is inoperable leaving personnel idle. A situation exists that is detrimental to the operation of the Institute and/or State business.

Any situation that may seriously endanger the health, safety or welfare of any person where direct action will alleviate the situation.

Certain classes of campus technology request (CTR) goods and services require pre-approval by the Board of Regents. Contact the Purchasing Department for details or specific questions.

Certain categories of materials, equipment and services are exempt from Purchasing Department review and approval. These categories, which are listed below, can be processed via BuzzMart and/or check request.

- Freight and Express Charges
- Registration Fees
- Utilities (gas, power, water, telephone)
- Bank Charges
- Purchases for Resale
- Royalties
- Fellowships and Scholarships
- Travel (see travel section)
- Student Activity Funds
- Relocation
- Real Estate Rentals (requires Board of Regents approval)
- Refunds
- Agency Funds
- Advertising
- Library Acquisitions
- Honorariums
- Facilities Construction
- OSP Sub-agreements Not Processed Through Purchasing Department

Policy History:	Revision Date	Author	Description
	07-2016	Purchasing and Procurement	Update to policy

Procurement of Services

Procurement of Services

Policy No: 5.3

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Purchasing and Procurement

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Policy Statement:

Payments for services to non-employee individuals and firms will fall into one of the following categories: honoraria, non-faculty instructors or lecturers, consultants, repairs and maintenance, temporary employment agencies, OSP subcontracts, stipends/awards and freelance service providers.

All payments (including expense only reimbursements) to individuals who are not US citizens or residents (green card holders) must comply with the Internal Revenue Service and Homeland Security regulations and requirements outlined in [payments nonresident aliens non employees](#).

Employees may not receive payment for services through Accounts Payable. Consult OHR policies for supplemental pay options and Tech Temp employment options. Employees who have retired from the University System of Georgia may continue to work for Georgia Tech through the OHR Retired but Working program and compensation is through Payroll.

Employee Contractor Policy

Policy No: 5.3.3

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Last Revised: 2014-10-00T00:00:00

Review Date: 2017-10-00T00:00:00

Policy Owner: Purchasing and Procurement

Contact Name: Ajay Patel

Contact Title: Director of Purchasing

Contact Email: ajay.patel@business.gatech.edu

Policy Statement:

A consultant or independent contractor is a firm or an individual offering professional or specialized services for a fixed rate or fee. The Institute only controls the direction of the consultant's work with respect to work objectives and desired results and not the methodology for achieving the results.

This policy provides guidelines for contracting with individuals (non-employees) and firms. Firms and corporations that are clearly in the business to offer and sell their services to the public are independent contractors.

When the Institute is required to make payments to individuals, the rules and regulations of a number of

governmental regulatory bodies must be considered. A determination must be made to ensure that payments to individuals for services (instructors or consultants) clearly meet the Internal Revenue Service (IRS) definition of Independent Contractor and that the regulations of the IRS and Immigration and Naturalization Service/US Department of State with respect to non-US citizens/resident aliens have been followed. Any individual who performs services for the Institute is presumed to be an employee unless the relationship satisfies the IRS standards for Independent Contractor (see Classification of Independent Contractors versus Employees below). A consultant should be used only when the services are not readily available from existing employees or where the services cannot be performed more economically or satisfactorily through the Institute employment process.

Procedures:

Classification of Independent Contractors Versus Employees

The department/unit makes the initial determination whether an individual is an employee or independent contractor because of the familiarity of the relationship. The Checklist for Determining Independent Contractor or Employee has been developed to aid the department in making the determination on whether the individual is an employee or a contractor. The checklist is based on standard guidance that the IRS has provided on this subject and is available on the Georgia Tech Purchasing Website. Prior to engaging any individual for services as an independent contractor, an assessment must be made by the unit/ department and documented using the checklist. This checklist must be also be approved by the department’s human resources representative. If the determination is that the individual is an employee, the department must work with Human Resources to determine the appropriate next steps. If the determination is that the individual is a consultant, the completed form must be sent to Purchasing for final approval.

If approved by Purchasing, the completed checklist must be attached to a requisition in BuzzMart for processing. If the consultant is a teaming partner and will be paid from sponsored funds, the agreement must be executed through the Office of Sponsored Programs on a "Request for Sub-Agreement Form".

A retiree or ex-employee that returns to Georgia Tech to perform the same type of service that was performed while employed by the Institute will be classified as an employee and all payments will be processed through Payroll.

Policy History:

Revision Date	Author	Description
10-2014	Purchasing and Procurement	Updates to verbiage

Honorarium Payments

Policy No: 5.3.1

Type of Policy: Administrative

Effective Date: 2011-02-00T00:00:00

Review Date: 2017-02-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: Ap.ask@business.gatech.edu

Policy Statement:

An honorarium is a one-time payment for short-term services, as outlined in this procedure, where the Institute does not expect a particular deliverable and the recipient will not invoice the Institute for services rendered.. Nonresident Alien individuals may receive honorarium payments with a J-1, B-1, or B-2 visa. Most other Visas do not permit honoraria payment.

- Honorariums will be paid to individuals, rather than companies or organizations. Services provided by

companies or organizations must be contracted.

- Honorariums may not be paid to Georgia Tech employees including student employees.
 - State law limits those State of Georgia employees who are eligible to sell their services to other State agencies on a per diem/honorarium basis. Payment is allowed only if the individual is classified in one of the following categories:
 - chaplain
 - fireman
 - any person holding a doctoral or master's degree from an accredited college or university
 - physician
 - dentist
 - psychologist
 - registered nurse or licensed practical nurse

See documentation requirements below for when payee is State of Georgia employee.

**Procedures:
When to Use**

- An honorarium must be paid for services provided, it cannot be used to make an award.
- The service provided is one where Georgia Tech does not expect a particular result. Examples include:
 - presentation of research results
 - reading of papers
 - participation or leading of colloquiums, workshops, and seminars
 - presentation of lectures
- The services provided must be short-term in length. Short-term is typically defined as 9 business days or less. Services over a longer period of time must be contracted.

Payments to International Vendors and Nonresident Alien Consultants, Scholars, and Official Visitors

Policy No: 5.3.5

Type of Policy: Administrative

Effective Date: 2012-10-00T00:00:00

Review Date: 2015-10-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Reason for Policy:

The following procedures will provide guidelines for retaining the services of nonemployee nonresident aliens, including international vendors, consultants, scholars, and official visitors. Policies are made to ensure that contracts and payments are made in compliance with Internal Revenue Service and Department of Homeland Security laws and regulations.

Policy Statement:

Eligibility for Payments

The U.S. Citizenship and Immigration Services laws and regulations are very specific about what types of payments may be made to each visa type, who may make the payments, and what type(s) of employment verification documents are required for the nonresident alien to receive payments.

An abbreviated list of common visa types, restrictions, and documentation is provided below:

- B-1 or *VWB or WB (Visitor/Business) - May receive reimbursement for reasonable travel expenses and, under limited circumstances, payments for compensation and honoraria.**
- B-2 or VWT or WT (Visitor for Pleasure) - Under limited circumstances, may receive payments for

compensation, honoraria, and reimbursement of reasonable travel expenses.**

- F-1 (Student) may receive an award, prize, research participant stipend or scholarship.
- J-1 (Exchange Visitor - Short term Scholar, Professor, Researcher or Specialist) is eligible to receive compensation and reimbursement payments from the organization and for the period stated on the DS-2019. Visitor must have a Social Security or Tax ID Number for compensation payments.
- Canadians who enter the United States and are not issued a Form I-94 are considered to be in B status (compensation and reasonable travel expense reimbursement) with permission to remain in the US for up to six months.

*VWB/WB or Visa Waiver for Business is an agreement between the US and certain countries in which the visitor is not required to have a visa. Participants in the program must be present in the United States fewer than 90 days with a valid passport and a nontransferable, nonrefundable round trip ticket.

**The American Competitiveness Workforce Act of 1998 allows payment of honoraria and associated incidental expenses to B-1, B-2, WB, and WT visa holders for "usual academic activity," if paid by a United States institution of higher education, a nonprofit organization affiliated with an institution of higher education, or a nonprofit or a governmental research organization. Under the Act, an academic activity may not exceed nine days at a single institution. In addition, such visa holders cannot accept honoraria and/or incidental expenses from more than five such institutions or organizations in the previous six months.

Federal Tax Treatment

Georgia Tech will withhold taxes in compliance with IRS tax law for all applicable nonresident alien payments, including honoraria, compensation, consulting fees, fellowships, stipends, awards, participant payments, sub-agreements, services/maintenance, royalties, rents, as well as some reimbursements for travel. Detailed descriptions regarding tax issues for non-US tax residents can be found in IRS publication 519: US Tax Guide for Aliens.

Tax treaty benefits may be available to the payee, if there is an income tax treaty between the home country and the US. The individual's US tax residency status, the business purpose of the payment, and payment amount determine whether a particular tax treaty benefit applies. In addition, all claims for tax treaty benefits must include the individual's social security number or an ITIN (Individual Taxpayer Identification Number).

Policy Terms:

A nonresident alien is an individual who is not a citizen or a permanent resident (holder of a "green card") of the United States. A nonresident alien is admitted to the United States for a temporary stay and for a specific purpose (identified by visa type).

Procedures:

Georgia Tech utilizes the Glacier Nonresident Alien Tax Compliance System to collect immigration and tax related information from foreign individuals receiving funds from the Georgia Institute of Technology. All foreign individuals receiving funds from the Institute must have a GLACIER record. GLACIER determines residency status and tax treaty eligibility for the foreign individual. The system creates all forms required prior to payment, as well as the IRS form 1042-s for annual tax reporting.

The [Accounts Payable Forms Bank](#) includes payment request checklists to assist the campus administrator with the collection of required documentation for each category of international payment (How to pay an honorarium, How to make a fellowship payment, etc).

Please contact travel.ask@business.gatech.edu for additional guidance regarding payment processing for international payees.

Reimbursable Expenses for Official Guests and Visitors**Policy No:** 5.3.2**Type of Policy:** Administrative**Last Revised:** 2011-04-00T00:00:00**Review Date:** 2017-04-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** travel.ask@business.gatech.edu**Policy Statement:**

Expense-Only reimbursements are for the travel of non-employees who do not have a contract for services, such as guest lecturers, student candidates, or interviewees for employment. In general, official guests and visitors must comply with the same travel regulations as employees.

See "[Non-Employee Travel](#)"

Short-term Instructors or Lecturers (Non-Faculty)**Policy No:** 5.3.4**Type of Policy:** Administrative**Effective Date:** 2011-02-00T00:00:00**Review Date:** 2017-02-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** Ap.ask@business.gatech.edu**Procedures:**

Individuals providing a service to the Institute as Continuing Education speakers, OPTIONS instructors, CRC instructors, and other short-term instructors may be handled as independent contractors OR employees depending upon the number of payments involved and the "Classification of Independent Contractors Versus Employees" determination. For speakers and instructors employed through independent business firms, refer to the Consultants—(Individuals and Firms) section of the "Procurement of Service" procedures.

If the review of the questions under "Classification of Independent Contractors Versus Employees" (see procedure Purchase of Services -- Consultants --(Individuals and Firms)) indicates that the individual should not be classified as an employee, the payments may be processed through Accounts Payable on a Check Request Form. The individual will receive a Form 1099 at year end. If the instructor is a not a U.S. citizen or resident, refer to the "Payments to Nonresident Aliens (Non-employees)" procedure.

If the review of the questions under "Classification of Independent Contractors Versus Employees" (see [consultants individuals and firms](#)) indicates that the individual should be classified as an employee. Refer to Office of Human Resources Procedures for employment through the Tech Temp Program.

Subcontract Processing**Policy No:** 5.3.6**Type of Policy:** Administrative**Effective Date:** 2016-07-00T00:00:00**Last Revised:** 2016-07-00T00:00:00**Review Date:** 2019-07-00T00:00:00**Policy Owner:** Purchasing and Procurement**Contact Name:** Ajay Patel**Contact Title:** Director of Purchasing**Contact Email:** ajay.patel@business.gatech.edu

Reason for Policy:**Process to Request a Sub recipient Online-**

Principle Investigator or Unit Financial Officers (Departmental Administrators)

1. Visit OSP Contract System - <https://webwise.gtri.gatech.edu/osp/sub/sitemap>. Use your GT Kerberos Password or GTRI credentials to access the system.
2. Under the OSP Contract Information System tab you will find a section for Sub- agreement Management. Click on "make a request for new sub-agreement."
3. To complete the "Request for a Sub-agreement" process you will want to have the following information ready:
 - Detailed budget
 - [Statement of work](#) (including any deliverables/reports)
 - [Short narrative](#) as to why you selected the subcontractor
 - [Cost price analysis](#)
4. Query on the fund number you wish to issue the subcontract/consulting agreement under.
5. After completing the required fields, click on "Submit to OSP."
6. Print a copy of the request; complete accounting section of the form and route for signatures.
 - Route to PI for signature
 - Route to xGRANTS@x.gatech.edu for department signature.

Sub recipient Monitoring- Principle Investigator or Unit Financial Officers (Departmental Administrators)

Unit Financial Officers (UFO's) should assist PI's in carrying out their sub recipient monitoring responsibilities. This includes:

- Reviewing invoices from sub recipients to ensure invoices are within the parameters of the sub-award budget, and questioning expenditures if necessary.
- Ensure that invoices are approved by the PI or his/her designee and submitted to Accounts Payable in a timely basis.
- Maintain copies of all invoices that provide evidence of the regular review of invoices by the PI. "Evidence" can be in the form of authorized signature by the PI or his/her designee, PI's initials, e-mail communications, or notes of meeting between the PI with the department administrator.
- Maintaining documentation of monitoring efforts (copies of e-mail, phone log, etc.).

Process to encumbering Sub recipient in Buzz mart- Unit Financial Officers (Departmental Administrators)

Create "CONFIRMING ORDER/SUBCONTRACT" requisition cart:

1. Select Vendor and choose appropriate address.
 - Enter Descriptions details: Fund Number/Agreement number; PI name; Budget Dates
 - Expense Codes: 753160- 1st \$25K - 753180- over \$25K
 - NIGP Code: 95675- Scientific Research Services
2. Release cart **after** ICOL notice has been received that sub agreement is complete. Procurement services cannot release encumbrance until agreement is active.
3. Enter confirming order request annually for each funding year.

Subcontract Invoice Payments:

1. Review invoices from sub recipients to ensure invoices are within the parameters of the sub-award budget, and questioning expenditures if necessary.
2. Code invoices with purchase order number and expense code and send to GaTech PI for compliance verification.
3. Sub recipient invoices must be sent to ospinvoices@osp.gatech.edu for upload into Web Now queue for approval.

4. Complete the Invoice Payment Approval Form (Worksheet) within the image in Web Now and route the invoice forward to the 'Sub award Pay' queue for processing. Subcontract payments are processed directly in PeopleSoft, rather than BuzzMart, so voucher detail will not be available in BuzzMart. Your electronic signature approval on the Web Now approval form certifies that the goods were received and/or services performed, so no additional 'Receipt' is required in BuzzMart and vouchers should not create a match exception.
5. File all invoices with contract packet.

Subcontract Closeout Process:

1. Audit invoices payment to verify that cumulative expenses submitted by subcontract matches total invoice payments.
2. Ensure that final invoice is paid/submitted to OSP so that closeout procedures are initiated.
3. Verify open encumbrance report and close out any remaining encumbrance if necessary.

Mark subcontract package "complete" and retain packet per file retention guidelines.

Travel

General Information and Definitions

Policy No: 6.1

Type of Policy: Administrative

Last Revised: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Reason for Policy:

This statement sets forth the authority, policies, regulations and procedures governing official travel for Georgia Tech employees.

Policy Statement:

The Board of Regents of the University System of Georgia is responsible for travel policies for the University System. Policies and procedures are contained in the Board of Regents Business Procedures Manual. In addition the State of Georgia State Accounting Office is authorized to adopt rules and regulations governing travel policies that promote economy and efficiency in state government and which treat employees fairly and equitably. The policies and procedures set forth in the travel statements apply to reimbursements from state funds, foundation funds and sponsored funds, unless the sponsored agreement specifically states otherwise. Authorization to travel must be obtained prior to travel from the unit head or their authorized designee. Travel is for official Georgia Tech business and is contingent upon the availability of funds. Employees required to travel are entitled to reimbursement for reasonable, necessary and allowable incurred expenses. Additional expenses incurred for personal preferences or convenience are the responsibility of the traveler.

Questions regarding travel policies and procedures should be directed to the Travel Team in Accounts Payable by phone at 404-894-5000 or by [e-mail](#).

In the case of dispute of reimbursable expenses, the Senior Vice President for Administration & Finance will make the final decision regarding the allowability of expenses.

Policy Terms:**State Employee**

Any Georgia Tech employee, whether temporary or permanent, who is paid through Georgia Tech payroll.

In-State Travel

Travel within the borders of Georgia.

Out-of-state Travel

Includes any travel outside the state of Georgia, including foreign travel.

Procedures:**IRS Accountable Plan Rule for Official Institute Travel**

Expense reimbursements to employees by the Institute are not taxable to an employee if the reimbursements are made under an accountable plan. The accountable plan for IRS purposes is Georgia Tech's travel policy. Employee reimbursements that comply with our travel reimbursement policy are not reportable as income. Reimbursements that exceed our travel reimbursement policy may be reportable as income and reported on the employee's annual W-2 or 1042-s form. Information regarding the IRS policy for reimbursements that do not comply with our accountable plan rules can be found in IRS Publication 15-B: Employer's Tax Guide to Fringe Benefits Publication 463: Travel, Entertainment, Gift, and Car Expenses provides information regarding the tax issues related to these topics.

Air Transportation

Policy No: 6.6

Type of Policy: Administrative

Last Revised: 2012-09-00T00:00:00

Review Date: 2015-09-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

Employees traveling on official business should obtain fares that result in the lowest cost to the Institute consistent with their scheduling requirements.

Procedures:**Airline Contracts**

GT has special contract rates with Delta and AirTran/Southwest Airlines. These special rates can only be accessed via the web booking tool, Concur, or by contacting Travel Incorporated at 770-291-5190. The special contract rates may be used by employees traveling on official state business. Independent contractors and non-employee students, guests, and visitors may use the contract if they are traveling on Institute business.

Conference Registration

Policy No: 6.11

Type of Policy: Administrative

Last Revised: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Procedures:**Registration Fees**

Registration fees are reimbursable when required for participation in a workshop, seminar, convention or conference, which an employee is authorized to attend as an official representative of the Institute.

Fees for activities such as sight-seeing, field trip, or banquets are not reimbursable. Any fees representing official activities must be justified in writing as to the business purpose of the event/activity.

Employee Direct Deposit

Policy No: 6.18

Type of Policy: Administrative

Last Revised: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

Travel reimbursement for employees will be via EFT direct deposit for all employees that have direct deposit set up through Payroll / TechWorks.

The direct deposit of employee travel will be made to the primary bank/credit union account as designated in the PeopleSoft Human Resources System.

Bank account information can be maintained via TechWorks.

Employees that are not enrolled in direct deposit for payroll, including affiliate employees that do not receive payroll, will receive a check. Employees that make a change to their direct deposit may receive a check during the pre-note period until account information is verified by their financial institution.

Employee Payment Request Form

Policy No: 6.12

Type of Policy: Administrative

Last Revised: 2011-09-00T00:00:00

Review Date: 2017-03-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

Employees should utilize the Employee Payment Request Form to request reimbursement for the specific expense types listed on the form: Refund of personal Funds Paid to GT, Reimbursement for Group Meals, Program Advance (both study participants and study abroad), Student Group Travel. All other employee travel and non travel related reimbursements must be processed using the Travel And Expense System in Tech Works.

Detailed policies for use of the Employee Payment Request Form can be found in "[Employee Payment Requests \(Non-Travel Related\)](#)" of the Business Finance Manual

Foreign Travel

Policy No: 6.17

Type of Policy: Administrative

Effective Date: 2012-08-00T00:00:00

Last Revised: 2012-09-00T00:00:00

Review Date: 2015-09-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

See "[travel authorization procedures](#)" for the complete policy regarding export control review and TA approval for international trips.

Procedures:**International Airfare**

GT has contract rates with Delta Airlines. These contract rates can only be accessed via the web booking tool, Concur, or by contacting Travel Incorporated at 770-291-5190. The contract rates with Delta may be used by employees traveling on official state business. Independent contractors and non-employee students, guests, and visitors may use the contract if they are traveling on official Institute business.

Ground Transportation (Mileage, Parking, Taxi and Rail)**Policy No:** 6.7**Type of Policy:** Administrative**Last Revised:** 2011-04-00T00:00:00**Review Date:** 2017-04-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** travel.ask@business.gatech.edu**Policy Statement:**

Authorized travel should be made via the most economical mode of transportation, consistent with the purpose of the travel. A careful analysis of the distance, timeliness, and overall cost factors of a trip should be considered.

Procedures:**Reimbursement**

Only reasonable amounts of actual expenses incurred may be reimbursed.

If receipts are not available, a point-to-point explanation must be given for each such item requested for reimbursement.

Lodging**Policy No:** 6.5**Type of Policy:** Administrative**Last Revised:** 2011-04-00T00:00:00**Review Date:** 2017-04-00T00:00:00**Policy Owner:** Accounts Payable**Contact Name:** Sharon Jackson**Contact Title:** Director of Accounts Payable/Travel**Contact Email:** travel.ask@business.gatech.edu**Procedures:****Accommodations**

Reimbursement is limited to the actual cost of lodging expense supported by itemized receipts. Reimbursement for lodging within a 50 mile radius of a person's home office, residence, or headquarters is not allowable. For exceptions, see "[retreats and campus workshops faculty and staff](#)". Employees traveling overnight are responsible for ensuring the most reasonable lodging rates are obtained. To accomplish this, employees should:

- Make reservations in advance, whenever practical,
- Utilize minimum rate accommodations,
- Avoid "deluxe" hotels; and
- Obtain corporate/government rates, whenever possible.

Employees who stay at a hotel that is holding a scheduled meeting or seminar may incur lodging expenses that

exceed the rates generally considered reasonable. The higher cost may be justified in order to avoid excessive transportation costs between a lower cost hotel and the location of the meeting.

When a room is shared with other state employees on travel status, and there is an incremental cost related to the extra traveler, reimbursement will be calculated on a pro rata share of the total cost and **must be claimed separately by each employee**. Each traveler's (if both are GT employees) Expense Report in the TechWorks Employee Travel & Expense System should indicate the name of the traveler with whom the room was shared and the project number of the other traveler's TES. If the incremental cost for additional persons is not significant, one employee can claim the entire room expense.

Meals and Incidental Travel Expenses

Policy No: 6.4

Type of Policy: Administrative

Effective Date: 2012-08-00T00:00:00

Last Revised: 2014-05-00T00:00:00

Review Date: 2017-05-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Procedures:

I. General Meal Per Diem Guidelines

Meals are reimbursable on a per diem basis (not actual expenses) for overnight official business travel outside the traveler's Primary Work Station. The T&E System will provide the proper per diem amounts based on travel to specific cities. Daily meal allowances include taxes/meal tips and are divided into breakfast/lunch/dinner amounts to allow travelers to deduct specific meals, where required. Per diem expenses do not require receipts to be provided.

Meal per diem rates outside the State of Georgia are based on Department of Defense per diem rates (GSA for the Continental US, DoS for foreign overseas locations, and DTMO for Alaska, Hawaii, Puerto Rico) and are automatically updated and loaded into Georgia Tech's T&E system. Meal rates for the State of Georgia are restricted to the meal per diem allowances provided by the State Accounting Office. These are currently fixed at \$36 for designated high cost areas and \$28 for all other locations in Georgia.

Reimbursement for meals within a 50-mile radius of an employee's headquarters or residence is generally not allowable, unless in conjunction with a Georgia Tech sponsored event (see section 6.14 - Retreats and Campus Workshops for Faculty and Staff) or approved to provide support during a campus emergency.

Actual incidental expenses are reimbursed separately and include: fees and tips given to porters, baggage carriers, bellhops, hotel housekeeping, and hotel staff.

Miscellaneous Travel Expenses

Policy No: 6.9

Type of Policy: Administrative

Last Revised: 2014-11-00T00:00:00

Review Date: 2017-11-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Procedures:

Reimbursable expenses while on official travel status include, but are not limited to, the following:

- Airfare change fees, if change required by business needs
- Baggage handling services
- Business office expenses (copy services, postage, supplies)
- Business related phone calls, faxes, and internet usage charges and fees
- Transportation costs from lodging or businesses to restaurants
- Conference/Registration fees
- Costs related to passports and travel visas when necessary to accomplish the official business purpose of the trip
- Costs related to vaccinations required and/or recommended for international business travel
- Currency conversion fees, including lost currency value associated with exchange trade-in value
- Hotel maid service tips for international lodging, when required by custom
- Insurance: Personal Accident for rental cars-international (PAI,SLI,PEP,PEI)
- Insurance: Emergency evacuation/repatriation (international destinations only)
- Insurance: Trip cancellation (only for situations where a non-refundable airfare was booked for a trip where interruption/cancellation is likely and insurance coverage is less expensive than a fully refundable airfare)
- Laundry and cleaning expenses on trips lasting seven calendar days or more

Revision Date	Author	Description
11-2014	Accounts Payable	Format changes and minor verbiage updates were made to comply with the State Accounting Office official travel regulation.

Non-Employee Travel

Policy No: 6.16

Type of Policy: Administrative

Last Revised: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

Travel expenses for non-employees (students, official guests/visitors, consultants) on official Institute business are required to follow the same travel policies/procedures used by employees. All travel reimbursements to non employees must be submitted to Accounts Payable on a Travel Expense Statement. Non employees must follow the Institute's accountable plan for travel, which requires original receipts be submitted for reimbursement. For the purpose of travel reimbursement, any students that are active on Payroll must use the TechWorks Employee Travel & Expense System.

Procedures:

Prospective Employees / Students / Official Guests

Travel reimbursement for official GT business is allowed for students authorized to travel for participation in academic programs and sanctioned student events, students enrolled to take classes at GT, and individuals being recruited as potential students. Also included is research, academic conference, or academic event travel funded by a grant awarded to GT which authorizes non employee travel.

Job applicant travel associated with an interview is also allowable as specified by GT policy. In order to reimburse job applicants one of the following situations must apply:

- Interview expenses are included in the contract with an external search firm;
- A job applicant is required to perform a service to GT, such as a presentation on subject matter applicable to the position applied for; or
- Reimbursement for the job candidate will be requested from the foundation. Family members who accompany the candidate may have their expenses reimbursed using foundation funds.

1. Transportation

Non-employees will be reimbursed for either (a) the actual cost of the coach/economy airfare from their home to GT place of business or (b) mileage at the rate allowed by the state of Georgia. Original receipts must be submitted. [Direct billing of airfare](#) is available through GT's contracted agency, Travel Incorporated. Contact Travel Incorporated at (770) 291-5190 to make travel arrangements. Complete the Travel Authorization Form for Non-Employees and fax to Accounts Payable. Accounts Payable will review for completeness and appropriateness and will forward the approved form to Travel Incorporated prior to the issuance of the tickets. It is the departments' responsibility to ensure Travel Incorporated has booked the ticket. The department and traveler should receive an e-mail confirmation (e-itinerary) showing that the ticket has been booked.

2. Lodging

Lodging expenses for prospective employees and other official guests will be reimbursed after the trip. If the lodging is paid directly by the Institution through direct bill the hotel should not collect any taxes associated with the lodging expenses. The list of hotels in the Atlanta area that accept direct billing can be found on the Business Services website http://www.procurement.gatech.edu/travel_forms.php

3. Meals

Non-employees will be reimbursed for the State of Georgia per diem rate for Atlanta, or if visiting other locations outside of Georgia, the federal per diem rate (minus incidentals) for that location. Receipts are not required.

4. Miscellaneous Expenses

The miscellaneous travel expenses of non-employees will be reimbursed according to the employee travel guidelines.

5. Reimbursing Travel Expenses

When requesting reimbursement for travel expenses, non employees need to itemize the actual cost of transportation, lodging (daily), meals (daily), and miscellaneous expenses. Itemized folio receipts for lodging expenses and original receipts for all other expenses (with the exception of meals) are required in order to be reimbursed. All receipts should be taped to an 8 1/2 x 11 piece of paper and taped to the Travel Expense Statement.

In the rare case that a GT employee has picked up the expenses for a student, visitor or student group, reimbursement is via the Employee Payment Request Form. Student travel is reimbursed under account code 650100. A list of student names with the business purpose of travel must be submitted.

6. Student Travel

Undergraduate students that are not active on Payroll traveling in support of a student activity (sport, club, academic, research) will report expenses on the Travel Expense Statement using the non employee account codes(s).

7. Account Codes>

Per the Board of Regents policy, prospective employees/job candidates must break out their expenses using the following account codes on the TES.

Reimbursement for Travel Expenses - Employees

Policy No: 6.13

Type of Policy: Administrative

Effective Date: 2012-08-00T00:00:00

Last Revised: 2015-01-00T00:00:00

Review Date: 2018-01-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

The TechWorks Employee Travel & Expense System must be used by employees to request reimbursement for expenses associated with official business. The T&E System is accessed via the [TechWorks main page](#). It can also be accessed from off campus computers with internet access.

The policies provided in [Sections 6.1- 6.18](#) indicate allowable expenses and required documentation per the Board of Regents and State of Georgia regulations.

Procedures:

Certification / Approval of Travel Expense Statements

The traveler is required to sign an oath by logging into the T&E System. By taking this oath, the traveler is attesting to the accuracy and completeness of the claim for travel reimbursement. Travelers may not approve their own Travel Expense Report. As a general rule, the head of the campus unit, or delegate, or the head of the next higher administrative unit, or delegate, is to approve all expense reports. For example, a professor's travel may be approved by the Dean, whereas the Dean's travel must be approved by the Provost. Approval attests to the agreement by the approver that the travel was authorized, directed, necessary, and that the claim is complete, correct and proper. In no case is a subordinate authorized to approve travel expenses for his/her superior.

Required Receipts/Supporting Documentation

Receipts are not required for meals (see policy 6.4: Meals and Incidental Travel Expenses)

- Itemized receipts are required for the following:
 - Air, lodging, and rental cars
 - Visa/Passport fees
 - Conference registration fees
 - All single expenditures of \$25 or greater

- Receipts are not required for the following expenses, if individual amounts are less than \$25:
 - Gasoline purchased for rental vehicles
 - Parking
 - Highway tolls
 - Mass Transit tickets
 - Taxi fares
 - Airport vans

Supporting documentation and/or receipts along with the GT Expense Report Coversheet and Expense Report must be emailed to expense@mail.gatech.edu or faxed to 404-894-6565. Once these documents are mailed or faxed, the supervisor and financial approvers will be able to view the documentation by clicking on the 'VIEW RECEIPTS' button on the Accounting Summary/Submit tab within TechWorks T&E. Approvers must review the supporting receipts to ensure compliance with Institute policy, before approving the expense for reimbursement. Expense Reports that do not include the required receipts and/or documentation will be returned to the traveler.

Expense Reimbursement Submission Timeliness

The following guidelines should be followed to ensure prompt reimbursement of travel expenses:

Travelers should submit all expenses for reimbursement and reconciliation within 10 days of the completion of the event or trip but **no later than 45 calendar days**.

- Reimbursement requests should preferably be held (not entered into the T&E system) until an amount of at least \$10 is due.
- Consolidate expense claims for local parking, mileage, telecomm and supply purchases into a monthly claim reimbursement.

Travelers with Physical and/or Medical Conditions

The impact of travelers with physical and/or medical conditions, while on State travel, should be considered on a case-by-case basis. Compliance with the Americans with Disabilities Act (ADA) is mandatory. Each department has the authority to provide reasonable accommodations during State travel for travelers with disabilities.

All State employees are to be afforded equal opportunity to perform travel for official State business even if the travel costs for disabled travelers will exceed what would normally be most economical to the State. For example:

- When a traveler uses a wheelchair, it may be necessary to pay more for an airline ticket so the traveler can fly on a larger airplane that accommodates the wheelchair.
- When a traveler has hearing or vision impairments, there may be a cost of providing auxiliary aids and services to enable the traveler to successfully accomplish the purpose of the travel.

The extra travel costs required to comply with ADA shall be documented and kept on file by the authorizing approver.

Additional Notes:

Employees cannot 'pick up the tab' for other employees, as state reporting of travel expenses requires that reimbursement to an employee covers only those expenses pertaining to that employee's travel.

The traveler should also remove/block any sensitive information (social security number, all but the last four digits of a credit card, etc.) on the receipts. The unit approvers should also review the documentation at the time of approval to ensure that all sensitive information is blocked out.

Any questions regarding the TechWorks Employee Travel & Expense System may be directed to travel.ask@business.gatech.edu.

Policy History:

Revision Date	Author	Description
1/28/15	Business Services	Update to Verbiage

Rental Vehicles

Policy No: 6.8

Type of Policy: Administrative

Last Revised: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

Authorized travel should be made via the most economical mode of transportation, consistent with the purpose of the travel. A careful analysis of the distance, timeliness, and overall cost factors of a trip should be considered.

Procedures:

Statewide Vehicle Rental Contracts

A rental vehicle may be used when it is necessary and convenient in the performance of an employee's official duties.

Rental transportation will not be authorized routinely for the execution of official duties involving high volume travel for which transportation by a personally owned or institutionally owned vehicle would be more appropriate.

Employees must pay for rental cars at time of rental and seek reimbursement via the TechWorks Employee Travel & Reimbursement System.

Authorization to rent a vehicle must be granted prior to travel via the TechWorks T&E System.

National Car Rental Car (Nationwide) is under mandatory contract with the State of Georgia. The contract rental rates include collision and liability insurance coverage at no additional cost. Travelers must quote the state contract number (5500078) in order to receive the collision and liability insurance coverage.

Enterprise Rental Car is under mandatory contract for travel within the State of Georgia. The contract rental rates include collision and liability insurance coverage at no additional cost.

Retreats and Campus Workshops for Faculty and Staff

Policy No: 6.14

Type of Policy: Administrative

Last Revised: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

Institute funds may not be used for food and lodging for employees, except as noted below, unless the employee has traveled beyond a 50 mile radius from both their home office and residence.

Contracts for conferences must be signed by Procurement Services or the Office of Legal Affairs.

Procedures:

Day Workshops

The noon meal is allowable for an intra-institutional meeting or training session provided it adheres to the Georgia Tech Food Policy.

A copy of the workshop agenda should be submitted with an approved invoice or e-Payment Form and forwarded to Accounts Payable for payment. If a single invoice that is all inclusive (meeting space, meals, equipment, etc.) is provided from the conference location, the payment may be classified as a registration, using object code 727100.

Travel Accounting and Encumbrance

Policy No: 6.3

Type of Policy: Administrative

Last Revised: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

Encumbrances

Effective April 2011, encumbrance of funds for travel activity is not available through PeopleSoft or the BuzzMart requisition process.

Expense Account Codes for Travel

The TechWorks Employee Travel & Expense System will automatically post expenses to the appropriate expense code based on the expense category.

Travel Advances

Policy No: 6.15

Type of Policy: Administrative

Last Revised: 2011-04-00T00:00:00

Review Date: 2017-04-00T00:00:00

Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

Contact Email: travel.ask@business.gatech.edu

Policy Statement:

Travel advances are not offered through the Institute using Institute funds. If travelers do not want to wait until after they return from a trip to be reimbursed for airfare, they can use direct billing via Travel Incorporated (see "[Air Transportation](#)").

Procedures:

Georgia Tech Research Corporation (GTRC) Travel Advances

Travel advances are available to support personnel in the performance of their professional responsibilities via GTRC. Travel Incorporated direct billing of airfare should be used to minimize requests. Because of the large amount of funds required for travel advances, the following procedures must be observed:

1. Requests for travel advances are made on the [Request for Travel Advance Form](#) (or contract GTRC at 404-894-7043). The request form must be approved prior to preparation and release of travel advance checks by GTRC. A Georgia Tech Travel Authority form can be printed from the TechWorks Employee Travel & Expense System. It must accompany the [Request for Travel Advance](#) form.
2. Requests for travel advances should be submitted to GTRC at least three business days before departure. Please avoid special "last minute" requests.
3. Travel advances may not include airfare. Airfare should be directly billed via Travel Incorporated.
4. Travel advance checks will be available no later than 12:00 Noon on the last working day before departure and are to be picked up in the GTRC office located in the Research Administration Building at 505 10th Street. Travel advance checks must be picked up prior to departure or will be considered null and void unless prior arrangements are made for pickup.
5. Repayment of travel advance funds must be made in full no later than 15 working days after the employee's return to campus, or upon reimbursement of travel expenses - whichever comes FIRST. Repayment may be made in cash or personal checks payable to GTRC. Please keep the 15 day reimbursement in mind when submitting expenses.

6. Reimbursement will be made to the traveler for the full amount of the travel expense submitted in the T&E System. The traveler is responsible for repaying the travel advance, in full, to GTRC.
7. Only one travel advance may be outstanding from any individual at any time unless there is a sound, mitigating circumstance (for example, trip spaced less than 15 working days apart).
8. Each month, GTRC will provide each School/Laboratory Director with a list of accounts that are significantly past due. If these accounts are not cleared within 10 working days, no advances will be issued to personnel of that School/Laboratory until the delinquent account is cleared. The individual involved will be issued no further advances for the next 12 months.

Travel Authorization Procedures

Policy No: 6.2

Type of Policy: Administrative

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Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

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Policy Statement:

Each employee required to travel in the performance of official duties and entitled to reimbursement for expenses incurred must have prior authorization from the department head (or their designated official) for the performance of travel. The Dean, or department head, may authorize and approve travel for all employees that report to him/her. For example: travel for a department head or school chair must be approved by the dean, or their designated official, and travel for a Dean must be approved by the Provost or designee. In no case is a subordinate authorized to approve travel for his/her superior.

Approval attests to the necessity of the travel and ensures that anticipated travel expenses are reasonable in nature and amount.

Procedures:

In-State Travel

Approval to travel within the state of Georgia, or just beyond the state borders, on a regular or continual basis may be given in the form of a blanket routine travel authorization for in-state travel. Units will issue and retain standing authority documentation in the form of a departmental list or memo. In the case of occasional trips, specific authorization must be obtained in the form of an approved Travel Authorization.

Trips Which Include Annual Leave / Personal Travel

Policy No: 6.10

Type of Policy: Administrative

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Policy Owner: Accounts Payable

Contact Name: Sharon Jackson

Contact Title: Director of Accounts Payable/Travel

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Policy Statement:

Employees taking annual leave while away from headquarters home on official business will be reimbursed for expenses incurred during and pertaining to the official travel only, or which would reasonably be expected to be incurred if only the official travel had occurred. The beginning and end trip dates should be entered into the Travel Authorization. Personal travel dates should be noted in the "detailed trip description" field.

Reimbursement for airfare is limited to the least expensive round-trip airfare to the official destination point(s).

Quotes for round-trip airfare can be obtained from the Institutes contracted travel agency and should be noted on

the TA in the “detailed trip description” field.

Transportation, meals lodging and other expenses are not reimbursable for the time the employee is on annual leave or personal travel.

Reimbursement for a rental car and associated expenses are limited to the time/expenses associated with the official trip. Reimbursement for mileage is limited to the official travel miles only. If the rental amount includes personal travel, the total amount due should be prorated according to the number of days on official GT business.