

Effort and Salary Certification
Overview of Institute Guidelines and Procedures
Updated November 20, 2009

Salary certification policy:

It is Institute policy to have each quarterly salary distribution report (DACCA) certified by an appropriate individual. This requirement applies to all cost objects, not just sponsored programs. Electronic certification must be performed by either: (a) An individual with direct knowledge of the work performed (eDACCA certifier) – usually the cost object supervisor, or (b) An individual who has received the DACCA or equivalent report signed by the eDACCA certifier (eDACCA administrator).

If electronic certification is made by a proxy electronic certifier, (eDACCA administrator), the supporting documentation (signed DACCA or equivalent) must be retained in the department, laboratory or center and available for audit for the current fiscal year plus four additional fiscal years. Charges not supported by this documentation must be removed from sponsored project accounts. If electronic certification is by the eDACCA certifier, no supporting documentation is required.

Certification process:

- Salary distribution changes for charges within the quarter may be made via the electronic salary distribution system (eSDS) without written justification for up to 90 days following the end of the quarter. Example: For Q1, July-September, retroactive changes may be made until December 30 without written justification to charges posted back to July 1.
- After the 90-day period, eSDS Administrators cannot make changes to the distribution via eSDS. Exceptions will require approval of the Director of the Office of Sponsored Programs (OSP) and/or the Controller, and if approved, will be processed by HR/Payroll.
- Requests for distribution changes more than 90 days after the end of the quarter must be submitted via a Late Distribution Change Request web form. <http://vpf.mit.edu/site/payroll/forms>
- These time limits apply to all cost objects, not just sponsored projects.
- There is an exception for terminating federally funded sponsored projects, which require final reports within 90 days of project termination. The window for retroactive changes to terminating federal projects is until the end of the month following the month the project terminates.
- Certification must be indicated electronically in the electronic salary certification system (eDACCA), even if a department chooses to have the certifier sign paper copies of DACCAs.
- Certification is expected 60 days after the quarterly DACCAs become available.

DLC best practices and recommended procedures:

- It is recommended that DACCAs be reviewed in the first month following the end of the quarter and certified if all charges are deemed correct before the

- eSDS deadline (generally by the 25th of the month). If charges are identified that are not correct, the distribution should be corrected in eSDS during the first month.
- It is expected that certification will be completed by 60 days (two months) after the end of the quarter. For all DACCA not certified by the end of the first month, the DACCA should be reviewed again in the second month, to ensure that all needed changes were processed, and should be certified as final by the last day of the second month.
 - We continue to strongly encourage the monthly review of salary expenses by DLC administrators as outlined in MIT's Financial Review and Control (FRC) procedures.

Assuring timeliness of completion:

- Accounting Services will send email reminders to community members at 55 days following the end of the quarter. Accounting Services will send an email to all Assistant Deans with a report of all uncertified DACCA beginning on the first business day of the third month after the end of the quarter (day 61). The Assistant Deans will communicate this information to the DLC Heads and Administrative Officers in a timely way.
- Follow-up reports by Accounting Services will be sent to the Assistant Deans each week of the third month until day 80.
- On the 80th day a notification will be sent to Assistant Deans, Department Heads and Administrative Officers warning those with uncertified DACCA that there will be consequences if the salary costs remain uncertified on day 91. Reminders will be sent again on the 85th day and the 89th day. It is expected that the DLC Head and/or Administrative Officer will inform the principal investigator and/or account supervisor of the required action and the consequences if certification is not completed by 90 days.
- The consequences are as follows:
 - For sponsored cost objects (research or fund wbs), uncertified salary costs will become unallowable and will be permanently removed from the project on day 91. These costs once removed will not be allowed back on the project. The DLC will need to provide a discretionary cost object to transfer these costs to. If no cost object is provided, the costs will be transferred to the DLC Payroll Suspense cost object.
 - Non-sponsored cost object (cost centers or internal orders) will be suspended on the 91st day and will remain suspended until the salaries have been certified.
- There will be no changes to the quarterly DACCA after it is available. Late changes that are approved will be shown on the quarterly DACCA for the quarter in which the late change was entered. For example, a distribution change made in April (Q4) for the previous September (Q1) will be reflected on the Q4 DACCA for certification.