Overview of Cost Sharing Workaround in KFS

Summary

Due to limitations in the University’s current payroll business practices, the University is not able to use KFS cost sharing out of the box. Thus, a workaround was established to record cost sharing in KFS.

Fiscal Authorities will manually compute and enter cost sharing into KFS where costs will be tracked in a cost sharing sub-account. This includes inputting salary and fringe by employee. Unlike the previous cost sharing system, salary data will not be pulled from the personnel system to automatically compute the cost sharing contribution and related fringe.

The cost shared salaries and fringe of UH employees must be recorded in KFS so that they can be included and certified along with paid effort in the KFS effort reporting system. The benefit is that a separate certification for cost shared effort will no longer be required due to this integration.

Please note that RCUH employees will continue to be recorded under Direct Costs because they are not certified in the University’s effort reporting system.

Due to GALC concerns regarding cash transfers that KFS utilizes as part of its cost sharing process out-of-the-box, another workaround was established. To ensure cash balances in the actual source accounts are not affected by these cost sharing entries, pseudo source accounts will be used in lieu of an actual account when establishing the cost sharing subaccount.

The real source account, however, will be used as the input form’s Organization Document Number and therefore only costs for one source account are recorded per input form. Fiscal Authorities are responsible for setting up a “pseudo” source account exclusive to their KFS FO code.

Object codes will be used to identify the type of cost, with a separate number series used for the From Account Number and To Account Number. Please refer to the attached object code listing.

Please refer to the attached matrix, which compares the prior cost sharing system to the KFS cost sharing workaround, for an overview of the differences between the systems. We recommend that the document initiator or Fiscal Authority ad hoc route documents to the UH ORS Cost Studies group for review and approval.

Key Points

- Cost sharing sub-account created to record costs
  - This account is linked to the project account and is where the cost sharing information is recorded. Not to be confused with pseudo account, which is explained below.
- Costs manually computed and input by Fiscal Authority
- “Pseudo” source account used as source account for cost sharing subaccount establishment
  - Pseudo source account will not be used in actual cost sharing entries, but will be used by the cost sharing subaccount to handle KFS cash transfers, which occur in the background
• Actual source account used as the Organization Document Number
• One input form per actual source account
• Cost sharing certification to be discontinued due to integration of cost shared effort into KFS effort report

Key Steps
• Create cost sharing sub-account (done by ORS Accounting)
• Create “pseudo” source account (done by ORS Cost Studies with assistance of Fiscal Authority)
• Submit cost sharing input form (done by document initiator or Fiscal Authority) via ad hoc route for approval to ORS Cost Studies group

Cost Sharing Document Workflow Notes
Here is a basic document workflow. Please remember that every person requested to approve the document (unless approval is requested from a group) must approve the document before it gets posted to KFS.

Initiator (person other than the Fiscal Authority) → Fiscal Authority → UH ORS Cost Studies group (ad hoc approval) → KFS

If the cost sharing document includes another Fiscal Authority’s accounts or personnel, the initiating unit may ad hoc request for acknowledgment, the other Fiscal Authority so that he or she may be in the loop. We recommend acknowledgment over approval because all persons or groups must approve before a document can be posted.
Cost Sharing Object Codes

**From Account Number**

7820 – CS Personal Services (i.e. salaries & wages)

7821 – CS Fringe Benefits

7822 – CS Direct Costs

7823 – CS Equipment

7824 – CS External Support

7825 – CS Unrecovered F&A (f.k.a Indirect Costs)

7826 – CS Tuition Waiver

**To Account Number**

7810 – CS Personal Services (i.e. salaries & wages)

7811 – CS Fringe Benefits

7812 – CS Direct Costs

7813 – CS Equipment

7814 – CS External Support

7815 – CS Unrecovered F&A (f.k.a Indirect Costs)

7816 – CS Tuition Waiver