

Procedure for Transferring Fringes

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1. How fringes are charged: Two methods
 - a. **Actual fringe** charges are posted directly to departmental accounts or a grant fringe pool. If salary is charged to a general ledger account, then the actual fringe charges are charged to the same general ledger account. If salary is charged to a Grants module account, then actual charges are posted to a grant fringe pool.
 - b. **Fringe rates** are also charged. There are small fringe rates charged to GL accounts and federally approved fringe rates are charged to grants module accounts. This type of Fringe Rate will not need to be adjusted by the departments.
2. Fringes for salaries charged to GL accounts
 - a. The following fringe benefits expenditures are directly charged through the fringe actual process: Insurance 5650201, (not including retiree and graduate assistant insurance), retirement 5650603, social security 5650101, and Medicare 5650101.
 - b. The remaining fringe benefits expenditures are charged through a fringe benefit rate process: Workers' compensation, unemployment, insurance for retirees, graduate assistant insurance, and the PEIA administration fee. There are different rates charged for each campus. This type of Fringe Rate will not need to be adjusted by the departments.
3. Fringes for salaries charged to Grants module accounts
 - a. The grants module accounts are assessed the fringe benefits rates that are approved by the federal government
 - b. The actual fringe expenditures are posted to a grants fringe pool depending upon the type of grant account. (Main Campus State, Health Science Center State, Potomac State College, Parkersburg, WVU Tech, or Research Corp)
4. Labor Distribution Adjustments (LDAs) and the effect on fringes
 - a. Actual fringe charges do not move when an LDA is processed. In most cases, cost transfers are necessary.
 - b. If transfers are not made, this could adversely affect financial reporting and funding.
 - c. The charges that result from the application of fringe rates do move with the payroll, and cost transfers for fringe rate line items are not necessary. (i.e. line items 5650901 – 5650909)
5. Fringe Cost Transfer Guidelines
 - a. Below is the procedure for looking up a single employee by knowing the employee's employee number and date the check was distributed.

- b. MAP users with the WVUHR LD EBO USER responsibility have access to a report, the WVU Fringe Actual Detail Report, to help properly account for fringes during the Labor Distribution process.
 - c. Instructions for the report are available on the ITS knowledge base (<http://intranet.finance.wvu.edu/map/>)
 - Go to <https://it.wvu.edu/it-services>
 - click on Training
 - click on MAP
 - d. If an LDA is processed, a corresponding transfer of fringes is probably necessary.
 - e. Check the fringe report to see where the fringes were posted.
 - f. If the salary was moved to another accounting string, a transfer may be necessary.
6. Other Tip
- a. Watch out for crossing entities. If transfers affect WVU state accounts and Research Corporation accounts, a Transfer between bank accounts in Mountaineer Marketplace needs to be created for the entity that is being charged. Once the check/ACH is issued, it will need deposited in the account that is to be credited.

Fringe Cost Transfers

Purpose

This document outlines the proper steps to move actual fringe charges once a Labor Distribution Adjustment (LD adjustment) is complete. Actual fringe charges do not move when a LD adjustment is processed. Fringes should always follow the accounting string from which personal services are paid. An Internal Transfer form or a Bank to Bank Transfer form needs to be completed in Mountaineer Marketplace by the department to move fringes from the actual distribution accounting string to the adjusted distribution accounting string.

Departmental Responsibilities

Departments need the employee fringe detail information and payroll distribution adjustment lines to move the fringes. The department should have a copy of the Payroll Distribution Adjustments Form that is submitted in MAP when a labor adjustment is completed. This form will aid in deciding how the fringes will need to be transferred. If salaries are being paid for by more than one accounting string then, fringes will also be paid from more than one accounting string. The percentages for fringes will be the same as the salaries.

The departments will also want to create and maintain some sort of log of what employee fringe transfers they process as the fringe information that is pulled from the system in the details below is Static information based on when the payroll & fringe originally processed. Meaning when a fringe transfer is complete, your DA & Funds will be corrected, but the "WVU Fringe Actual Detail Report" will not show an update. This is due to the fringe transfer processing through the Accounts Payable module of MAP and is not linked to an identifier in the LD module to update. Keeping a log on the department level is the only way to make sure that if a future LDA and Fringe Transfer is needed on the same employee and time period, that previous fringe adjustments have been considered and proper accounting is being followed.

Below is the procedure for looking up a single employee by knowing the employee's employee number and date the check was distributed.

MAP users with the WVUHR LD EBO USER or WVU LD VIEW responsibility have access to a report, the WVU Fringe Actual Detail Report, to help properly account for fringes during the Labor Distribution process.

Instructions for the report are available on the ITS knowledge base

Go to <https://it.wvu.edu/it-services>

Click Training

Click MAP

Review listed Articles for LD Reports

If users have difficulties using the report, contact the OIT Help Desk at 293-4444, option 1 or at oithelp@mail.wvu.edu.

Different Transferring Scenarios

Many scenarios exist for moving fringes. Here are the types of scenarios in which a fringe cost transfer must be completed:

- 1) An LD adjustment is completed transferring payroll charges from one general ledger (GL) account to another GL account.
 - Obtain the fringe detail by using the WVU Fringe Actual Detail Report,
 - Complete the proper cost transfer electronic paperwork in Mountaineer Marketplace to transfer the fringes from the GL account that was credited by the LD adjustments to the GL account that received the LD adjustment debit. For specific forms refer to page 11.

- 2) An LD adjustment is completed transferring payroll charges from a GL account to an OGM account (POETA).
 - Obtain the fringe detail by using the WVU Fringe Actual Detail Report,
 - Complete the proper cost transfer electronic paperwork in Mountaineer Marketplace. The GL account needs to be credited for the actual fringes and the grant fringe pool needs to be charged. The POETA that the LD adjustment was transferred to will be assessed the proper fringe rate through the normal OGM burdening process. However, the actual fringe expenditures that were on the GL account need to be moved to the grant fringe pool. There are several grant fringe pools that are used and here are the descriptions and accounting strings to be used for each one:

If the POETA is a Main Campus POETA (Award ends in “W” and belongs to the Main Campus), charge the following accounting string:

Grant Fringe Pools	Campus	DA	Fund	Line Item	Function	Project
Main Campus	11	799020018 for Regular Awards or 799020019 for Cost Share Awards	11100096	565XXXX	998	99999999

If the POETA is a Health Science POETA (Award ends in “W” and belongs to the Health Sciences Center Campus), charge the following accounting string:

Grant Fringe Pools	Campus	DA	Fund	Line Item	Function	Project
Health Sciences	11	799020020 for Regular Awards or 799020021 for Cost Share Awards	11100096	565XXXX	998	99999999

If the POETA is a Research Corporation POETA (Award ends in “R”), charge the following accounting string:

Grant Fringe Pools	Campus	DA	Fund	Line Item	Function	Project
Research Corporation	11	799020028 for Regular Awards or 799020029 for Cost Share Awards	71212267	565XXXX	998	99999999

3) An LD adjustment is completed transferring payroll charges from an OGM account (POETA) to a GL account.

- Obtain the fringe detail from the fringe website,
- Complete the proper cost transfer electronic paperwork in Mountaineer Marketplace. For specific forms see pages 11. The grant fringe pool account needs to be credited for the actual fringes and the GL account needs to be charged. The POETA that the LD adjustment credited will have the fringe rate reduced through the normal burdening process in OGM. However, the actual fringe expenditures that were in the grant fringe pool need to be moved to the GL

account. There are several grant fringe pools that are used and here are the descriptions and accounting strings to be used for each one:

If the POETA is a Main Campus POETA (Award ends in “W” and belongs to the Main Campus), credit the following accounting string:

Grant Fringe Pools	Campus	DA	Fund	Line Item	Function	Project
Main Campus	11	799020018 for Regular Awards or 799020019 for Cost Share Awards	11100096	565XXXX	998	99999999

If the POETA is a Health Science POETA (Award ends in “W” and belongs to the Health Sciences Center Campus), credit the following accounting string:

Grant Fringe Pools	Campus	DA	Fund	Line Item	Function	Project
Health Sciences	11	799020020 for Regular Awards or 799020021 for Cost Share Awards	11100096	565XXXX	998	99999999

If the POETA is a Research Corporation POETA (Award ends in “R”), credit the following accounting string:

Grant Fringe Pools	Campus	DA	Fund	Line Item	Function	Project
Research Corporation	11	799020028 for Regular Awards or 799020029 for Cost Share Awards	71212267	565XXXX	998	99999999

Please see attachment A for various examples.

To assist you with the various types of electronic forms to use for cost transfers, visit Mountaineer Marketplace within WVU Portal and click on Mountaineer Marketplace on the Administration Tools tab: <https://portal.wvu.edu/>. Once Mountaineer Marketplace has come on your screen, click on MM General Training for more information.

If you have any questions regarding the transferring of fringes related to LD adjustments, please contact Trey Wertz at Robert.Wertz@mail.wvu.edu, Jaime Bunner at Jaime.bunner@mail.wvu.edu, or our vanity account at Cost@mail.wvu.edu

Attachment A

Examples of fringe transfers

- 1) An LD adjustment is processed for a payroll cycle for an employee transferring 100% of their salary from GL account A to GL account B.
 - The fringe detail for the employee's payroll cycle is obtained by using the WVU Fringe Actual Detail Report.
 - From the report, it can be seen that their fringes were posted to GL account A (the account they were originally paid from).
 - Electronic paperwork in Mountaineer Marketplace needs to be completed that transfers all of their fringe charges for the payroll cycle from GL account A to GL account B.

- 2) An LD adjustment is processed for a payroll cycle for an employee transferring 75% of their salary from GL account A to a Research Corporation OGM account (POETA with award ending in "R").
 - The fringe detail for the employee's payroll cycle is obtained by using the WVU Fringe Actual Detail Report.
 - From the report, it can be seen that their fringes were posted to GL account A (the account they were originally paid from).
 - Electronic paperwork in Mountaineer Marketplace needs to be completed that credits 75% of the fringe charges that had been charged to GL account A for the employee's payroll cycle and charges the appropriate grant fringe pool. Because it is a Research Corporation OGM account, the proper pool to be charged is:
11.799020028.71212267.fringelineitems.998.99999999

- 3) An LD adjustment is processed for a payroll cycle for an employee transferring 50% of their salary from a Main Campus OGM account (POETA with an award ending in "W" and belonging to the Main Campus) to GL account A.
 - The fringe detail for the employee's payroll cycle is obtained by using the WVU Fringe Actual Detail Report.
 - From the report, it can be seen that their fringes were posted to the grant fringe pool for Main Campus OGM accounts.
 - Electronic paperwork needs to be completed that credits 50% of the fringe charges that had been posted to the Main Campus grant pool for the employee's payroll cycle and charges GL account A.

Forms for Fringe Cost Transfers Documentation

These are the possible form scenarios to move fringes.

- 1) Transferring fringes from a State general ledger account to a State general ledger account **OR** RC GL account to RC GL Account.
 - a. Form needed: Internal Transfer located within Mountaineer Marketplace

- 2) Transferring fringe from State account to Research Corp account
 - a. Forms needed: Transfer between Bank Accounts

- 3) When moving fringes from a Research Corp Account to State account
 - a. Forms needed: Transfer between Bank Accounts

For Instructions on how to properly fill out these forms, please refer to Mountaineer Marketplace for guidance. You can reach Mountaineer Marketplace via WVU Portal and then clicking Mountaineer Marketplace in the Administration Tools tab: <https://portal.wvu.edu/>. Once Mountaineer Marketplace has come on your screen, click on MM General Training for more information.

If these self-guided instructions on Mountaineer Marketplace do not answer your questions on how to complete the forms, please contact PCPS at PCPS@mail.wvu.edu.

Vocabulary Words

Actual fringes – The employer portion of Social Security, Medicare, Insurances, and Retirement.

Fringe Rate – a percentage of salary charged to an account to recover charges incurred by WVU/WVURC.

Fringe Rate Line items:

5650901 Fringe Benefits – Fringe Reimbursement – Benefits Eligible

5650902 Fringe Benefits – Fringe Reimbursement – Non-Benefits Eligible

5650904 Fringe Benefits – Fringe Reimbursement – Grad Student

5650905 Fringe Benefits – Fringe Reimbursement – Student

General Ledger Accounts (GL Accounts) – Accounting strings containing a campus, DA, Fund, Line Item, Function, and Project 99999999 are posted directly to the General Ledger.

Grants Module – Accounting strings called POETAs which contain Project, Organization, Expenditure Type, Task, Award are posted directly to the grants module. (It is the official record for all WVU/WVURC sponsored award work.)

Fringe Cost Transfer Guidelines – List of instruction for moving actual fringe charges after a labor distribution is complete.

Labor Distribution Adjustment LDA – Payroll cost transfers processed through the labor distribution module.

WVUHR LD EBO USER responsibility – A MAP responsibility used for doing labor distribution adjustments.

Tips and Tricks

When pulling the WVU Fringe Actual Detail Report and it comes up blank, check to see if the employee is a Research Corporation Employee. If so, the fringes are managed separately, and a fringe actual transfer is not needed.

When pulling the WVU Fringe Actuals Detail Report and it comes up blank, check to see if the employee is a Graduate Assistant or Student Worker that is enrolled Full-Time. If so, they COULD BE exempt from FICA tax and have no other eligible benefits and therefore may not have any associated fringe actuals for that pay period (check each pay cycle involved as it could differ paycheck to paycheck).

If processing an LDA on or off of a Federal Workstudy Fund (ex. 11481495) the fringe is unallowable to that fund. Rather, the Fringe Transfers should be directed to 11100458.

Fringe information that is shown on the WVU Fringe Actual Detail Report is Static information based on when the payroll & fringe originally processed. Meaning when a fringe transfer is complete, your DA & Funds will be corrected, but the "WVU Fringe Actual Detail Report" will not show an update. Departments are asked to keep a reference log of their Fringe Transfers in the event that a second LDA occurs on the same employee during the same pay cycle.

If you have any questions regarding the transferring of fringes related to LD adjustments, please contact Trey Wertz at Robert.Wertz@mail.wvu.edu, Jaime Bunner at Jaime.bunner@mail.wvu.edu, or our vanity account at Cost@mail.wvu.edu.

Grant Fringe Pools Funds & related department activity		
Entity	Fund	DA
State Entity	11100096 WVU OGM Fringe Pool	799020018 - Main Campus Regular Grant OGM 799020019 - Main Campus Cost Share OGM 799020020 - HSC Campus Regular Grant OGM 799020021 - HSC Campus Cost Share OGM
	21103732 PSC OGM Fringe Pool	799020022 - PSC Campus Regular Grant OGM 799020023 - PSC Campus Cost Share OGM
	31103731 PARK OGM Fringe Pool	799020024 - PARK Campus Regular Grant OGM 799020025 - PARK Campus Cost Share OGM
	41103733 TECH OGM Fringe Pool	799020026 - TECH Campus Regular Grant OGM 799020027 - TECH Campus Cost Share OGM
RC Entity	71212267 RC OGM Fringe Pool	799020028 - RC Campus Regular Grant OGM 799020029 - RC Campus Cost Share OGM

Swapping with the same entity - Use the Internal Transfer form

Swapping between the entities - Use the Vendor's Invoice form and attach a Misc Receipt

Line Items	
Common Fringe Actuals	5650101 FICA Matching - Employer's matching share of Federal Social Security Taxes 5650201-5650202 PEIB Insurance Premiums & Escrow Payments to Prepay Plans 5650301-5650303 Health and Life Ins for Federal Employees *Only applies to 7 employees 5650601-5650602 Pension and Retirement & CRS Retirement - Nonfederal
	5650806 WV OPEB Contributions-Retiree Subsidy
	5650901 Fringe Benefits - Fringe Reimbursement - Benefits Eligible 5650902 Fringe Benefits - Fringe Reimbursement - Non-Benefits Eligible 5650903 Fringe Benefits - Fringe Reimbursement - Students 5650904 Fringe Benefits - Fringe Reimbursement Grad Stud 5650905 Fringe Benefits - Fringe Reimbursement Student 5650906 Fringe Benefits - Fringe Reimbursement - Benefits Eligible WVURC 5650907 Fringe Benefits - Fringe Reimbursement - Non Benefits Eligible WVURC
	Fringe Rate *DO NOT TOUCH
Any other 5650xxx that you may encounter should be consulted with Cost accounting prior to moving	

Notes & Exceptions:

If you pull Fringe Detail and nothing comes up, check to see if the employee is a full-time enrolled student in a SW or GA position. If so, they are exempt from FICA and are not eligible for any other fringe benefit. So a blank report is okay. It means there are no fringes to transfer!

Do not charge Fringe Detail to FUND 11481495 (Federal Workstudy). If you have an LD that involves this fund, the Payroll may go there, but the Fringe will need to be placed on Fund 11100458.

Remember to think about arrears when pulling data!! LD goes by date earned, but the Fringe Detail Report goes by Check Date.

The Fringe Detail Report only shows the charge at the time of creation. Any movement you do will not be reflected in the Report if pulled at a later date, so keep a spreadsheet of your Fringe movements in case you moved LD on the same employee for the same period of time.

The Fringe Detail Report only pulls one employee at a time. You may request bulk data by DA or Fund by e-mail Robert.Wertz@mail.wvu.edu or Cost@mail.wvu.edu. If you need this frequently, contact ITS to build a Data Miner Report.

You can always ask questions or request for Cost to review your transfers. Please e-mail Robert.Wertz@mail.wvu.edu or Cost@mail.wvu.edu

Additional Information can be found on our webpage at <http://financialservices.wvu.edu/cost-compliance>