



**Charging Trust Employee Pay to Fund 100  
Interagency Transfer Agreements (IATs)**

**FACT SHEET**

**NEW POLICY**

Effective April 2006, Smithsonian policy was changed to allow reimbursement of trust employee salaries and benefits from Interagency Transfer Agreement (IAT) funds when these employees are used to provide services on these sponsor-funded projects. At the Smithsonian, IATs are recorded as Fund 100 (No-Year Federal) funds and include only those designated codes starting with "799."

This policy change does not affect any other provisions or requirements of SD 319, *Interagency Transfers*. The following administrative and accounting procedures shall be followed when trust employee(s) are used on Interagency Transfer Agreements.

**ADMINISTRATIVE GUIDELINES**

Use of trust employee staff hours (including actual trust employee salaries and benefits) will be clearly identified in the original or amended IAT budget proposals to inform the Federal sponsor that Smithsonian trust employees are being proposed to provide the requested goods or services.

**ACCOUNTING GUIDELINES**

Trust employee salaries and benefits (object classes 11xx and 12xx) cannot be directly charged against the IAT chartfield because Fund 100 is a Federal fund source. Therefore, the following procedures must be followed precisely to properly record the IAT reimbursement in the financial system:

1. Trust employee salary and benefits will be charged to a special Fund 401 trust chartfield whenever the employee is working on the IAT. This is the only valid chartfield for IAT status trust employees.
  - a. All SI units will charge trust employee salaries and benefits to the following chartfield, when these employees are in approved "IAT status."

Fund	Budget Reference	Designated Code	Department ID
401	2006 (or current year for subsequent allocations)	040179 IAT Clearing Account- Trust Personnel	YYxxxx Where YY = your major Dept_ID

- b. A temporary Fund 401 allocation must be established before trust employee pay costs can be charged to the above chartfield. Unit Financial Officers will use the Budget Transfer Request (BTR) form to request OPMB to establish this temporary allocation. The amount requested for this allocation will not exceed amounts included in the IAT agreement/budget proposal for trust employee pay.



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- i. Enter the estimated fiscal year amount for trust employee salaries and benefits in the “To” portion of Section A (PeopleSoft Chartfield Data).
    - ii. Leave the Section A “From” portion of the BTR form blank.
    - iii. Enter the position title and name of the trust employee(s) who will earn the IAT reimbursement into Section B (FTE Data), and include the employee’s annual salary.
  - c. While in IAT status, trust employees will not be charged to Government Grants and Contracts (Fund 803) or any other sponsor/donor-designated chartfield in Funds 801, 802, or 6xx. There are no exceptions.
  - d. Units must submit a revised Payroll Accounting Maintenance Document form prior to or concurrent with a trust employee entering IAT status.
  - e. The employee and his/her supervisor will keep written records on the number of hours worked on each individual IAT program following existing office procedures.
2. On a quarterly basis, Units will submit an Inter-Unit Reimbursement form (SI-3725) to OC to request that incurred trust employee salaries and benefits costs be reimbursed by the IAT program using the following procedures. A sample SI-3725 form is attached for reference.
- a. Actual salaries and benefits costs incurred by the trust employee while in IAT status will correspond to the amount reported against Fund 401/DSGC 040179 and verified, by individual IAT project, through calculations by the Unit’s financial officer. This amount is to be entered into the “To” section of the Inter-Unit Reimbursement form using the Fund 401 IAT Clearing Account chartfield, plus Account Code 6998, and Class Code 2531 (IAT In-house Consultant). This new class code will only be used for trust employees assigned to work on IAT projects.
  - b. Enter the exact same amount in the “From” section of the form using the appropriate Fund 100 IAT budget reference and designated code, along with Account 6999 and Class 2531.
3. Any trust employee salaries and benefits costs not cleared out of the Fund 401 IAT clearing account using the above procedures by September 30<sup>th</sup> of each fiscal year, will be reassigned to the Unit Director’s Fund 402 account (DSGC 040201) by OPMB for further distribution by the Unit Financial Officer.
4. If you have any questions, please contact Karen Otiji in the Office of Sponsored Projects at 202-275-0677 or Amy Crochiere in OPMB at 202-633-5207.

**FROM (PURCHASE) CHARTFIELDS**

ITEM NO	FUND	BUD REF	DESIGNATED CODE	DEPARTMENT ID	ACCOUNT	CLASS	PROGRAM	PROJECT ID	ACTIVITY ID	AMOUNT
1	100	2006	799xxx	33xxxx	6999	2531	4000			2500.00
2										
3										
4										
<b>FROM DEBIT TOTAL</b> →										2500.00

**TO (SALE) CHARTFIELDS**

ITEM NO	FUND	BUD REF	DESIGNATED CODE	DEPARTMENT ID	ACCOUNT	CLASS	PROGRAM	PROJECT ID	ACTIVITY ID	AMOUNT
1	401	2006	040179	33xxxx	6998	2531				2500.00
2										
3										
4										
<b>TO CREDIT TOTAL</b> →										2500.00

ITEM NO.	DESCRIPTION OF SUPPLIES OR SERVICES
1	Reimbursement for trust salaries and benefits for IAT work for the following employee: Worker Bee
2	
3	
4	

PURCHASE (FROM) APPROVED BY	
NAME	DATE
ORGANIZATION	PHONE NUMBER

SALE (TO) APPROVED BY	
NAME	DATE
ORGANIZATION	PHONE NUMBER

**INSTRUCTIONS FOR SI-3725  
INTER-UNIT REIMBURSEMENTS**

Please read the following instructions before filling out the information. Questions on the preparation of the SI-3725 should be addressed to the Office of the Comptroller, Financial Analysis and Reporting Division, 750 Ninth Street, N.W., Suite 5100, Washington, D.C. 20560.

**NOTE: SUBMIT ORIGINAL WITH SIGNATURES TO OC. RETAIN ONE (1) COPY FOR UNIT PURCHASING FILE. PROVIDE ONE (1) COPY TO SELLER.**

1. **TRACKING #**

Each SI unit should designate an individual to be responsible for assigning the unit's internal tracking number on electronic forms. The Tracking Number is a 15-digit code to be placed in the upper right-hand corner of the forms. The 15-digit code is comprised of a 4-digit Year, a 6-digit Department ID, and a 5-digit sequential number (such as 00001, 00002, etc.) An example of an appropriate Tracking Number would be "2003-146700-00001." Although the Tracking Number is 15-digits in length, the first electronic form prepared by the assigned unit staff member can be saved on his/her computer and will require only the last set of numbers to be updated each time a new form is issued.

2. This form must be approved by both the purchaser and the seller or it will not be processed by the Office of the Comptroller (OC).
3. Original printed form should be circulated for signatures of purchaser and seller. Once all appropriate signatures are obtained, copies should be made for purchaser and seller.
4. **Payroll reimbursements may not be processed with this form.**
5. Because of federal requirements, and for year-end report consolidation purposes, transactions must be consummated and reported in the same fiscal period. See year-end closing schedule.
6. Submit this form to the Office of the Comptroller, Financial Analysis and Reporting Division, Victor Building, 750 Ninth Street, N.W., Suite 5100, Washington, D.C. 20560.