



Labor Redistribution

The Labor Redistribution (LR) process is used to correct all fund, organization, account, and program code errors for labor charged in the current fiscal year. All labor redistribution transfer requests require proper completion and must include the appropriate signature approvals.

LRs are only allowed within the same fiscal year. Any labor moves for prior fiscal years are completed through a JSPC (unrestricted funds) or JPAY (restricted funds) on the journal voucher (JV) form. Visit the [JSPC/JPAY page](#) for instructions on processing these documents.

Send all approved documents (JSPC, JPAY & LR) directly to the [Budget & Cost Records team](#). Do NOT send them to a specific OFA staff member.

Normally, you cannot use JVs to redistribute labor since it is important for the Banner HR and Banner Finance systems to reflect the same information. LRs made in Banner HR feed over to Banner Finance, but JV entries in Banner Finance do not feed over to Banner HR.

Note: The following errors are not correctable by an LR. Contact UA HR office to correct them:

- Additional hours due to an employee
 - Overpayment to an employee or overcharged department funds
 - Leave hours not recorded, recorded in error or recorded under the wrong earnings code
 - Change of position control number (PCN)
 - Changes to staff benefits rates
- Staff benefit charges are automatically transferred when labor redistributions are processed in Banner HR. Errors in staff benefit charges/redistributions should be forwarded to the Benefit Technician in Statewide Human Resources.

Entry Schedule

LRs are entered by UAF Budget Office and processed in adjustment runs by Statewide Human Resources.

LR dates are found on the [Calendar - HR Processing](#). Look for Adjustment Run, the run numbers included in that process are documented in parentheses (e.g., Adjustment Run (CY22 R15 – R26)).

[Adjustment Run Schedule document from UA HR](#)

Note: January is the only exception to this while statewide processes W-2's. Once statewide starts their process (usually the middle of December), there are no LRs entered until further notice from statewide. All dates are subject to change and updates are made accordingly.

There are cutoff dates for processing labor reallocations from the prior calendar year. Grant funds must be open and active for keying and processing.

It is critical to process labor redistributions immediately once an error is identified, and as soon as possible after the pay period ends.

Timeliness in identifying and correcting accounting errors is critical, especially at year end.

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Completing the Form

Always use the enterable form on our website:

- Identify the labor distribution error: You can review labor information on the NHIDIST form in Banner or DSD.
- Obtain an [LR form](#) from our forms webpage.

Prepare the LR with the Following:

- **MAU/Major Administrative Unit** - This is the regional campus.
- **Check Distribution** - Provide TKL (Time Keeping Location) number used to designate specific University departments.
 - It is a "T" followed by a 3-digit number.
 - Found on the timesheet or on the NBIJLST form in Banner.
- **Employee Name** - Last name, first name and middle initial; it must match Banner.
- **Employee Banner ID Number** - Found in Banner.
- **Employee's Work Phone** - Not required.
- **FY** - Designate the fiscal year in which the LR will be processed (**must** be the current fiscal year).
- **Begin Year** - Beginning calendar year in which the original labor charges to be corrected were processed.
- **Begin Pay No** - Beginning pay period in which the original labor charges to be corrected were processed.
- **End Year** - End calendar year in which the original labor charges to be corrected were processed.
- **End Pay No** - End pay period in which the original labor charges to be corrected were processed.
- **Posting Date** - Not required.
- **Position** - The position control number (PCN) of employee for labor charges to be redistributed.
- **EC** - Not required but you can use it if only one earnings codes will be moved. If more than one earnings code is moved, use the earnings code field next to each row to indicate what each earnings code is.
- **Fund** - Not required.
- **Orgn** - Not required.
- **Acct** - Not required.
- **Earnings Code** - Use this field when you are moving more than one earnings code to indicate the earnings code for each line.
- **Run No.** - Indicate the payroll run number for the original charges. It specifies which run the original charges were processed.
- **Change**
 - OLD lines are what is currently in Banner that you want moved.
 - Enter the new distribution on the NEW lines where you would like it to be moved to.

ONLY USE ONE OF THE FOLLOWING:

- **Hours**
 - Usually for moving hours for an hourly employee.
 - Enter original hours charged on OLD lines.
 - NEW lines should equal the OLD lines.
- **% (Percentage of Effort)**
 - Usually for exempt employees or those charging a certain percentage to a match or grant.
 - Enter original percent charged on OLD lines.
 - NEW lines should always equal the OLD lines.
 - **Note:** If 40% of the effort is charged to one fund/org combination and you want to move all 40%, the percentage is **NOT** 100%. It is still 40%, the percentage you want to move.
- **Amount**
 - Usually for closing out a match or grant.
 - Enter original amount charged on OLD lines.
 - NEW lines should always equal the OLD lines.

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Fill in the Following:

- **Fund, Orgn, Acct**
 - The OLD numbers should reflect the FOA that were originally charged for the labor.
 - The NEW numbers should reflect where the labor should be charged in Banner HR.
- **Prog**
 - DO NOT ENTER A PROG, unless you are specifically correcting program code errors.
 - If you have an activity code that needs added or changed, type it in this field.
- **Reason for Change** - Include full explanation for the redistribution.
 - This is a "why" question, not a "what" question.
 - Clearly explain why the labor is moving.
 - Attach a separate sheet if more room is needed.
 - Acceptable reasons include:
 - "Employee keyed fund/org mismatch on timesheet."
 - "Employee charged to grant instead of match in error."
 - "Job set up on incorrect org."
 - "HR keyed labor distribution wrong during job set up."
 - "EPAF was not submitted on time."
 - **Important:** Forms are NOT accepted without this field completed.

Required Signatures

1. Employee (or PI on grants and contracts).
2. Supervisor or Department Head - This is the person that signs the time sheet as supervisor. Note: PI's cannot sign their own LR's as both the Employee and as Supervisor/Department Head.
3. Grants & Contracts approval from appropriate MAU (restricted funds only that is mostly used with 60 day memo) (Send the LR form, all backup and 60 Day CTM directly to the [Budget & Cost Records team](#), not a specific individual; we will route it to OGCA for approval)
4. Clearly handwritten or typed name of and phone number for the person completing the LR form.
 - This is not a signature.
 - This is used if questions arise about the LR.

Required Backup

Required Back up for **Non-Exempt** employees:

- Attach a copy of NHIDIST print-screens or other appropriate backup showing the employee's name and the run number.
- Attach a new revised timesheet with correct information, signed by employee and supervisor, or copy of the original timesheet if the original timesheet was correct.
 - The HR Coordinator/Fiscal Officer may sign on behalf of an unavailable employee.
- Attach a 60 Day Cost Transfer Memo (CTM) to the LR for any labor moving to or from restricted funds that is more than 60 days old (PI must sign LR form as well as CTM) (Does not apply to FFEA or FWS funds).
 - The template is on the [OGCA website](#) under "Post-Award Forms."
- Send the LR form, all backup and 60 Day CTM directly to the [Budget & Cost Records team](#) (not a specific individual); we will route it to OGCA for approval.

Required Back up for **Exempt** employees:

- Attach a copy of NHIDIST print-screens or other appropriate backup showing the employee's name and the run number.
- **PI must sign LR form for ANY Exempt restricted funds movement of exempt employee labor.**

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- Attach a 60 Day Cost Transfer Memo (CTM) to the LR for any labor moving to or from restricted funds that is more than 60 days old (PI must sign LR form as well as CTM) (Does not apply to FFEA or FWS funds).
 - The template is on the [OGCA website](#) under "Post-Award Forms."
- Send the LR form, all backup and 60 Day CTM directly to the [Budget & Cost Records team](#) (not a specific individual); we will route it to OGCA for approval.

Missed GEC Deadline

Allocability Requirements for Labor Transfers After Effort Certification Deadlines

Purpose

This communication serves as a reminder of the documentation required when requesting labor redistributions (LRs) or journal payroll adjustments (JPAYs) after the effort certification deadline, particularly when moving labor to a restricted fund. In such cases, the request must **clearly** demonstrate that the labor is **appropriately allocable** to the receiving funds.

Why Allocability Must Be Established

Federal cost principles under 2 CFR 200.405 (allocability) and 2 CFR 200.430 (compensation for personal services) require that expenses charged to sponsored projects must directly benefit the project being charged. Once effort has been certified, retroactive changes are subject to heightened scrutiny. We must be able to demonstrate that the work performed was within the scope of the receiving project. Transfers made solely to resolve a deficit are not allowable.

Applicability to All Employees

This process applies to **both exempt and non-exempt employees**. While non-exempt employees are considered to certify effort through their biweekly timesheets, any labor moved after the effort certification period—whether biweekly for non-exempt or three times annually for exempt—must still meet the same standards for allocability and documentation. The requirement to demonstrate that labor directly benefited the receiving project applies consistently across all employee types.

Required Information for LR or JPAY Requests

To ensure timely review and compliance, all requests for LR or JPAY approval must include the following:

- Subject line: "LR or JPAY Approval"
- In the body of the email:
 - Employee name(s)
 - Run number(s)
 - Hours
 - Dollar amounts
 - From: fund/org → To: fund/org
 - Explanation for why the original deadline was missed.
 - **If transferring to a restricted fund:** A brief statement of what work was performed and how it aligns with the receiving project's scope of work.

These emails must establish a clear, self-contained justification that supports approval without needing to reference additional documentation. This ensures our records are audit-ready and can stand alone if selected for review.

Statements such as "the PI was working on the other project" or "the original fund was overrun" **do not** meet allocability requirements. The connection between the labor and the receiving project must be clearly stated.

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If approval is received, attach the response to your documentation and forward it to uaf-budget@alaska.edu as part of your backup.

Also, please be sure to send **updated** GECs to uaf-ecert@alaska.edu as applicable.

Closing Note

Thank you for your continued attention to compliance and responsible stewardship of sponsored funds. If you have any questions about these requirements or need help determining allocability, please reach out to OGCA.

*Submit to [Allanah Gonzalez](#) at OGCA for approval until further notice.

Once the restricted funds labor effort has been certified (by GEC timeframes), labor is not movable! Pay attention to Certification Deadlines.

Spring 2025 (R03-R10)

- Time: January 12, 2025-May 3, 2025
- Printing: May 19, 2025
- Certification Statement Deadline: June 16, 2025

Summer 2025 (R11-R17)

- Time: May 4, 2025-August 9, 2025
- Printing: August 18, 2025
- Certification Statement Deadline: September 22, 2025

Fall 2025 (R18-R02)

- Time: August 10, 2025-January 10, 2026
- Printing: January 19, 2026
- Certification Statement Deadline: February 23, 2026

Spring 2026 (R03-R10)

- Time: January 11, 2026-May 2, 2026
- Printing: May 18, 2026
- Certification Statement Deadline: June 22, 2026

Our staff (uaf-budget@alaska.edu) are happy to answer questions and help navigate the labor redistribution process.

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