

ARRA QUARTERLY JOBS CREATED OR RETAINED PROCEDURES AND EXAMPLE

INTRODUCTION:

The procedures outlined in this document were utilized to generate the ARRA report on jobs created/retained and job descriptions for all grants and contracts funded by the American Recovery and Reinvestment Act. Northwestern University adheres to the guidelines set forth by Section 1512 of the Recovery Act. The procedures comply with the OMB memo (M-10-08) published on December 18, 2009.

Number of Jobs created or retained is calculated based on the salaries and/or wages charged to the ARRA projects. One full-time FTE is based on 489 hours per quarter (163 hours per month). 489 hours are derived from the following calculation:

Pay Periods /Year	Std Hrs/Week	Hrs/Year	Hrs/Mon	Hrs/Qtr	FTE
26.1	37.5	1957.5	163	489	1

Two weeks constitute one pay period. Indirect costs, such as departmental administration, is not allowed to charge to the ARRA sponsored projects unless specific terms or conditions of an award precedes this rule.

STEPS OF GENERATING THE JOBS CREATED/RETAINED REPORT:

- A. Include only payroll records that are funded by ARRA. Fund code 611 and 621 denotes ARRA funded projects.
- B. Payroll records are included for jobs calculation based on the Transaction posted date.

Quarter	Period	Payroll included for Jobs Calculations
Qtr 1	Jan 1 to Mar 31	<i>Transaction Posted Date</i> between Jan 1 and Mar 31
Qtr 2	Apr 1 to Jun 30	<i>Transaction Posted Date</i> between Apr 1 and Jun 30
Qtr 3	Jul 1 to Sep 30	<i>Transaction Posted Date</i> between Jul 1 and Sep 30
Qtr 4	Oct 1 to Dec 31	<i>Transaction Posted Date</i> between Oct 1 and Dec 31

- C. Exempt employees are paid on a 12-month basis. Deferred compensation occurs for employees with 9-month appointments. If a faculty member's appointment is 9 months, the hourly rate, hence, is restated using the following formula:
Hourly Rate * 12 months / 9 months
- D. Calculate the hours worked on ARRA projects based on Hourly Rate provided by HRIS. 1 FTE is defined as 489 hours per quarter. For each ARRA project, the # of FTEs is derived from dividing the total worked hours by 489 hours.

EXAMPLE:

A lab technician was paid \$1,630 per month from an ARRA project and his hourly rate was \$20 from Jan to Mar.

Payroll:

Period	Posted Date	Fund	Project	Pay	Hourly Rate
01/01 to 01/31	01/31	611	60012345	\$1,630	\$20
02/01 to 02/28	02/28	611	60012345	\$1,630	\$20
03/01 to 03/31	03/31	611	60012345	\$1,630	\$20

Calculation:

$\$1,630/20 = 81.5$ hours per month from January to March
 $81.5 * 3$ months = 244.5 hours, in total
 $244.5 / 489 = \underline{0.5 \text{ FTE}}$ (to be reported for the Jan-Mar ARRA reporting quarter)

- E. Retrieve the job title of position funded by ARRA from Payroll.
- F. Replace school or department specific titles with ARRA general job titles.
- G. Generate the report that includes the number of jobs created/retained and job descriptions.