A presentation by
Queen’s University
Financial Services
Research Commitments - A Look Behind this Figure
What is a Commitment?

**Commitments** are known future expenses, which have not yet been incurred. Examples of research project commitments may include the following:

- Salaries and Benefits
- Graduate Research Assistant Fellowships (GRAFs)
- Purchase Orders
- Overhead
- Travel Advances
- Subject Payment Advances
Where Can I View My Commitments?

Research project commitments can be viewed by running a **Project Summary Report** or a **Statement of Operations Research Report**.

Both reports are accessible through the **Fast Administrative Support Tool (FAST)**.
### Project Summary

**Data as of 22/03**

<table>
<thead>
<tr>
<th>Row#</th>
<th>PROJECT ID</th>
<th>PROJECT DESCRIPTION</th>
<th>PI NAME</th>
<th>DEPARTMENT</th>
<th>END DATE</th>
<th>STATUS</th>
<th>PROJECT SPENDING DEADLINE</th>
<th>SURPLUS DEFICIT</th>
<th>ACTUAL EXPENSES</th>
<th>COMMITMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3xxxxx</td>
<td>SRP - CSPC</td>
<td>Black, John</td>
<td>13903</td>
<td>Dec-31-2099</td>
<td>A</td>
<td>2099/12/31</td>
<td>11,115.59</td>
<td>4,363.41</td>
<td>1,500.00</td>
</tr>
</tbody>
</table>

Underlined values, including commitments, represent hyperlinks which you may click on to access additional details.
Salary and Benefit Commitments

Salary and Benefit commitments are calculated as:

Projected Salary and Benefits
based on approved salary contracts less
Salary and Benefit Expenses incurred to date = Salary and Benefit Commitment

In the first month of pay, salary and benefit expenses will be reflected in the research project along with the remaining commitment calculated to the earlier of the end of the contract, or the university fiscal year-end (April 30th).
Salary and Benefits Split Between Projects

If salary/benefits are split between 2 research projects (e.g. Project A and Project B), the commitment will also be split as follows:

Project A: $20,000  50% of total salary and benefits
Project B: $20,000  50% of total salary and benefits
Total: $40,000  Total Salary and Benefits
Salary and Benefits Moved From Project A to B

If salary and benefits are committed against Project A in May 2018 and are planning to be moved to Project B in November 2018, the full commitment will initially be posted against Project A (reduced each month as paid). In November, the remaining commitment will then be moved to Project B.
**Salary Accounts**

Accounts in the **500000-599999** range represent salary and benefit accounts used to identify **payroll** and **non-payroll** transactions.

<table>
<thead>
<tr>
<th>Row #</th>
<th>PROJECT</th>
<th>ACCOUNT</th>
<th>ACCT DESCRIPTION</th>
<th>PROGRAM</th>
<th>COMMITMENTS REMAINING</th>
<th>COMMITMENT TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3xxxxx</td>
<td>502300</td>
<td>BUD-Post Doc &amp; non-stu fellows</td>
<td>-</td>
<td>11,432.16</td>
<td>PAYROLL COMMITMENTS</td>
</tr>
<tr>
<td>2</td>
<td>3xxxxx</td>
<td>505000</td>
<td>BUD-Students (Research)</td>
<td>-</td>
<td>4,162.50</td>
<td>NON-PAYROLL COMMITMENTS</td>
</tr>
<tr>
<td>3</td>
<td>3xxxxx</td>
<td>550000</td>
<td>BUD-Benefits</td>
<td>-</td>
<td>2,867.71</td>
<td>PAYROLL COMMITMENTS</td>
</tr>
</tbody>
</table>
Payroll vs. Non-Payroll Commitments

**Payroll Commitments** relate to salary and benefit transactions processed by Payroll Services.

**Non-Payroll Commitments** which appear in the **500000-599999 Account** range relate to Graduate Research Assistant Fellowship (GRAF) contracts, which are processed by Accounts Payable.
GRAF commitments are reported as Non-Payroll Commitments since related transactions are processed by Accounts Payable.

GRAF commitment amounts are calculated by multiplying the current month’s payment by the number of months remaining in the GRAF contract. The remaining commitment amount is visible in the project until the end of the GRAF contract and will be reduced on a monthly basis as each payment is made.
Research project commitments may include **Purchase Orders**. Initially, Purchase Requisitions are submitted through the acQuire eProcurement system for the purchase of research related goods and services. Upon approval, Purchase Requisitions are converted into Purchase Orders. These amounts are then committed to research projects.

Visit the **Strategic Procurement Services** website for additional details regarding procurement related topics.
As Purchase Orders are paid, the payment is expensed in the research project and the related commitment is reduced accordingly.
Research Overhead

Overhead commitments reflect funds budgeted to pay for indirect costs, not yet expensed in the Queen’s General Ledger. Overhead commitments are calculated and posted to applicable research projects at the end of the fiscal month. Overhead commitments are calculated as follows:

\[
\text{Budgeted Overhead} \quad \text{less} \quad \text{Overhead Expenses} \quad \text{incurred to date} = \quad \text{Overhead Commitment}
\]

To learn more about research overhead, please refer to the Research Overhead–Understanding the Basics training material.
Example of Overhead Commitment

Amounts appearing against Account 693000 “BUD-Overhead” represent amounts reserved for research overhead.
Travel advances requested through the Employee Reimbursement System (ERS) are now committed against the applicable research project at the end of each fiscal month.
Travel Advance Commitments

Example of Travel Advance Commitment

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3xxxxx</td>
<td>640000</td>
<td>BUD-Travel</td>
<td>-</td>
<td>11,432.16</td>
<td>NON-PAYROLL COMMITMENTS</td>
</tr>
</tbody>
</table>

Once the travel claim is submitted through the ERS, the travel will be expensed in the research project and the commitment will be reduced accordingly.
Subject Payment Advances

Advances to pay subject payments or research study participants may be requested through the ERS and will be reflected as commitments in research project reports.

Subject payment advances will remain committed until the advance is accounted for through the ERS. Once accounted for, the subject payments will be expensed in the research project and the commitment will be reduced accordingly.

Visit the Financial Services website for guidance on Payments to Research Study Participants.
Subject Payment Advance Commitments

Example of Subject Payment Advance Commitment

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</thead>
<tbody>
<tr>
<td>1</td>
<td>3xxxxx</td>
<td>603000</td>
<td>BUD-Research</td>
<td>-</td>
<td>11,432.16</td>
<td>NON-PAYROLL COMMITMENTS</td>
</tr>
</tbody>
</table>

Once the related subject payment expenses are accounted for through the ERS, **Account 603005 “Subject Payment”** will be expensed in the research project and the commitment will be reduced accordingly.
Payroll Commitments in the Month of April

It is important to remember for **Salary and Benefit (Payroll) Commitments**, committed amounts will only be calculated to the earlier of the end of the contract, or the university fiscal year-end (April 30th).

**Example:** If a salary contract is processed by Payroll Services for the period September 1, 2017 to August 31, 2018, $0 commitments will appear in the month of April 2018. However, salary and benefit commitments will resume in the month of May 2018, for the balance of the contract.
Non-Payroll Commitments in the Month of April

For all other **(Non-Payroll) Commitments**, upon fiscal year-end close, committed amounts will be carried forward from April to the month of May.

Therefore, when referring back to April research reports following the year-end close, $0 commitments will appear in the month of April. Future commitments must be manually estimated when reviewing April statements.
Closing Projects

It is important to remember that before a research project can be closed, all related commitments must be cleared.

Final project expenses must be posted to the research project and all commitments must be cleared by the **Project Spending Deadline (PSD)**, which is available in the **Project Summary Report** and the **Statement of Operations Research Report**.
How may we help you today?

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          3rd Floor, Rideau Building

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