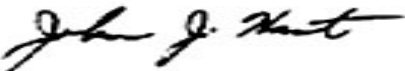




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1.0 POLICY/PURPOSE

Santa Barbara Applied Research prepares, evaluates, and maintains complete financial records of the company's business activities. The purpose of this work instruction (WI) is to document how SBAR conducts the labor distribution function.

2.0 SCOPE

This WI applies to all SBAR business units.

3.0 REFERENCES AND DEFINITIONS

3.1 References

- CP-00-3000-01 – Timesheet Preparation, Control and Processing.
- CP-00-3000-04 Payroll.

3.2 Definitions

Account. An account is the basic storage unit for accounting data.

Deltek GCS Premier Accounting System (GCAS). GCAS is a computer-based accounting system used by SBAR.

Payroll Week. The payroll week is Monday through Sunday.

Labor Distribution Report. The Labor Distribution Report is a GCAS report that allocates and summarizes employee labor hours and employee gross salary for a two-week period.


Timecard by Personnel Report. The Timecard by Personnel Report is a GCAS report that summarizes the hours charged to each project by each employee.

4.0 RESPONSIBILITIES

4.1 Accounting Assistant

The Accounting Assistant is responsible for preparing the labor distribution in accordance with the steps indicated in Section 5.0.



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4.2 Accounting Manager

The Accounting Manager is responsible for reviewing and approving the work of the Accounting Assistant in accordance with the steps listed in Section 5.0.

4.3 Employees

Employees are responsible for accurately completing their timecards (paper or electronic) each day, and signing and submitting them to the appropriate Administrative Assistant by the close of business each Monday for the previous week.

4.4 Timekeeper

The assigned Timekeeper of each business unit is responsible checking timecard (paper) data and distributing the signed timecards (paper) for appropriate manager review within each business unit.

4.5 Program Manager/Supervisors

The appropriate Program Manager and Supervisors are responsible for reviewing the timecards (paper or electronic) of the employees for whom they are responsible and approving the distribution of hours by signing the timecards (paper or electronic).

5.0 REQUIREMENTS/PROCEDURES


5.1 General

The labor distribution function is conducted on a weekly basis. The labor distribution function consists of the following steps.

5.2 Submitting and Approving Timecards

Employees sign and submit their timecards (paper) to the appropriate business unit Timekeeper by the close of business each Friday. The Timekeeper then submits the timecards to the Program Manager for review. The Program Manager or the appropriate Supervisor approves and signs the timecards and submits them to the Timekeeper. Electronic timecards are available for the Program Manager or the appropriate Supervisor for electronic approval,



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5.3 Checking Timecard Data

The Timekeeper enters the timecard data (paper) into the Timecard System. Upon completion, the Timesheet Summary Report is e-mailed from accounting for review.

The Accounting Assistant receives the hard copies of all non-electronic timecards from each business unit each Wednesday. The copies are maintained in the Accounting Department. The Accounting Associate imports the electronic timecard data into GCS.

5.4 Labor Distribution Report

After running the Timecard by Personnel report, the Accounting Associate runs the Labor Distribution report, which summarizes the total number of hours each employee charged during the two-week period and the gross salary due. The Accounting Associate checks the Timecard by Personnel report against the Labor Distribution report to ensure accuracy. Upon determination that the data are accurate, the Accounting Associate submits to the Accounting Manager for approval. Upon approval, the Accounting Associate is authorized to process the Labor Distribution and post the Journal entry.


5.5 Export ADP File

The Accounting Associate exports the ADP (payroll) file for electronic transmission to ADP from the GCS Accounting System.



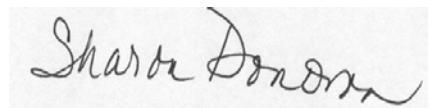
Quality Assurance Work Instruction

CP-00-3000-11

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