


Lunch & Learn Sponsored Projects

Advanced Financial Management

Today's Agenda

- Advance Policy
- Cost Accounting Standards (CAS)
- CAS Exception Process
- OMB Circular A-21 Cost Principles
- SRAS Transaction Review and Evaluation Criteria
- Cost Transfer Policy
- Closeout Issues
- OMNI Queries
- OBI Reports
- Hot Issues 
- Coming Soon...

Advance Policy

- Effective May 1, 2006
- <http://www.research.fsu.edu/contractsgrants/documents/advpolicy.pdf>
- Advance
 - Permission from Department Chair/Dean then SRS to proceed work before executed award
 - Obtain project budget
- Do not begin work/authorize subcontractors to begin work without an approved advance from SRS
- Costs incurred prior to approval of an advance
 - Start spending date vs. Award Start Date
 - Not allowed to be charged or transferred to the anticipated new or continuation project budget, or any other sponsored project (excluding SRAD funds)
- Advance Form at <http://www.research.fsu.edu/contractsgrants/documents/advform.pdf>
- Consider personnel appointment/matriculation deadlines

Advance Policy

■ Requirements

- Justification must be provided
 - Sponsor assurance of award must be attached
 - Amount
 - Begin/end date
 - Delay would
 - Adversely impact program/research or
 - Increase costs
 - Department must provide funding source in case award does not come through (direct costs only)
- Budget Summary form completion
- Human/animal subjects protocol, if required
 - If Advance is granted cannot conduct human/animal research until protocol is obtained
- Personnel Change form completion
- Subcontract generally not awarded until sponsored award executed

CAS: DS-2 Statement

- These Cost Accounting Standards require:
 - FSU discloses its “costing practices” in a formalized document, called the Disclosure Statement or “DS-2”
 - FSU follow the costing practices outlined in the DS-2
- The DS-2 describes how FSU treats costs
 - Direct costs
 - Facilities & administrative costs (indirect costs/overhead)
- FSU periodically prepares an F&A cost study to determine the F&A rate applicable to sponsored awards
 - OMB Circular A-21, Sections E-G provide guidance

CAS Applicability

CAS must be applied to:

- All Federal awards
- All awards that contain any Federal flow-through money
- Awards with terms and conditions of the proposal or award documents reference OMB Circular A-21 or Cost Accounting Standards
- Awards that are being used as cost sharing to a CAS covered project
 - Only the individual cost(s) being used as cost sharing would be subject to CAS

REMEMBER: CAS WILL APPLY TO SPONSORED AWARDS THAT MEET ANY ONE OF THESE CRITERIA.

CAS Examples

- Costs normally treated as Indirect:
 - Administrative and Clerical Salaries
 - Postage
 - Local Telephone
 - Office Supplies
 - Data Processing/Computer Supplies
 - General Purpose Software
 - Memberships
 - Subscriptions

CAS Exceptional Circumstances

- Project is a ***large, complex program***
 - Examples: Clinical Research Center, Environmental research & engineering research center, project that requires assembling & managing teams of investigators from a number of institutions
- Project involves ***extensive data accumulation***
 - Examples: analysis & data entry, surveying, tabulation, cataloging, searching literature, & reporting, such as epidemiological studies & clinical records
- Project requires ***making travel & meeting arrangements***
 - Example: Must include large numbers of participants for conferences, seminars and the like

CAS Exceptional Circumstances (cont'd)

- Project principal focus is the ***preparation & production of manuals***
 - Examples: large reports, books and monographs; does not include routine progress or technical reports
- Project is ***geographically inaccessible*** to normal departmental administrative services
 - Examples: Seagoing research vessels, radio astronomy projects, and other research field sites that are remote from campus

CAS Exception Process

- Must be documented for all federally-funded awards
- Pertains to direct charge costs that are normally treated as indirect costs
- Form at <http://www.research.fsu.edu/contractsgrants/forms.html>
 - Completed CAS Exception forms are submitted to Greg Thompson in SRS

A-21 Cost Guidelines

■ Allowable

- A cost must be allowable under both the provisions of OMB Circular A-21, Section J AND the terms of the particular award

■ Allocable

- The project which pays the expense must directly benefit from it
- The item charged to a grant must be directly related to the **objectives** of the science/research

A-21 Cost Guidelines (cont'd)

■ Reasonable

- “Prudent person” would have paid the stated amount for the goods/services
- Applied the cost to a sponsored award in the same manner

■ Consistent

- All costs are incurred for the same purpose, in like circumstances either treat as direct OR indirect costs

SRAS Transaction Review

- Requisitions \geq \$1,000
- Expense reports \geq \$1,000
- Pay requests \geq \$1,000
- Non-duty stipend requests
- Research Participant Payments
- All journal entries
 - **Cost transfer policy applies when moving charges onto/between projects**
- Interdepartmental requisitions (IDR) \geq \$1,000
- All personnel appointments
- All subcontracts/subcontract invoices

Compliance Evaluation Criteria

- Authorized Signature
 - Sponsored Project Manager or PI
- Chartfield Information
 - Dept ID, Fund Code, Project Number
- Performance Period
 - Goods or Services received and consumed within Dates of Award period

Compliance Evaluation Criteria

- Available Balance
 - Direct Cost Funds available for Expense by budget category line item
- Account or Job Code
 - Appropriate for nature of expense
- Allowable
 - OMB Circular A-21
 - Terms and Conditions support expense

Cost Transfer Policy

- Effective April 1, 2008
- <http://www.research.fsu.edu/contractsgrants/documents/costtranspolicy.pdf>
- Expenditure transfers to or between sponsored projects
- Purpose: Proper management of funds
- Audit red flags
 - Frequent transfers
 - Transfers close to end of project
 - Inadequate documentation to support transfers

Cost Transfer Policy

- Improper cost transfers
 - Cover overruns
 - Spend available balance close to end of project
 - Transfer of unallowable cost from one project to another
 - Circumvention of award limitation/restriction
 - Charge costs to one project that belong to an award not yet executed
 - Advance policy enacted for this reason!

Cost Transfer Policy

- Allowable transfers
 - Correct erroneous charge
 - Allocate portion of charge that applies to the project (e.g. split purchases)
- Must be received by SRAS as follows:
 - Payroll Cost Transfers (Retroactive Distribution of Funding) -- within 30 calendar days from the end of the month in which the error occurred
 - If there is salary funding not equal to % effort RDF required during effort certification, this is also an allowable transfer
 - Non-Payroll Cost Transfers -- within 90 calendar days of the end of the month in which the error occurred

Cost Transfer Policy

- Cost transfers not received by SRAS by deadline will only be approved in extenuating circumstances, which does not include:
 - Absences of PI or project administrators
 - Non qualified staff
 - Shortage of staff
- Monthly reconciliations needed to detect and correct errors within established timeframes
- Cost Transfer Justification Form at <http://www.research.fsu.edu/contractsgrants/forms.html>

Closeout Issues

- SRAS sends out notice when end date coming up
- Clear encumbrances as soon as possible
- Transfer/return property
- PI request for sign off on final invoice/report of total expenditures
- Once project ends, transactions limited
- Once invoice submitted, project status changes to Semi-Closed
- SRAS goal is to close project within 180 days of end date

Useful Queries

■ OMNI Financials

- Information for source modules (PO, Voucher, Travel & Expense
 - FSU_DPT (managed by Controller's Office)
 - <http://control.vpfa.fsu.edu/content/download/4185/29696>
- Expenditure Detail from Projects FSU_SP_CA_PROJECT_EXP_DTL
- Expenditure detail from Actuals Ledger
FSU_SP_GL_JOURNALS_EXP
- Expenditure detail from Commitment Control Ledger
FSU_SP_KK_DTL_EXP_PROJ
- List of awards, lots of prompts
FSU_SP_CA_PROJ_DEPT
- List of roles assigned to an employee
FSU_DPT_VERIFY_SECURITY_ROLES

Useful Queries

■ OMNI HR

– http://www.hr.fsu.edu/PDF/Publications/timeandleave/Dept_Rep_Queries.pdf

– Payroll Encumbrances

FSU_ENCUMBRANCE_DETAIL_BO

– Funding History

FSU_FUNDING_HISTORY

– List of roles for an employee

PT_SEC_USER_ROLES

OBI Reports

- Departmental Ledger CG
 - **Balances are one day old**
 - Encumbrance detail included
- OMNI Monthly Ledger
 - Still available
- HR/GL Detail
 - If faculty doesn't have access, need to request FSU_PY_FI_REP_INQUIRY role via eORR



ARRA – Sponsored Research

- Total awards as of December 31, 2009
 - 75 awards
 - \$40,730,095
- Fund 521 created for ARRA sponsored awards
- Reporting requirements
 - ARRA requirements in addition to individual award reporting
 - Over 130 potential required data elements to be reported on FederalReporting.gov
 - FSU as prime recipient
 - 10th of month following calendar quarter end
 - FederalReporting.gov
 - FSU as sub recipient (subcontracted)
 - Reporting specified by prime recipient (FLDOEd)



ARRA - Sponsored Research

■ PI Reporting Responsibilities

– *Initial report*

- Award description and location
- Submit to Sponsored Research Services
- Due upon acceptance of award

– *Quarterly reports*

- Status of work completed and a cumulative description of the activities accomplished since the inception of the award, inclusive of first-tier subcontract activities
- Next cycle due March 31, 2010
- Even if no funds have been expended, the PI is still responsible for submitting Quarterly Reports
- Submit to Sponsored Research Services

– Forms at:

http://www.research.fsu.edu/arra/investigator_forms.html



NSF Two Months Rule

- Cannot charge salaries & wages that exceed 2 months of individual's salary
- 2 months can be any months during 12 month period
- Applies to Key Personnel (PI, CoPI, Faculty)
- FACET being programmed to detect when 2 months rule is exceeded
- Effective with Fall 2009 effort certification process
- Applies to academic year (begins with Summer term)
- Notice going out to campus within next couple of weeks

