Grant Financial Management Workshop
July 30, 2015

Office of Contracts and Grants Accounting
Contracts and Grants Accounting Staff

Marcos Armendariz – Associate Director
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Vacant – Lead Analyst

http://elpaso.ttuhsc.edu/fiscal/businessaffairs/grantaccounting
Responsibilities of C&G Accounting

- Oversee the financial administration of grants, contracts (excluding professional/medical service contracts), and clinical trial agreements.
- Facilitate, review, and approve financial transactions related to sponsored programs, including:
  - New Fund Requests
  - Budget Revisions (initial budget and subsequent revision requests)
  - Cost Transfers
  - Labor Redistributions
  - Travel Advances and Reimbursements
- Prepare invoices according to sponsor guidelines
- Generate and submit grant financial reports
Responsibilities of C&G Accounting

• Monitor compliance with governmental, institutional, and sponsor-specific policies and regulations related to post-award financial functions
  – Expense Allowability
  – Cost Share Commitments
  – Effort Reporting
  – Subrecipient Monitoring
• Facilities and Administration Rate Proposal
• Indirect Cost Distribution
• Respond to external and internal audit requests
Normal Grant Life Cycle

Source: University of Washington
New Fund Requests

- Submit a new fund request once OSP has reviewed and executed grant agreement

- Attachments:
  - OSP Route Sheet
  - Award Letter/Agreement/Contract
  - Grant Budget (including budget justification if available)
  - Other Important Documents
New Fund Request Guidance

- Starting September 1, 2015, use chart of accounts E.
- Current Lubbock guidelines for multi-year grants:
  - NIH/CPRIT grants: one fund for the entire duration of the project
  - Federal pass-through grants: one fund for each year of the project
  - State grants/contracts: depends on the nature of the project, but it will normally follow the state fiscal year, so one fund per fiscal year
  - Private grants: one fund for each year of the project
- In FY16 and Chart E, C&G Accounting is considering allowing just one fund for the entire duration of the project for federal-pass through grants, as long as the status of carryovers from year to year can be easily tracked.
NFR Guidance:
Main Fund Form

• Fund name is usually a shortened version of the long project title. Some special cases have a prefix for quick identification. For example:
  – “CPRIT” for CPRIT grants
  – “CS” for cost share funds
  – “SEED” for SEED grants

• Sponsored Project Type
  – Select “SP” if NFR for grants/contracts and “CT” for clinical trial agreements
  – Select the appropriate cost share classification if NFR for cost share fund (mandatory/voluntary committed, salary cap, voluntary uncommitted)
NFR Guidance: Research Form

- Purpose of this form is to capture data to determine whether the new fund being requested under the research program code 20 should be classified as organized research for inclusion in the F&A cost proposal.
- Research type and area of study data elements are used to complete the annual THECB and NSF research reports.
NFR Guidance: Grant Form

- Effort Reporting Required should be “Yes” for all sponsored projects involving salary support for faculty and/or staff. Even if sponsor does not require effort reporting, we’re requiring this higher standard on all sponsored projects for increased oversight over salary expenditures.
- If Sponsoring Agency does not show up in the search results, enter R11362024 (TTUHSC El Paso) and C&G Accounting will set up new sponsor in Banner.
NFR Guidance: Submitting Request

- Make sure the request does not remain in the “Completed” status. Click on Submit to begin the approval routing for the new fund request.
NFR Approval Routing

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- Hover over the Approver ID to see name of approver
- Hover over the Group ID to see list of approvers
Establishing Sponsored Project Budget

- Once the new fund for your project has been established, please proceed to establish the project’s budget by completing a budget revision through the Budget Revision System.
- Attachments Required:
  - Notice of Award, Contract, or Agreement
  - Grant Budget (internal/external budget form)
Once the new fund for your project has been established, please proceed to establish the project’s budget by completing a budget revision through the Budget Revision System.

Attachments Required:
- Notice of Award, Contract, or Agreement
- Grant Budget (internal/external budget form)
Budget Revision System Guidance

Texas Tech University System

Budget Revision System

User Information

Name: Alfred Burt
R Number: 1234567
Phone: (555) 555-5555
Email: albert.burt@ttuhs.edu
Home Org: University of Texas Health Sciences Center
Extension: 123

Create or Finish a Budget Revision

Status

Create a New Budget Revision or Finish/Delete an Incomplete Budget Revision

Select Action

Create a New Budget Revision

Chart Code: H - Texas Tech Univ Health Sciences Ctr
Perm/Temp: Temporary
Budget Revision Type: 3 - Budget Of Revenue

Budget Revision Number 000000.00
Transaction:

Does not really apply to multi-year funds. Use default (Temporary)

Beginning in FY16, use Chart Code E
Enter fund code.

Grant information displayed from Banner per new fund request.

Revenue budget account code

Should be zero when revenue budget equals expense budget

Enter expense budget per category according to grant budget
Enter comment stating the purpose for establishing a revenue budget. For example: "Establishing the grant budget for federal grant # XXXXX awarded to PI XXXX for Year 1 budget period of 7/1/2015 to 6/30/2016."

Upload required attachments.

Submit for approvals.
• Once budget revision is fully approved and you receive email notification that it has posted to Banner, you’re ready to start charging the sponsored project account!!
First Things to Consider

- EPAF – Current and Future Labor Change
  - Change funding source for grant personnel

- Labor Redistributions
  - Move salary onto grant fund for prior months

- Cost Transfers
  - Move allowable expenses incurred on or after the grant start date from your local, unrestricted FOPs to the grant fund
  - FiTS cost transfer vs manual cost transfer form
Getting Paid: Billing Procedures

- Most cost reimbursement and fixed price grants are invoiced by C&G Accounting
  - Federal cash drawdowns for NIH grants completed every Monday
  - Quarterly FSRs for CPRIT grants
  - Monthly cost reimbursement/fixed price invoices for federal pass-through grants, state grants, and private grants/contracts.
- Departments responsible for invoicing for fee-for-service contracts and any project involving milestones/deliverables.
  - Most fee-for-service contracts route through Contracting, so make use of the Contract A/R application to recognize the revenue and record the account receivable for every invoice
- Clinical trials invoicing process is being designed at the moment
  - Most likely C&G Accounting will invoice for all startup fees and the departments will invoice for patient visits/milestones.
  - Electronic system to be implemented to track invoices and match checks/wire transfers to correct clinical trial
Common Finance Transactions

• Travel Applications and Vouchers
  – Foreign travel requires prior approval from the President
  – Follow travel operating procedures and policies (lodging rates, alcohol disallowance, tips, etc.)

• Purchase Orders/Encumbrances
  – Non-compliant POs not allowed on grants
  – Standing Orders
  – Account Codes
  – Cognos Reports for Encumbrances
Common Finance Transactions

- Swift Cards
- Request for Proposals/Request for Qualifications
- PO/Encumbrance Change Requests
- TEAM Application for Cognos Security/Proxy/TechBuy Roles
Indispensable Cognos Reports

- Public Folders > HSC Finance > Grants
  - Budget Account Code Summary for Grants
  - Ecrt Outstanding Effort Certifications by Coordinator
  - Grant Information Query
  - Grant List by PI

- Public Folders > HSC Finance > Transaction Detail
  - Operating Transactions
  - P-Card Transactions
  - Swift Card Prepaid Balance

- Public Folders > Human Resources > Dept Users > All HR Reports
  - HR121 - Current and Future Appointment Report
  - RPT_PAYDIST_001 – Payroll History
  - RPT_PAYDIST_002 – Payroll Distribution Report
Cost Share and Program Income

- Salary cap cost share (NIH, HRSA, CPRIT, American Cancer Society)
  - Salary cap calculator posted on C&G Website
  - Coming Soon: Updated spreadsheet for multiple salary caps and multiple appointments
- Mandatory/Voluntary Committed Cost Share
- Voluntary Uncommitted
- Program Income
  - Tracked in separate fund and used to offset reimbursement requests
Effort Reporting

• Completed every quarter based on our fiscal year
• Deadlines are published in the Business Affairs calendar
• Effort certification required for all sponsored projects, not just federal grants
• Labor redistributions affecting grant fund codes and making salary distribution changes greater than 2% or $500 will reopen certified effort statements
• Primary Effort Coordinator change requests and technical assistance can be requested from Finance Systems Management by emailing fsmelp@ttuhsc.edu
• El Paso ECRT instance will go live in September 2015; same functionality as the current system
Subcontracts

- Subcontracts from federal grants between TTUHSC EP (prime) and another entity (subcontractor) are managed on a separate fund
  - Subrecipient invoices paid out of the subcontract fund
  - Expense recognized on the parent fund through a transfer accounting entry
- Subcontracts from non-federal grants managed in the parent grant fund
- Subrecipient Monitoring
  - Requests for audited financial annual reports sent out to subrecipients every year
  - Any audit findings and other concerns communicated to Office of Sponsored Programs
Financial Reporting

• C&G Accounting responsible for generating financial reports
  – Tracking of report due dates
  – Grant financial reports should be signed by CFO
  – Cost share certifications
  – Ad-hoc financial report requests are welcomed with reasonable time before due date

• Estimates of unobligated balance for no-cost extensions and carryover requests should be completed by C&G Accounting
Grant Closeouts

• Automated emails sent to fund managers 30 days before grant end date, on grant end date, 30 days, 60 days, 90 days and 120 days after grant end date.
  – First email contains an attachment with preparation instructions for grant closeout
Grant Closeouts

• Action Items to Consider:
  – Return unused swift cards
  – Send all outstanding invoices to Accounts Payable
  – Ensure expenses charged to grant were incurred within the grant period of performance
  – Prepare programmatic reports
  – Cover budget overruns
  – Request grant financial report from C&G Accounting
  – Transfer of residuals (IDC budget will be swiped)
  – Review and have PI sign internal FSR for federal grants only
  – Final invoices
  – Collect all amounts due
  – Respond to questions from C&G Accounting
  – Retain project records according to sponsor guidelines
Grant Financial Management Tips

• Review payroll reports at least once a month and ensure faculty/staff salary distribution fulfills effort commitments on grant proposals/applications
• Review transactions on grant FOPs at least once every two weeks and complete cost transfers (audit red flag for CTs over 90 days)
• Recalculate salary cap cost share every time there is a salary increase/secondary appointment and be up to date on the latest salary cap amount
• Do not create new purchase orders during the last two weeks of the grant unless essential items are still needed and goods/services will be received on or before the grant end date.
Year-End Deadlines

• Labor redistributions – August 31st
• September 4\(^{th}\)
  – FY15 Expense Accrual Requests
  – FY15 Cost Transfers, IPFTs, Revenue Transfers – entered and approved in FiTS
  – FY15 Contract Revenue Accruals in Contracting A/R System
• August Pcard allocations – September 9\(^{th}\)
• FY15 Travel Vouchers and Invoices – September 10th
Upcoming Changes for TTUHSC El Paso

- Increased monitoring of cost share compliance and fulfilment of effort commitments
- New cash receipt system
- New contract A/R system; it will communicate with the new contract management system to be implemented in the coming months
- Separate WebRaider portal for El Paso
- Modified Cognos reports to accommodate Chart E
  - Grant reports may require data from Chart H, so multiple reports may have to be ran
- Approval queues on all finance applications will not include Lubbock offices anymore
Federal OMB Uniform Guidance: What’s New

- Link to the full text of the OMB Uniform Guidance, 2 CFR 200 Chapter I, Chapter II, Part 200, available on the C&G Accounting Website
- Subrecipient invoices must be paid within 30 days from date of receipt, unless costs are questioned. Documentation must be kept to justify payments issued after more than 30 days.
- Computing devices allowed as direct costs if they’re “essential and allocable, but not solely dedicated, to the performance of a Federal award.” (200.451(c))
- Publication costs not incurred by the grant end date may be charged to the Federal award
- Administrative/Clerical salaries allowed if specified in the budget or have prior written approval, are integral to the project, individuals involved can be specifically identified with the project, and are not recovered as indirect costs. (200.413)
- Micro purchases limited to $3,000 per transaction; multiple quotes required for purchases greater than this amount
- Internal controls are mentioned many times throughout the Uniform Guidance; the institution’s operating policies and procedures become extremely essential
Questions???