

# GRANTS & CONTRACTS: PI & ADMINISTRATIVE SUPPORT STAFF TRAINING

Introduction to Grant Management

# Who are We?



- Virginia Moore – Director of Accounting Services (Ext. 4191)
- Ashley Murray– Accounting Specialist (Ext. 4530)
- Nikki Bonnington – Assistant Director of Accounting Services (Ext. 1768)

Accounting Services  
207 Race Hall, Dept. 5905

# What do We Do?



- ❑ Establish new R-Accounts
- ❑ Invoicing
- ❑ Financial reports for Federal Grants and assistance with reports for State or Private Grants
- ❑ Financial monitoring and compliance
- ❑ Budget revisions
- ❑ Provide financial and regulatory guidance to PI, Department Head, and Staff
- ❑ Financial liaison between faculty and funder
- ❑ Collection of monies for grants
- ❑ Handle financial audit requests
- ❑ Provide training on accounting procedures
- ❑ Allocate Indirects to departments and colleges
- ❑ Work with PI and Department Admin's on Closeout of Grant

# What does the P.I. do?

- Work with Departmental Admin on submission of grant expenses.
- Ensure charges are reasonable and necessary, allowable, allocable, and consistently treated as Direct or Indirect
- Ensure charges are posted in a timely manner
- Monthly ledger review and approval
- Ensure budget is followed
- Ensure prior approval for revisions and other charges is obtained when necessary
- Ensure sub-recipient invoices are reasonable based on technical work performed and follow the sub-award agreement and budget
- Effort certification – process or provide accurate documentation
- Track cost share, in-kind contributions, and cash contributions
- Financial reports for State & Private Grants
- Closeout of grant

# What does Administrative Support do?

- ❑ Make sure charges are submitted in a timely manner
- ❑ Reconcile ledgers monthly and obtain approvals
- ❑ Maintain and reconcile shadow ledgers to IRIS and manage encumbrances
- ❑ Create transfer vouchers and send to Accounting Services for processing
- ❑ Make sure procurement card is reconciled to correct accounts
- ❑ Make sure Effort certification processed in IRIS when necessary
- ❑ Accurate payroll entry and reconciliation
- ❑ Track cost share/match, in-kind contributions/cash contributions
- ❑ Ensure sub-recipient invoices are reasonable based on technical work performed and follow the sub-award agreement and budget
- ❑ Assist with closeout requirements for the department and work with PI and Accounting Services on closeout issues
- ❑ Handle departmental indirects account (F&A's)

# Budget Management

- Be Familiar with your budget
- Shadow Ledgers
- Helpful IRIS Reports:
  - ZDEPT\_LEDGER – Restricted Account Ledger for Interim Periods
  - ZFM\_UT\_LEDGER – University Ledger
  - CJI3 – Line Item Report
  - ZPR\_CC\_WBS\_DIST – Payroll Distribution Report

# Be Familiar with Your Budget



- Helps you stay financially compliant and within your proposed scope of service
- During the monthly review of your ledger, monitor the expenses by comparing them to your budget.
- Watch for overspending and underspending in your budget lines
- Watch for burn rate of spending to progress of project- this is monitored by funders
- Watch for missing charges- especially payroll
- Communicate frequently and effectively-PI and Admin- about the grant budget and expenses.

# Know the difference between the Grant budget and the Ledger budget

## GRANT BUDGET

UNIVERSITY OF TENNESSEE, CHATTANOOGA PROGRAM - YEAR 3

The grant budget line-item amounts below shall be applicable only to expenses incurred during the following Applicable Period:  
 BEGIN: July 1, 2012      END: June 30, 2013

POLICY 03 Object Line-Item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY <sup>1</sup>	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
1 & 2	Salaries and Benefits & Taxes	\$ 113,700	\$ 429,256	\$ 542,956
4, 15	Professional Fee, Grants & Award <sup>2</sup>	\$ 126,550	\$ -	\$ 126,550
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	\$ 39,062	\$ 3,884	\$ 42,946
11, 12	Travel, Conferences, & Meetings	\$ 25,764	\$ -	\$ 25,764
13	Interest <sup>2</sup>	\$ -	\$ -	\$ -
14	Insurance	\$ -	\$ -	\$ -
16	Specific Assistance to Individuals	\$ 59,000	\$ -	\$ 59,000
17	Depreciation <sup>2</sup>	\$ -	\$ -	\$ -
18	Other Non-Personnel <sup>2</sup>	\$ -	\$ -	\$ -
20	Capital Purchase <sup>2</sup>	\$ -	\$ -	\$ -
22	Indirect Cost	\$ 21,126	\$ 34,651	\$ 55,777
24	In-Kind Expense	\$ -	\$ -	\$ -
25	<b>GRAND TOTAL</b>	<b>\$ 385,202</b>	<b>\$ 467,791</b>	<b>\$ 852,993</b>

<sup>1</sup> Each expense object line-item shall be defined by the Department Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A*. (posted on the Internet at: [www.state.tn.us/finance/act/documents/policy3.pdf](http://www.state.tn.us/finance/act/documents/policy3.pdf)).

<sup>2</sup> Applicable detail follows this page if line-item is funded.



**GRANT BUDGET LINE-ITEM DETAIL**

LINE-ITEM DETAIL FOR: <b>SALARIES</b>	AMOUNT
Master Teachers	\$ 62,211
Graduate Assistants	\$ 14,890
Faculty Release	\$ 13,500
<b>TOTAL</b>	<b>\$ 90,600</b>

LINE-ITEM DETAIL FOR: <b>BENEFITS AND TAXES</b>	AMOUNT
Master Teachers	\$ 20,530
Faculty Release	\$ 2,570
<b>TOTAL</b>	<b>\$ 23,100</b>

LINE-ITEM DETAIL FOR: <b>PROFESSIONAL FEE/ GRANT</b>	AMOUNT
GA Tuition	\$ 100,000
Mentor Teachers	\$ 26,550
<b>TOTAL</b>	<b>\$ 126,550</b>

LINE-ITEM DETAIL FOR: <b>SUPPLIES</b>	AMOUNT
Instructional Kits	\$ 44
Instructional Texts	\$ 1,890
Lab Supplies	\$ 8,856
In Classroom Technology	\$ 1,490
Office Supplies	\$ 6,570
Support Technology	\$ 7,234
Teaching Lab Materials	\$ 4,928
<b>TOTAL</b>	<b>\$ 31,012</b>

LINE-ITEM DETAIL FOR: <b>TELEPHONE</b>	AMOUNT
Telephone	\$ 3,400
<b>TOTAL</b>	<b>\$ 3,400</b>

LINE-ITEM DETAIL FOR: <b>POSTAGE AND SHIPPING</b>	AMOUNT
Postage and Shipping	\$ 350
<b>TOTAL</b>	<b>\$ 350</b>

LINE-ITEM DETAIL FOR: <b>PRINTING &amp; PUBLICATIONS</b>	AMOUNT
Printing (Copy Charges)	\$ 4,300
<b>TOTAL</b>	<b>\$ 4,300</b>

LINE-ITEM DETAIL FOR: <b>TRAVEL/CONFERENCES &amp; MEETINGS</b>	AMOUNT
Travel Program Support	\$20,350.00
Conference Registration	\$ 3,107
Outreach and Recruitment	\$ 2,307
<b>TOTAL</b>	<b>\$25,764.00</b>

LINE-ITEM DETAIL FOR: <b>SPECIFIC ASSISTANCE TO INDIVIDUALS</b>	AMOUNT
Tuition	\$ 21,600
Internships	\$ 20,700
	\$ 16,700
<b>TOTAL</b>	<b>\$ 59,000</b>

LINE-ITEM DETAIL FOR: <b>OTHER NON-PERSONEL</b>	AMOUNT
	\$ -
	\$ -
<b>TOTAL</b>	<b>\$ -</b>

LINE-ITEM DETAIL FOR: <b>INDIRECT COST</b>	AMOUNT
Indirect cost is calculated at 8% of total direct costs.	\$ 21,126
<b>TOTAL</b>	<b>\$ 21,126</b>

LINE-ITEM DETAIL FOR: <b>GRAND TOTAL</b>	AMOUNT
The grand total is the sum of the above expenses.	\$ 385,202

# Shadow Ledgers



- We advise admins to use shadow ledgers for grants to track expense and budget balances and encumbrances (incurred expenses that are still unposted, estimated future payroll, and purchase orders)

# Example Shadow Ledger

Account: R041302XXX	Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	Balance	
Category	Amount Requested	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Spent	Remaining	
<b>A. Senior Personnel</b>																
1. PI: Dr.Bo Didley	\$9,572	\$ 3,000.00													\$3,000	\$6,572
Dr. Didley will work 1 summer month on this project. His 9-month salary is \$83,636; for 1 month is \$9,293 x 3% raise = \$9,572																
<b>2. Co-PIs</b>																
Co-PI: Dr. Ralph Einstein	\$3,470	\$ 875.00												\$ 875.00	\$2,595	
Dr. Einstein will work 0.5 summer months on this project. His 9-month salary is \$60,649; for 1 month is \$6739 x 3% raise = \$6,941 x 0.5 months = \$3,470																
Co-PI: Dr. R.U. Kidding	\$5,511	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 459.25	\$ 5,511.00	-\$1	
Dr. Kidding will work 14 days on this project; calculation is based on 224 duty days per calendar year. His 12-month salary is \$85,600/224 is \$382 x 3% raise = \$394 x 14 days = \$5,511																
<b>B. Fringe Benefits</b>																
PI: Dr.Bo Didley (35% of salary)	\$3,350	\$ 750.00												\$ 750.00	\$2,600	
Co-PI: Dr.Ralph Einstein (54% of salary)	\$1,874	\$ 159.00												\$ 159.00	\$1,715	
Co-PI: Dr. R.U. Kidding (40% of salary)	\$2,204	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 183.70	\$ 2,204.40	\$0	
<b>D. Travel</b>																
a. Domestic	\$1,500	\$ 200.00				\$ 400.00					\$ 500.00			\$ 1,100.00	\$400	
Includes estimated airfare, lodging, and conference registration for two conferences.																
<b>TOTAL FUNDS REQUESTED</b>	<b>\$27,481</b>	<b>\$ 5,626.95</b>	<b>\$ 642.95</b>	<b>\$ 642.95</b>	<b>\$ 642.95</b>	<b>\$ 1,042.95</b>	<b>\$ 642.95</b>	<b>\$ 642.95</b>	<b>\$ 642.95</b>	<b>\$ 642.95</b>	<b>\$ 1,142.95</b>	<b>\$ 642.95</b>	<b>\$ 642.95</b>	<b>\$ 13,599.40</b>	<b>\$ 13,881.59</b>	

**University Ledger**

Report Period  
Fiscal Year: 2014  
Period: 8

General Selections  
Fund: R041526003

Project Selections  
Project Definition: [ ] to [ ]  
Principal Investigator: [ ]  
Project Profile: [ ]

Output  
E-mail Address: [ ] @tennessee.edu  
I print duplex; adjust my page breaks:

**Print Screen List**  
Output Device: Local  
Windows printer: \\172.28.4.16\Univ...  
Number of copies: 1  
Number of pages:  Print all  Print from page [ ] To [ ]

**Output Device (Print Parameters) (1)**  
Restrictions  
Output Device: Local  
Short name: [ ]  
Location: [ ]  
Device type: [ ]

OutputDe...	ShrtNa...	Location/Status Me...
Local	LCL	
Local2	LC2	
Local3	LCS	
Local4	LCS	
Local5	LCS	

## ZFM\_UT\_LEDGER\*

Contains more detailed information about payroll charges.

Ledger used for monthly reconciliation and approval by PI

\*Set printer setting to Local 4 to adjust document to fit printed page

U04:  
R04:

The University of Tennessee  
LEDGER

Reporting Period: 02-01-2012 to 02-29-2012  
Reporting Status: Final

Principa:	Invoice Type: Cost reimbursement	Project Status: Open
Sponsor:		Project Start: 07-01-2011
Sponsor's Obligation: 493,480	Net F&A:15.0% of Total direct costs	Project End: 06-30-2012

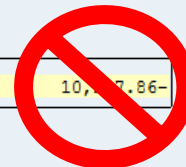
SOURCES & USES OF FUNDS

SOURCES OF FUNDING	Current Month	Budget	Cumlatv Actuals	Remaining
Sponsored Projects Billings	33,348.19	493,480	228,099.59	265,380.41
TOTAL SOURCES OF FUNDING	33,348.19	493,480	228,099.59	265,380.41

USES OF FUNDS	Current Month	Budget	Commitments	Cumlatv Actuals	Remaining
DIRECT COSTS	28,214.44	429,113	212,768.99	226,561.91	10,217.90-
Facilities & Administrative Cost	4,232.17	64,367	77,034.35	33,984.29	46,651.64-
Facilities & Administrative Cost-Sharing			45,119.00-		45,119.00
NET FACILITIES AND ADMINISTRATIVE COST	4,232.17	64,367	31,915.35	33,984.29	1,532.64-
TOTAL DIRECT AND F&A COSTS	32,446.61	493,480	244,684.34	260,546.20	11,750.54-



DIRECT COST REDUCTION TO BE WITHIN BUDGET	10,217.86-
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*****
*          W A R N I N G          *
*****
* 000 Project is overcommitted    *
*****
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In accordance with university policy, I have reviewed the charges shown on this ledger and either verified their accuracy and appropriateness to this fund or identified and reported discrepancies for correction through proper channels.

\_\_\_\_\_

(signature of principal investigator)

Date: \_\_\_\_\_

Program Edit Goto System Help

Departmental Ledger Report

Single Fund Selection

Fund z04

Multiple Fund Selection

Fund to

Funds Center to

Funds application to

Business Area to

All Postable WBSe

All Non-Postable WBSe

User Defined Statuses WBSe

System status (WBSe)

User status (WBSe)

Report Definition

Fiscal Year 2014

Posting period (1 - 12) 9 - OR -  Final Posting for periods greater than 12

Number of Sub Total Levels 4

Only Print Sources and Uses

Printer Options

Printer Local

Print Immediately

Delete after printing

New spool request

## ZDEPT\_LEDGER

Good for reviewing charges before close of a current period  
 More of a summary ledger than providing details.



### Departmental Ledger Report

Print Ledger

R04: PI: OBLIG AMT: 250,331.00 BEG: 06/01/2013  
 U04: RES: NET F&A: 8.0 END: 05/31/2014

Information for Period: 009 Year: 2014

INTERIM Released //

SOURCES & USES OF FUNDS

**Budget - (Encumbrances + Cumulative Act.) = Budget Variance**  
 $231,788 - (28,292.73 + 201,028.09) = 2,467.18$

Description	Cur. Activity	YTD Activity	Budget	Encumbrances	Cumulative Act.	Budget Variance
***Direct Expenses Before Direct Cost Sharing	15,909.53	176,856.00	231,788	28,292.73	201,028.09	2,467.18
**NET DIRECT COST	15,909.53	176,856.00	231,788	28,292.73	201,028.09	2,467.18
***Facilities & Administrative (F&A) Costs	0.00	12,875.71	18,543	0.00	14,809.47	3,733.53
**NET F&A COST	0.00	12,875.71	18,543	0.00	14,809.47	3,733.53
*TOTAL USES OF FUNDS	15,909.53	189,731.71	250,331	28,292.73	215,837.56	6,200.71
**Receipts & Interest	22,693.82-	182,529.91-	0	0.00	199,928.03-	199,928.03
**Sponsored Project Billings	0.00	0.00	250,331-	0.00	0.00	250,331.00-
**Activity before 1984 and/or allocated to other R's	0.00	0.00	0	0.00	0.00	0.00
*TOTAL SOURCES OF FUNDS	22,693.82-	182,529.91-	250,331-	0.00	199,928.03-	50,402.97-
SURPLUS / (DEFICIT)	6,784.29-	7,201.80	0	28,292.73	15,909.53	44,202.26-

# Budget Revisions

Know your budget revision allowances per your agreement or funder guidelines and when you need to get **prior approval**.

2 CFR 200.308 Revision of budget and program plans



# When to Request Prior Approval for Federal Grants - 2 CFR 200.308

- Change in scope or objective of the grant.
- Change in key person – such as Lead PI
- Reduction of PI effort for 3 months or by 25% effort
- The inclusion of costs that require prior approval per the Cost Principals, unless waived by Federal Funder
- Transfer of funds budgeted for participant support to other categories of expense. (NSF awards)
- Subawards
- Changes in approved cost-sharing or matching by grantee
- Need for more funding

# Budget Revision Clause Example

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- C.5. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. UTC may vary from a Grant Budget line-item amount by up to one percent (1%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.

# Example of a Budget Analysis and Revision

Category	Year 1	Year 2	Year 3	Total	Total Expense				
					Posted through (Date)	Projected Exp to End Date	Amount Revised	Revised Budget	
<b>A. Senior Personnel</b>									
<b>1. PI -</b>									
<i>Dr. Skywalker - .5 summer month</i>	\$6,111	\$6,294	\$6,483	\$18,889	\$15,000	\$23,000	\$19,111	\$38,000	
<b>2. Co-PI's</b>									
<i>Dr. Calrissian - @ 10% annual effort</i>	\$6,500	\$6,695	\$6,896	\$20,091	\$8,000	\$5,000	-\$7,091	\$13,000	
<b>B. Other Personnel</b>									
<b>1. Post Doctoral Associates</b>									
<i>Postdoctoral Associate - TEH</i>	\$49,000	\$50,470	\$51,984	\$151,454	\$125,000	\$35,000	\$8,546	\$160,000	
<b>2. Other Professionals (technicians, programmer, etc.)</b>									
<i>Lab Technician - 50% effort</i>	\$20,500	\$21,115	\$21,748	\$63,363	\$58,000	\$16,000	\$10,637	\$74,000	
<b>3. Graduate Students</b>									
1 graduate assistant - annual stipend @ \$10,000/academic yr	\$10,000	\$10,000	\$10,000	\$30,000	\$20,000	\$9,000	-\$1,000	\$29,000	
2 graduate students @ \$18/hr X 15hr/wk X 12 wks	\$6,480	\$6,480	\$6,480	\$19,440	\$15,000	\$2,500	-\$1,940	\$17,500	
<b>4. Undergraduate students</b>									
Undergraduate student @ \$15/hr X 10hr/wk X 36 wks	\$5,400	\$5,400	\$5,400	\$16,200	\$5,000	\$4,500	-\$6,701	\$9,500	
<b>5. Secretarial - Clerical (if charged directly)</b>									
<b>6. Other</b>									
<b>C. Fringe Benefits</b>									
<i>Dr. Skywalker @ 34%</i>	\$2,078	\$2,140	\$2,204	\$6,422	\$4,200	\$6,440	\$4,218	\$10,640	
<i>Dr. Calrissian @ 52%</i>	\$3,380	\$3,481	\$3,586	\$10,447	\$3,840	\$2,400	-\$4,207	\$6,240	
<i>Postdoc @ 48%</i>	\$23,520	\$24,226	\$24,952	\$72,698	\$40,000	\$11,200	-\$21,498	\$51,200	
<i>Lab tech @ 21%</i>	\$4,305	\$4,434	\$4,567	\$13,306	\$17,400	\$4,800	\$8,894	\$22,200	
<i>Students @ 9%</i>	\$1,969	\$1,969	\$1,969	\$5,908	\$2,000	\$800	-\$3,108	\$2,800	
<b>D. Equipment</b>									
Item #1	\$7,800			\$7,800	\$8,000	\$0	\$200	\$8,000	

# Charges

Helpful IRIS Reports:

CJ13 – R account line items

Report Edit Goto Extras System Help

Display Project Actual Cost Line Items

DB profile DB profile Status Further selection criteria...

Project Management Selections (DB profile: 000000000001)

Project  to

WBS Element  to

Network/order  to

Activity  to

Materials in network  to

Cost Elements

Cost Element  to

Or

Cost Element Group

Posting Data

Posting date  to

Settings

Layout  UT line item report with CE subtotals

Further Settings...

## CJ13 – Line Item Report for R-Accounts

### Features:

- Can limit G/L Codes
- Can leave Beginning date blank to capture all charges
- Can Export to Excel

RefDocNo	Posting Date	Doc. Date	Cost elem.name	Cos...	Σ	ValCOArCur	Document Header Text	D...	Offset. acct name	Name	Per
44317	02/28/2014	02/21/2014	ADMIN SALARIES	411100		4,038.24	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>ADMIN SALARI...</b>	<b>411...</b>		<b>4,038.24</b>					
44317	02/28/2014	02/21/2014	FAC SAL EX SRV	412200		1,200.00	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>FAC SAL EX SRV</b>	<b>412...</b>		<b>1,200.00</b>					
44317	02/28/2014	02/21/2014	PROF/OTHER AC...	414100		5,895.61	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>PROF/OTHER A...</b>	<b>414...</b>		<b>5,895.61</b>					
44317	02/28/2014	02/21/2014	RETIREMNT ORP/B	421100		403.82	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>RETIREMNT OR...</b>	<b>421...</b>		<b>403.82</b>					
44317	02/28/2014	02/21/2014	RETIREMNT STA...	421200		931.20	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>RETIREMNT STA...</b>	<b>421...</b>		<b>931.20</b>					
44317	02/28/2014	02/21/2014	SOCIAL SECURITY	421400		784.66	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>SOCIAL SECURI...</b>	<b>421...</b>		<b>784.66</b>					
44317	02/28/2014	02/21/2014	UNEMPLYMNT C...	421500		37.57	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>UNEMPLYMNT C...</b>	<b>421...</b>		<b>37.57</b>					
44317	02/28/2014	02/21/2014	WORKERS COMP...	421600		27.84	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>WORKERS COM...</b>	<b>421...</b>		<b>27.84</b>					
100007280	02/28/2014	03/04/2014	SOC SEC FLEX	421800		67.05	CORR GLACCT	SA	SOC SEC FLEX	CORR GL DOC 44317 M12014...	8
44317	02/28/2014	02/21/2014	SOC SEC FLEX			67.05	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>SOC SEC FLEX</b>	<b>421...</b>		<b>0.00</b>					
44317	02/28/2014	02/21/2014	GROUP INSURAN...	422100		2,411.62	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>GROUP INSURA...</b>	<b>422...</b>		<b>2,411.62</b>					
44317	02/28/2014	02/21/2014	401-K MATCHING	422400		125.00	PP0000010224	ZH	PAYROLL BANK CLEARNG	M120140228	8
			<b>401-K MATCHING</b>	<b>422...</b>		<b>125.00</b>					
100389458	02/27/2014	02/05/2014	TRAVL OUT STA...	431200		1,177.53		ZT	Brownlee, Belinda	*Trip: Brownlee, Belin New Orlean...	8
			<b>TRAVL OUT STA...</b>	<b>431...</b>		<b>1,177.53</b>					
900566899	02/27/2014	02/27/2014	DUPLICATING	433200		7.70	Feb copy charges	ZD	SERV DEPT RECOV UC02	Feb copy charges	8
			<b>DUPLICATING</b>	<b>433...</b>		<b>7.70</b>					
100007080	02/25/2014	01/28/2013	OPERATING SUPPL	439100		2.51	BOA CREDIT-PCARD	SA	REVOLVING ACCOUNTS	WAL-MART #1606 HIXSON TN ZC...	8
100007080	02/25/2014	01/28/2013	OPERATING SUPPL			25.91	BOA CREDIT-PCARD	SA	REVOLVING ACCOUNTS	PROSOURCE SPECIALTIES L 9 ZC ...	8
800520913	02/25/2014	01/28/2014	OPERATING SUPPL			137.68	BROWNLEE, BELINDA	ZC	PROCURE CARD CLEAR	WAL-MART #1606 HIXSON TN	8
800520913	02/25/2014	01/28/2014	OPERATING SUPPL			1,423.50	BROWNLEE, BELINDA	ZC	PROCURE CARD CLEAR	PROSOURCE SPECIALTIES L 972...	8
900566946	02/27/2014	02/27/2014	OPERATING SUPPL			0.61		ZD	SERV DEPT RECOV UC08	B & W Paper Clicks - Feb	8
			<b>OPERATING SUP...</b>	<b>439...</b>		<b>1,533.37</b>					
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# Timeliness of charges



- Procurement card reconciliation to grant account done monthly
- Posting of charges in a timely manner is very important due to the impact on billing and budget monitoring
- All charges should post within 60 days of the grant end date per fiscal policy and sometimes sooner depending on funder guidelines

# Cost Transfers-Fiscal Policy F10220

- May only transfer costs onto grant that directly benefit the project.
- Documentation must establish the appropriateness of transferring the charge
- Should be made within 90 days of original charge
- Cost transfer explanation form must accompany any TV over 90 days
- Must get Department Head approval to move charges posted between 91 and 120 days ago
- Must get Dean and CBO approval to move charges posted more than 120 days ago



# Direct vs. Indirect Charges



- What are Direct charges?
- What are Indirect charges?
- What happens to Indirect allocations and how do you get to use them?

# What are Direct Charges?



- ❑ Allocable – direct benefit and directly attributable to the project or activity
- ❑ Allowable – allowed by university policy, sponsor policies, and federal regulations
- ❑ Reasonable and necessary – for performance of the project
- ❑ Consistently treated – all costs incurred for same purpose, in like circumstances, are either direct charges or indirect charges, not both. Don't double charge the grant

Link: <https://universitytennessee.policytech.com/dotNet/documents/?docid=46>

# What are Indirect Charges?



- ❑ Costs that cannot be directly attributed to the scope of work for the grant or contract.
- ❑ Examples include: utilities, space, general and administrative expenses, basic phone and internet charges, clerical support, sponsored project administration, office supplies.
- ❑ Indirects are funded monthly by a % of the grant direct expenses. Usually based off a negotiated rate such as Modified Total Direct Cost or Salaries and Wages.
- ❑ UTC's current negotiated rate is 36% MTDC as of 7/1/17.

# Indirect Allocations

- After month closes, Accounting Services will prepare an indirect allocation spreadsheet to divide the total monthly allocations into 4 portions.

<u>Area</u>	<u>FY 18</u>
Institution	35%
Depts.	30%
College	15%
Vice Chancellor Research	20%

# Indirect Allocations

- After the 4 portions are determined, then Accounting Services will process budget revisions to increase/decrease the budget to appropriate F&A account.
- Accounting Services will notify the Department Head, Dean, and Administrative Assistant by email when the allocations have been completed.
- Department Head is responsible to allowing PI to access the funds in the departmental F&A account.
- Per Approved Indirect Plan, 85% of departmental funds should be made available for use by the PI(s).
- Carryover of unused funds from previous fiscal year will be added back into the account budget by Budget & Finance usually around September or October.



# Effort Certification

What is effort certification?

Why do we certify effort?

Who certifies effort?

When is effort certified?

How do we certify effort?

# Effort Certification

- What is Effort Certification
  - ▣ Effort certification is the process of verifying that appropriate salary and wage expenses were charged to sponsored grants and contracts.
  - ▣ Effort certification also provides evidence of committed effort expended on sponsored projects that may or may not have been charged to the sponsor.
- Why must effort must certified?
  - ▣ As a condition to receive federal funding, the OMB Uniform Guidance requires institutions to maintain a stringent framework of **internal controls** to provide reasonable assurance that personnel charges are **accurate, allowable, and properly allocated**. The university uses as its internal control system the effort certification process to document after-the-fact work performance records for payroll distribution.
  - ▣ OMB Uniform Guidance §200.308 (c) states that recipients shall request prior approvals from Federal awarding agencies if there is a:
    - a. Change in a key person specified in the application or award document, or
    - b. Twenty-five percent reduction in effort devoted to the project or a disengagement for more than three months by the approved project director or principal investigator.

Link: <https://universitytennessee.policytech.com/dotNet/documents/?docid=45>

# Effort Certification (cont.)

- Who must certify effort?
  - Every monthly paid **exempt** employee who has committed work on a sponsored grant or contract, whether paid or unpaid, must certify his/her effort.
- When must effort be certified?
  - If an exempt employee has a Sponsored Project R account in his/her cost distribution then a monthly automated email will be generated to remind the employee to certify effort. Whether or not an email message is received, an employee who has committed work on a sponsored project has the responsibility for certifying his/her effort.
  - Effort should be certified regularly after the work has been performed, preferably the month after. At a minimum, effort must be certified within 30 days of the end of each semester or within 30 days after the sponsored grant or contract end date, whichever is earlier.
- How do I certify effort?
  - The university has provided two methods to accomplish effort certification: Individual PI certification on the web and Departmental certification via IRIS.
  - The individual employee or a supervisor with first-hand knowledge of all of an employee's effort can certify effort for the employee. Normally, the individual should certify for themselves. However, some departments may have designated a departmental administrator to enter the effort directly into IRIS. Departmental administrators do not have first-hand knowledge of all of an employee's effort; therefore, appropriate written documentation from the employee must be on file in the department to support the effort entered.

Link: <https://universitytennessee.policytech.com/dotNet/documents/?docid=45>



# Questions



- Please feel free to contact us if you have any additional questions.
- Thank you!