Agenda

• What is Financial Research Administration?
• Our Issues 😊
  – Recent Audits
• Your Issues
  – Traveling for Cornell on Sponsored Awards
  – Recent changes in central review
  – How does proposal information affect post-award
  – Food, phone and our funding
• Conversations
What is Financial Research Administration?

- Sponsored Financial Services
  - Setup
  - Stewardship
  - Reporting
  - Billing and Collection
  - Closeout
  - Audit and Special Reporting
Highlight: Closeout

Closing Out Awards

Sponsored Financial Services (SFS) is responsible for preparing and the timely submission of final financial reports on behalf of the university. This activity includes certifying that expenditures are in compliance with the terms and conditions of the agreement.

SFS staff members follow the guidelines outlined in SFS Close-Out Responsibilities, which involves partnering with units to manage sponsored activity.

If you manage sponsored activity within the department, you assist in this process according to the Unit/Principle Investigator Close-Out Responsibilities.

SFS Close-Out Responsibilities

○ Prior to Expiration Date:
○ By Due Date of Final Invoice/Financial Report:

Unit/Principal Investigator Close-Out Responsibilities

○ 90 days prior to termination:
○ If project is slated to close, 90 days prior to termination:
○ 30 days prior to termination:
○ 30 days prior to the Final Financial Report due date, but no more than 60 days after the account’s expiration date:
What is Financial Research Administration?

- Cost and Capital Assets
  - F&A rate development
    - $81M per year cost reimbursements
    - Predetermined rates through FY2020
  - Benefit Rates and Accounting
  - Recharge Entity Rates
  - Capital Assets
    - Records, Inventory
    - Depreciation Calculation
Highlight: F&A Calculation

University Indirect Costs $800 Mill.

- Instruction $380 mill (HEFC 41xx)
- Research $180 mill (HEFC 43xx)
- Public Service $70 mill (HEFC 44xx)
- Other Institutional Activity $170 mill

Example: Not illustrating actual costs
The team

Nancy Abbott  Karen Pappalardo
Ryan Babcock  Bill Payne
Megan Benson  Beth Peet
Michelle Bollock-Smith  Kelsie Price Roach
Rebecca Collins  Natalie Sawyer
Sharon Dal Cero  Deana Scott
Tanya Dombrovskyy  Jeffrey Silber
Lyn Gauss  Janet Strait
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Contacts

- DFA website: www.dfa.cornell.edu
- Cost and Capital Assets:
  - https://www.dfa.cornell.edu/capitalassets
  - uco-cost@cornell.edu, uco-capasset@cornell.edu
- Sponsored Financial Services:
  - https://www.dfa.cornell.edu/sfs
  - sfs-help@cornell.edu
  - Contacts: https://www.dfa.cornell.edu/sfs/contacts
Recent Audits - Elsewhere

• University of Louisville $1.3M, Normally Indirect Costs (NIH)
  – Admin/Clerical salaries, insufficient documentation, office supplies, general purpose equipment
• University of Southern California $640K (NSF)
  – Near term costs, incorrect F&A calculations, unsupported participant support; unreasonable, untimely, unsupported travel, unreasonable payroll
• Georgia Tech $69K (NSF)
  – Near term costs, unallowable travel and relocation
• University of Arizona $57K (NSF)
  – Unapproved subawards; unallowable leaves, travel, pre-award costs
• University of California at San Diego $283K (NSF)
  – Near or post term purchases, unreasonable equipment purchases
Recent Audits - Cornell

• Research Expenditures FY16
  – Improve documentation
    • Documentation for sub-recipient cost shared expenses
    • Incomplete documentation in KFS for cost transfers
    • PI delegation for subrecipient invoice review not documented
    • 41% of units surveyed do not document their sponsored award account reviews
    • 63% of units surveyed do not have written account review procedures
    • 19% of units surveys do not have documented roles and responsibilities with respect to sponsored award administration
Recent Audits – Cornell, continued

• Research Expenditures FY16
  – Sole Source Documentation
  – Expense Monitoring
  – Subaward Monitoring
    • Cost Sharing
    • Delegation
• Ongoing Analytics
  – Move to continuous auditing
• Subrecipient Monitoring Audit
  – Currently underway
Traveling on Sponsored Awards

- Sponsor limitations may exist
  - Categorical such as no premium class travel without sponsor approval or Fly America Act
  - Sponsor-specific such as those seen with New York State, some DoD and DoE agencies
  - Award specific, where travel is not permitted or may require prior approval or special billing
Categorical limitations

- Premium transportation
- Fly America Act
- Documentation requirements
- Definition of Participant Support travel
Sponsor Specific

- **New York State**
  - Considers lunch a personal expense (but can charge to CU)
  - Per diems are the lesser of NYS, federal (but can charge the difference to CU)

- **DoD, DoE**
  - Foreign travel typically requires prior approval
  - Open Skies Agreements not-applicable to DoD-funded travel
  - May limit lodging to GSA rate (SLAC)
  - May reject coach add-ones (e.g. special seats) (ARPA-e)
New things being reviewed by SFS

• Not much new
  – Participant Support Costs
  – normally indirect costs (e.g. admin/clerical)
• Greater reliance and accountability on unit
• Focus on timely closeouts
How does Pre- affect Post?

- What you say may not be what you get …
  - Unit is responsible for proper costing
  - OSP (or college by delegation) responsible for review prior to submission, if provided in a timely fashion
  - If not reviewed in advance OSP should perform review on acceptance but may be unable to correct
  - SFS reviews for consistency, conformance with institutional and sponsor practices, and certifies cost reports
- Unlike circumstances must exist to deviate from institutional costing practices
Food, Phone, and our Funding

• Food
  – Conferences (subject to sponsor limitations)
  – Meals for people in travel status
  – Not: local collaborations, workgroups
• Phone
  – Normally indirect for recurring charges
  – Can charge event-driven items, where allocable (e.g. long distance, conference call services)
• Our Funding
  – Principles of allowability – including necessity – always apply
  – Failure to comply threatens our funding
Questions and Conversations