Roles and Responsibilities for Financial Administration of Sponsored Programs

Policy Number 226
Why?

• To provide documentation and guidance for the various persons involved in sponsored programs at the University of Arkansas Fayetteville.

• Define the roles and responsibilities of individuals involved in post award sponsored program administration so:
  – Individuals occupying such positions will understand what is expected of them!
Why?

• Provides assurances to sponsors and potential sponsors that we have:
  – Considered the requirements involved in administering sponsored programs.
  – Appropriately assigned responsibility to meet those requirements.
Roles to Cover

- Principal Investigator
- Department staff personnel
- Department chair
- Dean/Director
- Research and Sponsored Programs (RSSP)
- Research Accounting
Principal Investigator

- Authorizes financial charges that are allocable to the sponsored project.
- Attests to the allowability, allocability, reasonableness and necessity of all expenditures when initiated.
- Initiates hiring/assignment of personnel working on the sponsored project.
- Responsible for the completion, accuracy and timeliness of all technical reports and other deliverables, e.g., prototypes.
Principal Investigator

• Responsible for assuring effort certifications are completed for all payroll charges to the Principal Investigator’s sponsored program and cost sharing cost centers.
• Reviews and approves subcontract agreements and payments.
• Participates with the departmental/center financial administrative officer in the process of documenting cost sharing/matching costs.
Principal Investigator

• Authorizes and participates with the departmental/center financial administrative officer to initiate requests for rebudgeting of costs on project.

• Initiates and proposes resolution of any cost overrun occurring on project.

• Identifies and allocates any program income
  – such as revenue from sales and services of goods developed in conjunction with a sponsored project
Principle Investigator

• Shares responsibility for compliance with all applicable financial regulations by project personnel and reports instances of non-compliance to the appropriate compliance officer.
Departmental/Center Financial Administrative Officer

- Advises PI regarding University purchasing and personnel policies affecting financial transactions.
- Prepares/reviews financial transactions to ensure that:
  - The transaction occurs within the project period
  - The cost of the transaction is reasonable
The transaction is allowable.
The transaction represents a reasonable allocation of the cost.
Project budget is available to support the transaction.
The transaction is treated consistently with regard to direct/indirect cost designation in accordance with Policy 310.1.

• Submits and/or approves all expenditure transactions for sponsored program cost centers in the BASIS system.
Departmental/Center Financial Administrative Officer

- Prepares documents/transactions and provides information for assignment of individuals to sponsored project(s).
- Processes financial transactions:
  - Assigns correct commodity codes and category codes, provides information and processes purchase documents.
  - Prepares and initiates processing of cost sharing/matching transactions.
  - Prepares and initiates processing of program income documents/transactions.
Departmental/Center Financial Administrative Officer

- Reviews available balances to ensure adequate budgets exist before submitting financial transactions.

  • Consults with PI to prepare requests for cost transfers and 90 day forms with appropriate signatures when necessary.
  • Consults with PI and initiates transactions to resolve project cost overruns.
  • Processes documents to record program income.
Departmental/Center Financial Administrative Officer

• Provides information to Research Accounting for final financial reports.
• Reports instances of financial noncompliance.
• Reviews assigned sponsored program cost centers at least monthly to ensure that:
  – Adequate budgets are available for proposed obligations.
  – Posted project expenditures are reasonable, allocable and allowable.
Department Chair/Center Director

- Maintains local oversight for the allowability and reasonableness of all project expenditures.
- Approves advanced cost center requests and provides contingent funding in case sponsored program agreement is not consummated.
- Seeks advice and shares responsibility with the PI regarding the oversight for the implementation of state, federal and university financial policies and regulations.
Department Chair/Center Director

• Ensures effort certifications are completed timely by the appropriate people for departmental employees where required.

• Shares responsibility with the PI to ensure:
  – Financial compliance with applicable policies and procedures.
  – Report noncompliance to the appropriate compliance officer as designated by the top management of the institution.
Dean's or Ag Experiment Station Director’s Office

- Assists faculty in preparing and submitting timely proposals.
- Approves source of cost sharing/matching funds.
- Approves all sponsored programs expense transfers for transactions 90+ days old (90 Day or Older Cost Transfer Request Form).
- Identifies funds to cover project cost overruns per Fayetteville Campus policy 329.2.
Dean's or Ag Experiment Station Director’s Office

• Provides funds for uncollectible sponsored programs per policy 329.2.
• Provides guidance in sponsored project matters that cannot be resolved at the department level.
• Investigates instances of financial noncompliance and reports discovered instances of noncompliance to the appropriate compliance officer as designated by the top management.
Agricultural Experiment Station
Director’s Office

• Assists faculty in preparing and submitting timely proposals.
• Approves/disapproves rebudgeting requests in accordance with sponsor requirements and applicable policies, cost principals and regulations.
• Approves with signatory authority contracts, grants, cooperative agreements and subrecipient agreements.
Agricultural Experiment Station
Director’s Office

• Administers sponsored programs (budgetary actions, liaison with sponsor).

• Responsible as authorized official for certifying or acquiring certification that institution is in compliance with applicable regulations as required by sponsor.
Agricultural Experiment Station
Director’s Office

• Responsible for implementing and interpreting federal, sponsor, state and U of A policies and procedures for compliance with applicable regulations.

• Approves cost center set-up and attribute changes through the BASIS TARGET chain.
Agricultural Experiment Station
Director’s Office

• Shares responsibility with RSSP for formulation, implementation, and interpretation of policies regarding allowable costs and for training researchers and staff on proposing and expending allowable costs.
Agricultural Experiment Station Director’s Office

- Sets-up and maintains sponsored program cost centers in the BASIS system.
- Approves transactions on sponsored program and cost sharing cost centers submitted in the BASIS system through the TARGET chain by Departmental personnel.
- Reviews financial transactions on sponsored programs to ensure that the transaction is treated consistently with regard to direct/indirect cost purposes in accordance with Fayetteville Policy 310.1 and UG.
Agricultural Experiment Station
Director’s Office

- Reviews and approves as appropriate cost transfers in accordance with U of A Fayetteville policy 311.1 and UG.
- Reviews financial transactions for unallowable costs. Rejects unallowable costs when reviewing TARGET transactions.
- Attempts to resolve payment problems with sponsors.
- Provides training as it pertains to the financial administration of sponsored projects to different constituencies.
Agricultural Experiment Station
Director’s Office

• Monitors sponsored program cost centers to preclude incurring obligations in excess of approved award budgets.

• Submits funds transfers for funding of cost sharing cost centers as appropriate.
Research Support and Sponsored Programs (RSSP)

- Proposes policies and procedures to senior administration to comply with grants management regulations.
- Assists faculty in preparing and submitting timely proposals.
- Approves/disapproves rebudgeting requests in accordance with sponsor requirements and applicable policies, cost principles and regulations.
- Approves with signatory authority contracts, grants, cooperative agreements and subrecipient agreements.
Research Support and Sponsored Programs

• Assures PI approval of subrecipient agreements and processes subrecipient agreements.
• Administers sponsored programs (budgetary actions, liaison with sponsor).
• Shares responsibility for training researchers and staff in preparation of grant/contract proposals and in management of sponsored research.
• Coordinates with various compliance offices to assure that specific proposals and projects have been reviewed and approved for compliance.
Research Support and Sponsored Programs

• Responsible as authorized official for certifying or acquiring certification that institution is in compliance with applicable regulations as required by sponsor.

• Responsible for implementing and interpreting federal, sponsor, state and U of A policies and procedures for compliance with applicable regulations.

• Approves center designation for RIF purposes and designates RIF split.
Research Support and Sponsored Programs

• Shares responsibility with Research Accounting for formulation, implementation, and interpretation of policies regarding allowable costs and for training researchers and staff on proposing and expending allowable costs.

• Approves cost center set-up and attribute changes through the BASIS TARGET chain.

• Attempts to resolve payment problems with sponsors in conjunction with Research Accounting, Dean’s Offices, Department Chairs and the Principal Investigator.
Research Accounting

• Shares responsibility with RSSP for formulation, implementation, and interpretation of policies regarding allowable costs and for training researchers and staff on proposing and expending allowable costs.

• Sets-up and maintains sponsored program cost centers in the BASIS system.

• Approves transactions on sponsored program and cost sharing cost centers submitted in the BASIS system through the TARGET chain by Departmental personnel.
Research Accounting

• Reviews financial transactions on sponsored programs to ensure that the transaction is treated consistently with regard to direct/indirect cost purposes in accordance with Fayetteville Policy 310.1 and UG.

• Reviews financial transactions for unallowable costs. Rejects unallowable costs when reviewing TARGET transactions.

• Prepares invoices and letter of credit draws to sponsors on a timely basis.
Research Accounting

• Prepares financial reports for all sponsors as required by the sponsored program agreement, in coordination with the PI if necessary.
• Prepares interim and final financial reports in coordination with departments.
• Identifies reportability of program income
• Monitors levels of program income and adds budget as needed.
• Forwards subrecipient invoices to PI for approval and pays approved subrecipient invoices.
Research Accounting

• Reviews and approves cost transfers in accordance with Fayetteville policy 311.1 and Uniform Guidance.
• Records indirect cost charges to sponsored program cost centers in the general ledger monthly or as needed.
• Runs system produced 90 day and 180 day inquiry letters for unpaid invoices.
Research Accounting

• Prepares and distributes a list of all unpaid invoices 6 months old or older.

• Attempts to resolve payment problems with sponsors, in conjunction with the RSSP, Dean’s offices, Department Heads/Chairs and the Principal Investigator.

• Prepares, negotiates and administers the institution's indirect cost rates.

• Assists departments in the proper development and administration of service center rates.
Research Accounting

- Provides training as it pertains to the financial administration of sponsored projects to different constituencies.
- Works with the appropriate compliance officer as designated by the top management of the institution to resolve instances of potential or actual financial noncompliance.
- Monitors sponsored program cost centers to preclude incurring obligations in excess of approved award budgets.
Research Accounting

• Submits budget revisions into the accounting system as requested by RSSP.
• Monitors cost share centers and notifies the Department Administrator and/or PI if it appears cost sharing expenditure obligations are not being met.
• Monitors effort certifications and provides training for effort certifications.
• Obtains assurance that subrecipients have met audit requirements.
Research Accounting

• Computes interest on sponsored program advances as required.

• Pay interest on sponsor advances of funds when required. Interest is posted to the sponsored program cost center monthly at the 90 day T-bill rate on last working day of the month.
Research Accounting

• Submit interest to Federal cognizant agency annually for advances of federal funds in accordance with Uniform Guidance.
• Submits funds transfers for funding of cost sharing cost centers in accordance with instructions provided by RSSP.