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Grant Financial Management Workshop

July 26, 2016

Contracts and Grants Accounting



Contracts and Grants Accounting Office

- Marcos Armendariz, Unit Associate Director
- Lupe Alvara, Lead Analyst
 - Federal Grants and Contracts (Federal Direct, Federal Pass-Through, Federal Clinical Trials, and Federal Financial Aid)
- Monica Duarte, Lead Analyst
 - State and Local Grants and Contracts and Industry-Sponsored Clinical Trials
- Veronica Armendariz, Lead Analyst
 - Private Grants and Contracts and Other Restricted Funds (Gifts, Endowments, Scholarships, Loans, Auxiliary, TTFI, Unexpended Plant)



Workshop Agenda

- Expense Account Codes Guidance
- Travel on Sponsored Programs
- Swift Cards
- Year-End Deadlines



Expense Account Codes Guidance



Account Codes References

- Contracts and Grants Accounting Webpage – Reference Material – List of Account Codes

elpaso.ttuhscc.edu/fiscal/businessaffairs/grantaccounting/Trainings.aspx

The screenshot shows the Texas Tech University Health Sciences Center El Paso website. The navigation bar includes links for Home, HSC Employee El Paso, Available Budget, News, F&A Work Tools, Payroll & Tax, HSC HR El Paso, HSC Finance El Paso (circled), My Content, Admin, and Applicants. The main content area is divided into three columns: BUSINESS AFFAIRS, BUDGET, and GENERAL SERVICES. The BUSINESS AFFAIRS column includes links for Business Affairs Home, Calendar, Contacts, and Helpful Links (Approval Tracking System (ATS), Cognos Connection, Contract AR System, ePrint, Finance User Group, Gateway, MPIP Distribution, Laserfiche Weblink, TEAM App, Xtender, Newsletter Subscription, Policies and Procedures, Reports). The BUDGET column includes links for Budget Home, Announcements, Contacts, Forms, Helpful Links (Budget Revision System, Budget Prep System, Fringe Projector, Finance User Group, Labor Redistribution), Reference Materials, and Reports. The GENERAL SERVICES column includes links for General Services Home, Contacts, Forms, Helpful Links (Online Surplus, Property Inventory System), Policies and Procedures, Reference Materials, and PAYMENT SERVICES (Payment Services Home, Announcements, Contacts, Forms, Helpful Links (Cit Web Website - PCard, Professional Societies List, Swift Prepaid, TechBuy System - DirectPay, Travel System, Vendor Payments), Policies and Procedures, Reference Materials). A red arrow points to the 'Reference Materials' link under the 'Contracts and Grants Accounting' section.



Account Codes References

- Roll up of the 6-digit expense account codes to the 4-digit budget account codes.

Data Entry Account Codes and Budget Account Codes

COAS - E

ACCT	Account Description	Budget Account Code	Budget Account Code Description
720100	OC Membership Dues	7040	Memberships
720101	OC Gyms/Rec Center-Student only	7040	Memberships
720200	OC Employee Tuition/Books	7010	Maintenance and Operations
720300	OC Empl Registration/Training Fees	7010	Maintenance and Operations
720301	OC Empl Registration Fees In-State	7010	Maintenance and Operations
720302	OC Empl Registr Fees Out-of-State	7010	Maintenance and Operations
720311	OC Empl Training Fees In-State	7010	Maintenance and Operations
720312	OC Empl Training Fees Out-of-State	7010	Maintenance and Operations
720351	OC Continuing Ed - Prof Staff	7010	Maintenance and Operations
720352	OC Continuing Ed - Nursing Staff	7010	Maintenance and Operations
720353	OC Continuing Ed - Other Staff	7010	Maintenance and Operations
720400	OC Insurance Premiums	7010	Maintenance and Operations
720401	OC Insurance Premiums Pro Liability	7033	Professional Liability Insurance



Account Codes References

- If you cannot identify an account code from the list of account codes that would be appropriate for the item/service to be procured, a second guide is the Texas Comptroller Manual of Accounts: fmcpa.cpa.state.tx.us/fiscalmoa/index.jsp.
- In the search bar, type in the description of the item/service. The appropriate expenditure object code that comes up in the search results is linked to a TTUHSC El Paso 6-digit account through the first four digits.
- You can also search by the first four digits of the TTUHSC El Paso account code to find a description of items/services allowed. Note that the guidance on that website comes directly from the State Comptroller's Office.



Account Codes Frequently Misused

731000 (SM Chemicals and Gases)

Includes:

- Dry Ice
- Lab Chemicals
- Chlorine
- Compressed Air
- Carbon Dioxide
- Freon
- Formaldehyde
- Helium
- Hydrogen
- Liquid Nitrogen

730000 (SM Consumables) and 730002 (SM Consumables-Medical Supplies)

Includes:

- Office Supplies
- Folders
- Markers
- Paper
- Pens
- Medical supplies not used in a clinical or laboratory setting

Does NOT include:

- Medical supplies used in a clinical or laboratory setting (731200)
- Dry Ice (731000)



Account Codes Frequently Misused

731200 (SM Medical Supplies)

Includes:

- Medical supplies used in a clinical or laboratory setting
- Needles
- Rubbing Alcohol
- Gauze
- Gloves
- Gowns (surgical)
- Sutures
- Bandages

721000 (OC Fees and Other)

Used to record payment of authorized fees and service charges not otherwise covered by more specific codes.

Includes:

- Manuscript fees
- Abstract fees



Account Codes Frequently Misused

733400 (OC Furnish/Equip and Other Expensed) and 733401 (OC Medical Equipment Expensed)

Used to record payment for the purchase of furnishings and equipment whose unit cost is less than \$5,000.

Includes:

- Thermometers
- Medical Equipment
- Stethoscope

Does Not Include:

- Items that are for one-time use. Those would fall under consumables (730000 or 730002) or medical supplies (731200).

729900 (OC Purchased Contracted Services)

Used to record payment for contracted temporary services.

Includes:

- Translation Services



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Travel on Sponsored Programs Guidance



Institutional Travel Operating Policies

- Travel policies are found in the Payment Services section of the Business Affairs website.
- Operating Policy and Procedure 79.06, Reimbursement of Travel Expenses, provides guidelines on reimbursement requirements for travel expenses.
- Official travel must be for the use and benefit of the institution and sponsored project.
- Must follow the guidelines for each fund group.
- Lodging and meal reimbursements must be within the U.S. General Services Administration (GSA) Federal per diem limits, www.gsa.gov/portal/content/104877.
- Amounts over the GSA limits must be charged to a local FOP.



Institutional Travel Operating Policies

- Tips are not allowed on grant funds. Tips must be allocated to a local FOP (13 or 18).
- If a GSA meals per diem rate is not fully exhausted on a specific day, then the unused amount may be used toward lodging if the lodging rate exceeds the rate allowed by GSA for the locality.
- Alcohol is not allowed on any fund type.
- No foreign travel is allowed on sponsored projects unless approved by the sponsor and the TTUHSC El Paso president's office.
- Mileage reimbursement is capped at the state approved rate; it changes annually.
- The Texas state hotel occupancy tax is not reimbursable. A traveler should present the Texas Hotel Occupancy Tax Exemption Certificate to the establishment.



Sponsor-Specific Travel Policies

- NIH
 - Travel charged to an NIH grant must comply with the Office of Management and Budget 2 CFR 200, Section 200.474 Travel Costs guidelines (Uniform Guidance) and the NIH Grants Policy Statement (last revised November 2015).
 - Fly America Act: In general, for domestic travel, U.S. air carriers should be used unless an exception noted in the NIH Grants Policy Statement is warranted. It also generally provides that foreign air travel may only be conducted on U.S. air carriers and under applicable Open Skies Agreements.
 - Travel must provide direct benefit to the project.
 - Follow the award-specific guidelines for travel charged to the grant.



Sponsor-Specific Travel Policies

- CPRIT
 - Itemized hotel receipts are required for room service meals and non-alcoholic beverages.
 - Although CPRIT allows the option of claiming the GSA per diem for meals without having to present receipts, institutional travel policy does not allow this reimbursement practice. Receipts are required for all meal expense reimbursements.
 - Foreign travel requires CPRIT prior approval.
 - Travel reimbursement is only allowable for employees listed under grant personnel in the CPRIT system.



Required Travel Voucher Documents

- Traveler's and supervisor's signatures.
- Purpose of travel.
- A meeting agenda or conference brochure to verify activity and travel dates.
- If foreign travel, documentation that shows approval by the TTUHSC El Paso president's office.
- If missing receipts, include a credit card billing statement where the charge appears or a copy of the receipt, check slip, or billing. Include a statement confirming the amounts claimed are correct and no alcohol was consumed.
- Receipts for items claimed on voucher:
 - **Lodging** – itemized receipt must have traveler's name on the receipt.
 - **Meals** – must be itemized to show no alcohol was consumed and tip amount (if any).
 - **Commercial Air** – receipt must show name of the traveler and amount paid.
 - **Transportation** – itemized receipts for taxi, car rental, and parking fees.
 - **Incidental Expenses** – if claiming other expenses, include a receipt and justification for the expense. Refer to OP 79.06 for a list of reimbursable and non-reimbursable incidental items.



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Swift Cards on Sponsored Programs Guidance



Swift Card Program

- A swift card is the only method of compensation allowed for grant/research study participants. Gift cards, cash, or any other means of transferring monetary value are not allowed.
- OP 72.19 provides the details on the swift card program, including the responsibilities of the requesting department.



Swift Card Requests

- When a swift card request form is submitted to Payment Services and the provided FOAP is for a restricted grant/contract fund, the swift card request form will be forwarded to C&G Accounting for review and approval.
- Items C&G Accounting reviews:
 - Grant/Clinical Trial Study allows for participant compensation.
 - The available budget to cover requested dollar amount in swift cards.
 - The IRB number or study title provided on form is correct.
 - The IRB approval status.
 - An accurate FOAP.
 - The reasonableness of the requested number of cards and the expected dollar amount per card.
 - The amount of time remaining in grant period of performance.



Important Notices on Swift Cards

- The expense for swift cards that are activated by a department but not issued to the participants will not be allowed on a grant fund.
- The card expiration fee of \$1.75 per card will not be allowed on a grant fund even if the department incorrectly includes the grant FOP as the backup FOP on the swift card request form.
- When managing multiple sponsored projects, be mindful of the FOP you enter in the swift card system when activating a card. A swift card expense that posts to the incorrect FOP will need to be moved to the correct FOP through a cost transfer.



Year-End Deadlines and Implications for Sponsored Programs



Year-End Deadlines

- Labor Redistributions for FY16 pay periods (except SM 17 for August 16-31 semi-monthly pay period):
 - Deadline: **August 31**
 - Appropriate salary expenses not allocated to the correct grant fund by this deadline will be forfeited and will not be allowed to be moved onto the grant fund in FY17.
 - For new grants you receive between now and 8/31/16, you will need to be mindful of year-end deadlines in order to allocate FY16 expenses, including salaries, to the grant before it's too late. Quick action to request new fund, establish budget, and process labor redistributions will be key.



Year-End Deadlines

- FY16 Encumbrance Adjustments
 - Deadline: **August 31**
 - The request to close or move an encumbrance must be submitted through the PO/Encumbrance Change Request System by the deadline.
 - Review open encumbrances on grant funds and release encumbrances that are no longer needed. An encumbrance should not remain open if there are no pending items/goods to be received from vendor and all invoices have been paid.



Year-End Deadlines

- FY16 Cost Transfers
 - Deadline: **September 6**
 - Departmental approvers (fund managers) must approve by the deadline.
 - The deadline applies to both manual cost transfers and FiTS cost transfers.
 - FY16 expenses that are not correctly allocated to a grant will not be allowed to be moved to the grant in FY17. Only cost transfers to move off unallowable expenses will be allowed in future fiscal years.
- FY16 Internal Purchase Funding Transfers (IPFTs)
 - Deadline: **September 6**
 - Departmental approvers (fund managers) must approve by the deadline.



Year-End Deadlines

- FY16 Contract Accounts Receivable (AR)
 - Deadline: **September 6**
 - Your August invoice should be accrued through the contract AR system if actual invoice will not be created until after this deadline.
 - For other revenue earned in FY16 for which there is no contract and the billings are not entered into the contract AR system, email grantsaccountingelp@ttuhsc.edu by this deadline to work on accruing the earned revenue in FY16.
 - Clinical trial invoices submitted by the department to the sponsor and not paid by 8/31/16 should be accrued since revenue was earned in FY16. Email grantsaccountingelp@ttuhsc.edu to have a revenue accrual entry processed.
- Labor Redistributions for SM 17 (August 16-31):
 - Contact the Budget Office by **September 7**



Year-End Deadlines

- FY16 Invoices from Vendors
 - Deadline: **September 9**
 - Follow up with vendor if invoices for goods/services received in FY16 have not been provided.



Important Year-End Announcement

- Rollover of multi-year budget balances from FY16 to FY17 will occur on Sunday, September 11.
- From September 1 to September 11, budgets for multi-year funds will not be available. This means that FY17 transactions that check for budget, such as purchase requisitions, travel applications, and travel vouchers, will not be processed during this short time window. Please plan accordingly.



Upcoming Change

- A new version of the new fund request system, in development for almost two years, is projected to go live at the end of August.



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Questions???