

# Business Administrators' Forum

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WAKE FOREST  
UNIVERSITY

## **Welcome**

*Presenter: Brandon Gilliland, AVP for Finance & Controller*

## **New Account Codes:**

**Business Meals Between Employees**

**Departmental Events**

*Presenter: Brandon Gilliland, AVP for Finance & Controller*

## **NOVAtime Update**

*Presenter: Kim Crewey, Assistant Controller, Financial Operations*

***{brief pause}***

## **Cost Principles Policy, Underlying Procedures, and the Uniform Guidance**

*Presenter: Marnie Matthews, Associate Controller*



**New Account Codes-**  
**54020 - Meals Between Employees**  
**54021 - Departmental Events**

*Presenter: Brandon Gilliland, AVP for Finance and Controller*

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- **Purpose**

- *The University needs the ability to report on business meals between employees and departmental events*
  - *Currently all local meals and entertainment are recorded in account 54018 (“Entertainment, Local Meals”)*
  - *In addition to account 54018, two new account codes have been established to help segregate these activities:*
    - *54020- Meals Between Employees*
    - *54021- Departmental Events*
  - *All local meals and entertainment that do not meet the definition of the two new accounts should still be recorded in account 54018*
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- **Definition of Business Meals Between Employees-54020**
    - Business meals where only employees are present and business is the significant purpose of the meal. Employees are in non-travel status.
    - The employees are unable to meet at another time of day.
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- **Definition of Departmental Events-54021**
    - Meals and other expenses associated with departmental events, meetings, and gatherings.
    - All event costs, including food and supplies, should be charged to this account code.
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# NOVAtime Update

*Presenter: Kim Crewey, Assistant Controller,  
Financial Operations*

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# **Uniform Guidance Training & Resources and Review of update / new Policies & Procedures**

Presenter: Marnie Matthews, Associate Controller

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➤ **Purpose:**

- Serves as a single location for all regulations applicable to federal awards
- Replaces OMB Circulars A-21, A-110 and A-133

➤ **Effective:**

- December 26, 2014 – applies to new awards and incremental funding awarded on or after the date
- Prior awards are under the previous guidance
- Audit provisions are effective for FY15

➤ **Overarching Cost Principles still apply**

- Costs must be allowable, allocable, and reasonable
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***Changes that impact WFU Researchers:***

<b>Activity</b>	<b>Update</b>
Charging of Computer Devices (200.453, 200.33 & .48)	Purchase of computers costing \$5,000 or less on federal awards is considered a supply item, and is allowable to be directly for devices that are <u>essential</u> and <u>allocable</u> ; if over \$5,000 then the purchase must be classified as capital equipment
Cost Sharing (200.306)	The Uniform Guidance imposes new limits on agencies' ability to solicit cost sharing: <ol style="list-style-type: none"> <li>1) Voluntary committed cost sharing is <b>not</b> expected in federal research proposals.</li> <li>2) Voluntary committed cost sharing <b>cannot be</b> used as a factor in the merit review process unless it is both in accordance with federal awarding agency regulations and specified in the notice of funding opportunity.</li> <li>3) Mandatory cost sharing is still allowed if required by the federal sponsor and detailed in the notice of funding opportunity.</li> </ol>

***Changes that impact WFU Researchers:***

<b>Activity</b>	<b>Update</b>
<p>Indirect Costs on Subawards (200.331)</p>	<p>If a subrecipient has a federally negotiated F&amp;A rate, it must be used. For subrecipients without a federally negotiated F&amp;A rate a de minimis F&amp;A rate of 10% should be applied.</p>
<p>Subrecipient Monitoring (200.330)</p>	<p><b>Risk Assessment:</b> Mandatory but the mechanisms used are at the discretion of the pass-through entity.</p> <p><b>Mandatory obligations</b> include:</p> <ol style="list-style-type: none"> <li>1) Review of technical and financial reports;</li> <li>2) Ensuring timely and appropriate action on deficiencies detected through audits / on-site reviews;</li> <li>3) Issuing a management decision on audit findings</li> <li>4) Verifying subrecipient received a Single Audit (New \$750,000 threshold)</li> </ol>

***Changes that impact WFU Researchers:***

<b>Activity</b>	<b>Update</b>
Travel (200.474)	<p>The guidance now allows travelers to purchase the <u>least expensive unrestricted airfare</u>. Since the cost of these tickets are usually more expensive than the lowest commercial discount fare, investigators are encouraged to purchase the lowest commercial discount fare.</p> <p>The NSF Grant Proposal Guide Chapter II.C.2.g(iv) outlines what is required to justify travel costs: “Travel and its relation to the <u>proposed activities</u> must be <u>specified, itemized and justified</u> by destination and cost.” Therefore, proposers should provide as much information that is available to ensure that the travel is specified, itemized and justified. NSF realizes that all details may not be available at the time of proposal submission and, thus, proposers will be unable to provide such information</p>
Closeout (200.343)	<p>The Uniform Guidance requires that all financial, performance and other reports be submitted no later than 90 days after the end date of the award. Some agencies have extended this to 120 days. This deadline is strictly enforced. The WFU Internal deadline for submitting information for reports is 60 days.</p>

***Changes that impact WFU Researchers:***

<b>Activity</b>	<b>Update</b>
PI Absences (200.308)	Prior approval is required for the PIs disengagement from the project for more than 3 months; however, being away from campus does not necessarily constitute disengagement.
Visa Charges	<p>Short-term, travel visa costs are generally allowable direct expense (as opposed to longer-term immigration visas)</p> <p>Directly charged costs must be:</p> <ol style="list-style-type: none"> <li>1) Critical and necessary for the conduct of the project</li> <li>2) Allowable under applicable cost principles</li> <li>3) Consistent with the non-federal entity's policy</li> <li>4) Meet the definition of "direct costs"</li> </ol>
Publication costs	Publication costs may be charged to the Federal award before closeout for the cost of publication or sharing of research results if the costs are not incurred during the period of performance of the Federal award.

**Changed *NOT* implemented by WFU:**

Activity	Guidance
Effort Reporting (200.431)	<p>WFU's effort reporting system meets with the requirements of the Uniform Guidance.</p> <p>As agencies implement the Guidance with a focus on performance-based measures, WFU will work with faculty, as allowed, to reduce the administrative burden associated with effort reporting and look for alternate means of ensuring salaries charged to grants are accurate, allowable and properly allocated.</p>
Temporary Dependent Care	<p>Temporary dependent care costs above and beyond regular dependent care costs that directly results from travel to conferences is allowable provided that:</p> <ol style="list-style-type: none"> <li>1) Costs are direct result of individuals travel</li> <li>2) Costs are consistent with the non-federal entity's documented travel policy;</li> <li>3) Costs are temporary during the travel period</li> </ol> <p><u>Due to the requirement for consistency across all WFU travel, WFU will not allow direct charging of Temporary Dependent Care Costs.</u></p>

**Changed *NOT* implemented by WFU:**

Activity	Guidance
<p>Administrative and Clerical Salaries (200.413)</p>	<p>Under the Uniform Guidance, it is possible to charge administrative and clerical costs as direct costs on federal grants if these costs are:</p> <ul style="list-style-type: none"> <li>• Integral (well defined and essential) to the project</li> <li>• Explicitly included in the proposed budget or has subsequently received prior written approval from the sponsor.</li> <li>• The individuals involved can be specifically identified with the project.</li> <li>• These costs are not also recovered as Facilities and Administrative costs (F&amp;A).</li> </ul> <p>ORSP will determine if any administrative and clerical costs can be included. <u>WFU will research the impact (cost / benefit) of inclusion of Administrative and Clerical Salaries during the next WFU Facilities and Administrative (F&amp;A) negotiation.</u></p>

**Changed NOT implemented by WFU:**

Activity	Guidance
Procurement (200.317-326)	<p><i>Due to the system and business process changes required, the OMB has granted an extension, and compliance with this portion of the Uniform Guidance is not required until <u>July 1, 2016</u>.</i></p> <p>WFU will continue to monitor the federal activity and will work to ensure that WFU's implementation of the procurement guidance provides for fast and easy procurement of needed research materials and equipment, while ensuring compliance.</p>





- **New Policy and Procedures for Uniform Guidance**
    - Policy Cost Principles, Audit, and Administrative Requirement
      - Specifically references the Uniform Guidance regulations
    - Cost Transfers and Cost Allocations Administrative Procedure
      - Improve documentation for cost transfers
    - WFU Procedure for Deficit Resolution
      - Formalize the review process and procedures for identification and removal of deficits on Sponsored Research
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- **New Policy and Procedures for Uniform Guidance**
  - Unallowable Costs Administrative Procedure
    - Improve identification of unallowable costs and appropriately excluding them for any application, proposal, billing, or claim related to a federally-sponsored agreement.
    - New unallowable account – to be used across the University effective 1/1/16

**Unallowable Costs** – Costs specifically identified by Uniform Guidance, including but not limited to:

- Costs incurred for Advisory Councils or Committees
  - Alcoholic Beverages & Entertainment Costs
  - Alumni Activities
  - Bad debts
  - Commencement and Convocation Costs
  - Contributions and donations
  - Other example: Bonding Costs & Collections of Improper Payments
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Thurs., 10/22/15	1:30 – 3:00 PM	409 Benson
Fri., 11/20/15	9:00 – 10:30 AM	401 A/D Benson
Mon., 12/14/15	3:00 – 4:30 PM	409 Benson
Thurs., 1/21/16	9:00 – 10:30 AM	409 Benson
Mon., 2/22/16	2:00 – 3:30 PM	401 A/D Benson
Mon., 3/21/16	11:00 – 12:00 PM	401 A/D Benson
Wed., 4/20/16	1:00 – 2:30 PM	409 Benson
Tues., 5/10/16	9:00 – 10:30 AM	118 ZSR Library-Auditorium

*Your input is essential as we continue to collaborate and discuss items of interest so that we can improve how we do business at Wake. So, please continue to send along suggestions, questions, and topics you want to hear about, know about, or discuss with others.*