

# Star Course #7

## Part B

### Financial Management

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- **June 25, 2024**

# Topics

- I. **Effort Reporting**
- II. **Cost Sharing/Project Contribution Reports**
- III. **Award Close Process**





# I. Effort Reporting

- The federal government requires an effort report when an individual is compensated from a federally sponsored project or a federal flow-through project. In addition, **cost share labor in support of a federally sponsored project** must also be certified on effort reports.
- All faculty who serve as investigators on sponsored agreements are personally responsible for certifying all reports of which they have first hand knowledge of the amount of effort that they and their employees spent on sponsored activities.



# What is Effort?

- Effort is defined as **the amount of time spent on a particular activity**, on which salary is directly charged to a federal sponsored project or a federal flow-through project.
- Effort reporting is the **mandated method** of certifying to the granting agencies that **the effort charged to each award has actually been completed**.
- Confirmation of “after-the-fact” effort which was expended on federally funded projects.

# Why do we Report Effort?

Effort reporting is **required** and is designed to **substantiate effort** spent for employees paid directly from a federal or federal-flow-through award.





# Non-Compliance Risk

- Large **financial penalties** can be levied against the institution by a federal agency.
- **Withholding or suspension** of federal research funding.
- **Erosion in sponsor confidence** leading to reduced federal funding.
- Audit **disallowances** (As in returning money back to sponsoring agency for charges already incurred by UCSB)



## Disallowances can result if...

- **Certifier** does not have first-hand knowledge of employee's time.
- Effort does not reflect all activities performed by the employee.
- The effort levels do not appear to be reasonable in comparison to the responsibilities of the individual.
- Effort report is falsified.



# UC Policy

- All effort must be certified within 120 days of the end of the reporting period. UCSB has three 4 month periods as well as a Summer Academic period.
  - June – September (non – academic) & June – September (Academic – PI Summer Salary)
  - October – January
  - February – May
- **Effort reporting system access and guidance:**
- <http://www.bfs.ucsb.edu/extramural-funds/effort-reporting>





# Effort Reporting System

- UCSB Effort reporting point of contact:  
[Jessica.fewell@bfs.ucsb.edu](mailto:Jessica.fewell@bfs.ucsb.edu)
- Available 24/7 through web-based interface.
- Roles:
  - DSA
  - Coordinator
  - Certifier
  - Viewer access



# Effort Reporting System

- Eliminates risk of document lost and misrouting.
- Maintains historical information, system becomes official record.
- System interacts with UCPath.
- Required to report certification rates to Office of the President.
- Most recent reporting period compliance was 99%! (Before conversion to UCPath)

# Effort Report - Example

## University of California ~ Effort Reporting System

**ADAMS,BENJAMIN T | 1 PERIOD JUNE-SEPT 2010**

**Emp. ID: 878534573 | Home Dept: COMPUTER SCIENCE**

**Version: 2.0 (12/15/2010 04:58) | Status: Certified**

**Service Period: June 1, 2010 to September 30, 2010**

**Pay Periods: June 1, 2010 to September 30, 2010**

<i><b>Sponsored Projects</b></i>	<b>Original Effort %</b>	<b>Adjusted Effort %</b>	<b>Original Cost Sharing %</b>	<b>Adjusted Cost Sharing %</b>	<b>Original Total %</b>	<b>Adjusted Total %</b>
8-444032-24973 DOD HM1582-10-1-0007 10/11	85%	<b>85%</b>		<b>0%</b>	85%	<b>85%</b>
<b>Total Sponsored Projects</b> <i>requiring certification</i>	<b>85%</b>	<b>85%</b>		<b>0%</b>	<b>85%</b>	<b>85%</b>
<i><b>Other Sponsored Projects</b></i>	12%	<b>12%</b>		<b>+ 0%</b>	12%	<b>12%</b>
<i><b>Non-Sponsored Activities</b></i>	3%	<b>3%</b>		<b>- 0%</b>	3%	<b>3%</b>
<b>Total Other Effort</b> <i>not requiring certification</i>	<b>15%</b>	<b>15%</b>		<b>0%</b>	<b>15%</b>	<b>15%</b>
<b>Grand Total</b>	<b>100%</b>	<b>100%</b>		<b>0%</b>		<b>100%</b>

**Report options:**

Report requires multiple certifications.  
Report allows for Cost Sharing Offset Against Other Sponsored Projects.  
Report under preliminary review.

**Comment for v2.0:** 12/15/10 4:58 PM by Martin Raubal

**Click here**



**CERTIFY EFFORT REPORT**

# Effort Report Example with Cost Share

Effort report **after** cost share is added:

Edit ReportView/HistoryComment Log

Version: 1.1 (12/06/2011 01:24) | Status: Open  
Service Period: June 1, 2011 to September 30, 2011  
Pay Periods: June 1, 2011 to September 30, 2011

Sponsored Projects	Original Effort %	Adjusted Effort %	Original Cost Sharing %	Adjusted Cost Sharing %	Original Total %	Adjusted Total %
8-442490-22660-CVAR01 ARMY W911NF1110232 WALLE 12/12	47%	47%		4%	47%	51%
8-442490-22660 ARMY W911NF1110232 WALLE 12/12	26%	26%		5%	26%	31%
ADD ADDITIONAL SPONSORED PROJECT						
Total Sponsored Projects requiring certification	73%	73%		9%	73%	82%
Other Sponsored Projects	0%	0%		+ 0%	0%	0%
Non-Sponsored Activities	27%	27%		- 9%	27%	18%
Total Other Effort not requiring certification	27%	27%		-9%	27%	18%
Grand Total	100%	100%		0%		100%

UPDATE CALCULATION

Report options: ☐ Report requires multiple certifications.  
☐ Report allows for Cost Sharing Offset Against Other Sponsored Projects.  
☐ Report is under preliminary review

Add a comment:

Comments can be up to 255 characters long. (Total characters: 11)



# ERS Reporting Periods

- **Period 1**
  - **June-September****Period 2 (Academic only)**
  - June-September (Summer pay only)****Run Date – mid-November**  
**Effort Reports due end of January**
  
- **Period 3**
  - **October-January****Run Date – mid-March**  
**Effort Reports due end of May**
  
- **Period 4**
  - **February-May****Run Date – mid-July**  
**Effort Reports due end of September**





# Effort Reporting Resources


- <http://www.bfs.ucsb.edu/extramural-funds/effort-reporting>
- **Effort Reporting (ERS)**

**Manuals**

**Job aids**

**Training for the PI**

**Adding cost-share to effort reports**



## II. Project Contribution (often called Cost Sharing)

**Project Contribution** is resources that are contributed to a sponsored project over and above the support provided by the Extramural sponsor of the project. This means that the project sponsor does not fully reimburse the institution for all allowable costs associated with the specific project.



# Mandatory versus Voluntary Committed Cost Share

- **Mandatory** cost sharing is required by a sponsor as a condition of obtaining an award.
- **Voluntary Committed** cost sharing represent resources offered by the PI – but is not a specific sponsor requirement. This is discouraged by Uniform Guidance.
- During the **proposal process** departments need to identify the funding source that will cover the cost share costs.



# Project Contribution Reports

- **Project Contribution Reports** (used to report Proj. Cont.) are emailed by EMF to departments annually to track project contribution data.
- **Departments** are the office of record for tracking and reporting project contributions and maintaining proper documentation.



# Types of Project Contribution

- **UC Cash** (formerly University Participation) university resources committed to the project  
– example: cash contribution.
- **UC In-Kind** (formerly Cost Sharing) - university resources available to the project  
– example: P I's academic year time commitment.
- **Third Party Contribution** (formerly Matching) – external funds committed to a project  
– example: equipment provided by an industry partner.





# Procedure to Arrange Cost Share

- Arranged at the time the proposal is prepared and submitted to the Agency.
- See Office of Research Website for “Project Contribution Guidance”.
  - <https://www.research.ucsb.edu/spo/proposal-prep/project-contributions>
  - When the commitment is made the funding source that will cover the cost share needs to be identified.
- Completing **Project Contribution Report** Form Training for depts:
  - <https://www.bfs.ucsb.edu/sites/www.bfs.ucsb.edu/files/docs/controller/Mini%20Tune%20up%20Project%20Contribution%20Forms%20Final%20Presentation.pdf>

# Where Do you Find Cost Share Recorded?

## OFFICE OF RESEARCH AWARD SYNOPSIS

Record # : 20120856 Date : 02/09/2012  
 Proposal Submitted : Contract Dept. : ELEG  
 Award Action : Continuation Fund # **442530** 59666

Agency : Semiconductor Research Corporation

Award # : 2006-VC-1437

Mod # : 8 Sponsor Code : 9102 Site of work : N: On-Campus

CFDA Number : Category : 5

### PIs:

#	First Name	Middle Name	Last Name	Home Dept	Title Code	% Time	Eligible	Exception
1	Mark	J	Rodwell	ELEG	1 - Professor	10.0	Yes	No
2	Susanne		Stemmer	ENMT	1 - Professor	10.0	Yes	No
3	Arthur	C	Gossard	ENMT	1 - Professor	0.0	Yes	No

Title: Nonclassical CMOS Research Center: Phase III

### FINANCIAL INFORMATION

Award Funds	:	100,000	IDC Award	:	33,993	Match Funds	:	139,098
Begin Date	:	07/01/2006	IDC Rate	:	51.50	UC Participation	:	261,000
End Date	:	08/31/2012	IDC Code	:	10 - MTDC	Cost Share	:	0
						Non-Cash:	:	0
						Pre-Award Begin Date	:	
Projected Funds	:	0	RAS Funds	:	0	Waiver Type	:	
Funds Thru Date	:		Begin Date	:		Waiver number	:	

# Award Letter

## UNIVERSITY OF CALIFORNIA, SANTA BARBARA ACCOUNTING AND FINANCIAL SERVICES EXTRAMURAL FUND ACCOUNTING

TO : Mark J Rodwell  
DEPT: ELEG

REPORT DATE: 02/09/2012  
RECORD NO : 20120856

The University has received an Award which names you as the Principal Investigator:

AGENCY: Semiconductor Research Corporation  
NUMBER: 2006-VC-1437  
AMOUNT: 100,000  
EFFECTIVE DATES: 07/01/2006 - 08/31/2012

Expenditures or commitments are not allowed prior to the effective date shown above without prior authorization. The award has been allocated to the following sub-accounts. These allocations together with the related expenditures will appear on the GL060, General Ledger of Expenditures.

CR:	SUB-ACCOUNT NAME	ACCOUNT NUMBERS	AMOUNT
	General Assistance	8- 442530-59666 -2	0
	Employee Benefits	8- 442530-59666 -6	0
	GSHIP/GSFR		0
	Supplies & Expense	8- 442530-59666 -3	66,007
	Equipment & Facilities	8- 442530-59666 -4	0
	Domestic Travel	8- 442530-59666 -5	0
	Foreign Travel	8- 442530-59666 -7	0
	Unallocated-Frozen	8- 442530-59666 -8	0
	Overhead Rate	J 51.50 % MTC 8- 442530-59666 -Y	33,993
	Stipends	8- -59666 -5	0
	Tuition & Fees	8- -59666 -7	0
		8- -59666 -	0
		8- -59666 -	0
		8- -59666 -	0
		8- -59666 -	0
		8- -59666 -	0
		8- -59666 -	0
		8- -59666 -	0
		8- -59666 -	0
		8- -59666 -	0
		8- -59666 -	0
DR:	TOTAL AWARDED	8- 259666 -59666 -0	100,000

Responsibility for adherence to the terms (including expiration date) of a contract or grant and budget control in the expenditure of the funds provided, rests with the Principal Investigator. It is also the obligation of the Principal Investigator to obtain funds to cover any expenditures which are deemed unacceptable under the terms of the contract or grant, and to cover expenditures which are in excess of amounts appropriated by the agency.

Matching Funds: 139,098

Cost Share: 0

Final Accounting Remarks:

Preparer's Remarks:

UC Participation: 261,000

Non-Cash: 0

*Monica Dune*

Connie S. Feeley, Manager  
Extramural Fund Accounting

Please direct Accounting questions pertaining to this award to: Craig Swanson x8338

# PROJECT CONTRIBUTION REPORT

DATE: 2/5/2016

UNIVERSITY OF CALIFORNIA, SANTA BARBARA

1. FUND #

2. ACCOUNT #

SHADED AREAS TO BE COMPLETED BY ACCOUNTING

22701

444012

3. Agency Name

U.S. NAVY

4. Principal Investigator

JOHNSON

5. Department

CHEM

6. The University has received the award referred to

[ X ] Principal Investigator

7. Award Number

N00014-08-1-0063

above which names (Check appropriate box):

[ ] Other

8. Contribution Reporting Period:

6/1/2015 TO 5/31/2016

9. Award Period

7/1/2008 TO 1/31/2017

10. FUNDING AGENCY

U.S. NAVY

(A) Total Award  
AMOUNT

(B) Expenditures  
CUMULATIVE TO DATE

(A-B)  
DIFFERENCE

11. TOTAL COMMITTED

(A) Commitment  
AMOUNT

(B) Expenditures  
CUMULATIVE TO DATE

(A-B)  
DIFFERENCE

12. THIRD PARTY CONTRIBUTION

(FORMERLY MATCHING)

128,500.00

89,500.00

39,000.00

13. UC IN-KIND/UC CASH

(FORMERLY COST SHARE/UC PARTICIPATION)

54,200.00

25,000.00

29,200.00

TOTAL

182,700.00

114,500.00

68,200.00

Details (Use separate sheet if needed and attach it to the back of this form.)

14. THIRD PARTY CONTRIBUTION

(FORMERLY MATCHING)

Agency:

Raytheon

Account/Fund:

8-444012-59876

Amount Reported This Period:

10,000.00

(Attach a memo from the agency if the expenditures are not on the UCSB's general ledger.)

Amount Reported This Period:



**15. UC IN-KIND/UC CASH***(FORMERLY COST SHARE/U.C. PARTICIPATION)*

\* \* NOTE: UC In-Kind is costs typically under a 40XXXX account &amp; UC Cash is costs typically under a 44XXXX account.\* \*

Name/Description	Account/Fund/Sub Charged	Total Gross Pay During Period	Cost Contribution Amount
Don Johnson Salary	8-444012-19900-2	72,000.00 x 10%	7200
Don Johnson Benefits	8-444012-19900-6	12,600.00 x 10%	1260
Supplies	8-444012-39850-3		500

16a. I certify that an Effort Report has been created (or will be created when ERS period is available) for the Project Contribution salary being reported above. The individual certifying below must have first-hand knowledge of the effort being reported

		(Effort Report Certifier's Signature)		(Date)	

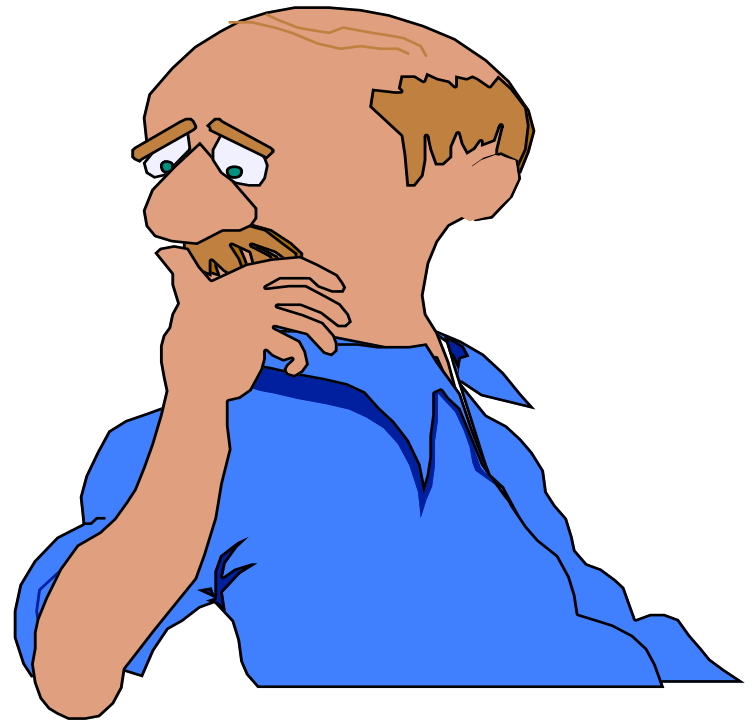
**FOR ACCOUNTING USE ONLY**

16b. I certify that the above costs represent the amount contributed to the support of the project cited during the reporting period indicated; that these costs are not being used as as University contributions on any other project(s); and that details substantiating these amounts are available in my department in conformance with the terms of the award.				17. Salary Contributions per Item 15.	
				18. Employee Benefits per item 15.	
				19. Other UC In-kind/UC Cash per Item 15.	
				20. Total (add items 17 through 19.)	
Principal Investigator's Signature				21. Overhead Base Code: _____ Rate: _____ Base Amount: _____ CALCULATED AMOUNT:	
Date					
Prepared by				22. Total UC In-kind/UC Cash (add items 20 and 21)	
Extension					
check appropriate box:				Contact:	Extension:
[ ] Final Report [ ] Interim Report # ____ of ____.				<b>Shabnam Sharif</b>	<b>2855</b>



### III. Awards Close Process

- Electronic Closing Notices
- Award Close Out Process
- Closing Checklist



## Electronic Closing Notices to Principal Investigators

- Advance Notice - Two ledger cycles (2 months) prior to the end date.
- First Notice - Subsequent to the end date.
- Second Notice - One ledger cycle (1 month) subsequent to the end date.
- Third Notice - Three ledger cycles which is about 90+ days after the end date of the award. Notices continue until the close memo is received.
- A close memo, no cost extension, or additional funding will stop the electronic notifications.



# Award Close Process

- “Award Close Process” EMF website
  - <http://www.bfs.ucsb.edu/extramural-funds/awards/closeout-process>
  - “Award Close Training” EMF website
    - <https://bfs.ucsb.edu/blog/mini-tune-up-sessions/emf-award-closing-process>
- **Close Memo:** The Close memo must be signed by the principal investigator and submitted two weeks prior to the deadline required to submit the final financial report (e.g. if the award end date is 3/31/21, the close memo should be submitted to EMF not later than 6/15/21 (assume a 90 day close).



# Close Memo – Certification Clause

- The principal investigator must sign a certification clause certifying that all costs are appropriate and allowable. Extramural Funds (EMF) has created a standard “Close Memo” template that can be found at:

[https://drive.google.com/file/d/1ULLTLud1mUNb\\_w7KFita\\_iZfSJue6gX/view](https://drive.google.com/file/d/1ULLTLud1mUNb_w7KFita_iZfSJue6gX/view)

Departments can create their own close memo with the following certification included:

- **“I have reviewed the grant/contract and certify all expenditures are appropriate and allowable”**

Close memos will only be accepted if the certification clause contains the exact wording as provided above.



## ACCOUNTING SERVICES AND CONTROLS

RE: CLOSE MEMO

I have determined the following adjustments:

(PLEASE ATTACH COPIES OF DOCUMENTATION FOR OUTSTANDING CHARGES.)

[illegible]

**Prior to closing an award, a justification is required explaining the exception to Circular A-21 for the following object codes: 4100-4490; Communication, Postage, Delivery (exclude 4101, 4125, 4450, 4460, 4470). Also, justification is needed for 5505 (Transfer Copy); 6050 (Reproduction & Photocopy); 7220 (Memberships/Subs); 7224 (Temporary Services); 7225 (Permits-Taxes-Fees); 8015 (Reproduction/Copy Supplies); 8070 (General Office Supplies); 8140 (Office Supplies). If the object codes listed above are not appropriate or immaterial, please indicate the object codes and amounts to be transferred from this project.**

Total unspent balance: \$ \_\_\_\_\_ from general ledger dated: \_\_\_\_\_  
 Less outstanding costs: \$ 0.00 (\*Should be the same amount.)  
 Total amount: \$ \_\_\_\_\_ to be returned to the agency.

I have reviewed the above grant/contract and certify all expenditures are appropriate and allowable.

Prepared by \_\_\_\_\_ ext: \_\_\_\_\_  
Principal Investigator \_\_\_\_\_ date: \_\_\_\_\_  
(signature)



## Link to Typically F&A, Requires PI Justification, and Unallowable Object Codes

Newest **Close Memo** has the following link  
for these Object Codes



<https://drive.google.com/file/d/18WFBPcQX3-GxG644x7YpDvax071PJvZ4/view>

Link to These Object codes:

<https://www.bfs.ucsb.edu/extramural-funds/awards/object-codes-review>

# Departmental Data Warehouse Reports to run while preparing your Close Memo

➤ For DW EZ Access Users:



## *EZ Access Main Menu*

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  - 📄 [Extramural Close Out](#)
  - 📄 [KK Sub-Agreement](#)
  - 📄 [Unallowable and Typically F & A Object Codes](#)
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**Close-Out Summary of Charges That May Need Further Review**  
**NSF 1240075 BIANCHINI 02/18**  
**442100-22046**

Fund Type: **United States Government**  
Fund Subtype: **Federal Grants & Cooperative Agreements**  
Overhead Base: **J MTDC Excluding Sub 4**  
Overhead Rate: **51.3**  
Prin Invest: **J A BIANCHINI**  
Dept: **GSER**

Fund Begin Date: **20130301**  
Fund End Date: **20180228**

**Unallowable**

Sub	Object Code Type	Object Code	Object Description	Ledger Date	Reference No	Description	Expenditure Amount
3	Fees for Services	7740	PATIENT CARE	201610		Petty Cash Oct 2016	33.00
3	Fees for Services	7740	PATIENT CARE	201611		Petty Cash NOV 2016	56.78
3	Fees for Services	7750	SOCIAL ACTIVITY&ENTERTAINMENT	201408	EN	SUSAN K JOHNS_072914ZODO0115	97.48
3	Fees for Services	7750	SOCIAL ACTIVITY&ENTERTAINMENT	201412	EN	SUSAN K JOHNS_072914ZODO0115	-97.48
							<b>89.78</b>

**Typically F & A Costs**

Sub	Object Code Type	Object Code	Object Description	Ledger Date	Reference No	Description	Expenditure Amount
3	Copy Charges	6050	REPRODUCTION AND PHOTOCOPY	201305	018249	THE ALTERNATIVE DIGITA_20623	15.27
3	Copy Charges	6050	REPRODUCTION AND PHOTOCOPY	201307	018249	THE ALTERNATIVE DIGITA_20508	95.77
3	Supplies	8140	OFFICE SUPPLIES	201309	GW0000	UNIVERSITY CEN_5119 - 080713	1,838.92
							<b>1,949.96</b>

**PI Justification Required**

Sub	Object Code Type	Object Code	Object Description	Ledger Date	Reference No	Description	Expenditure Amount
3	Fees for Services	7900	HONARARIA-NON UC EMPLOYEE	201403	HN	STEPHANIE RIVE_AUG-SEPT 2013	900.00
3	Fees for Services	7900	HONARARIA-NON UC EMPLOYEE	201410	HN	STEPHANIE RIVE_AUG-SEPT 2014	1,400.00
3	Fees for Services	7900	HONARARIA-NON UC EMPLOYEE	201511	10039649	STEPHANIE RIVERA_HN/AUG-SEP	2,100.00
3	Fees for Services	7900	HONARARIA-NON UC EMPLOYEE	201610	10154201	BARNABY DILLON_HN/AUG-SEP	1,400.00
3	Fees for Services	7900	HONARARIA-NON UC EMPLOYEE	201610	10154204	KRISTEN RITTER_HN/AUG-SEP	1,400.00
							<b>7,200.00</b>

**Reasonableness Charges**

Sub	Object Code Type	Object Code	Object Description	Ledger Date	Reference No	Description	Expenditure Amount
3	Fees for Services	7235	CONSULTANTS	201412	CT0141	MELISSA WOOD_201412BEY010042	6,750.00
3	Fees for Services	7235	CONSULTANTS	201504	CT0141	MELISSA WOO_NOV11-MAR31/2015	1,050.00
							<b>161,185.00</b>

## Definitions for Object Code Categories

### Unallowable Costs

These should not be charged to Contracts and Grants.

### Typically F&A Costs

F&A costs can only be charged as a direct expense to a sponsored project when there is an unusual or unique circumstance, and the amount of the charge is significant. Most F&A charges are covered by the campus overhead allocation and should therefore not be charged to a sponsored project. A written and signed justification from the principal investigator must be included with the close memo if F&A costs are to be directly charged to a sponsored project. General statements do not satisfy this requirement. If there is no acceptable justification, departments need to indicate to EMF (with the close memo packet they submit) as to where EMF will need to move these charges as a lump sum, by object code, to an existing research account number linked to unrestricted funds. The cost transfer will include reference to the grant's account-fund and the target research account/fund will need to be funded by the department. The amount transferred to the research account will only be the direct cost portion. This process will be a coordinated effort between EMF and the department.

### PI Justification Costs

Different than Typically F&A. PI justification is required at award close for these types of charges. For example:

- \* Honorarium —(Object Code 7900) payments generally are not allowable charges to federal funds unless a contract or grant specifically authorizes such payments. Honorarium payments should be specified as direct cost items at the time a contract or grant proposal is prepared. An honorarium is a payment to an individual in recognition of a special or distinguished service for which propriety precludes setting a fixed price. Activities include a lecture, concert, participation in a workshop or seminar, speaking engagement, or appraisal of a manuscript for professional publication.

- \* Memberships/Subscriptions—(Object Code 7220) Costs for memberships in technical, and professional organizations are treated as indirect costs. An individual membership to a technical or professional group may be allowed as a direct charge to a contract or grant if one of the following can be demonstrated:

1. The membership creates a cost-savings to attend a conference at which research results specific to the project will be presented or for which membership is mandatory in order to present research results specific to the project.

2. The sole purpose of the membership is to purchase a periodical at a reduced rate, the periodical is not available through the institution's library services, and the periodical is necessary for the sponsored project. The budget narrative should clearly indicate how the membership costs meet one of the above requirements.

### Reasonableness Charges

These charges should normally be a line item in the budget and EMF accounting may request backup or more information from the administering department at award close. For example:

- \* Service of Equipment (7260) would be questioned if the award only had salaries and benefits, or had no equipment in its budget.

- \* Participant Support charges (2015, 7215-17) must be separately identified in the approved budget from the sponsoring agency.

- \* For Consultants (7235), Grantees normally are expected to utilize the services of their own officers or employees to the maximum extent in managing and performing the activities supported by contracts & grants. Where it is necessary for a grantee to enter into services of persons who are not its officers or employees, it is expected to do so in accordance with written organizational standards.


## Totals by Object Code Category

Category	Expenditure Amount
Unallowable	89.78
Typically F & A Costs	1,949.96
PI Justification Required	7,200.00
Reasonableness Charges	161,185.00
	<b>170,424.74</b>

## Totals by Object Code

Object Code	Object Desc	Expenditure Amount
6050	REPRODUCTION AND PHOTOCOPY	111.04
7216	PARTICIPANT SUPPORT-UNDERGRAD	142,885.00
7235	CONSULTANTS	18,300.00
7740	PATIENT CARE	89.78
7750	SOCIAL ACTIVITY&ENTERTAINMENT	0.00
7900	HONARARIA-NON UC EMPLOYEE	7,200.00
8140	OFFICE SUPPLIES	1,838.92
		<b>170,424.74</b>





If the need for consultant services is anticipated, the proposal narrative should provide appropriate rationale, and the summary proposal budget should estimate the amount of funds that may be required for this purpose. To the extent possible, consultant rates should show separate amounts for actual services and each of the components of the rate (such as fringe benefits, indirect costs, and other expenses).

\* For Allowable Advertising (7230) costs may be charged directly if the purpose of the costs is for the recruitment of personnel, the procurement of goods and services, the disposal of scrap or surplus materials, and other specific purposes necessary to meet the requirements of a sponsored agreement.





# Award Close Process

- **Overdrafts:** Copies of cost transfers must be attached for all contracts and grant overdrafts (costs exceed the budget).
- **Outstanding Charges:** Departments must indicate outstanding charges to be included in the close memo. All outstanding charges on the close memo must have supporting documentation attached. Supporting documentation may include: vouchers, invoices payroll, non-payroll transfers, and financial journals.
- **F & A Costs:** F & A costs can only be charged as a direct expense to a sponsored project when there is an unusual or unique circumstance, and the amount of the charge is significant. Most F & A charges are covered by campus overhead allocation and should therefore not be charged to a sponsored project. A written and signed justification from the principal investigator must be included with the close memo if F & A costs are to be charged to a sponsored project. *General statements do not satisfy this requirement.*

# NO F&A Charged directly to an Award!

## ▼ Campus Recharges

Object Codes	Description
3903	Utilities Recharge (Typically F&A)
3904	Copy Recharge (Typically F&A)
3906	Supplies Recharge (Typically F&A)

## ▼ Communication Services

Object Codes	Description
4100	Telecommunication Charges
4110	Phone Services
4111	Two Way Radio Maintenance
4120	Local Calls
4130	Phone One-Time Charges
4135	Other Phone Charges
4140	Voice Mail
4145	Other Data Charges
4150	Cellular Telephone Charges
4155	Cable Television
4160	Technician Labor
4165	Materials
4170	Rentals
4180	Vendor Maintenance
4190	Overhead Charges
4195	Taxes-Surcharges
4199	Late Charges

# NO F&A Charged directly to an Award!

## ▼ Mail Services



Object Codes	Description
4400	First Class Mail
4410	Business Reply
4420	Postage Due
4430	Stamps
4440	Foreign Mail
4475	Parcels
4480	Bulk Mail
4490	Mail Services-Misc

## ▼ Utilities

Object Codes	Description
5200	Utility Services – FM Recharge
5205	Utilities – Maintenance & Repairs
5210	Electricity-Utilities Purchase
5220	Water & Sewer – Utility Purchase
5230	Natural Gas – Utilities Purchase
5250	Oil – Utilities Purchase
5260	Propane/Butane – Utilities Purchase
5270-79	User Defined – Utilities Purchase
5305	Rental of Copy Equipment

# NO F&A Charged directly to an Award!

## ▼ Copy Charges

Object Codes	Description
5505	Transfer Copy Cost-Interdepartment
6050	Reproduction and Photocopy
6100	Printing of Forms/Stationery
8015	Reproduction/Copy Supplies

## ▼ Supplies

Object Codes	Description
8070	General Office Supplies
8075	Research Office Supplies
8140	Office Supplies
8160	Cleaning Supplies

# Object Codes that Require PI Justification!

## ▼ Requires PI Justification Object Codes



Object Codes	Description
7220	Memberships / Subscriptions
7224	Temporary Services
7225	Permits-Taxes-Fees
7900	Honoraria - Non-UC Employee



# Unallowable Object Codes

## ▼ Unallowable Object Codes

Object Codes	Description
3901	Recharge: Advertising – Fed Unallowable
3902	Recharge: Social Activity & Entertainment: Fed Unallowable
3907	Recharge: Non-Cash Awards-Gifts: Fed Unallowable
7700	Fines and Penalties
7710	Donations and Contributions: Fed Unallowable
7720	Memberships/Subscriptions: Fed Unallowable
7730	Advertising Federal: Fed Unallowable
7740	Patient Care: Fed Unallowable
7750	Social Activity & Entertainment: Fed Unallowable
7751	Non-Cash Awards-Gifts: Fed Unallowable
7755	Commencement & Convocation Costs: Fed Unallowable
7757	University House Entertainment: Fed Unallowable
7760	Scholarship Allowance Credit: Fed Unallowable
7771	Not a valid object code
7780	Cost Legal Proceedings: Fed Unallowable



# Award Close Process

- **Project Contribution:** Departments must submit a Project Contribution Report with the close memo, if the project contribution has not been reported.
  - Completing **Project Contribution Report** Form Training for depts:
    - [https://drive.google.com/file/d/1zC9AKU\\_k2qc2IN0gmhpggzJg6Nu91q\\_s/view?usp=sharing](https://drive.google.com/file/d/1zC9AKU_k2qc2IN0gmhpggzJg6Nu91q_s/view?usp=sharing)
- **No Cost Extensions/Additional Funds:** EMF must be notified when No Cost Extensions, Supplemental Funds or Continuations funds have been requested or expected. The closeout process for the award will be placed on hold until the synopsis from Office of Research is received indicating changes or additions. However, the principal investigator will continue to receive email closing notifications until the synopsis is received from the Office of Research.
- **Financial Report:** will be submitted late if the No Cost Extension or Additional Funding is not approved within the required agency closeout deadline. This may create a financial liability to the department.



# Award Close Process

- Awards must be closed within 90 days of the end date of the award.
- **Exceptions to the 90 day Deadline:**
  - Non-federal Awards – Close 60 days from the end date.
  - Federal-flow Through Awards – Close 30 days from the end date.
  - Intercampus Awards – Close 60 days from the end date unless the Multi-campus Agreement (MCA) indicates 30 days.
  - Other: Awards may specify a different close period (e.g. award closeout required with 45 days of end date)
- **Revised Award Close:** The Department will be required to request written approval from the agency to submit a revised financial report or invoice that would include additional costs.

## Closing Checklist:

### Department Checklist (review the 'summary by object code' for:

- **Unallowable Charges – Run DW Report!**
- **Liens**
- **Expense Adjustments**
- **Outstanding Expenses**
- **F&A vs Direct Charges**
- **F&A Reconciliation**

### Reports Required:

- **Project Contribution Rept**
- **Close Memo**

### Extramural Fund Accounting:

- **Financial Report**
- **Costs Reasonable**
- **Cash Reconciliation**
- **G/L System Close**
- **Final Payment**



**AWARD IS CLOSED WHEN FINAL PAYMENT IS RECEIVED!!**