

University of Arkansas Roles and Responsibilities for Financial Administration of Sponsored Programs

Policy Number 226

The following document has been prepared to provide documentation and guidance for the various persons involved in sponsored programs on the University of Arkansas, Fayetteville campus. This document defines the roles and responsibilities of the various individuals involved in post award sponsored program administration so that individuals occupying such positions will understand what is expected of them. Adopting this document as policy also provides assurances to sponsors and potential sponsors that we have considered the various requirements involved in administering sponsored programs and have appropriately assigned responsibility to meet those requirements.

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.
- Responsible for making sure that 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 the project.
- Initiates and proposes resolution of any cost overrun occurring on the project.
- Identifies and allocates any program income (such as revenue from sales and services of goods developed in conjunction with a sponsored project).
- 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 on sponsored programs 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 funds are available to support the transaction.

- The transaction is treated consistently with regard to direct/indirect cost designation in accordance with Fayetteville Policy and Procedures 310.1

Departmental/Center Financial Administrative Officer

- Submits and/or approves all expenditure transactions for sponsored program cost centers in the BASIS system. 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.
 - * 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.

Departmental/Center Financial Administrative Officer

- Consults with PI and initiates transactions to resolve project cost overruns.
- Processes documents to record program income.
- Provides information to Research Accounting for final financial reports.
- Reports instances of financial noncompliance with applicable award terms and conditions, institution policies, and/or regulations to the appropriate compliance officer as designated by top management of the institution.
- Reviews assigned sponsored program cost centers at least monthly to ensure that adequate budgets are available for proposed obligations and to ensure that posted project expenditures are reasonable, allocable and allowable.

Department Chair or 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 at the unit level.
- Ensures A-21 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 external and internal policies and procedures and regulations for sponsored projects within department/center and reports instances of noncompliance to the appropriate compliance officer as designated by the top management of the institution.

Dean's or Agricultural Experiment Station Director's Office (or Designee)

- Assists faculty in preparing and submitting timely proposals.
- Approves source of cost sharing/matching funds.
- Approves all sponsored programs Expense transfers for transactions over 90 days old (90 Day or Older Cost Transfer Request Form).
- Identifies funds to cover project cost overruns per Fayetteville Campus policy 329.2.
- Provides funds for uncollectible sponsored programs per Fayetteville Campus 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 of the institution.

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 (within limits set by Fayetteville policy 220.0).
- 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.
- 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.
- 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.
 - o 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 OMB Circular A-21.
 - o Reviews financial transactions for unallowable costs. Rejects unallowable costs when reviewing TARGET transactions.
- Reviews and approves as appropriate cost transfers in accordance with U of A Fayetteville policy 311.1 and OMB Circular A-21.
- Attempts to resolve payment problems with sponsors
- Provides training as it pertains to the financial administration of sponsored projects to different constituencies.
- 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

- 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 (within limits set by Fayetteville policy 220.0).
- Assures PI approval of subrecipient agreements and payments and processes subrecipient agreements and payments.
- 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.
- 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.
 - o 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 OMB Circular A-21.
 - o 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.
 - o Monitors levels of program income.
 - o Adds budget to program income cost centers as income is recorded.
- Reviews and approves as appropriate cost transfers in accordance with Fayetteville policy 311.1 and OMB Circular A-21.
- 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.
- 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.
- Monitors cost share centers and notifies the Department Administrator and/or PI if it appears cost sharing expenditure obligations are not being met.
- Identifies, Distributes and Monitors A-21 effort certifications.
- Obtains assurance that subrecipients have met A-133 audit requirements.
- Submits budget revisions into the accounting system as requested by RSSP.
- Computes interest on sponsored program advances as required.
 - o 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 the last working day of the month.
 - o Submit interest to Federal cognizant agency annually for advances of federal funds in accordance with OMB Circular A-110 section 22.
- Submits funds transfers for funding of cost sharing cost centers in accordance with instructions provided by RSSP.