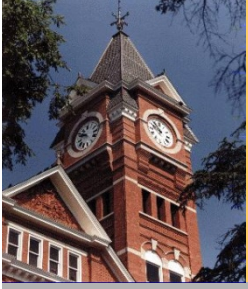


Contracts and Grants Accounting

AUSPAN

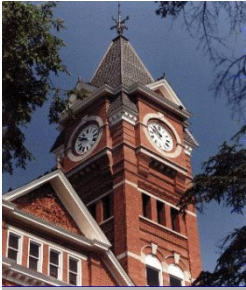
New CGA Policies

February 25, 2013



New CGA Policies

- Reviewed with OSP
- *Drafts* submitted by CGA for approval
- Will not be adopted as policy until approved by General Counsel
- Notice will be sent when policies are approved



SPAN – CGA Policies

CGA Policy & Procedures

Direct Cost Policy*

Cost Sharing Policy

Effort Certification Policy

Final Billing and Reporting Policy

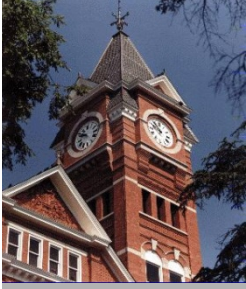
Fixed Price Residual Balances Policy

Non-Salary Cost Transfers Policy

Program Income Policy

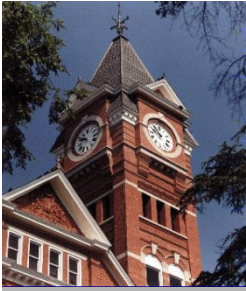
Salary/Wage Transfer Policy

Unreimbursed/Unallowable Expenditures Policy



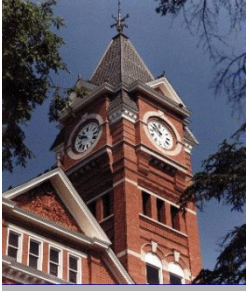
Direct Cost Policy

- Establishes consistent costing practices for Auburn University
- Defines Direct Costs; allowable, allocable, reasonable and consistent
- Includes information for charging direct costs to federally sponsored projects and non-federally sponsored projects
- Provides examples of unacceptable charging practices
- *New:*
 - responsibilities for PI/department, CGA, OSP
 - additional language on items normally charged as indirect costs, including agency-specific guidance
 - reference to cell phone policy



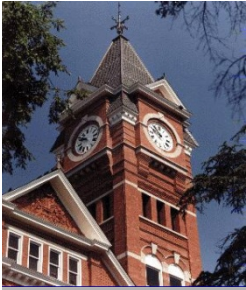
Cost Sharing Policy

- It is the policy of Auburn University to recover full costs from the sponsor.
- Cost share only when mandated by sponsor, required by federal regulations, or required to properly document committed effort.
- Voluntary committed cost share is discouraged.
- Cost share commitment must be approved by department heads, deans or directors, and the appropriate vice presidents.
- Generally, sponsor funds and AU funds should be spent at about the same rate.



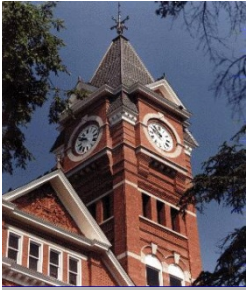
Cost Sharing Policy

- Methods of cost sharing are defined:
 - Cash Cost Sharing
 - Third-Party Cost Sharing
 - Cash
 - Non-cash
 - Indirect Costs
 - Program Income



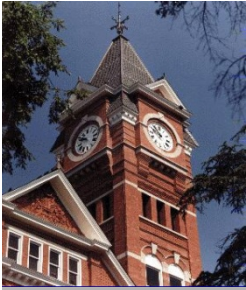
Final Billing and Reporting Policy

- Purpose is to ensure compliance with sponsoring agency requirements for final financial report submission
- Includes responsibilities for PI/department and CGA
- Lists examples of typical final reporting deadlines
- Unreimbursed costs must be covered by the responsible college/school/department



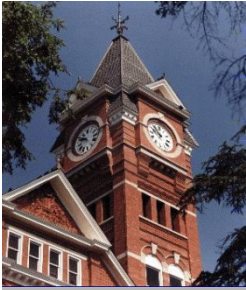
Fixed Price Residual Balances Policy

- Includes responsibilities for PI/department and CGA
- Work on sponsored project must be complete, no outstanding items remain open or in question with sponsoring agency, and full payment must be received
- Explains recovery methods if Indirect Costs were:
 - Recovered during the life of the award
 - Partially recovered during the life of the award
 - Waived during the life of the award
- CGA will initiate closeout for indefinite funds with balances of \$1,000 or less with no expenditure activity in the preceding 180 days



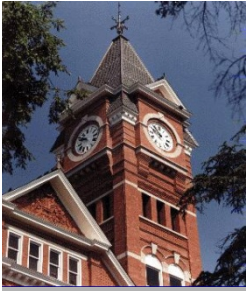
Non-Salary or Salary/Wage Cost Transfers Involving Sponsored Projects Policy

- Two policies – one for non-salary transactions and one for salary/wage transactions
- It is extremely important that all expenditures be initially charged to the correct FOAP.
 - OMB Circular A-21, Section C.4.b
 - Parking of costs
- Deadlines for cost transfers *TO* sponsored project FOAPs: 90 days after expenditure was incurred
- Responsibilities for PI/department and CGA
- Avoid transfers to “spend down award” or because “that’s where the money is”



Program Income Policy

- A separate FOAP will be established for processing receipts and disbursements of program income
- Responsibilities for PI/department and CGA
- Treatment of program income as additive, deductive, or cost sharing
- A-110 directions on spending program income funds
- Residual balances on **non-federal** projects
- Collection, deposit, and budget procedures



Unreimbursed and Unallowable Expenditures Policy

- Unallowable = costs specifically prohibited by OMB A-21 or sponsor restrictions
 - *** Must be paid with unrestricted funds
- Unreimbursed = normally costs in excess of the award amount or project costs incurred outside the period of performance
 - Otherwise allowable per OMB A-21 and award
 - *** Must be transferred to Dean's CS FOP
- Both cost types can be transferred off sponsored FOAP with DEC
- Allows AU to properly classify costs in the appropriate major function as required by OMB A-21