



Funds Management & Grant Training Manual

January 2010



Once a faculty member in the School of Pharmacy receives a grant it is the individual faculty member's responsibility to not only fulfill the specific aims and goals of the research project but to also effectively and appropriately manage the funds provided in that grant. The accounting staff members in each Department of the School of Pharmacy have developed uniform reconciliation reports to aid the faculty researchers in making sound decisions about spending of their grant funds. The purpose of this booklet and associated workshop is to provide a reference resource for each faculty researcher in the School of Pharmacy that describes the basics of the granting process at KU, granting terminology and definitions, grant fund categories and their appropriate uses, and descriptions of the reconciliation reports received by the faculty researcher on a monthly basis that detail the research project's funding status.

Our overall goal of the booklet and associated workshop is to ensure that all grant funds are used effectively by the investigator in an appropriate and timely manner in support of the successful completion of each and every research project. Further, that convenient and successful administration of research grants will foster continued granting activity by each and every faculty member in the School of Pharmacy.

As a final note, the reconciliation reports described in this booklet and the associated workshop apply only to School of Pharmacy research grants administered through the individual Departments and the University of Kansas Center for Research (KUCR). For faculty with funding administered through alternative units (e.g., Higuchi Biosciences Center), they are directed to the accounting staff of those units for detailed information on their respective reconciliation reports.

Kenneth L. Audus
Dean, School of Pharmacy

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Funds Management & Grant Checklist

Do I have **Start Up** funds? (Pg. 5, Sec. 1-1)

- Are they State Funds (Provost/Departmental) or KUCR funds?
- What expenses are permissible for each?
- Have my funds been transferred to the proper account – what is my account number? _____
- Who do I contact for help? _____
- What is the expiration date?

I have been notified of a grant award - do I have a **Budget Summary**? (Pg. 7, Sec. 2-1)

- Have I reviewed the Budget Summary for accuracy?
- Who do I contact for help? _____

Have I received a **Monthly Reconciliation Report** for each grant for which I am a PI? (Pg. 11, Sec. 3-1)

- Interpreting the Monthly Report. (3-2)
- Who do I contact for help? _____

I have received a **Salary Certification Report** – what do I do with it? (Pg. 13, Sec. 4-1)

- How do I interpret the Salary Certification Report?
- Who do I contact for help? _____

What is **Salary Release** and do I have any? (Pg. 15, Sec. 5-1)

- How can Salary Release funds be used? (5-1)

How do I hire and **appoint Personnel on a Grant**? (Pg. 16, Sec. 5-1b)

- Who do I contact for help? _____

How do I hire and **appoint a GRA**? (Pg. 16, Sec. 5-1c)

- Who do I contact for help? _____?

Do the **purchases** for my project meet the required criteria? (Pg. 18, Sec. 5-1f)

- Have I approved all transactions for the grant?
- Are my purchases allowable?

Can I pay for a **fellowship** with my grant? (Pg. 18, Sec. 5-1h)

Can I pay **tuition** on my grant? (Pg. 18, Sec. 5-1i)

Where do I find the **F&A** I have received from the grant? (Pg. 19, Sec. 5-1j)

Can I **travel** on my grant funds? (Pg. 20, Sec. 6-1)

- If traveling to a country on a US State Department Warning list have I filled out a Liability Waiver Form?
You will not be allowed to use grant funds for this type of travel.
- **Have I requested a Travel Authorization?**
- Do I need a cash advance?
- Do I meet the 5 requirements for travel?
- Have I submitted the necessary receipts and currency exchange rates (if foreign) for reimbursement of travel to the accountant?

What steps do I need to take to **close my grant**? (Pg. 24, Sec. 7-1)

Contact Names & Numbers

SCHOOL OF PHARMACY

<u>Name & Title</u>	<u>Department</u>	<u>Phone</u>
Karen Hall Accountant	Pharmaceutical Chemistry	864-4816
Cheryl Holcomb Budget Director	School of Pharmacy	864-2293
Revellia Rasmussen Accountant II	Medicinal Chemistry	864-3594
Sheila Stice Accounting Specialist	Pharmacology & Toxicology	864-4001
Sandy Urish Accountant	Pharmacy Practice	864-4882

KUCR

<u>Name & Title</u>	<u>Department</u>	<u>Phone</u>
Anita Abel Assistant Manager	Post Award Services	864-5025
Joan Bland Grant Specialist	Post Award Services	864-5025
Mickie Gillispie Grant Specialist	Post Award Services	864-5025
Teri Herberger Manager	Post Award Services	864-5025
Angela Richmond Grant Specialist	Post Award Services	864-5025
Elena Semyonova-Smith Grant Specialist	Post Award Services	864-5025

1-1 Start-Up Funds

The University recognizes that start-up packages are an important element in the successful recruiting of the highest quality faculty and academic staff and the School works very hard to assist new faculty and staff in utilizing these funds to the best extent possible.

There are two types of start up funds that are administered through the department –state start up funds (distributed by the Provost office) and KUCR (KU Center for Research). All start up funds (regardless of the funding source) may be used for equipment, space renovation, supplies, travel, laboratory service expenses and salary costs for research support staff including, but not limited to, post doctoral researchers, research assistants, and graduate research assistants. These resources **MUST** be used for the direct support of research. These funds may not be used for moving expenses and/or house hunting or travel expenses for spouses, significant others, children, etc. A new employee receiving a start-up package will have three years from the date of the initial award allocation in which to spend the funds. The Dean has the responsibility for extending requests and reporting them for further approval to the Provost’s Office and the Office of the Vice Provost for Research.

NOTE: You have **THREE YEARS** to spend your start-up funds. **FUNDS NOT EXPENDED IN THIS PERIOD WILL BE FORFEITED.**

Department Start up Funds – May be distributed to you by your Department Chair. This would be detailed in your offer letter. Use of these funds will be specified by the Department Chair and there may or may not be a time limit for expenditure.

State Start up Funds – Distributed through the Office of the Provost

Non-Permissible Expenses:

- Tuition for anyone
- Moving/House Hunting expenses

Permissible Expenses:

- Lab Supplies
- Office Supplies
- Chemicals
- Equipment
- Travel
- Personnel – See section 5-1 for policies and procedures.

The PI must first check with the department accountant **before** purchasing anything or making any travel arrangements when state funds are going to be utilized. There are various state contracts and travel policies and procedures that must be adhered to, the department accountant will assist the PI to ensure that the School is in compliance with State purchasing procedures.

KUCR Start up Funds – Distributed through the Office of the Vice Provost for Research

Non-Permissible Expenses:

Tuition for anyone
Moving/House Hunting Expenses

Permissible Expenses:

Lab supplies
Office Supplies
Chemicals
Equipment
Travel
Personnel

The PI is not required to use state contracted vendors when utilizing KUCR start up funds. However, he/she must go through the department account before making any travel arrangements to ensure all travel policies are adhered to.

1-2 Who to Contact

Questions related to start-up funds can be directed to The Director of Finance and Human Resources for the School of Pharmacy or to the department accountant.

Start up funds allow the faculty member to establish his/her lab and have in place the personnel to assist with their research. In order to become independently funded a successful faculty member is expected to write and submit grant proposals during the period they are supported through the start up funds. Funds will commence to roll in as he/she will begin receiving the grant awards. These grants not only fund vital research but they also will provide some academic year salary and possibly the entire summer salary to the faculty member while he/she conducts research throughout the summer months.

Questions:

2-1 What is a Budget Summary?

The budget summary (Bud Sum) is issued once the grant award is announced and the funding agency has completed the transfer of funds to KUCR. The Bud Sum is the document that lists the total grant award and how the awarded funds are to be distributed among the various budget categories.

University of Kansas Center for Research, Inc. Sponsored Project Budget Summary

Credit

Project Number:	NIH00XXXXX- Natural Product Inhibitors	PI:	Dr. Jayhawk
Agency:	National Institute of Health	Co-PI(s):	
Award Number:	R01-000		
Budget Period:	07/01/2009 - 06/30/2010		
Project Type:	<input checked="" type="checkbox"/> Basic <input type="checkbox"/> Applied	Admin Unit:	Medicinal Chemistry # _____
		Rsrch Center:	KUCR # _____
CFDA #	Compliances:		
	HSC-L: <input type="checkbox"/> Yes <input type="checkbox"/> No	Number: _____	Exp. Date: _____
	Animal Care: <input type="checkbox"/> Yes <input type="checkbox"/> No	Number: _____	Exp. Date: _____
	Classified: <input type="checkbox"/> Yes <input type="checkbox"/> No	Period: _____	
Title: <u>Natural Product Inhibitors</u>			

Category	Code	Award	Action:	Notice of Award
Personnel				
Key Personnel	11003	1,575		
Other	11002	32,004		
USS	11004	0		
Students	11101	20,000		
Subtotal Salaries		\$53,579	\$ -	\$ -
Fringe Benefits	11701	10,745		
Total Salary & Fringe		\$64,324	\$ -	\$ -
TRAVEL:				
Domestic	13001	0		
Foreign	13002	0		
Supplies & Expenses				
Other	12002	0		
Participant Pymt/Support	12002	0		
Subtotal Direct Costs Subject to F&A		\$71,680	\$ -	\$ -
Equipment	14001	0		
Fellowship	19005	0		
Tuition	19003	6,000		
Subtotal Direct Costs Excluded from F&A Base		\$6,000	\$ -	\$ -
Subtotal All Direct Costs		\$77,680	\$ -	\$ -
F&A Rate (44%):	19000	32,973		
Project Total		\$110,653	\$ -	\$ -
Less Prior Year Balance				
Amount of This Award		\$110,653	\$ -	\$ -

Remarks:

For Use by PAS Only:

PeopleSoft Panels: _____

Budget Journal #: _____

Speed Chart: 00XXXXX- _____

Speed Type: 00XXXXX- _____

Project List: _____

Folders: _____

Cost Share/Match: _____

Master budget Detail: _____

Card: _____

Approved: _____

xc: SPA, Electronic/copy Vault File Payroll, M.Ginavan, B.Collins

Date: _____

By: _____

Award#: _____

Prop: _____

Version: _____



2-2 Interpreting the Budget Summary

It is the responsibility of the PI to review the budget summary to ensure the funds awarded are appropriately designated and reflect those that were requested in the proposal.

The top section of the budget summary provides the following information:

- 1) Project Number (this is the number assigned to the grant by KUCR- example (NIH00xxxxx))
- 2) The Agency (NIH, FND, KAN, etc.)
- 3) The award number or type of grant
- 4) The budget period
- 5) The project type
- 6) The PI
- 7) Co-PI (if applicable)
- 8) The administrating unit (usually your department or KUCR)
- 9) Compliances that apply
- 10) The title of the award

University of Kansas Center for Research, Inc.

Sponsored Project Budget Summary

Credit

1) Project Number:		6) PI:		
2) Agency:		7) Co-PI(s):		
3) Award Number:				
4) Budget Period:				
5) Project Type:	<input type="checkbox"/> Basic <input type="checkbox"/> Applied	8) Admin Unit:	_____ # _____	
CFDA #		Rsrch Center:	_____ # _____	
	9) Compliances:			
	HSC-L:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Number: _____	Exp. Date: _____
	Animal Care:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Number: _____	Exp. Date: _____
	Classified:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Period: _____	
10) Title:	_____			

The second section of the BUD SUM contains the funding categories and award amounts for each category which are subject to F&A:

11) **Key Personnel** PI (Principal Investigator): The dollar amount of effort the PI is appointed to the grant. This is the salary amount that represents the time (effort) the PI is obligated to dedicate to the grant. This is often referred to as the percent of effort and represented by equivalent months of work/year in the current format.

12) **Other:** Post Docs, lab directors, Co-PI (if applicable), research associates, etc.

13) **USS:** University Support Staff

14) **Students:** Graduate Research Assistants and Student Hourly

15) **Fringe:** Benefits paid by the employer on behalf of the employee (i.e. health insurance, worker’s comp insurance, unemployment insurance, etc.)

16) **Travel:** Domestic and International, **travel directly associated with the research of the corresponding grant.**

17) **Supplies & Expenses:** Lab supplies and chemicals. **General office supplies are not an allowable expense.** Office supplies for use on grants are to be paid from the PI’s F&A.

18) **Other:** Services (rentals and lab services or repair services), NMR, mass spec, DNA sequencing, blood sample analysis, etc.

Action:						Notice of Award
Category	Code	Award				
Personnel						
11) Key Personnel	11003					
12) Other	11002					
13) USS	11004					
14) Students	11101					
Subtotal Salaries		\$ -	\$ -	\$ -	\$ -	\$ -
15) Fringe Benefits	11701					
Total Salary & Fringe		\$ -	\$ -	\$ -	\$ -	\$ -
16) TRAVEL: Domestic	13001					
Foreign	13002					
17) Supplies & Expenses	12001					
18) Other	12002					
Participant Pymt/Support	12002					
Subtotal Direct Costs Subject to F&A		\$ -	\$ -	\$ -	\$ -	\$ -

The third section of the BUD SUM includes the categories that are **not** subject to F&A:

19) **Equipment:** lab equipment directly related to the specific grant.

20) **Fellowship:** A fellowship is money given to postgraduates to enable them to conduct research or study a subject at an advanced level. Fellowships are awarded internally (by the department or school) or externally-funds are sent to the university by an outside entity with an award letter stating a specific recipient. Fellowships can be a one time payment or a monthly payment depending on the stipulations of the award.

21) **Tuition:** Tuition for GRAs and student hourly who are paid from the grant.

19)	Equipment	14001					
20)	Fellowship	19005					
21)	Tuition	19003					
Subtotal Direct Costs Excluded from F&A Base			\$	\$	\$	\$	\$
			-	-	-	-	-

The final section states the **rate** (22) that will be applied to the costs (expenses) that are subject to the F&A. (See above categories).

Subtotal All Direct Costs		\$	\$	\$	\$	\$	0
		-	-	-	-	-	
22) F&A Rate (%)	19000						
23) Project Total		\$	\$	\$	\$	\$	
		-	-	-	-	-	
Less Prior Year Balance							
24) Amount of This Award		\$	\$	\$	\$	\$	
		-	-	-	-	-	

The sum of all categories should equal the amount of the award and should match the amount submitted in the grant proposal. If the award does not equal the sum of all categories, then the department accountant should be notified immediately.

Facilities and Administrative Costs (F&A): formally known as indirect costs represent the University’s expenses associated with running the research enterprise. F&A rates are expressed as a percentage of total direct costs. Direct costs are the expenses charged to the grant which include supplies, travel, personnel, fringe, services, and other. Excluded from direct costs are charges for permanent equipment over \$5,000; tuition; fellowships for trainees on training programs. The Campus calculates its F&A cost rates and negotiates these with the U.S. Health and Human Services Audit Agency acting on behalf of all federal agencies. The F&A are then divided as follows:

- 4% to PI
- 2% to School
- 8% to Department
- The remaining balance to KUCR and KU

For expenses that may not be charged to the grant such as entertainment and office supplies, please see 5-1(f).

3-1 Monthly Reconciliation Spreadsheets

When the department accountants receive the Bud Sum, they will set up a spreadsheet for the grant. The spreadsheet is the mechanism by which monthly grant activity will be reported to the PI.

The PI is responsible for all grant activity and the management of grant funds. The department accountant is responsible for providing monthly reconciliation reports, processing necessary payroll appointments, processing tuition payments, and various other grant related transactions. **If the PI wants to spend more than has been allocated by the grant in a single category, they must contact their department** accountant to determine if this is allowable.

The first page of the reconciliation report is the summary page. This page will mirror the Bud Sum in categories and award amounts. The bottom total will be the total amount of the award for that budget period. The PI is responsible for monitoring and certifying the accuracy of the activity posted to the grant for the reporting period.

NIH00xxxxx-Natural Product Inhibitors

SPA contact -Angela Richmond-List

Budget Period: 07/01/2009 -
6/30/2010

Dr. Jayhawk

	<u>Allocation</u>	<u>Transfers</u>	<u>Current Transactions</u>	<u>Projected Transactions</u>	<u>Balance</u>
Key Salaries	1,575.00	0.00	1,575.00	0.00	0.00
Other Salaries	32,004.00	0.00	4,833.08	3,937.77	23,233.15
Student Salaries	20,000.00	0.00	1,538.46	18,461.52	0.02
Fringes	10,745.00	0.00	650.40	1,547.30	8,547.30
Supplies and Expenses	7,356.00	0.00	1,337.30	1,696.50	4,322.20
Equipment	0.00	0.00	0.00	0.00	0.00
Other Costs	0.00	0.00	0.00	0.00	0.00
Travel	0.00	0.00	0.00	0.00	0.00
Tuition	6,000.00	0.00	0.00	5850.00	150.00
F & A	22,739.00	0.00	4,569.75	0.00	18,169.25
Balances	77,680.00	0.00	14,503.99	31,493.09	36,252.67



3-2 How to Interpret the Monthly Reconciliation Spreadsheets

The PI is responsible for reviewing the reports to ensure that all expenditures are correct and that the F&A rate listed is the rate that was negotiated at the time the grant was awarded.

Allocation: The amounts listed in this column should mirror those listed in the BUD SUM.

Transfers: Reflects dollars transferred from one BUD SUM category to another. **All** transfers must be approved in advance by KUCR to ensure that the request is allowable and in compliance with grant guidelines. To transfer funds please contact your department accountant.

Current Transactions: Reflects all expenses that have been paid or posted (in the case of a transfer) within the grant award period. Note: The postings in this category reflect the grant award period not the University fiscal year.

Projected Transactions: Reflects projected expenditures for all categories. This would include salary, fringe, and travel as well as purchases that have been ordered but not paid. When the individual or vendors have received payment, the dollars reflected in the projected transactions column will move to the current transactions column.

Balance: Reflects remaining dollars available in each budget category.

Note: Each category on the summary page will also have a corresponding page with specific transaction details.

F&A: The F&A page will include the F&A that has been paid on each month's expenses. The new balance for each month will carry over to the summary page.

3-3 Accountant's Responsibilities

The department accountant is responsible for posting each month's payroll and expense transactions to the reconciliation spreadsheet. The PI should expect to receive updated reports on approximately the first week of the month.

4-1 Salary Certifications- How to Interpret

Each month KUCR will send out salary certifications. These are reports on salary & fringe for personnel that are grant funded. The salary certifications state the department through which the grant is administered (your department or HBC) (1), the title of the grant (2), the PI (3), and date the report was printed (4).

The salary certification will state “Payroll Expenditures Created: (date range) (5).”
The PI is responsible to verify and certify the following information:

- 6) Name of employee(s) paid from grant funds in the pay period specified.
- 7) Percent employees are paid from the grant (also called percent of effort).
- 8) Employee compensation frequency (hourly or salaried).
- 9) The earnings or pay rate and the pay period the expenses were charged to the grant.

4-2 PI's Responsibility

The salary certification reports are printed approximately the 10th of each month for the previous month's salary charges. The forms are sent via campus mail to the appropriate PI or department contact for the PI (department accountant). Post Award Services at KUCR keeps track of all forms as they are returned with signature. The PI must review each report (there will be a separate report for each grant) to ensure each employee listed has been funded correctly for the corresponding pay periods and that no person that should have been paid from the grant has been excluded. If the report is correct the PI will sign and date it and return it to the department accountant immediately. If any discrepancies are noted the department accountant should be contacted.

Note: the ORIGINAL must be returned to KUCR to maintain audit standards, copies or faxes are not permitted. The original signed reports will be filed at KUCR and made available for audit purposes.

Prior to running the next month's forms, the returns from the previous months are reviewed by KUCR. KUCR will then send out various e-mail reminders for forms that are past due. Failure to respond after this step can result in further sanctions up to and including freezing all sponsored project spending until the PI is in compliance.

Office of Sponsored Program Accounting
 KU Center for Research
 150 Youngberg Hall
 Lawrence, KS 66044-7552
 (785) 864-3817

2507000
 KAN000000-908

- 1) PPHR Pharmacy Practice
- 2) Cancer Study
- 3) Smith, John A.
- 4) Printed: 05/11/09 9:17:22
 Database: HRSA

SALARY CERTIFICATION

5) Payroll Expenditures Created: 4/1/092009 Thru 4/30/2009

Important Notice: Please return this form to the Office of Sponsored Program Accounting within 14 days of receipt in compliance with federal and foundation guidelines. If correction/modifications need to be made, please identify the individuals affected below and initiate a Payroll Form along with a request for a retroactive funding change through the appropriate budgetary channels. The Office of Sponsored Program Accounting cannot process payroll changes based on notations made on this document.

Pay Grp	Employee	ID	Voucher	Job Code	Funding Percent	Comp Freq	Comp Rate	Earnings	PPE	Adjust Type	Adjust PPE
STN	Robert Johnson	100001	V7001441	0S9900	100.0000%	Hourly	12.000	144.00	04/04/2009		
STN	Robert Johnson	100001	V7001448	0S9900	100.0000%	Hourly	12.000	144.00	04/18/2009		
(End of Report)											

(6) _____ (7) _____ (8) _____ (9) _____

This is to certify that the amount of gross salaries listed represents allowable, reasonable, and allocable costs to the sponsored project. The amounts are reasonable representation of paid effort by the individuals listed.

Principal Investigator or Designee

5-1 Policies and Procedures Governing Grant Expenditures

The following sections will cover the policies and procedures for each budget category on the BUD SUM.

5-1(a) Key Personnel-This represents the dollar amount of effort that the PI is appointed to the grant. The PI will determine when they should be appointed to the grant and for what percent of time. When the PI is appointed to the grant during the academic year, salary release dollars are generated.

Definition and Use of Salary Release Funds

Each Area of Responsibility within the University systems receives a working budget at the beginning of each fiscal year. These budgets reflect the funding source for each position within the Area of Responsibility. Positions can be funded solely from state funds, from endowment funds, revenue accounts, from tuition dollars or a combination of any of these. It is important to understand who “owns” the funds allocated to each position.

State Funds

If a position is state funded (funds 003/088/099) the funds associated with that position are “owned” by the School of Pharmacy and have been used to calculate the School’s total annual budget. When the percent of effort of an employee who is appointed to a state funded position is changed; appointing them to a grant for a period of time, this creates salary release. That is, the funds that were set aside for that position in the working budget are not being used to pay the total salary for the appointed person. Ultimately salary release funds belong to the Dean as they are funds allocated to the overall School budget. If the Dean chooses not to use these funds for the benefit of the School, the funds would be made available to the Department (by means of the Chair) to whom the position belongs. The Chair can use these funds to cover expenses that benefit the Department and its mission. Should the Chair not need the funds for Department use, the funds would then pass to the PI to use for furthering research efforts. It has been the historical practice of the School of Pharmacy to return the funds to the PI to encourage further research and project development. It must be noted however, that during times of budget cuts or other fiscal limitations, that the Dean and/or Department Chair have priority use of these funds. Under no circumstances can salary release dollars be used to provide additional compensation to the PI or to pay tuition.

Tuition Dollars

A position funded with Differential Tuition dollars (fund 097) is treated in the same manner as a state funded position. In the past, carry forward was allowed for 097 funds that were the result of salary release. This is no longer the case as 097 funds must also be expended within the year of their allocation.

5-1(b) – Hiring and Appointing all other Grant Funded Personnel.

Regardless of funding, all appointments/hires must go through the university’s HREO department and are subject to the hiring guidelines of the university. The only exception pertains to the appointment/hiring of GRA’s (please see policies and procedures below). When a faculty member needs to hire a post doc, research aid, research associate, student hourly or any other position to aide in their research, the faculty member should schedule a meeting with their department’s accountant. The accountant will guide the PI through the steps required to complete the hiring process as well as complete various portions of the required steps on-line. The faculty member may NOT, at anytime, contact an applicant to discuss application materials, qualifications or to ask questions of any kind until HREO gives formal approval to interview. Likewise, NO offers, implied, verbal or written, may be extended to a candidate until approval has been received by HREO.

The following is a list of the information that the PI must provide in order for the position to be opened and posted:

1. Job description and title: This will detail the duties associated with the position as well as the percent of time assigned to each duty.
2. Required and preferred qualifications.
3. List the members of the interview committee including who will chair the committee.
4. Proposed start date.
5. Proposed end date if this is position for a post doc or a limited term employee.
6. Proposed Compensation rate.
7. Source of funding for the new position.

Once the accountant has approval to post the position to the university’s official job site, the PI will be notified. There are numerous policies and procedures that must be followed when conducting a job search. Some requirements are specific to the type of position, the period of employment and other variables. Other restrictions include but are not limited to, the types of questions that can be asked of the candidate, the justification for choosing candidates to interview, the justification for choosing the preferred candidate, etc. The PI will receive guidance throughout this process as failure to comply with the university’s policies and procedures can result in a compromised search. HREO has the authority to declare a search “compromised” and close the process at any point. Should this take place, the search must be started over again and corrections to the process documented.

5-1(c) Hiring and Appointing GRAs - The exception to the hiring and appointing personnel is the Graduate Research Assistant (GRA). Each department has established policies and procedures related to admitting new GRAs to the department. A committee chair, appointed by the department chair, reviews all application materials that have been submitted for admittance to the program. The committee chair will submit those applications that best meet the admittance requirements of the department to the graduate admissions committee. The committee votes on which applicants to interview and admit to the program. **This is the ONLY process by which a GRA will be appointed and the ONLY exception to the hiring process through HREO.**

5-1(d) – Fringe

Fringe “release” is not available to the PI.



5-1(f) Purchases on Sponsored Projects

All expenditures charged to externally-sponsored projects must meet the following criteria:

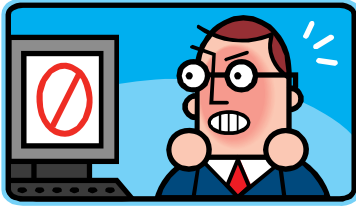
- Costs must be reasonable. Both the nature and amount of a cost must reflect prudent action at the time the decision was made to incur the cost;
- Costs must be allocable: A cost must be incurred solely to advance the work under the sponsored agreement. It must reasonably benefit the sponsored agreement. It must be necessary to the overall operation of the institution and can be assignable to a specific sponsored project;
- Each cost must be given consistent treatment according to generally accepted accounting principles appropriate to the project; and
- Each cost must conform to principle outline in OMB (Office of Management and Budget) circulars or specific agency guidelines.

The Principal Investigator (PI), or department staff acting on behalf of the PI, is responsible for the review and approval of all transactions. The PI signature, indicating approval, is required on all invoices, purchase requests, and travel expense reports. The KUCR project number or account to charge must also accompany each invoice.

- The PI provides an order to the department accountant for submitting.
- The department accountant or designate will review the order for compliance to all KUCR policies and procedures and place the order.
- The PI will let the department accountant know when all items pertaining to an order are received and the order can be paid.
- When the invoice is received, the department accountant stamps it with a KUCR stamp (Project #, Voucher #, and Authorized Signature) and gives this copy to the PI. The PI will write the project number the invoice is to be paid from and sign the invoice. The invoice is returned to the department accountant for processing of payment.
- A voucher is entered into the People Soft system and a transaction log is printed. The transaction log is signed by the department chair and returned to the accountant. The accountant sends a copy of the log and the original invoice to KUCR.

The Business Services department, located in room 107 in Youngberg Hall, is responsible for assisting PIs and/or their support staff to expend their funding according to generally accepted business practices as well as to determine allowability and allocability to a research project. Business Services also provides guidance and training to ensure compliance.

The Office of the Post Award Services, located in room 141 in Youngberg Hall, is responsible for auditing sponsored project expenditures in accordance with federal and sponsor guidelines by determining allowable and unallowable costs. Post award Services also provides guidance and training to ensure compliance.



Unallowable costs, which are not eligible for reimbursement on sponsored projects, include, but are not limited to:

- Office Supplies (This includes copy paper – these items should be supported by your F&A)
- Administrative expenses, i.e., office support, chairs, furniture, and computers
- Alcohol
- Commencement and convocation costs
- Contingency provisions
- Fundraising
- Gifts, including flowers
- Alumni activities
- Bad debts/uncollectible accounts
- Donations and contributions
- Entertainment costs (i.e. dinner for invited speakers are not allowed)
- Fines and penalties
- Fundraising
- Goods or services for personal use
- Lobbying
- Membership in civic, community, social, or professional organizations

5-1(g) Equipment – See purchasing guidelines above.

5-1(h) Fellowship - A fellowship is money given to postgraduates to enable them to conduct research or study a subject at an advanced level. Fellowships are awarded internally (by the department or school) or externally (funds are sent to the university by an outside entity with an award letter stating a specific recipient). Fellowships can be a one time payment or a monthly payment depending on the stipulations of the award.

5-1(i) Tuition - Tuition payment for students (GRA, student hourly) is permitted on most grants but not on contracts, if the student is paid wages (stipend/salary) from that grant. F&A funds may also be used to pay tuition. Tuition **cannot** be paid with any type of state funds including from start-up funds, regardless of the funding source. The faculty member will provide the department accountant with a list of the names of those students whose tuition will be paid indicating the source for tuition payments each semester. NOTE: It is the responsibility of the PI to know if the grant/funding source permits tuition payments.

5-1(j) – F&A: The current transaction total denotes the charges/expenses accrued through the award period.

5-1(k) – Reporting of F&A: The department accountant will provide a separate spreadsheet to the PI to track F&A funds. This spreadsheet will provide the PI with a monthly accounting of all revenues and expenditures, related to F&A, for each grant. F&A funds are generally utilized for purchases and expenditures not permitted on grants or state funds. To adhere to best practices it is always best to check with the department’s accountant before you purchase/order anything that will be charged to the F&A account as policies and procedures are ever changing.

2507000-906 F&A					
Budget Period: 7/1/09-6/30/10					
Departmental Chair					
	<u>Allocation</u>	<u>Deposits</u>	<u>Current Transactions</u>	<u>Projected Transactions</u>	<u>Balance</u>
Revenue	250.00	95.00			345.00
Key Salaries	0.00	0.00	0.00	0.00	0.00
Other Salaries	0.00	0.00	0.00	0.00	0.00
Other Salaries	0.00	0.00	0.00	0.00	0.00
Student Salaries	0.00	0.00	0.00	0.00	0.00
Fringes	0.00	0.00	0.00	0.00	0.00
Supplies and Expenses	0.00	0.00	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	0.00	0.00
Travel-Domestic	0.00	0.00	0.00	0.00	0.00
Equipment	0.00	0.00	0.00	0.00	0.00
Tuition	0.00	0.00	0.00	0.00	0.00
Scholarship/Fellowship	0.00	0.00	0.00	0.00	0.00
Balances	0.00	0.00	0.00	0.00	345.00

6-1 Travel

Travel related to grant research is allowed on most grants. **Insurance:** In order to be eligible for the university's insurance a Travel Authorization form (see example, pg 22) needs to be completed before each trip. (University insurance is excluded for travel to countries that are on the US Department of State warning list.) To receive a travel authorization number the PI will need to provide the department accountant with the dates of travel, the destination and the reason for the travel. The department accountant will enter a Travel Authorization request into People Soft Financials and provide a copy of the form for the PI to sign. The PI is to return the signed form to the department accountant to keep on file.



Liability Waiver Forms for International Travel

KU does not support travel to countries on the U.S. State Department travel warning list, and students and faculty going there cannot use university, grant or KU Endowment funds.

Researchers who choose to undertake such travel must submit a waiver of liability form. You can find a copy of this form at

http://www.international.ku.edu/~oip/travel/Foreign_Research_Liability_Waiver.pdf (Faculty)

http://www.international.ku.edu/~oip/travel/Graduate_Foreign_Research_Liability_Waiver.pdf (Student)

The PI will need to submit a copy of the completed form to Office of the Dean of International Programs, 300 Strong Hall and a copy of the completed form to the KU Center for Research, Youngberg Hall, 2385 Irving Hill Road.

Cash Advance: If the PI requires a cash advance for their trip a copy of the form can be found at <http://www.rgs.ku.edu/forms-policies/index.shtml#pa>. The form will need to be signed by both the PI and department chair and sent to KUCR.

There are 5 requirements the PI will need to meet in order to pay for travel using KUCR funds.

- **Business Connection:** Will the expenses incurred be in connection with the performance of services as an employee of KU?
- **Substantiation:** The PI must document their expenses within a “reasonable period of time” after the expense is incurred. KUCR policy requires substantiation with 60 days of the date the expense is incurred.
- **Allowance Reasonably Calculated to Cover Expense:** The PI may be allowed to apply an anticipated expense within 30 days prior to the date of the anticipated expense.
- **Specific Identification:** the reimbursement of expenses must be identified separately from payment of wages. Payroll and reimbursement payments cannot be mixed.
- **Plan Must Require return of Unspent Allowances:** The PI is required to return to the employer any part of the allowance that exceeds unsubstantiated expenses within 60 days.

Travel Expense Reports: Expense Reports (see example, pg 23) can be found at <http://www.rgs.ku.edu/forms-policies/index.shtml>. The PI will need to provide the department accountant with the departure date and time and arrival date and time (home) for figuring meal reimbursement, the original hotel/lodging receipt, and receipts for any miscellaneous charges such as tolls, parking, and car rental. The accountant will complete a Travel Expense Report and forward to the PI to review, sign and return to the accountant. The accountant will process a voucher in People Soft Financials and prints a copy of the Transaction Log. The Trans Log is then signed by the department chair and sent to KUCR along with the original corresponding receipts. **Approval from KUCR for car rental must be obtained prior to the trip.**

Travel Fund, Faculty/Staff Research Development

KUCR will provide up to \$750 for an annual trip to a potential funding agency to pursue research funding. The purpose is for focused meetings at a sponsor's office. The form for application can be found at <http://www.rgs.ku.edu/funding/travel-fund.shtml>. The PI will need to complete the top section and if requesting a cash advance also complete the middle section. The PI will send the form to the department accountant who will forward it to KUCR.



Prior to travel:

- Have I obtained a Travel Authorization?**
- Do I meet the 5 requirements for using KUCR funds?**
- Is the funding secured for this travel?**
- Do I understand the rules and regulations for the type of funding I am using to travel?**

Following travel:

- Have I signed the Travel Expense Form?**
- Have I submitted the necessary receipts for reimbursement within 60 days of travel?**

University of Kansas

Travel Authorization

Travel Authorization ID: 0000015138
Entered by : URISHS

Report name: JAP031
Entered Date: 10/09/2009

Traveler: Dr. Jay Hawk
Begin Month: Oct2009
End Month: Oct2009
Destination: ANAHEIM CA, USA
Travel Purpose: Meeting
Comments: AMERICAN COLLEGE OF CLINICAL PHARMACY ANNUAL MEETING.

.....
Trip Origin:

Travel Dates:

Traveler E-Mail Address:

Department Name:

Estimated Costs:

Airfare: Other Transportation:

Lodging: Meals or Per Diem:

Registration: Miscellaneous:

Total Estimate: _____

Funding information (DeptID/Project/Fund/Budget Period)

Additional Comments:

Departments, regardless of funding source, shall utilize this form to authorize all out of state travel. Departments are responsible for determining if the purpose and destination are appropriate. The signed form shall be retained in the departmental files and be available upon request. Do not submit the signed form to Central Accounting Services.

For information regarding Medical Evacuation and Repatriation Insurance and Business Travel Insurance for all foreign travel, please go to: http://www.hreo.ku.edu/benefits_pay/benefits_info/travel_insurance

Signature of Traveler (Date)

Dean/Director—Not required if grant-funded (Date)

Chairperson/Unit or Project Director (Date)

Chancellor, EVC/Provost, Vice provost, or Designee (Date)

For Departmental Use Only



Travel Expense Report

January 1, 2009

Business Services
2385 Irving Hill Rd
Lawrence, KS 66045-7563
Telephone: 785-864-3441
Fax: 785-864-5025
www.kucr.ku.edu

This report, with the proper documentation, should be returned to the KU Center for Research, Inc. (KUCR) Business Office, Youngberg Hall OR to your departmental travel coordinator. Submit within 30 days of travel.

Name: _____ Date: _____
 Address: _____ Phone: _____
 City: _____ State: _____ Zip: _____
 Email: _____ KU Employee: Yes No US Citizen: Yes No
 Destination: _____ Origin: _____
 Purpose: _____

Have you attached an agenda or other backup documentation to this report? Yes

Were meals provided during your trip? Yes No If yes, please detail below.

TRAVEL DATES & TIMES	
DEPARTURE Date: _____	Time: _____ P.M.
DEPARTURE Date: _____	Time: _____ P.M.

PROJECT	ACCT.	AMOUNT
Total Assigned Amount		

EXPENSES	AMOUNT:
Airfare	
Hotel/Lodging	
Meals (per diem only)	
Car Rental	
Taxi, Fares, Tolls, Parking	
Mileage _____ X.55 **	\$0.00
Registration	
Telephone	
Total Expenses	\$0.00

ADVANCES	AMOUNT:
Cash Advanced Voucher _____	
Airfare Paid on Voucher _____	
Registration Paid on Voucher _____	
Other Support	
Total Advances/Prepayments	\$0.00
Less Total Expense	\$0.00
Balance Due Payable to KUCR	
Balance Due Payable to Traveler	

Traveler Signature

Approval Authority Signature

Notes: _____

****Mileage rate is re-evaluated and subject to change each year.**

7-1 Closing of a Grant

Approximately three months prior to the end of the award the PI should schedule to meet with the department accountant to determine what further action is required to close the grant. At this time the PI should communicate what processing assistance they may need. The following questions should be addressed at this time; is the grant to be renewed, is a no-cost extension is required, or is the grant ready to be closed? It is important to do this far enough ahead as to allow enough time to ensure that all funds will be spent and/or that there is adequate time to process renewal or extension requests.

