



Office of the Vice President for Research

Office of Sponsored Research Administration (OSRA)
Board Meeting Update
September 29, 2006

<u>Applications</u>	<u>FY 2005</u>	<u>FY 2006</u>
Direct	206,415,183	285,534,487
Indirect	45,091,101	58,614,881
Total	251,506,184	344,105,083
<u>Awards</u>	<u>FY 2005</u>	<u>FY 2006</u>
Direct	68,160,285	77,775,385
Indirect	10,793,119	13,121,014
Total	78,953,404	90,896,399
<u>Expenses</u>	<u>FY 2005</u>	<u>FY 2006</u>
Direct	61,406,000	63,715,000
Indirect	6,553,000	11,867,000
Total	67,959,000	75,582,000

Accounts Receivable / Billing:

The grants receivable was reduced approximately 7 million from last fiscal year totals. Three OSRA staff members and two work study students have been tasked with the review and collection of all receivables that are 12 months or older. Amounts that are not collected will be accessed for possible write off or legal action to secure payment. The review and write off of old receivables will be completed by November 30, 2006. OSRA has a billing staff for all manual invoices and as of September 5, 2006, manual invoices through the period of June 30, 2006 have been completed and the majority of manual invoices through the period July 31, 2006 have been completed. Funds are being requested at a minimum, monthly or as cash is needed for grants that are part of an electronic draw process. All letter of credit accounts are currently accessible and a review is being conducted of all old projects to ensure the appropriate revenue amount was received.

Suspense Account:

OSRA no longer employs a process of charging suspense for expenses that can not be posted to the financial ledger due to budget exceptions. Budgets are adjusted or alternate funding sources are provided for all budget exceptions in the accounting period the expense is incurred. Several practices have been instituted to eliminate budget exceptions such as establishing appropriate budget levels and providing notices to

investigators of projects that will terminate. The amounts previously posted to the suspense account were reviewed with approximately 1.5 million transferred to projects and 0.5 million remaining, that will be written off as unidentifiable to specific project IDs.

Account Closure:

The OSRA staff members tasked with reviewing receivables will also be assigned the task of closing old projects. The goal is to close all inactive project IDs by March 31, 2007.

Facility and Administrative (F & A) Cost Rate:

The cost proposal to establish new F & A rates is to be submitted by December 31, 2006 to the Division of Cost Allocation, Department of Health & Human Services. A physical inventory of moveable equipment & a building componentization study are currently being conducted for inclusion in the cost proposal. A space functionalization study will be performed in October as required by the cost principles of higher education (OMB Circular A-21). The information obtained from the space study, equipment inventory and building componentization study will be incorporated in a software model that will be utilized to produce the cost allocations necessary for a cost proposal.

Fringe Benefit Rate:

The Department of Health & Human Services, Division of Cost Allocation is the University's cognizant agency that negotiates and approves F & A rates, fringe benefit rates and disclosure statements for the University. The Division of Cost Allocation is aware that the University is considering a fringe benefit rate for the charging of benefit costs to sponsored programs. Data is being gathered to analyze and calculate a fringe rate to determine if this method of charging is beneficial to the University. A proposed fringe benefit rate would be submitted with the F & A proposal, if it is determined that this model of charging benefit costs is appropriate for the University.

Disclosure Statement:

Universities are required to submit a disclosure statement (DS-2) that provides costing policies of the institution. Due to the change in financial systems and the pending cost proposal, the Division of Cost Allocation has extended the due date for the submission of the DS-2 to March 31, 2007.

Schedule of Expenditures of Federal Awards (SEFA) Report:

The SEFA report has been completed for the period ending June 2006 and the numerous errors cited in the June 2005 report have been addressed.

Grants Module:

The review of a grants module is being conducted to determine which financial model best works for the management of grants. A few items that are considered invaluable in the grants module are automated billing, receivable aging, expense review, financial reporting and funds management at all levels (Central administration, department, PI). Selection of the system will be completed by September 29, 2006.