

**Carnegie Mellon University**  
**Sponsored Projects Accounting**  
**(PA17) Interim Financial Reporting – Procedures**

**Updated:** May 12, 2020

**Frequency:** As Needed

**Responsible Staff:** Post Award Accountant

**Approval Required:** SPA Principal Sponsored Project Accountant / Manager, Sponsored Projects and Compliance

**Summary:**

Some sponsors require interim financial reporting in addition to a final accounting of expenditures. Interim financial reporting requirements and formats will vary by sponsor. For each interim financial report due, the award must be reviewed on a project-to-date basis prior to submitting the report to the sponsor. Invoice requirements are not classified as interim financial reports.

**Procedure:**

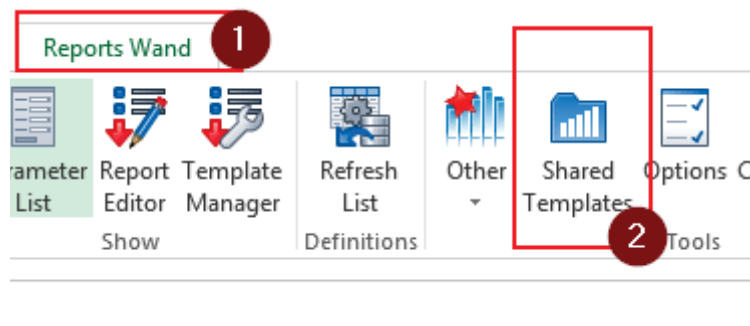
**1. Review award documents and obtain the following information:**

- Oracle Project and Award Numbers – make sure to check for multiple awards and/or projects **(For example, NSF awards may have a separate award setup for Participant Support – check for related awards using the Funding Inquiry screen in Oracle)**
- Funding Source (Sponsor) Award Number
- Cumulative and/or Current Budget Period
- Mandatory Cost Sharing Requirements, if any
- Funds earmarked for Participant Support costs Award Terms & Conditions which may restrict funding or have a potential financial impact
- All interim reports required to be submitted and reporting format required

**2. Print an Award Summary Report for the report period end date.**

**3. Open up the Excel4Apps Reconciliation Workbook (Attachment PA-AP)**

1. Open EBS Excel within Citrix
2. Change your Oracle Responsibility to ‘Excel4Apps Wands’
3. Open the Shared Template titled ‘SPA Project Award Closeout Template’



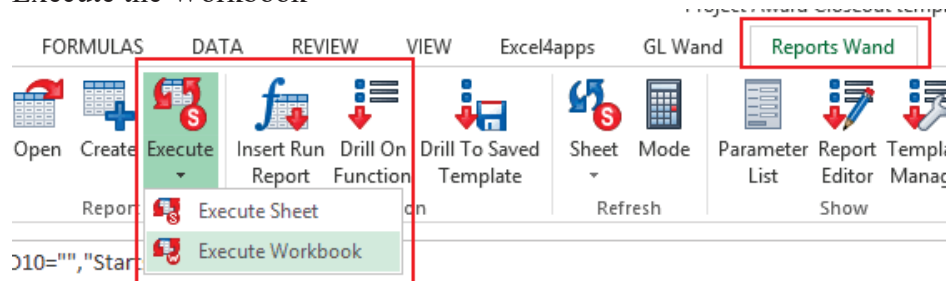
#### 4. Completion of Excel4Apps Reconciliation Workbook

Review the 'Instructions' Tab for an overview of the Excel4Apps features of this workbook

1. Fill out the Control Sheet

- **PA Period:** Enter the period which the interim financial report needs to be through (ex: "Mar20-20")
- **Project Number:** Enter project number associated with the award
- **Award Number(s):** If needed, narrow down the award number to only the award you are reconciling
- **Reconciliation Status:** Choose 'Interim'
- Depending on the award you are reconciling, it may be helpful to choose the "1 Award/1 or more Projects option" instead

2. Execute the Workbook



This is completed when you see this screen:



3. Close the Dialog Box and click on 'Return to Control Sheet'
4. Click on 'Create Actuals Pivot Table'
  1. Select the worksheet you would like to use for the pivot table

- If a copy of the Project Award Actuals was created (these are created if additional columns need to be added to the Project Award Actuals tab), you may make your pivot table from this tab instead.

**Do not add columns to the Project Award Actuals tab**

5. Click 'Create Recon Sheets for each Sponsored Award'

This will create the recon tabs for each of the sponsored awards associated with your chosen project number.

The 'Recon' is comprised of 3 tabs = "Recon – Page 1", "Recon – F&A" and "Recon – POs"

## **RECON – PAGE 1**

### **GENERAL AWARD INFORMATION**

1. Enter a 'Report Period End Date'. This is the date that we are reporting through
2. Complete the Mandatory Cost Share Section

### **EXPENDITURE RECONCILIATION**

1. Hide Expenditure Categories that have no data entered in any of the columns across.  
This makes the recon easier to read and removes rows that provide no information.

**Sponsored Award Budget** - Automatically pulled from the budget in Oracle.

**Sponsored Expenses in Oracle** – Automatically pulled from the current sponsored expenses in Oracle on the day you executed the workbook

**Cost Share Expenses in Oracle** - Automatically pulled from current expenses on any 200xxxx or 290xxxx award associated with the project, from Oracle.

*Verify that any expenses showing in this column are for expenses within the award's period of performance/report period*

**Total Project Costs** - This column will automatically calculate by adding the amounts entered in the Sponsored Expenses in Oracle Balances and Cost Share Expenses in Oracle Balances and both Adjustment columns.

**Cost Share Due to Overspending** - This column is for entering expenditures that are overspending/cost sharing that are the department's responsibility which were not previously recorded.

**Total Non-Sponsored Expenses** – Automatically calculated by adding the Cost Share Expenses in Oracle + Pending Adjs to Cost Share Award + Cost Share Due to Overspending columns.

**Total Sponsored Expenses**– This column will automatically calculate as the Sponsored Expenses in Oracle plus or minus Pending Adjs to Sponsored Award and less all cost

sharing. **This column should tie to any financial report that is being submitted to the sponsor.**

**Residual Balances** – This column will automatically calculate as the Sponsored Award Budget less “Total Sponsored Expenses” after all adjusting entries are calculated. For cost-reimbursable awards, this will be the amount of unexpended funds. For fixed price awards, the direct portion of the residual funds will be transferred to the research department’s operating budget and the indirect portion will be credited to the University, except for the departments which are Tubs. For the departments which are considered “Tubs” (Tepper & Heinz), both the direct and indirect portions of funds will be transferred to the department’s operating budget because these departments recover their own F&A.

**Note:** If there are residual funds earmarked for Participant Support costs, then those remaining funds cannot be re-budgeted to non-Participant Support budget categories without prior approval from the sponsor.

#### **CASH RECONCILIATION**

1. Verify Cash received amount if there is any unapplied on the ‘Cash Export’ tab or if the cash showing as received is not what is expected
  - Some interim reports require that we report on cash received to date

#### **RESIDUAL BALANCE TRANSFERS**

1. Not Applicable to interim reports

#### **SPECIAL NOTES**

1. Add relevant notes about the award/recon to this section

#### **APPROVAL**

1. Add your name and the date the reconciliation was prepared
2. Identify if the recon is a revision

### **RECON – F&A**

#### **INDIRECT COST RECONCILIATION**

1. Review for accuracy and hide un-needed/blank rows

**Indirect Rate Applicable** – This is the indirect rate that was in effect the year the award was made, unless capped or negotiated at a lower rate for the specific award being closed out. The Federal negotiated rates can be obtained from the ONR negotiated rate agreement. For non-Federal awards, use the current non-federal rate determined by the Cost Analysis Department. These rates are also available at the following website:  
<https://www.cmu.edu/finance/spa-cost/files/rates.pdf>

**Indirect Rate Calculations** – The Total Direct Costs for the award and expenses excluded from indirect costs to obtain the Modified Total Direct Costs will automatically populate for the sponsored and cost share awards

The calculated indirect costs will automatically fill in.

The total direct costs and total indirect costs in the Indirect Rate Calculation section should equal the total direct and indirect costs in the Total Project Expense column.

If a Manual F&A Adjustment >\$1 is required on the sponsored award, include a reason/justification in the comments section on Page 1.

**NOTES:**

- **Subcontract \$ Eligible for Indirect Costs** – Only the first \$25,000 of subcontract expenses per subcontractor per competitive cycle is eligible to incur indirect costs. For subcontracts with the University of Pittsburgh, 100% of the costs are excluded from indirect cost calculations.

**RECON - POs**

**SUBCONTRACT RECONCILIATION**

Determine if the award includes Subcontracts/PSAs/Consultants. This information should be listed on the detailed budget that was approved by the funding agency.

1. Scroll to the bottom of the page and click anywhere in the table with the blue heading
2. Navigate to the Reports wand and select 'Execute>Sheet'
3. When the execution is finished, return to the top of the page and click 'Add PO Data'
4. Hide any rows that do not have PO Data

**PO# & Subcontractor Name** – Automatically calculated by Excel4Apps

**Oracle Expenses** – This is the total expense that has been recorded in the Oracle system for invoices received and vouched by CMU. Automatically calculated by Excel4Apps

**Outstanding Invoices** – Not to be completed for Interim Reports

**Subcontract Database Cumulative Total** - Ensure that you have complete invoices for the period being reconciled.

**Variance** - If the Total Oracle Expenditures together with Outstanding Invoices do not tie to the Subcontract Database Cumulative Total, then determine the reason. If the Subcontract Database Cumulative Total exceed the Total Oracle Expenditures, determine which invoice(s) have not been vouched and processed via the Subcontract Invoice Payment Procedures. If the Total Oracle Expenditures exceed the Subcontract Database

Cumulative Total, determine the amount that was overpaid and work with SPA Manager to determine the appropriate action to take

**6. Review Questionable Costs (federal and federal flow-through awards) –**

A review of costs that are normally considered to be indirect costs (and therefore recovered from the government via the F&A rate) is necessary to ensure that any such costs are appropriately justified and documented.

The costs that are pulled into the Questionable Cost sheet via Excel4Apps are from the expenditure types included in the Guidance on Questionable Direct Costs (**Attachment PA-V**).

If costs exist in these categories and are included in the awarded budget *and* disclosed in the budget narrative, then the documentation is considered sufficient to support the item being directly charged to the award. If the questionable item is not included in the awarded budget and disclosed in the budget narrative, further justification must be requested from the department.

To prepare a list of Questionable Costs within the Excel4Apps workbook:

1. Select the 'Questionable Costs' tab
2. Click anywhere in the table with the blue heading.
3. Navigate to the Reports wand and select 'Execute>Sheet'.
4. Go back to the top of the page and click 'Display Questionable Costs'. Review and complete the 'Questionable Y/N' and 'SPA Comment Fields'

**Note:** Foreign Travel charges will be displayed here. If there are no restrictions to foreign travel on the award, please hide or delete these rows from the Questionable Cost list.

In the 'Questionable' column

- Mark 'Y/Yes' if we need more justification from the department
- Mark 'N/No' if we have sufficient backup from the award documents or sponsor approval

In the 'SPA Comment' column you will write a comment for all the questionable costs.

- For the 'N/No' comments please write a brief explanation as to why we are allowing this charge to remain on the award, and where you found this documentation within the agreement/ECM, for the file.
- For the 'Y/Yes' comments please write a description as to why we are questioning it, and ask the department for further justification.

**7. Submission to SPA Management for Review**

The award files, along with all working papers, Financial Report(s), Reconciliation Sheets etc., should be organized in consecutive order, and submitted to the Principal Sponsored Projects Accountants for review. .

If the SPA Principal Sponsored Projects Accountant finds corrections that are needed in order to approval the reconciliation/report, the SPA Principal Sponsored Projects

Accountant will complete the SPA Interim Reconciliation Review Sheet (**Attachment PA-AR**) indicating if changes are required and return the package to the SPA Rep. The SPA Rep will make any necessary corrections, enter their comments, and return the file to the SPA Principal Sponsored Projects Accountant for final review and approval.

The SPA Principal Sponsored Projects Accountant will review the reconciliation package, countersign Reconciliation Sheet to indicate approval. The SPA Principal Sponsored Projects Accountant will obtain the SPA Manager's signature on any Financial Reports that will be submitted to the sponsor. The SPA Principal Sponsored Projects Accountant will return the fully signed package to the SPA Rep

The SPA Principal Sponsored Projects Accountant will update the Report Tracker to indicate that they approved the report and the date of the approval.

**8. Submission of Report(s) to the Sponsor**

Once the SPA Principal Sponsored Projects Accountant has reviewed and approved the financial report(s) and reconciliation package, the SPA Rep must submit the required report(s) to the funding agency at the address provided in the award documents. The signed documents should be submitted to the sponsor. The signed report and proof of submission should be included the with report package when it is scanned into ECM.

**9. Submission of Reconciliation Package and Report to the Department**

Once the report has been successfully submitted to the sponsor, the SPA Rep must email the entire reconciliation package, along with a copy of the signed report to the Business Manager for their records. Any notable issues that require immediate communication as well as questionable costs should be addressed in this email. A copy of this email must be included in the interim reconciliation package when it is scanned into ECM.

**10. Update to the Report Tracker**

The SPA Rep will add a "Submission Date" to the report tracker for that report record, showing it as completed with any relevant notes.

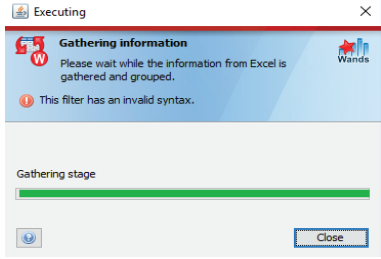
**11. Scanned Interim Reconciliation Package into ECM**

Once completed, the entire interim reconciliation package is to be scanned to the individual SPA Rep's queue in ECM. The SPA Rep will then link the document to the sponsored award. The document type used should be SPA Reporting/Closeout Package and the applicable custom properties should be completed, such as the type of report, the SPA Rep who completed the report, and the report period end date. This will then get routed forward to File Away.

# ATTACHMENT-AP

## INSTRUCTIONS

*Do not modify any sheet names in this workbook.*

Tab	Step	Action	Result				
Control	1	Use the radio buttons to choose how criteria will be entered.	The Project and Award Number criteria fields will change depending on your choice.				
Control	2	Select the Report Period to be used for Project/Award actuals, budget, and receipts.					
Control	3	Enter either the Project or Award Number in cell D8 depending on the radio button selected.	D8 must contain the entire Project or Award Number.				
Control	4	The remaining criteria can be left blank (to return all values) or entered as either the entire or partial award/project number(s). You can enter up to 4 additional criteria. <i>For example, enter 104 to return data for all awards beginning with 104.</i>					
Control	5	Select the Reconciliation Status (Interim or Final) from the dropdown box.	Status will automatically update on the FINANCIAL REPORT and Recon tabs				
Control	6	From the Reports Wand ribbon, choose <b>Execute &gt; Workbook</b> to run the reports (populate data) on the Project Award Actuals, Project Award Budget, and Cash Export tabs.  <i>You can also execute each tab separately by clicking on the tab and choosing <b>Execute &gt; Sheet</b> from the Reports Wand ribbon.</i>	Data will populate on the Project Award Actuals, Project Award Budget, and Cash Export tabs based on the criteria. The process will end on the Recon - Page 1 tab with the dialog box below. Click Close. 				
Recon - Page 1	7	Enter the REPORT PERIOD END DATE in cell C6. This date will be copied to the F&A and PO sheets.					
Recon - Page 1	8	Click the <b>Return to Control Sheet</b> button.	You will be taken back to the Control tab.				
Control	9	Review the Project and Award numbers included in the downloaded data. <table border="1" data-bbox="342 1087 846 1142"> <tr> <td><b>Project(s):</b></td> <td><b>38968</b></td> </tr> <tr> <td><b>Award(s):</b></td> <td><b>1090462,2001011,2906003</b></td> </tr> </table>	<b>Project(s):</b>	<b>38968</b>	<b>Award(s):</b>	<b>1090462,2001011,2906003</b>	If certain project(s) or award(s) appear that you do not want to include in the output, further define criteria in Step 4 to get the results you want. Do not delete data from the Project Award Actuals/Budget or Cash Export tabs.
<b>Project(s):</b>	<b>38968</b>						
<b>Award(s):</b>	<b>1090462,2001011,2906003</b>						
Control	10	Click the <b>Create Recon sheets for each Sponsored Award</b> button.	Separate Recon - Page, F&A, and POs sheets will be generated for each 1xxxxx award in the data and the sheets will automatically calculate.				
Recon - POs	11	On each Recon - POs sheet, choose <b>Execute &gt; Sheet</b> from the Reports Wand ribbon to generate the data for Subcontracts, Consulting or Professional Service Agreements. <b>Note:</b> the subcontract exclusions for F&A will not calculate until the PO tab is completed.					
Recon - POs	12	Click the <b>Add PO Data</b> button to automatically populate the PO, Subcontract, and Expenditure data based on the executed report.	PO, Subcontract, and Expenditure data will automatically populate by Expenditure Type. Rows will automatically be added for Expenditure Types with more than 1 PO.  Data for Subcontract lines on the F&A tab(s) will be updated as well.				
Questionable Costs	13	From the Reports Wand ribbon, choose <b>Execute &gt; Sheet</b> to run the Questionable Costs report.	Data will populate on the Questionable Costs tab based on the criteria.				
Questionable Costs	14	Click the <b>Display Questionable Costs</b> button to filter out only the questionable costs.	Only the questionable costs will remain.				



# ATTACHMENT-AP

## Control Sheet

You must be logged into a Grants Central Admin, Grants Central Inquiry, or Grants Owner responsibility in Reports Wand.

1 Project/1 or more Awards

1 Award/1 or more Projects

PA Period	Jan20-20	#NAME?
Project Number		
Award Number 1		
Award Number 2		
Award Number 3		
Award Number 4		
Reconciliation Status	Interim	

**Project(s):**

**Award(s):**

**GENERAL AWARD INFORMATION**

ORACLE AWARD #	FUNDING SOURCE NAME	#/N/A	MANDATORY COST SHARE?
ORACLE PROJECT #	FUNDING SOURCE AWARD #	#/N/A	REQUIRED AMOUNT (% OR \$)
PERIOD OF PERFORMANCE	PRINCIPAL INVESTIGATOR	#/N/A	COST SHARING AWARD #(S)
REPORT PERIOD END DATE	AWARD ORGANIZATION NAME	#/N/A	MATCHING AWARD #(S)
AWARD FUNDING	INDIRECT COST SCHEDULE	#/N/A	

**EXPENDITURE RECONCILIATION**

	SPONSORED AWARD BUDGET	SPONSORED EXPENSES IN ORACLE	PENDING ADJUST TO SPONSORED AWARD	COST SHARE EXPENSES IN ORACLE	PENDING ADJUST TO COST SHARE AWARD	TOTAL PROJECT COSTS	COST SHARE DUE TO OVERSPENDING	TOTAL NON-SPONSORED EXPENSES	TOTAL SPONSORED EXPENSES	RESIDUAL BALANCES
FACULTY SALARIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SALARIES	-	-	-	-	-	-	-	-	-	-
ADMINISTRATIVE SALARIES	-	-	-	-	-	-	-	-	-	-
UNDERGRADUATE SALARIES	-	-	-	-	-	-	-	-	-	-
BENEFITS	-	-	-	-	-	-	-	-	-	-
GRADUATE STIPEND	-	-	-	-	-	-	-	-	-	-
GRADUATE TUITION	-	-	-	-	-	-	-	-	-	-
GRADUATE STUDENT LOCAL	-	-	-	-	-	-	-	-	-	-
GRAD STUDENT NON-WORKSTUDY	-	-	-	-	-	-	-	-	-	-
GRAD STUDENT FEDERAL WS	-	-	-	-	-	-	-	-	-	-
GRADUATE STUDENT SALARIES	-	-	-	-	-	-	-	-	-	-
INTERNATIONAL ALLOWANCE	-	-	-	-	-	-	-	-	-	-
OTHER COMPENSATION	-	-	-	-	-	-	-	-	-	-
CONSULTING	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
OPERATING EXPENSES	-	-	-	-	-	-	-	-	-	-
TRAVEL-DOMESTIC	-	-	-	-	-	-	-	-	-	-
TRAVEL-FOREIGN	-	-	-	-	-	-	-	-	-	-
TRAVEL-HOST COUNTRY DOM	-	-	-	-	-	-	-	-	-	-
CAPITAL EXPENDITURES	-	-	-	-	-	-	-	-	-	-
SUBCONTRACTS	-	-	-	-	-	-	-	-	-	-
PARTICIPANT SUPPORT	-	-	-	-	-	-	-	-	-	-
FACILITIES	-	-	-	-	-	-	-	-	-	-
UNALLOWABLE EXPENSE	-	-	-	-	-	-	-	-	-	-
PROGRAM OFFICE NON FED RECHRG	-	-	-	-	-	-	-	-	-	-
PROGRAM OFFICE RECHRG	-	-	-	-	-	-	-	-	-	-
SEI OTHER DIRECT COSTS	-	-	-	-	-	-	-	-	-	-
TRANSFER TO CLOSE SP DIRECT	-	-	-	-	-	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-	-	-	-	-	-
CS-DIRECT-NON-BURDEN	-	-	-	-	-	-	-	-	-	-
COST SHARING-DIRECT	-	-	-	-	-	-	-	-	-	-
<b>TOTAL DIRECT COSTS</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ADMINISTRATIVE FEE	-	-	-	-	-	-	-	-	-	-
F&A COST SHARING	-	-	-	-	-	-	-	-	-	-
INDIRECT COSTS	-	-	-	-	-	-	-	-	-	-
TRANSFER TO CLOSE SP F&A	-	-	-	-	-	-	-	-	-	-
Manual INDIRECT COST Adjustment	-	-	-	-	-	-	-	-	-	-
Auto INDIRECT COST Adjustment	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COSTS</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CASH RECONCILIATION**

CASH RECEIVED	\$	REFUND DUE?		FIXED PRICE AWARD?	
TOTAL SPONSORED EXPENSES	#/N/A	APPROVED BY		RESIDUAL TRANSFER AMOUNT	
CASH BALANCE	#/N/A	FOUNDATION RELATIONS?		DIRECT	
		SPA MANAGER INITIALS		INDIRECT	

**SPECIAL NOTES**

RESIDUAL BALANCE TRANSFERS

APPROVAL

SPA REPRESENTATIVE \_\_\_\_\_ DATE PREPARED \_\_\_\_\_

SPA REVIEWER \_\_\_\_\_ DATE APPROVED \_\_\_\_\_

Is this a REVISED recon? \_\_\_\_\_ No

GENERAL AWARD INFORMATION

ORACLE AWARD #		FUNDING SOURCE NAME	#N/A
ORACLE PROJECT #		FUNDING SOURCE AWARD #	#N/A
PERIOD OF PERFORMANCE	#N/A	PRINCIPAL INVESTIGATOR	#N/A
REPORT PERIOD END DATE	1/0/1900	AWARD ORGANIZATION NAME	#N/A
AWARD FUNDING	#N/A	INDIRECT COST SCHEDULE	#N/A

INDIRECT COST RECONCILIATION

	SPONSORED EXPENSES IN ORACLE	PENDING ADJS TO SPONSORED AWARD	COST SHARE EXPENSES IN ORACLE	PENDING ADJS TO COST SHARE AWARD
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TOTAL DIRECT COSTS:

CAPITAL EXPENDITURES	-	-	-	-
GRAD TUITION	-	-	-	-
GRAD STUDENT FELLOWSHIPS	-	-	-	-
IC EXCLUSIONS	-	-	-	-
IC MRI/CMU PITT	-	-	-	-
INTEREST EXPENSE	-	-	-	-
PARTICIPANT SUPPORT	-	-	-	-
PSC H/W MAINT & LICENSES	-	-	-	-
PSC S/W MAINT & LICENSES	-	-	-	-
PROGRAM OFFICE NON FED RECHRG	-	-	-	-
PROGRAM OFFICE RECHRG	-	-	-	-
RENTAL-LAND & BUILDINGS	-	-	-	-
STUDENT PROGRAMS-OTHER EXPENSE	-	-	-	-
STUDENT SCHOLARSHIPS	-	-	-	-
SUBCONTRACT-OVERHEAD EXEMPT	-	-	-	-
SUBCONTRACT-UNIV OF PGH	-	-	-	-
SUBCONTRACTS > \$25,000	-	-	-	-
TECHNICAL SERVICES OH EXEMPT	-	-	-	-
UNALLOWABLE EXPENSES	-	-	-	-
	\$ -	\$ -	\$ -	\$ -

INDIRECT COST RATE:

	#N/A	#N/A	#N/A	#N/A
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INDIRECT COST CALCULATION:

INDIRECT COSTS BURDENED IN ORACLE:	#N/A	#N/A	#N/A	#N/A
ADJUSTMENT NEEDED:	-	-	-	-
SPONSORED MANUAL INDIRECT COST CALCULATION*	#N/A <td>SPONSORED AUTO INDIRECT COST CALCULATION</td> <td>#N/A <td></td> </td>	SPONSORED AUTO INDIRECT COST CALCULATION	#N/A <td></td>	
COST SHARE MANUAL INDIRECT COST CALCULATION	#N/A	COST SHARE AUTO INDIRECT COST CALCULATION	#N/A	

\*If a Manual F&A Adjustment >\$1 is required on the sponsored award, include a reason/justification in the comments section on Page 1.

**GENERAL AWARD INFORMATION**

ORACLE AWARD #:		FUNDING SOURCE NAME:	#N/A
ORACLE PROJECT #:		FUNDING SOURCE AWARD #:	#N/A
PERIOD OF PERFORMANCE:	#N/A	PRINCIPAL INVESTIGATOR:	#N/A
REPORT PERIOD END DATE:	1/0/1900	AWARD ORGANIZATION NAME:	#N/A
AWARD FUNDING:	#N/A	INDIRECT COST SCHEDULE:	#N/A

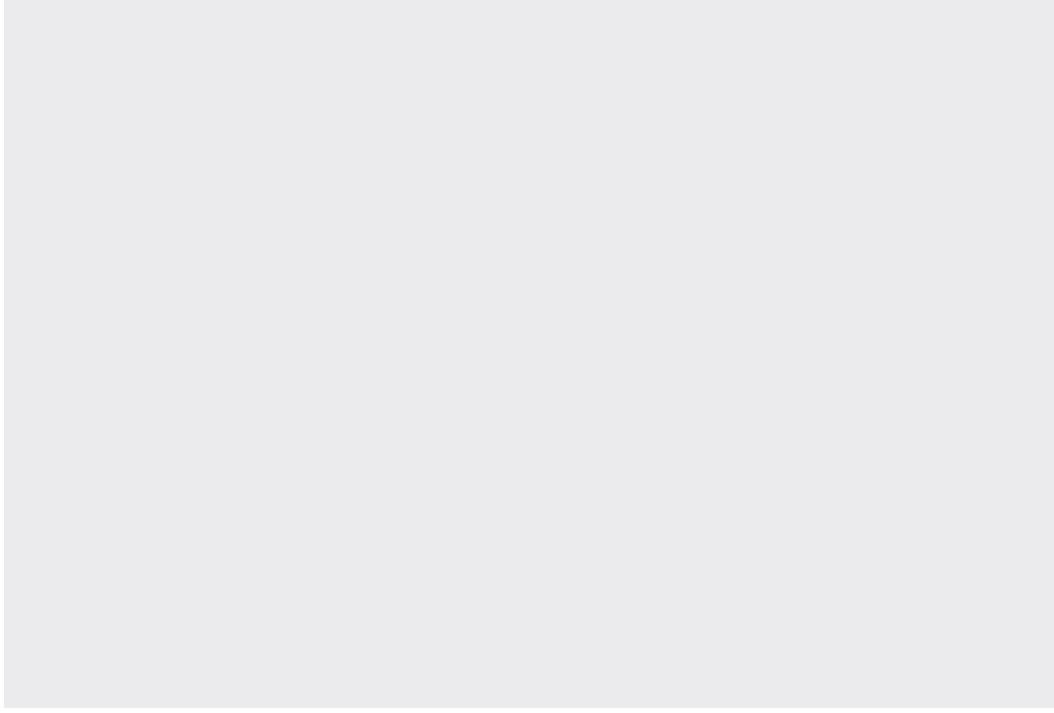
**SUBCONTRACT RECONCILIATION**

*Complete this section if the award has Subcontracts/Consulting Agreements or Professional Service Agreements.*

EXPENDITURE TYPE	PO NUMBER	SUBCONTRACTOR NAME	ORACLE EXPENDITURES	OUTSTANDING INVOICES	SUBCONTRACT DATABASE CUMULATIVE TOTAL	VARIANCE
CONSULTING SERVICES				-		-
CONSULTING SERVICES (ER)				-		-
CONSULTING SVCS (ER)				-		-
PROFESSIONAL SERVICES				-		-
SUBCONTRACT-UNIV OF PGH				-		-
SUBCONTRACT-OVERHEAD EXEMPT				-		-
SUBCONTRACT 1				-		-
SUBCONTRACT 2				-		-
SUBCONTRACT 3				-		-
SUBCONTRACT 4				-		-
SUBCONTRACT 5				-		-
SUBCONTRACT 6				-		-
SUBCONTRACT 7				-		-
SUBCONTRACT 8				-		-
SUBCONTRACT 9				-		-
SUBCONTRACT 10				-		-
SUBCONTRACT 11				-		-
SUBCONTRACT 12				-		-
SUBCONTRACT 13				-		-
SUBCONTRACT 14				-		-
SUBCONTRACT 15				-		-
SUBCONTRACT 16				-		-
SUBCONTRACT 17				-		-

**ATTACHMENT - AP**

- SUBCONTRACT 20
- SUBCONTRACT 21
- SUBCONTRACT 22
- SUBCONTRACT 23
- SUBCONTRACT 24
- SUBCONTRACT 25
- SUBCONTRACT 26
- SUBCONTRACT 27
- SUBCONTRACT 28
- SUBCONTRACT 29
- SUBCONTRACT 30
- SUBCONTRACT 31
- SUBCONTRACT 32
- SUBCONTRACT 33
- SUBCONTRACT 34
- SUBCONTRACT 35
- SUBCONTRACT 36
- SUBCONTRACT 37
- SUBCONTRACT 38
- SUBCONTRACT 39
- SUBCONTRACT 40
- SUBCONTRACT 41
- SUBCONTRACT 42
- SUBCONTRACT 43
- SUBCONTRACT 44
- SUBCONTRACT 45
- SUBCONTRACT 46
- SUBCONTRACT 47
- SUBCONTRACT 48
- SUBCONTRACT 49
- SUBCONTRACT 50



# Questionable Direct Costs

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## Definitions:

**Direct Costs** – costs that can be identified specifically with a particular sponsored project, instructional activity, or other institutional activity, or can be directly assigned to such activities with relative ease and high degree of accuracy are treated as direct costs.

**Consistent Treatment of Costs** – costs incurred for the same purpose, in like circumstances, are treated uniformly either as direct costs or as Facilities & Administrative (F&A) costs. Consistent treatment of costs is a basic cost accounting principle and is specifically required by OMB Circular A-21 and the Uniform Guidance (2 CFR 200, Subpart E) to assure that the same types of costs are not charged to federally sponsored awards both as direct costs and again as F&A costs recovered through a negotiated rate. This concept is further reinforced and emphasized in the Cost Accounting Standards, which were incorporated in A-21 in 1996.

**Unlike Circumstance** – A situation where a cost that is normally considered to be an F&A cost meets specific criteria allowing it to be charged directly to a particular sponsored award. These costs must:

- 1) Satisfy the definition of a direct cost (specifically identifiable with the objectives of the science, identification made with relative ease, and a high degree of accuracy)
- 2) Be extensive or unique in nature.
- 3) Be included in the proposal budget.
- 4) Be approved by the sponsor when justified in the proposal or via a subsequent request to the sponsor, and involves costs not normally allowed as direct charges.
- 5) Be approved by the appropriate university authorities (Office of Sponsored Programs or Sponsored Projects Accounting.)

## Costs Typically Recovered in our F&A Calculation

<b>Administrative Salaries</b>	
<b>Expenditure Type(s) Include:</b>	<b>All Expenditure Types listed under the Administrative Salaries Expenditure Category.</b>
<b>What is required in order to treat this as a direct cost?</b>	Specific identification of an administrative role in the budget/budget justification/scope of work.
<b>Comments:</b>	<p>A description/justification that identifies an unlike circumstance describing why administrative personnel were necessary for the conduct of the project.</p> <p>All of the following guidelines must apply:</p> <ol style="list-style-type: none"> <li>1) Activities of administrative staff must relate directly to the project.</li> <li>2) Must be measurable and identifiable.</li> <li>3) Must go beyond "routine" support.</li> <li>4) Administrative or secretarial devoted to a specific grant or contract totals 20% or more of an individual's allocated effort.</li> </ol> <p>There are possible scenarios where a person is coded with receiving Administrative Salaries; however, their role on the sponsored award is technical in nature. Confirmation of the type of role this person performed is needed.</p>
<b>Examples:</b>	<p><i>Acceptable</i> - Large, complex programs, such as research centers, program projects, and other grants and contracts that entail assembling and managing teams of investigators from a number of institutions requiring an unusual degree of administrative support.</p> <p><i>Acceptable</i> - The scope of the project requires the creation of a new research center. (Note: This should usually be known at the time of proposal submission and therefore be included in the awarded budget.)</p>
<b>Books</b>	
<b>Expenditure Type(s) Include:</b>	<b>BOOKS</b>
	<b>BOOKS &amp; PERIODICALS (ER)</b>
	<b>PERIODICALS</b>
<b>What is required in order to treat</b>	Specific identification of the cost in the budget/budget justification/scope of work.

<b>this as a direct cost?</b>	<p>A description/justification that identifies an unlike circumstance describing why the charge is necessary for the conduct of the project. The justification must also be clear that the book was not available using CMU's existing resources (such as the library.)</p>
<b>Comments:</b>	<p>Technical "How-To" instructional manuals that are needed for a project can be charged to an award, but should be coded as Technical Supplies. These charges should also be included in the approved budget.</p>
<b>Example(s):</b>	<p><i>Acceptable</i> – Books were purchased on a research project. These books were research materials exclusively purchased to do the studies for this research project only. The books were not available through the university's library system and were specifically included in the awarded budget.</p> <p><i>Unacceptable</i> – Purchase of a scientific manual. The book may be available in the university's library, but because it will be written in, etc...a dedicated copy is needed. However, the purchase of this book was not itemized in the awarded budget.</p>
<b>Fees</b>	
<b>Expenditure Type(s) Include:</b>	<b>BANKING FEES &amp; CHARGES</b>
	<b>CREDIT CARD FEES</b>
	<b>COLLECTION AGENCY FEES</b>
<b>Comments:</b>	<p>In most (if not all) cases, these fees are simply the cost of doing business and are not allowed to be directly charged to a federal award.</p>
<b>Example:</b>	<p><i>Unacceptable</i> - The department charges a wire fee associated with payment to a vendor that provided supplies or services to the sponsored award.</p>
<b>General Purpose Equipment</b>	
<b>Expenditure Type(s) Include:</b>	<b>NON-CAPITAL EQUIPMENT</b>
	<b>NON-CAPITAL COMPUTER EQUIPMENT</b>
<b>What is required in order to treat this as a direct cost?</b>	<p>A description/justification that describes how the equipment directly benefits the project in an unlike circumstance.</p>
	<p>A detailed description/justification that identifies the piece of equipment as NOT general purpose.</p>



	Specific identification of the cost in the budget/budget justification/scope of work.
<b>Comments:</b>	A single computer typically cannot be justified for multiple sponsored awards.
<b>Example(s):</b>	<i>Acceptable</i> – A purchase of a computer with special specifications that are necessary to fulfill the scope of the project.  <i>Acceptable</i> – A dedicated computer is needed and will be connected to a larger piece of equipment.  <i>Unacceptable</i> - A PI charges the cost of a laptop for one of his technicians to the project whose entire effort is also charged to this project.  <i>Unacceptable</i> – The purchase of a printer for a lab.
<b>Postage</b>	
<b>Expenditure Type(s) Include:</b>	<b>IC POST OFFICE</b>  <b>POSTAGE &amp; SHIPPING (ER)</b>  <b>POSTAGE</b>
<b>What is required in order to treat this as a direct cost?</b>	A budget line or email justification that describes an unlike circumstance necessary for the conduct of the project.  Identification of an extensive need for postage in the scope of work.
<b>Comments:</b>	Metered mail cannot be specifically identified to any particular project, which is why it is hard to justify this type of an expense as a direct charge to the award.  Express Mail is allowable because it can be specifically traced/identified to the particular project.
<b>Example(s):</b>	<i>Acceptable</i> - Awards with extensive postage expenses in support of the goals and objectives of the sponsored award would be acceptable if included in the proposal and proposed budget.  <i>Acceptable</i> - If the project is to conduct a survey and it is proposed that the survey be taken manually by random mailings.
<b>Supplies</b>	
<b>Expenditure Type(s) Include:</b>	<b>COMPUTING SUPPLIES</b>

	<p><b>OFFICE SUPPLIES</b></p> <p><b>OFFICE SUPPLIES (ER)</b></p> <p><b>OTHER SUPPLIES</b></p> <p><b>PAPER SUPPLIES</b></p> <p><b>IC OFFICE SUPPLIES</b></p>
<p><b>What is required in order to treat this as a direct cost?</b></p>	<p>A description/justification that describes how the supplies directly benefit the project in an unlike circumstance.</p> <p>A detailed description/justification that identifies the supplies as NOT general purpose.</p> <p>Specific identification of the cost in the budget/budget justification/scope of work.</p>
<p><b>Comments:</b></p>	<p>Computing supplies would make sense if the cost of a computer was allowable and charged to NON-CAPITAL COMPUTER EQUIPMENT.</p>
<p><b>Example(s):</b></p>	<p><i>Acceptable</i> - A conference grant charges the cost of office supplies, which includes poster board, badges, and colored paper for the conference workshops. These costs were budgeted for and are exclusively benefiting the project.</p> <p><i>Acceptable</i> - A specific project requires the production of an extensive data survey.</p>
<p><b>Telephone/Communication</b></p>	
<p><b>Expenditure Type(s) Include:</b></p>	<p><b>IC TELEPHONE EQUIPMENT</b></p> <p><b>IC TELEPHONE LOCAL</b></p> <p><b>IC TELEPHONE SERVICES</b></p> <p><b>TELEPHONE (ER)</b></p> <p><b>TELEPHONE EXTERNAL</b></p> <p><b>IC NON 268/862 TELEPHONE</b></p> <p><b>IC STUDENT TELEPHONE</b></p> <p><b>COMMUNICATION DEVICE ALLOW</b></p>

	<b>COMMUNICATION DEV ALLOW</b>
	<b>COMMUNICATION ALLOWANCE OVERAGE</b>
<b>What is required in order to treat this as a direct cost?</b>	A description/justification identifying an unlike circumstance necessary for the conduct of the project.
<b>Comments:</b>	<p>Monthly service charges cannot be specifically identified to any particular project, which is why it is hard to justify this type of an expense as a direct charge to the award.</p> <p>Long distance telephone calls are allowable if specifically allocable to the project. The transaction description must identify date of call, subject, and attendees.</p> <p>Local calls are unallowable.</p> <p><i>Acceptable</i> - Internet external service is charged to a project. The charge stems from an internet connection in a hotel room for one of the researchers, who was traveling but needed the internet connection to work on the research project while traveling.</p> <p><i>Unacceptable</i> – A PI charges the cost of his cell phone to a research project. The cell phone is not used for personal purposes. The cell phone is used for telephoning staff in the lab, calls to potential donors and scientists associated with all of the grants for which he currently oversees.</p>
<b>Example(s):</b>	

**Costs Typically Unallowable in Nature**

<b>Advertising</b>	
	<b>ADVERTISING EMPLOYMENT</b>
	<b>ADVERTISING PROCUREMENT</b>
	<b>ADVERTISING PUBLIC RELATIONS</b>
	<b>ADVERTISING/PROMOTION UNALLOW</b>
<b>Expenditure Type(s) Include:</b>	A description/justification that identifies an unlike circumstance describing why the charge is necessary for the conduct of the project.
<b>What is required in order to treat this as a direct cost?</b>	Specific identification of the cost in the budget/budget justification/scope of work.

<p><b>Comments:</b></p>	<p>Generally unallowable except for: recruiting, procurement, and disposition of surplus/scrap federal property; recruitment of personnel required for the performance of obligations arising under a sponsored agreement; procurement of goods and services for the performance of a sponsored agreement.</p>
<p><b>Unallowable Costs / Alcohol</b></p>	
<p><b>Expenditure Type(s) Include:</b></p>	<p>UNALLOWABLE EXPENSES</p>
	<p>UNALLOWABLE EXPENSES (ER)</p>
<p><b>What is required in order to treat this as a direct cost?</b></p>	<p>A description/justification that identifies the charge as necessary for the conduct of the project. Specific identification of the cost in the budget/budget justification/scope of work.</p>
<p><b>Comments:</b></p>	<p>Alcohol may be allowable as a direct charge if there is a technical/scientific need required for the scope of work.</p>
<p><b>Bad Debt</b></p>	
<p><b>Expenditure Type(s) Include:</b></p>	<p>BAD DEBT EXPENSE</p>
<p><b>Comments:</b></p>	<p>Unallowable on federal awards.</p>
<p><b>Entertainment</b></p>	
<p><b>Expenditure Type(s) Include:</b></p>	<p>Can be found within multiple Expenditure Types...any expense that indicates cost was for the purpose of entertainment.</p>
<p><b>Comments:</b></p>	<p>Unallowable on federal awards.</p>
<p><b>Fines and Penalties</b></p>	
<p><b>Expenditure Type(s) Include:</b></p>	<p>Can be found within multiple Expenditure Types...any expense that indicates a fine or a penalty.</p>
<p><b>Comments:</b></p>	<p>These are costs resulting from violations of, or failure of the University to comply with Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific provisions of the sponsored agreement or written instructions from the sponsoring agency.</p>
	<p>Unallowable on federal awards.</p>

<b>Gifts</b>	
<b>Expenditure Type(s) Include:</b>	<p><b>GIFTS UNALLOWABLE</b></p> <p><b>EMPLOYEE SERVICE GIFTS UNALLOW</b></p> <p><b>EMPLOYEE GIFT-TAX GROSS UP</b></p>
<b>What is required in order to treat this as a direct cost?</b>	<p>A description/justification that identifies an unlike circumstance describing why the charge is necessary for the conduct of the project.</p> <p>Specific identification of the cost in the budget/budget justification/scope of work.</p>
<b>Comments:</b>	<p>“Gifts” purchased in lieu of compensation for human subject participants should not be charged to this Expenditure Type, but should be charged to HUMAN SUBJECT PAYMENTS.</p>
<b>Example:</b>	<p><i>Acceptable</i> - Some projects may give school districts “gifts” for participation, which should be clearly identified in the budget.</p> <p><i>Unacceptable</i> - Gifts were purchased to give to collaborators on the project. These are unallowable and should be paid for with unrestricted funds.</p>
<b>Goods or Services for Personal Use</b>	
<b>Expenditure Type(s) Include:</b>	<p>Can be found within multiple Expenditure Types...any expense that indicates the purpose of personal use.</p>
<b>Example:</b>	<p><i>Unacceptable</i> - Flowers</p>
<b>Legal Fees</b>	
<b>Expenditure Type(s) Include:</b>	<p>Can be found within multiple Expenditure Types...any expense that indicates a fine or penalty.</p>
<b>Comments:</b>	<p>Most legal fees are unallowable as direct costs on federal awards.</p>
<b>Example:</b>	<p><i>Acceptable</i> - The base filing fee charged for an H1B Visas, which is for a newly recruited employee that works at least 12 consecutive months on the sponsored award at 100% effort. (Note: Expedited Fees or other Legal fees related to the H1B Visa are NOT allowable to be charged to the sponsored award.)</p>

<b>Memberships &amp; Dues</b>	
<b>Expenditure Type(s) Include:</b>	<b>MEMBERSHIPS &amp; DUES</b>
<b>What is required in order to treat this as a direct cost?</b>	<b>MEMBERSHIPS &amp; DUES (ER)</b> A description/justification that identifies an unlike circumstance describing why the charge is necessary for the conduct of the project. Specific identification of the cost in the budget/budget justification/scope of work.
<b>Comments:</b>	Membership Fees as part of a conference registration are not allowable because the individual benefits extend beyond the specific scope of work of the project.
<b>Example(s):</b>	<i>Acceptable</i> - Survey Monkey memberships are allowable as direct costs when the purpose of the project is to conduct surveys. <i>Unacceptable</i> - Membership fees that are paid in conjunction with conference registration fees in order to obtain a discount. <i>Unacceptable</i> – The renewal of a PI’s annual membership to a professional organization is directly charged to one of her many research projects. This is inappropriate as a direct cost because it does not relate specifically and solely to this research project.
<b>Recruiting Costs</b>	
<b>Expenditure Type(s) Include:</b>	<b>IC INTERNET RECRUITING</b>
<b>What is required in order to treat this as a direct cost?</b>	<b>RELOCATION FEES</b> A description/justification that verifies the person was specifically hired to work on the project and that the person charged 100% of their effort on the project for a period of at least 12 months. Cost is specifically identified in the Budget/Budget Justification/Scope of Work.
<b>Comments:</b>	For employees who stay less than twelve months, the institution will be required to refund or credit any relocation costs charged to the Federal Government.

## Other Costs Typically Questionable

<b>Foreign Travel</b>	
<b>Expenditure Type(s) Include:</b>	<b>All Expenditure Types in the TRAVEL-FOREIGN Expenditure Category</b>
<b>Comments:</b>	<p>Many sponsors require preapproval prior to taking any foreign trips.</p> <p>The names associated with traveling should also show effort charged to the project, with some exceptions.</p>
<b>Meals/Refreshments</b>	
<b>Expenditure Type(s) Include:</b>	<p><b>REFRESHMENTS</b></p> <p><b>NON-TRAVEL BUSINESS MEALS</b></p> <p><b>IC DINING SERVICES ALLOWABLE / IC DINING SERVICES UNALLOWABLE</b></p> <p><b>ON CAMPUS BUSINESS MEALS</b></p>
<b>What is required in order to treat this as a direct cost?</b>	<p>A description/justification that meets CMU's Travel Policy (identification of a business purpose and number/names of attendees.)</p> <p>Specific identification of the cost in the budget/budget justification/scope of work.</p>
<b>Comments:</b>	<p>Usually allowable when incurred for meetings with sponsors or for organized group meetings, for which the primary purpose is the dissemination of technical information directly related to the research project.</p> <p>Recurring meals for meetings typically are allowable, if identified in the budget.</p> <p>Depending on the sponsor, meals may not be allowable at all unless specifically identified in the budget.</p> <p><i>Unacceptable</i> – The department orders cases of bottled water for a lab.</p> <p><i>Acceptable</i> – A group of researchers doing field work charge a catered lunch for the group to eat. The researchers are not able to leave their workstations to get lunch.</p>
<b>Example(s):</b>	

# INTERIM

## Reconciliation Review Sheet

### Award Information

Oracle Award #: 0 \_\_\_\_\_  
SPA Rep: 0 \_\_\_\_\_

Report Due Date: \_\_\_\_\_  
Funding Source GL#: \_\_\_\_\_

### Corrections/Clarifications Needed

Manager Notes/SPA Rep Response:

Lined area for notes and corrections.

This recon needs corrections. Please return to: \_\_\_\_\_ Date(s): \_\_\_\_\_

This recon has been successfully reviewed by the SPA Manager Signature: \_\_\_\_\_

### Post Review Action Items:

**This recon requires the following:**

	Date Completed/Initials		Date Completed/Initials
<input type="checkbox"/> Printed Confirmation of Report Submission	_____	<input type="checkbox"/> Copy of Financial Report to BM	_____
<input type="checkbox"/> Questionable Costs Sent to Dept for Review	_____	<input type="checkbox"/> Is recon required by CM for invoicing purposes? If so, a copy was provided on:	_____
<input type="checkbox"/> F&A Exception Entry	_____		_____
<input type="checkbox"/> An update to the record in the tracker	_____	<input type="checkbox"/> Other: _____	_____
			_____