

Sponsored Projects Accounting News

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June 30, 2009

Please contact us with comments and suggestions concerning this newsletter at spa@utk.edu.

American Recovery and Reinvestment Act (ARRA) Funding

Some ARRA ("stimulus money") awards have been received at UT Knoxville and accounts created by Sponsored Projects Accounting (SPA). The federal government has hired additional Office of Inspector General (OIG) auditors to monitor spending on these projects to assure that funds are spent wisely and efficiently. SPA encourages departments to closely monitor these accounts that are funded by ARRA monies. Cost transfers involving "R" accounts with stimulus funding are strongly discouraged. SPA encourages the creation and use of advance accounts to prevent the need for cost transfers in the event that official paperwork is delayed. There is a new procedure for requesting a sponsored project advance account. Please see the article directly following titled "New Procedure: Sponsored Project Advance Account Request" for additional information.



Important Deadlines:

Effort must be certified by Aug. 31st for the Summer months of May, June, and July.

NEW New Procedure: Sponsored Project Advance Account Request

As you are probably aware, an advance account can be created for a sponsored project before the final award documentation has been received by the Office of Research. If work must start on a project and the department is willing to assume financial responsibility, the creation of an advance account is recommended.

For an advance account to be created by SPA, the department must complete a *Request for Advance WBS Element* form and obtain required authorizing signatures. Previously, this form was first sent to the Office of Budget and Finance and then forwarded to SPA. Now, **for sponsored projects only**, the form should be sent directly to SPA for review and account creation. Please send request form to Carol Malkemus, Director, A004 White Avenue Bldg.. **GIFT ACCOUNTS** still go to the Office of Budget and Finance first. For further explanation of advance accounts and to access the *Request for Advance WBS Element* form in pdf go to the SPA website. **Note:** The *Request for Advance WBS Element* form is in the process of being modified and will have a new look soon.



Training

Opportunities

- Sept. 10th, Cost Sharing, 1:30-4:30, Gail White
- Oct. 8th, Advanced Topic & Subcontract Monitoring, 1:30-4:30, Gail White
- Contact Alice Bradley for further Sponsored Projects training opportunities (abradle4@utk.edu)



A Note on Cost Transfer Explanation Forms (CTEF)

As you know, a cost transfer is sometimes necessary to correct an account. If for some reason, an error is found 90 days after the original expense posts, a *Cost Transfer Explanation Form* (CTEF) must be completed to support the transaction. The CTEF is to be completed with the proper approval signatures **before** the transfer is made in IRIS.

If the transfer is **between 90 and 120 days**, a **copy** of the completed form should be sent to SPA. **Keep the original filed in your department.**

If the error is found **over 120 days** after the original transaction posts, A CTEF must be completed and the original sent to SPA. SPA will review and forward to the Campus Business Officer (Office of Budget & Finance) for final signature.

SPA requests that you send the CTEF for **over 120 days** directly to Carol Malkemus, A004 White Avenue, for review. After being signed by the Campus Business Officer, the **original will be returned to the department to be filed.** As per UT Fiscal policy, all original CTEFs should be kept in the department for 6 years.



State of Tennessee Funding Recipients



The State of Tennessee introduced a new web-based management system in Fall 2008 to streamline the State's administrative business processes. The new system is called Edison. Unfortunately, the institution of the Edison system is causing some unexpected problems for recipients of State funding. In the past, there has been more flexibility in adjusting start dates on projects. Now, the State is not allowing the past latitude in changing start dates. If a department starts working on a project and afterward receives final award documentation with a later start date, the costs incurred before the start date must be absorbed by the department. Sponsored Projects Accounting and the Office of Research are recommending that departments be **extremely** careful incurring expenses on a project before an uncertain start date.

Please visit the Sponsored Projects Accounting website for forms and documents, links to important websites, and contact information for your Sponsored Projects. Please visit us at: <http://web.utk.edu/~spa/index.html>.