

2005-2006 :: Contracts & Grants Accounting

1. Mission Statement:

The Contracts & Grants Accounting department in The Office of Associate Vice President of Finance and Controller supports the research activities of the University by providing financial and accounting infrastructure for the post-award administration of sponsored programs. This function contributes to advancing excellent educational and research programs. The department is responsible for providing the timely financial billing and reporting; determining the propriety of costing issues; capturing, analyzing and reporting pertinent costing data to administration; and developing and communicating to the university, policies and procedures consistent with cost-accounting standards.

2. Objectives:

2.1 Timely submission of financial reports.:

Most sponsored projects require the submission of financial reports. The timely and accurate submission of these reports is part of the sponsored programs administration process. Having a well designed infrastructure for financial reporting supports the university's strategic goal of increasing research funding.

2.1.1 Related Strategic Plan Item(s): I-1 Research Enterprise Initiative; III-1 Dynamic Change Management

2.1.2 Related Institutional Priority Item(s): SP-3 More than Double Research Funding

2.1.3 Standards and Associations:

Two staff members in Contract and Grant Accounting hold Certified Public Accountant licenses. One of them is no longer active.

2.2 Increase cash available for investments.:

Maximize the amount of daily cash available for investments through prudent sponsored programs accounts receivable collection practices.

2.2.1 Related Institutional Priority Item(s): SP-1 Double the Size of the Faculty; SP-3 More than Double Research Funding; COM-4 Enhance research, graduate education and technology-driven economic development

2.2.2 Standards and Associations:

One staff member in Contract and Grant Accounting holds an active Certified Public Accountant (CPA) license and one member is a CPA in an non-active status.

2.3 Timely submission of effort certifications.: UTD is committed to ensuring that effort reports are completed on a timely basis for all state and federal sponsored programs. Its current policy provides for quarterly certifications for the monthly employees and monthly certifications for semi-monthly employees. Procedures are in place to ensure that all certifications are processed on a timely basis.

2.3.1 Related Strategic Plan Item(s): I-1 Research Enterprise Initiative

2.3.2 Related Institutional Priority Item(s): SP-8 Reduce Costs

2.4 Continuous improvement of training programs.: C&G Accounting's responsibility is to provide post award administration training programs to faculty and staff. This includes administration of already developed programs which are provided via the University's Training Post, UT System initiated programs and internally developed programs which target specific audiences depending on their needs.

2.4.1 Related Strategic Plan Item(s): I-1 Research Enterprise Initiative

2.4.2 Related Institutional Priority Item(s):

SP-3 More than Double Research Funding; COM-4 Enhance research, graduate education and technology-driven economic development

3. Measures & Findings:

3.1 Financial Status Reports due -Excel spreadsheet: A perpetual spreadsheet is maintained that lists all reports due by account number and due date. Using this tool, the department will track how many submitted reports required corrections and how many reports were not submitted on a timely basis. In case of late or incorrect reports, the department will analyze the contributing factors to determine if the problem was systemic or incidental.

3.1.1 Success Criteria: No missed report deadlines and 100% accuracy of submitted reports.

3.1.2 Related Objective(s): Timely submission of financial reports.

3.1.3 Results Related To Success Criteria:

In FY06 525 reports were submitted on time and there were no instances of required corrections to previously submitted reports with the following exceptions: two reports could not be submitted on time because of delays in receiving expenditures information from a subcontractor. The other situation was caused by a delay in finalizing the reportable costs by the School responsible for the management of this contract. There was 100% accuracy on

submitted reports.

3.1.4 Achievement Level: Met

3.1.5 Further Action: No

3.2 C&G Receivables Reconciliation.:

C&G will monitor the outstanding accounts receivable reconciliation and aging each quarter with the goal of minimizing the dollars that are outstanding longer than 91 days. C&GA maintains a spreadsheet by individual AR item that ties to each grants receivable and ties in total to the GL.

3.2.1 Success Criteria: Outstanding accounts receivable 91 days or longer should be less than 3.5%.

3.2.2 Related Objective(s): Increase cash available for investments.

3.2.3 Results Related To Success Criteria:

The outstanding C&G accounts receivable 91 days or older for the last quarter of FY06 was 2.9%.

3.2.4 Achievement Level: Met

3.2.5 Further Action: No

3.3 Time and Effort Certification log:

C&G Accounting maintains a database of all reports sent out to school effort report coordinators. The effort report coordinators are responsible for ensuring that the reports are accurately certified by the Principal Investigators and returning them to C&G Accounting. C&G Accounting updates the database and generates a listing of outstanding reports. Reports outstanding over 90 days are then reported to the University Compliance Committee for the appropriate action.

3.3.1 Success Criteria: No time and effort reports outstanding 90 days or greater.

3.3.2 Related Objective(s): Timely submission of effort certifications.

3.3.3 Results Related To Success Criteria:

There were no reports late 90 days or greater and no material chronic non-compliance issues. Occasionally a small number of reports are not received by the designated deadline, but upon subsequent follow up by C&G Accounting they are received. The results of this process are reported to the UTD Compliance Committee on a quarterly basis.

3.3.4 Achievement Level: Met

3.3.5 Further Action: No

3.4 Number of training programs developed/updated. : The training coordinator is in the process of developing three customized training programs. One for school management, one for principal investigators and one for support staff. In addition the training coordinator was customizing the UT System provided Effort Certification Training which will be offered to faculty and staff in FY07. This training is located at <http://finance.utdallas.edu/effortcert/>.

3.4.1 Success Criteria: One new training developed or updated.

3.4.2 Related Objective(s): Continuous improvement of training programs.

3.4.3 Results Related To Success Criteria:

The UT System effort certification training is ready to launch. The UTD PI training on the Training Post was updated and given to all faculty who were required to take it.

3.4.4 Achievement Level: Met

3.4.5 Further Action: Yes

5. Closing the Loop:

5.1 Continue the current procedure & tracking:

The existing infrastructure is working as planned. The department will continue tracking the missed reports and corrections to previously submitted reports.

5.1.1 Related Objective(s): Timely submission of financial reports.

5.1.2 Related Measure(s): Financial Status Reports due -Excel spreadsheet

5.1.3 Responsible Person: Paula Gosling

5.1.4 Target Date: N/A

5.1.5 Priority: High Priority

5.2 No changes to existing procedures are needed.: The existing procedures are working as planned and no further changes are required.

5.2.1 Related Objective(s): Increase cash available for investments.

5.2.2 Related Measure(s): C&G Receivables Reconciliation.

5.2.3 Responsible Person: Mary Carter

5.2.4 Priority: High Priority

5.3 No changes in the current procedures are needed: The existing infrastructure is working as planned, the department will continue monitoring for late time and effort reports.

5.3.1 Related Objective(s): Timely submission of effort certifications.

5.3.2 Related Measure(s): Time and Effort Certification log

5.3.3 Priority: Low Priority

5.4 Develop another training program :

We will develop a training program for the Principal Investigators administrative support staff.

5.4.1 Related Objective(s): Continuous improvement of training programs.

5.4.2 Related Measure(s): Number of training programs developed/updated.

5.4.3 Responsible Person: Merrie Tabbert

5.4.4 Target Date: By Sept. 1, 2007

5.4.5 Priority: High Priority

6. Analysis:

6.1 Program/Unit Strengths:

6.1.1 Objectives/Outcomes Exceeded or Met: The assessment revealed that our procedures were effective in meeting our target goals for this reporting cycle. The remaining Contract and Grant Staff is very accurate and strives to stay on top of all the essential day to day work. At this time, financial reporting is current, Accounts Receivable Reconciliations are current.

6.2 Program / Unit Weaknesses:

6.2.1 Objectives / Outcomes Partially or Not Met: Contract and Grant Accounting is short one full-time accountant as of January 1, 2007. To be able to keep up the accuracy level and compliance work this person needs to be replaced.

7. Report:

7.1 Executive Summary:

Contract and Grant Accounting Department contributes to the university's mission of doubling its research funding by providing cost effective and professionally delivered post award contract and grant administration services. Its main improvements include: maximizing the available cash resources through the timely collection of accounts receivable, maintaining professional relationships with sponsors by providing accurate and timely sponsor required financial reports and avoiding potentially disallowed expenditures by implementing and delivering training programs to faculty and staff.

During this assessment period the department was able to achieve all of its target goals.

7.2 Top 3 Program/Unit Accomplishments:

Financial reports filed on time - two exceptions that were out of our control.

Accounts Receivable reconciled monthly.

Number and amount of overruns remain low.

Invoicing, collections and letter of credit draws continue to be processed in a timely fashion.

Edited and launched the on-line Effort Certification Training.

Wrote Business Procedures Memorandum Policy #76-07-06 that covers Sponsored Programs Administration.

7.3 Research Activities or Publications: N/A

7.4 Instructional/Training Activities (presented or received): Contract and Grant Accounting edited and implemented the Time Certification Training . This training applies to Principal Investigators that have federal and state grants.

7.5 Public Service:

One of our accountants participated in a tutoring/mentoring program for the Plano Independent School District.

Once per week, after school, low income hispanic children were assisted with their english and/or their homework.

7.6 Other External Activities: N/A**7.7 Contributions to UTD:**

Contracy and Grant Accounting contributes to the university's mission of doubling its research funding by providing cost effective and professionally delivered post award contract and grant administrative services. The collection effort continues to be very successful. Although a minor portion of accounts receivable was older than 91 days, the overall collections are close to 100%. Expedited collections increased the amounts of invested cash, contributing to the increase in investment earnings. UTD's relationship with sponsors was aided by the timely filing of requires financial reports. The continuous improvement and development of new training programs such as the Effort Reporting training, strengthened the university's future internal controls and will minimized university's exposure to disallowed costs.

7.8 Top 3 Program / Unit Challenges:

The achievement of this reporting cycle's target goals was largely aided by one additional accountant. This accountant's appointment will expire in December 2006. The continuation of the current level of progress will be greatly impacted in the future years if this position is not extended and filled.