THE UNIVERSITY of TEXAS
HEALTH SCIENCE CENTER AT HOUSTON

GRANT AND RESTRICTED FUND FINANCIAL MANAGEMENT BULLETIN

Distributed by the Payment and Account Facilitation (PAF) Team No. 11

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Compliance is everyone's responsibility.

TRAVEL PURPOSE CODES

Please remember that there are limitations on travel that is paid using **federal funds**. The table below identifies the travel purposes for which federal funding may be used.

Travel Purpose Code	Description	Short Description	Allowable to Use for Federal Travel
AC	ATTEND CLASS/COURSE	CLASS	NO
AM	ATTEND MEETING	ATTEND MEE	NO
AS	ATTEND SEMINAR/SYMP	SEMINAR/SY	NO
BE	TAKE BOARD EXAMS	BOARD EXAM	NO
BL	BLANKET 'TA'	BLANKET	YES (for "local" mileage only)
BT	BUSINESS TRAVEL ACCOUNT	BTA	NO
CC	CONDUCT CLASS/COURSE	CLASS/COUR	NO
CF	ATTEND CONFERENCE	CONFERENCE	NO
CT	**COLLABORATE**	**COLLABORAT**	**YES**
EQ	EQUIPMENT P/U OR REVIEW	EQP.PU-REV	NO
GB	**GRANT BENEFIT CONFERENCE**	**GRANT CONF**	**YES**
GI	**GRANT INVESTIGATION**	**GRANT INVE**	**YES**
GL	GUEST LECTURER	GUEST LECT	NO
GP	**PRESENT PAPER ON GRANT**	**GRANT PAPE**	**YES**
GR	GRAND ROUNDS	GRAND RDS	NO
GS	SPEAKER	SPEAKER	NO
LA	LEAVE OF ABSENCE	LEAVE ABSE	NO
LS	ST LEGISLATIVE SESSIONS	LEGIS SESS	NO
MS	MISCELLANEOUS SERVICES	MISC SERV	NO
PP	PRESENT PAPER/LECTURE	PAPER/LECT	NO
RC	RECRUIT FACULTY/STUDENTS	RECRUITING	NO
RE	RECRUITMENT CLASSIFIED POSITIO	RECR CLASS	NO
RF	RECRUITMENT FACULTY HOUSE HUNT	RECR HOUSE	NO
RP	RESEARCH PRESENTATION	PRESENTING	NO
RS	RESEARCH SERVICES	RESEARCH S	NO
SD	**SITE VISIT/DATA COLLECTION**	**SITE/DATA**	**YES**
SP	SPEAKER	SPEAKER	NO
UT	VISIT UT SYSTEM	VISIT UTSY	NO
VA	VACATION	VACATION	NO
XW	EXPERT WITNESS	WITNESS	NO

NOTE: If travel transactions are entered into FMS using ineligible codes, and the codes cannot be corrected before the transaction is processed, the department must provided written documentation to the PAF Team for the project's file that will provide the revised travel purpose information for the transactions.

BOOKS/JOURNALS

Books and Journals are typically treated as an indirect cost rather than a direct cost. The reason for this is that part of the indirect costs that are recovered on sponsored projects is spent on supporting the library. Therefore, the books and journals ***"should be provided as part of normal library services."*** (This is the wording in the NIH Grants Policy statement.)

For the cost of books and journals to be eligible to be paid as a direct cost on a sponsored project, they would have to be books or journals that are not readily available or carried in the library. *(Please note, in this instance we are not talking about books that are purchased as part of a fellowship or other kind of grant that is for student support.)*

It is the responsibility of departmental staff to maintain sufficient audit-justifiable documentation regarding books/journals that are paid as a direct cost on a sponsored project. This is not an expense type for which PAF will request supporting documentation for the centralized imaged files.

FDP PRIOR-APPROVAL MATRIX (UPDATED)

The Federal Demonstration Partnership (FDP) has issued an updated version of their Prior-Approval matrix. The link below is for NSF's Website, the home for the updated matrix.

http://www.nsf.gov/pubs/fdp/fdpmatrix.xls

This provides a good summary of the requests that can be approved locally, and those which require written approval from the funding agency.

INSTITUTIONAL PRIOR APPROVAL

As part of the authority that our institution has been granted on certain awards, we have the ability to approve certain requests regarding **federal** grants (**NOT** contracts).

The Institutional Prior Approval (IPA) process is as follows:

- The PI or departmental staff submits a request to the PAF Team. Examples:
  - ✓ The request may be related to re-budgeting among expense categories or expense transactions (such as foreign travel or equipment).
  - ✓ The request may be related to pre-award costs.
  - ✓ The request may be related to paying a student's tuition/fees. (See last page for more info on this.)
- The request must include sufficient justification to determine whether the request would be considered allowable by the funding agency.
  - ✓ The reason why the change is needed.
  - ✓ An explanation of how the change benefits the project.
  - ✓ If for an expense transaction, a statement regarding the percent of usage that is applicable to this particular project.
- The request must come to PAF in writing, so that it can be printed or copied and placed in the project's file. Examples of how requests are submitted include:
  - ✓ Email.
  - ✓ Paper memo.
  - ✓ Contained within the "Long Description" section of the budget journal or transfer.
- PAF reviews the request and determines whether it is allowable, not-allowable, or further information is needed.
- Once the request has been determined to be allowable, PAF obtains the certifying signature of a designated institutional official (typically Laura Smith).
- PAF takes any necessary steps to change the data in FMS to reflect the approved change.
- PAF images the signed document in the project's centralized file.

GUARANTEE ACCOUNTS: CONFLICT OF INTEREST STATEMENTS

One of the necessary pieces of documentation that is required in order to set an account up under guarantee is a copy of the completed "UTHSCH Research Conflict of Interests Certifications" form. This is one of the pages of the R&A Form, which is one of the reasons that we need a copy of the R&A Form to set up a project correctly in FMS.

While the title of the form only includes the term "Research" and HOOP 23.10 only mentions "research and educational activities", the R&A form (with this page) is necessary for setting up all kinds of sponsored project accounts.

FMS COMMITMENT CONTROL (BUDGET TRANSACTION) TIPS

SHOULD YOU USE A JOURNAL OR A TRANSFER TRANSACTION?

JOURNALS

Budget **JOURNALS** are used if/when you are increasing or decreasing the total or overall budget of the institution. This would occur when a **new** project is being set up or a **new** contract has been executed and finalized. It would also occur when a grant or project has been reduced by the sponsoring agency.

JOURNALS are also used when you are budgeting funds that have been recognized and collected in an existing project or designated fund. This is typically done for gift accounts or designated funds when the amount of recognized and collected revenue exceeds the budgeted amount. Most people refer to this as **"moving money from revenue to expense"**. While that is not actually what the transaction does, if it helps you to think of it that way, that's OK.

TRANSFERS

Budget **TRANSFERS** are used if/when you are **re-budgeting** funds that have already been budgeted in an existing project or account.

SHOULD YOU PUT THE FISCAL YEAR IN THE BUDGET PERIOD FIELD IN THE CHARTFIELD AND AMOUNTS SECTION OF THE BUDGET LINES TAB?

The Fiscal Year should **NOT** be filled in on the Budget Lines Tab/Panel for budget journals or transfers that involve project accounts.

The Fiscal Year will be inferred on the Budget Header page when you select one of the Ledger Groups. Don't worry about that field.

The Budget Period field in the Lines section of the middle panel for budget transactions (the "Budget Lines" tab) should be left **BLANK for project accounts**. However, it **must be filled in for non-project accounts** such as state, designated, or service funds.

If you fill this field in for project accounts, the budget transaction will not be able to be processed. Similarly, if you don't fill it in on non-project accounts, the budget transaction will not be able to be processed.

Entering the Budget Period data correctly will speed up the budget transaction processing time.

WHAT INFORMATION SHOULD BE PUT IN THE "LONG DESCRIPTION" FIELD?

- You should put your name and telephone extension. This helps PAF and Budget Office staff to contact you should more information be needed before the budget transaction can be updated. If you don't put your name and telephone extension, we will assume that the transaction is not ready for review. This may slow down the processing time.
- You should put a basic description of the purpose of the budget transaction.
- If the budget transaction reflects a change in the award that must be processed through our Institutional Prior Approval guidelines (refer to the information on the previous page), then you should include the necessary information for that process.
  - ✓ The reason why the change is needed.
  - ✓ An explanation of how the change benefits the project.
  - ✓ A statement regarding the percent of usage that is applicable to this particular project.

HOW DO I KNOW WHICH POOL TO BUDGET MONEY INTO TO COVER AN EXPENSE TRANSACTION?

PATH: Tree Manager > Tree Viewer > CC_PRJ_TRANS

Using the expense account code that will be used in the transaction (example: 67299) you can use the "Find" functionality to determine to which pool that particular expense code is attached. Click on "Find" and put the account code number in the account field in the "Find Detail Value" section. Then click on the "Find" button. (Find) In this example, the expense code is located in the 61006 budget pool.

SUPPORTING DOCUMENTATION FOR STUDENTS' TUITION AND FEES

TUITION AND FEES for students are a form of compensation that may be paid under sponsored project awards in certain circumstances. **TUITION AND FEES** for students may be paid as a direct cost on most types of Federal awards as long as the following criteria are met:

1. The individuals are conducting activities necessary to the sponsored project. **(Is the student assisting with the progress or completion of the funded project?)**
2. Tuition remission and other support are provided in accordance with established educational institutional policy and consistently provided in a like manner to students in return for similar activities conducted in non-sponsored as well as sponsored activities. **(Are you treating all students in a "like manner", and processing the payments the same way, regardless of funding source?)**
3. During the academic period, the student is enrolled in an advanced degree program at a grantee or affiliated institution and the activities of the student in relation to the Federally-sponsored research project are related to the degree program. **(During the time period/semester the tuition covers, will the student be assisting with the project, and is the project related to their field of study?)**

In order for tuition/fees to be allowable as a direct cost on a sponsored project account, the expense for that student should be part of the approved budget (with the student listed by name) or a written justification must be provided to PAF, addressing the 3 requirements listed above.

When using project funding to pay students' tuition and fees, expense account code 69312 should be used to process vouchers. This expense code is budgeted in pool 61006.

SUPPORTING DOCUMENTATION FOR SUBJECT REIMBURSEMENT PAYMENTS

Due to **HIPAA regulations**, we have changed the guidelines regarding the supporting documentation that is submitted with subject/participant reimbursement requests. Supporting documentation such as the signed receipts for incentive payments, parking reimbursement, etc., should **not** be submitted with the voucher because those receipts contain "Protected Health Information" (PHI).

Payment of patient care costs or study participation incentives is a good example of the difficult situation that occurs when there are competing or contradictory governmental regulations. In this instance, HIPAA regulations require that PHI such as the patient's name, address and SSN are not disclosed. However, IRS regulations require that our institution record payments to individuals, such as participation incentives, so that we can file 1099 information if the payments reach a specified dollar threshold. The information that we would be reporting to the IRS is considered protected by the HIPAA standards.

In order to navigate these contradictory governmental regulations, departmental staff are responsible for the following:

- Departmental staff should attach a written statement that describes the purpose of the voucher, without giving Protected Health Information.
  - ✓ Example: "This voucher for $100.00 represents 10 payments of $10 each made to study participants. The documentation containing identifying information is on file in the department."
- Departmental staff should keep the receipts that were signed by the study participants in the departmental files in case the receipts are needed for audit purposes. These receipts should be kept for two years after the termination date of the award that was used to fund the expenses.
- Departmental staff should keep a log containing the information necessary for 1099 reporting (name, address, SSN, amount of payment, and date of payment) for participation incentives that are paid through the petty cash system. The information from this log should be submitted to the Budget Office at the end of each calendar year.