



SUBJECT: Financial Reporting Policy	Effective Date: 11-01-2008	Policy Number:	
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	Responsible Authorities: Director Research Accounting		

I. Background

Florida Atlantic University is required to comply with financial reporting requirements in accordance with OMB Circular A-110 (Relocated to 2 CFR, Part 215), and agency specific terms and conditions.

II. Purpose

The purpose of this policy is to establish uniform procedures to inform sponsors how authorized funds were spent on sponsored projects and ensure compliance with OMB Circular A-110 (Relocated to 2 CFR, Part 215), federal and state regulations, as well as, sponsor terms and conditions.

III. General Statement

Research Accounting is available to answer questions and provide assistance regarding the requirements of the Financial Reporting Policy.

IV. Policy

Florida Atlantic University submits financial reports to Federal and non-Federal agencies and sponsors by the due date in accordance with the terms and conditions of the agreement.

Research Accounting reviews monthly a tracking report to identify projects that have ended and financial reports that are due. This process ensures that deadlines are met for financial reporting and assists in the notification process to the principal investigator and departmental designee when financial reports are due.

In order to ensure the accuracy of the financial report to be prepared, the principal investigator and departmental designee are required to:

- Review project financial activity posted in the Organization Detail Activity Report and Grant Inception to Date Report on a regular basis;
- Review project cost share activity posted in the Organization Detail Activity Report and Grant Inception to Date Report on a regular basis, if applicable;
- Verify that all costs charged to the project are allowable and allocable;
- Identify errors and initiate the process to correct errors;
- Transfer overspent expenditures;
- Liquidate all encumbrances (for final reports only).

Principal investigator and their departmental designees must contact Research Accounting immediately:

- with questions regarding transactions posted to the project before the financial report is submitted, or
- if refunds, rebates or other credits are received and post after the financial report is submitted so that a revised financial report can be prepared and sent to the Federal or Non-Federal agency and sponsors.

Research Accounting will prepare the required financial report utilizing the Organization Detail Activity Report and Grant Inception to Date Report. If there is a requirement to return unspent funds, then Research Accounting will do so.

FEDERAL AWARDS

The following forms are used to provide financial information to Federal awarding agencies. Other forms may be required in accordance with the terms and conditions of the agreement.

The Financial Status Report SF-269, SF269A is used to report the status of funds for all nonconstruction projects and programs. These reports are submitted no later than 30 days after the end of each specified reporting period for quarterly and semi-annual reports, unless agency specific terms indicate otherwise. Annual and Final Financial Status Reports are submitted within 90 calendar days of the end date of the specified reporting period.

The Federal Cash Transactions Report SF-272 is used to report funds advanced to the University and obtain disbursement information for each sponsored agreement. This report is submitted within 15 calendar days following the end of each quarter.

The Federal Cash Transactions Report SF-272 for the National Science Foundation (NSF) is used to report project disbursements for all NSF grants. This report is due one month and 10 days following the end of each quarter.

The Federal Cash Transactions Report SF-272 is used to report project disbursements for Department of Health & Human Resources, HRSA, NIH, and USGS awarded through the

Payment Management System. This report is due one month and 14 days following the end of each quarter.

NON FEDERAL AWARDS

Financial Reports are submitted in the format and frequency specified in the terms and conditions of the sponsored agreement. If no format is specified in the agreement, Research Accounting will submit a standard financial report, which includes the award amount authorized, expenditures, payments received and funds remaining.

V. Definitions

Allowable A cost is allowable to a project if: (1) the costs are reasonable; (2) the costs are allocable to the specific project; (3) the costs are treated consistently in like circumstances; and (4) the costs conform to any limitations of the cost principles or the sponsored agreement. For further information see OMB Circular A-21.

<http://www.whitehouse.gov/OMB/circulars/a021/a021.html>

Financial Reports Report of expenditures on sponsored projects submitted to the sponsoring agency. This report also includes cost share expenditures and program income for sponsored projects when applicable.

OMB Circular A-110 Standards for obtaining consistency and uniformity among Federal agencies in the administration of grants to and agreements with institutions of higher education, hospitals, and other non-profit organizations.

<http://www.whitehouse.gov/omb/circulars/a110/a110.html>

SF-269 SF269 is Financial Status Report (FSR) of total outlay of Federal funds for a specific project. FSR includes award amount, expenditures, unliquidated obligations (encumbrances), and unobligated balances. This report also includes cost share and program income (reported and disbursed).

SF-272 SF-272 is Federal Cash Transaction Report of funds received, disbursements made and cash on hand for the project during the reporting period.

VI. Accountability

Research Accounting is responsible for preparing all financial reports for sponsored projects based on the financial reporting requirements of the Federal and Non-Federal agency or sponsor. The financial reports are reviewed and approved by the director of Research Accounting or his/her designee to ensure accuracy.

Principal Investigators and their departmental designees are responsible for reviewing charges on their awards in order to identify errors and prevent them from being included in the financial

report. Both Principal Investigators and their departmental designees are responsible and accountable for financial disbursements made with grant funds. Errors must be brought to the attention of Research Accounting immediately to prevent them from being included in the financial report.

VII. Procedures

Research Accounting reviews monthly the tracking database report to determine which projects have ended and which financial reports are due for the period.

Research Accounting contacts the principal investigator and their departmental designee to inform them when a financial report is due. The principal investigator and departmental designee are given a date by which to complete their review of the project expenditures and inform Research Accounting of completion.

For Final Financial Reports, Research Accounting notifies the departmental designee 30 days prior to project end date to take action to close out the project.

The departmental designee is required to complete the following within 30 days of notification:

1. Provide the principal investigator with Organization Detail Activity Report and Grant Inception to Date Report to review that charges for the project are allowable and appropriate.
2. Review all expenditures to ensure that charges have not posted in error.
3. Remove cost overruns from project to overhead or department funded account.
4. Inform Research Accounting immediately of any errors charged to projects.
5. Clear out encumbrances through Accounts Payable, Payroll or Purchasing Department.
6. Communicate to Research Accounting that all intended expenditures and corrections have posted.

Research Accounting reviews the Federal, Non-Federal agency or sponsor's agreement to identify the financial reporting forms or other reports required. The Organization Detail Activity Report and Grant Inception to Date Report are used to prepare financial reports. Financial reports include all required data such as award amount, expenditures, encumbrances, unobligated balances and so forth. Final financial reports cannot include unliquidated obligations (encumbrances). If there is a requirement to return unspent funds, a refund check is remitted.

Financial reports are reviewed and approved by the director of Research Accounting, or his/her designee to ensure accuracy. Research Accounting submits all financial reports, and returns unspent funds to the sponsor by the due date specified in the terms and conditions of the agreement.

The procedures above also apply to grants that are transferred to another institution.

VIII. Annual Review of Procedures Manual

The Financial Reporting Policy will be reviewed annually.