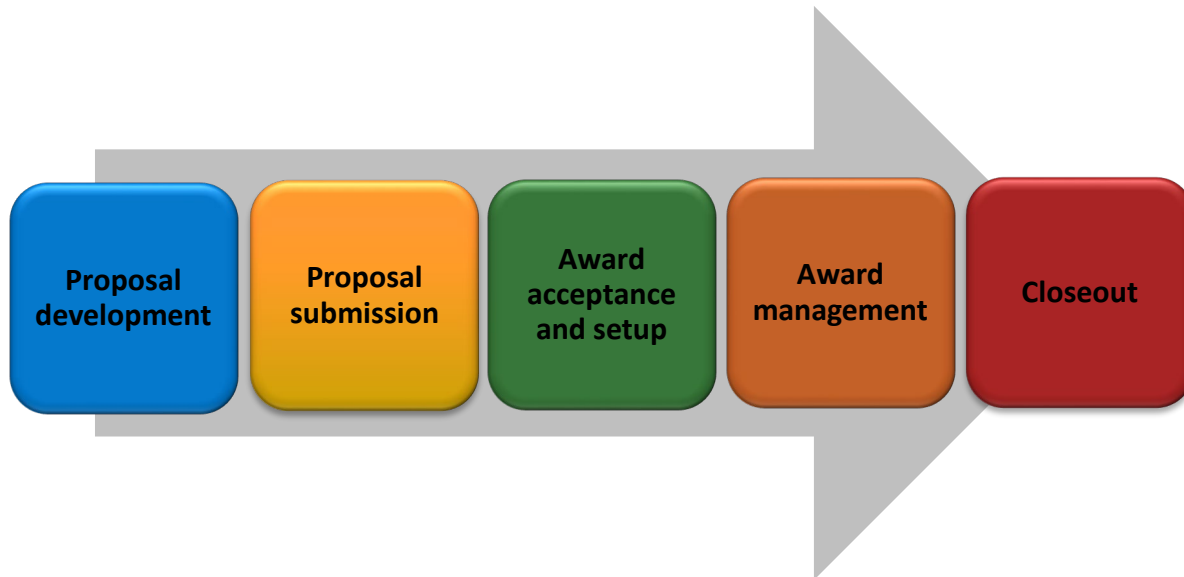


EVRS, PCES, AND COST TRANSFERS – CASE STUDY #17



NSF (National Science Foundation) and DOE (Department of Energy) Cost Transfers

Dr. Becky, the PI, is reviewing the activity on her NSF award which will be ending on December 31st. It is early December and she has not had time to review this award for six months. Additional information includes:

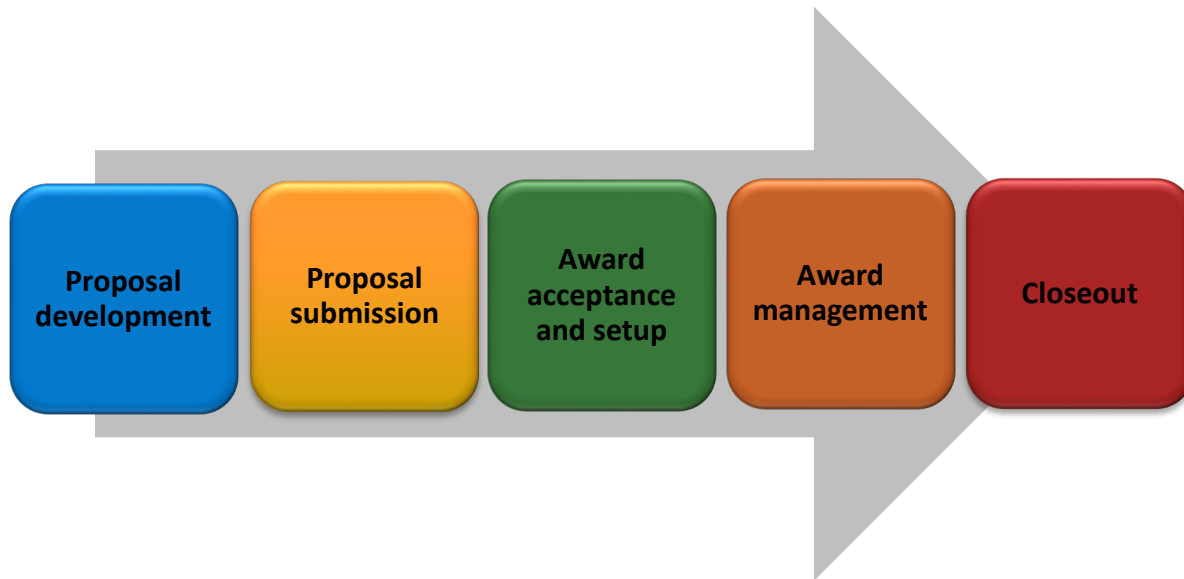
- Her Budget Variance Report #2 shows the award is over budget by about \$12,000.
- After reviewing the expenditure details, she determines that effort for her lab technician, Chris, has been overcharged to the NSF award for two months: July and August.
- Dr. Becky had another award with DOE which the lab technician also worked on given the similarities of the research.
- Dr. Becky determined that to properly reflect Chris' effort, \$4,000 should have been charged to the DOE award. His effort was included in the DOE budget.
- The DOE award ended on August 31st.
- Chris' salary should have been allocated between the two awards.
- There was also a piece of equipment costing \$6,000 that has been incorrectly charged to the NSF award. It was not in Dr. Becky's lab and should not be charged to any of her awards.
- The deadline for DOE's final technical reports, financial reports, and invoice was November 30th. All final reports and invoices were submitted and final payment was received from DOE.

Based on the above information and Budget Variance #2 Reports provided, address the following questions:

- 1. What are the potential issues for each of these awards?**
- 2. What actions need to be taken at this time?**
- 3. Does the lab technician need to recertify his EVR?**

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SUGGESTED SOLUTION



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Based on the above information and Budget Variance #2 Reports provided, address the following questions:

1. What are the potential issues for each of these awards?

- ✦ *Dr. Becky has not reviewed her NSF federal award in a timely manner to be able to identify these incorrect charges. As PI, she should be reviewing the activity on her awards on a monthly basis.*

EVRS, PCES, AND COST TRANSFERS – CASE STUDY #17

SUGGESTED SOLUTION

- ✦ *If Dr. Becky reviewed her DOE federal award at close out, she did not realize that there was salary missing from the expenses.*
- ✦ *Late cost transfers and PCEs will need to be made and processed by department.*
- ✦ *The deficit on the NSF award needs to be cleared before the award can be closed. The period of performance for the DOE award ended August 31. This means the salary charges may not be able to be moved to the DOE award because the final reports and invoices have been submitted. This will mean identifying non-grant chartfields to move the costs to.*
- ✦ *There is a piece of equipment charged to a federal award that was an error.*
- ✦ *Work with OSPA to ask DOE if they can revise the final financial report and invoice and invoice for the additional salary, benefits, and F&A associated with the lab tech's effort.*
- ✦ *The PAF for the lab technician was not updated timely.*

2. What actions need to be taken at this time?

- ✦ *The department may need to identify another source of funds for the 2-month's salary of the lab technician (\$4,000) if DOE will not agree to accept a revised financial report and revised invoice.*
- ✦ *The department will need to identify who purchased the equipment (\$6,000) and determine the correct chartfield to move the expenses to since it doesn't belong to Dr. Becky's lab.*
- ✦ *In preparation for closing the NSF award, the lab technician's PAF should be updated to charge his salary to an appropriate source by January 1st since the award ends 12/31. This assumes he is still working for the University.*
- ✦ *Does changing the equipment to a different source of funding affect ownership? Sponsors have different terms for equipment ownership so important to work with OSPA to ensure equipment is handled correctly.*
- ✦ *Dr. Becky will also need to watch to make sure no additional expense post to the NSF award since there are still a few days left in the period of performance and there may be charges in process. These would also need to be moved off.*

3. Does the lab technician need to recertify his EVR?

- ✦ *No. The EVR that would cover the July and August salary that was charged incorrectly has not been generated yet (July 1-December 31). As long as all corrections are made before the EVR's are generated, the corrections will be reflected in the next reporting period.*