



# ORS Newsletter

June 2019

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## NATIONAL SCIENCE FOUNDATION (NSF) OFFICE OF INSPECTOR GENERAL (OIG) AUDIT REPORT

The National Science Foundation (NSF) Office of Inspector General (OIG) recently issued audit reports on Colorado State University (CSU) and University of Tennessee (UT).

CSU was cited with the following:

- Unsupported travel costs due to lack of supporting documentation: Unclear and unreadable receipts were on file.
- Unsupported costs improperly allocated to different awards: Employee travel expenses were not charged to the same award as the employee's payroll.
- Unallowable costs improperly transferred between awards: Charges for work performed on an expired award were transferred to a new award.

Although CSU contested all three of these findings, NSF OIG maintained their original determination.

UT was cited with the following:

- Unallowable maintenance costs: Although maintenance costs were approved under the award, the term of one maintenance contract extended approximately eight months beyond the award period.

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## NATIONAL SCIENCE FOUNDATION (NSF) OFFICE OF INSPECTOR GENERAL (OIG) AUDIT REPORT (CONTINUED)

- Unallowable costs for moving and service awards: Service awards are typically not considered reasonable and necessary for the operation of a grant. Relocation / moving costs are allowable if the proposal indicates that the grantee intends to hire a named individual who is essential to the project on a full-time basis for a continuous period of 12 months (per NSF's 2013 Proposal and Award Policies and Procedures Guide, which was in effect at the time of the audit). There was no indication in the proposal to support the moving costs.
- Late charges: Supplies purchased on an award were not received until 10 days before the project end date, therefore, the cost did not directly benefit the award.
- Unallowable cost transfer: Certain items broke down during the award, so replacements were borrowed from another department. Subsequent purchases for the department that had originally loaned such items to the project were charged to the award after the expiration date.

UT agreed with all the findings and recommendations and said it would enhance its various training modules available to its principal investigators, department heads and accounting staff related to sponsored projects and financial compliance.

The complete audit reports are available at:

[www.nsf.gov/oig/pdf/19-1-003\\_Colorado\\_State\\_University.pdf](http://www.nsf.gov/oig/pdf/19-1-003_Colorado_State_University.pdf) (OIG 19-1-003) and [www.nsf.gov/oig/pdf/19-1-005\\_University\\_of\\_Tennessee\\_Knoxville.pdf](http://www.nsf.gov/oig/pdf/19-1-005_University_of_Tennessee_Knoxville.pdf) (OIG-19-1-005).

If you have any questions, please contact Dawn Kim, ORS Financial Compliance Manager, at [dawnkim@hawaii.edu](mailto:dawnkim@hawaii.edu) or (808) 956-0396.

## FISCAL YEAR (FY) 2019 SINGLE AUDIT

As an entity that expends more than \$750,000 in federal funds, the University of Hawaii (UH) is required to undergo an annual Single Audit. The purpose of this audit is to provide assurance to the federal government that we are capable of managing our federal awards in accordance with laws, regulations, policies and procedures, as well as terms and conditions of such awards. UH has engaged Accuity LLP Certified Public Accountants (Accuity) to perform its Single Audit. As in prior years, ORS will be coordinating the audit requests and will be working with the appropriate UH staff. Starting from late May through mid-November, you may be contacted for documentation, inquiries and follow-up requests. In order for Accuity to complete the audit by mid-November and present the audit report to the Board of Regents in December (prior audit reports available at: <https://www.hawaii.edu/offices/budget-finance/>), we request full cooperation in meeting all requests and deadlines. If we encounter any delays in obtaining information and responses for the audit, requests may be escalated to the appropriate Vice Presidents or Chancellors for assistance.

We thank you in advance for your assistance and cooperation and look forward to a smooth FY2019 Single Audit. For questions, please contact Dawn Kim, ORS Financial Compliance Manager, at [dawnkim@hawaii.edu](mailto:dawnkim@hawaii.edu) or (808) 956-0396.

## POST AWARD TERMINATION (PAT) FORM

ORS has determined that the "[Post Award Termination \(PAT\)](#)" form will no longer be required for transactions that are processed through the University of Hawaii (UH) Disbursing Office on extramural accounts after the award termination date. Instead, all required reviews and approvals, along with the reason for processing after the award termination date, should be included on the Kualii Financial System (KFS) eDoc. The KFS eDoc should then be ad hoc routed to the "UH ORS Compliance" group for final review and approval.

If you have any questions regarding this change, please contact Dawn Kim, ORS Financial Compliance Manager, at [dawnkim@hawaii.edu](mailto:dawnkim@hawaii.edu) or (808) 956-0396.

## KUALI FINANCIAL SYSTEM (KFS) EDOC REMINDER

To identify the Kualu Financial System (KFS) eDocs to be reviewed by the individual ORS Accountants, please remember to include the CG number in the description section of the eDoc. The CG number should be put at the beginning of the description. The format should be "CG38-FA035 Create New Account Code." This will make processing more efficient for all by helping the ORS Accountant visually, or via filters, determine which eDocs on the Action List for the UH ORS Accounting Group are theirs to review without having to open each individual eDoc.

The CG Accountant assignments for specific sponsors are found on the ORS website at: [http://www.ors.hawaii.edu/files/TEAM\\_ASSIGNMENTS.pdf](http://www.ors.hawaii.edu/files/TEAM_ASSIGNMENTS.pdf). If you have any questions regarding your award or account, please use this reference sheet to identify the correct CG Accountant. For existing accounts, you can find the CG Account Responsibility ID number under the Account, Contracts and Grants tab, or the name under the Award, Fund Managers tab as the Primary.

If you have any questions, please contact Suzanne Eghan, ORS Projects Financial Accounting Manager, at [efhans@hawaii.edu](mailto:efhans@hawaii.edu) or (808) 956-4061.

## ORS HELPLINE FREQUENTLY ASKED QUESTIONS

### **What does "F&A Cost" mean in a myGRANT budget?**

The F&A Cost or Facilities and Administrative Cost, is synonymous with "indirect" cost or "overhead" cost. F&A costs are the expenses incurred by the University of Hawaii (UH) to develop and maintain the facilities and administrative infrastructure necessary to support extramurally funded research and non-research activities. The F&A costs can be calculated by dividing the total sponsor cost by 1.X% (where X=F&A rate percentage), then subtracting the result from the total sponsor cost.

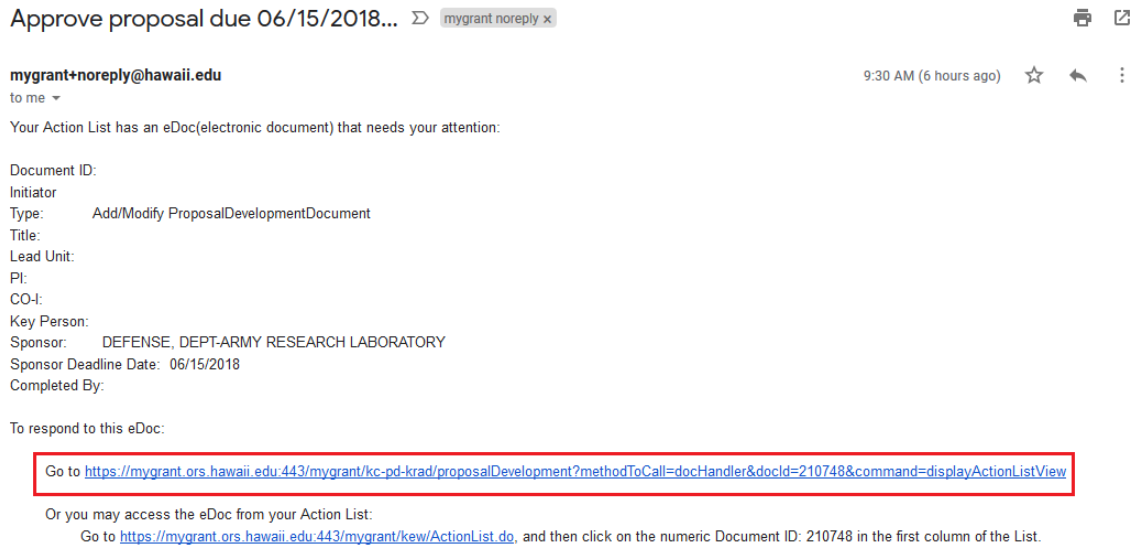
For more information, and to find your applicable F&A rate, please see the ORS Website: <http://www.ors.hawaii.edu/index.php/apply/budget-development/indirect-costs>.

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## ORS HELPLINE FREQUENTLY ASKED QUESTIONS (CONTINUED)

### I received an email with the subject “Approve proposal due...”. What do I need to do?

In the email, click on the link under “To respond to this eDoc:” or copy it into the address bar in your web browser.



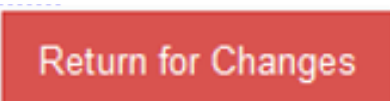
This link should take you directly into the myGRANT Proposal Development Document (PD). If you are not logged in, you may need to click on the link again after logging in.

Once you are in the PD, you will be taken directly to the “Summary/Submit” tab. This single tab contains a summary of the entire PD, including the budget, questions, attachments and key personnel information.

At the bottom of the “Summary/Submit” tab there should be two buttons:



and



Clicking “Approve” will approve the PD and the PD will then be routed to the next individual in the workflow.

Clicking “Return for Changes” will return the PD to the initiator of the PD so that revisions can be made. The PD will need to be re-approved by all individuals in the workflow when it is resubmitted after revisions have been made.