



ORS Newsletter

May 2024

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2024 CHANGES TO THE OFFICE OF MANAGEMENT AND BUDGET'S GUIDANCE FOR FEDERAL FINANCIAL ASSISTANCE

The Office of Management and Budget (OMB) is revising parts of the OMB Guidance for Grants and Agreements, now called the OMB Guidance for Federal Financial Assistance, located in Title 2 of the Code of Federal Regulations (CFR). The official version of [OMB's Guidance for Federal Financial Assistance](#) was published in the Federal Register on April 22, 2024. Nine sections of 2 CFR are being revised, including 2 CFR 200, which is referred to as the "Uniform Guidance" or "UG".

The objectives for these 2024 revisions include: (1) incorporating statutory requirements and administration priorities; (2) reducing agency and recipient burden; (3) clarifying sections that recipients or agencies have interpreted in different ways; and (4) rewriting applicable sections in plain language, improving flow, and addressing inconsistent use of terms.

The effective date for the final guidance is October 1, 2024. In the coming months, ORS will work on implementing the required changes and determining the timing of other discretionary changes. We will continue to provide updates as changes are implemented.

REMINDERS FOR FISCAL YEAR-END 2024 CLOSE

In preparation for the end of the fiscal year (FY), please perform the following procedures in accordance with the University of Hawai'i (UH) Fiscal Management Office's current Year End Closing Schedule (accessible at <https://go.hawaii.edu/AmF>).

- **Reclassification of Transactions:** Review and reclassify transactions posted to continuation accounts to the intended account.
- **Account Deficit Clearance:** Clear any account deficits to maintain accurate financial records.
- **PCard Transaction Reallocation:** Reallocate PCard transactions and finalize reports as necessary for proper and timely posting to Kualii Financial System (KFS).
- **Payroll Transaction Review:** Review, reconcile, and process payroll transfers as necessary.
- **Cost Sharing Recording:** Ensure all current FY cost shared amounts are recorded accurately. Refer to the article on Fiscal Year-End Reminders for Cost Sharing in this newsletter for further details.
- **Advance Account Extensions:** Submit requests to extend advance accounts ending on or before June 30, 2024, as far before the advance account expiration date as possible, if extension is needed.
- **Award and Account Closeout:** Complete and confirm the closeout of awards and accounts promptly.

Additional Reminders:

- Upon closing of KFS, some eDocs that are not finalized will be automatically disapproved (e.g., Budget Adjustment, Single-Sided Budget Adjustment, and Transfer of Funds) by the system, while some will not (e.g., Account).
- After KFS opens in the new FY, resubmit any automatically disapproved eDocs still needed.
- **General reminder for any time of year:** Account or budget eDocs in anticipation of fully executed awards should not be submitted to ORS until the "Extramural Award Notice" email has been received by the principal investigator or fiscal administrator.

Should you have any questions, please contact Dan Han, ORS Extramural Funds Accounting Manager, at danhan@hawaii.edu or (808) 956-4061.

FISCAL YEAR-END REMINDERS FOR COST SHARING

As a reminder, Distribution of Income and Expense (DI) eDocs to record cost sharing must be processed or finalized in the Kualii Financial System (KFS) **by June 28, 2024, at 5:00 p.m.** ORS requests that all accounts with committed cost sharing be reviewed, and any necessary cost sharing eDocs be submitted as soon as possible.

Additional Reminders:

- Cost sharing for direct costs should be based on expenses recorded in the KFS source account during the fiscal year and must be recorded in the applicable fiscal year (FY).
- Cost sharing for UH personnel salaries and fringe should reflect payroll dates through June 30. Estimates may be used for the June 15, 2024, and June 30, 2024, pay periods, if necessary.
- Annual certification of cost sharing effort for FY 2024 is required and will be due by September 16, 2024. Further information regarding the certification process will be forthcoming.
- Do not include cost sharing for periods beyond June 30, 2024.
- Please review your accounts to ensure that cost sharing is recorded in the CS001 subaccount and cost sharing object codes are used appropriately. If transactions were incorrectly posted to cost sharing object codes, please make corrections before the fiscal year-end.

For more information on cost sharing, please see [AP 12.410, Accounting for Cost Sharing](#), or refer to the ORS website at <https://research.hawaii.edu/ors/resources/cost-sharing/>.

For guidance on recording cost sharing, please visit the ORS website at <https://research.hawaii.edu/ors/resources/project-accounting/>.

Should you have any questions regarding cost sharing recording, please contact Dawn Chow-Hoy, ORS Extramural Funds Accounting Assistant Manager, at dhirao@hawaii.edu or (808) 956-9233.

REMINDERS FOR SUBAWARD PREPARATION PROCESS

To facilitate the University of Hawai'i's (UH) [subaward preparation process](#), please refer to the [Subaward Responsibility Matrix](#) and keep the following in mind:

Review subaward documents to ensure consistency and accuracy.

- The UH principal investigator (PI) and subrecipient PI listed on the S-1 should match with the PIs noted on Attachments 3A and 3B, respectively.
- Attachment 3A should reflect the current Authorized Official (currently Vassilis L. Syrmos, acting director, Office of Research Services). Refer to [Attachment 3A \(pre-filled with UH information\)](#).
- The UEI on Attachment 3B, and the subrecipient's Legal Address on Attachment 3B and the S-1, should match the UEI and Legal Address on the subrecipient's System for Award Management (SAM) registration.
- The Budget Total on Attachment 5 should match the amount shown on the S-1.
- The subaward period of performance requested on the S-1 cannot exceed the prime award period reflected in myGRANT.
- For amendments, all documents should reflect the requested changes (e.g., new PI, incremental or carryover amounts).

Ensure that all required documents listed in the subaward packet have been included and completed accurately (no blank fields), prior to submitting to subaward@hawaii.edu.

- The S-1 (and S-2 if applicable) should be dated within one year from the date of the subaward request. If forms are over a year old, an updated version or confirmation that there are no changes to the existing version should be obtained from the subrecipient.
- The S-1 (and S-2 if applicable) should be signed and dated by the subrecipient's Authorized Official.
- Record of an active SAM registration should be included. If subrecipient does not receive any direct federal awards, a UEI obtained through SAM is acceptable. This is not required for FDP Expanded Clearinghouse participants.
- If [a tax clearance is required](#), provide a Certificate of Vendor Compliance. If the Hawai'i or IRS status is Not Compliant, the subrecipient should be working to resolve the issue(s). Although ORS can initiate subaward review and negotiation, the subaward agreement will not be signed by UH without a valid tax clearance.

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

FISCAL YEAR 2024 SINGLE AUDIT

The University of Hawai'i (UH) has once again engaged Accuity LLP Certified Public Accountants (Accuity) to perform its fiscal year (FY) 2024 Single Audit. As in prior years, ORS Financial Compliance will be coordinating the audit requests and will be working with appropriate UH personnel. From May through mid-November, you may be contacted for documentation, inquiries and follow up requests. In order for Accuity to complete the audit by the end of November and present the audit report to the Board of Regents in December, your cooperation in responding to the audit requests and inquiries in a timely manner is a key element in meeting these deadlines.

If you are unable to fulfill audit requests in a timely manner, we ask that you notify ORS as soon as possible so that accommodations can be arranged with our auditors.

We thank you in advance for your assistance and cooperation and look forward to another smooth Single Audit engagement.

OFFICE OF NAVAL RESEARCH—PROPERTY MANAGEMENT SYSTEM ANALYSIS

In March 2024, the Office of Naval Research (ONR) performed a Property Management System Analysis (PMSA) of the University of Hawai'i's (UH) property management system. The objective of this review was to ascertain UH's ability to protect, preserve, account for, and control government property.

Although there were no findings reported, the following recommendations were provided:

- Implement [DFARS 252.245-7005](#) which requires the reporting/updating on the status of property (e.g., transfers and shipments of property to/from UH and loss or damage of property) to the Government Furnished Property module within seven (7) business days of the date the change in status occurs, unless otherwise specified in the contract. In order to comply with this requirement, ORS Financial Compliance (orscomp@hawaii.edu) should be notified immediately of any property updates on contracts that include this DFARS.
- Report losses in a timely manner. Although an annual inventory is conducted by UH, updates should be made throughout the year, as soon as practicable.
- Document unusual circumstances for deviations from UH policy for the remittance of payments to vendors if not processed within thirty calendar days. (Refer to [AP 8.523, Receiving Property and Equipment, Purchased Equipment and Controlled Property.](#))

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OFFICE OF NAVAL RESEARCH—PROPERTY MANAGEMENT SYSTEM ANALYSIS (CONTINUED)

- Conduct and document screening requirements before purchasing an asset as required by UH policy. (Refer to [AP 8.521, Property and Equipment Acquisition](#), *Extramurally / Federally-Funded Purchases*.)

Based on the results of this PMSA, ONR has concluded that UH's property management system is compliant in protecting, preserving, accounting for, and controlling government-owned property. The approval letter is posted at <https://research.hawaii.edu/rsc/institutional-profile/>.

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

HELPLINE FREQUENTLY ASKED QUESTIONS

I need to submit a progress report for an award that was transferred from NOAA GrantsOnline to eRA Commons, but I do not see the award in my eRA Commons account. How do I gain access to my awards in eRA Commons?

In October 2023, NOAA GrantsOnline began their transfer of all accounts and awards over to the eRA Commons platform. Unfortunately, this transfer had a number of issues and resulted in many awards being unassigned from their listed principal investigators.

To correct this, please send your eRA Commons User ID and your NOAA award number to your unit's [assigned ORS Specialist](#) so they can submit a Change of PD/PI request to eRA Commons. Once the request is approved, you will have access to the transferred award.