

F&A Tracking Procedures for Cross Departmental OSP Awards

For FY '11:

- For existing grants it will be the department's responsibility to complete and submit the form "Report of Grants With Shared F&A Tracking" and return it to OSP **prior** to June 15th. We will need this data before the end of the fiscal year so the proper accounting can be put in place for FY '11 activity. OSP will not be making retroactive accounting adjustments to existing or future cross-departmental awards so please make sure you have this paperwork submitted on time.

For Proposals Submitted Now:

- The methodology for tracking F&A for cross departmental awards on new proposals will be to mark "Yes" in the box titled *Indirect Cost (F&A) Shared Credit* on the Budget page of the ePCF. Attach any documentation/agreements in the Detailed Budget Attachments section of the ePCF so that OSP will have this information attached to the proposal. Prior to the grant being opened the PI must provide the OSP Fiscal Manager with the final F&A tracking percentages. Note: This procedure does not guarantee that your department will receive an F&A distribution but does ensure that recovered F&A will be accurately assigned to organizations participating in grant awards which cross multiple departments.

How Will the Accounting Function?

- All expenditures and F&A distribution will remain exactly the same as the current procedure (i.e. NO changes to grant expenditures and F&A's will continue to be collected centrally at the VPR level).
- On the income side of the accounting process as expenditures are made at the grant level, a separate tracking will be established for each grant that involves multiple departments. The generated F&A's will be split **for tracking/reporting purposes only** according to the percentages that are agreed to by the PI's/departments involved. Note that the cash doesn't follow this distribution, only F&A's allocated for tracking/reporting purposes. These splits will only be seen on the income side and the F&A's will be assigned to the proper department as expenditures occur. This procedure will ensure that F&A's for grants involving multiple departments will be assigned to the correct departments throughout the year. The distribution of F&A's for the following fiscal year will utilize the most current procedure in place.

How the Process Works in Banner:

- A new index has been assigned to each organization with OSP grant and proposal activity. If a new index is needed, OSP will assign it. The indexes start with 4FXXXX and usually the last four positions of your organization code (for example: 415001 becomes 4F5001). If there are duplicates in the last four positions for different departments, an alphabetical character (A-Z) is substituted for the final position in the index.
- OSP will assign an F&A tracking code for each grant that crosses departmental lines. This tracking code is part of baseline Banner functionality currently used at MSU, for example, VPRCEN is the tracking code used to indicate that 100% of the F&A goes to the fund 429CEN. The new tracking codes will reflect the percentage breakdown for each department participating in cross-departmental grants. This is dependent on the PI submitting the distribution approved by participating departments prior to the opening of the grant.

NOTE: These new procedures do not indicate a return to the previous F&A distribution in which F&A's (IDC's) went directly to individual departments and PI's – this is for tracking F&A to multiple organizations for grants that cross departmental lines.

- The F&A tracking codes will start with "F" followed by the grant code. The cash will still be deposited into the VPR central fund/index, however on the revenue side, the F&A's will track to the allocation percentages provided to OSP.
- As grant expenditures occur and F&A's are calculated and posted in Banner you will see the F&A's listed for the index established for your department for F&A tracking purposes (4FXXXX). Remember, this is informational only and doesn't guarantee an F&A amount for the upcoming fiscal year. For FY '11 the index will contain only partial data. OSP will run a process that calculates retroactively how F&A's would have tracked for each department as if this process had been in place for the entire year.
- The tracked amount will be used to determine eligibility to receive an F&A (fixed amount) distribution for FY '12 following the most current F&A distribution procedure.
- This process only applies if the grant award involves PI's from multiple departments and those departments wish to track F&A's to each department.

EXAMPLE

Report of Grants with Shared F&A Tracking

Instructions: Please list below the grants from your department that require tracking of F&A revenue generation across multiple departments. In the yellow highlighted area, indicate all departments (including the home dept.) along with the relevant percentages for F&A tracking purposes. The percentage distributions should total 100% for each grant. Insert more lines into the spreadsheet as needed.

There is no need to list grants that do not share F&As (ie. 100% of F&A belongs with the home department.)

Please note: This process does not guarantee F&A returns.

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Grant Index	PI	F&A Tracking Across Multiple Departments		
		Dept	Org	%
4W1234	Smith	Physics	415400	50
		Chemistry	415200	25
		Microbiology	415100	25
		Total Distribution of F&As for Tracking Purposes		
4W9876	Jones	Physics	414604	80
		Math	415700	20
		Total Distribution of F&As for Tracking Purposes		
Total Distribution of F&As for Tracking Purposes			-	
Total Distribution of F&As for Tracking Purposes			-	
Total Distribution of F&As for Tracking Purposes			-	
Total Distribution of F&As for Tracking Purposes			-	

