November 16th

OSRAA Outreach Series

We will begin in just a few minutes.
Welcome

• Greetings and welcome to the OSRAA Outreach Series! My name is Kacey Parks, and I am the Research Administration Training Coordinator.

• This session is being recorded, and you will be notified via the OSRAA Outreach Listserv when the recording and presentation are ready to view.

• Chat is disabled. Please submit all questions via the Q & A button located at the bottom of your screen. Questions are encouraged to be submitted as they come to mind, and will be answered at the conclusion of our presentation today.

• Please note that when you submit a question in the Q & A, the question and your name will be visible to all participants unless you select “anonymous” before submitting it.
Managing Awards with Bracketed Funding / Carryforward Restrictions on Sponsored Projects

Office for Sponsored Research and Award Administration

Outreach and Engagement

November 16th, 2023

Presented By Bracketed Funding Workgroup co-leads:
Lisa Silbernagel, FSS Associate Director for Research Administration and Accounting
Sandy Cobb, OSRAA Research Quality Assurance Officer, Research Fiscal Officer
Work Group Team Members

Benita Bazemore-Cook – RO
Cindi Mafit – FSS-CAS
Sheryl Powell – RO
Cindy Tait-Withrow – RO
Jessica Thurner-Byres – RO
Heather Toro – RO
Amanda Watts – RO
Charge and Deliverables

Purpose/Background:
RO/ DFA collaboration intended to:
- Streamline and document business functions
- Clarify roles and responsibilities for Research Administration
- Previously no consistent method to manage bracketed funds and request carryforward

Workgroup charged to:
- Establish policy specific to managing bracketed funding
- Define bracketed funding
- Define roles and responsibilities when award terms indicate bracketed funds.
- Establish standard operating procedure
- Create process workflow and resource documents
- Conduct training for campus community
Purpose and Objectives

Workgroup charged to:
- Establish consistent, documented process across the university which reflects best practice
  - Cohesive approach, with recognition of specific roles/responsibilities in carrying out process
- Common understanding and shared language – across lifecycle and across organizational boundaries
- Timely reporting, closeouts, cost recovery, etc.
  - Prevent financial losses
  - Prevent re-work when expenses post to incorrect index
- Compliance with Uniform Guidance
RESEARCH OFFICE POLICY 24-006: BRACKETED FUNDING / RESTRICTED CARRYFORWARD ON SPONSORED PROJECTS

EFFECTIVE DATE: JANUARY 1, 2024
Definitions

Bracketed Funding:

- Subset of project funding restricted to a shorter budget period than the overall sponsored project period of performance
- Needing to be tracked, reported, or invoiced separately from other project funds
- **AND** does not have automatic carryforward of remaining funds into future periods of performance or tasks without sponsor approval.
Definitions

**Carryforward:**
- The unspent or unobligated balance of funds from prior budget period which the recipient may request to use in the current budget period.
- To meet the needs or support the objectives of the project.
- Awards on which carryforward is restricted will be treated as Bracketed Funds.
General Requirements – Compliance Issues

**Federal Guidance**
- OMB Uniform Guidance (2 CFR §200)
  - §200.303: Internal Controls
  - §200.403: Allowability
  - §200.302: Financial Management

**Sponsored Award Terms**
- Carryforward restricts use of funds beyond the stated budget period
- Requires sponsor approval – must be contractual authority, not program manager
- Financial reporting and/or invoicing by budget period
- Audits require extraction of expenses by budget period from financial system
Award Execution & Setup

Clearer Designation at Execution Stage

Clear, Consistent Flagging in Banner

Facilitates Creation of Period Closing Events
Standard Operating Procedure – Award Acceptance

• OSRAA: Award Execution and Setup in Banner
  o Receives award and evaluates T&C for language restricting carryforward
  o If applicable, flags award as restricting carryforward and notes PI letter accordingly.
  o Any subsequent amendment/information indicating otherwise will require updates to reflect carryforward restrictions

<table>
<thead>
<tr>
<th>Carryforward Restricted?</th>
<th>If yes, award has bracketed funding and carryforward is not allowed from one budget period to the next.</th>
<th>Bracketed funding budget period</th>
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<tbody>
<tr>
<td>☐ Yes</td>
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Standard Operating Procedure – Award Acceptance

1. Award is received
2. Award is negotiated/accepted
3. Do T&C restrict carryforward?
   - Yes: Proceed to unrestricted carryforward process
   - No: Carryforward restricted is indicated on PI letter
4. Forward award document and PI letter to setup
Standard Operating Procedure – Banner Set-up

OSRAA Setup

Create index(es) for current budget period, noting restricted carryforward

Note index(es) and carryforward restriction on PI letter

Announce index(es) & send PI letter via email

Set up bracketed funding event in FRAEYGA

OSRAA Grant Accountant
Standard Operating Procedure – Project Spending and Expenditure Monitoring

• Principal Investigator (PI) and Fiscal Support Unit: Project Spending and Expenditure Monitoring
  o PI and Fiscal Support Unit personnel review PI letter and other award T&C
  o Expenditures are charges against the current period index
  o Spending is reviewed for allocability and allowability, given project period restrictions
  o If necessary to accommodate urgent business needs, fiscal support staff requests pending indexes for charges which span multiple budget periods

(Note: Fiscal Support Units include personnel from Financial Strategic Services and other individuals or units providing research administration support to Principal Investigators, Research Office personnel who support research centers and institutes, and Cascades Campus.)
Standard Operating Procedure – Project Spending and Expenditure Monitoring

Fiscal Support

- Review award & PI letter
- Provide initial communication/guidance to PI
- Conduct project, spend project funds
- Monitor spending for allowability/allocation/correct funding period
- Report to/consult with PI quarterly, at minimum
- Post corrections, as needed/identified by fiscal support or PI

PI
Closing Expiring Budget Period

Advance Communication with Clear Expectations: Finalize Expenses, Request Carryforward As Needed

New Indexes Assigned to Receive Expenses on New Budget Period

Expiring Period Claims and Reports Submitted, Budget Reduced, Index Closed
OSRAA: Advance Notice of Closing Current Budget Period

- Generates 60-day advanced budget period closeout
  - Provides Fiscal Support Unit with date final expenditures must be reported to OSRAA.Finance@oregonstate.edu
  - Prompts for and provides instructions for carryforward request
- Establishes funds and indexes for next budget period
- Announces to Fiscal Support Unit* and PI

Note: Subawards move to the new bracketed index with the rest of the funding for the new budget period.
Standard Operating Procedure – Closing Current Budget Period Notification and Creating New Indexes

Identify awards to receive 60-day period closing notice

Send period closing notice to Fiscal Support, PI

Send list of successor indexes to setup

Establishes fund and indexes for next budget period

Announces new indexes to PI and fiscal support unit

OSRAA BSA

OSRAA Set-up
Standard Operating Procedure – Finalize Expenses and Request Carryforward

- **Principal Investigator (PI) and Fiscal Support Unit: Finalize Expenses and Request Carryforward**
  - PI and Fiscal Support Unit personnel proceed with closeout activities
  - Finalize expenses on expiring index and begin using new index for following budget period
  - Confirm final subaward carryforward amounts with OSRAA Subaward Team.
  - Ensure expenses are posted to the correct budget period index
  - Report final expense figure on the expiring bracket to OSRAA Financial Management by due date
  - Prepare and submit Carryforward Request and Rebudget Request form as required and appropriate
  - Submit to OSRAA Grant and Contract Administrator
Standard Operating Procedure – Finalize Expenses and Request Carryforward

- **Fiscal Support and PI**
  - Proceed with closeout activities for expiring period and finalize expenses
  - Confirm carryforward on subawards to subawards team
  - Confirm final expenses on expiring period, begin using new index
  - Identify awards to receive 60-day period closing notice
  - Prepare and submit any carryforward request to OSRAA GCA
OSRAA Close-out of Expired Budget Period

OSRAA takes the following steps to close out the expired budget period:
- Completes final invoice, financial report, and/or final draw figure by sponsor deadline
- Reduces budget on the expired budget period
- Terminates Index (temp close) in Banner to prevent additional expenses from posting
- Terminates Fund in Banner when Banner allows
Standard Operating Procedure – Closing Expired Budget Period

1. Completes final invoice/draw/financial report
2. Banner events are completed
3. Reduces expired period budget
4. Terminates index
5. Terminates fund when revenue is received and matched expenses
OSRAA: Request Carryforward of Unspent Funds

- OSRAA receives carryforward request from PI and Fiscal Support Unit, including rebudget request as needed
- Reviews to ensure that:
  - Justification is reasonable and adequately documented
  - Amount requested reconciles to remaining balance
  - Submitted documents are complete and accurate
  - Any/all other award terms are satisfied
- Submits request(s) to sponsor
- Monitors status of request
Standard Operating Procedure – Requesting Carryforward of Unspent Funds

Fiscal Support/PI

OSRAA GCA

Prepares carryforward materials and submits to OSRAA GCA

Receives carryforward request from PI/fiscal support

Reviews request for completeness and accuracy

Submits request to sponsor

Logs in to database

Monitors status
Standard Operating Procedure – Approved Carryforward

OSRAA: Budgeting Approved Carryforward into Next Budget Period

- OSRAA receives approval award modification from sponsor
  - Accepts and executes modification
  - Adds the approved carryforward budget to successor budget period
  - Notifies PI and Fiscal Support Unit
Standard Operating Procedure – Approved Carryforward

OSRAA GCO/GCA

Accepts and executes modification

Routes modification to setup for entry

OSRAA Set-up

Adds approved budget to successor budget period index

Notifies fiscal support and PI of approval and budget action
OSRAA: Carryforward Denied by Sponsor

- OSRAA receives denial from sponsor
  - Adds denial correspondence to grant record in OnBase
  - Notifies PI and Fiscal Support Unit of denial
Standard Operating Procedure – Carryforward Denied

- Sponsor
- OSRAA GCA

Notifies OSRAA GCO that carryforward is denied

Uploads disapproval correspondence into Onbase

Notifies fiscal support and PI of sponsor disapproval
Resources and Related Information

**Partners**
- OSRAA Staff and Leadership
- Financial Strategic Services and Leadership
- Bracketed Funding Workgroup Members

**OSRAA Website**
- Policy
- Policy Guidelines
- FAQs
- Forms
  - Carryforward Template
  - Rebudget Form & Instructions
- Training:
  - SOP
  - Workflow
  - Recording

**Uniform Guidance**
- OMB Uniform Guidance (2 CFR §200)
  - §200.303: Internal Controls
  - §200.403: Allowability
  - §200.302: Financial Management
Links to Online Resources

OSRAA Website:
- Policies: [https://research.oregonstate.edu/osraa/osraa-policies](https://research.oregonstate.edu/osraa/osraa-policies)
- Frequently Asked Questions (FAQs)
- Training
- Forms

Finance and Administration Controller's Unit Forms Website Page:
- Sponsored Award Closeout Checklist – coming soon

Federal Uniform Guidance:
- [OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards §200.303 Internal Controls](https://research.oregonstate.edu/osraa/osraa-policies)
- [OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards §200.403 Factors Affecting Allowability of Costs](https://research.oregonstate.edu/osraa/osraa-policies)
- [OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards §200.302 Financial Management](https://research.oregonstate.edu/osraa/osraa-policies)
QUESTIONS?
Questions?

- When does this policy go into effect?
  - January 1, 2024

- Are there any exceptions to this policy?
  - There will be no exceptions to the policy.

- I requested a carryforward, so why is my budget reduced?
  - The reduction recognizes that the spending authorization from the sponsor has a time limit. Sponsor approval is needed to use the funds after that timeframe.

- What if an amendment changes the award from bracketed to not bracketed?
  - If an amendment changes from (or to) bracketed funds, the award will be updated and it will be communicated as outline in the SOP.
THANK YOU!
Closing Announcements

Our next OSRAA Outreach Webinar takes place:

Thursday December 14th at 2PM PST

Topic: Documentation Standards

More information on this topic and a registration link will be sent out via the listserv in the near future.

Lastly, you will receive a Qualtrics survey link today for an opportunity to provide feedback on today's presentation.

Thank you for your attendance and we look forward to see you at our next OSRAA Outreach series webinar!