FINANCIAL REPORTING GUIDELINES

GENERAL STATEMENT

The Office of Sponsored Programs (OSP) is responsible for submitting accurate and timely reports that are in compliance with federal and state regulations, terms and conditions of the agreement and other sponsor requirements. The purpose of this guideline is to provide procedures for developing and submitting financial reports to and for sponsors.

ROLES AND RESPONSIBILITIES

1. Principal Investigators (PI) and Departmental Administrators (DA)

   - The PI is ultimately responsible for monitoring all financial aspects of the sponsored project and ensuring accuracy of the financial information reported to the sponsoring agency. This includes reviewing all expenditures and ensuring any adjustments including Departmental Correction Requests (DCRs), journal entries and Employee Payroll Action (EPA) source change documents are processed timely so that the A&M Accounting System (FAMIS) reflects these changes prior to the final financial report deadline.
   - The PI or DA will is responsible for ensuring that all good and services are received and completed by the last day of the award.
   - The PI or DA is responsible for liquidating all encumbrances within 30 days following the end date of the award. Any encumbrances that are not liquidated timely will result in charges being moved to a non-grant account.

2. Accounts Receivable and Financial Reporting Team (ARFRT)

   - The ARFRT works with the PI and DA to complete financial reports.
   - Upon request, provides the department with a cost analysis to identify any unallowable charges or request supporting documentation and justification for potential questionable costs.
   - Prepares and submits all financial reports in accordance with sponsor requirements.
   - Verifies that cost-sharing requirements have been met.

3. Project Administrator (PA)

   - Works with the ARFRT to complete financial reports.
   - Works with PI and DA to ensure that all outstanding encumbrances are liquidated.
   - Notifies subrecipients of deadlines for final financial and technical reports.
   - Verifies PI submission of final technical reports and ensures that all final reports are uploaded in the research administration system (Maestro).

INVOICES

The deliverable schedule is setup in Maestro and billing requirements are setup in the FAMIS SPR module. The information used to enter the billing requirements and deliverables is found in the sponsors terms and agreement. The deliverables section in Maestro generates automatic

reminders that financial reports are coming due. It also provide information as to what type of report is due. This reminder is sent to the responsible party and a backup. The billing requirements in FAMIS SPR provides information that will tell the system when and how to generate invoices. The following are the bill mode types:

Code	Description	Notes
A	Automatic	FAMIS produces bill; invoice number begins with "R" each month
C	Letter of Credit	No billing; federal sponsor uses LOC mechanism
M	Manual	Rarely used (Eg. Sponsor requires full billing at beginning or end)
N	No Billing	Typically never used; no invoice will be sent (Eg. account has ended)
R	Invoice Report Only	No post; begins with a "Z" (Eg. used for interim or bridge funding)
S	Sponsor Auto Pay	Rarely used

For projects that funds have already been received up front and interim or bridge funded projects you should set the billing mode to "R" for "No Post" and have an invoice generated at least quarterly or semi-annually. This keeps you posted on the expenditures being made on the project.

The following are bill types:

Code	Description	Notes
	Blank	No bill type requirement
I	Installment	Complete Screen 117 also
O	Other	Manual bills only
R	Reimbursable	

The following are frequency types:

Code	Description	Notes
	Blank	No billing frequency requirement
A	Annual	
H	Manual	According to sponsor schedule
L	Lump Sum	Manual bills only
M	Monthly	
O	Other	Manual bills only
Q	Quarterly	
S	Semi-Annual	

Invoices are available for print at the beginning of the each month after the financial close has been run for the previous month. This is usually the second business day of each month. The ARFRT will sort and review all invoices.

- "R" invoices are automatically generated by FAMIS and post accounts receivable.
- "Z" invoices are automatically generated by FAMIS, but do not post an account receivable and are not mailed to the sponsor. "Z" invoices are generated to prompt various future actions, such as when the project is nearing completion and should be closed or extended.

Invoice Review and Approval Checklist
Once the invoices and folders are distributed, the Accountant should reconcile the invoiced accounts to Screen 19 using the practices shown below:

- FAMIS SCREEN COMPARISON INSTRUCTIONS
    - FAMIS screen 19 should be viewed using the inception (IN) to date option, PF 11, as of the month ended the last day of the invoice billing period.
    - FAMIS screen 634 should be viewed using the "Include Line Items with Zero Balance" field set to Y".
- POOL BALANCES – FAMIS SCREEN
    - The revenue pool should equal the Encumbrance Column + Available Column bottom line. If the pools do not net to zero, something is wrong with the account and must be analyzed for corrective action.
- TOTAL EXPENSES -FAMIS SCREEN 19
    - Compare total expenses in the Actual Column to total Budget. Further analysis is prompted if total expenses exceed total budget. The first step of analysis is to review the budget for accuracy. If the budget is accurate, the account is overspent and the invoice should not be approved. If a budget is inaccurate, the reason for the inaccuracy should be determined. A budget may be inaccurate due to data entry timing differences, delay in contract or renewal execution, or data entry error. In any case, the ARFRT should determine the appropriate action based on the individual situation. The ARFRT may need to check with the PA to assist in making this determination.
- SIGNATURES
    - Invoices are reviewed and authorized in the Office of Sponsored Programs by the Business Manager, Director of Sponsored Programs or assigned delegate.
    - Other signature authority is based on sponsor mandates and requirements.

FINANCIAL REPORTS

When reporting, the system generated invoice may be detailed enough to suffice as the only documentation required to meet the sponsor's need. However, some sponsors require additional form(s) to be sent with invoices which will be stated in the agreement.

Private and foreign sponsors may require:
- ✓ Custom Financial Report that lists all incurred expenses

State agencies may require:
- ✓ Financial Status Reports that list current and cumulative expenditures
- ✓ State of Texas Purchase Voucher which is a request for payment

Federal agencies may require:
- ✓ Standard Form 270 (SF-270) Request for Advance or Reimbursement
- ✓ Standard Form 425 (SF-425) Federal Financial Report

Reporting frequencies vary from project to project, but are normally submitted on a routine schedule whether monthly, quarterly, semi-annually or annually. Because of the variation in the reporting, it is very important for the PA to setup the deliverable schedule timely and accurately. It is equally important to ensure the Sponsored Project Summary (SPS) report is sent to the members of the ARFRT so that they can double check the deliverable requirements and billing mode immediately following setup of the project.

Although reports have different reporting schedules the one thing that remains constant on federal awards is that a final SF-425 shall be submitted upon the completion of the agreement. For SF-425 the due date for reports is as follows:
- Quarterly and semi-annual interim reports shall be submitted no later than 30 days after the end of each reporting period.

- Annual reports shall be submitted no later than 90 days after the end of each reporting period.
- Final reports shall be submitted no later than 90 days after the project or grant period end date.

Financial Report Checklist
- Review Due/Overdue Report - For any that are due or overdue, prepare and submit required form, usually SF425, as directed by contract (i.e. mailing, fax, email or online).
- Update FAMIS SPR screen 127 when report is completed.
- File or scan the completed report into the billing folder.

If project has ended and appears to need a final:
- Print billing history
- Print balance (BAVL) screen (CHECK BALANCE)
- Check for cost sharing and put total
- Do final report or SF425 (if it is federal) and submit to sponsor
- Print financial report and upload the report into Deliverables; Research; Project; Process; Deliverables; Financial report.

Financial reports are reviewed and authorized in the Office of Sponsored Programs by the Business Manager, Director of Sponsored Programs, or assigned delegate. Other signature authority is based on sponsor mandates or requirements. [Note: Effective January 1, 2017, as encouraged by the United States Department of Agriculture – National Institute of Food and Agriculture (USDA – NIFA), PVAMU has elected to have the Associate VP for Financial Management Services to certify the SF-425 for the capacity grants received from USDA. This includes Evans-Allen Research Program (Section 1445 of NARETPA), 1890 Agricultural Extension Program (Section 1444 of NAREPTA), RREA, EFNEP.]