POLICY

New Policy Assists With Sponsored Project Compliance

A new document that clarifies roles and responsibilities and defines those authorized to certify efforts devoted to sponsored research activities has been published in the policy library.

The Effort Certification on Sponsored Projects Policy applies to all federally funded and nonfederally funded sponsored project or program awards. Principal investigators and grants managers should read and understand the policy, as should department managers and chairs in any unit that accepts sponsored program or project funding.

As a recipient of federal funds, the University must maintain an accurate payroll distribution system and must allow for periodic certification of effort devoted to sponsored activities. Principal investigators have a responsibility to review periodic effort reports to ensure and document the reasonableness of salary charges. The policy reflects a long-standing federal regulation requirement set forth in Office of Management and Budget (OMB) Circular A-21 Cost Principles for Educational Institutions, Section J.10.

With this policy, the University codifies existing practices and meets requirements for compliance. The single new policy component provides that any salaries that are not certified within one year of the certification due date will be charged to departmental funds.

The Office of Research and Project Administration (ORPA) and the Sponsored Research Accounting (SRA) office worked together to develop this policy, which was reviewed by the dean for research, the provost, and the Academic Managers Group.

For more information, please contact Matt Kotsovolos, manager of sponsored research compliance and systems, at mkotsovo@princeton.edu or 258-9551.

Effort certification

Method of documenting that the distribution of an individual's salary during a specified period represents a reasonable estimate of the work performed by the employee during that period.
year “estimated spending distribution/investment income” in a box at the top of the report (Figure 1). You may click on that hyperlinked amount to launch the IF002 report and to see the underlying detail for fund(s) that make up that total estimated spending distribution/investment income.

The report also presents an “estimated balance” that is updated nightly to give you a real-time estimate of the balance you have remaining to spend. You should use this figure to budget and plan expenditures. The “estimated spending distribution/investment income” and “estimated balance” appearing on the PGS001 are net of the Infrastructure and Administrative Charge (IAC).

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Since endowment spending distribution/investment income will be posted quarterly, some endowed project grants may show a negative actual balance if most spending occurs early in the fiscal year. You will not need to take any corrective action as long as your “estimated balance” is positive.

Opportunities remain to sign up for the Changes to Endowment Distribution Policies training session on July 11 and July 12, offered through the Employee Learning Center. If you have questions, please contact Steve Semenuk, associate budget director, at semenuk@princeton.edu or 258-5523.

**Space Study Important for Determining Federal Rate**

Department managers and staff in research areas will be critical partners in a University space study that begins in July. The project will quantify the use of 4,900 rooms, totaling approximately 1.3 million square feet.

The space study is part of the facilities and administrative (F&A) cost study, which will provide the basis for our next F&A rate negotiation with the U.S. government. The F&A rate, frequently referred to as the indirect cost rate, is the federally approved percentage applied to sponsored projects in order to recover the allowable overhead costs associated with conducting organized research. The space study will be used to allocate building costs in the F&A rate calculation.

Over the summer, departmental managers and their staffs will be asked to assign departmental students, staff, and project grants to individual labs and rooms, using a Web-based space system. Managers will assign the space in each room across the main categories of organized research, instruction and departmental research, departmental administration, and other institutional and sponsored activities. In mid-July, there will be a kickoff session for research departments, where managers will receive more information and training.

If you have questions about the space study or F&A rate cost project, please contact Roberta Newmeyer at newmeyer@princeton.edu or 258-3964.

**ESG Supports Chart of Accounts Project**

Enterprise Solutions Group (ESG) has been hired to partner with us in designing a new chart of accounts structure. Russell Daum will serve as ESG’s project manager and will be joined full-time by Kirstin Stone, ESG’s accounting specialist.

The chart of accounts is the coding structure that defines the University’s operations in financial terms and serves as the basis for our financial reporting. This initial phase of work, during which we will define the new coding structure, is expected to continue through April 2012.

The project will impact most everyone on campus, and we will be reaching out to you in the coming months. Please look for more information in future newsletters, as well as for opportunities to provide input on the requirements for a new chart of accounts. For immediate questions, contact Mark Dingfield at mdingfie@princeton.edu or 258-3873.
**Year-End Close Reminders**

**July 11** — End of second close; deadline for all journal vouchers, including data entry (except Budget and Labor Accounting sections).

**July 12** — Deadline for all Labor Accounting entries and changes effective June 30. The Labor Accounting system will automatically process any entries received on or before July 12 as June 2011 entries and will post them in FY11. Please contact Teresa D’Artagnan, budget assistant, at tupsher@princeton.edu or 258-3002.

**New Budget Calendar**

The new budget calendar (.pdf) for fiscal year 2012 is posted online.

**Record Retention**

All payment vouchers, purchase orders, and supporting materials (invoices/receipts) submitted to accounts payable are retained by the Office of Finance and Treasury and do not need to be retained by departments. Departments needing access to previously submitted documents may send a request to accounts payable at invoices@princeton.edu. Departmental credit card statements and receipts, however, must be retained by departments and should not be sent to the Office of Finance and Treasury. Departments may elect to retain scanned copies of the original, unaltered departmental credit card statements and receipts in lieu of retaining paper copies.

Scanned documents must be legible, complete, and accessible when needed. If you have questions, please contact Anne Marie Phillips, University records manager, at ap2@princeton.edu or 258-3213; or Daphne Ireland, policy and communications manager for the Office of Finance and Treasury, at direland@princeton.edu or 258-5228.

**New Forms Online**

Please visit our form library to download the latest forms. We have made many enhancements to the forms since their initial release in February. Note that as of this month we are no longer accepting old forms. If your form does not contain a “2011” date in the upper left corner, please check the form library to see if there is a newer version available.

**Mileage Rate Increases**

The new federal mileage rate for personal automobile travel reimbursements, effective July 1, is $.555 per mile. That’s an increase of $.045 per mile. Complete information is available online.

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**REMEMBER**

**Use Preferred Suppliers to Save on Supplies**

Save money on office and laboratory supplies by ordering from preferred suppliers OfficeMax and Thermo Fisher Scientific via the Marketplace, the University’s Web portal for purchasing.

Both suppliers have dedicated service representatives who can visit your department to inventory supplies, help you place orders, research and quote hard-to-find specialty items, and “meet or beat” competitor pricing.

Buying from OfficeMax and Thermo Fisher Scientific also means:

- Discounted prices on everyday supplies
- Fast and easy ordering via the Marketplace
- Automatic sales tax exemption
- Next-day delivery to your desk

**OfficeMax (office supplies)**

 Approximately 5.8% average savings over competitor pricing

**Contact:** Jennifer Colgan
  colgan@princeton.edu
  (609) 258-3400

**Thermo Fisher Scientific (lab supplies)**

 Approximately 5% average savings over competitor pricing

**Contact:** Angela Kropf
  angela.kropf@thermofisher.com
  (609) 672-1581