

RESEARCH COMPLIANCE GUIDELINES

Research and Special Fund Accounting



UNIVERSITY
OF MANITOBA

Workshop Objective

- To increase our awareness of University and External Agency Policies regarding research funds
- To open the line of communication among researchers, research administrators and research accounting
- To improve overall compliance at the University



Benefits of Compliance

- Improved reputation/Low risk institution
- Potential increase in funding
- More efficient purchasing and claim processes



Session Agenda

- Institutional Mandate
- General Principle
- Roles and Responsibilities
- Travel Expense Guidelines
- Hospitality Expenses
- Interdepartmental Charge
- General Research Compliance Guidelines
- Update on Monitoring Review
- Research Compliance Resource Links



Institutional Mandate

Agreement on the Administration of Agency Grants and Awards by Research Institutions (new MOU)

- Provide adequate physical and organizational infrastructure
- Develop and implement policies, administrative systems, procedures and controls to ensure compliance with agency requirements



General Principle

“Grant funds must contribute towards the **direct costs** of the research for which the funds were awarded, and the benefits should be directly attributable to the grant.”



Roles and Responsibilities

Implementing and adhering to external sponsor and University post-award financial policies and procedures is a shared responsibility between the following stakeholders:

- Project Leaders (Primary Signing Authority, Researcher, Principal Investigators)
- Administrative Staff supporting the project leader



Roles and Responsibilities

- The Dean, Director or Department Head with supervisory authority over project leader
- Financial Services



Roles and Responsibilities

Project Leaders – are responsible for initiating and monitoring financial transactions, keeping other responsible parties informed of changes in the funding arrangement, and ensuring all financial transactions and financial reports are in compliance with University and external sponsor policies.

- Read and understand university and the external sponsor policies.
- Review all transactions recorded against the FOP.
- Ensure the FOP remains within budget.
- Advise Financial Services of changes to the external sponsor agreement.
- Attest to the accuracy of the financial statements prepared for external sponsors.



Roles and Responsibilities

Project leaders may choose to delegate their responsibility to administrative support staff, but this delegation does not relieve the project leader from primary responsibility.

Some tasks that can't be delegated include:

- Signing Financial Statements
- One-over-one approval
- Appointing signing authorities to a grant



Roles and Responsibilities

Dean, Director, Department Head, Administrative support staff

– will support the project leader in their roles

- Read and understand University and the external sponsor policies
- Assist in the reconciliation of the FOP
- Assistance with administrative tools (EPIC, Concur, Banner, FAST)

Financial Services – will support the project leader and administrative support staff through provision of financial transactions and support functions

- Prepare financial statements and invoices for the external sponsor
- As a resource person for clarification/interpretation of guidelines and policies



Travel Expense Guideline

What types of travel are eligible?

- Field work (Archival, Historical etc.)
- Research conferences
- Collaborative trips
- Sabbatical



Travel Expense Guideline

Who can travel on research grants?

- Grantee
- Research personnel
- Students working with grantee
- Visiting researchers



Travel Expense Guideline

What expenses are eligible?

- Lowest logical airfare or cost of land travel up to the cost of airfare
- Meals or per diem (See policy for per diem rates and regulations)
- Mileage (See policy for rates)
- Accommodation
- Safety related expenses for field work such as protective gear, immunizations etc.
- Entry visa fee for grantees and/or research personnel when required for the purpose of research



Travel Expense Guideline

What expenses are non-eligible?

- Passport and immigration fees
- Costs associated with education, i.e. thesis examination/defence, including external examiner cost
- Entertainment, alcohol, inflight/room movies, personal memberships in clubs, gifts, hotel “no-show” charge, other conference activities



Travel Expense Guideline

What are the required supporting documents?

- Purpose of trip
- Affiliation of traveller to research project if other than the grantee
- Dates and destinations (person or institution visited)
- Conference prospectus/program indicating the dates of conference or workshop
- Approval from a signing authority (grantee for student travel) and the traveller's one over one
- Original **detailed** receipts for all expenses submitted to Travel Services (meals with attendees, transportation, accommodation, purchases). Debit/credit card slips/statements alone are not acceptable.



Travel Expense Guideline

Common pitfalls

- Travel claim not comprehensive (missing airfare, accommodation, transportation, meals or an explanation for lack thereof)
- Missing detailed purpose of the trip i.e. direct link to research
- Missing required/appropriate approval for exceptions
 - ❑ business class airfare (VP); also requires a copy of the journal entry transferring the price differential of business class airfare and lowest logical airfare to an operating FOP or a copy of the UM cash receipt showing the reimbursement to the research FOP if price differential is personal
 - ❑ booking outside of Concur/CWT (VP)
 - ❑ claiming more than the daily meal/per diem allowance (+\$25 Supervisor, +\$50 Dean or AVP or VP)



Travel Expense Guideline

Common pitfalls cont'd

- Failing to mention if airfare total include seat selection fee
- Failing to mention if personal reward points were used for upgrades
- Claiming more than 3 meals per day (meals serve on flight and conference should be deducted from daily per diem allowance)
- Claiming of a combination of meals with receipt and per diem in the *same day* (refer to Travel Policy for details)
- Use of T&E card for supplies, equipment and non-travel related purchases; Missing explanation why purchase was not made using one of the University's purchasing method

Each claim should stand by itself and should answer the basic question of who, what, when, where and why



Hospitality

Hospitality expenses

- ✓ networking purposes (between the grantee and guest researchers)
- ✓ research-related activities that facilitate and contribute to the achievement of the research objectives (e.g., grantee meeting with partners, stakeholders, guest researchers)

X do not include regular interactions with colleagues from the institution and personnel meetings



Hospitality

Required information to be eligible:

- the date(s) of the event(s)
- number of participants; identify internal and external
- purpose of the event; direct link to research project
- countersignature by the department head or dean for hospitality expenses claimed by the grantee



Interdepartmental Charge (IDC)

Documentation requirements:

- Description of what the expense is, the exact charge made and the method of calculation or attribution

Example:

- Mileage on the use of truck & trailer for the month of April 2014 (124 km X .50/km) = \$62.00

*Trip to Carman MB to take soil samples for testing



Interdepartmental Charge (IDC)

- Written authorization from PS or AS before the IDC is processed; *Check FYMFORS*
- Brief explanation on how the expense is directly related to the research project
- Support for the rates/prices used (no mark-up/fixed allocation, standard rate)
- Documentation should be filed together and kept for at least 7 years



General Research Compliance Guidelines

General reminders:

- Monthly FOP reconciliation should be done and documented (electronic or paper)
- Supporting documentation should be kept for 7 years
- Overhead cannot be charged to Tri-Council funds
- T&E card should only be used for travel related expenses
- Miscellaneous supplies, IT goods and services and other non-travel related purchases should be made through designated purchasing method (EPIC, ITPC or Purchasing Card)



General Research Compliance Guidelines

Adequate justification for purchases is required when the direct link to the research being funded is not obvious

- Computers, tablets, modems and other hardware and/or specialized software
- Cellular phones, smartphone or other electronic devices (data collection and/or personnel safety)
- Monthly plan fees for electronic devices (data collection and/or personnel safety)
- Office supplies
- Equipment



General Research Compliance Guidelines

Non-eligible expenses

- Administrative/management salary/fees, severance pay
- Installation, standard monthly connection or rental of telephones, voicemail



Update on monitoring review

Background

- Controls questionnaire
- Selected 195 funds; Tested 151 transactions from October 2013 to September 2014

Observations

- 50 (33%) Non-compliant transactions
- 3 (2%) Ineligible expenses



Update on monitoring review

Non-Compliant Transactions

- Travel expenses – missing detailed purpose of the trip; direct link to the research project
- Internal stores/EPIC/Purchasing Card – missing detailed justification on how item is essential to the research project
- Hospitality expenses – missing number of participants, purpose of the event and direct link to the research project



Update on monitoring review

Non-Compliant Transactions cont'd

- Home internet – 100% reimbursement
- Approvals – Signing Authority or one-over-one missing

Ineligible Transactions

- Latex gloves (regulatory compliance)
- Rental deposit for pet
- Office supplies/furniture etc.



Update on monitoring review

Next steps

- Detailed pre-payment review of travel claims
- Reinforce Bookstore process for justification
- Detailed review of EPIC purchase requisitions starting with computers then expanding
- Changes to ordering process for hospitality expenses



Research Compliance Guidelines

When spending research funds make sure you are **READY!**

Relation of expense to research project

Eligibility of expense (UM/Agency policy/End dates)

Authorization from Signing Authority

Documentation requirements

You have funds available (FAST)



Research Compliance Resource Links

Financial Administration and Control of Research and Special Funds

[http://umanitoba.ca/admin/governance/media/Financial Administration and Control of Research and Special Funds Procedures - 2014 02 06.pdf](http://umanitoba.ca/admin/governance/media/Financial_Administration_and_Control_of_Research_and_Special_Funds_Procedures_-_2014_02_06.pdf)

Tri-Agency Financial Administration Guide

http://www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/index_eng.asp

University Travel Policy

[http://umanitoba.ca/admin/governance/media/Travel and Business Expense Claims Procedures - 2014 12 01.pdf](http://umanitoba.ca/admin/governance/media/Travel_and_Business_Expense_Claims_Procedures_-_2014_12_01.pdf)

Monthly Reconciliation Guide

[http://umanitoba.ca/computing/renewal/fm/media/MORMGR Financial Reconciliations Oct 2013.pdf](http://umanitoba.ca/computing/renewal/fm/media/MORMGR_Financial_Reconciliations_Oct_2013.pdf)

Research Compliance Guidelines Presentation

[http://umanitoba.ca/admin/financial_services/media/Research Compliance Presentation.pdf](http://umanitoba.ca/admin/financial_services/media/Research_Compliance_Presentation.pdf)



Research Compliance Resource Links

Recommended compliance forms: (soon linked to RSFA website)

Hospitality

Dean/Dept. Head Attestation for Payment of Incentives to Study
Participants

Bookstore Interdepartmental Charge form

EPIC Purchase Requisition forms

New Telephone Request



Questions



Email: ask-finance-for-researchers@lists.umanitoba.ca

