

Availability Control Updates

Under the new Facilities and Administrative (F&A) Rate agreement effective May 1, 2017, participant support costs are excluded from F&A based on the updated definition of Modified Total Direct Costs (MTDC). Therefore, they have been removed from the Availability Control (AVC) roll-up in SAP for both budrule 4 and 5 accounts. This change will allow easy identification and management of the budget of these costs and the potential impact to F&A when budgeting into or out of this category.

The three general ledger (GL) accounts related to participant support costs are 530170, 530171, and 530172. GL Accounts 530170 and 530171 roll to budgeted sponsored class E530170, while 530172 rolls to budgeted sponsored class E530172 directly.

The following updates were made in SAP effective July 2016:

G/L Account	G/L Account Description	Budrule	Sponsored Class for BW posting	Sponsored Class for Budget (AVC rollup)	Definition updated ?	Comment
537110	Graduate RA Tuition	4	E537110	E537110	No	Correction to roll-up for F&A and budget purposes
537110	Graduate RA Tuition	5	E537110	E537110	No	Correction to roll-up for F&A and budget purposes
537110	Graduate RA Tuition	9	E500000	E500000	No	Correction to roll-up for F&A and budget purposes
540357	Furn/office equip <5K	4	E530999	E530999	Yes	Correction to roll-up based on new definition and compliance with UG
540357	Furn/office equip <5K	5	E530300	E510000	Yes	Correction to roll-up based on new definition and compliance with UG
540357	Furn/office equip <5K	9	E500000	E500000	Yes	Correction to roll-up based on new definition and compliance with UG
540358	Comp/minor equip <5K	4	E530300	E510000	Yes	Correction to definition and compliance with UG
540358	Comp/minor equip <5K	5	E530300	E510000	Yes	Correction to definition and compliance with UG
540358	Comp/minor equip <5K	9	E500000	E500000	Yes	Correction to definition and compliance with UG

Explanation of Availability Control Updates – July 2015

The level at which budget will be checked in IRIS were updated in July, 2015 for many grants due to implementation of the *2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (aka Uniform Guidance). The new configuration will continue to allow more flexibility in direct cost budgeting as requested by the campus community, while retaining the ability to limit postings to unbudgeted or unallowable items. An outline of the changes is embedded in the attached spreadsheet.

In general, there are three budget rules (Budrule) used in sponsored projects:

Budrule 4 – Federal or federal flow through funded projects

Budrule 5 – State, Foundation or other restrictively funded projects

Budrule 9 – Industry, clinical trials or less restrictively funded projects

Highlights are summarized below:

1) Budget line items designated as direct (salaries, benefits, travel and supplies) will continue to be rolled together for budget availability checking when processing transactions in IRIS. This will provide greater flexibility and limit the number budget revisions required. Items considered “indirect” will still be controlled at the level currently budgeted (secretarial/clerical salaries; phone line charges, etc.)

G/L Account	G/L Account Description	Budrule	Sponsored Class for BW posting	Sponsored Class for Budget (AVC rollup)	Definition updated ?	Comment
513530	Post Doc Scholar	4	E511000	E511000	No	Correction to roll-up
520411	FICA-Student	4	E523000	E511000	No	Correction to roll-up
520680	Grad Student Health	4	E523000	E511000	No	Correction to roll-up
530172	Participant Support Other	4	E530172	E530172	Yes	New g/l account (UG requirement)
530172	Participant Support Other	5	E530300	E510000	Yes	New g/l account (UG requirement)
530172	Participant Support Other	9	E500000	E500000	Yes	New g/l account (UG requirement)
535047	Entertainment Costs	4	E535047	E535047	Yes	New g/l account (UG requirement)
535047	Entertainment Costs	5	E530300	E510000	Yes	New g/l account (UG requirement)

535047	Entertainment Costs	9	E500000	E500000	Yes	New g/l account (UG requirement)
540356	Alcohol	4	E540356	E540356	Yes	New g/l account (UG requirement)
540356	Alcohol	5	E540356	E540356	Yes	New g/l account (UG requirement)
540356	Alcohol	9	E500000	E500000	Yes	New g/l account (UG requirement)
540358	Computers <\$5K	4	E530400	E530300	Yes	New g/l account (new cap policy)
540358	Computers <\$5K	5	E530300	E510000	Yes	New g/l account (new cap policy)
540358	Computers <\$5K	9	E500000	E500000	Yes	New g/l account (new cap policy)
540360	SP Non-Cap Inventory	4	E540360	E540360	Yes	New g/l if required to track inventory by sponsor
540360	SP Non-Cap Inventory	5	E540360	E540360	Yes	New g/l if required to track inventory by sponsor
540360	SP Non-Cap Inventory	9	E500000	E500000	Yes	New g/l if required to track inventory by sponsor
530135	Fees-Advisory Board	4	E532999	E532999	Yes	Correction required by UG
530135	Fees-Advisory Board	5	E530300	E530300	Yes	No change
530041	Travel – non UK employee	Any	Not allowed	Not allowed	No	Deleted – Correction and compliance with UG
530141	Honoraria	Any	Not allowed	Not allowed	No	Deleted – Correction and compliance with UG

530501	Official Guest Expense	Any	Not allowed	Not allowed	No	Deleted – Correction and compliance with UG
540212	Minor Equip <500 Hosp	Any			No	Deleted – new cap policy
540213	Minor Equip>501<2K	Any			No	Deleted – new cap policy
540300	Furniture<2/Computer <\$1K	Any			No	Deleted – new cap policy
540301	Minor Equip <2K	Any			No	Deleted – new cap policy

Several definitions have been added or updated. Here are a few examples – trainee tuition and fees (g/l 537030), entertainment costs (g/l 535047), participant support other (g/l 530172), graduate research assistant tuition (g/l 537110), advisory board fees (g/l 530135), special activities (g/l 535024) and equipment (g/l 540358 and 540360) have been updated.

You can find a complete listing at this link: <http://www.uky.edu/ufs/accounting-and-financial-reporting#links>. Search under **General Ledger Accounts**: Expense Accounts link.

For a complete list of g/l accounts and how they are mapped for BW reporting purposes, please refer to the following link: <http://www.uky.edu/ufs/research-financial-services>

2) The total direct cost budget of the grant will be allowed to be overspent by the lesser of 10% or \$1,000 without receiving error messages upon transaction entry. Error messages will result once the grant budget has been overrun by the lesser of these two amounts.

3) The override of availability control checking for the payroll preliminary documents has been removed and is subject to the same 10% or \$1,000 limit denoted above. Departments with personnel being paid on grants that are overspent will need to update the info-types in HR for staff to remove these grants prior to the payroll final.

Exceptions:

- 1) Federal or federal flow-thru contracts will not have the budget rolled together.
- 2) NSF grants have a special budgeting restriction requiring a specific budget for Training Participants (sponsored classes: E530170/E530172; g/l accounts: 530170/530171/530172).

Federal and Federal Flow Through

Budget Rule 4

AVC Checking

E511000	Direct Salaries & Benefits		E510000	Direct Expenses
E530011	Travel - Domestic		E530040	Travel-Student-non-employee
E530033	Travel - Foreign		E530170	Train Participants
E530040	Travel - Student		E530172	Participant Support Other
E530130	Consultants		E530200	Subcontract <\$25K
E530170	Train Participants		E530201	Subcontract >\$25K
E530172	Participant Support Other		E534040	Rent/Lease Land/Equip
E530200	Subcontract <\$25K		E534041	Rent/Lease - Bldg
E530201	Subcontract >\$25K		E536120	Patient Care & Support
E530300	Direct Current Expense		E537010	Fellow/Trainee Stipend
E534040	Rent/Lease Land/Equip		E537030	Trainee Tuition/Fees
E534041	Rent/Lease - Bldg		E537110	RA Universal Tuition
E536120	Patient Care & Support		E550000	Equipment
E537010	Fellow/Trainee Stipend		E590020	F&A Costs
E537030	Trainee Tuition/Fees			
E537110	RA Universal Tuition			
E550000	Equipment			
E590020	F&A Costs			

State and Foundations

Budget Rule 5

Revised Budget Rule 5

E510000	All Salary & Benefits		E510000	Direct Expenses
E530011	Travel - All		E530170	Train Participants
E530130	Consultants		E530172	Participant Support Other
E530170	Train Participants		E530200	Subcontract <\$25K
E530172	Participant Support Other		E530201	Subcontract >\$25K
E530200	Subcontract <\$25K		E537110	RA Universal Tuition
E530201	Subcontract >\$25K		E550000	Equipment
E530300	Direct Current Expenses		E590020	F&A Costs
E537110	RA Universal Tuition			
E550000	Equipment			
E590020	F&A Costs			

Additional changes:

Allowed to overspend **Direct Expenses** by either **10%** of award total or **\$1,000** whichever is lower

Position Budget Control

Payroll document will be allowed to post, encumbrances for payroll will kick out if budget unavailable

Sponsor specific requirements:

NSF grants have additional requirement for a budget in training participants Federal and federal flow-thru contracts will **not** roll up to Direct Expenses

Cost Sharing budget rules:

Budget rule is the same as grant Allowed to overspend by **\$1,000** overall