

Appendix 3: Best Practices for Sponsored Revenue and Expenditures Activity in Adaptive

Recommended Worktag Use – Sponsored Expenditures	<p>It is appropriate to use generic worktags for all spending on FD500 (and FD120, where applicable). When using generic worktags, Adaptive entry should, at a minimum, be specified at a cost center level using the appropriate generic grant sponsor type (federal (Grant-Fed (generic)) or non-federal (Grant-NonFed (generic))).</p> <p>It is at the discretion of a given school or department if there are situations where a specific worktag is required. In these situations, the unit should have documentation describing the methodologies used, and these methodologies should be consistent for both FD500 and FD120.</p>
Restricted Revenue Offset	<p>Restricted Revenue offsets will follow the worktags used on the sponsored expenditures in FD500. When using generic worktags, a school or department can elect to provide more detailed specific worktags for revenue. In these situations, it is the responsibility of the department to provide the detailed breakdown as part of their budget submission and the rationale for such a breakdown.</p>
Indirect Revenue	<p>For schools and departments responsible for their own Adaptive entry, it is their responsibility to collect and enter indirect cost revenue. Indirect cost revenue entry should match the methodology used for the restricted revenue offset, and, at a minimum, should be entered by sponsored funding type using the generic worktags.</p> <p>For schools and departments working with OFSP on Adaptive entry, indirect cost revenue will be estimated using the information from Huron Analytics software. The final submissions of indirect cost revenue will be reviewed and verified by OFSP in conjunction with OVPR.</p>
Data Collection and Entry (Direct Adaptive Entry Users)	<p>Where a school or department is responsible for collection and Adaptive entry, it is at the discretion of the unit on the best methodology for collecting sponsored expenditures information.</p> <p>For FD500 and FD120 spend, at a minimum, expenses should be entered at the cost center and sponsor type level. In order to capture the modified total direct costs, at a minimum, the following spend categories should be budgeted separately: Sub-contracts (Spend: 9420, 9440), capital equipment (Ledger: 70000), tuition (Spend 5510-5530),</p>

	<p>rental cost (Spend Hierarchy: Rent), patient care and participant support costs (Spend: 3340).</p> <p>Personnel expenses should be budgeted on the personnel tab consistent with all other personnel budgeting practices.</p> <p>Non-personnel sponsored spending is entered in the “Sponsored and Departmental Research” Tab.</p>
Added Guidance - Data Collection and Entry: OFSP Budget Clients	<p>Where a school or department is working directly with OFSP on Adaptive entry, OFSP will provide estimates for overall research expenditures by sponsor type based on historical averages and known proposal activity as part of the budget cycle. This data will be generated by the Huron Analytics tool.</p> <p>Once the overall sponsored information is confirmed, expenses should be determined in the following order: (1) reconcile personnel expenses on FD500 on the applicable personnel tabs; (2) spread the remaining costs to non-personnel expenses proportionally based on historical actuals data. Non-personnel expenditures should be entered on the “Sponsored and Departmental Research” Tab.</p> <p>The final submissions of FD500 and FD120 expenditures should be reviewed and confirmed with the client department. This review should include a review of sponsor type distribution and review of the spend category spread for non-personnel expenses.</p>
Documentation Requirements	<p>It is the responsibility of the school or department to maintain supporting documentation on the Adaptive entry, should questions arise. Further, for those schools or departments with FD500 activity, a supplemental question will be included in the budget narrative regarding the overall makeup of the sponsored research budget and key variances from prior budgets and actuals.</p>