

## Business Process Definitions

Assigned Faculty Duties (AFD): Reporting system used that provides faculty members an interface to assign distributions of time spent on total activities and assignments. It interfaces with FARs.

Auxiliary: Our department auxiliary receives earned income for work done by faculty and staff in the local, state, and national community, which is consistent with our mission. For example, a faculty member may conduct a short-term training workshop and receive a consulting fee of \$2,000. This can be paid to the department, and we will deposit it into the Auxiliary account so that the faculty member can use a portion of these funds for needed expenses later (e.g., equipment, travel). Most of the funds in the CFS Auxiliary are set aside for use by the particular faculty who generated them. These funds, too, can be used for any legitimate purpose in line with the University/Department mission. Auxiliary accounts have an overhead expense that is paid to the university for administration of the account.

Cash: Generally known as the department budget(s), the are funds the department receives as allocated by the Dean's office. Historically these funds have been allocated with a formula based on specific dollar amounts for each Faculty, Administration, or Staff in the Department. Unlike rate, cash is a depletable resource with no guarantee of replenishment.

C&G (Contracts and Grants): C&G funds are dollars received from a sponsor for a specific purpose/deliverable or goal. The funds are restricted to being spent only in support of the specific project for which the sponsor is awarding the grant/contract. It is illegal and punishable by law to do otherwise. Anyone *paid* by the project must be *working* on the project. Further, most federal projects cannot pay for clerical/administrative effort unless the project receives a CAS exception from the federal sponsor. This is why we will frequently use "salary savings" dollars to pay clerical/admin help who need to support a project.

CAS (Cost Accounting Standards): A set of federal policies established to achieve uniformity and consistency in accounting practices on what is allowable, allocable, and reasonable to be charged to a federal project. Exemptions are allowable in unlike circumstances provided the expense is justified and approved by the sponsor and still adhere to the Uniform Guidance.

CERTS: USF's web-based process to collect and record all employees' biweekly payroll activities using the Payroll Certification System to prepare and approve biweekly payroll transactions via the MyUSF Portal.

Cost Share: Funds that represent the portion of a sponsored project that is covered by the university or a third party rather than the sponsor. These funds are also referred to as in-kind or match. Cost share must be identified and approved prior to proposal submission. Once committed, cost share must be documented and met.

Data Use Agreements: A legal agreement setting restrictions and guidelines on what USF is allowed to do with data that is collected for a sponsored project.

Division of Sponsored Research (DSR): The central office that handles contracts and pre-award functions.

E&G (Education & General): These are funds given to the University by the Florida Legislature each year. It is driven by (rate) employees on position, student enrollment and other factors. In a *typical* year, USF can expect that the total E&G dollars received would be the same or greater than the prior year. In an *atypical* year (poor economy and budget cuts), the Legislature may cut back on the University's E&G allowance resulting in USF not receiving enough funds in salary dollars to cover the E&G-funded people on the payroll. Current University process is to provide each college, their allocation and allow the college to decide how those funds are spent. Current CBCS process is to allocate the funds to each Department to manage. These funds can be used for any legitimate purpose in line with the University/Department mission, except that no food & beverage (F&B) can be purchased with these dollars.

Educational Business Activity (EBA): An EBA is a revenue-producing activity that supports the overall mission of USF. Educational business activities are established and carried on only after they are approved by the University. An EBA may be either ongoing or a one-time activity with specific beginning and ending dates. To qualify, the activity must be deemed an integral part of the fulfillment of USF's instruction, research, public service or support campus' function or educational goals. The activity must provide a good or service and must be carried out for the prime benefit of the campus community or support USF's mission.

Effort: The proportion of time spent on any particular activity expressed as a percentage distribution of total activities.

Faculty Activity Report (FAR): A FAR interfaces with AFDs and is designed to provide faculty members with an interface to assign distributions of their time spent on their faculty activities and is used to compile their annual activity report.

FAST: USF's accounting system

Finance Mart (FM): USF's official system of financial records. These records are reconciled to FAST and are updated each night. The purpose of FM is to serve as the official record and to provide data for reconciliation for proper stewardship of funds.

Foundation Account: These are contributions made by outside agencies or individuals who want to support the overall effort of the department. These funds are not allocated to us by anyone and are not earned income. These funds may be general donations or donations for a specific purpose. If donated for a specific purpose, funds must be tracked, expended, and reported towards the specified purpose. General donations may be spent for any purpose aligned with E&G guidelines but can be used for food and beverage purchases. If funds are to be used for payroll, a convenience account must be established. The Foundation is not a part of GEMS or FAST so the convenience account is the mechanism used to ensure proper withholding and submission of the W-2 information to the IRS.

Full time equivalent (FTE): A unit that indicates the workload of an employee or student. An FTE of 1 is equivalent to full-time effort. An FTE of .5, on the other hand, is the equivalent of half-time effort.

Grant Award Notice: A document from the sponsor releasing awarded funds to USF for a sponsored project.

GEMS: USF's human resource system

Grant Budget Release (GBR): A document used by the unit research administrator to submit to DSR that funds a project with an approved budget from your GAN.

KK End Date: The commitment control date set up in FAST, which serves as the last day for allowable expenses.

Pay Distribution: Pay distribution is driven by the effort worked by the employee during the pay period and is divided among the various financial resources. Pay distribution must always total 100%, regardless of the employee's appointed FTE. Pay distribution must be adjusted every time there is a change in the employee's effort. It is used for PERT and AFD/FARS systems. It is crucial that pay distribution be accurate and reflect actual effort.

Payroll Master Spreadsheet: The payroll master is the recording tool used to capture payroll and document what funding sources will cover an employee. One master spreadsheet should be kept with projections to the best of your knowledge through fiscal year end. This is used to predict salary savings earnings and needs. After updating, this spreadsheet can be saved down and submitted for pay distribution changes. For business process consistency, the file should always be labeled Payroll Master and should be stored in CFS-Payroll folder in Box.

PERT (Personnel Effort Reporting Tool): An electronic report produced each semester to certify the percentage of time spent working on federal sponsored projects whether charged directly to the project or contributed as cost share.

Research Award Notice (RAN): USF's notice of award set up in FAST based upon the GAN from the sponsor.

Rate: Rate is the amount of E&G dollars allocated to a specific individual's position. Only E&G funding constitutes rate. The total arrived at by summing the individual rate for all employees in a department is the Department rate. E&G dollars are *recurring* dollars. In this manner, the University/Department generally expects to continue to get funds to cover these salary expenses every year. That is why E&G positions are considered "permanent" employment. C&G employees may be on a *position*, but no *rate* is associated with that position. If the contract/grant is not renewed, the University is under no obligation to continue their employment. For an E&G employee, however, there are specific policies and procedures to be followed for layoffs or other dismissals. For Faculty, Staff, and Graduate Assistants, these procedures are defined in the Collective Bargaining Unit Agreement specific to the employee type. Administrative employees are not in a collective bargaining unit and their layoffs would be governed by general USF Policies and Procedures. Rate is replenishable with the expectation that it will be received annually.

Reconciliation: A reconciliation is an extension of Finance Mart, which is the official financial record at USF. In a reconciliation, administrators capture financial expectations, such as salary and expense projections, that have not yet hit the official system as well as verify the accuracy of transactions that have posted. A reconciliation is essentially a checkbook. USF policy is to reconcile to the most recent month close and have the PI review and sign the reconciliation. The department is required to reconcile monthly to FM.

Research Initiative Account (RIA): RIA funds are typically generated from F&A rebate and can be used for most of the same purposes as the E&G account with the caveat that the expenses must be used in support of research.

Research Financial Management (RFM): USF's post-award central office that handles C&G expenses, invoicing, collections and financial reporting.

Salary Savings: When an employee who has rate is pay distributed for their effort to a C&G project, the unused funds that would normally have been paid by E&G are considered savings, which can be used for other expenses and are considered a form of cash. CFS often uses these funds for support as well as bridge funding for C&G faculty.

Shadow System: A shadow system is a program or spreadsheet that is developed or purchased by the end user (ex. department accountant), exists outside of the official financial system, and is used to manage fiscal operations. **However, a shadow system is not allowable per USF policy.** Instead, a reconciliation should be used to track expenses that have not yet hit FM, provide projections, and guide the PI on remaining spending authority.

Sponsored Research Administrator (SRA): The central office employee who handles pre-award and contractual documents related to C&G.

Underwrite: When a project is in contract negotiations or when we are waiting on a continuation year of funding, the PI can seek an underwrite, which is essentially a loan from the department for the project related expenses until such time as the contract can be fully executed and set up in FAST. An underwrite must be signed by a minimum of the PI, Chair and Dean then submitted to DSR for their review and approval and finally RFM for review, approval and processing. Typically underwrites can be sought for up to 3 months of time and 25% of the proposed budget. Extensions may be approved if there is movement from the sponsor on issuing the contract/mod.

Unit Research Administrator (URA): The department administrator in charge of pre-award and contractual functions, such as proposals, amendments, no-cost extensions, annual reports, etc.