Program Income for Sponsored Projects when using the Conference Center
Objectives

– Identify Conference Center process in relation to Sponsored projects:

– Learn how to appropriate Program Income and expenses

– Identify Roles & Responsibilities

– Understand why tracking Program Income is important for managing sponsored projects
Program Income definition

• Program Income is gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the award during the period of performance. Uniform Guidance (CFR) Title 2, Part 200.80 and Part 200.307 establishes the rules for program income on federal projects.

• 2 CFR 200.307 E. states that program income earned during the project period of a federal project shall be retained by the recipient and, in accordance with federal awarding agency regulations of the terms and conditions of the award, shall be used in one or more of the following ways:

Examples of Program Income

• Fees from participants at conferences or symposia

• Proceeds from the sale of publications or software

• Principal and interest on loans made with award funds

• Money generated from the use, or rental of real or personal property acquired under awards (including supplies and equipment)

• Income from fees for services performed (such as laboratory tests)
Process for conducting a Conference through the Center:

• Obtain a signed contract with Conference Center

• Detailed line item contract

• When contract has been completed?

• The department receives a detailed line item summary of program income and expenses

• So what is next?
Ensuring Program Income and expenses are properly posted to Sponsored Project:

• Tracking expenses? Discuss?

• Tracking Program Income? Discuss?
Pre-Registration Services

- Act as a customer service friendly informational resource for all types of questions from your potential attendees
- Consult with client regarding registration form set-up and design
- Communicate with participants via email; send reminders, urgent announcements and updates quickly & easily
- Set-up and host the online registration database/website on secure server
- Participants can register at their convenience, 24 hours a day: UT Conferences will accept and process registrations via US Mail, Courier Services, Fax or by Phone and On-line Internet Web Registrations
- Process checks, credit cards (Visa, MasterCard, Discover, or American Express) or purchase orders
- Provide detailed participant receipt for payments.
- Issue refunds and credits
- Transfer, substitute and cancel participants
- Track special requirements like food allergies or other needs
- Provide specialized ticketing for events
- Provide customized email confirmations
- Provide customized mailed confirmations
- Provide custom name badges with your conference logo and/or design name tags (standard vinyl badge/clip or elastic cord badge)
- Provide session rosters
- Collect fees and manage all account receivables
- Provide a link to the client management website to print, view or email conference reports
- Provide current financial and registration reports at needed
- Provide detailed final revenue report
- Provide custom reports based on program specifications
- Provide final registration data in export excel format
- Provide client with appropriate registration materials if on-site registration service is not required. Include checklists, verify eligibility.
On-Site Registration Services
If on-site registration services are needed, our staff will:

- Transport all pre-registration materials to meeting facility
- Set-up registration area
- Review/train volunteers on registration procedures
- Welcome attendees, speakers, exhibitors, etc. and act as an informational resource area
- Handle processing on-site registrations
- Accept payments by cash, check, credit cards (Visa, MasterCard, Discover or American Express) and purchase order number
- Provide receipts
- Provide computerized name badge production
- Distribute handouts, folders, binders or other materials

Compensation for Registration Service:
- Registration Processing Fee $10.50 per person (with UT Onsite Registration Staff)
- Registration Processing Fee $9.50 per person (without UT Onsite Registration Staff)
- Registration Processing Fee $8.00 per person (Client provides their own onsite staff and badges).
- Badge Only Fee $3.00 per badge (unregistered guests)
- Registration Processing Fee for Cancellation Refund per person $18.00.
- Program Initiation Fee $350.00. (Includes basic online basic registration website set-up).
- Collect and pay appropriate Sales Tax from conference revenue for conference luncheons, tours, etc.
- Reimburse for cost of name badge supplies, lanyards, printing and shipping for special order badges. 3 x 4 vinyl badge included in $10.50 fee.
- 15% Fee on total expense for special orders, supplies, tickets and printing of hand-outs.
- Credit Card Processing Fee of 3.00%.
- All travel costs (mileage, hotel & meals) per person/staff working onsite registration services. Will follow state guidelines.
- One hour staff time for every 20 people registered at the $10.50 rate above will be credited to final onsite staff charge. Any additional staff hours needed onsite would be billed at $25.00 per hour, per staff. (Example: If the meeting has 300 people registered, divide 300 by 20 and the client will be credited for 15 total staff hours for onsite assistance.)
- Packet preparation fee at $12.00 per hour.
### Conference Center Line item summary

<table>
<thead>
<tr>
<th>Revenue Summary</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate Student Registration Fee</td>
<td>8</td>
<td>$25.00</td>
<td>$200.00</td>
</tr>
<tr>
<td>Faculty/Academic Staff/Government/Industry Registration Fee</td>
<td>17</td>
<td>$50.00</td>
<td>$850.00</td>
</tr>
<tr>
<td>Postdocs</td>
<td>3</td>
<td>$35.00</td>
<td>$105.00</td>
</tr>
<tr>
<td>NIMBios Support</td>
<td>82</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>110</td>
<td><strong>$1,155.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Registration Expenses</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Initiation Fee</td>
<td>1</td>
<td>$350.00</td>
<td>$350.00</td>
</tr>
<tr>
<td>Registration Processing Fee</td>
<td>110</td>
<td>$8.00</td>
<td>$880.00</td>
</tr>
<tr>
<td>Cancellation Fees</td>
<td>0</td>
<td>$18.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Credit Card Processing Fee</td>
<td></td>
<td><strong>$1,155.00</strong></td>
<td>3.00%</td>
</tr>
<tr>
<td><strong>Total Registration Expenses</strong></td>
<td></td>
<td><strong>$1,264.65</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>UT Conference Center Expenses</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Invoice CS1324</td>
<td>1</td>
<td>$5,338.42</td>
<td>$5,338.42</td>
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<tr>
<td><strong>Total UT Conference Center Expenses</strong></td>
<td></td>
<td><strong>$5,338.42</strong></td>
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</tr>
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</table>

<table>
<thead>
<tr>
<th>Total Expenses</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td><strong>$6,603.07</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Revenue minus Expenses</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td><strong>-$5,448.07</strong></td>
<td></td>
</tr>
</tbody>
</table>
Tracking Program Income

Example 1

• In this example Program Income was 1,155.00 and expenses 6,603.07 so the department would owe the conference center 5,448.07.

• How should program income and expenses be posted on the project?
• Expenses should have been budgeted and posted accordingly.
• Program Income of 1,155.00 should be posted to 700900
• All expenses should be posted. Total 6,603.07 not 5,448.07
• Audit Trail?
12

#2

• Expenses should have been budgeted and posted accordingly.
• Program Income of 7,000.00 should be posted to 700900
• All expenses should be posted. Program Income minus expenses. 7000.00 – 6603.07 = 396.93.
• So 7000.00 posted to 700900, 6603.07 in expenses posted to correct expense gl codes (Arranged events, conferences/seminars, where budgeted)
• Audit Trail?

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### Revenue Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Revenue</th>
<th>Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exhibitor</td>
<td>3</td>
<td>$2,000.00</td>
<td>$6,000.00</td>
</tr>
<tr>
<td>Exhibitor Paid to UTHSC</td>
<td>1</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Moderator</td>
<td>15</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Nurse Practitioner</td>
<td>12</td>
<td>$15.00</td>
<td>$180.00</td>
</tr>
<tr>
<td>Nurses</td>
<td>6</td>
<td>$15.00</td>
<td>$90.00</td>
</tr>
<tr>
<td>Nurses Comp</td>
<td>6</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Pharmacist</td>
<td>2</td>
<td>$15.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>Physicians Paid to UTHSC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Physician Assistant</td>
<td>1</td>
<td>$15.00</td>
<td>$15.00</td>
</tr>
<tr>
<td>Physicians</td>
<td>29</td>
<td>$25.00</td>
<td>$725.00</td>
</tr>
<tr>
<td>Physicians Comp</td>
<td>1</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Residents/Fellows Comp</td>
<td>21</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Speaker</td>
<td>6</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>105</strong></td>
<td><strong>$7,040.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Registration Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Revenue</th>
<th>Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Initiation Fee</td>
<td>1</td>
<td>$350.00</td>
<td>$350.00</td>
</tr>
<tr>
<td>Conferences Landing Page</td>
<td>1</td>
<td>$400.00</td>
<td>$400.00</td>
</tr>
<tr>
<td>Web Development for Exhibitor Site</td>
<td>2</td>
<td>$100.00</td>
<td>$200.00</td>
</tr>
<tr>
<td>Registration Processing Fee</td>
<td>105</td>
<td>$8.00</td>
<td>$840.00</td>
</tr>
<tr>
<td>Cancellation Fees</td>
<td>0</td>
<td>$16.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Credit Card Processing Fee</td>
<td></td>
<td></td>
<td>3.00%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td></td>
<td></td>
<td><strong>$2,003.60</strong></td>
</tr>
</tbody>
</table>

**Total Revenue minus Expenses to be transferred to R073930002**

**$5,036.40**
Example #2

-In this example Revenue or Program Income was 7,040.00
-Expenses totaled 2,003.60
-the difference was given back to the department
So the “R” account should have 7,040.00 for gl code 700900 and expenses should be listed to the correct gl codes
### Revenue Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Revenue</th>
<th>Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Registration</td>
<td>23</td>
<td>$250.00</td>
<td>$5,750.00</td>
</tr>
<tr>
<td>Full Registration No Show Balance Due</td>
<td>1</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Full Registration, Trainee (Resident, Student, Intern)</td>
<td>7</td>
<td>$90.00</td>
<td>$630.00</td>
</tr>
<tr>
<td>One Day registration -Friday</td>
<td>1</td>
<td>$150.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>Waived</td>
<td>14</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>46</td>
<td></td>
<td><strong>$6,530.00</strong></td>
</tr>
</tbody>
</table>

### Registration Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
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<th>Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Initiation Fee</td>
<td>1</td>
<td>$350.00</td>
<td>$350.00</td>
</tr>
<tr>
<td>Registration Processing Fee</td>
<td>46</td>
<td>$10.50</td>
<td>$483.00</td>
</tr>
<tr>
<td>Cancellation Fees</td>
<td>0</td>
<td>$18.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Credit Card Processing Fee</td>
<td></td>
<td>$6,710.00</td>
<td>$201.30</td>
</tr>
<tr>
<td>Onsite Hours 1 Hour Thursday and Friday</td>
<td>2</td>
<td>$25.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>Onsite Credit for 2 hours</td>
<td>2</td>
<td>-$25.00</td>
<td>-$50.00</td>
</tr>
<tr>
<td><strong>Total Registration Expenses</strong></td>
<td></td>
<td></td>
<td><strong>$1,034.30</strong></td>
</tr>
</tbody>
</table>

### UT Conference Center Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Revenue</th>
<th>Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invoice CS1763</td>
<td>1</td>
<td>$2,346.20</td>
<td>$2,346.20</td>
</tr>
<tr>
<td><strong>Total UT Conference Center Expenses</strong></td>
<td></td>
<td></td>
<td><strong>$2,346.20</strong></td>
</tr>
</tbody>
</table>

### Total Expenses

| Description                                                   |         |           | **$3,380.50** |

**Total Revenue minus Expenses to transfer to R181741067 with IO# 9009460**: $3,149.50
Wrap Up

– Identify Conference Center process in relation to Sponsored projects:

– Learn how to appropriate Program Income and expenses

– Identify Roles & Responsibilities

– Understand why tracking Program Income is important for managing sponsored projects

Questions, Comments, Feed Back???
Final Results of SPA’s Invoicing and SFC Survey

RAOR Forum – April 17, 2019

Bethany Williams
Sponsored Projects Accounting
bwill112@utk.edu
Purpose

• Gather feedback from faculty and staff that oversee sponsored awards
• Better understand needs regarding current procedures
• Improve invoicing and SFC practices

Scope

• October 31st, 2018 through November 30th, 2018
• Distributed via RAOR listserv, PI listserv, SPA’s newsletter, and SPA’s website
Of 96 people that started the survey, 40-50 gave answers to most of the questions.
37.5% (36/96) of respondents answered every question.
20.8% (20/96) of respondents were terminated via branching.
97.8% (89/91) work at UT Knoxville. 2.1% (2/91) work at ORNL or UT Foundation.
Invoicing Statistics

- **67.1% (59/88)** of respondents reported receiving (in some capacity) sponsors’ invoices prepared by SPA.
- Regarding various invoicing tasks, 49 respondents reported that they spent an average of:
  - 3.93 H/M (hours per month) (max 25 hrs.) reviewing charges
  - 3.12 H/M (max 40 hrs.) gathering backup documentation
  - 2.51 H/M (max 40 hrs.) printing and scanning invoices
  - 1.97 H/M (max 20 hrs.) waiting for responses to questions
  - 0.70 H/M (max 8 hrs.) on “other” tasks, which included policy inquiry, uploading invoices into IRIS, determining incremental funding, and rebudgeting

- **55.1% (27/49)** of respondents stated that they handle UT-Battelle (UT-B) invoices in some function.
  - 24 respondents reported spending an average of 2.44 H/M (max 12 hrs.) on UT-B invoices
  - 21 respondents reported spending an average of 3.63 H/M (max 15 hrs.) on other invoice types

- **38.3% (18/47)** of respondents reported that they currently attach copies of sponsored project invoices to the billing documents in IRIS. They reported spending an average of 4.38 (max 17 hrs.) on this task.
  - Of the respondents that reported not attaching copies of invoices in IRIS, some reported that they retain them via e-mail, physical files, and/or electronic files, spending an average of 1.62 H/M on this task. The remainder reported that they are not directly responsible for handling the invoices

- **78.3% (36/46)** of respondents said that, as a part of a paperless invoicing process, they would like a notification that an invoice has been sent to their sponsor.
  - 75% (27/36) said they would like an email notification
  - 13.89% (5/36) said they would like an IRIS workflow notification
  - 8.33% (3/36) said they would prefer both an email and a workflow notification
  - 2.78% (1/36) said they would prefer to know before anything is sent to the sponsor
SFC Statistics

- **73.0% (54/74)** of respondents reported being involved (in some capacity) with the completion process of Schedule of Final Charges (SFC) forms.
- Regarding various SFC tasks, 40 respondents reported that they spend an average of:
  - 0.76 H/M (hours per month) (max 4 hrs.) printing and scanning SFCs
  - 1.80 H/M (max 17.5 hrs.) gathering support documentation
  - 3.59 H/M (max 50 hrs.) waiting for responses to questions
  - 2.40 H/M (max 20 hrs.) collaborating with PIs or accounting staff to verify/finalize expenditures
  - 2.74 H/M (max 50 hrs.) certifying SFCs
  - 0.82 H/M (max 25 hrs.) on “other” tasks, which included waiting for expenditures to post and transferring residual and/or overspent balances
- **89.7% (35/39)** of respondents agreed that SPA’s current system of sending three email reminders (based on sponsors’ due dates) is helpful to them.
  - Those that felt the reminders are not helpful asked for only one email reminder and a second email only if the SFC was late
- Of the respondents that mentioned how they retain their SFCs:
  - 60% (12/20) reported keeping paper copies as well as electronic copies of SFCs
  - 40% (8/20) reported only keeping the electronic copies
  - 66.7% (10/15) reported keeping all iterations of SFCs for reference
  - 33.3% (5/15) reported keeping only final versions of SFCs
• When asked in which months of the year they tend to process/complete the majority of SFCs, respondents indicated that the “summer” months of June through October are particularly busy, which corresponds with fiscal year-end trends.

• For months falling outside the typical busy period, 39 respondents reported spending an average of 1.89 hours per month (max 10 hrs.) processing/completing SFCs.
Constructive Criticism

• Regarding the inclusion of additional information on SFCs, respondents suggested adding the following:
  • A more detailed explanation of the SFC form, rules, and corresponding review procedures for new PIs
  • A section detailing where to transfer residual balances or cost shares in the case of underspent or overspent projects
  • Instructions outlining which charges (e.g. benefit charges/adjustments) should and should not be notated on the SFC

• Regarding how SFCs are received and returned, respondents recommended the following:
  • Developing fully electronic completion, approval, and routing of SFCs, including the capability for electronic signatures, transmittal, and storage. Most respondents expressed an explicit interest in the generation, review, routing, approval, and storage of SFCs electronically through IRIS
  • Adding departmental ability to generate SFCs early before SPA sends them out to accommodate the rushed fiscal year-end turnaround and projects closing before their end date
  • Ensuring that the project in question is not currently in the renewal process before sending out the SFC
  • Handling multi-year projects with year-by-year funding differently than other types of projects
Constructive Criticism

- Regarding challenges faced when completing SFCs, respondents voiced their difficulty when:
  - Waiting for various charges to post and having little control of when they do
  - Experiencing miscommunications or lack of communication among SPA, OSP, departments, and PIs
  - Expediting and/or resubmitting SFCs at the last minute due to lack of communication
  - Arranging time with PIs to review expenditures and sign the physical form
  - Dependent on SPA's timetable for sending out SFCs
  - Explaining frequently complex ledgers with PIs unfamiliar with the reviewing process
- In addition to specific invoicing and SFC comments, respondents called for:
  - More workshops and RAOR forums on the policies and expectations of SPA, OSP, business managers, PIs, and other departmental contacts to increase transparency and standardized practices
  - More detailed pre-award and post-award sponsor training classes
  - A reference section on SPA's website that answers common questions and what-if scenarios
  - Better communication with departments when accounts are not invoiced and/or when costs are deemed unallowable
  - Reformatting of Box 1 on SFCs for legibility
  - Documentation of payments received/processed by SPA
  - Invoices to be attached to ledgers in IRIS
  - Instructions for SFCs that outline how to acquire the necessary information for processing
  - SPA and/or sponsor specific instructions for new departmental staff and PIs
Summary

• We all have an urgent need for transparency!
  • Compiling a list of frequently asked questions to host on SPA’s departmental website would provide instant access to a repository of information related to accounts, sponsors, compliance concerns, business processes, etc.

• Create checklists for PIs, Business Managers, and SPA accountants that outline how to accurately review and complete SFCs.
  • Reduce errors, decrease wait time, and improve the likelihood that the document is correct the first time.

• Make the processes involved within each step of an award’s lifecycle clear, concise, and freely available to all involved.
Action Points

• Develop an automated method of attaching sponsored project invoices and SFCs to billing documents in IRIS
  • (SOLVED for UT-B accounts; coming soon for other sponsors)
• Create a checklist for each end user detailing how to complete an SFC
• Compile lists and explanations for commonly-used IRIS transactions related to account management
• Improve the SFC process, including developing an automated method for electronically creating, sending, routing, approving, and storing SFCs
• Create a reference section on SPA’s website that answers frequently-asked questions and examines what-if scenarios
Questions?
Comments?
Thank You!

Bethany Williams

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865.974.2654
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