

**University of California
SAS 112 Key Controls Documentation**

Campus: UCSF

Area	B. – Allowable Costs / Cost Principles (A-133 Audit)
Key Control	The review and approval of personnel and non-personnel expenditures for allowability to the grant, indirect cost (IC) rates were applied in accordance with approved rate agreements, and associated billings were the result of applying the approved rate to the proper base amount(s).
Risk	Federal awarding agency could withhold cash payments, suspend or terminate the current award, or withhold further awards to the recipient. (OMB A-110 C62)
Control Objective	Only allowable and allocable costs are charged as direct and as indirect costs to federal awards.
Department or group with primary responsibility	Principal Investigator (PI)/ Department Research Services Analyst (RSA)
Roles, Responsibilities and Accountability	
<i>(Who performs the control)</i>	<i>(Description of the control steps)</i>
Central Campus Units	<ul style="list-style-type: none"> * UCSF has a policy requiring review of expenditures by a person knowledgeable of the provisions of OMB Circular A-21, A-87, A-122 or 45 CFR 74. * UCSF Extramural Funds (EMF) web pages provides guidelines to persons authorizing and/or reviewing expenditures charged to Federal grants and contracts and provide guidance on allowable costs and cost principles. * UCSF Administrative Policy Sections 300-19, Expenditures of Extramural Funds, 300-20, and 400-10 through 400-16 are posted on Office of Sponsored Research (OSR) and EMF websites.
Budget & Resource Management	<ul style="list-style-type: none"> * The Budget & Resource Management (BRM) Department reviews all recharge rates for compliance with federal allowability requirements. The BRM office staff are qualified, knowledgeable, and prepare the IC plan and IC rate proposal (IDCRP). * The primary responsibility for preparing the IDCRP is with the Director of Costing Policy, who has expert knowledge of indirect cost principles, a product of many years of experience and training in the field. Reconciliations of costs accumulated in the IC pool are contained in the IDCRP. * Also, the Costing Policy and Analysis unit of UC's Office of the President reviews the IDCRP.
OSR	<ul style="list-style-type: none"> * There is involvement in the grant application/budget process by a person knowledgeable of the provisions of OMB Circular A-21, A-87, A-122 or 45 CFR 74. OSR reviews, approves and submits proposals to funding agencies. They are reviewed to ensure projects are consistent with agency terms and conditions and application guidelines.
PI/RSA	<ul style="list-style-type: none"> * The PI and applicable departmental administrator are responsible for reviewing allowability and allocation of expenditures charged to federal awards during the life of an award. * They are also responsible for maintaining the general ledger for the award by ensuring it is accurate and complete.
EMF	<ul style="list-style-type: none"> * When the FSR is prepared, the IC costs are reconciled to ensure consistency with the award and campus negotiated rate and that the rate is applied properly to the base.

Other Department	Other	Other
Automated or Manual	Manual Review	
Frequency	Quarterly review and reconciliation of charges by PI/RSA Reconciliation of IC calculations and charges at close of award reporting cycle.	
Special Year-end Activity	None	