



NATIONAL SCIENCE FOUNDATION

AWARD CASH MANAGEMENT SERVICE (ACM\$) JUNE WEBINAR



BUDGET, FINANCE AND AWARDS MANAGEMENT | DIVISION OF FINANCIAL MANAGEMENT

SPEAKERS

- ▶ Division of Financial Management (DFM)
 - ▶ Jesse Simons; Branch Chief, Cash Management
 - ▶ Justin Poll; GCMS Accountant
 - ▶ Ilene Caruso; GCMS Accountant





AGENDA AND TOPICS COVERED

- ▶ Introductions
- ▶ COVID-19 Stewardship
- ▶ Refunds and Pay.gov
- ▶ Cancelling Appropriations and Critical Dates
- ▶ NSF Monitoring Activities
- ▶ Questions



COVID-19 STEWARDSHIP

- ▶ Continue to **exercise strong internal controls and practice effective financial stewardship** under the pandemic environment.
- ▶ Maintain appropriate cost documentation as required by 2 CFR 200.302, *"Financial Management and 2 CFR 200.333, Retention Requirements for Records."*
- ▶ If you have received COVID-related supplements or are exercising administrative flexibilities to complete grant research, we strongly encourage tracking these expenditures separately from those incurred under the normal scope of award.
- ▶ <https://www.nsf.gov/coronavirus> is the authoritative source for all NSF COVID-19 policies
- ▶ Contact your Program Officer or Grant Accountant for award-specific inquiries





RETURNING FUNDS TO NSF

- ▶ ACM\$ Credit/Offset
 - ▶ Pay.gov (ACH Debit)
 - ▶ Check
- Electronic Methods
(Preferred)
-
- Two orange arrows originate from the text 'Electronic Methods (Preferred)'. One arrow points to 'ACM\$ Credit/Offset' and the other points to 'Pay.gov (ACH Debit)'. A third arrow points from 'Check' to the left, but it is not connected to the 'Electronic Methods' text.





PAY.GOV REMINDERS

- ▶ For first time users returning funds using a bank account, we recommend reaching out to your banking institution to ensure NSF is a valid entity to make ACH debits to the account.
- ▶ NSF's identification number for your bank is "National Science Foundation ALC: 49000001". If your bank requires a 10-digit version, please use 4900000101 instead.





ADJUSTMENT VS REQUEST TO REOPEN AWARD

Adjustments to financially closed awards are permitted when reimbursement for expenses incurred during the award project period are required. A request to re-open and extend the award is only required when new spending is required.

Step 1. Payments Step 2. Adjustments Step 3. Review

Justification

Filter: * Thresholds applied ** Payment outstanding [Clear Filter](#)

Federal Award ID	Financial Closed Date	Previous Cumulative Cash Disbursement	Balance Available for Upward Adjustment	Balance Available for Downward Adjustment	Adjustment Eligibility Status	Adjustment Requested
<input type="checkbox"/>	<input type="text"/>					





LIMITATIONS FOR ADJUSTMENTS TO CLOSED AWARDS

- ▶ Transaction total must be greater or equal to \$0
- ▶ Individual award request must be greater or equal to \pm \$1
- ▶ Upward adjustments (a.k.a. – additional payments) available for 14 months after the award is financially closed
- ▶ Downward adjustments (a.k.a. – returns or refunds) available until the funding appropriation cancels
- ▶ Exception to this timeline is when canceling appropriations are involved





APPROPRIATED FUNDS

Why should this matter to you?

Awards come out of appropriated funds

NSF is bound by Fiscal Law governing appropriated funds

NSF operates on annual-appropriation basis

Golden Rules of Fiscal Law: Purpose, Time, and Amount





CANCELING APPROPRIATIONS

- ▶ Each fiscal-year end, millions of dollars of obligated funds must be de-obligated
- ▶ Federal appropriations cancel five years after their period of availability.
 - ▶ Public Law 101-510: States Federal agencies must financially close fixed year appropriation accounts and cancel any remaining balances by September 30th of the 5th year after the period of availability.

FY	2014	2015	2016	2017	2018	2019	2020	2021
Availability	Open	Open	Expired	Expired	Expired	Expired	Expired	Canceled

- ▶ **AFTER SEPTEMBER 30th, NEITHER THE AWARDEE OR NSF CAN ACCESS ANY REMAINING FUNDS**



CANCELING APPROPRIATIONS CRITICAL DATE

- ▶ ACM\$ (NSF's Automated Grant Payment System) closing for FY 2020 is Wednesday September 23, 2020, at 2:00 PM EDT.
 - ▶ After the closing date:
 - ▶ no adjustments
 - ▶ no extensions
- ▶ GCMS will continue to reach out to awardees who have canceling funds throughout FY 2020.





CANCELING APPROPRIATIONS

Edit Notification/Request

Grantee-Approved No-Cost Extension

[← Back to Notifications & Requests Home](#)

ⓘ Appropriated Funds have expired for this award. No Notification/Request can be submitted for this award.

Award Number: [REDACTED] **Award Title:** [REDACTED]
End Date: 11/30/2016
Status: Forwarded to AOR

ⓘ Reminder: This one time extension may not be exercised merely for the purpose of using the unliquidated balances.

Required

Revised End Date: (Always expires on the last day of the month)

Justification for Grantee-Approved No-Cost Extension:
[REDACTED]

Characters remaining: 978 (out of 1200 max)



HYPOTHETICAL SCENARIO – TRUE OR FALSE?

University is managing award 1412334 with initial funds obligated in FY2014 (FY2014/2015 appropriation)

Subsequent funding was received in FY2017.

University receives a no-cost extension for the award that extends the period of performance of the award from May 31, 2020 to May 31, 2021.

During the spring of 2020, the University receives a letter from the NSF Cash Management Branch, Grantee Cash Management Section notifying the University that the award (1412334) has canceling funds, which will cancel on September 30, 2020.

True or False:

The University can ignore the canceling funds email. The Cash Management Branch must have made a mistake in sending this notice.

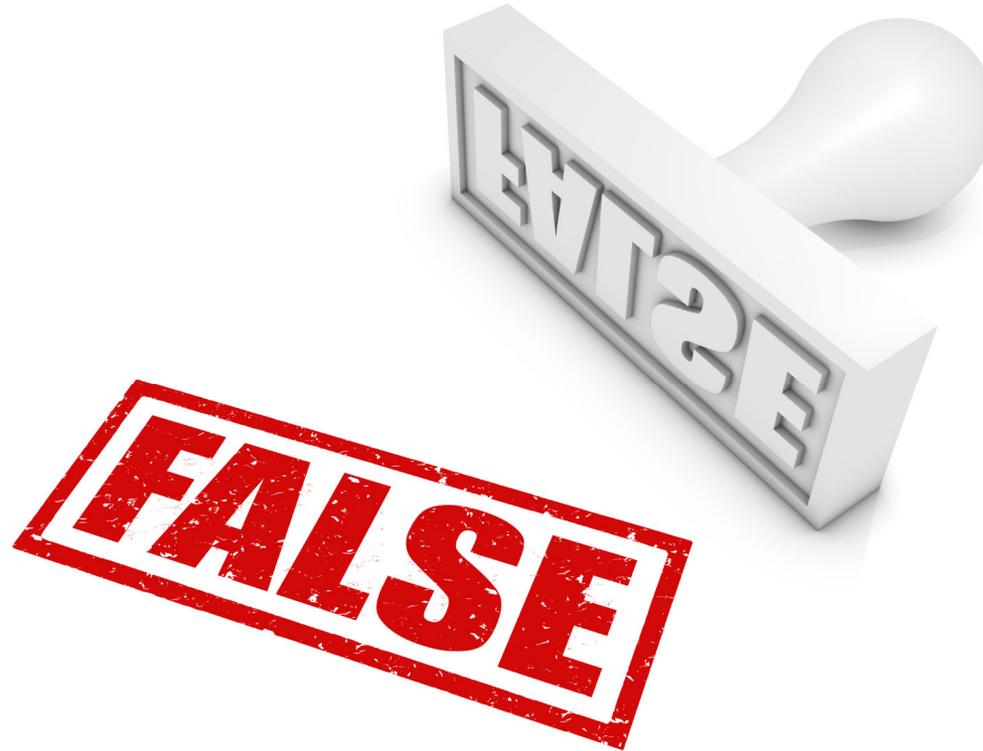




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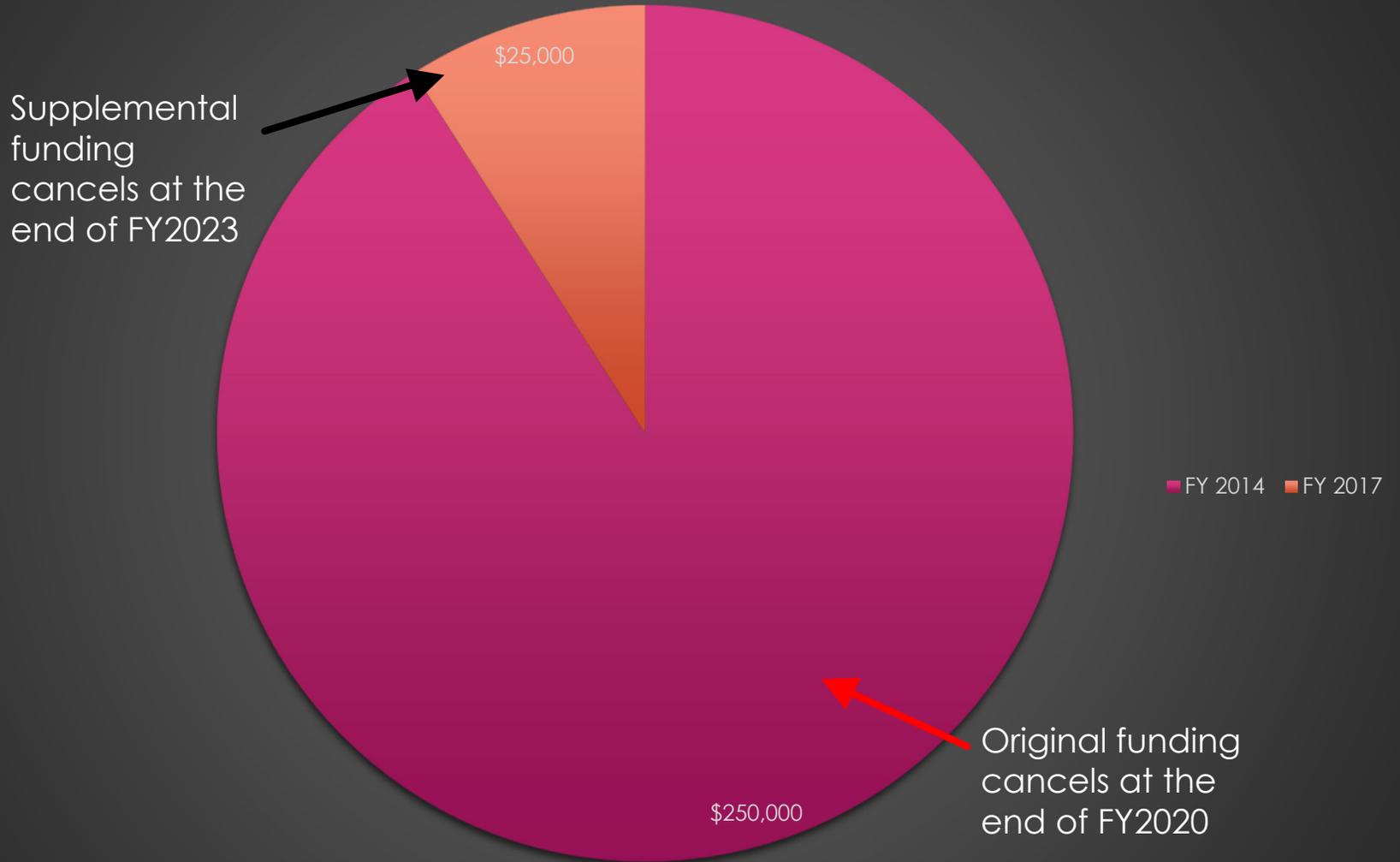
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Award 1412334





APPROPRIATION LIFE CYCLE

Appropriation	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
FY13/14 Research	1	2	1	2	3	4	5			
FY16/17 Research				1	2	1	2	3	4	5



Budget Authority **AVAILABLE** (allowed to make new obligations)



Budget Authority **EXPIRED** (allowed to adjust or liquidate existing obligations – NO NEW OBLIGATIONS)



Budget Authority **CANCELLED** (NO OBLIGATIONS OR OUTLAYS/EXPENSES)





ADVANCED PAYMENT OF CANCELING FUNDS

University was granted a No-Cost Extension to May 31, 2021, for an award involving canceling funds. There is \$100,000 available on the award, with \$50,000 canceling September 30, 2020. The University estimates \$30,000 of the canceling funding will be spent by the end of September 2020 and would like to request advanced payment of the canceling funds prior to the ACM\$ shutdown period. How much should their advance payment be for?

- A. **\$0** – advance payments are not permitted
- B. **\$30,000** – advance payment should be limited to the expected expenditures
- C. **\$50,000** – advance payment should include all of the canceling funding so the PI can continue to spend the remaining \$20,000 after September 2020 since the new award end date is 05/31/2021





NSF MONITORING ACTIVITIES

Annual Cash-on-Hand Validation (Grant Accrual)

- **Objective:** Project expenses incurred but not reimbursed as of September 30, to validate our grant accrual estimate on our annual financial statements

Payment Testing

- **Objective:** Conduct unallowable cost testing across a random sample of grantees to support NSF's annual internal control and government-wide improper payment assessment requirements





ANNUAL CASH ON HAND VALIDATION RESULTS

- We randomly sampled 426 institutions and achieved a 97% response rate.
- We requested that you report the difference between your award expenses against the NSF payments received as of our fiscal year-end, September 30th, 2019.
- Our statistical validation yielded a negative \$425 million cash on hand balance, which was **within 3.05%** of our financial statement calculation.





CASH ON HAND VALIDATION – FFR VISUALIZATION

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page 1	of pages
3. Recipient Organization (Name and complete address including Zip code)					
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	6. Report Type <input type="radio"/> Quarterly <input type="radio"/> Semi-Annual <input type="radio"/> Annual <input type="radio"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual	
8. Project/Grant Period From: (Month, Day, Year)		To: (Month, Day, Year)	9. Reporting Period End Date (Month, Day, Year)		
10. Transactions			Cumulative		
<i>(Use lines a-c for single or multiple grant reporting)</i>					
Federal Cash (To report multiple grants, also use FFR Attachment):					
a. Cash Receipts					
b. Cash Disbursements					
c. Cash on Hand (line a minus b)					





PAYMENT TESTING

FY 2020 Process

- ▶ Conducted random sample of 45 ACM\$ payments requested in FY 2020
- ▶ Requested cost ledgers to support ACM\$ payment amount (Phase I) and subsampled 135 expenditures (Phase II)
- ▶ Currently conducting testing of 135 Phase II expenditures to verify allowability under OMB and NSF-specific guidance

FY 2020 Improvements

- ▶ Reduced sample size by 70% relative to prior year testing
- ▶ Deconflicted samples from other NSF monitoring activities (e.g., site visits, desk reviews, unallowable cost audits) to eliminate redundant requests and reduce burden





NSF MONITORING ACTIVITIES - SPENDING REVIEW CASE

Which of these scenarios would you approve?

- A. Request to spend \$12,000 for two computers and graphics card that would be used to conduct specialized work on a four-year grant.
- B. Request to spend \$3,500 to repair a centrifuge the team was using to conduct grant-related research funded by the NSF award.
- C. Request to spend \$27,000 for “wearable eye-tracking units” that had been part of the award’s budget.





SPENDING REVIEW CASE (ADDITIONAL CONTEXT)

Which of these scenarios would you approve?

- A. Request to spend \$12,000 for two computers and graphics card that would be used to conduct specialized work **that would have only been used for a maximum of six days during the four-year grant period.**
- B. Request to spend \$3,500 to repair a centrifuge the team was using to conduct grant-related research funded by the NSF award. **However, the repairs took place one day before the award's four-year term ended. Plus, the repair was for a general piece of laboratory equipment the University had used, and would continue to use, to benefit multiple projects.**
- C. Request to spend \$27,000 for “wearable eye-tracking units” that had been part of the award's budget **that weren't received until after the grant ended.**





QUESTIONS???

- ▶ Ask your question via the Q&A section within Zoom.
- ▶ If we are unable to answer all questions during the time allotted, we will publish additional answers in an FAQ that will be shared with all participants.
- ▶ Website
www.nsf.gov/bfa/dfm/cmeab.jsp

