



UNIVERSITY OF CONNECTICUT

2016-500 Period of Performance (University of Connecticut)

Federal Award Agency: Department of Health and Human Services

Award Year: State Fiscal Year Ended June 30, 2016

Research and Development Programs:

Global AIDS (CFDA # 93.067)

Account #5253790 – “CAPRISA-CHIP Collaboration” – Pass-through award from The Centre for the AIDS Programme of Research in South Africa, project period November 1, 2009 through October 31, 2016 under prime award 5U2GPS001350-02 from the Department of Health and Human Services National Center for HIV, Viral Hepatitis, STDS and TB Prevention, project period September 30, 2008 through September 29, 2014.

Family Smoking Prevention and Tobacco Control Act Regulatory Research (CFDA # 93.077)

Account #5618020 – “Counter-Irritation by Menthol: Molecular Targets and Role in Airway Disease” – Pass-through award M13A11538 (A09237) from Yale University, budget period January 1, 2013 through December 31, 2013 under prime award 3R01HL105635-03S1 from the Department of Health and Human Services National Institutes of Health National Heart, Lung, and Blood Institute, project period January 1, 2011 through December 31, 2014.

Criteria: Per Title 2 Code of Federal Regulations 200.309 (January 1, 2014), “A non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity.”

Condition: As of June 30, 2011, account 5253790 had a cash balance of \$62,982. No disbursements were made from the account during the next 5 years; the cash balance of account 5253790 remained at \$62,982 as of June 30, 2016. Though the period of performance of the pass-through award has been extended on an annual basis through October 31, 2016 by the pass-through entity, documentation on file indicates that it is likely that the period of performance of the prime award has elapsed.

Costs of \$17,091 were transferred out of account 5618020 during the 2014-2015 fiscal year leaving an end-of-year cash balance of \$17,091 as of June 30, 2015. Though the period of performance for this pass-through award ended December 31, 2013, the funds were not returned to the grantor. The cash balance of account 5618020 remained at \$17,091 as of January 12, 2017.



- Context:* The condition is an isolated instance. We reviewed all 21 federal accounts (research and development and other) with average daily cash balances of \$10,000 or more during the 2015-2016 fiscal year. The Schedule of Expenditures of Federal Awards reflects activity in 1,649 University of Connecticut federal accounts; in some instances multiple accounts may be maintained for the same award. The sampling was not a statistically valid sample.
- Questioned Costs:* There were no questioned costs.
- Effect:* It appears that the University of Connecticut is retaining federal funds that cannot be expended as the related periods of performance have elapsed.
- Cause:* We were not able to determine why these funds were not returned.
- Prior Audit Finding:* This finding has not been previously reported.
- Recommendation:* The University of Connecticut should return funds to grantors held beyond the period of performance.
- Views of Responsible Officials:*
“Management concurs with the recommendation and has contacted both pass through entities to initiate the refund. To note further the condition for referenced account 5253790, the University had requested and received the appropriate approvals and modification documents from the pass-through entity to extend the project and balance of funds through October 31, 2016. It was recently learned that the pass through entity did not have the authority to approve extensions of the project past October 31, 2014.”

2016-501 Reporting (University of Connecticut)

Federal Award Agency: Department of Agriculture

Award Year: State Fiscal Year Ended June 30, 2016

Research and Development Programs:

Biotechnology Risk Assessment Research (CFDA # 10.219)

Account # 5613410 – “Perennial Grasses for Bioenergy: Pollen Aerobiology, Biocontainment, and Plant Genetics” – 2011-33522-30817 issued by the Department of Agriculture National Institute of Food and Agriculture, project period September 1, 2011 through August 31, 2015

Agriculture and Food Research Initiative (AFRI) (CFDA # 10.310)

Account # 5611100 – “Generation and Characterization of Completely Reprogrammed Bovine Naive Induced Pluripotent Stem Cells” – 2013-67012-21003 issued by the Department of Agriculture National Institute of Food and Agriculture, project period September 1, 2013 through August 31, 2015



Account # 5614770 – “Bioactivity of Astaxanthin in the Prevention of Hepatic Inflammation” – 2012-67018-19290 issued by the Department of Agriculture National Institute of Food and Agriculture, project period February 1, 2012 through January 31, 2016

Criteria: Title 2 Code of Federal Regulations 200.327 requires the submission of federal financial reports in the manner specified by the Office of Management and Budget.

Condition: We noted clerical errors on federal financial reports submitted for 3 Department of Agriculture National Institute of Food and Agriculture awards (2012-67018-19290, 2013-67012-21003 and 2011-33522-30817) that would have been detected and corrected had the reports been subject to review by a supervisor or other higher level staff prior to submission.

Context: The clerical errors were deemed to be isolated instances, as all of the reports in question were prepared within 1 team in the grant management area and 2 of the 3 reports were prepared by the same individual. We found no problems with reports prepared by other teams in the grant management area.

However, the grants management area does not have a formal process in place requiring a review be performed by a supervisor or other higher level staff prior to submission. As this control deficiency could potentially affect all reports submitted it is a systemic problem.

We reviewed federal financial reports filed for 10 federal research and development awards. The Schedule of Expenditures of Federal Awards reflects activity in 1,265 University of Connecticut federal research and development accounts; in some instances multiple accounts may be maintained for the same award. The sampling was not a statistically valid sample.

Questioned Costs: There were no questioned costs.

Effect: Inaccuracies on federal financial reports may affect the decision making of financial report users.

Cause: The reports were not subject to review by a supervisor or other higher level staff prior to submission.

Prior Audit Finding: This finding has not been previously reported.

Recommendation: The University of Connecticut should ensure that all federal financial reports are subject to review by a supervisor or other higher level staff prior to



submission. Copies of the report should be signed by the reviewer to document approval and maintained on file.

Views of Responsible Officials:

“Management concurs with the recommendation. In each of the reports identified in the finding, none of the reports resulted in a disadvantage to the government. However to improve our internal control structure, Sponsored Program Services has implemented a secondary review and approval of all federal financial reports within the central office.”