

UCSB AUDIT AND ADVISORY SERVICES

September 28, 2011

To: Co-Director Stuart Feinstein
Co-Director Ken Kosik

Re: **Neuroscience Research Institute**
Audit Report No. 08-11-00017

As part of the 2010-11 annual audit plan, Audit and Advisory Services performed an audit of the Neuroscience Research Institute (NRI). Enclosed is the audit report detailing the results of our review.

The purpose of this review was to assess whether business processes and internal controls established by NRI are in compliance with University and sponsor regulations. The review included discussions with NRI faculty and staff and limited testing. The scope of the audit included:

- Compliance with controlled substances and human subjects policies.
- Costing practices, including direct charging practices, effort reporting, cost transfers, and overdrafts.
- Overall departmental administrative and sponsored project procedures.

Based on the results of the work performed within the scope of the audit, the institute generally has appropriate processes in place for the areas reviewed. However, improvements in the institute's practices and controls are needed to ensure compliance with University and sponsor requirements. Areas requiring improvement include the controlled substances program, human subject payments and training, cost transfers, overdrafts, and sponsored project award charging practices.

We have included a copy of our detailed observations and management corrective actions with this cover memo. The management corrective actions provided indicate that each audit observation was given thoughtful consideration and that positive measures have been taken or planned to implement the management corrective actions. The cooperation and assistance provided by NRI faculty and staff during the review was sincerely appreciated. If you have any questions, please feel free to contact me.

Respectfully submitted,



Robert Tarsia
Acting Director
Audit and Advisory Services

Co-Director Stuart Feinstein
Co-Director Ken Kosik
September 28, 2011

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Enclosure

cc: Chancellor Henry Yang
Associate Vice Chancellor Ron Cortez
UCSB Audit Committee
Senior Vice President and Chief Compliance and Audit Officer Sheryl Vacca
Vice Chancellor for Research Michael Witherell
Assistant Vice Chancellor for Research Karen Hanson
Business Officer Jeanie Cornet

Neuroscience Research Institute

Audit Report No. 08-11-00017

Performed by:

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**UCSB Audit and Advisory Services
Neuroscience Research Institute
Audit Report No. 08-11-00017**

Purpose and Scope

The purpose of this review was to assess whether business processes and internal controls established by the Neuroscience Research Institute (NRI) are in compliance with University and sponsor regulations. The review included discussions with NRI faculty and staff and limited testing. The scope of the audit included:

- Compliance with controlled substances and human subjects policies.
- Costing practices, including direct charging practices, effort reporting, cost transfers, and overdrafts.
- Overall departmental administrative and sponsored project procedures.

Background

NRI's mission is to promote and facilitate interdisciplinary neuroscience research. NRI faculty, postdoctoral fellows, students, and staff perform cutting-edge research, focused primarily at the cellular and molecular levels, aimed at understanding mechanisms underlying the normal development and function of the nervous system, as well as mechanisms causing various neurodegenerative conditions. Research performed at the institute integrates the tools and strategies from modern molecular biology, genetics, cell biology, developmental biology, biopsychology, biochemistry, physiology, biophysics and bioengineering.

Three centers have been established within NRI to focus on specific areas of neurological biomedical importance: the Center for the Study of Macular Degeneration, the Alzheimer's Disease Research Center, and the Center for Stem Cell Biology and Engineering¹. The Center for the Study of Macular Degeneration was created to advance biomedical research into the cellular, molecular, and genetic factors that contribute to the human ocular diseases that are known as macular degeneration. The Alzheimer's Disease Research Center studies the way Alzheimer's disease attacks and destroys brain cells. The Center for Stem Cell Biology and Engineering was created to foster an interdisciplinary program of stem cell research and teaching to develop new technologies in the emerging field of regenerative medicine².

NRI is funded from a variety of sources, including allocations from state funds, gift funds, equipment usage recharges, and research contracts and grants from various sponsors. Table 1 summarizes the amounts awarded from research contracts and grants from various sponsors for the past three fiscal years.

¹ NRI also manages the finances of the SAGE Center, which is otherwise operated by Psychology.

² Sources - Science Blog, Center for the Study of Macular Degeneration, and Center for Stem Cell Biology and Engineering websites.

Table 1	
NRI Sponsored Projects: New Awards	
Fiscal Year	New Award Amounts
2009	\$6,769,879
2010	\$12,247,088
2011	\$8,635,489

Source: ORBiT, the Office of Research's contract and grant electronic database.

The National Institutes of Health (NIH) and the California Institute for Regenerative Medicine provide the majority of NRI's sponsored project funding. Two co-directors manage NRI and oversee approximately 34 faculty and professional researchers, approximately 150 research staff from various academic departments, as well as one part-time employee and five full-time employees working within the Business Office.

Summary Opinion

Based on the results of the work performed within the scope of the audit, the institute generally has appropriate processes in place for the areas reviewed. However, improvements in the institute's practices and controls are needed to ensure compliance with University and sponsor requirements. Areas requiring improvement include the controlled substances program, human subject payments and training, cost transfers, overdrafts, and sponsored project award charging practices.

The audit observations and management corrective actions are detailed in the remainder of the audit report.

Detailed Observations and Management Corrective Actions

A. Controlled Substances Program

In order for controlled substances to be used for research, campus-wide procedures must be in place to ensure compliance with federal and state regulations. The University of California Controlled Substance Program was designed to comply with federal law and Drug Enforcement Administration (DEA) regulations governing the possession and use of controlled substances in research. However, we found during our review that a controlled substance program has not been established at the University of California, Santa Barbara (UCSB), by Environmental Health and Safety (EH&S), to help provide standard procedures and guidelines for campus departments. Although NRI handles a limited volume of controlled substances, the institute's procedures for receiving, documenting, distributing, and disposing of controlled substances require improvement to help ensure proper handling and accounting for these materials. We found the following:

- Personnel screening has not been established by EH&S to ensure that no individuals have access to controlled substances who have been convicted of a felony offense relating to controlled substances, whose application for registration with the DEA has been denied, or whose registration was revoked or surrendered for cause. This type of screening is required by the Code of Federal Regulations Section 1301.90, *Employee Screening – Non-Practitioners*.
- Principal Investigators (PIs) have not attended training sessions that include gaining an understanding of laws, policies, and procedures regarding controlled substances.
- The institute does not have written procedures that cover control and security requirements, inventory and usage log requirements, and participation in the personnel screening program.
- Shipments of controlled substances are not opened and verified, under dual custody, every time controlled substances change hands.
- Documentation is not maintained for the chain-of-custody for each receipt of controlled substances.
- Controlled substances are not always added to the controlled substance log when they are received by the department.
- NRI's controlled substance log does not include the information recommended in Business and Finance Bulletin 50, *Controlled Substances Program Best Practices Guidelines* (BFB 50), such as the PI's name, amount received, and the name and initials of those receiving controlled substances.
- Standard procedures have not been established by EH&S to properly dispose of and/or destroy controlled substances.

EH&S personnel indicated that the University's budget constraints have made it difficult to establish a campus-wide controlled substance program. However, it was noted that EH&S is in the process of gathering information on how to create an appropriate program at UCSB.

To improve the institute's procedures and compliance with BFB 50, NRI personnel should review BFB 50 for best practices, as well as obtain guidance from EH&S on how to improve its practices and procedures regarding receiving, documenting, distributing, and disposing of controlled substances.

Management Corrective Actions

EH&S must provide leadership with respect to controlled substances. It makes no sense for multiple individual units to each re-invent the wheel. The institute is very willing to work with EH&S to establish policies and procedures related to controlled substances in order to comply with BFB 50. We have also consulted with the Department of Psychology and the Animal Resource Center regarding their procedures and will work to adapt similar procedures in NRI. The management corrective action will be implemented by June 30, 2012.

B. Human Subjects

NRI had nine awards for fiscal 2009-10 that involved human subjects research. In order to have research involving human subjects that is conducted by students, staff, or faculty, the UCSB Human Subjects Committee must review and approve the human subjects protocol. In addition, faculty, researchers, students, and staff who work with human subjects or their identifiable private data are required to complete a mandatory UCSB Human Subjects training module. Also, the NIH requires mandatory training for researchers on NIH awards that use human subjects

A sample of five human subject payments from July 2009 through December 2010 was selected for detailed testing. We reviewed whether:

- Human subjects' identifiable private data (e.g. social security numbers) is properly secured.
- Human subjects signed the cash reimbursement receipts, as part of the documentation in support of the payments.
- The PI's portion of the receipt was properly completed.
- The Form-5s were properly completed and approved per UCSB policies and procedures. Form-5s are used at UCSB for payment of miscellaneous reimbursements to employees, professional memberships and subscriptions, honorariums, stipends, student awards, and business meeting and entertainment-related expenditures.

In addition, the audit reviewed whether individuals paid on awards with human subjects have undergone the mandatory UCSB Human Subjects training module, offered by the Office of Research, before working with human subjects or their identifiable private data. We found the following:

1. Human Subject Payments

Cash reimbursement receipts were not always properly completed:

- Some private data for all five human subject payments was not properly secured. The human subjects' social security numbers were documented on the cash reimbursement receipts, and payment documentation was stored in unlocked filing cabinets. (We did note that payment documentation is stored in a secure room that is locked during non-business hours.)
- In three instances, not all of the human subjects signed the cash reimbursement receipts certifying that they received the payment.
- In three instances, the PI's portion of the receipt was not completed.
- In five instances, the approved human subject protocols were not included with the Form-5. However, for four of the five human subject payments, the human subject protocol numbers were included on the Form-5. Accounting Services and Controls payment guidelines require that the human subject protocol be submitted as support for such payment requests.

PIs who pay human subjects should be reminded that cash reimbursement receipts need to be properly completed by both the human subject and the PI, and that the approved human subject protocol should be included as support for the Form-5. Business Office personnel should also ensure that support for payments to human subjects is complete, and that existing Form-5s that include social security numbers are properly secured to ensure that private information is kept confidential.

Management Corrective Actions

The file cabinets in which the expense back-up information is stored has a locking mechanism which will be used for all awards which have need for human subjects. As you note in the audit report, the door to the room where the entire bank of file cabinets are stored is locked at the end of each work day.

The institute will develop a procedure by which the person who performs the study will not be reimbursed unless all forms are properly filled out, and signed by the researcher and the subject.

After consulting with Accounting Services and Controls, it has been determined that they will accept the approval page of the protocol as proof that the protocol is active.

Additionally, the institute is working on modifying the human subjects payment form so that the person conducting the study will know when it is appropriate to request the identifying information.

Furthermore, the institute will secure the file cabinets immediately. It is our goal to develop a procedure for human subject reimbursement and to modify our human subjects payment form by June 30, 2012.

2. Human Subject Training

Individuals who worked with human subjects and their identifiable private data did not always complete the mandatory UCSB Human Subjects training module. We learned during our discussions with PIs that they were not all aware of this training requirement. According to the Human Subjects Committee Coordinator, PIs are responsible for ensuring that individuals who work with human subjects complete the required human subjects training.

NRI should establish internal procedures to ensure that PIs are aware of the need to complete the UCSB Human Subjects training module, and that all required personnel complete the training.

Management Corrective Actions

After consulting with the Human Subject Committee Coordinator, it was learned that upon signing off on the human subjects protocol, the PI certifies that all appropriate training will be taken by the PI as well as his/her associates. The signature page cites links leading the PI to training FAQs, training module deadlines, and how to write a consent form.

The institute will establish a procedure for reminding all researchers to follow through with the required training. However, we believe that it is inappropriate and not practical for NRI to be responsible for enforcement of training. For frame of reference, ensuring that researchers have completed all of their required training prior to engaging in research involving vertebrate animals is the responsibility of the Institutional Animal Care and Use Committee, not individual units administering research grants using animals. It is much more appropriate for the UCSB Human Subjects Committee to be responsible for enforcing training requirements. This is both an organizational matter as well as a practical matter – ensuring that training requirements have been met for an ever-changing collection of researchers requires significant amounts of

time and effort, and the NRI staff are already stretched to the limit. This is not a responsibility that we can take on without additional support staff.

Effective October 31, 2011, upon receipt of the approval email from the Human Subjects Committee Coordinator, the Institute will send an email reminder to the PI that training is required.

C. Cost Transfers

The audit reviewed both labor and non-labor cost transfers on federally sponsored projects to ensure cost transfers were appropriate, adequately supported, and otherwise in compliance with UCSB policies and procedures and Business and Finance Bulletin A-47, *University Direct Costing Procedures* (BFB A-47). A sample of five labor and five non-labor cost transfers from July 2009 through December 2010 was selected for detailed testing. We reviewed whether the cost transfers were:

- Properly approved.
- Appropriate.
- Adequately documented.
- Completed within 120 days of the initial charge.
- Otherwise in compliance with University policies and procedures.

The audit found that out of 10 cost transfers reviewed:

- Two were not properly approved.
- Three occurred over 120 days after the initial charge.
- Two cost transfers over 120 days did not have a 120-day memo completed with a full explanation, including a well-documented account of all the events leading to the late adjustment and how it would be prevented in the future.
- One did not have an adequate justification.

Additionally, Business Office staff indicated that there are instances in which cost transfers were used to move expenditures from one federal award to another federal award, as well as to eliminate unexpended balances on federal awards. These practices may increase the likelihood of unfavorable audit findings by sponsoring agencies.

Inappropriate or improperly supported cost transfers could result in disallowances, fines, and reduction or loss of funding from sponsoring agencies. To improve compliance with BFB A-47, cost transfers should not be completed after 120 days of the original charge. If cost transfers are needed, the expenditure adjustment should be fully explained, justified, and approved by the

authorized administrator(s). Additionally, if cost transfers are needed after 120 days of the initial charge, a 120-day memo must be completed with a full explanation, including a well documented account of all the events leading to the late adjustment and how it would be prevented in the future. Furthermore, NRI management should inform PIs and lab managers on a monthly basis that they should review the 'shadow system' used by NRI, the Grand Unified System (GUS), to ensure that expenses are appropriately charged to sponsored projects.

Management Corrective Actions

It is the institute's practice to have the NRI Co-Director sign off on all transfers. In one of the cases in which the Co-Director's approval was not obtained, there was a typo on the original transfer of expense (TOE), which was not caught in time to perform a rejection of the transfer. It became necessary to prepare a correcting TOE which was not signed by the Co-Director; however, the original TOE (with the signature) was attached to the correcting form. As for the second case, it is not known why the Co-Director's signature was not shown. The institute will continue its practice of acquiring approval signatures by the Co-Director on all future TOEs.

With the implementation of the "Late Cost Transfer Escalation Procedure", the institute has made an effort to eliminate TOE requests that will necessitate this process. The institute has also begun requiring that the PI, rather than institute staff, provide the justification for the transfer.

It has been the institute's practice to send an email notification to the PIs each month. The email advises them that the expenses for the previous month have been reconciled to the general ledger, and that they should take this opportunity to review the GUS financial information for any errors. The email also indicates that there is a 120-day escalation procedure, and that all cost transfers require a justification provided by the PI.

The NRI will distribute a memo to all PIs describing the outcome of this audit, with emphasis on cost transfer matters.

All corrective actions described above will continue to be enforced as have been in the past.

Audit and Advisory Services will follow-up on the status of the management corrective actions by November 30, 2011.

D. Overdrafts

NRI had 21 sponsored projects and gift funds in overdraft between July 2009 and December 2010; these are summarized in Table 2.

Table 2			
NRI Overdrafts Between July 2009 and December 2010			
Account-Fund	Fund Type	# of Months in Overdraft	Maximum Amount of Overdraft
447636-59763	Contract & Grant	2	\$201,130
447636-18230	Contract & Grant	8	\$136,363
784636-18220	Contract & Grant	3	\$45,628
447636-24602	Contract & Grant	5	\$20,405
447636-24580	Contract & Grant	2	\$19,414
447636-41814	Private Gift	1	\$5,431
784636-36240	Private Gift	2	\$4,898
447636-47744	Private Gift	8	\$2,045
467636-18291	Contract & Grant	13	\$1,450
447636-59009	Contract & Grant	2	\$1,275
5 Account-Funds	Private Gifts	29	Less than \$1,000
6 Account-Funds	Contract & Grant	10	Less than \$1,000

Source: Auditor Analysis

To ensure that internal controls over monitoring departmental spending were effective, the audit reviewed the fund overdrafts to determine if the reasons for them were reasonable and consistent with campus practices. We found that overdrafts occurred because the:

- Sponsoring agency gave approval to incur expenditures before funds were received from the agency.
- Institute continued research although funds were not received from the sponsoring agency.

The NRI Business Officer indicated that the institute’s procedures regarding overdrafts had changed within the past 6 months. The current procedure is to prepare a Request for Approval to Spend Funds (RAS) before account-funds develop into overdraft. A RAS is used to earmark other funds to cover incurred expenditures in the event that funds do not come from the funding agency.

To ensure that funds do not go into overdraft, the institute should continue with its new process using a RAS. Funds should be monitored on a monthly basis by Business Office personnel, PIs, and lab managers. If PIs are not adequately monitoring their funds or the funds are close to being expended, Business Office personnel could send the PIs a financial report illustrating the balance of

their funds. In addition, when applicable, NRI could get a confirmation from the sponsoring agency that they will be receiving funds.

Management Corrective Actions

The institute will continue its practice of considering a RAS whenever appropriate in order to minimize the frequency of overdrafts.

Audit and Advisory Services will follow-up on the status of the management corrective action by November 30, 2011.

E. Effort Reporting

Personnel Activity Reporting (PAR) is designed to produce after-the-fact certification of wages and salaries charged to federally funded projects. This is accomplished by reporting on the PAR form reasonable estimates of personnel effort, which are certified by either the employee or by a responsible official having first-hand knowledge of the work performed. Proper, timely completion of PAR forms is a federal requirement specified in Office of Management and Budget (OMB) Circular A-21, *Cost Principles for Educational Institutions*. PARs must be completed for employees who are paid from federal contracts and grants and federal flow-through contract and grants.

The audit found that one of the 20 PARs included in our audit sample was certified by an individual who did not have first-hand knowledge of the work performed. In addition, there were three instances in which PARs were not submitted to Extramural Fund Accounting (EMF) in a timely manner, ranging from 4 to 5 weeks after the specified deadline.

We noted that the PARs we reviewed were submitted to EMF using the standard paper PARs. However, EMF recently implemented a new Effort Reporting System (ERS) for all campus units. ERS is a web-based tool that calculates the distribution of effort for all employees paid from federal and federal flow-through funds as well as capturing electronic certification. Since campus procedures for effort reporting have changed, department personnel should be trained on using the new ERS. This will help ensure that effort reports are completed in a timely manner and appropriately certified, and that any corrections are properly completed.

Management Corrective Actions

Our previous practice was to send all PAR forms to the individual PI for their certification. It was our understanding that in the absence of the PI, the Co-Director of the institute was allowed to sign for them. Going forward, either the PI, the employee, or a responsible official who has comprehensive and first-hand knowledge of the employee's activities will be responsible for certifying the reports in the ERS. As noted in the report, the new ERS will allow for timelier processing. In fact, the institute

was one of the first departments to finish the process for the first campus-wide reporting period. Additionally, department personnel were trained on using the ERS while the audit was in progress.

Audit and Advisory Services will follow-up on the status of the management corrective action by January 31, 2012.

F. Departmental Administrative and Sponsored Project Procedures

During fiscal year 2009-10, the department managed 47 new awards with \$12,247,088 in total award funding. A sample of 20 direct costs charged to federal awards from July 2009 through December 2010 was selected for detailed testing. We reviewed whether the direct costs were:

- Allowable under the sponsor’s terms and conditions.
- Reasonable, or reasons for excessive costs were documented and appropriate.
- Properly approved.
- Otherwise in compliance with the applicable UC and UCSB policies and procedures.

Additionally, the audit reviewed NRI’s overall administrative and sponsored project procedures and controls for compliance with federal and University requirements. The following was noted:

1. Sponsored Project Award Charging Practices

The audit found some instances in which direct costs were not in compliance with University and sponsor regulations; these are summarized in Table 3.

Table 3		Sponsored Projects Charging Practices	
Audit Issue		Description	
Non-compliance with UC Business and Finance Bulletin G-28, <i>Policy and Regulations Governing Travel</i> .		One travel expense voucher was approved by an individual who directly reports to the traveler.	
Non-compliance with California Institute for Regenerative Medicine award terms and conditions.		An equipment purchase was made without prior approval from the sponsor. The institute received retroactive approval from the sponsor as a result of inquires during the audit.	
Non-compliance with OMB Circular A-21.		One instance of facilities and administrative (F&A) costs charged to a federal award.	

Source: Auditor Analysis

According to NRI personnel, there have been other instances in which typically F&A costs were directly charged to federal awards. Since most F&A charges are covered by the campus overhead allocation, directly charged F&A costs are usually unallowable on federal awards, unless there are unusual or unique circumstances.

To ensure that only proper costs are charged to awards:

- Travel expenses should be reviewed in detail and properly approved.
- Sponsor terms and conditions should be reviewed before the purchase of equipment.
- F&A costs should be charged to discretionary funds (e.g. state funds or unrestricted gift funds). If personnel believe that these costs are properly chargeable to awards, NRI personnel should require the responsible PIs to prepare a written justification detailing how the charge would benefit the award as well as signing the justification.

Management Corrective Actions

The institute will continue to make every effort to ensure that all travel claimed by travelers is authorized and accurate.

The institute will continue to refer to the award synopsis in order to be sure that we comply with agency guidelines and other restrictions regarding equipment purchases.

In the case of direct charging an F&A cost, the items purchased (computer peripherals of modest value) were necessary to operate the computer, which was also purchased with grant funding. The purchase of a computer is allowable as long as the PI provides justification. In our opinion, the replacement of computer peripherals for use with the computer is an obvious direct cost. We plan to continue to review purchase requests on a case-by-case basis.

Audit and Advisory Services will follow-up on the status of the management corrective action by October 31, 2011.

2. Compliance With Statement on Auditing Standards No.112

Key controls have not been documented to ensure compliance with Statement on Auditing Standards No.112, *Communicating Internal Control Related Matters Identified in an Audit* (SAS 112). SAS 112's purpose is to develop a framework for reporting control weaknesses over financial reporting; SAS 112 is not designed to address other controls, such as operational controls. To ensure compliance with SAS 112, departments are responsible for documenting key controls in the following areas: general ledger reconciliation and approval, distribution of payroll expense review, effort reporting (i.e. PARs), physical inventory, purchasing, and payment of invoices. Departments are also required to review their key processes and controls, the amount of existing documentation, and the steps that might be taken to improve their departmental processes and controls.

Control deficiencies could result in losses, subject the University to greater scrutiny by the federal government and other stakeholders, and may impact the University's ability to obtain research funding. To ensure compliance with SAS 112, NRI should complete and maintain the SAS 112 Key Controls Documentation form that is located on the UCSB Office of the Controller's website. When internal controls change, updates should be made to the Key Controls Documentation form.

Management Corrective Actions

The institute had established key controls at the onset of SAS 112, but had failed to continue the process over time. We have since begun to use the Key Controls Documentation form.

Audit and Advisory Services will follow-up on the status of the management corrective action by November 30, 2011.

3. Export Control Education and Compliance

We observed during the audit that NRI personnel were not fully aware of export control regulations or who to contact on campus for guidance in this area when shipping items internationally. Export controls regulations are federal laws that restrict the export of specific commodities, technology, information, and software. The regulations are published and enforced by the Department of Commerce (Export Administration Regulations), Department of State (International Traffic and Arms), and the Department of the Treasury (Office of Foreign Assets Control). The majority of exports do not require licenses from these agencies; the regulations indicate which types of exports are controlled and require a license. On campus, the Director of Research Compliance is responsible for ensuring that research units like NRI are in compliance with export control regulations.

To improve the institute's understanding of export controls regulations, department personnel should contact the Director of Research Compliance to request a departmental training session. Training department personnel would help ensure familiarity and compliance with export control regulations.

Management Corrective Actions

The institute will work with the Director of Research Compliance to set up training for institute personnel with respect to export controls. Our goal is to have training and procedure in place by June 30, 2012.

4. Award Close Memos

Award close memos are not always sent to EMF within 2.5 months after the award end date. The award close memo was created to identify the key award closeout procedures and requirements, as prescribed by Accounting Services and Controls, to help out with the final financial report that is submitted to the funding agency. The current campus award close process is to have the close memo signed by the PI and submitted to EMF two weeks prior to the deadline for the final financial report. The award close memo documents the following:

- Agency name and number.
- PI's name and signature certifying all expenditures are appropriate and allowable.
- Account/fund number and end date.
- Outstanding charges.
- Justifications for exceptions to OMB Circular A-21 for F&A object codes.
- Unexpended balances and outstanding costs.

To ensure compliance with University and sponsor regulations, award close memos should be submitted to Accounting Services and Controls within 2.5 months after the end of the award.

Management Corrective Actions

The institute uses the GUS "Hot List" to determine which awards are due to close within the next six months. The PIs are notified via email that their award is due to close. The email also includes award balance information and asks whether or not they intend to request a no-cost extension. The institute will continue to work with the PIs to ensure compliance with University and sponsor regulations regarding the award close out.

Audit and Advisory Services will follow-up on the status of the management corrective action by November 30, 2011.