



## RESEARCH FINANCE POLICY

# Workpaper Adjustment Policy

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**Responsible Office:** Research Finance

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**Policy Contact:** Assistant Director of Research Finance-Grants  
**Management**

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## POLICY PURPOSE

To define a Workpaper Adjustment and document the scenarios in which Workpaper Adjustments are appropriate to be used in Vanderbilt University operations.

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## POLICY STATEMENT

Costs or encumbrances related to an award that are not reflected in Oracle at the time of grant close-out must be submitted to Research Finance before the sponsored required due date to facilitate a work paper adjustment to accurately reflect total award costs.

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## THIS POLICY APPLIES TO

This policy applies to all Vanderbilt employees involved in the creation, processing, approval and recording of cost to sponsored programs within Oracle Cloud that flow through to Project Portfolio Management (PPM).

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## DEFINITIONS

- **Workpaper Adjustment (WPA)** - A Workpaper adjustment is a top-sided adjustment used in Oracle's Project Portfolio Management (PPM) subledger to facilitate timely and accurate invoicing and reporting for Vanderbilt's sponsored contracts and grants. Workpaper adjustments are one-sided adjustments used to add or subtract costs from a project. Workpaper adjustments are used to temporarily represent legitimate commitments, where actuals have not yet been posted to Oracle. Workpaper adjustments only impact the PPM subledger and are not reflected in the general ledger.
- **Supporting documentation** - source documents, supportive calculations, and/or other items necessary to substantiate the accuracy and appropriateness of a workpaper adjustment (pending encumbrance).
- **Final Financial Report (FFR)** - An FFR is the final report submitted to a sponsor reflecting total cost incurred.

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## POLICY

### A. When To Use a Workpaper Adjustment

Workpaper adjustments should only be used in limited circumstances due to sponsor requirements and when the final invoice or final financial report (FFR) is due to the sponsor.

Workpaper Adjustments are allowed for the following scenarios:

- To facilitate removing unallowable costs noted by a sponsor upon receipt of an invoice. A WPA allows for timely resubmission of the invoice for payment. The WPA should be followed by an RCT to correct the unallowable cost in the source system.
- To facilitate posting committed costs in time to submit the FFR and final invoice to the sponsor. Committed cost discovered within 30 days of the FFR due date will only have a WPA completed when the combined cost is equal to or greater than \$1,000.
- To facilitate removing unallowable costs from a project in time to submit the FFR and final invoice.

### B. Workpaper Adjustment Documentation

Documentation for committed costs is mandatory and to be provided by the department.

### C. Reversal of Workpaper Adjustments

To ensure the PPM subledger and GL remain materially correct, workpaper adjustments need to be reversed following the posting of actuals from the appropriate Oracle subledger. Grant Analyst should monitor projects monthly to review and identify when actual costs have been posted. Once actuals have been identified the previously submitted Workpaper Adjustment should be reversed.

### D. Escalation

If the Workpaper Adjustment reversal cannot be completed within 45 days, the analyst is required to follow up with the school and update management.

If the Workpaper Adjustment reversal has not been completed within 75 days, the analyst should escalate to their assistant director to follow up with the school's CBO.

If the Workpaper Adjustment reversal has not been completed within 90 days, the analyst should reverse the WPA and update the invoice and/or reporting with the sponsor unless it is unallowable. If the cost is unallowable analyst should work with the school to identify the appropriate costing for cost share.

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## ADDITIONAL CONTACTS

Subject	Contact	Office	Phone	Email
Research Finance-Grants Management	Research Finance	Research Finance	N/A	Research.Finance@vanderbilt.edu