

Memorandum

May 5, 2009

To: J. Cooper. PPD/NovA Project

From: S. Dixon, FESS/Engineering

Subject: Cooperative Agreement Cost Accounting Procedure
NOvA Project
FESS/Engineering Project No. 15-1-3

Reference Documents:

Memorandum of Understanding between University of Minnesota and Fermi National Accelerator Laboratory (NOVA-doc-2824)

This memorandum describes the cost accounting procedure to be utilized by the NOvA Project Cooperative Agreement for the WBS 2.1 (Site and Building) portion of the NOvA Project.

The Memorandum of Understanding (MOU) between the University of Minnesota and Fermi National Accelerator Laboratory (NOVA-doc-2824) provides guidance for the implementation of the Cooperative Agreement between the U.S. Department of Energy and the Regents of the University of Minnesota (DE-FC02-07ER41471). In general, the MOU operates on the principal of consensus on the major decisions related to the Site and Building tasks. It is recognized that the cost reporting for the Cooperative Agreement is from the University of Minnesota to the U.S. Department of Energy even though the NOvA Project reporting is through Fermilab. This procedure is intended to unify and align the various reporting requirements.

Procedure

Monthly Accrual Reporting

- The University of Minnesota Development Manager, or designee, will provide monthly accruals for the costs expended by the Development Manager (Hines Interests), Architectural/Engineering Firms and Construction Contractors.
- The accruals will be broken down by NOvA Project Work Breakdown Structure (WBS) task.
- These accruals will normally be forwarded to the Fermilab by the 25th of each month.
- After review by the NOvA Project Control Account Manager for Site and Buildings, the NOvA Project Financial Officer will enter the accruals into the Fermilab Earned Value Cost Processor.

Monthly Cost Reporting

- The Principal Investigator for Cooperative Agreement, or designee, will provide backup data or reports to reflect costs paid that month.
- The reports (known as Summary Statement for Account) will be provided electronically at the completion of the normal University of Minnesota accounting period.

Reconciliation

- On a periodic basis, to align with DOE reporting requirements for the Cooperative Agreement and/or the American Recovery and Reinvestment Act, the Principal Investigator for Cooperative Agreement, or designee, will provide a copy of the University of Minnesota's Enterprise Financial Systems Report that details the actual costs applied against the Cooperative Agreement. It is anticipated that the American Recovery and Reinvestment Act will require a quarterly report.
- The NOvA Project Financial Officer will reconcile the accruals with the quarterly report and adjust the cost reporting within the Fermilab Earned Value Cost Processor as required.

Below are the current assignments listed above:

University of Minnesota Development Manager – C. McNabney, Hines

Principal Investigator for Cooperative Agreement – M. Marshak or current designee: Virginia Olson

WBS Control Account Manager for Site and Buildings – S. Dixon, Fermilab

NOvA Project Financial Officer– S. Saxer, Fermilab

Fermilab Earned Value Cost Processor – Deltek Cobra