

POST AWARD MANAGEMENT: EXAMPLES OF EVERYDAY ISSUES

Presented by:

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at OSR CHICAGO Research Admin. Meeting

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GETTING STARTED ON THE RIGHT FOOT

- Begins at proposal stage, develops throughout the life of a grant
- Dept. Checklist was developed to ask proactive questions so you can get started on Sponsored Project Management
- Start worrying about close out at the beginning



READING AGREEMENTS

- Look for Service Dates
- When are the reports due? (Ex: progress and financial)
- Any restrictions mentioned on award letter ?
- Look for Carryover and Re-budgeting Terms to avoid pitfalls at the end.
 - Did you know state awards typically don't allow rebudgeting?
 - Did you get the carryover you asked for (if any)
- Review the approved budget
 - Talk to PI is the plan staying the same or Do you need to make changes
 - Does the sponsor allow this without approval
- Compare Agreements to PAS (Project Account Summary)



DEPT. TO PAS TO NUFIN REVIEW

Reconciling a PAS

Maintain a history of awarding so you can see what is going on. Year 3 amendment for 12,112.00 came over.

Project Title: <u>Example.... Project 60012345 SP00123456</u>			
Doc	Period Covered	Amount	Total
1	10/1/12-9/30/13	7,376.00	7,376.00
2	10/1/13-09/30/14	5,859.00	13,235.00
3	10/1/14-09/30/15	12,112.00	25,347.00
4			

Review Actual agreement.... To your records.... Notice that total amount does equal so this means sponsor must not have not given Carryover from prior period (if you look at the agreement you find they mention that). Therefore there is a restricted balance issue.

- I. **Fees.** Section V of the Subcontract is hereby amended by inserting the following language:
 "The aggregate Funded Amount is hereby increased by Twelve Thousand One Hundred Twelve Dollars **\$12,112** as the Funded Amount in accordance with the budget set forth on the Exhibit B-3 attached hereto. Carry forward of funds from prior period has not been approved. The Aggregate Funded Amount is not to exceed a total of Seventeen Thousand Four Hundred Thirty One Dollars **\$17,431**).

Doc	Period Covered	Amount	Total
1	10/1/12-9/30/13	7,376.00	7,376.00
2	10/1/13-09/30/14	5,859.00	13,235.00
	Carryover denied	-7,915.89	5,319.11
3	10/1/14-09/30/15	12,112.00	17,431.11
4			



PROPOSED BUDGET VS ACTUAL PLAN

- Use the proposed budget to develop a spending plan.
 - Modular Awards- Will not have a budget so you will need to communicate with the PI and create one.
 - There is a lot of flexibility with these budgets but the plan is meant to give you something to evaluate or reevaluate and generate discussions with the PI to stay on course
 - Did you proposed a subcontract have you filed the ESPR request
 - Payroll do you need to encumber anyone?
 - start to inform payroll staff of changes
 - Did you get your carryover approved?
 - Begin placing orders
 - See my Department Checking in new award checklist for additional actions you may need to consider. [See Attachment](#)
 - Use [Projection Template](#) to plan actual expenses



FUNDAMENTALS EVERYONE SHOULD KNOW

- What type of Grant do you have?
 - Cost Reimbursable or Fixed Price?
 - Cost Reimbursable means we are being paid for each expense posted and billed.
 - Always know who is billing your grant
 - Fixed Priced agreement means we are being paid for work preformed at a fixed cost.
 - Typically billed by Department but read your agreement
 - Example: Enrollment based agreements, where you are paid a fixed amount per patient
 - ❖ Beware of agreements that say Cost reimbursable on header but when you read them you find out they are not.



TYPES OF AWARDS

	Invoicing INV	Scheduled SCH	Fixed Price FP	Letter of Credit LOC
Funding	Cost Reimbursed	Cost Reimbursed Deliverables	Fixed Cost	Cost Reimbursed
Invoice Support	Usually Minimal	Usually Detailed on Reports	Invoice, Deliverable or sometimes Neither	None
Unspent Balances	Not Billed	Usually Returned	Retained	Not Drawn
Rebudgeting	Usually Yes	Usually Restricted	Usually Yes	Usually Yes
Interest	Not Billed	MAYBE	No	No

READ YOUR AGREEMENTS TO BE SURE



FUND NUMBER

FUND	Type	Form of Agreement	Most common form of Billing
610	Federal	Grant, Cooperative Agreement, Contract	Letter of Credit (LOC) except Contracts those are Invoiced
620	Federal Flow-Thru	Typically FDP sub-agreement	Invoice by ASRSP
630	State and State flow thru	Contract	Invoice by ASRSP
640	Clinical Trials	Contract	Usually Invoiced by Department
650	Other	Contract	Invoiced by ASRSP
191	Mandatory Cost sharing	Dept. is owner. Sponsor is either Dept. or Possibly College	Paid by Transfer Journal
192	Over the Cap Salaries Cost Sharing (Salary only)	Dept. is owner and sponsor	Paid by Transfer Journal
193	Voluntary Cost Sharing	Dept. is owner, sponsor is dept. or Possibly College	Paid by Transfer Journal

FIXED PRICED AGREEMENTS- AREAS OF CONCERN

Normally F/P agreements are least to worry about but you should watch the following.

- Not billing =No Revenue. Worse thing is that there are expenditures. Watch your awards
- Some are open ended (no End date), NU will give you a 3 year grant period and then you either get it extended or closed.
 - Close out notices will go out in year 3.
 - What happens if on an open end date the sponsor decides to close the award in year 2?
 - Most likely not billed
 - Most likely expense posted thus loss of funds
 - To have a bilateral close with the sponsor
 - Bill every Monthly or Quarterly
 - Make sure they are paying you
 - Make sure you submit deliverables.
 - Review your award thoroughly at least once a year
 - Don't ignore these either!



FIXED PRICED BALANCE

- F/P agreement allows department to keep the balance unless the agreement states otherwise
- Dept. should be spending at a minimum 75% of the budgeted dollars otherwise it raises a red flag
 - Try to capture the salary expenses committed on these awards when you can.
- When a grant has ended and all expenses are finalized ASRSP will contact you about the balance. Please provide...
- Non-sponsored chart-string for direct costs (can be dept. id or PI 172 chart string)
- Dean will receive the associated F & A for the balance



HYBRID AWARDS

- Mixture of Fixed Priced and Cost Reimbursable
 - These are sent in order to meet committed salary (Cost reimbursable portion) and allow for payments on enrollment /deliverable milestones.
 - One AWARD ID, multi projects.
 - One project will be set up for the committed salary and is billed by ASRSP
 - Another project for the enrollments and is billed by department
 - Require good set up, I think we worked out the bugs.
 - Requires good communication between RA and GCFA



FOUNDATIONS

- Typically Scheduled with Reporting Requirements
- Few may require ASRSP pay interest
- PI signs Reports before GCFA supervisor
- Do not send reports to sponsor without all signatures.



SUBCONTRACTS AREA OF CONCERN

- Short reporting deadlines
- Require you to be on your toes about expenses
- Carryover is now less common, many are restricting carryover more and more
- Agreements are tricky sometimes. If you get a non-FDP agreement read it carefully



RECONCILING BUDGET STATEMENT

- What are you doing?
- What you should be doing
 - Review GL008 (Detailed report)
 - Benefit to the grant and Cost principals (Allowable, Allocable etc...)
 - Do you have a charge on the GL008 you did not expect
 - Did all budgeted or planned expenses post?
 - Is the payroll posting correctly? Use PED /FASIS Query
 - Are all recharge expenses posting as expected? (normally 1 month in arrears)
 - If someone is shopping at stores (like VWR), make them aware of end date of a grant.
 - If you have a subcontract, is the Subcontractor billing you timely? (normally 1 month in arrears)
 - Tuition and Stipends encumbered and Posting?



GL008 REVIEW (CONTINUED)

- ❑ Are expenses on correct account codes
 - ❑ watch 75720 items
 - ❑ Look for errors
- ❑ Unusual items posting? (Bookstore charges etc...)
 - ❑ verify unlike circumstances are documented
- Is your grant being charged for Administrative Salary or over time? If it is....do you have permission to do this?
- Cost sharing posting correctly?
- Watch Large dollar purchases – auditors do.



GL008 -DETAIL

Account / Transaction Type	Transaction ID	Line/Schedule/Distribution	Budget Check Date	Description	Pre-Enc/Enc	Account Beginning Balance	Transactions	Account Ending Balance	GL Post Date
Voucher		3/1	12/9/14	6Q8002681510 000010 VWR CRYOP LIFE TECHNOLOGIES CO/69136229/GELTREX LD			383.64		12/9/14
Voucher	251	9/1	12/10/14	VWR INTERNATIONAL IN/8059786836/KIT CDNA S			712.00		12/10/14
Voucher	010	1/1	12/19/14	QIAGEN INC/96634440/RNeasy Plu			322.71		12/19/14
Voucher	25	2/1	12/23/14	VWR INTERNATIONAL IN/8059912507/6Q80026815			7.51		12/23/14
Voucher	25	3/1	12/23/14	VWR INTERNATIONAL IN/8059912507/6Q80026815			568.62		12/23/14
73475 Lab Supplies and Hardware					\$0.00	\$938.13	\$0.00	\$938.13	
78710 Indirect Cost - Sponsored					\$0.00	\$21,980.09	\$7,750.76	\$29,730.85	
F&A	VNWUNV201281	N/A	12/9/14	-			209.08		
F&A	VNWUNV01286	N/A	12/10/14	-			388.04		
F&A	GNWUNVHR01	N/A	12/15/14	F&A ONPayroll Expense			1,069.07		
F&A	GNWUNVHR01	N/A	12/15/14	F&A ONPayroll Expense			297.19		
F&A	VNWUNV010501287580	N/A	12/19/14	-			175.88		
F&A	VNWUNV25901287951	N/A	12/23/14	-			4.09		
F&A	VNWUNV25901287951	N/A	12/23/14	-			309.90		
F&A	GNWUNVHR01	N/A	12/29/14	F&A ONPayroll Expense			1,069.07		
F&A	GNWUNVHR00	N/A	12/29/14	F&A ONPayroll Expense			297.20		
F&A	GNWUNVHR003	N/A	1/5/15	F&A ONPayroll Expense			855.15		
F&A	GNWUNVHR003	N/A	1/5/15	F&A ONPayroll Expense			3,076.09		
Ending Balances/Expenses and Open Commitments					\$47,460.55			\$84,282.93	



GM045 (SUMMARY) REVIEW

- Review the GM045 Are the expenses falling in line with the Budget you established on the proposal.
 - Compare the Budget details you created during proposal to GM045
 - Is someone over spending in on category and what are you going to do about it?
 - Spending plans need to be checked.
 - Are their encumbrances or expenses missing that you need to make sure to monitor so you don't give a PI the wrong balance?



GM045 BUDGET STATEMENT- SUMMARY

 <p>NORTHWESTERN UNIVERSITY</p>	<h2>Sponsored Project Budget Statement</h2> <p>For Fiscal Year 2015 As of Accounting Period 4 - December 2014 (Closed)</p>	<p>Fiscal Year: 2015 Accounting Period: 4 - December Manager/Reviewer: All Current Department: All Project Status: Active Projects Only Project: 60012345 - Spontaneous formation of Gamma Particles Display Certificate: Yes</p>
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Account & Description	Fund	Dept	Activity ID	(A) Incep-TD Budget	(B) Current Period Exp	(C) FY-TD Exp	(D) Incep-TD Exp	(E) Open Req Enc	(F) Budget Checked Not Posted	(A-D-E-F) Bal Remaining	(A-D-E-F) % Available
Project: 60012345 - Spontaneous Formation of Gamma Particles in a Vacuum											
Award ID: SP0012345 FDP/RTC: Yes Bill Type: LOC Project Dates: 8/1/2014 - 7/31/2019 Project PI: Banner, Robert Bruce Research Administrator: Kate Waynesboro Project Status: Open Sponsor: National Heart, Lung, and Blood Institut Primary Project: 60012345 Spontaneous formation of Gamma Particles in a Vacuum Originating Sponsor: - Primary Project Department: 5222000 Reproductive Biological Rsrch Criteria sor Reference Award #: 1R01HL012345-40A1 Project Type: Federal Grants and Contracts FAIN: R01HL012345 Product: GRANTS_REIMBURSABL ASRSP GCFA: Kathy Mustea Total Payments Applied: \$78,707.89 Clinical Trial: No											
Activity ID: 01 Budget Period Ending 7/31/15											
F&A Rate and Base: 54.50% MTCN											
Sponsor											
60010 Academic Personnel	610	5222000	01	\$0.00	\$5,644.20	\$22,954.91	\$28,220.97	\$3,364.98	\$0.00	(\$31,585.95)	0.00%
60011 Faculty Salaries, Regular					\$5,644.20	\$22,954.91	\$22,954.91	\$3,364.98	\$0.00		
60030 Research Professional Salary					\$0.00	\$0.00	\$5,266.06	\$0.00	\$0.00		
60100 Non-Academic Personnel	610	5222000	01	\$0.00	\$3,923.20	\$15,692.80	\$15,692.80	\$31,385.60	\$0.00	(\$47,078.40)	0.00%
60104 Technical-Paraprofessional					\$3,923.20	\$15,692.80	\$15,692.80	\$31,385.60	\$0.00		
60180 Fringe Benefits	610	5222000	01	\$0.00	\$2,659.72	\$10,741.00	\$12,162.84	\$9,660.66	\$0.00	(\$21,823.50)	0.00%
60186 Fringe Benefits Full					\$2,659.72	\$10,741.00	\$12,162.84	\$9,660.66	\$0.00		
60210 Non-Academic Temp, Work Study	610	5222000	01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
72800 NIH Modular Direct Cost Budget	610	5222000	01	\$250,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250,000.00	100.00%
73000 Supplies	610	5222000	01	\$0.00	\$1,994.48	\$5,163.37	\$5,163.37	\$3,049.31	\$0.00	(\$8,212.68)	0.00%
73300 Chemicals					\$1,994.48	\$4,225.24	\$4,225.24	\$3,049.31	\$0.00		

GIVING A PI A BALANCE

- Use a Closed Budget Statement
- Take the Total Remaining balance on a statement subtract sum of missing expenses plus missing fringe (needs to be calculated) = Total costs available.
 - Sum of (Missing Encumbrances, Missing Cost transfers, Missing Payroll yet to be adjusted, Missing tuition, Missing Equipment, Missing recharge center exp., Missing whatever else was budgeted but just not yet processed) x F & A rate
- Total Cost Available divided by 1+rate (in decimal form) = Direct Costs
- Direct costs are what the PI wants but I would still round DOWN.
- Ex: You have a 100K grant so far you have spent 80K. Missing expenses total 10K, F & A rate is 54.5
 - $20K - 10K - (10k \times .545 = 5,450.00) = 4,550$ Total costs available.
 - $4,550 / 1.545 = 2,944.98$ direct costs left.



CALCULATING PI BALANCE (EASY)

- Use a spreadsheet!
 - Indirect Cost Checker

 Indirect Cost (IC) Check							
NORTHWESTERN UNIVERSITY		Chart String: 610-510000-60012345			PI: Wonder Woman		
						Anticipated Adjustments	TOTAL
IC Rate	54.50%	54.50%	54.50%	0.00%	0.00%	0.00%	
Period Ending	2/1/2015	Payroll	Missing items				
Direct Costs (DC) Expenses	51,779.94	2,500.00	7,500.00	0.00	0.00	0.00	61,779.94
Excluded IC Code*							
77560	0.00	0.00	0.00	0.00	0.00	0.00	0.00
78050	0.00	0.00	0.00	0.00	0.00	0.00	0.00
78650	0.00	0.00	0.00	0.00	0.00	0.00	0.00
xxxxx	0.00	0.00	0.00	0.00	0.00	0.00	0.00
xxxxx							
xxxxx							
Direct Cost Less Excluded IC	51,779.94	2,500.00	7,500.00	0.00	0.00	0.00	61,779.94
IC Expenses	28,220.06	1,362.50	0.00	0.00	0.00	0.00	29,582.56
Total Expenses (DC + IC)	80,000.00	3,862.50	7,500.00	0.00	0.00	0.00	91,362.50
Calculated IC	28,220.07	1,362.50	4,087.50	0.00	0.00	0.00	33,670.07
IC Variance	-0.01	0.00	-4,087.50	0.00	0.00	0.00	-4,087.51
 A positive total difference must be deducted from total ic via JV				 A negative total difference must be added to total via JV			
Total Award	100,000.00	IC Rate	54.50%	ASRSP Action Necessary to Close			
Total Expenses	91,362.50	Adjusted DC Balance	2,944.98	DC to expend (pos) or remove (neg)			2,944.98
Less: IC Adjustment	-4,087.51	Adjusted IC balance	1,605.01	IC to JV			5,692.52
Adjusted Balance	4,549.99	Adjusted Balance	4,549.99	Should be unspent balance or o/d amt			8,637.50
Prepared by:	Name	KM	NOTE:	Told PI he has 9K			
Date:	Date	3/19/2015					
*Common Excluded IC Codes							
	77560	Capital Equip/Scientific Instr-Cap.	77510-77599	Capital Equipment			
	77570	Capital Equip/Computers-Capital	78010-78080	Tuition / Stipends			
	77535	Fabricated Equipment	78642	Subcontracts to \$25,000 Waived			
	76910-76960	Telecommunication Expenses	78650	Subs over \$ 25K			

PAYROLL RECONCILIATION

- GL008 can't be used to reconcile payroll details
- Not everyone who has access to GM045 or GL008 has access to payroll So Reconciling payroll maybe the job of specific person in your department.
- PED (Payroll Expense Distribution)
 - Vista/Cognos Report
- FASIS Query
- Should be reconciled MONTHLY, alongside GM045



RESTRICTED CARRYOVER

Carryover that is prohibited by the sponsor from one year to another

- GCFA should restrict the balance after a report is completed on 78811
 - If not please call them on it
 - A report or invoice is typically due that helps obtain a figure
- Work with OSR to request permission to use it
 - Requires approved report in many cases
- On incoming subcontracts: When carryover is denied make sure it is removed correctly
- When it is approved - talk with your GO about appropriation
- You should know what is in 78811 account code and why



EXAMPLE OF COMMON MISUNDERSTANDING

8	610		75000	01	0.000	27,480.240	0.000	0.000	-27,480.240
9	610		75300	01	0.000	63,887.190	0.000	0.000	-63,887.190
10	610	600	76761	01	0.000	16,431.440	0.000	0.000	-16,431.440
11	610		77000	01	0.000	0.000	0.000	0.000	0.000
12	610		77500	01	0.000	0.000	0.000	0.000	0.000
13	610		78021	01	0.000	0.000	0.000	0.000	0.000
14	610		78641	01	25,000.000	25,000.000	0.000	0.000	0.000
15	610		78651	01	87,557.000	7,482.680	0.000	0.000	80,074.320

Account & Description	Fund	Dept	Activity ID	(A) Incep-TD Budget	(B) Current Period Exp	(C) FY-TD Exp	(D) Incep-TD Exp	(E) Open Req Enc	(F) Budget Checked Not Posted	(A-D-E-F) Bal Remaining	(A-D-E-F) % Available
Project: 60											
Activity ID: 01 Budget Period Ending 6/30/15											
F&A Rate and Base: 52.50% MTDCN											
Sponsor											
77000 Equip Under \$5000	610		01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
77500 Capital Equipment	610		01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
78021 Tuition	610		01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
78641 Subcontract < 25000	610		01	\$25,000.00	\$0.00	\$0.00	\$25,000.00	\$0.00	\$0.00	\$0.00	0.00%
78640 Sub Contracts To \$25,000					\$0.00	\$0.00	\$25,000.00	\$0.00	\$0.00		
78651 Subcontract > 25000	610		01	\$87,557.00	\$0.00	\$0.00	\$7,482.68	\$0.00	\$0.00	\$80,074.32	91.45%
* 78650 Sub Contracts Over 25,000					\$0.00	\$0.00	\$7,482.68	\$0.00	\$0.00		
78664 Human Subject Costs	610		01	\$0.00	\$0.00	\$300.00	\$2,550.00	\$0.00	\$0.00	(\$2,550.00)	0.00%
78660 Research Subject Fees					\$0.00	\$300.00	\$2,550.00	\$0.00	\$0.00		
Total Direct:				\$1,129,597.00	\$3,685.22	\$102,028.16	\$1,043,359.79	\$47,815.55	\$1,171.79	\$37,249.87	3.30%
78700 F&A	610	5262000	01	\$528,963.00	\$1,934.75	\$53,564.88	\$543,836.94	\$25,103.16	\$615.19	(\$40,592.29)	-7.67%
* 78710 Indirect Cost - Sponsored					\$1,934.75	\$53,564.88	\$543,836.94	\$25,103.16	\$615.19		
Total Direct & F&A:				\$1,658,560.00	\$5,619.97	\$155,593.04	\$1,587,196.73	\$72,918.71	\$1,786.98	(\$3,342.42)	-0.20%
Total for Sponsor Direct, Indirect & Restricted:				\$1,658,560.00	\$5,619.97	\$155,593.04	\$1,587,196.73	\$72,918.71	\$1,786.98	(\$3,342.42)	-0.20%

THINGS TO LEARN FROM PREVIOUS SLIDE

1. You will have an F & A deficit or surplus balance when you don't spend as budgeted.
 - Not a problem for awards that allow re-budgeting, therefore a problem only for those awards that don't allow re-budgeting.
 - Be careful not to tell the PI the direct balance only when you have large indirect costs surplus or deficits (such as example)
2. Budget Overview will not encumber F & A
3. Budget Overview treats travel expenses as Paid out but could still be in the approval process
4. Budget overview **will** show expenses that posted same day
5. GM045 has information only as of the night before
6. RA's need to care about Total Costs
 - Your PI will only care about Direct (that's fine) so long as you are watching the total costs for him....Someone has too.



LITTLE THINGS

- When asking for assistance always be specific
 - What grant are you talking about? Provide a Award ID (SP#) and Project number (600xxxx)
 - General advice is dangerous
- Advice or unusual situations provided for one grant can't always be applied to another grant -- Sorry ☹
- Exceptions provided on one grant should not be applied to other grants without another special requests
- Don't Rush every thing
- Don't be afraid to ask questions



BEST DEPARTMENTS WILL

- Have good communication between Business staff and Research Administration Staff.
 - Lots of Respect, Trust and Discussion
- When an RA is overwhelmed there is someone who steps up and helps the RA. Many times it's the BA/DA (Business Admin/Division Admin). They will help with closeout or the financial/business side. If not they have back up where other RA's substitute for on another.
 - Each division at FSM is different but it requires some planning to get this going
- Will meet with GCFA once in a while to discuss portfolio
- Find the way to make it work with compliance in mind



DISCUSSION

