
Pre Award Preparation for Post Award Compliance

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Objectives of this Session

- Learn the similarities and differences between pre and post award worlds
- Learn which pre award issues affect post award grants management
- Learn how to minimize the disconnect between pre and post award
- Provide information resources
- Engage in discussion

The Basics

- What is “pre award” and where does it happen?
 - Seek funding opportunities
 - Grantwriting
 - Proposal submission
 - Award acceptance
 - Contract negotiation

The Basics, continued

- What is “post award” and where does it happen?
 - Grants accounting
 - Grants management
 - monitoring spending
 - billing - collecting
 - budget transfers
 - effort reporting
 - no cost extensions
 - Compliance

Pre and Post: More alike than you think!

Both pre and post award staff must:

- Read and understand program guidelines and award terms and conditions especially as they relate to financial aspects
- Understand institutional policies and procedures (purchasing, HR, personnel)
- Communicate

WHAT YOU DO IMPACTS YOUR COUNTERPARTS!

Nuts and Bolts: The Regulatory Issues

- Federal policy
- OMB Circulars
 - A21 (2 CFR 220) – defines allowable costs for educational institutions; A122 (2 CFR 230) for nonprofits
 - A110 (2 CFR 215) – defines administrative standards
 - A133 – defines audit standards
 - FASB & GASB
- State regulations
- University policies

Administrative Issues

- Personnel
- Operating Costs
- Compliance
 - Regulatory
 - Financial

Personnel

- Effort: A21 Sec. J10
 - Proposals submitted > 100% ok
 - Awards received > 100% not ok
- NIH Salary cap: 2009-Executive Level I - \$196,700
- Inflationary increases
- Types of personnel
 - Part-time vs. full-time
 - Hourly student vs. assistantship
 - Employee vs. consultant

Personnel: Employees vs. Consultants

- What category?
 - Employee
 - Employer controls and directs work to be done and how it is done
 - Consultant
 - No control or direction by university.
 - Engaged in independent trade, business, or profession
 - Offers services to the general public

- What type?
 - Subcontractor
 - Consultant
 - Independent Contractor

- Why does it matter?

Budget and Expense

- Supplies
 - No general supplies in budget
 - Exceptions?
 - Supplies remaining at the end of the grant period
- Travel
 - Limits?
 - Foreign travel
 - Fly America Act
- Equipment
 - Equipment = useable life of at least 1 year; value of \$5,000 or more per unit
 - who accounts for it?
 - what happens to it when the project ends?
 - what about maintenance?
- Patient care
 - Costing of required procedures

Financial Compliance

- Allowable
 - Pre award budgets = post award expenses; do regulations allow?
- Allocable
 - What project(s) or people benefit from these activities?
- Reasonable
 - Would a “prudent person” make this expense?
- Consistent
 - Are all expenses treated similarly (in like circumstances)?
- Direct Costs
 - Identified to an activity
- Indirect Costs
 - Not directly identified to an activity
- Cost Sharing
 - Costs not borne by sponsor

Financial Compliance

- Expanded authorities
- Can post award handle reporting requirements?
 - Receipts?
 - Monthly billings?
 - Timesheets?
- What happens when we don't get paid?

Financial Compliance, cont.

- Facilities and Administrative Costs
 - Preaward
 - Full F&A in proposal?
 - Sponsor's written policy
 - Who covers the difference?
 - F&A waivers
 - Recovered F&A distribution
 - Avoiding problems when returning recovered F&A

Financial Issues: Cost sharing

- Is cost share required and/or necessary?
- At what level and who commits?
 - Sign offs for resources
 - Money vs. in-kind
 - Cost share by collaborators
 - Documentation
- Does cost share enhance the proposal's competitiveness?

Responsibility Issues

Who is responsible, who accepts risk?

- What do your institutional sign-offs mean?
 - Fiscal responsibility for cost overruns
 - Resources available to conduct work
 - PI release time / replacement costs

Postaward Management: Regulatory Compliance

Human Subjects

- Certifications and approvals

■ Animal Subjects

- Assurances and costs

■ Export Control Act: what raises a red flag?

■ Hazardous materials

- Licenses and notifications

Regulatory Compliance: Export Control Act

The role of Pre & Post

- Contract negotiation—what can we accept?
- What is covered under the Act?
 - Controlled technology items sent from the US to a foreign destination
 - Nuclear materials, certain software and technologies, blue prints, design plans,, technical information, firearms.
- Fundamental research exclusion

US Patriot Act

- What is the Patriot Act?
 - Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001
 - “Restricted persons” can’t have access to select agents
- Who are “restricted persons”
 - Fugitives from justice;
 - An unlawful user of any controlled substance;
 - An illegally alien
 - A national of: Iran, Iraq, Syria, Libya, Cuba, North Korea, and the Sudan;
 - Received dishonorable discharge from US Armed Forces

US Patriot Act

How does it affect your institution?

- Restricts certain personnel from working in research labs using select agents
 - Identification of foreign nationals
 - Faculty, staff and students
 - Enforced at the college/department/lab level
 - Key card access
 - PI and staff awareness
- Collecting & reporting information on foreign students
 - Visa status
 - Date and port of entry

Intellectual Property

- Intellectual property
 - Patents and copyrights
 - Institutional policy
 - Who must be notified
 - Disclosure in proposal?
 - Identify confidential information

Minimizing Disconnects

- Physical location of pre and postaward staff is important
 - Regular meetings
 - Regular phone calls / emails
 - Newsletter of current issues
 - Informal get-togethers

Minimizing Disconnects

- Know where to find policies, procedures and university rules
- Ask questions
- No “us vs. them” mentality with PIs
- Pre, Post and Department: be a united front to the PI

Minimizing Disconnects

- Policies and Procedures on the Web
 - Combined or separate
 - Review periodically and update
 - Internal Audit review of policies and procedures

Minimizing Disconnects

- Pre award notify postaward of upcoming
- Post award staff review of proposals likely to be funded (e.g., appropriations)*
- Pre award staff review of awards

*unlikely to happen prior to submission

Resources

- NCURA Video Series: Postaward Issues for Preaward and Departmental Administrators (ncura.edu)
- “Guide to Managing Federal Grants for Colleges and Universities” (joint NACUBO, NCURA publication)

Discussion

■ Questions and Comments?

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Thank You!