Award Management

GUIDE TO POST AWARD MANAGEMENT

What is a sponsored project?

- A sponsored project is an externally-funded activity in which a formal written agreement, i.e., a grant, contract or cooperative agreement is entered into by the University and by the sponsor. A sponsored project may be thought of as a transaction in which there is a specified statement of work with a related, reciprocal transfer of something of value.

Conditions characterizing a grant

- Statement of work
  - Grants are typically awarded in response to a detailed statement of work and commitment to a specified project plan. The statement of work is usually supported by both a project schedule and a line-item budget. The statement of work and the budget are usually described in a written proposal submitted to a sponsor for a competitive review.
- Detailed Financial Accountability
  - Line-item budget related to the project plan which may specify allowable and unallowable costs and requirements for prior approvals of changes to budgets, scope or PI. Contain a specified period of performance, requirement to return unexpended funds (if prepaid or scheduled payments are received), & financial reporting.
- Disposition of Properties
  - Usually include terms and conditions for the disposition of tangible properties (e.g., equipment, records, technical reports, theses, or dissertations) or intangible properties (e.g., rights in data, copyrights, or inventions).

Conditions characterizing a contract

- Statement of work
  - Contracts are typically awarded in response to a request from the sponsor for work. They usually have specified deliverables which are specified by the sponsor.
- Financial Accountability
  - Contracts may be cost reimbursement or fixed price. Budgets are included to define allowable and unallowable costs. These too will contain a performance period. May require invoicing or financial reporting. Fixed price contracts do not usually require the return of unexpended funds.
- Disposition of Properties
  - Usually include terms and conditions for the disposition of properties.

ORA or GCA

- ORA (Office of Research Administration) is the central resource for the negotiation of sponsored programs and service contracts. This office reviews, negotiates and executes all basic research, clinical research, public service, subrecipient, and professional agreements. Reports to the VPR.
- GCA (Grants and Contracts Accounting) is the central resource for all post award administration and financial support to Principal Investigators, Project Directors, and Sponsors. This office is responsible for all activities concerning external and internal audits of sponsored project expenditures and audit resolution. GCA is also responsible for assuring compliance of cost sharing, effort reporting, cost allow-ability and F&A administration. Reports to the VP of Administration and Finance.

GCA Website

- Our website includes resources to assist in the departmental administration and compliance when executing a sponsored project. It includes:
  - Single Audits
  - Sponsored Program Definitions
  - Forms & Tools
  - OMB (Office of Management & Budget-Federal) Uniform Administrative Requirements
  - Policies & Procedures
  - Links to Sponsor Regulations
  - Staff Listing with department assignments
- https://financialservices.ouhsc.edu/Departments/Grants-and-Contracts
- Manual navigation: HSC home page> Faculty & Staff > Administration & Finance>Financial Services > Grants & Contracts

GCA Financial Responsibility

- **Financial Reporting**
  - GCA reconciles and prepares all financial reports for all sponsored projects.
- **Invoicing**
  - GCA invoices all sponsored projects that require an invoice in order to receive payment with the current exception of clinical trials. Clinical trials are invoiced by the department, but these invoices must be submitted to our office to include them in the accounts receivable system.
- **Deposits**
  - All deposits related to sponsored projects are posted through GCA. If your department received a payment, vendor refund or reimbursement of costs from a sponsor, the payment needs to be delivered to GCA for posting. GCA also receives all funds related to closing a petty cash fund on a sponsored project.

Department Responsibility

- **First Line Compliance**
- **Proper effort assigned**
  - Properly assigning effort to projects is crucial for the proper distribution of salary costs. Salaries are generally the most significant cost associated with a sponsored project. If effort is erroneously assigned, we are either charging too much or too little to a project or charging one project for effort that should be reflected on another project.
- **Monthly reconciliation**
  - Reconciliation is REQUIRED on a monthly basis.
  - Must be reviewed with the PI and signed by the PI to be considered complete.

Project Status Report

- Automated report sent to the email address of the project contacts
- Six distinct tabs: StatusRpt, Activity, Payroll, SPNSR Exp, CostShare and Analytics
- Provides the information needed for monthly reviews and reconciliations
- Payroll encumbrances are a formula and not actuals.
- All other encumbrances are directly from PeopleSoft

Budgets

- University budget categories are capital equipment, renovations, salaries, fringe benefits, supplies, stipends, tuition, consulting, scholarship, travel, travel trainee, travel foreign, subrecipient <= $25,000, subrecipient > $25,000, patient care, other & f&a.
- All proposed budgets should be submitted using only these categories.
- Budget justifications are used to define these categories. There should be a narrative on expenses that make up the totals in each budget category.
- Invoices are a standard format that are system generated with these specific categories.

https://financialservices.ouhsc.edu/Training#594463508-training-manuals

Advance Account

- Formerly known as ECAV.
- Purpose is to provide the department with the chart field spread to use to post project related costs prior to receiving the executed agreement.
  - If you are reasonably certain that funding is going to be awarded and the performance period is going to begin prior to execution of the contract, an advance account request must be submitted.
- Submit to ORA initially via Sooner Track http://soonertrack.ouhsc.edu/
- Chart field assigned by GCA

Award Number vs Project Number

Award number – Begins with the year (2021, 2022) that the proposal was submitted. The award number encompasses the entire time span of the proposal. If the proposal is for three years, the award number will be the same for 3 years and will change at the time of a competing renewal.

Project number – The project number changes each time a financial section of the award must be reported separately or there are multiple projects within one award.

Personnel Appointment

- Grant personnel must be appointed through the Human Capital System.
- The proposed budget is a good estimate of the amount of time to be charged to the award but must be confirmed through the time and effort certification process, (eCRT).
- Personnel with an institutional base salary greater than $212,100 on federal awards, must cost share the additional salary.
- Promised salary cost share must be documented in the PeopleSoft system. This is done through the ePaf process.

Institutional Base Salary

- Also known as IBS.
- Annual compensation paid by your university for an appointment, whether that individual's time is spent on:
  - Research (Sponsored or Departmental)
  - Instruction
  - Administration
  - Outreach/Public Service
- Is the guaranteed portion of the employee's pay.
- The IBS does not include bonuses, one-time payments or incentive pay.

Cost Share

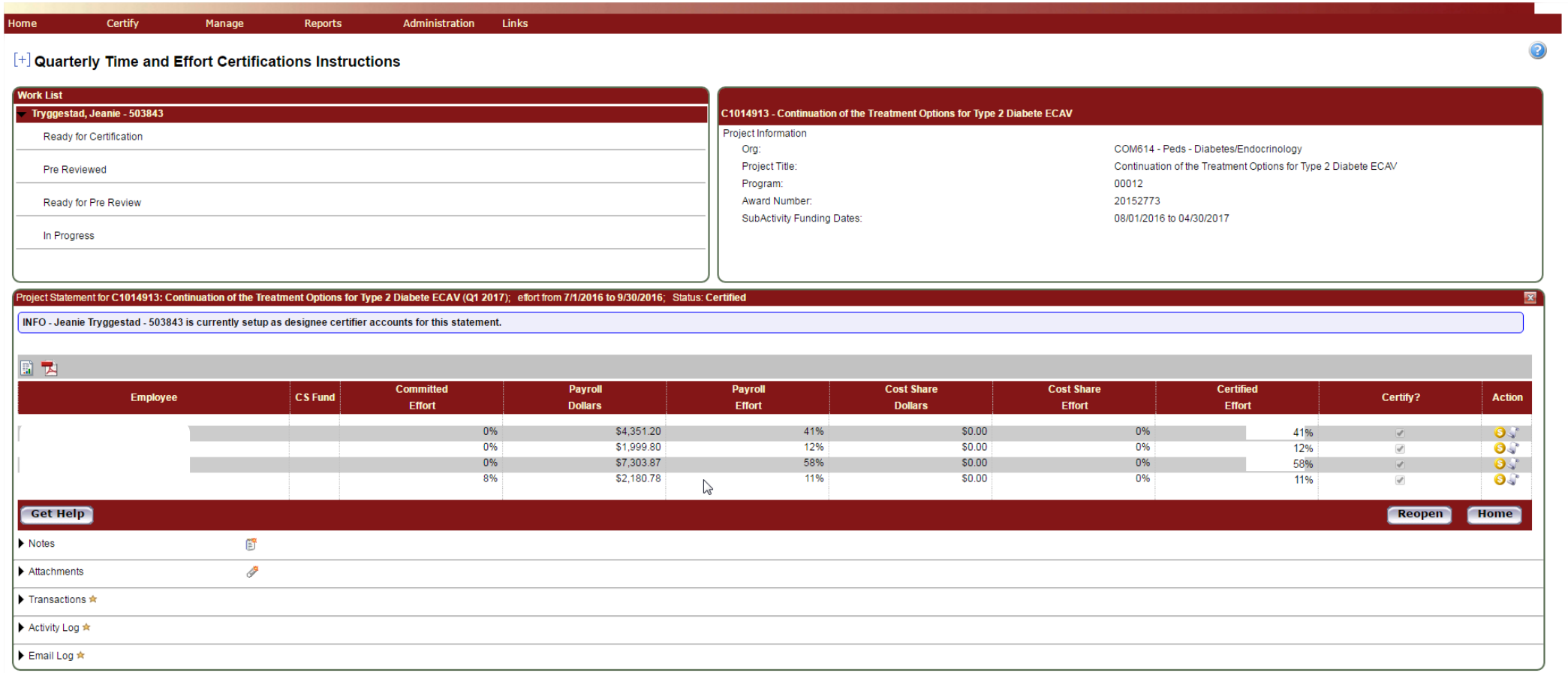
- Cost share is defined as the portion of a project's or program's costs that are not directly charged to the sponsor. These costs are generally paid with University funds. Occasionally, the cost share will be provided by a third party or outside entity.
- All costs related to the project should be identified by using the project number in the chart field spread.
- For cost share items, the Fund in the chart field spread with be something other than SPNSR. Examples are: NONSP, MISCA, CLNOP, & EDGEN

  - **NONSP ADH00300 00000 00013 20000929**

Time and Effort Certifications-ECRT

- Each project should have a Time and Effort Certification each quarter.
- Identifies each individual with direct and cost shared effort charged to the project.
- Percentage of effort is the method used to allocate salary costs on the project.
- There is a 14-day pre-review period for assigned department personnel to review the time & effort prior to the certification period. Time & effort can be viewed at any time during the quarter.
- PI does an after-the-fact review to certify correctness of the effort during the certification period. Corrections in effort should be completed when noticed by either department reviewer or PI.
  - Corrections are posted by submitting a cost transfer.
  - Re-certification is a huge red flag to auditors.

Example of Time & Effort Certifications



F & A

- Acronym for Facilities and Administration. Also know as Indirect Costs.
- Negotiate a rate with the Federal Government every four years.
  - Research on campus – 45%
  - Public Service on campus – 33%
  - Instruction & Training on campus – 35%
  - Clinical Trials – 25%
- Facilities portion varies. The current facilities rate for sponsor research is 19%.
- Administration portion is capped by the Federal Government at 26%.
- F&A rate for any off campus sponsored project only receives the administration rate of 26%.
- Most sponsored projects calculate F&A on MTDC (Modified Total Direct Cost) with the exception of clinical trials.

MTDC (Modified Total Direct Costs)

- Method used to calculate the F&A on most sponsored projects.
- F&A percentage applies to all budget categories with the exception of:
  - Subcontracts where the cumulative amount paid is over $25,000 (F&A is calculated on the first $25,000 paid)
  - Space rental (does not include event space)
  - Tuition
  - Capital Equipment
  - Renovations
  - Patient Care
  - Scholarship - Stipends paid as cost of living allowance (GL code 551000)
  - Participant Support Costs (travel & other costs for non employees on conference and training grants)

Fringe Benefit Allocation

- Negotiated with the Federal Government and is updated at the start of the fiscal year (July 1)
- Allocation is based on the GL code associated with personnel compensation through payroll.
- Current rates and rate agreements can be found on the ORA, GCA and Payroll websites.

Cost Transfers

- Cost transfers are the mechanism used to post corrections in the general ledger.
- Cost transfer backup documents should be attached to the electronic cost transfer when entered.
- Cost transfer justifications. Must answer key questions that are required by 2 CFR 200.
  - How does the project benefit from this expense?
  - Why was the expense not charged directly?
  - Why was this expense not corrected in a timely manner? (If not corrected within 90 days)
- Cost transfer checklist.
  - https://financialservices.ouhsc.edu/Portals/1354/assets/grants%20and%20contracts/Cost%20Transfer%20Checklist.pdf

Re-budgets

- The proper re-budget form can be found on our website in the forms & tools section.

  https://financialservices.ouhsc.edu/Portals/1354/assets/grants%20and%20contracts/IPAS.pdf?ver=2019-11-15-125814-833

- Re-budgets are only processed if the re-budget meets the requirements of needing sponsor approval, a budget category is being added or if the re-budget impacts the F&A amounts. If the re-budget does not need sponsor approval or you are uncertain whether it needs sponsor approval, the form should be emailed as an attachment to the GCA address: GCA@ouhsc.edu.

- If the re-budget requires sponsor approval, it should be emailed as an attachment to the ORA address: HSCORA@ouhsc.edu.

Milestone Notifications

- As the department contact or PI (principal investigator), you will receive a notification email when the award has been executed and completely setup in the PeopleSoft system from GCA.
- PeopleSoft generated notifications are sent electronically when the due date is met. You will receive;
  - Award End / Extension Notice – this automatic notification is sent to the department contact and PI 120 days prior to the end date of the project. This is to trigger the filing of a request for extension, if needed and to alert project staff that equipment and large supply purchases will be heavily scrutinized by GCA staff, internal auditors and OIG auditors from this point on.
  - Award End / Extension Notice – this automatic notification is sent to the department contact and PI 90 days prior to the end date of the project. This is to trigger the filing of a request for extension, if needed.
  - Award End 45 Day Notice – this automatic notification is sent to the department contact and PI 45 days prior to the end date. This is to trigger the beginning of the final reviews and reconciliations, payroll source changes, and service unit notifications of new chart field spreads.

Preparation of Final Reports/Invoices

- The assigned GCA accountant will begin reviewing your activity in preparation for the final 60 days prior to the due date of the final.
  - They will send an expense query for confirmation. This report may include some highlighted items requesting backup.
- At this time the department should be:
  - Submitting final petty cash reimbursement requests.
  - Transferring any remaining participant gift cards to the next year of the award (if allowed) or to a non-sponsored chart field spread, and supplying a gift card reconciliation.
  - Verifying that all expenditures are posted.
    - All subcontract invoices have been received.
    - All personnel effort is correctly and completely represented.

Award Closeout Process

- Grants, Contracts & Cooperative Agreements
  - Final Reports/Invoice submission.
  - Wait on final payment.
  - Review activity query for late charges.
  - Shut down the budget.
  - Set to Inactive.
- Clinical Trials
  - Verify F&A calculation and make adjustments if needed.
  - Send confirmation email with activity query attached for review of direct charges & deposits.
    - If deficit:
      - Request chart field spread to cover.
  - If residuals
    - Complete penalty worksheet to determine if there is a penalty for under spending.
    - If so, post penalty.
    - Notify department of residual amount.
    - Request chart field spread to move cash.
  - Shut down the budget.
  - Set to Inactive.

Queries for Departmental Use

- OU_SPNSR_EXP_SPNSR_FND_ONLY
  - This query will list all expenditures posted to the general ledger for a specific project number without limitation of the University's fiscal year.
- OU_SPNSR_ACTIVITY
  - This query will list all general ledger accounts with activity for a specific project number without limitation of the University's fiscal year.
- OU_SPNSR_ORG_AWARD_INFO
  - This query will list all active sponsored projects in a specific department. Information included is:
    - Project number, PI name, project start and end date, program code, contract number, reference award number (number assigned by the sponsor), sponsor, title, budget, pre-encumbered dollars (amount in requisition status), encumbered dollars (amount in open purchase order status), expended amount, and remaining budget dollars available.

Budget Status Report

- Great tool for a quick snapshot of project financial status
  - Budget
  - Requisitions
  - Purchase Orders
  - Expenditures
  - Remaining Balance
- Close to real-time data

SPNSR Budget Status Report

Page No. 1
Run Date 08/18/2020
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Proj/Grant: C **Description:**
PI Name: F

Budget Type	Fund	Org	Prog	Account	Status	Budget Amt	Pre-Enc Amt	Encumbered Amt	Expended Amt	Remaining Amt
PARENT	SPNSR	PBH610	00011	EXPEND		1,418,413.00	-10,465.00	0.00	-993,780.81	414,167.19
Parent Totals for Project/Grant: C						**1,418,413.00**	**-10,465.00**	**0.00**	**-993,780.81**	**414,167.19**
CHILD	SPNSR	PBH610	00011	SP_FAD		292,688.00	0.00	0.00	-196,457.87	96,230.13
CHILD	SPNSR	PBH610	00011	SP_FRG		150,578.00	0.00	0.00	-103,704.31	46,873.69
CHILD	SPNSR	PBH610	00011	SP_OTH		431,364.00	-10,000.00	0.00	-275,578.75	145,785.25
CHILD	SPNSR	PBH610	00011	SP_SAL		495,220.00	0.00	0.00	-398,769.47	96,450.53
CHILD	SPNSR	PBH610	00011	SP_SUP		23,563.00	-465.00	0.00	-13,760.51	9,337.49
CHILD	SPNSR	PBH610	00011	SP_TRV		25,000.00	0.00	0.00	-5,509.90	19,490.10
Child Totals for Project/Grant: C						**1,418,413.00**	**-10,465.00**	**0.00**	**-993,780.81**	**414,167.19**

- *Do not use for monthly reconciliation.*

Reporting Concerns: Fraud, Abuse, and False Claims

The University takes issues regarding false claims and fraud and abuse seriously. The University encourages all employees, management, and contractors or agents of OUHSC to be aware of the laws regarding fraud and abuse and false claims and to identify and resolve any issues immediately. Issues are resolved fastest and most effectively when given prompt attention at the supervisory level. The University, therefore, encourages its employees, contractors and agents to report concerns to their immediate supervisor when appropriate. If the supervisor is not deemed to be the appropriate contact or if the supervisor fails to respond quickly and appropriately to the concern, then the individual with the concern should be encouraged to discuss the situation with the Department Chair, another member of management, the Director or Associate Director of Compliance or call the Compliance Hotline.

(405-271-2223 or 866-836-3150).

Questions?



Contact Information

- Tamara Franklin, Assistant Vice President of Research Financial Services
- Michelle Bremenkamp, Manager - Grants and Contracts Accounting
- Arianne Pratt, Lead Accountant – Grants and Contracts Accounting
- Miguel Bustos, Subrecipient Analyst/eCRT Lead – Grants and Contracts Accounting