Award Administration: Parts One and Two: The Basics

- This class provides a brief overview of the information that is covered in depth in the following classes:
• Budgeting for Sponsored Projects
  - February 24, 2017 | 9:00 am
• Part Three: Audits and Audit Issues
  - March 10, 2017 | 9:00 am
• Part Four: Balances, Facts & Data Warehouse
  - March 24, 2017 | 9:00 am
• Understanding Facilities and Administration Costs
  - April 07, 2017 | 9:00 am
• Ins and Outs of Contracts
  - TBA | November 2017
• Effort Certification and Cost Sharing
  - TBA | December 2017
• Subcontracts
  - TBA | January 2018

Determining the Correct SPS Contact
• SPS workload assigned by Ag Code

Finding SPS Contact by Ag Code
• Go to www.sps.wsu.edu
• Click on: Contact Us Ag → Code Listing
The BASICS

- Post-Award Review
- Account Initiation
- Award Management
- Terming Awards

Post-Award Review

- Department Review
- Sponsored Programs Services (SPS) Review

DEPARTMENT REVIEW

- Award arrives from ORSO with DN Memo.
  - Note any special notices on the memo
  - Do you need a new eREX? New Approved budget?
  - Do PI's need to complete ORSO training?
- Review the award for acceptability
  - Note anything out of the ordinary.
- Send award to PI for their review and approval
- Return approved award to ORSO
  - If items need to be negotiated note this in your communications with ORSO and they will work with you and the agency to correct any issues.
DEPARTMENT REVIEW

- Items to check upon receipt of award
  - Period of Performance (POP) = Proposed POP
  - Budget = Proposed Budget
  - Are award terms and conditions acceptable to WSU
    - See the Ins and Outs of Contracts class.
  - Cost Share Requirements
  - Equipment – BPPM 40.12, 40.13 & 40.16
  - Invoicing Requirements
  - Subcontracts or Purchased Service Contracts
  - Program Income
  - Interim Reports Due Dates
  - Final Report Due Dates

DEPARTMENT REVIEW

- Items to watch for:
  - Publication Rights
  - Data Rights
  - Intellectual Property
  - Indemnification
  - Governing Law
  - Confidentiality and Proprietary Information
  - Federal Funding Accountability and Transparency Act (FFATA)
  - E-Verify

DEPARTMENT REVIEW

- Award Number
- Principal Investigator
- Co-Principal Investigators
- Sponsor
- Project Title
- Start Date
- End Date
- Closeout Date
- Cover Letter
- Report Type
- Report Status
- Fiscal Year
- ACT Ref:
- ACT Number

- Items to be completed on new awards and those award terms and conditions change
  - Closeout
  - Data Rights
  - Federal Funding Accountability and Transparency Act (FFATA)
  - E-Verify
  - Publication Rights
  - Indemnification
  - Governing Law
  - Confidentiality and Proprietary Information
  - Notice of Change
  - Notice of Completion
  - Award Closeout
DEPARTMENT REVIEW

SPECIAL CONSIDERATIONS AND REVIEW AUTHORITY

- Review of the award document
- Review of the period of performance
- Review of the budget
- Review of the reporting requirements
- Review of the terms and conditions

SPS INITIAL AWARD REVIEW

- ORSO sends SPS fully executed award
  - To SPS line in ORSO database
- SPS reviews the award agreement checking:
  - Period of performance
  - Billing information
  - Reporting information
  - Cost share requirements
  - Terms and conditions
  - Budget and F&A accuracy

SPS Account Initiation

- CAHNRS assigns own budget-project numbers. If you would like to use a specific number, please clearly identify account number on award documents.
- SPS determines whether full award will be allocated to one account or if there will be subaccounts on the project
- Two ways to initiate subaccounts:
  - Provide allocation breakdown to SPS at initial setup
  - Submit RCAR later
SPS Account Initiation (cont)

- Billing Instructions are created and uploaded to the ORSO database
- Budget Project and account information is entered into AIS
- Department is notified that the award has been set up
  - Usually done via hard copy SPANs (Sponsored Project Allocation Notices) or via the Weekly ORSO Notification of Sponsor/Agency Activity e-mail.

Review of New Account

- Department should review AIS and the TO ACCT Line in the ORSO database for accuracy:
  - Time Period
  - Award Amount
  - F&A Rate
  - Cost Share
- If something does not look right, check award documentation:
  - Award image on the TO SPS line in the ORSO Database under the specific activity for the ORSO number.
  - Contact SPS with questions or changes.
  - Note: The accountant is based on the Ag Code, NOT the person who set up the account.

Review of New Award – TO ACCT Line
Account Initiation

• Guarantees
• New Sub-Accounts
• New Subcontracts
• Areas of Concern

Guarantees

• Allow for:
  • Spending before executed award is received.
  • Continued spending before an amendment is received.
  • Pre-award

• Use the SPAR form for Guarantees
  • Covered in Part Two: The Forms
• Subcontracts cannot be put on Guarantee
Adding a Sub-Account

- Department includes it in original Budget, broken out by subaccount allocation(s)
- Department completes a Research or Conference Account Request (RCAR) form if not done at initiation
- RCAR discussed in Part Two: The Forms
- SPS receives one of the above and sets-up new sub-account

Adding a Subcontract

- To add a sub-recipient under an existing WSU award please work with ORSO.
- Subaward Initiation Form can be obtained by contacting ORSO, or here: http://ororo.wsu.edu/documents/SubcontractInitiation.pdf
- Part Two: The Forms will provide information on how to complete the subaward initiation form.
- If the subaward allocation is not already in object 14 (restricted), SPS will need a SPAR from the department to rebudget to ob14
Areas of Concern:

Cost Share

- The Proposal States $10K in Cost Share
- The Award States $2K in Cost Share
- The Cost Share obligation will be $10K
  - $8K Voluntarily Committed Cost Share
  - $2K in Committed Cost share
- To reduce WSU's cost share, work with ORSO to document agency approval acknowledging the lower obligation.

Areas of Concerns:

Future Effective Awards

- An award comes in Jan 1, but the budget does not start until Feb 1.
- Accountant processes the paperwork, the data is input and the award can be seen in Balances 15 screen.
- The Budget cannot be input until Feb 1, and you will not see it until a few days after that.
  - This means you cannot see the Balances 01 screen until the allocation posts, or an expense post to this account.

Award Management

- Responsibilities. Matrix is here: http://orso.or.wsu.edu/matrix.asp
- Expenses – Allowability
- Revenue - Collection
- F&A
- Changes to the Award
- Research Terms & Conditions (RTC)
- Subcontracts
Roles & Responsibilities Matrix

Award Management Responsibilities

- SPS:
  - Review EAA and ETR transfers
  - Periodic invoicing per award T&C
  - Financial reporting
  - FFATA reporting
  - Receipting/Revenue collection
  - Paying subcontract invoices
  - Patent/Invention statements
  - Equipment Reports
  - Closing Documents
  - http://www.ogrd.wsu.edu/matrix.asp

Revenue Collection: MyWSU

- Work has been done to link the financial portion of MyWSU to AIS.
- Invoice information is entered into MyWSU.
- The information entered into MyWSU is uploaded into AIS daily.
- Some transactions take overnight before they are seen in the system.
Revenue Collection: myWSU

Account Details
External ID: 00000000
Department: WU000
Account Number: 00000
Account Balance: 0.00

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<th>Status</th>
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BALANCES 01 Screen Shows Total Receivables:

Award Management Responsibilities

- SPS and Department:
  - Expenses are Allowable
  - F&A Expense Review
  - Coordinate Invoicing/Reporting
    - Fixed Price Awards
    - Backup Detail for Invoices (receipts, etc)
    - E-Verify
    - MBE/WBE (aka Sub-Contracting Reports)
    - Property Reports
    - Invention Reports
Award Management Responsibilities

- Department:
  - Cost Share Obligation is Met
  - Approving Subcontract Invoices
  - PI Technical Reports
  - Coordinate with Office of Commercialization on Patent Filings
  - Monitor Property/Equipment per University Guidelines

Checking Cost Share

BALANCES → Cost Sharing (PF7) → Report 04

Factors Affecting Allowability of Costs

- Allocable
  - Cost is incurred solely to advance the work of the award.
- Reasonable
  - Would a prudent person make the same purchase/decision?
- Consistent
  - All expenses are treated the same across the University.
- Allowable
  - Expense not specifically disallowed per award

- 2 CFR, Part 220 - formerly OMB Circular A-21
  - http://www.whitehouse.gov/omb/grants_docs/
- BPPM 40.09 - Cost Determination Guidelines
Checking F&A Rate

• Verify that the correct rate is being used.

New F&A Rate Agreement

• http://sps.wsu.edu/2015%20F&A%20Final%20Agreement.pdf

Finding the Base Code in AIS

• BALANCES→15X Screen→Page 3
Determining the Exclusions

- Refer to Overhead Base Schedule Handout
- Locate the Overhead Base Code (e.g., B40)
- Listed underneath are the objects/sub-objects that are excluded from the overhead calculations

F&A Base

What is the difference between MTDC, TDC, & TC?

- **MTDC - Modified Total Direct Costs**
  - There are some expenses that do not have overhead associated charges
- **TDC - Total Direct Costs**
  - There are no exclusions from the overhead calculation.
- **TC - Total Cost**
  - Overhead is calculated on all expenses (including overhead)

Total Costs/ Total Award

- WSU system cannot calculate based on TC.
- You can convert TC/TA to TDC using the following formula:
  - TDC rate = TC rate / (1 - TC rate)

Examples:
- TC rate is 10%, the TDC rate is 10% / 90% = 11.11%
- TC rate is 30%, the TDC rate is 30% / 70% = 42.857%
Changes to Established Award

- Work with ORSO to make changes to the award:
  - Pre-Award Costs
  - Significant Budget Changes
  - Time Extensions
  - Request for Additional Funds
  - Change in Scope of Work
  - Change in Key Personnel

Federal Research Terms and Conditions

- Previously known as FDP or Expanded Authority
- Allows for changes to award without Agency approval such as:
  - 90 day Pre-Award Cost
  - Up to 1 Year No Cost Extension (NCE)
  - Re-Budgeting
    - Depends on the Federal Agency
    - As long as the scope of work is not changing
- Applies to some Federal Grants – check with the SPS accountant responsible for the award

Subcontract Invoices

- SPS receives subcontract invoice and checks that the invoice has the following:
  - G-number, period that the invoice is covering and a signed certification of charges statement
  - SPS adds an “Approved for Payment” section and sends the department 2 copies of the subcontract invoice
Subcontract Invoices – continued

- Department checks that:
  - Expenses are within the subcontract period of performance
  - The invoice has a signed certification of charges statement
  - Expenses are allowable
  - Invoice amount does not exceed the remaining awarded subcontract amount
  - Any required reports from the vendor have been received/accepted (Technical Reports)

- Department approves payment by entering the budget-project number, the amount approved and has an authorized signature within the “Approved for Payment” section

Subcontract Invoices – continued

- Department returns authorized invoice to SPS
- SPS Accountant reviews and approves invoice
- Payment is made to the Subcontractor

  - If Invoice is sent directly to department, check for G-number, period that the invoice is covering and a signed certification of charges statement

  - Send 2 copies to SPS with budget-project, and amount approved and authorized signer on both copies

  - Take Subcontract class for more information on subcontracts in general.

  - NOTE: The new Uniform Guidance puts a 30 day turn around time on paying invoices from subcontractors.

Subcontract Invoice Example
Terming Awards

- Responsibilities
- Close-Out Documents
- Closing Fixed-Price Accounts
- Common Closeout Concerns
- Audits

Responsibilities – Terming Awards

- **SPS:**
  - Contacts Department
  - Expenditures are within Time Period & Allowable
  - Final Subcontractor invoice is received and paid
  - Final Financial Report/Invoice Submitted
  - All Revenue has been Collected
  - Cost Share Obligation Met
  - WSU Record Retention is 6 Years

- **Department:**
  - Make sure all expenses are within the time period of the award & allowable
  - Work with SPS to ensure final Subcontractor invoice is received and paid
  - Cost Share Obligation has been met
  - All Revenue has been collected
  - Any overdraft has been cleared
  - PI’s reports have been submitted, including those of any subcontractors.
  - If all of these conditions are met, send an email to the accountant requesting the account be zeroed and closed.
Close-Out Documents

- Final Invoice
- Final Financial Report (SF 425)
- MBE/WBE (aka Subcontract Reports)
- Patent/Invention Reports
- Property Reports
- Technical Reports
- Agency Specific Reports
- Department should work with SPS accountant and PI to see that Final Close-Out Documents are sent.

Closing Fixed Price Accounts

- Fixed Price Agreements:
  - Consult BPPM 40.27
  - SPS will charge out the remaining F&A to arrive at the “Residual Cash Balance”
  - If residual amount is less than 50% of the total project revenue, SPS transfers the revenue to the departmental fixed price consolidation account (FPCA)
  - Submit RCAR to set-up new FPCA if needed

Common Closeout Concerns

- Late Expenditure Postings
- Delayed Response Time on Collaborative Reports
- Cost Share Obligation Not Met
- The Uniform Guidance requires that all federal awards be fully closed within the 90 day deadline, no exceptions.
Audits

- All Audits should be coordinated through Sponsored Programs Services
- Contact SPS and Internal Audit
- For further information, please attend: Award Administration Part Three: Audits and Audit Issues

Questions?

This has been a WSU Training Videoconference

If you attended this live training session and wish to have your attendance documented in your training history, please notify Human Resource Services within 24 hours of today’s date:
hrstraining@wsu.edu