NOTES FROM RESEARCH ADMINISTRATORS – POST AWARD MEETING, OCTOBER 3, 2012

TOPIC

Best Practices of Grants Management

Presenters:

- Kathy Scheibel, Co-Director of Research and Sponsored Programs
- Steven Turner, Director of Research Accounting

PRESENTATION NOTES

What does "Best Practice of Grants Management" mean?

It is the daily oversight of the grant/contract/agreement in accordance with institutional, federal and sponsor rules and regulations that govern the project. This includes Human Subjects, Animal Care, and Export control.

Federal and sponsor rules and regulations are found in the Terms and Conditions section of the award document. When you get an NSF award, there is a website link to retrieve the terms and conditions. Examples of terms and conditions include no-cost time extensions, confidentiality, insurance requirements (the University will not cover non-University assets), termination and stop-work orders. Come to RSSP if there is a termination or stop-work order, as RSSP can work with the sponsor to see if the project can continue or if we need to end the project.

Why are budget revisions done? A budget is the "best guesstimate" of what will happen in the project. The terms and conditions will give guidance as to what we can do on our own and what we need to go back to the sponsor to approve. Budget revisions are done when reallocation of the budget is necessary to ensure completion of the project or to keep the project on the path towards completion.

All sponsors require prior approval before the PI's time is reduced by 25% or more. Other examples of budget revisions include foreign travel not originally requested in the proposal, equipment purchases not originally requested, rebudgeting of participant support costs, adding a subaward to the project. Money cannot be moved out of any participant costs, plus moving items "above the line" will split the moved amount into the destination category and into indirects. A good justification is always needed for budget revisions; the type of revision will determine whether or not the funder needs to be contacted.

Sometimes a subaward needs to be created after the award is given, for instance if a Co-PI has left the University. RSSP needs to go back to the sponsor.

Other examples of rebudgeting include over 10% change in a line item or a change in the scope of work. Also, if for instance, the animals died.

Rebudgeting may also occur if the award amount is lower than what was proposed, or if the sponsor wants to revise the budget before actually awarding the project.

If in doubt, contact RSSP!

Budget revisions are not acceptable in the last 90 days of the project; the project should be winding down and things like new equipment should not be needed for the project.

Terms and Conditions are your friend.

Remember, budget revisions follow the same principals as putting the budget together. The costs need to be reasonable, allocable, allowable, and consistently treated.

Categories in BASIS can be found by using the LCAT command in DART. Most categories are expenditures, category class 5.

Sometimes we see the category of Wages where we expected SalGASum; this is dependent on whether or not the person is on appointment during the summer or is being paid an hourly wage. It is uncommon for a budget revision need to go back to the sponsor for non-PI salary categories.

If the categories set up in the cost center are not as expected, contact RSSP. It may be that RSSP set the category set up incorrectly or it could be that the category selection was dictated by the sponsor. Contact RSSP!

For mandatory cost-share, sometimes letters of certification are used. These are often negotiated at the front end of the project and may require help of the departmental administrators.

A maintenance category is not used in a sponsored program because it implies that indirect costs are being charged to the grant. Do not charge to this category.

Costs charged to a sponsored program must be allocable to the project.

State transparency rules and FERPA requirements are in slight conflict and Financial Affairs and the BASIS teams are working on a solution to make the redaction of student names easier. Suggestions are most welcome.

Subcontracts that are set up will have the first $25,000 in the ContReci category and the remainder in the ContR25K. This will be visible on new POs and will not be seen on old POs.

The state equipment threshold has increased to $5,000 – this is the capitalization threshold. Sometimes the category of NCapEqmt is used for non-capitalized equipment.

Use tax is going to be charged on equipment purchased from out-of-state. The vendor invoice will not include this, please include this on your proposal budget and when projecting costs on a current project. There is a manual available on the DFA website that lists exempt items but call Financial Affairs or the Comptroller's Office.

Property Accounting usually determines what is capitalized equipment. When a piece of equipment is fabricated, Property Accounting will determine if the end product, including fabrication costs, will require to needs to be tagged and depreciated.

Indirect costs are not available to the PI. Do not post to CostIndi; everything that gets posted to that category is a calculation based on negotiations with the sponsor. The indirect costs are distributed back out on a quarterly basis.

Next month: Travel!