Agenda – Day Three

• Intro to OSR & Process Overview
• Pre-Award Process/Working with Industry
• Post-Award Non-Financial Management
• Spending & Payment Considerations
• Award Close-Out
The Office for Sponsored Research (OSR): An Overview

Office for Sponsored Research
OSR Mission

The Office for Sponsored Research assists investigators in proposing and managing sponsored programs in support of Northwestern University's mission of innovative research, excellent teaching, and public service.

- Northwestern’s central research administration office
- Institutional point of contact for external research sponsors
- Comprehensive pre-award and post-award services
- Assistance with the interpretation of regulatory requirements and policy
# Summary of OSR Responsibilities

<table>
<thead>
<tr>
<th>Facilitating all Northwestern sponsored research activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advising faculty and staff on proposal development and broader sponsored research issues (including cost accounting standards)</td>
</tr>
<tr>
<td>Interpreting agency and Northwestern policy, guidelines, and terms and conditions</td>
</tr>
<tr>
<td>Endorsement of Institutional proposals and resulting awards</td>
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<tr>
<td>Negotiation and acceptance of awards</td>
</tr>
<tr>
<td>Award establishment</td>
</tr>
<tr>
<td>Subawards issuance</td>
</tr>
<tr>
<td>Reporting on Northwestern sponsored research activity</td>
</tr>
<tr>
<td>Guidance on award management issues</td>
</tr>
<tr>
<td>Represent Northwestern nationally</td>
</tr>
<tr>
<td>Respond to OIG audits and subpoenas</td>
</tr>
</tbody>
</table>
OSR - Chicago

Executive Director

Info Team

Administrative Assistant

Grants Teams
- Senior Grants Officers
- Grants Officers (GO)
- Associate GO
- Assistant GO
- Grants Assistants (GA)
- Temp staff

Government Contracts Team
- Federal Team
  - Senior Grants Officer
  - Assistant GO

Contracts Teams
- Corporate Team
  - Senior Contract and Grants Officers
  - Research Analyst / Administrative Coordinators
- MTA/DUA Team
  - Senior Contract Officer
  - Research Analyst / Administrative Coordinator
OSR - Evanston

Director

Associate Director

Administrative Assistant

Contracts Team
- 2 Senior Contracts Officers
- 1 Senior Subcontracts Manager

Grants Officers
- 3 Assistant Grants Officers
- 2 Associate Grants Officers
- 2 Grants Officers

Grants Assistants
- 6 Grants Assistants

Research Administrators
- 3 Research Administrators
OSR – Information Team

- Director of Electronic Research Administration
  - Project Administrator
  - Information Management Specialist
  - Business Systems Analyst
  - Coordinator of Research Programs
  - Sr. Training Specialist
# Roles & Responsibilities: Grants Team

<table>
<thead>
<tr>
<th>Grants Officers</th>
<th>Grants Assistants</th>
<th>Research Administrators (EV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Pre-award services (e.g. Proposal review, institutional endorsement, and submission)</td>
<td>- Pre- and post-award support services to Grants Officers (e.g. Proposal review prep)</td>
<td>- Pre- and post-award administrative assistance</td>
</tr>
<tr>
<td>- Award review and negotiation</td>
<td>- Award set-up</td>
<td>- Preparation and/or submission of routine research proposals, grants, and contracts</td>
</tr>
<tr>
<td>- Post-award non-financial management</td>
<td>- Liaison with ASRSP, research administrators, and other departmental administrators</td>
<td>- Post-award monitoring and reconciling of financials (budgets/re-budgets)</td>
</tr>
<tr>
<td>- Liaison with sponsors and funding agencies on behalf of faculty and administrators</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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## Roles & Responsibilities: Contracts Team

### Contracts Officers

- Draft, review, and negotiate:
  - Contracts
  - Non-financial sponsored programs agreements (i.e. CDAs, DUAs, MTAs, and Facility Use Agreements)
  - Industry-sponsored basic research agreements
  - Clinical trial agreements
- Ensure compliance with sponsor & University policies and processes
- Manage subcontracts between Northwestern and sponsors/funding partners

### Research Analyst / Coordinators of Administration and Grants

- Provide administrative support for industry-sponsored clinical trials (including reviewing and maintaining budgets)
- Process related Material Transfer Agreements (MTA), Data Use Agreements (DUA) and Confidentiality Disclosure Agreements (CDA)
- Review and maintain proposal and award data in InfoEd
## Roles & Responsibilities: Info Team

<table>
<thead>
<tr>
<th>Information</th>
<th>Communications &amp; Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Provide <strong>functional assistance</strong> for InfoEd and ESPR</td>
<td>• Manage <strong>OSR website</strong> and <strong>OSR listservs</strong></td>
</tr>
<tr>
<td>• <strong>Analyze and report research data</strong> to executive leadership</td>
<td>• Maintain centralized <strong>help resources</strong> for the research administration community</td>
</tr>
<tr>
<td>• <strong>Ensure data integrity</strong>, namely quality assurance for proposal and award activity</td>
<td>• Create and deliver <strong>sponsored research training</strong> content</td>
</tr>
<tr>
<td>• Maintain <strong>institutional ERA accounts</strong> and assist individuals with external ERA systems (e.g. eRA Commons, FastLane)</td>
<td>• Collaborate with OSR offices and university partners to develop resources and <strong>implement electronic projects</strong></td>
</tr>
</tbody>
</table>
Why research?

“Skin Gel Stops Breast Cancer Growth”

“Why Do Families Keep Secrets?”

“Reducing the Achievement Gap”

“New HIV Test will Help Developing World”

“Printing Human Organs”

“Touch Screens That Touch You Back”
Why research?

• For FY 2016, we have had:
  – 290 proposals submitted a month (3,482 proposals submitted)
  – 256 awards set-up per month (3,072 awards total)
  – 310 contracts executed per month (3,731 contracts)
Common Sponsor Types

- Federal government
  For example:
  - National Institutes of Health (NIH)
  - National Science Foundation (NSF)
  - Department of Defense (DOD)
  - Department of Energy (DOE)
- State and local governments
- Foundations/nonprofits
- Industry
- International entities
The University – Sponsor Relationship

• Why universities engage in research
  – Generate and disseminate knowledge
  – Maintain high-quality educational environment (sponsored research helps maximize available resources)

• Why sponsors provide research support
  – Common ideology
  – Large, established university infrastructure
  – Top faculty and student talent
What is a Sponsored Project?

Specific research, training, service, or similar activity for which funding, data and/or material support is provided by an external sponsor under an agreement with the University.
Funding Mechanisms

- Formal means through which a sponsor contracts with a recipient institution to provide funding

Common Types of Funding Mechanisms

<table>
<thead>
<tr>
<th>Mechanism type:</th>
<th>Grants</th>
<th>Cooperative Agreements</th>
<th>Contracts</th>
<th>Subcontracts*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Typically issued by:</td>
<td>Financial assistance</td>
<td>Financial assistance</td>
<td>Procurement</td>
<td>Varied</td>
</tr>
</tbody>
</table>
## Grants vs. Gifts

<table>
<thead>
<tr>
<th>Grants</th>
<th>Gifts</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strings attached</td>
<td>• No strings attached</td>
</tr>
<tr>
<td>• Specified statement of work &amp; deliverables</td>
<td>• No specified statement of work and/or deliverables</td>
</tr>
<tr>
<td>• Reporting requirements</td>
<td>• Minimal reporting requirements</td>
</tr>
<tr>
<td>• Performance period</td>
<td>• Irrevocable</td>
</tr>
<tr>
<td>• Must be routed through OSR</td>
<td>• Work with Development Office</td>
</tr>
<tr>
<td>• Subject to University policy</td>
<td>• Subject to University policy</td>
</tr>
</tbody>
</table>

For Additional Information: [http://osr.northwestern.edu/policies/sponsored-projects-versus-gifts](http://osr.northwestern.edu/policies/sponsored-projects-versus-gifts)
Non-Financial Research Agreements

- Data Use Agreements (DUA)
- Non-Disclosure Agreements (NDA)
- Facility Use Agreements
- Material Transfer Agreements (MTA)
## With Whom Does OSR Collaborate?

<table>
<thead>
<tr>
<th>Organizations and their Acronyms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Services for Research and Sponsored Programs (ASRSP)</td>
</tr>
<tr>
<td>Office of General Counsel (OGC)</td>
</tr>
<tr>
<td>Office of Foundation Relations (OFR)</td>
</tr>
<tr>
<td>Risk Management</td>
</tr>
<tr>
<td>Center for Clinical Research (CCR)</td>
</tr>
<tr>
<td>Conflict of Interest at Northwestern University (NUCOI)</td>
</tr>
<tr>
<td>Office for Research (OR) Offices</td>
</tr>
<tr>
<td>Office for Export Controls Compliance (OECC)</td>
</tr>
<tr>
<td>International Office</td>
</tr>
</tbody>
</table>
The Sponsored Project Life Cycle

- Post-Award Administration
- Identifying Funding Opportunities
- Proposal Development and Submission
- Award Negotiation and Acceptance
- Award Set-Up
- Award Management
- Award Closeout

Pre-Award Administration
What is SPOT?

Northwestern’s first cross-campus sponsored research training program

« Serves as an introductory stepping stone for additional content down the road (e.g. more advanced topics, in-person course development and professional development opportunities for seasoned veterans)

Covering a range of topics in sponsored research administration including:

- **Introduction to Sponsored Research**
- **Beginner’s Guide to Sponsored Project Solicitations**
- **Anatomy of the Administrative Shell**
- **Budget Management Basics: Projections and Reconciliations**

Find out more here: [http://osr.northwestern.edu/training/spot](http://osr.northwestern.edu/training/spot)
Questions?

For more information, visit the OSR website:

http://osr.northwestern.edu
Pre-Award Overview

Office for Sponsored Research
The Sponsored Project Life Cycle

- Post-Award Administration
- Pre-Award Administration

1. Identifying Funding Opportunities
2. Proposal Development and Submission
3. Award Negotiation and Acceptance
4. Award Set-Up
5. Award Management
6. Award Closeout
What is a Proposal?

• A **proposal** is the document submitted to a prospective sponsor outlining and requesting support for a specific project. Proposals typically include a description of the project’s goals, methods, timelines, personnel, and budget. The terms “proposal” and “application” are often used synonymously.

• **Reasons faculty submit proposals:**
  – Research (Basic & Applied)
  – Instruction
  – Training
  – Construction
  – Public Service
How do sponsors request proposals?

- **Sponsored Project Solicitation**: Request from a sponsor for project proposals, outlining application requirements, submission information, review criteria, and in certain instances award terms and conditions.

- **Variety of names**:
  - Funding Opportunity Announcement (FOA)
  - Program Announcement (PA)
  - Request for Applications (RFA)
  - Request for Proposals (RFP)

- The solicitation contains vital information and serves as the roadmap for proposal development.
Solicitation Example

PART I: OVERVIEW INFORMATION

- **Federal Agency Name** – Defense Advanced Research Projects Agency (DARPA), Biological Technologies Office
- **Funding Opportunity Title** – Neural Engineering System Design (NESD)
- **Announcement Type** – Initial Announcement
- **Funding Opportunity Number** – DARPA-BAA-16-09
- **Catalog of Federal Domestic Assistance Numbers (CFDA)** - 12.910 Research and Technology Development
- **Dates**
  - Posting Date – January 21, 2016
  - Proposal Abstract Due Date – February 25, 2016
  - Proposal Due Date – April 14, 2016
  - BAA Closing Date – April 14, 2016
  - Proposers Days – February 2-3, 2016

- **Concise description of the funding opportunity** – DARPA seeks proposals to design, build, demonstrate, and validate a neural interface system capable of recording from more than one million neurons and stimulating more than one hundred thousand neurons in proposer-defined regions of the human sensory cortex (e.g., visual cortex or auditory cortex). The complete system must demonstrate high-precision detection, transduction, and encoding of neural activity.
- **Total amount of money to be awarded** – Total funding up to approximately $60M will be awarded. The actual amount of resources available will depend on the quality of proposals received, successful achievement of milestones and availability of funds.
  - **Anticipated individual awards** - Multiple awards are anticipated.
  - **Types of instruments that may be awarded** - Procurement contract, cooperative agreement, or Other Transaction.
- **Any cost sharing requirements** – None
Solicitation Example #2

The project narrative file must also include the following appendices, following the formatting guidelines prescribed above. Do not attach these appendices as separate files – they should be part of the file named “ProjectNarrative.pdf”. Note that these appendices will NOT count towards the project narrative page limitation.

- **Appendix 1: Biographical Sketch**
  Provide a biographical sketch for the Consortium Director, each Topic Lead, and other senior/key personnel. The biographical information for each person must not exceed three pages. Include the following sections in each biographical sketch:

  - **Name, Contact Information (phone, e-mail), and Organization**
  - **Education and Training**: Undergraduate, graduate and postdoctoral training, provide institution, major/area, degree, and year.
  - **Research and Professional Experience**: Beginning with the current position, list professional/academic positions with a brief description in chronological order.
  - **Publications**: Provide a list of up to 10 publications most closely related to the proposed work. For each publication, identify the names of all authors (in the same sequence in which they appear in the publication), the article title, book or journal title, volume number, page numbers, year of publication, and website address if available electronically. Patents, copyrights, and software systems developed may be provided in addition to or substituted for publications.
  - **Synergistic Activities**: List no more than five professional and scholarly activities related to the effort proposed.
**Technical Components**

**Statement of Work (SOW)**
- The SOW briefly describes the work being performed, and is often captured in sections referred to as "abstract" or "summary".

**Technical Narrative**
- Statement of need/impact (why is this work important?)
- Objectives/Goals (what are the researchers hoping to accomplished?)
- Research Plan (how will these goals be accomplished?)
- Specific sections vary from sponsor to sponsor

**Other Technical Components**
- References cited
- Schedule/Milestones
- Appendices

*not an exhaustive list, examples of common items*
Administrative Components

- **Facilities and Other Resources**
  A description of the resources available to perform the proposed project

- **Budget and Budget Justification**

- **Biographical Sketches**
  An abbreviated C.V. detailing an individual’s professional/education background as well research background (publications, contributions to science, synergistic activities etc.)

- **Current and Pending Support**
  Information pertaining to current and pending support for the individual from other sponsored projects
Let’s put the components together…

- Technical Components
- Administrative Components

Proposal
Budget

• Itemization of the costs required to complete the proposed project
  – The funding requested must be based on a realistic and reasonable estimate of the cost to complete the work
  – All budgeted costs must be allowable on, and allocable to the project
  – Understanding the SOW is an important piece of budget development

• A large portion of the budget will be devoted to personnel costs (salary and fringe benefits) for most projects

• Other costs might include supplies, services, consulting costs, travel, subawards, etc.
Budget Justification

- A detailed description and justification of the requested funding by line item
- Use categories developed by agency
- Relate line items to program objectives
- Ensure level of detail meets sponsor requirements
- Follow sponsor formatting guidelines
- Provide any required backup documentation
- **No budget can be adequately reviewed without a justification**
Budgeting for Faculty Effort

- Salary costs for faculty are budgeted based on a percentage of effort and an individual’s institutional base salary.
- **Maintaining the integrity of institutional base salaries when budgeting for faculty is extremely important.**
- Effort percentages are calculated based on calendar, or academic and summer months depending on the contract period of the faculty:
  - 9 month vs. 12 month appointments
  - 1.00 academic month, 1.00 summer month – what’s the effort percentage?
- For faculty with 9 month appointments the academic base salary is used.
Calculating Academic Base Salary (ABS) for Faculty with 9 and 12 Month Appointments

<table>
<thead>
<tr>
<th>Professor X</th>
<th>Base Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 month</td>
<td>$160,000</td>
</tr>
<tr>
<td>12 month</td>
<td>$45,000</td>
</tr>
<tr>
<td>9 month</td>
<td>$35,000</td>
</tr>
</tbody>
</table>

To calculate the ABS for Professor X:
- Add the base salaries for the 9 month appointments together = $195,000
- Divide the 12 month appointment by 12 to get the monthly rate = $3,750
- Multiply the 12 month appointment monthly rate by 9 = $33,750
- Add this number to the 9 month base salaries = $228,750

ABS = $228,750
Budgeting for Other Personnel

• Non-faculty personnel working on a project
  – Project Coordinators
  – Laboratory staff (e.g. lab managers, technicians)
  – Clinical staff

• Postdoctoral fellows & graduate students
  – Stipend vs salary/wages
  – Tuition and Research Assistant Scholarships (RAS)

• Resources
  – OSR Website: Resources-Federal Policies
  – The Graduate School (TGS): Funding
## Subcontractors vs. Vendor

### Subcontractor

- Has responsibility for programmatic decision making
- Has its performance measured in relation to whether objectives of a Federal program were met
- Is responsible for adherence to applicable Federal program requirements specified in the Federal award
- In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.
- Subcontractor must provide an approved and detailed budget for each year of the project, as well as any relevant administrative documents
- Affects F&A base

### Vendor

- Provides the goods and services within normal business operations
- Provides similar goods or services to many different purchasers
- Normally operates in a competitive environment
- Provides goods or services that are ancillary to the operation of the Federal program
- Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons
- Does not affect F&A base

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**Use of judgment in making determination:** the substance of the relationship is more important than the form of the agreement.

For Additional Information:
[http://www.research.northwestern.edu/osr/Subrecipient_or_Contractor_Involvement_Checklist/](http://www.research.northwestern.edu/osr/Subrecipient_or_Contractor_Involvement_Checklist/)
Budget: Special Considerations

- Equipment
  - Capital Equipment
  - Equipment maintenance and service contracts
- Computer Charges (server use, cloud computing, supercomputer time)
- Consultants
- Rental/lease charges
- Research subjects / participants costs
  - Animal care
  - Patient travel
  - Human research participant payments
F&A: Understanding Direct vs. Indirect Costs

- **Direct costs**: Directly assignable to the project, common examples include personnel costs, materials and supplies, and travel costs.

- **Indirect or Facilities and Administrative (F&A) Costs**: Incurred for common or joint objectives and cannot be assigned to a specific sponsored project.
  - Facilities: buildings, maintenance/utilities, library
  - Administrative: general university / departmental admin and services
Budget: Modified Total Direct Cost (MTDC) vs. Total Direct Cost (TDC)

<table>
<thead>
<tr>
<th>Modified Total Direct Cost</th>
<th>Total Direct Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Used for federal awards that provide F&amp;A at our full overhead rate</td>
<td>• Used for industry clinical trial awards and other non-federal sponsors that limit their rate of F&amp;A recovery</td>
</tr>
<tr>
<td>• Also used if legislatively mandated by a federal agency or specific program</td>
<td>• No exclusions from the F&amp;A base</td>
</tr>
<tr>
<td>• Removes certain line items from the F&amp;A base</td>
<td></td>
</tr>
</tbody>
</table>
Budgets: The Big Picture

- Base Salary
- Fringe
- Personnel
- Subcontracts
- Materials & Supplies
- Travel
- Direct Costs
- Indirect (F&A) Costs

F&A Rate Calculation

Budget
How are Proposals submitted?

• Two general submission methods:
  – **System to System**: Submitted electronically directly from InfoEd to grants.gov
  – **Non-System to System**: Submitted outside of InfoEd to the sponsor (e.g. over email or using an external submission platform like the National Science Foundation’s system FastLane)

• **ALL proposals require an InfoEd record**

• **OSR submission deadlines**
  • 5 days before sponsor deadline: Complete admin shell submitted to OSR
  • 2 days before sponsor deadline: Complete FULL proposal (admin and technical) submitted to OSR
InfoEd Proposal Workflow
Best Practices

• Consistent and clear communication is a must:
  PI ↔ RA ↔ GA/GO

• **START EARLY** and establish a timeline to minimize last minute rushes; this will help ensure the best possible proposal goes out the door

• Review proposal guidelines and instructions carefully and thoroughly

• All sponsored projects **must** go through OSR for review and signature

• Adhere to all internal deadlines
Questions?
Networking/Break
Working with Industry
## Northwestern vs. Industry Goals

<table>
<thead>
<tr>
<th>Goal</th>
<th>Northwestern</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Objective</td>
<td>• Expand knowledge through teaching, research, and public service</td>
<td>• Develop and commercialize a product, process, and/or service</td>
</tr>
<tr>
<td>Knowledge Dissemination</td>
<td>• Ability to publish with only limited time delay for review of patent rights</td>
<td>• Keep information proprietary and away from competitors</td>
</tr>
<tr>
<td>Knowledge Ownership</td>
<td>• Ownership of intellectual property developed by NU*</td>
<td>• Ownership and control of intellectual property developed by NU</td>
</tr>
<tr>
<td>Funding</td>
<td>• Full F&amp;A recovery • Reasonable payment terms, such as timing and frequency</td>
<td>• Reduce costs wherever possible</td>
</tr>
</tbody>
</table>

*Clinical Trials*
Clinical Trial Agreements (CTA)

• Establish terms & conditions under which corporate research funding is accepted and conducted by NU
• Help protect NU, faculty, staff & subjects from liability
• Resolve intellectual property issues
• Preserve publication rights and NU data access
Key Risk Areas on Industry Projects

- Pre-spending
- Payment
- Budgets
- Unallowable Costs
- Final Report
- Fixed Price Projects
CTA Negotiation

• Negotiation takes time:
  – Completeness of submission to OSR
  – Negotiating terms of agreements
  – External review when required
  – IRB and budget approval

• Outcome:
  – Contract fully negotiated
  – IRB approval
  – Budget negotiated & approved
  – COI clearance

• Any Updates - Please Contact OSR!
Best Practices

• To expedite negotiations:
  
  – Email CTAs with draft consent to your Senior Contract and Grant Officer and cc the Administrative Coordinator
  
  – Don't forget to include the InfoEd # created in PD

For Additional Information:
http://osr.northwestern.edu/clinical-research/industry
Want to Learn More about CTA?

- Contact OSR Corporate Team Administrative Coordinators for one-on-one training

- More information on broad principles applicable to research agreements between NU and industry: [http://osr.northwestern.edu/clinical-research/industry](http://osr.northwestern.edu/clinical-research/industry)

- Watch for OSR Brown Bags announced on OSR listserv
Questions?
Post-Award Non-Financial Management

Office for Sponsored Research
The Sponsored Project Life Cycle

1. Identifying Funding Opportunities
2. Proposal Development and Submission
3. Award Negotiation and Acceptance
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5. Award Management
6. Award Closeout

Post-Award Administration
Pre-Award Administration
Before the Award

Sponsor may request supplemental documentation and materials prior to issuing the award

<table>
<thead>
<tr>
<th>For NIH, Just-In-Time (JIT) information is often required. This can include “Other Support” as well any required certifications (including human subjects education)</th>
<th>Sometimes a revised budget may be requested by the sponsor</th>
</tr>
</thead>
<tbody>
<tr>
<td>DoD often requests salary verification and other budget documentation, assurances of compliance, and IRB/IACUC approvals</td>
<td>Other information and documentation as applicable</td>
</tr>
</tbody>
</table>
Award Negotiation & Acceptance

- OSR receives notice of award or award agreement
- OSR reviews and, when necessary, negotiates terms and conditions
- OSR confers with PI/Department as needed, e.g. in the case of significant budget cuts
- OSR submits any necessary revisions to sponsor
- IRB / IACUC approvals in place
- Once negotiation is completed OSR signs the agreement
Research Terms & Conditions (RTC)

Defined as the standard core set of administrative terms & conditions for research & research-related awards that are subject to A-110/Uniform Guidance.

Largely based on terms & conditions originally utilized by institutions participating in Federal Demonstration Partnership (FDP).

Waives the requirement for prior approval from many federal sponsors for:
- Rebudgeting
- Carryover of funds
- 1st no-cost extension
What is “Uniform Guidance”?

- The OMB “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” was released on December 26, 2013.

- The “Uniform Guidance” consolidates the eight federal circulars that govern financial assistance (grants), including A-21, A-110 and A-133, also effectively consolidating grantee communities.

- Meant to ease administrative burden and strengthen oversight over Federal funds to reduce risks of waste, fraud and abuse.
  - Effective December 26, 2014.
Award Set-Up

• OSR checks that all approvals and determinations are in place, and that all required information has been obtained
  – Financial Conflict of Interest (FCOI) determination
  – IRB/IACUC approvals as appropriate
  – Revised budgets as applicable

• OSR completes award data entry in InfoEd and NUFinancials

• OSR generates chart strings and distributes Project Account Summary (PAS) and award documents to PI/department

• PI/department should carefully review both the NOA and PAS
  – The PAS includes the funding appropriation, chart strings, and other award details
  – Any questions should be referred to your GO in OSR

For Additional Information:
Evanston – On the PAS there is a section for Appropriation notes that contains important award terms and conditions*
Elements of NUFinancials Chart Strings

**Fund Code:**
First three digits of the chart strings indicate the sponsor type

**Department Code:**
Seven digit code for the managing department/division

**Project Number:**
Eight digit code unique to a specific project

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**Example Fund Codes**

<table>
<thead>
<tr>
<th>Code</th>
<th>Sponsor Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>610</td>
<td>Federal Grants &amp; Contracts</td>
</tr>
<tr>
<td>620</td>
<td>Federal Flow-Through</td>
</tr>
<tr>
<td>630</td>
<td>State of Illinois</td>
</tr>
<tr>
<td>640</td>
<td>Industry Clinical Trials</td>
</tr>
<tr>
<td>650</td>
<td>Other</td>
</tr>
</tbody>
</table>
Award Management: Department Responsibilities

- Review PAS against the award notice; ask questions if something looks amiss
- Obtain access to the Chart String across all NU business systems (payroll, NUFinancials, etc.)
- Establish salaries; notify other departments if utilizing outside personnel
- May request additional budgetary accounts to be opened, if needed
- Ensure correct expense accounts are used when charging expenditures
Electronic Sponsored Projects Request (ESPR)

- Award Relinquishment
- Budget
  - Carry-forward of unobligated balance
  - *Open new budget categories*
  - *Revised budget for an award*
  - *Revised budget for a proposal*
- Data Use Agreements & Non-Disclosure Agreements
- Material Transfer Agreements
- Fabricated Equipment
- Personnel
  - Effort change for PI or other key personnel
  - Extended absence of PI
  - PI or Co-I change
  - Change of department
- Prespending
  - New award
  - Continuation year
- Subcontract
  - Request to issue new subaward
  - Subaward amendment
- Withdraw proposal
- *No-cost Extension*
Revised Budgets

Revised budgets may be required at both pre- and post-award stages. For these requests an ESPR should be routed containing the information below:

- **Proposal**
  - Original budget and justification
  - Revised budget and justification
  - Key personnel effort reduction
  - Sponsor correspondence
  - Revised scope of work (if applicable)

- **Award**
  - Most recent budget and justification
  - Revised budget and justification
  - Key personnel effort reduction
  - Multiple chart strings clearly marked
  - Uncommon budget categories specified
No Cost Extension (NCE)

• Extends the grant project period without additional funding from the sponsor

• Effort during NCE is assumed to be the same as the last year of the grant. If effort will change this should be noted in the ESPR request, sponsor approval may be required

• Under RTC, most federal awards allow an grantee approved one-year NCE

• Non-federal sponsors generally require approval for any NCE
Requesting an NCE

• Formal NCE requests should go through OSR
• Submit an ESPR with the following information:
  – Length of extension requested
  – Strong justification for the extension
    • Reason for the delay?
    • What work will be accomplished?
  – Confirmation of effort during NCE
  – Most recent IRB and/or IACUC approval, if applicable
  – Current balance
    • Justify large or small balances
Subcontract

An agreement between the prime institution (pass through entity (PTE)) and another organization (subrecipient) under a sponsored project, the subcontract outlines the nature and extent of the subrecipient’s involvement. It includes a scope of work, a corresponding budget, and budget justification.

In addition, the Subcontract incorporates the appropriate terms and conditions from the agreement between the originating sponsor and the PTE.

- To initiate a subcontract:
  - Department submits an ESPR request along with subrecipient’s SOW, budget, and justification

- PI/department responsibilities:
  - Monitoring subrecipient progress
  - Collecting and retaining technical reports
  - Approving invoices for payment
Progress Report

• All NIH awards require an annual progress report, or noncompeting continuation application, due 45-60 days prior to the start of the next budget period
  – The use of the Research Performance Progress Report (RPPR) module is required for all annual non-competing (Type 5) NIH awards

• Almost all other sponsors require some type of technical report.

• For some sponsors, funding in subsequent years is dependent on satisfactory progress
Progress Reports: Things to Remember

- In InfoEd, select: “NU Progress Report/Continuation”

- Make certain FCOI disclosures are up to date

- Provide a completed copy of the Unobligated Balance calculator, found on the OSR website under Resources and Training → Tools and Checklists

- Provide current IRB and/or IACUC approval, if applicable
Award Close-Out

- PI submits final progress report
- Submission of final invention statement
- ASRSP submits final financial report
- Dept. works with ASRSP to reconcile and close chart string
Questions?
Networking/Break
Accounting Services for Research and Sponsored Programs (ASRSP)

Research Accounting
Mission

To provide exceptional financial administration to sponsored research grants and contracts.

We are committed to the highest standards of financial stewardship and compliance with both University and sponsor regulations.
Key Functions of ASRSP

- Financial Reporting
- Collecting Revenue
- Coordinating Audits
- Transaction Review & Approval
- Award Closeout
Why is ASRSP Important?

In Fiscal Year 2015 (between 9/1/14 and 8/31/15):

- $707 million in sponsored research expenditures
- $345 million in receivables created
- 3,075 financial reports submitted
- 5,004 invoices sent
Spending and Payment Considerations
Audit Topics

- Consultant Payments and Sub-recipient Monitoring
- Travel Reimbursements and Visa Fees
- Equipment Purchases
- Procurement Card Purchases
- Computer Purchases
- Cost Transfers
- Overdrafts
Timeliness of Expenditures

General accounting rule: post expenses within 90 days of its occurrence

- Timeliness is an increasingly important part of managing sponsored awards

- Federal agencies giving us less time to closeout

- Important to create a spending plan, review it quarterly and reconcile to avoid a loss of funding
Dept./College Approvers

- When submitting transactions the department approver should
  - Audit Transaction ...
    - is it following sponsored project regulations (Allowable, Allocable….)
    - Was the correct account code use
    - If a Service (Account code that start with 75***) always included a quote or attachment
    - Verify PI signature (required for some transactions)
  - Explanation provided is specific and mentions the benefit to the grant
    - Important for Expense reports, Consulting, Corrections journals, Equipment/computer purchases.
    - If there is a comment box please place benefit to grant there
  - ALWAYS attach backup if you have special circumstances
    - Special circumstances raise red flags at ASRSP you can expedite the approval of your transaction if you attach the budget page or email showing the sponsor allowed you to do something normally not allowed on typical grants
What is a Consultant?

An individual hired to give professional advice or services for a fee

- Person cannot be classified as employee or subcontractor
- A work plan must be in place before any work is completed
- Work must directly benefit the grant
- US residents and non-residents paid differently
Consultants: Work Plan

• Define the work scope, deliverables and payment terms before work begins*

• Payment terms
  – Flat fee for deliverable
  – Hourly rate and expected hours needed for completion of work
  – If the project is long, a monthly deliverable schedule should be worked out so that payment doesn’t exceed 90 days from the start of work for that period
  – Pay always based on receipt of timely, itemized invoice

* Note: May be asked for this work plan during an audit
Consultants: Speaker Fees

- Normally not allowable on sponsored projects
- Possible exceptions:
  
  **Conference Grants**

  **Training Grants**

  *Specifically included in the approved budget*

  - Presentation must relate to sponsored project and only individuals involved in project should attend
Consultants: Payment

- Determine if the payment will be made through HR or through Accounts Payable.
- Assuming the consultant is US Resident (A/P):
  - If consultant does not have a Northwestern University vendor code…department must complete an Independent Contract Questionnaire (ICQ) and submit it to HR for review and approval before a vendor code can be issued.
  - Department completes a Contracted Services Form (CSF requires vendor code) and consultant signs: must be after completion of the represented service period.
  - Department creates an online voucher, enters online voucher number on Contracted Services Form, uploads CSF and an invoice from the consultant into voucher in NuFinancials, and submits to ASRSP for review and approval.
- Remember missing information will delay payment
Contracted Services Approvals

Once form is completed and back up has been provided submit the form to ASRSP.

ASRSP will do the following.

1. Review and Audit the form and documentation
2. Submit the form to OSR for their review and approval of fundamental compliance
3. Form is returned to ASRSP we approve the Online Voucher

Account Payable will review and approve the voucher and payment will be made
Interactive Activity

Please work a partner.

You have 5 minutes to come up with your list of errors. We will discuss the results as a group afterwards.
Contracted Services Form

Request #: [555 555 555]
Payee ID: [0000055555]

Contractor Information
Name: Joe Contractor
Address Line 1: 555 Mulberry Lane
Address Line 2: A/B/C:
City, State, Zip: Evanston, IL 60208

Description of Contracted Services (for sponsored project, also describe the benefit to the award):
10 hours of education outreach activities conducted for NURULES center in Jan. 2012. This includes the preparation and distribution of NURULES quarterly newsletter as required by the Award terms of the Dept. of Education award.

Contractor’s Acknowledgement
I understand that payment will not be issued until performance and completion of the contracted services, and that the date of payment cannot be prior to the work completion date. I understand that agreed upon expenses will not be reimbursed unless I complete a Visitor Expense Report and attach original receipts.
I certify I have not been paid as an employee of Northwestern within the last twelve months. I understand that this payment does not include any employment benefits or tax deductions and that the payment of these is my responsibility.

Contractor Signature: Joe Contractor
Date: 02/03/2012

University Payment Request
Services start date: 02/01/2012
Services completion date: 03/01/2012

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<tr>
<th>Expense Item</th>
<th>Fund</th>
<th>Dept</th>
<th>Project</th>
<th>Act</th>
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Travel Expenses (from Visitor Expense Report)
Total Payment
$500.00

University Approvals
I approve the payment for services and expenses noted above. The cost was incurred in conformance with the current HR policy on Independent Contractors and Contractors on the Northwestern web site. If charged to a Sponsored Project account, it is understood and agreed that these expenditures are subject to review and audit and if found to be unallowable, they will be transferred to a non-sponsored departmental account. The payment requested includes only the expenses associated with the contracted services, not in payment of honorees or for subsistence, and is not in avoidance of immigration restrictions, Affirmative Action requirements, payment of fringe benefits, statutory taxes, fees, insurance premiums or any other applicable statutory employment regulation.

Approver
Name (print): PI Smith
Signature: [Signature]
Date: 02/02/2012

Principal Investigator or Hiring Representative
Name (print): PI
Signature: [Signature]
Date: 02/02/2012

School or Center
Name (print): Admin
Signature: [Signature]
Date: 02/02/2012

OSR or Controller
Name (print): Admin
Signature: [Signature]
Date: 02/02/2012
# Invoice from Services

**Joe Contractor**  
555 Mulberry Lane, Apt. 1  
Evanston, IL 60208  
Phone: 847-555-1212  
Fax: 847-555-1200  
jeocontractor@nmail.com

**TO**  
NURULES Center  
Northwestern University  
2145 Sheridan Road, #111  
Evanston, IL 60208  
847-467-5555

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<tr>
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<tbody>
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<td>9 hours</td>
<td>Editing, formatting &amp; creating winter quarter newsletter for NURULES center</td>
<td>$50/hour</td>
<td>$450.00</td>
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<tr>
<td>1 hour</td>
<td>E-mail and USPS distribution of winter quarter newsletter for NURULES center</td>
<td>$50/hour</td>
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**SUBTOTAL**  
$500.00

**SALES TAX**  
$0.00

**TOTAL**  
$500.00
Subcontracts Overview

1. PI/institution gets awarded grant or contract from sponsor

2. A portion of the project cannot be completed at Northwestern

3. The sponsor requirements and terms & conditions must be passed down with the subcontract

4. The subcontract generally has a budget for salary, fringe, supplies, etc.

5. Subcontract is written to a PI at outside institution or company to complete portion of the project

ASRSP- Spending & Payment
Sub-recipient Monitoring

- PI collects and monitors the technical performance of subcontractor

- Subcontractor should submit invoice to ASRSP regularly
  - Final invoice must be received on time

- PI must review invoices to insure that charges reflect the work being done

- ASRSP reviews A-133 reports for sub-recipient institution
Subcontract Payment Process

1. Department creates Requisition in People Soft + Receiver Required (Y)
2. ASRSP receives and forwards invoices to the Department
3. Invoices are certified by PI that costs charged are acceptable and work has been performed
4. Invoice returned to ASRSP from Department for processing with Accounts Payable
5. Department approves receiver required field in People Soft
6. AP sends check to ASRSP
7. ASRSP reviews and then mails check to vendor along with a copy of the invoice
Travel Allowability

• Travel must directly benefit the grant

• Professional development and networking expenses are not allowed on grants

• Costs must be within Northwestern University guidelines

• Travel must be allowed by the sponsor, within sponsor guidelines and award terms.

• Best practice is to read the award!
General Travel Regulations

- Travel must be completed within award budget period
- Working lunches and local meals are not allowable
- Reimbursement can only be made upon completion of travel
- $65 limit per person on meals, including tax and tip
- Alcohol is not allowable
- Original Itemized receipts required unless per diem option is selected prior to travel
- Travelers will be reimbursed for reasonable and actual costs of lodging
- Penalties, fees, and upgrades are generally not allowable
Visa Fees

• Fees for visas are allowable when foreign travel is authorized as part of the budget, and a visa is necessary for travel.

• NIH allows visa fees for employees only for recruitment purposes. Renewal applications are not allowable.

• NSF does not allow visa fees for employees.

• For other federal agencies, the determination of allowability is still pending.
Fly America Act & Exceptions

Federal law prohibits use of a foreign air carrier when travel is paid for by federal funds, with limited exceptions

- US carrier does not service the route
- Excessive delays or layovers to use US carrier
- Medical necessity with sponsor pre-approval
- Use of foreign carrier puts travel at risk
- The grant is not funded by the Dept. of Defense and an Open Skies agreement exists
Open Skies Agreements

- US air carriers are the easiest option for foreign travel.
- The Dept. of Defense does not allow an Open Skies exception to the Fly America Act.
- Air carriers from European Union members states is allowable non-DOD federal grants.
- Travel on an Australian, Japanese or Swiss air carrier may be allowable.
- University preferred travel vendors are there to help.
Equipment

**Capital Equipment:** $5,000+ and useful life 1+ years

- Uniform Guidance describes equipment use, title, inventory and disposal requirements
- Purchase within final 3 months of grant is audit red flag
- ASRSP reviews and approves equipment expenditures
- Government titled property is managed by ASRSP
Procurement Cards

A tool to streamline low value purchasing transactions. The card does not avoid or bypass appropriate procurement or payment procedures. The card is not used for travel and entertainment purposes.

- Include a detailed description of the item being purchased
- Be sure to keep all backup documentation, such as the pcard log and receipts, for audit purposes
- ASRSP reviews all charges at the end of a grant, including pcard charges, for unallowable items
Computer Purchases

• Must be necessary for and provide benefit to the project

• Only allowable in unlike circumstances

• Must be directly allocable to the project

• Must be reasonable

• Currently in a transition year
  • Stay tuned for Uniform Guidance updates on this topic
Cost Transfers

Expenses moved from one chartstring to another to correct an error

Support for cost transfers includes:

• Description of the expense item
• Explanation of how the expense benefits the grant
• If it is travel, who traveled, to where, for what and the date of the travel
• Detail why or how the expense was charged incorrectly
• No need to say “moving from project A to project B”
• **Timeliness** very important!
Overdrafts

Expenditures exceeding the awarded amount

- Overdrafts are an uncollectable cost
- Department is responsible for funding these costs
- Transferring overdrafts to another sponsored project is **not** allowable
- Overdrafts typically cannot be transferred to continuation award
- ASRSP will charge department or center chartstring if overdraft is not resolved
Administrative Systems Training

Training Curriculum

<table>
<thead>
<tr>
<th>Approvers</th>
<th>Accounting</th>
<th>Revenue</th>
<th>Budgeting</th>
<th>Payments</th>
<th>Purchasing</th>
<th>Grants</th>
<th>Reporting</th>
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Grants

Sponsored Research Overview 5m

- FMS502 InfoEd Proposal Development
- FMS503 InfoEd Approvals
- FMS505 Managing Sponsored Projects

Before Class
1. The Grant Chart String 3m Overview
2. Grants Training Plan Reference

Course Session
Register: FMS505 Managing Sponsored Projects - Classroom

After Class
1. InfoEd Proposal Tracking 20m Demonstration

Library

General
1. Managing Sponsored Projects  Presentation
2. Award Management Quick Reference Guide Reference
3. Sponsored Research Checklist Reference
4. Reading the GM045 Report Tutorial
5. Reading GM045 Job Aid
6. Reading the GL008 Tutorial
7. Reading GL008 Job Aid

http://ffra.northwestern.edu/training/curriculum.html
What is Award Closeout?

A collaborative effort to coordinate the completion of a project to meet all requirements and deliverables established as a condition of the award.
Closeout

• Begins 90 days before a grant end

• A time to settle all expenses that belong on the grant and to send final reports due

• Reconciliation throughout the sponsored project period assists with a smooth close out

• Department should strive to post all expenses on a grant by the end date to avoid loss of funding
Closeout Timeline

Closeout e-mail
PI and RADM will receive a closeout email and talk about closeout plans.

Prespending?
Dept requests prespend chartstring for competing continuations.

Effort Check
30 days before effort reviewed. Respond to emails that require corrections- ASAP.

Award End Date
Grant has ended. No new expenses should post.

Finalize Expenses
Dept follows up on unposted expenses, and communicates status to ASRSP.

FFR DUE
ASRSP reviews expense for allowability and will submit before deadline and close chartstring.

No Cost Extension?
Dept either requests a NCE or begins final spending plan.

Review Expense & Encumbrances
Dept insures encumbrances are valid, reviews expenses to insure they are allowed, and initiates final PO’s or corrections.

Internal Services Stop
Dept should inform lab staff & internal service centers to stop using chartstring.

Final Progress Reports
PI prepares and submits Dept should keep a copy in file ready for auditors’ request.

Final Invention Statement
PI should Submit through OSR.

Final Effort Reports
PI & Dept certifies final effort reports.

Carryover Request
PI submits carryover request to OSR if terms require approval.

Internal Services
Dept follows up on unposted expenses, and communicates status to ASRSP.

FFR DUE
ASRSP reviews expense for allowability and will submit before deadline and close chartstring.

Final Effort Reports
PI & Dept certifies final effort reports.

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ASRSP reviews expense for allowability and will submit before deadline and close chartstring.

Final Effort Reports
PI & Dept certifies final effort reports.

Carryover Request
PI submits carryover request to OSR if terms require approval.
~ 90 days before grant ends, ASRSP sends a closeout notice.

Department contacts recharge center and lab staff of changes.

ASRSP GCFA contacts department about report. Includes an approved payroll journal on FFR.

A Recharge center expense posts for period after the grant ends. Somehow they didn’t get the message.

ASRSP sends an FCTR based on NUFIN information. Payroll is not showing up in NUFin but recharge cost is.

Department gets award ready except payroll journal over 90 days old (paper) being processed and moving through approval channels.

In the past, ASRSP would report corrected expenditures on future reports sent. NOW a Grant is closed by Payment Management after 120 days. Award is reduced to lowest number reported.

Payroll journal posts in NUFIN after NIH closes grant. Department will have to cover payroll and other unallowable items on department chart string.

Department discovers missing payroll, and old unpaid encumbrances.

ASRSP processes the weekly LOC P subaccount draw within NUFin. Payroll is not showing up in NUFin.

Example of how Departments will lose funds based on 180 day closeout timeline
Transfer or Relinquishment

• Complete ESPR request 90 days prior to transfer or close. Please note ESPR is a OSR system.
  ➢ You must also EMAIL –ASRSP GCFA about any transfer or relinquishments.

• Arrangements made for project personnel

• Work with INVO regarding any intellectual property

• Work with Accounting Services for equipment transfers

• Inform ASRSP to prepare financial report and close chartstring

• Follow standard closeout procedures
Federal Government Changes to Closeout

- Uniform Guidance requires reports due 90 days from the end date
- Federal Agencies are now enforcing those rules
  - Ex: Most Federal agencies will have a strict 90 day closeout window
  - NIH and NSF are the exceptions they are granting 120 days but no extension can be asked
- If ASRSP is unable to draw funds and submit the final report departments will be responsible for uncollected funds
- All expenses must be posted in NU Financials within 60 days of the end date to ensure payment
- Final subcontract invoices need special care when closing out
Questions?
Day 3 is Complete!

Thank you for attending day 3 of the Research Administration Training Seminar!

I will be emailing a brief survey regarding day 3 of this training. Please take a few minutes to fill it out as we are always looking for suggestions for improvement!

The next session is on Wednesday, 02/01 at 1:00pm in FSM – McGaw, Daniel Hale Williams Auditorium. If you have any questions or concerns, please do not hesitate to contact me.