UIC UNIVERSITY OF ILLINOIS AT CHICAGO

Workshop Presenter(s)

Post Award (Grants & Contracts)	Pre-award (Office of Research Services)
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Please …

- Turn off cell phones.
- Avoid side conversations.
- If time permits, questions will be taken at the end of each section.
- Sign the attendance roster.
- Complete the evaluation at the end of the workshop.

Workshop Objectives

- Identify steps that should be taken at the time of proposal or at the onset of an award that can prevent major headaches. This training will focus on:
  - ✓ Award document review (Terms & Conditions)
  - ✓ Cost Share
  - ✓ Program Income
- Explain how steps taken at the pre-award phase impact post award.
- Provide resources and tips to help you manage those headaches.

Understanding Your Award
Pre-award (ORS)

- Read through award and take note of:
  - Award amount
  - Submit a revised budget, if necessary
  - Award dates
  - Restrictions

- Did anything change between proposal to award?
  - Key personnel, effort commitments, etc.

- Is there anything preventing this award from being released (e.g., conflict of interest)?

Resources for Understanding Your Award (Pre-award)

1. RFP/PAR (e.g., announcement)

2. Catalog of Federal Domestic Assistance (CFDA)

3. Uniform Guidance Subpart C

   - https://www.ecfr.gov/cgi-bin/text-idx?SID=ccb3900d0011dfcb65a95b750217b80c&mc=true&node=sp2.1.200.c&rgn=div6

4. Attend OVCR Research Administrator meetings

5. ORS Website

   - http://research.uic.edu/sponsored_programs/award/contract-processing-and-acceptance/receiving-your-sponsored-research-award

Understanding Your Award
Post Award (GCO)

Also take note of:

- Deadlines (deliverables, reports, billings, etc.)

- Reporting and billing requirements

- Unallowable costs

- Carryover/NCE authority

- Rebudgeting terms

- Unused funds

- Closeout requirements

- Record retention requirements

Understanding Your Award
Post Award (GCO)

What's the big deal?

1)Look out for **restrictive terms** that could delay your spending and drawdown ability

"The grantee is only authorized to expend funds up to$167,723 until the IRB certification documentation has been submitted to the cognizant NSF Program Officer."

"This award is being made without currently valid verification of IACUC approval for this project with the following restriction: Only activities which do not involve live vertebrate animals may be conducted pending acceptance by the awarding agency."

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Understanding Your Award
Post Award (GCO)

2) Look out for **reporting requirements**

"…each subsequent year of funding is contingent upon approval of an annual progress report, which includes a scientific and a financial report."

E.3.   Reporting Timelines.

E.3.1.   First Performance Report. Unless otherwise specified in **PART THREE**, Grantee's first performance report shall cover the first three months after the Award begins.

E.3.2.   Close-out Performance Reports. Grantee shall submit a final close-out performance report within thirty (30) calendar days following the end of the period of performance. If this Agreement is terminated early, regardless of the reason, Grantee shall submit a final close-out performance report within thirty (30) calendar days following the effective date of termination.

E.3.3.   Quarterly Performance Reports are to be entered into the Genetic Counseling System and educational activities submitted through provided Excel forms, and are due as follows:
1st Quarter (July 1 – September 30, 2016) Due By: October 31, 2016
2nd Quarter (October 1 – December 31, 2016) Due By: January 31, 2017
3rd Quarter (January 1 – March 31, 2017) Due By: April 30, 2017
4th Quarter (April 1 – June 30, 2017) Due By: July 31, 2017

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Understanding Your Award
Post Award (GCO)

3) Be aware of **billing terms** that could hold up the final payment

"…..final payment will be withheld if the financial report has not been received by the due date."

KEY PERSONNEL

SUBCONTRACTOR shall provide ▇▇▇▇▇▇▇▇ as its principal investigator ("Subcontractor Principal Investigator") for the Work. SUBCONTRACTOR may provide other personnel to assist in the Work ("Study Staff"). SUBCONTRACTOR agrees that there shall be no change in Subcontract Principal Investigator without written approval of RIC, which shall not be unreasonably withheld. SUBCONTRACTOR shall maintain complete and accurate records of all time and effort of its personnel utilized under this Agreement.

B. Invoices submitted for payment must identify with specificity the personnel, effort, salary, itemized purchases, and other itemized expenses for which reimbursement is requested. SUBCONTRACTOR shall submit invoices only with documentation that supports the itemized expenses for which reimbursement is requested.

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Understanding Your Award
Post Award (GCO)

4) Be aware of **rebudgeting terms**

6.1. <u>Budget.</u> The Budget is a schedule of anticipated grant expenditures that is approved by Grantor for carrying out the purposes of the Award. When Grantee or third parties support a portion of expenses associated with the Award, the Budget includes the non-Federal as well as the Federal share (and State share if applicable) of grant expenses. The Budget submitted by Grantee at application will be final and is incorporated herein as an attachment. However, a revised Budget is incorporated if submitted to Grantor and thereafter approved.

6.2. <u>Budget Revisions.</u> Grantee shall obtain Prior Approval from Grantor whenever a Budget revision is necessary for one or more of the reasons enumerated in 2 CFR 200.308. All requests for Budget revisions that require Grantor approval shall be signed by Grantee's authorized representative and submitted to Grantor for approval. Expenditure of funds under a requested revision is prohibited and will not be reimbursed if expended before Grantor gives written approval. 2 CFR 200.308.

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Understanding Your Award
Post Award (GCO)

5) Know what the **closeout requirements** are

13.2.   Close-out Reports.

(a)   Grantee shall submit a Close-out Report within 60 calendar days following the end of the period of performance for this Agreement. In the event that this Agreement is terminated prior to the end of the Term, Grantee shall submit a Close-out Report within 60 calendar days of such termination. The format of this Close-out Report shall follow a format prescribed by Grantor. 2 CFR 200.343.

(b)   If an audit or review of Grantee occurs and results in adjustments after Grantee submits a Close-out Report, Grantee will submit a new Close-out Report based on audit adjustments, and immediately submit a refund to Grantor, if applicable. 2 CFR 200.344.

Understanding Your Award

1. I manage many NIH awards throughout my career at UIC, I don't have to read the terms and conditions of each award, do I?

2. The sponsor asked for billing/reporting requirements different than what is in the award document. Is it okay to comply with the sponsor's request?

3. Between ORS and GCO, shouldn't THEY be telling me if something is not within guidelines?

# Resources for Understanding Your Award (Post Award)

1. Be familiar with agency & program specific guidelines

2. Research Terms & Conditions

   • https://www.nsf.gov/awards/managing/rtc.jsp

   • Especially Appendix A (Prior Approval Matrix)

   • Agency specific T&C (DOC, DOE, HHS/NIH, NASA, NSF, USDA/NIFA)

3. GCO Receiving an Award web page

   • https://www.obfs.uillinois.edu/grants/chicago-campus/essentials/receiving-award

4. University Cost Principles Policy

   • https://www.obfs.uillinois.edu/bfpp/section-16-grants-research-contracts/cost-principles

5. GC 101 training for beginners

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Understanding Your Award

What's the bottom-line?

Read...read...read

   As soon as you receive the award
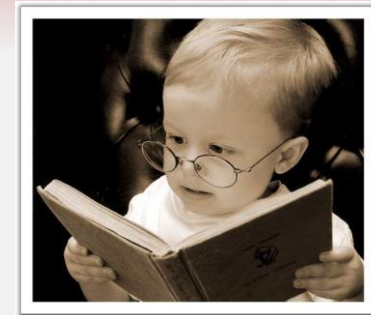
Communicate...communicate...communicate

   With your program or contracting officials

   Within your project team

   Reach out to pre/post award for assistance

Document...document...document

   Throughout the life cycle of the award!

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Cost Share
Pre-award (ORS)

What is Cost Share?

Cost share represents the portion of total project costs not borne by the sponsor.

➤**Committed**

- ▪ Mandatory
- ▪ Voluntary

➤**Uncommitted**

In general, cost share only when it is required.

Cost Share
Pre-award (ORS)

Uniform Guidance Impact

§200.306 Cost sharing or matching

- Under Federal research proposals, voluntary committed cost sharing is <u>not</u> expected.
- It <u>cannot be used as a factor during the merit review</u> of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity.

Cost Share
Pre-award (ORS)

What is needed?

- The Principal Investigator (PI) should seek written approval from the dean or department head

- Submit a cost share budget along with the proposal

  - Ensure cost share expenditures meet the basic cost principles (allowable, allocable, etc.)

  - Identify the anticipated cost share C-FOP

- Include commitment letters (internal & external)

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Cost Share
Pre-award (ORS)

- Review proposal for any implied cost share and remove from proposal or add to cost share budget
  - Most common type: Personnel
  - Unrecovered indirect costs require prior approval

- The IBS used at proposal can impact cost share

- Cost share reduces our indirect cost rate

- Cost share policy coming soon!

Cost Share Responsibilities

Roles and Responsibilities

Principal Investigator (PI)
- Ensure all cost share commitments are met
- Certify contributed effort cost sharing in effort reporting system
- Certify all non-personnel and third-party commitments as required
- Obtain sponsor's approval for any changes

Business Manager
- Complete and submit cost share commitment forms for all contributed effort
- Request new fund or program code to track cost share expenditure
- Retain documentation that supports cost share

GCO
- Collect cost share commitment forms and CFOAPs
- Review cost share expenditures with BM
- Report cost share per terms of the award

Cost Share
Post Award (GCO)

Understand what you committed to:

"The Recipient agrees to provide the Recipient's non-Federal Matching Share contribution for eligible project expenses <u>in proportion to</u> the Federal share requested for such project expenses."

Federal Share	$55,000.00
Non-Federal Matching Share	$55,000.00
Total Project Cost	$110,000.00

Cost Share-Example of matching Post Award (GCO)

At the end of the project…

	Total Project Costs
Federal Share (Charge to Grant)	$50,981
Recipient Share (Charge to institutional CFOP)	$45,905
Total Costs	**$96,886**

You did not meet the 1:1 match as required and committed!

How much can we request from this sponsor?

Only 50 % of total cost = $96,886/2 = $48,443

Cost Share – Personnel example

It's put in writing…

Named as the PI on grant code [   ] and has committed 50% of his time as cost share effort over the life of the project

AY16 -- 50% from 09/01/2015 to 08/15/2016
AY17 -- 50% from 08/16/2016 to 08/15/2017
AY18 -- 50% from 08/16/2017 to 08/31/2017

Now it's time to document…

SOURCE OF PAY	EFFORT
[ ] Grant [ ] State of Illinois	50%
Cost Shared Effort/Salary Cap for [ ] - 50%	
Total Sponsored Effort	**50%**
Total non-sponsored effort (Click for Details)	50%
Total Effort	**100%**

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Cost Share – Personnel example

This is how a business manager would enter this in ERS

	Fund	Org Code	Related Salary	Effort
Grant A... Grant Period: 9/1/2015 - 9/30/2017				
State of Illinois ( )				
FUND:				
2017 Effort to be Certified				50%*
Effort (Salary) Charged to Grant			$0	0%
Committed Cost Sharing (?)	100017/18	757000	$43,425	50
Cost Shared Effort/Salary Cap	100017	757000		
Variance (Click for Details)				0
None - Please select a comment if required				
Effort Accounted For on Fund				50%
				Save
Total Sponsored Effort				50%
Total non-sponsored effort (Click for Details)				50%

Can I use _____ for cost share?
Post Award (GCO)

- **NO!!!** *(Unless prior written approval is obtained)*

  – Costs unallowable on the prime award

  – Salary over the sponsor's cap

  – University facilities (e.g., lab space)

  – Unrecovered F&A

  – Capitalized equipment

  – Depreciation on capitalized equipment

  – Another grant's expenditures w/out prior approval

- Remember: it's auditable!

- Cost share procedures coming soon!

Cost Share Nuances
Post Award (GCO)

- Personnel cost share can evolve over time
  - Submit cost share spreadsheets
- Track cost share in a specific c-foap
- Cost share can only be used **once**
- Use an allowable cost share source
- Changes to cost share require prior approval
- What's required for reporting?
  - Cost share certification worksheet
  - Copy of ledger(s)

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Cost Share – Non-compliance
Post Award (GCO)

- Sponsor may:

  ➢ reduce a portion of allowable funds

  ➢ return invoices for lack of cost share expenditure

  ➢ terminate the award

- Risk of audit finding
- Risk for future funding opportunities

Cost Share

1. Cost share can be met with expenses that are unallowable on grant funds since it's not being paid for with grant funds.

2. Cost share needs to be tracked if cost share is included in the budget <u>OR</u> budget justification.

3. The PI doesn't need prior approval to charge effort originally intended for cost share to the grant if (a) funds are available and (b) effort isn't reduced by more than 25%.

Resources for Cost Share

1. Be familiar with award, program and agency specific guidelines
2. Effort Reporting policies 17 & 18 for salary cost share
   - https://www.obfs.uillinois.edu/common/pages/DisplayFile.aspx?itemId=507468
   - Other Helpful Resources from the Effort Reporting website https://www.obfs.uillinois.edu/grants/chicago-campus/effort-reporting/
     – Cost Share Job Aid
     – Salary Cap calculator
3. Effort Reporting policies 3-9 for policies related to IBS
   - https://www.obfs.uillinois.edu/common/pages/DisplayFile.aspx?itemId=507468
4. Cost Share Policy & Procedure coming soon!

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Cost Share

What's the bottom-line?

Allowable?

Verifiable?

Required?

Tracked in Separate CFOPs?

Reasonable?

Allocable?

Treat it like an extension of your existing grant that happens to be funded by the University.

Program Income
Pre-award (ORS)

What is Program Income?

Program income is gross income earned by the University that is directly generated by a supported activity or earned as a result of the award during the period of performance.

Program Income Policy:

OBFS Policies and Procedures – Section 16
https://www.obfs.uillinois.edu/bfpp/section-16-grants-research-contracts/program-income

Program Income
Pre-award (ORS)

A Few Examples of Common Program Income:

- Registration fees charged to participants to attend a workshop or conference under a sponsored award

- Usage fees for sponsor-funded equipment

- Revenue generated from sale of items produced with sponsored funds

- Third-party patient reimbursement for patients enrolled in a sponsored study

Program Income
Pre-award (ORS)

What is NOT Program Income?

- Income earned after the end of the project period

- Income earned from license fees and royalties produced under a sponsored award (unless it is addressed in the award terms)

- Interest earned on advances of federal funds

- Proceeds from the sale of equipment acquired under sponsored award

Program Income
Post Award – (GCO)

Roles and Responsibilities

Principal Investigator (PI)	• Identify income at proposal stage • Plan for using program income • Verify program income on reports • Notify BM/GCO of unanticipated program income • Address final balance
Business Manager	• Assist PI with estimates • Request separate grant fund for tracking • Bill for services and reconcile revenue • Send deposits/coordinate applying revenue • Monitor account activity and restriction imposed by sponsor • Use program income before grant funds
GCO	• Set up separate grant fund for tracking • Advise PI/BM on proper accounting/tracking • Ensure proper method was used • Verify and prepare report

Program Income
Post-Award (GCO)

What is required?

The University is required to identify, document, and report program income generated on sponsored projects in accordance with the Federal administrative requirements, awarding agency regulations and terms and conditions of the awards.

Program Income-Example
Post-Award (GCO)

SF 424

15. ESTIMATED PROJECT FUNDING

a. Total Federal Funds Requested*	$25,000.00
b. Total Non-Federal Funds*	$0.00
c. Total Federal & Non-Federal Funds*	$25,000.00
d. Estimated Program Income*	$0.00

PHS 398 Cover Page Supplement

3. *Program Income Section

*Is program income anticipated during the periods for which the grant support is requested?

○ Yes   ● No

If you checked "yes" above (indicating that program income is anticipated), then use the format below to reflect the amount and source(s). Otherwise, leave this section blank.

*Budget Period	*Anticipated Amount ($)	*Source(s)

Program Income-Example
Post-Award (GCO)

Budget Justification

Estimated Costs and Revenues: (Note: Estimated costs and revenues should equal)

Estimated Total Costs:
a. Scholarships, awards, and travel, stay for selected trainees including URMs: $30,000
b. Four attendees who will serve in advisory, mentorship, career opportunity roles: $5,000
c. Venue rental, communication, shuttle, and taxi: $10,000

Total Estimated Costs: $45,000

Estimated Total Revenues:
- Registration Fees collected by ███: $5,000
- NIH/███: $25,000
- Dept. of ███ (Dr. ███): $10,000
- Other Support (from local Pharmas and laboratory equipment/supplier Vendors): $5,000

Total Revenue: $45,000

NGA Language

SECTION III – TERMS AND CONDITIONS

Treatment of Program Income:
Additional Costs

Program Income-Do I have it?

Post-Award (GCO)

Do you…

❑ have Ryan White HIV/AIDS Program (RWHAP) funding?

❑ have a conference grant?

❑ charge fees for goods or services paid for by a grant?

❑ have subrecipients that incur program income?
  ✓ If so, are you monitoring?

Program Income
Post-Award (GCO)

What will happen if we didn't track and report?

➢ **Funding can be reduced on your award (depending on treatment)**

➢ **Program income may need to be returned (regardless of whether it has already been spent)**

➢ **Sponsor imposed audit or more frequent monitoring**

➢ **The University can receive an audit finding**

Program Income

1. Can program income be used for expenses that are unallowable on grant funds?

2. Do you have to report sub-recipient program income?

3. Do you have to track and report income earned after the award ends?

Resources for Program Income

Program Income Policy:

OBFS Policies and Procedures – Section 16

https://www.obfs.uillinois.edu/bfpp/section-16-grants-research-contracts/program-income

Uniform Guidance:

§200.307   Program income.

Program Income
Post Award – (GCO)

What's the bottom-line?

Identify…identify…identify

- As early as at proposal stage
- Throughout the life of the grant

Track…track…track

- Send program income deposits to GCO
- Track in a separate fop
- Remember: it's auditable!

Report…report…report

- Notify GCO that there is program income to report

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Workshop Summary

★ Read, revisit and understand the requirements of the award from the application phase to project closeout.

★ Cost share is a real expense to the University that carries additional administrative burden to all parties involved.

★ Know what constitutes program income, how its treated on your award and ensure reporting requirements are fulfilled.

Questions / Concerns?