

**UNIVERSITY OF ILLINOIS AT CHICAGO**

Second Annual

**BRINGING ADMINISTRATORS  
TOGETHER CONFERENCE**

March 6<sup>th</sup> & 7<sup>th</sup>, 2008

Workshop Session 3 & 4

# The Life of an Award

Pre to Post Award

Practice and Pitfalls

Presenters:

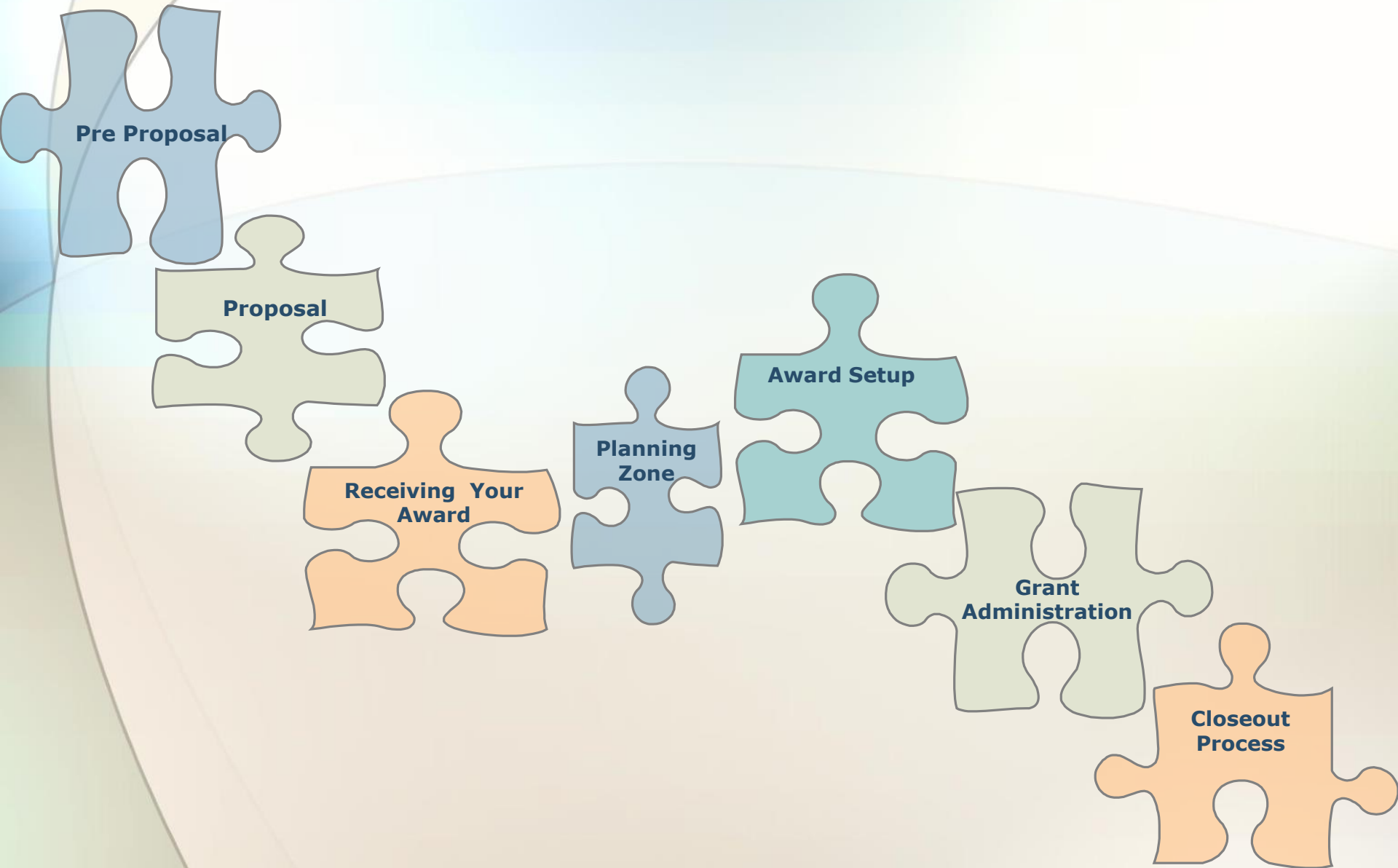
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# Introduction

- Review the complete life cycle of an award
- Outline current and best practices for key aspects of the process
- Highlight common pitfalls and related solutions

# Session Overview



# What To Think Prior to Entering into the Process?

- **Pre-Proposal Stage**
  - Where/How to Find Funding Opportunities
  - What to Know When Talking to Sponsors
  - What Resources are Needed and Can They be Secured
  - Are There Existing Conflicts and Compliance Issues
  - Is a Letter of Intent or Preliminary Proposal Required
- **Proposal Stage**
  - What to Know When Completing Your Application
  - How To Prepare an Accurate Budget
  - How to Submit Your Application
- **Award Stage**
  - How Do We Know We've Been Awarded
  - Who's Responsible For Accepting the Award
  - How to Process an Award/Contract

# PRE-PROPOSAL STAGE

## Common & Current Practice

- PI/Department independently seeking funding
- Various levels of coordination on projects
- Negotiating terms with sponsor prior submission
- No Non-Disclosure Agreement in place
- Some effort is put toward identifying the necessary Resources (personnel, equipment, space, cost-share, etc)

# PRE-PROPOSAL STAGE

## Common & Current Practice (cont)

- Assessing current time/obligations
- Small business subcontracting plan development
- Not planning for compliance and regulatory issues or contacting appropriate compliance offices
- Letter of intent and/or pre-proposals are submitted directly to sponsor
- ORS fields questions and assists when needed

# PRE-PROPOSAL STAGE

## Pitfalls

- Missed potential funding opportunities
- Giving away information with no protection
- Agreeing to terms/budget that conflict with University policies
- Starting work without a fully executed award on a handshake
- Required resources may not be available



# PRE-PROPOSAL STAGE

## Pitfalls (cont)

- May have a conflict of interest and/or compliance issues
- Cost-Share requirements may not be identified and/or approved
- Letter of Intent and Pre-Proposals may be identifying resources without required approval

# PRE-PROPOSAL STAGE

## Best Practice

- Start early
- Early coordination on complex projects
- Always be equipped with a Non-Disclosure Agreement
- Obtain/review sponsor guidelines/expectations in writing
- Do not independently agree to budget/legal terms

# PRE-PROPOSAL STAGE

## Best Practice (cont)

- Identify all mandatory/voluntary resources needed
- Identify all potential conflicts
- Ensure the total time and effort commitment does not exceed 100%
- Letter of intent and/or pre-proposals that identify resources must have ORS prior approval
- Attend OVCR (ORS & RDS) workshops
- Questions, contact ORS

# PROPOSAL STAGE

## Common & Current Practice

### Investigator/Financial Manager:

- Preparing proposal narrative (scope of work, abstract, research plan)
- Develop detailed budget (including both direct costs and F & A)
- Preparing sponsor application forms either hard copy or electronic submissions
- Preparing internal paperwork (proposal approval form-PAF)

# PROPOSAL STAGE

## Common & Current Practice

### Investigator/Financial Manager (cont):

- Preparing any applicable compliance and regulatory information and route to appropriate compliance offices (i.e. OPRS, OACIB, UIC Hospital Clinics)
- Routing proposal application package to ORS (PAF)
- Some proposals are not signed by all necessary parties

# PROPOSAL STAGE

## Common & Current Practice

### Office of Research Services:

- Proposal package is routed to ORS for review and approval
- Unique number is assigned to proposal (Institution Number/PAF #)
- Upon receipt of PAF number, department may chose to establish an anticipation account
- Proposal is assigned to research coordinator for review.
- If contractual document(s) are included in the proposal package, contract is assigned to negotiator for simultaneous review

# PROPOSAL STAGE

## Common & Current Practice

### Office of Research Services (cont):

- Research coordinator ensures;
  - 1) Information on PAF is consistent with the sponsor application/proposal
  - 2) Proposal meets both University and sponsor guidelines
- When/If proposal is approved, research coordinator will secure institutional endorsement and will route proposal based on submission policy

# PROPOSAL STAGE

## Common & Current Practice

### Office of Research Services (cont):

- Enter PAF Information into UleRA
- ORS scans and uploads a copy of the proposal in UleRA database and sends copy of proposal to Office of Grants and Contracts.
- Provides assistance to faculty and staff in preparing complex grant applications



# PROPOSAL STAGE

## Pitfalls

- Lack of understanding of current agency application processes may jeopardize timely submission
- Errors create delays in University approval process
- Not conforming to sponsor/University guidelines
- Greater potential to miss sponsor deadline

# PROPOSAL STAGE

## Pitfalls (cont)

- Proposals are submitted under duress due to insufficient time for thorough review
- Not identifying all compliance related issues in the project in the internal routing form
- Lack of proposal development leads to insufficient time to prepare best possible proposal

# PROPOSAL STAGE

## Best Practice

- Start early
- Be sure to follow the sponsor guidelines and applicable University policies
- Be as thorough and accurate as possible
- Ask questions and utilize University resources
- Understand allowable costs per cost principals under A21
- Be aware of sponsor's deadline and allow time for internal process

# PROPOSAL STAGE

## Best Practice (cont)

- Review entire proposal package, including PAF, to ensure accuracy of information
- Submit internal paperwork to ORS as early as possible for review and approval
  - For Grants.gov submissions, 7 business days prior to deadline
  - For other electronic submissions, 5 business days prior to deadline
  - For all other submissions, 3 business days prior to deadline

# AWARD STAGE

## Common & Current Practice

### Unilateral Award Acceptance

- Award Notification received by ORS either electronically or hard copy
- Award Notification received by PI/Dept are forwarded to ORS for processing
- ORS staff reviews approved proposal to ensure consistency with actual award terms
- ORS is responsible for all communication with sponsors regarding unacceptable rates/terms

# AWARD STAGE

## Common & Current Practice

### Unilateral Award Acceptance (cont):

- Ensure compliance related issues are resolved
- ORS ensures proposal terms match award
- Process all awards received electronically via email notification to PI, Business Manager, Dept. Head, Grants & Contracts and in some cases Deans
  - Email to G&C serves to initiate Account set-up process
- Process all hardcopy awards via email notification to PI, Business Manager, Dept. Head, Grants & Contracts and in some cases Deans
  - Hardcopy to G&C serves to initiate Account set-up process

# AWARD STAGE

## Common & Current Practice

### Bilateral Award Acceptance

- Contract is received by ORS either electronically or by hard copy
- ORS is responsible for all contract negotiations with sponsors
- Contract is assigned to a negotiator based on college/department

# AWARD STAGE

## Common & Current Practice

### Bilateral Award Acceptance (cont):

- Negotiator:
  - Reviews, revises, negotiates and processes standard and complex agreements, contracts or subcontracts with sponsor
  - Seeks guidance from supervisors or University Counsel, as needed
  - Communicates status of agreement to PI/BM
  - Ensures accuracy of administrative and financial award information
  - Negotiates terms in keeping with PI's expectations regarding IP and publication



# AWARD STAGE

## Common & Current Practice

### Bilateral Award Acceptance (cont):

- PI/Financial Manager:
  - Forwards award letter or contract to ORS with proper internal paperwork via Request for Action
  - Submits IP Disclosure Form
  - Provides corrected internal paperwork as needed
  - Often waits to submit Internal paperwork (PAF) until receipt of contract from Sponsor
  - Some expect contracts to be fully executed upon receipt
  - In some cases, PI accepts awards on behalf of the University

# AWARD STAGE

## Pitfalls

- Work is begun without a fully executed contract
- Terms agreed to between Sponsor and PI may fall outside of terms acceptable to the University
- Delays in receiving revised budgetary information for mismatched proposals and awards
- Departments execute contract and/or accepts award improperly on behalf of the University

# AWARD STAGE

## Pitfalls (cont)

- Missing internal paperwork (IP Disclosure) may delay negotiation process
- Not forwarding award/contract to ORS in timely manner
- Stalled negotiations with Sponsor
- Working with ORS on impasses
- Making sure ORS is aware of withdrawn projects

# AWARD STAGE

## Best Practice

- Obtain a draft copy of sponsor's contract
- Submit all required/requested paperwork to ORS in timely manner to avoid delays
- Do not agree to legal terms
- Some agreements may take longer to negotiate due to difficult terms and conditions
- Establish master agreements when possible
- Obtain access to UleRA

# AWARD STAGE

## Best Practice (cont)

- Read all terms and conditions of your Award/Contract
- Become familiar with the contract negotiator for your college/department
- If the budget is significantly reduced, the scope should be modified accordingly
- Use University approved contracts located on ORS website



# Transition into The Planning Zone

# Planning Zone

- Staffing requirement?
- Any subcontract involved?
- Need to establish purchase order?
- Need to revise the budget?
- Assess resources (space, personnel, equipment, etc.)?
- Need to request an anticipation account?
- Cost share commitment and approval in place?



# Transition into Post-Award Process...



# AWARD SETUP

## Common & Current Practice

- Award notification received from ORS
- Anticipation request received from units
- Grant Specialist is assigned to manage the award
- Create Banner Grant and Fund Codes
- Enter award budget into Banner
  - As proposed and approved
- Set up billing and reporting events per terms and conditions of award
- Assigned grant specialist sends notice of banner codes assignment to units

# AWARD SETUP

## Pitfalls

- Award notification sent directly to GCO by units instead of to ORS
- Anticipation account
- Incorrect F&A basis
- Non-budgeted GA/RA salary and tuition remission dollars
- Unclear reporting terms (due date, format)

# AWARD SETUP

## Best Practice

- Set up award or anticipation account in less than 5 days from receipt of notification
- Appoint project personnel in a timely manner
- Review and understand the terms and conditions of the Award
- Verify Banner codes set up (attributes, budget, etc.)
- Clarify and communicate reporting and billing responsibilities/requirements
- Partner with team of grant specialists assigned for your school/college/department

# ADMINISTERING THE AWARD

## Common or Current Practice

- Initiate expenses against the award
- F&A calculated and distributed daily based on applicable expenses posted
- Billing and Accounts Receivable
- Establish Sub-awards, Encumbrances, and POs

# ADMINISTERING THE AWARD

## Common or Current Practice (cont)

- Track required effort and cost sharing commitments
- Budget Revisions and Expenditure Transfers
  - Miscellaneous JV preparation and approval,
  - IPAS/OPAS
- Continuations, Carryover, and No-Cost Extension Requests

# ADMINISTERING THE AWARD

## Common or Current Practice (cont)

- Revisit the Planning Zone
- Preparation, submittal, and review of monthly electronic overdraft, anticipation and termination reports
- Preparation and submittal of interim financial, progress and deliverable reports
- Rely on ROE to determine award balance
- Receive monthly operating ledgers & financial reports

# ADMINISTERING THE AWARD

## Pitfalls

- Delay in establishing salary appointments to award
- Delay in timely expenditure review and validation
- Continued spending after award end date
- Lack of review and validation of budget appropriateness

# ADMINISTERING THE AWARD

## Pitfalls (cont)

- Billing invoices generated by GC & Dept
- Incorrect billing events established
- Delay in processing required expense transfers
- Award terms and conditions not revised
- Not meeting small business subcontracting goals



# ADMINISTERING THE AWARD

## Best Practice

### Office of Grants & Contracts:

- Effectively manage billing process
- Initiate prompt AR follow-up
- Establish Sub-award encumbrances
- Timely approval of electronic JV transfers
- Timely processing of IPAS budget revisions

# ADMINISTERING THE AWARD

## Best Practice (cont)

### Office of Grants & Contracts:

- Provide advice and clarification related to compliance policies and procedures
- Design and provide more post-award training workshops
- Timely submission of interim financial reports
- Provide more on-line policies and procedures
- Provide monthly electronic reports
  - Overdraft Fund Codes, Anticipation and Terminating Grant Codes

# ADMINISTERING THE AWARD

## Best Practice (cont)

### Grant Administrator/Financial Manager:

- Initiate applicable expenses against the award
- Review daily/monthly financial statement
- Forward copies of Dept billings to G&C
- Request Sub-awards, Encumbrances, and POs
- Process Vouchers for Sub-award payments
- Timely submission of interim financial, progress and deliverable reports
- Manage effort and cost sharing commitments
- Manage small Business subcontracting

# ADMINISTERING THE AWARD

## Best Practice (cont)

### Grant Administrator/Financial Manager:

- Revisit the Planning Zone
- Prepare required budget revision requests and timely expense transfers
- Evaluate need and process as required:
  - Continuations
  - Amendments
  - Carryovers
  - No-Cost Extensions
- Stop spending at award end date
- Use your financial statements instead of the ROE for reconciliation

# REPORTS AND CLOSEOUT

## Common or Current Practice

- Termination notice is sent out 90 days prior to project end date
- Prepare the required ROE
  - Validate F&A, Tuition Remission, applicable expenses after term date, and verify balances/overdrafts
- Prepare the required Financial, patent, technical, or performance reports
- Grant Transfers
- Closeout Checklist
- Prepare final budget, JV entries, and Set fund termination dates

# REPORTS AND CLOSEOUT

## Pitfalls

- Not aware of reporting requirements
- Not requesting no-cost extension in a timely manner
- Not communicating an approved NCE to ORS or G&C
- Not posting applicable and allowable project related costs on time
- Not aware of or adhering to sponsored project closeout checklist
- Coordination of closeout document, form and related activity?

# REPORTS AND CLOSEOUT

## Best Practice

### For Investigator:

- Review Award Expenditures
- Review and Approve Sub-recipient Reports
- Finalize all related forms and reports
  - Technical
  - Invention
  - Patent
  - Effort

# REPORTS AND CLOSEOUT

## Best Practice (cont)

### Grant Administrator/Financial Manager:

- Confirm project end-date with funding agency
- Review award expenditures (over the life of project and at close-out)
- Request final invoice from sub-awardees and remit payment in a timely manner



# REPORTS AND CLOSEOUT

## Best Practice (cont)

### Grant Administrator/Financial Manager:

- Reconcile grant fund(s) to ensure costs are allowable, allocable, reasonable and consistent with the terms of agreement
- Resolve overdrafts
- Review who has spending authority and notify individuals to stop processing charges to the project
- Provide cost share report

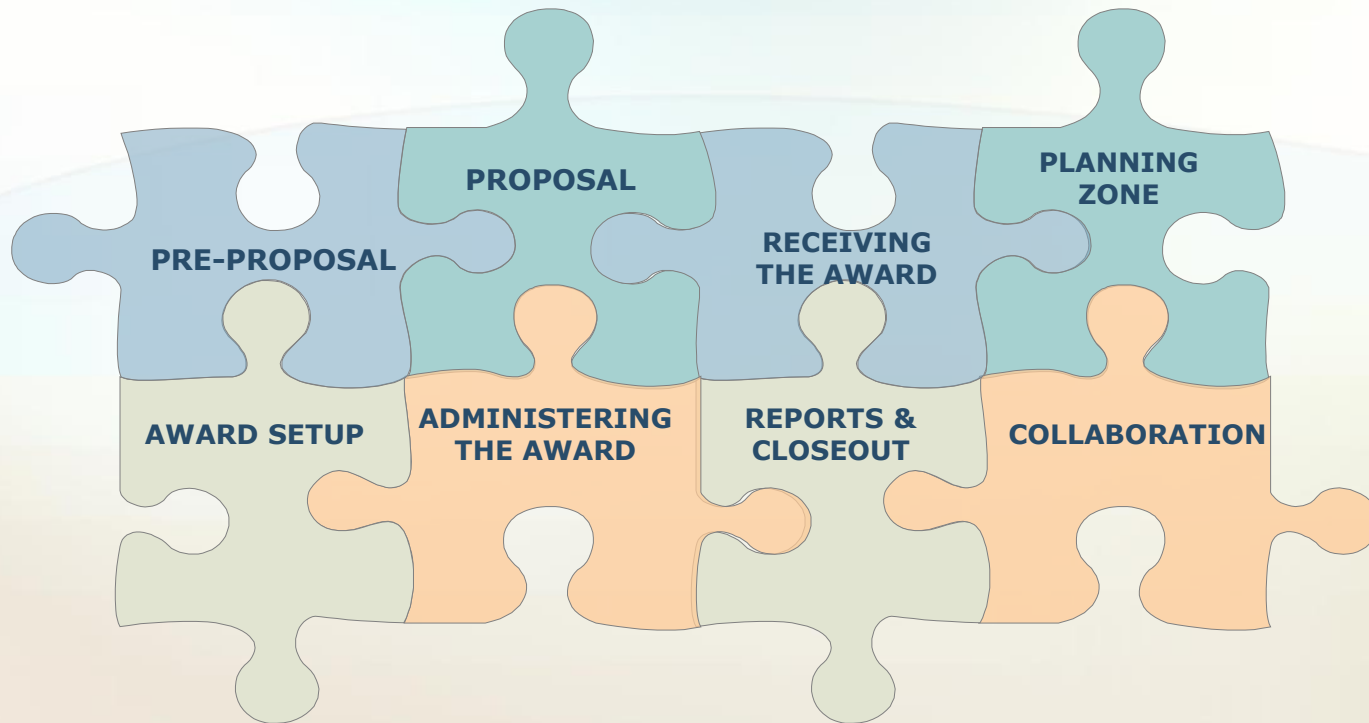
# REPORTS AND CLOSEOUT

## Best Practice (cont)

### Office of Grants & Contracts:

- Coordinate closeout activity
- Submit final invoice to sponsors/funding agencies
- Prepare and submit financial status report
- Return unexpended balance per final report
- Prepare supporting forms and reports
- Close sub-award/consultant encumbrances
- Prepare and process closing entries in a timely manner

# SESSION SUMMARY



# Presenters Contact Information

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**Thank you!**

**Please remember to pick up a CD on your  
way out...**