

# Post-Award Grant Administration Overview

**Presented by:**  
**Sponsored Program Accounting**  
**December 10, 2008**



# Overview

- Functions of Sponsored Program Accounting
- Financial Information on Grants and Contracts
- Life Cycle of Grant (Post-Award Administration)
- General Policies and Cost Principles
- Proactive Approach – Department
- What's new?
- Questions and Answers

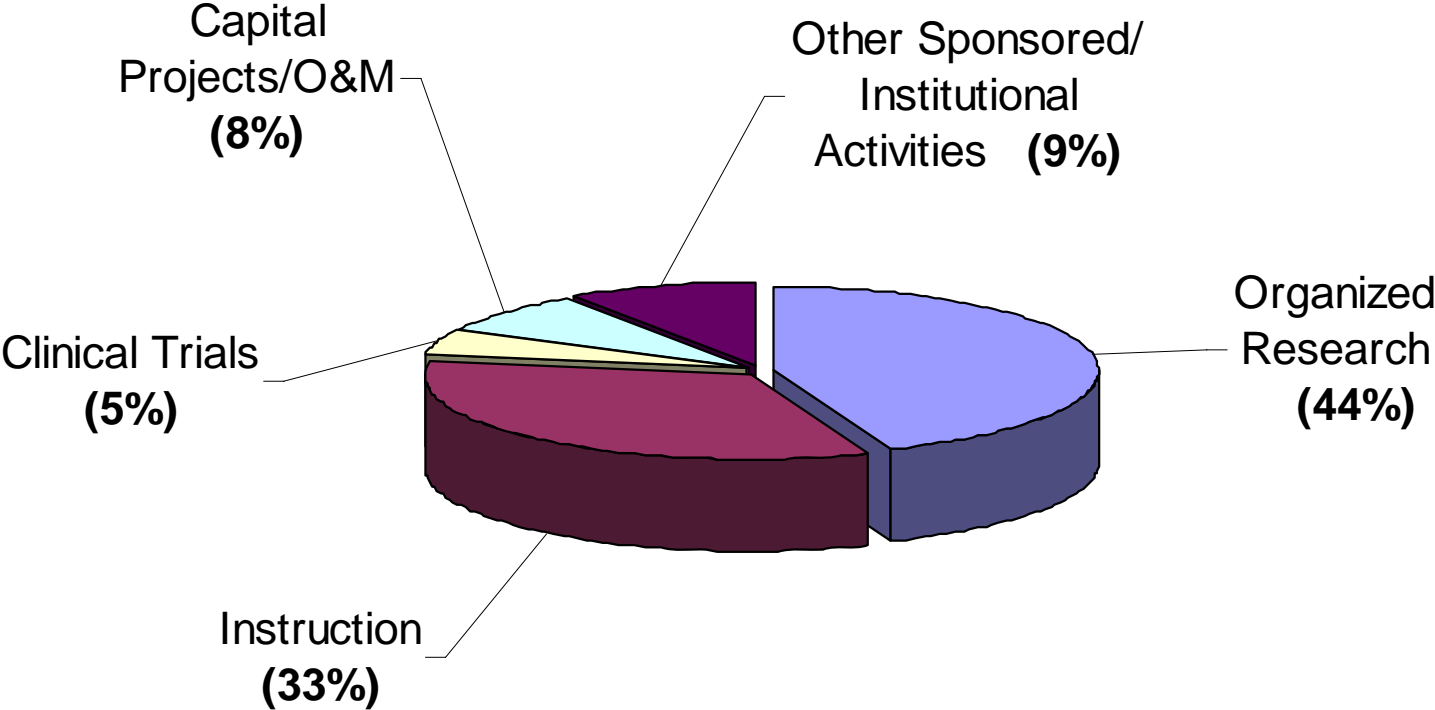


# Functions of Sponsored Program Accounting

- Post-Award Administration of grants (series 5)
- Gift Accounts (series 2), Research Stim (103XXX) and Potts (480XXX)
- Operational coordination with our ORS partners
- AU Set up, Billing and Collections, Financial reporting, Closeout
- Processing of expenditures (salary and non-salary)
- Insure LUC compliance with OMB Circulars A-21, A-110 & A-133
- Sub-recipient Monitoring
- Effort Certification for Lakeside Campus
- Submission and negotiation of F/B rates & F&A rates
- Survey Completion / Federal Data Collection
- Annual audit coordination ~ A-133 and program-specific



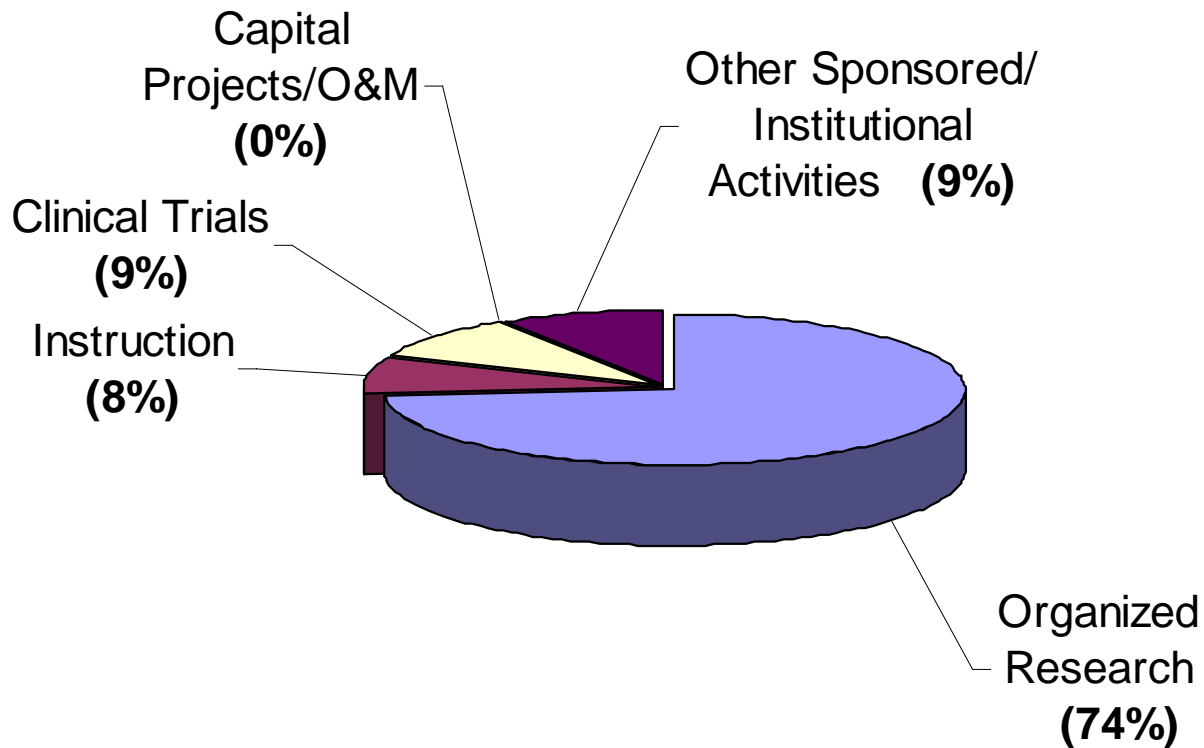
# FY08 SPA's \$63.5M Annual Activities by Function



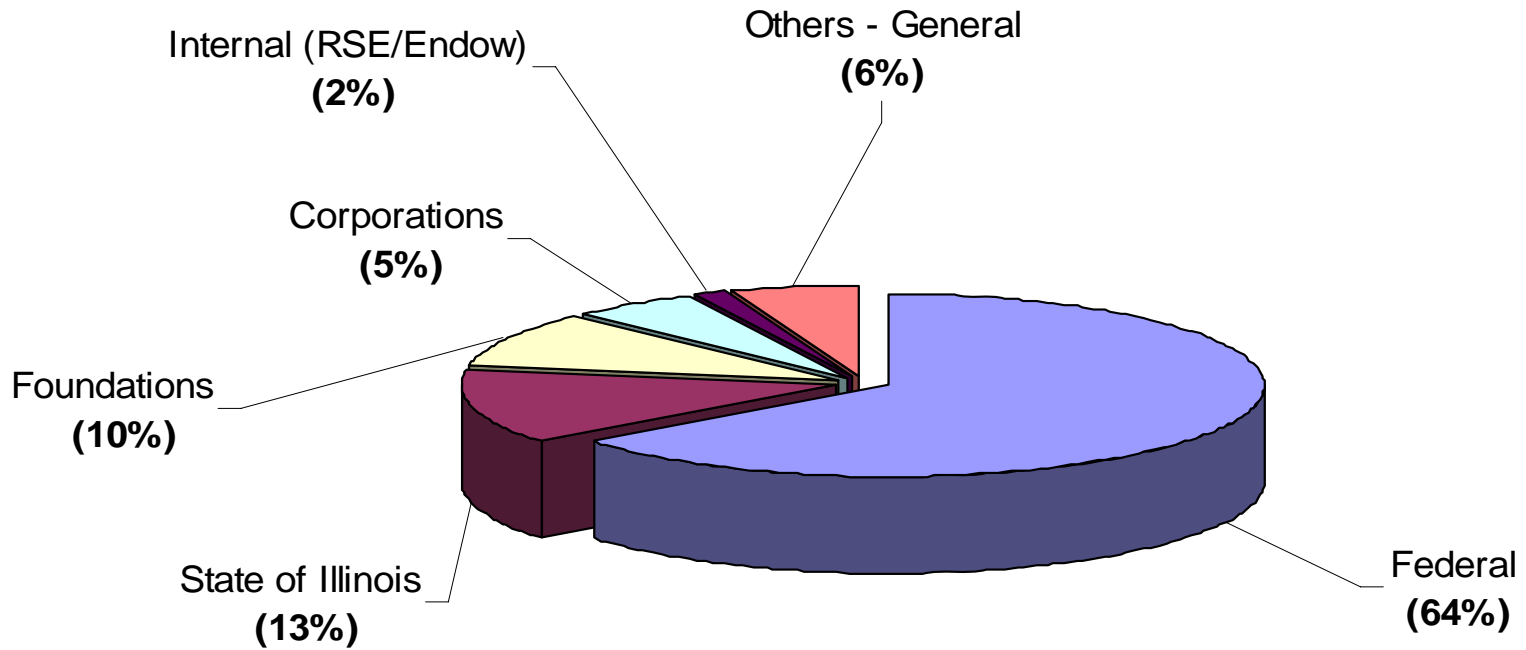
Federal	\$ 40.9	64%	Direct Costs	\$56.1	88%
Non-Federal	\$ 22.6	36%	F&A Costs	\$7.4	12%
<b>Total</b>	<b>\$ 63.5</b>	<b>100%</b>	<b>Total Costs</b>	<b>\$63.5</b>	<b>100%</b>



# FY08 SSOM Annual Activities by Function

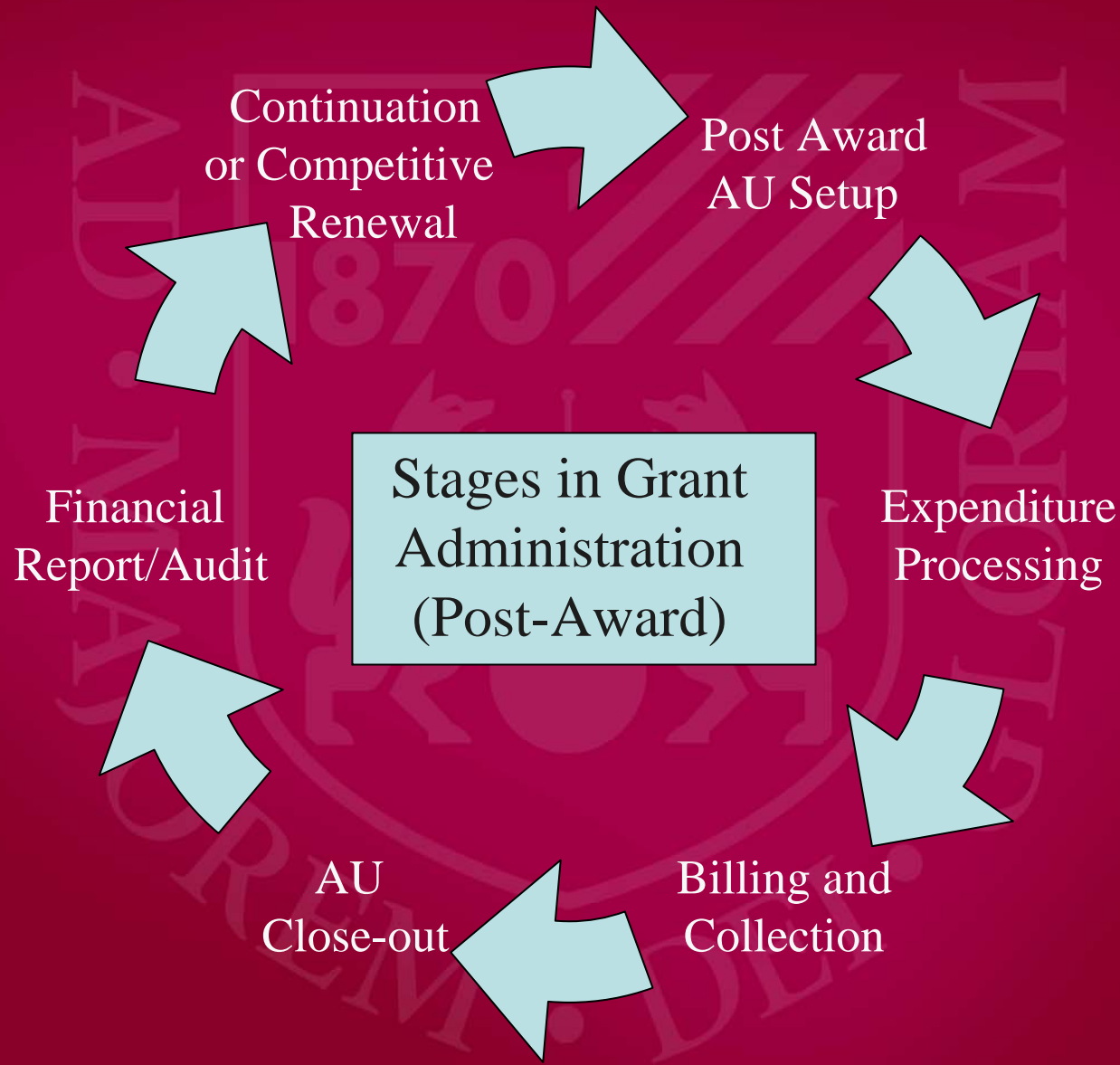


# FY08 SPA's \$63.5M Annual Activities by Major Sources



# Grant Administration





# Accounting Unit (AU) Set Up

- **Post-Awards**
  - Fiscal Affairs submits AU Setup package to SPA
  - SPA review of documentation- NOA, post-award budget, etc.
  - Email notification of new AU number and required forms
    - o Signature Card
    - o Security Access form
- **Pre-Awards**
  - Advanced Account Authorization Form (AAAF)
  - Guarantee AU
  - Limited documentation from sponsor
  - 90 day expiration



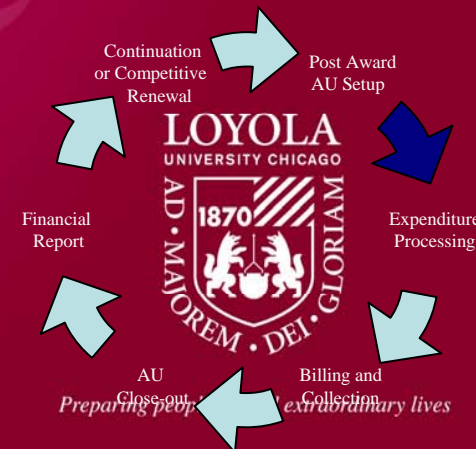
# Accounting Unit (AU) Set Up

- When is a new AU is required?
  - **Carryover Authority**
    - o Automatic carryover – SAME AU, e.g. R01s
    - o Carryover Approval Required – NEW AU
  - **Financial Report Frequency**
    - o Financial report due end of project period – SAME AU
    - o Annual financial report – NEW AU, e.g. P01s



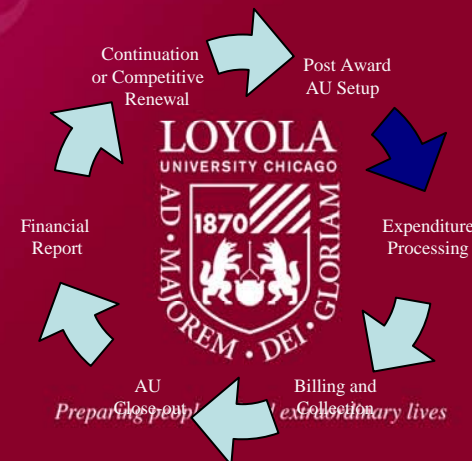
# Expenditure Processing

- Basic Costs Considerations:
  - Allowable
  - Allocable – assignable, direct benefit
  - Reasonable – prudent person test
  - Consistent – direct vs. indirect expense



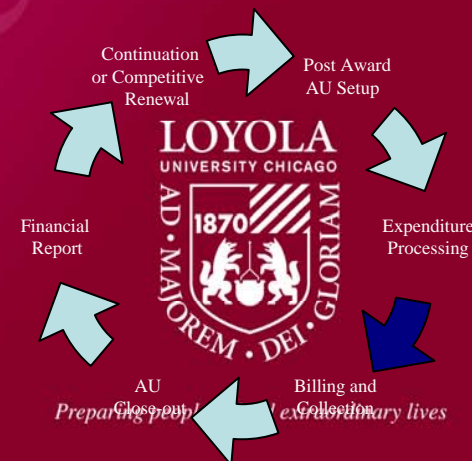
# Expenditure Processing

- Re-budgeting
- Cost Transfers – salary and non-salary
  - 90 Day Rule
- Cost overruns/Out-of-period expenses
  - Inactivation (30-day cost overdraft policy)
  - AAAF & status of continuation



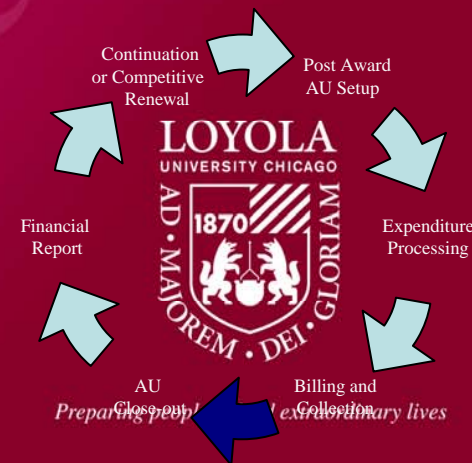
# Billing and Collection

- Invoices are prepared by SPA except for clinical trials
- Invoices are based on the general ledger and payment type
- Drawdown of federal funds– NIH, NSF, DOED
- Review charges monthly to avoid incorrect billings
- Completion of progress/financial report affects collections
- Pre-Awards– increase A/R



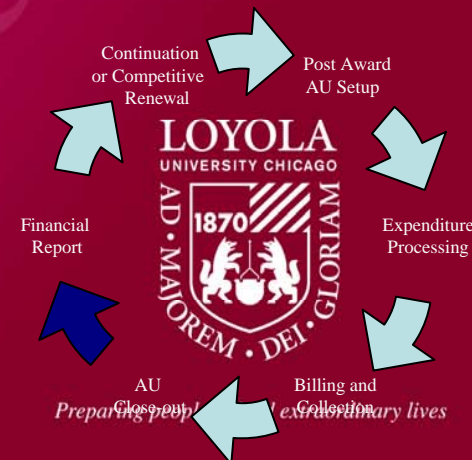
# AU Close-Out

- Emailed notification of approaching end dates
  - 4 weeks and 2 weeks prior to end date
- No-Cost Extension or Continuation Funds:
  - Contact ORS to coordinate request for extension
  - Submit AAAF to provide guarantee AU
  - Regular status updates
- Closeout – within 90 days after the end date:
  - Final PI/departmental review of expenditures
  - Submit PAFs and EIFs to stop payroll charges
  - Submit JEs for non-salary cost transfers
  - Clear commitments/POs
  - Resolution of overdraft/unused funds



# Financial Reports

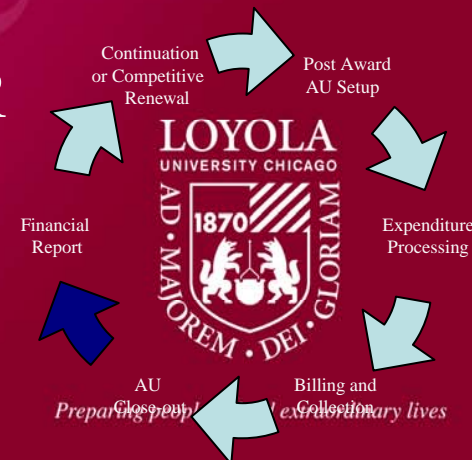
- **External Reports**
  - AU has to be closed before financial report is issued
  - Due date varies
  - Format varies
- **Financial Status Report (FSR) – SF 269**
  - All charges must be processed within 90 days of end date
  - AUs can be closed with encumbrances, but requires a guarantee AU
  - Electronic submission to most sponsors



# Financial Reports

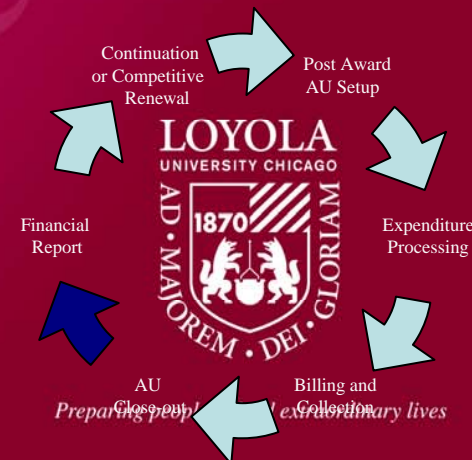
- Federal Cash Transaction Reports (FCTR) SF 272
  - Prepared quarterly – DHHS, NSF, USDA & IRS
  - Award notice generates line of credit
  - Withdrawals are based on actual expenses
  - No withdrawal for overdraft
  - Agency sees spending patterns, e.g. NIH sees carryover balance > 25 %

- **NEW** – Federal Financial Report, or FFR



# Internal Financial Reports

- Internal reporting
  - Monthly reports to PIs (summary & details)
  - Monthly listing of all department grants
  - Use of SSOM Portal system & Lawson
  - Prompt completion of Effort Certification Reports



# Proactive Approach

- Review monthly expenditure reports and communicate corrections to SPA as soon as possible
- Set-up pre-award AUs and continuous follow-up on award letter
- Revise payroll forms timely to avoid overdraft, out-of-period expenses, cost transfers over 90 days
- Watch for grant end dates (continuation, advance account or close-outs)
- Close all AUs that have ended, are fully spent or are not needed



# General Policies and Cost Principles

- SPA website – [www.luc.edu/spa/](http://www.luc.edu/spa/)
  - Policies and Procedures
  - Electronic Forms
  - OMB Circulars: A-21, A-110, A-133
  - Rates



# What's new?



*Preparing people to lead extraordinary lives*

# What's New?

- Subcontract Commitments
- Graduate Student Fringe Benefits
  - 5807 – Tuition Scholarship 36.5%
  - 5808 – Student Health Insurance 5.5%



Coming soon.....



## Subcontract Policy





# Questions?

