

MSU's Financial Administrator Development Program



Post-Award Contract and Grant Administration

Presenters:

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Kristy Smith, Transactions Group Manager, Contract and Grant Administration



AGENDA

1. About CGA
2. Post-Award Management
3. Audits
4. Compliance

Contract and Grant Administration

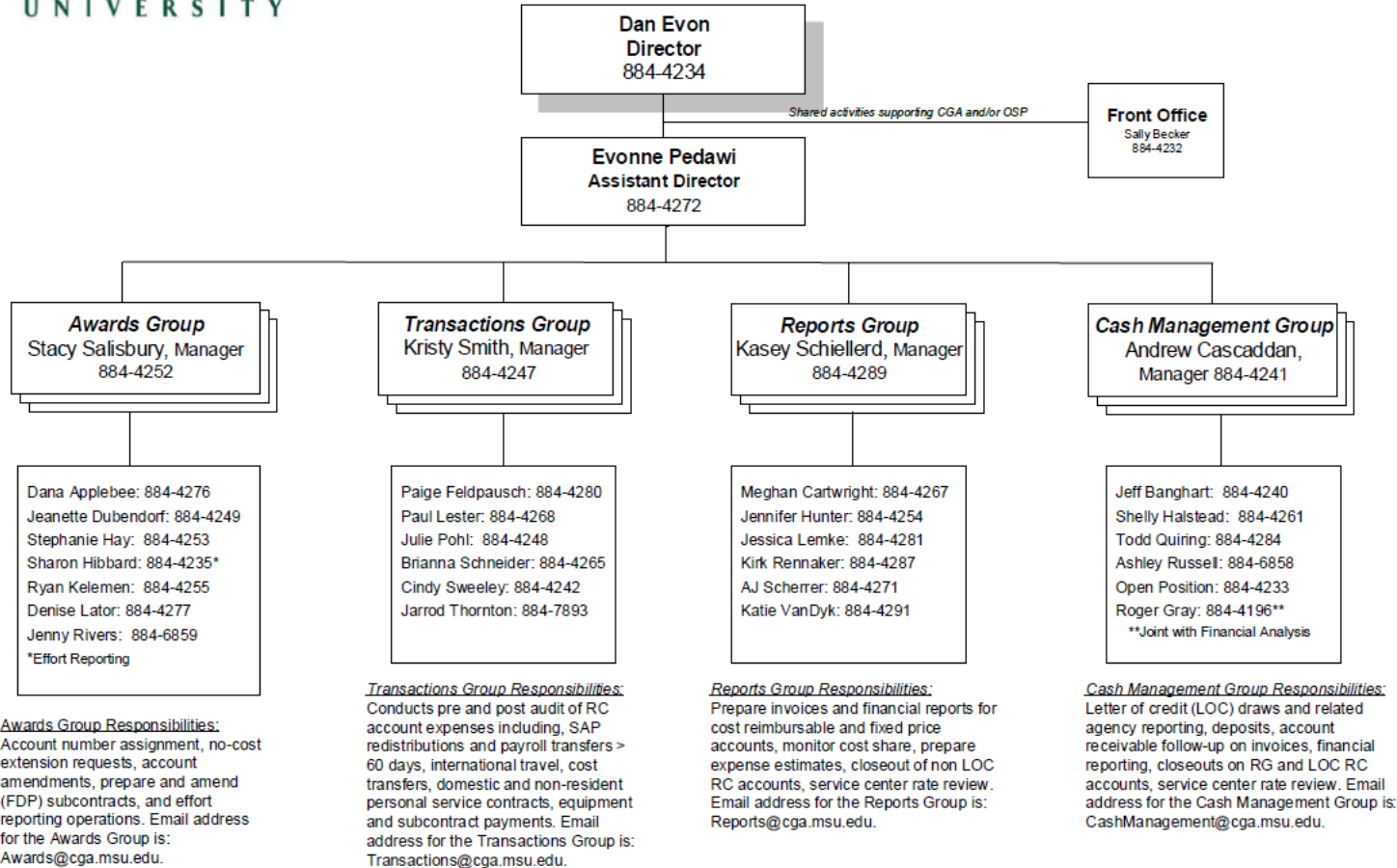
Mission Statement:

Contract and Grant Administration (CGA) is a unit dedicated to superior post-award administration. Our mission is to support MSU's research and creative endeavors by providing timely, accurate, and courteous assistance to faculty and support staff with the financial and contractual administration of their grants, cooperative agreements, and contracts. CGA is also the "official" designated point of contact for external financial audit.

webpage: www.cga.msu.edu

Post-Award - Contract & Grant Administration (CGA)

Room 2 Admin Bldg (517) 355-5040 Fax 353-9812 cga.msu.edu



Help Desk: In the event you are unsure who to contact in CGA, please contact the Awards Group.

CGA 2-20-2017

About CGA: Group Descriptions & Duties

Awards Group: Takes new awards from OSP and turns them into active accounts for use by PIs. Duties include: account assignment, amendments and preparing subcontracts (FDP template).

Transactions Group: Reviews expenditures on restricted sponsored projects (RC accounts). Expenditures include: travel disbursements, Personal Service Contracts, and subcontract payments.

Reports Group: Completes financial reports within agency prescribed time frame. Duties include: preparing financial reports, monitoring cost share requirements, account closeout and archiving

Cash Management Group: Manages the inflow of cash from sponsored project accounts. Duties include: Letter of Credit draws, invoicing, deposits, account receivable follow-up, ARRA reporting, and Effort Reporting.

For more information, please view at:

<https://www.cga.msu.edu/PL/Portal/DocumentViewer.aspx?cga=aQBkAD0AMQA5ADQA>

Post-Award Management: Account Setup

- New awards received from OSP are set up into active accounts for use by the PIs.
 - RC = Restricted funds
 - ❖ Transactions route to CGA for approval
 - RG = Restricted funds
 - ❖ Transactions do not route to CGA for approval
- Budget Reallocation (BA) eDocs initiated in KFS
 - BA docs set up the revenue (obj code 4057) and budget (obj code 7XXX) amount for an award.

Post-Award Management: Transactions

Why does CGA review transactions?

- Compliance
- Risk Assessment
- Independent review of documentation

What is CGA looking for on transactions?

- Supporting Documentation – attach in KFS
- Explanation of Project Support
 - Describes transaction & it's benefit to the project.
- Accuracy

Understand the checks and balances of the system
– CGA can say no.



Post-Award Management: Basic Federal Principles

To charge a cost to a project it must be:

- Allowable – per terms of the agreement and/or agency and university guidelines
- Allocable – directly benefits the project
- Consistently Treated – direct (project) or indirect (university) cost
- Reasonable – prudent, complies with applicable laws, necessary, and consistent with University policy

Post-Award Management: Basic Federal Principles

Needed, Received & Used Concept

- An expenditure must be...
 - **NEEDED** by the project
 - **ALLOWABLE** according to the cost principles
 - **PURCHASED** and **USED** during the project period
 - Exception for publication costs – since they are likely to occur after the end date

- Especially important to consider for anticipated expenses toward the end of a project.

Post-Award Management: Reports or Cash Management

- CGA provides the service of preparing and submitting the financial invoices or draws cash via letter of credits.
 - Approximately 1,000 reports for Letter of Credit accounts quarterly.
 - Approximately 1,140 Account Receivable reports submitted quarterly
- CGA may contact you with questions regarding the financial report.
 - **Final** financial reports are emailed for approval prior to submission.
 - Required cost share, other than effort, needs to be sent to CGA so it may be included in the financial report.
- CGA tracks payments made through either Account Receivable (billing tab of Account Explorer) or Letter of Credit (LOC).

Post-Award Management: Final Reports

- **Final Reports** - Typically, for federal awards, the reports must be submitted **within 90 days** of the end date of the award. For flow through awards most final reports are due **within 60 days** of the end date.
- **What are the most common final (federal) reports required?**

Type of Report	Prepared By	Signed By	Submitted By
Financial	CGA	CGA	CGA
Equipment	Department	CGA	CGA
Patent	Department	MSUT	CGA
Technical/Progress	PI	CGA	Department or CGA

*Other reports may be needed as specified in the award

Post-Award Management: Helpful Tools



Sponsored Programs Administration

Office of Sponsored Programs | Contract and Grant Administration

[Home](#)
[Funding Opportunities](#)
[Proposal Development & Submission](#)
[Award Negotiation & Acceptance](#)
[Account Setup/ Modifications](#)
[Award Management](#)
[Award/ Closeout](#)
[Contact/ About Us](#)
[Resources](#)

Welcome Evonne | Sign Out

The new Research Administration System's (Kuali Coeus) award functionality is live with view-only access.

- For support materials, click [here](#).
- Email technical questions to kchelpdesk@msu.edu.
- For technical support, call 517-355-2000.

The Sponsored Programs Administration (SPA) office departments, Office of Sponsored Programs (OSP) and Contract and Grant Administration (CGA), collaborate with MSU's researchers to provide effective and efficient administration throughout the research award process. [Read more about the SPA mission and vision.](#)



Frequently Used Tools

- [Account Explorer](#)
- [Activity Log Search](#)
- [All Search](#)
- [Conflict of Interest Tools](#)
- [My Effort Detail](#)

How do I find ...

News

Registration is Open for Proposal and Budget Development in KC Courses

MSU's research community will begin using the Research Administration System (Kuali Coeus) for Proposal Development and Conflict of Interest disclosures on April 24, 2017. Registration for the instructor-led courses Proposal Development in KC, Budget Development in KC, and Re-budgeting and

Events

Research Administration Project Training

Frequently Required Budget and Proposal Data

Cage Code: 48834
 DUNS Number: 193247145
 Employer Identification Number (EIN) for

Post-Award Management: Account Explorer

Account Explorer: *restricted to MSU employees*

- CGA view into the contractual and financial parts of an award without using KFS.
 - Provides account specific notes.
 - Identifies PI and departmental administrator responsibilities
 - Updated throughout life of a project to reflect accurate award information.
 - Identifies subcontractor information per award.
- Provides functions not easily available in KFS.
 - Budget vs. Actual (easily accessible)
 - Subcontractor encumbrances
 - Cost Share
 - Payroll (easily accessible)

webpage: <https://www.cga.msu.edu/PL/Accounting/AE2/AE2.aspx#Account>



Postaward Toolbox

- > Account Explorer
- > Effort Reporting Tools
- > Conflict of Interest Tools
- > All Search
- > AR Manager
- > Cost Share Manager
- > Flight Compliance Checker
- > Portal
- > KFS (Kuali Financial System)
- > KC (Kuali Coeus - Research Administration System)

See all Tools



Additional Resources

Account Explorer

[CGA Survey](#)

Search By:

Account RC063215

Account Information

Account: RC063215 **App:** 137271 **Award:** \$375,339,775.00
Source of Funds: FEDERAL **Expenses:** \$363,464,228.22
Encumbrances: \$60,299,744.46
Spendable/Encumb Bal: (\$48,424,197.68)

Additional Information - [hide/show](#)

Project Title:	Facility for Rare Isotope Beams (FRIB)		
Project Dates:	5/1/2009 - 6/30/2022	F&A Rate / Base:	10 / MODIFIED TOTAL DIRECT COST +
Obligation Period:	5/1/2009 - 6/30/2022	Costshare Required?:	Yes (\$94,500,000)
KFS CG Account Type:	COOPERATIVE AGREEMENT (LOC: Yes)	PI List:	Glasmacher, Thomas ; Wei, Jie ; Mantica, Paul ; Bollen, Georg
Acct Grantor:	US Dept of Energy (E0080U)	Department:	FACILITY FOR RARE ISOTOPE BEAMS (10049299)
Prime Grantor:		Department Contact:	Hopper, Susan
Parent Account:	RC063215 (Subs)	Acct Name:	DOE SC0000661 GLASMACHER
Award #:	DE-SC0000661		

[Account Notes](#)

[App Notes](#)

[Add New Account](#) | [Copy to New Account](#) | [Edit](#)

- [Account Detail](#)
- [Project Detail](#)
- [Exp. Summary](#)
- [Subaward](#)
- [Billing](#)
- [Proposal History](#)
- [Budget To Actual](#)
- [Payroll](#)
- [ER Account Delegate](#)
- [Person Cost Share/Effort](#)
- [Mailings](#)

Account Detail

Project Detail

Exp. Summary

Subaward

Billing

Proposal History

Budget To Actual

Payroll

ER Account Delegate

Person Cost Share/Effort

Mailings

Agency Prior approval is required for the following actions:

- | | |
|--|--|
| <input type="checkbox"/> Budget deviations (Explained below) | <input checked="" type="checkbox"/> Change in Scope of Work |
| <input checked="" type="checkbox"/> Pre-Award costs | <input checked="" type="checkbox"/> Reduction in PI effort (25% or more) |
| <input checked="" type="checkbox"/> Administrative/Clerical Staff not budgeted | <input checked="" type="checkbox"/> No-cost extension (up to 1st 12 months) |
| <input type="checkbox"/> Equipment not budgeted | <input checked="" type="checkbox"/> No-cost extension (after 1st 12 months) |
| <input checked="" type="checkbox"/> Subaward not budgeted | <input type="checkbox"/> Carry-Forward of unexpended balance |
| <input type="checkbox"/> International travel | <input checked="" type="checkbox"/> Rebudgeting of Participant Support Costs to other categories |

Additional items that require prior approval not listed above:

For questions regarding additional details on actions that require prior approval or required documentation needed for prior approval submission, please contact the Awards Group at awards@cga.msu.edu.

IRB ID:

IRB Expiration Date:

Account Detail Project Detail Exp. Summary **Subaward** Billing Proposal History

Budget To Actual Payroll ER Account Delegate Person Cost Share/Effort Mailings

Add New Subaward

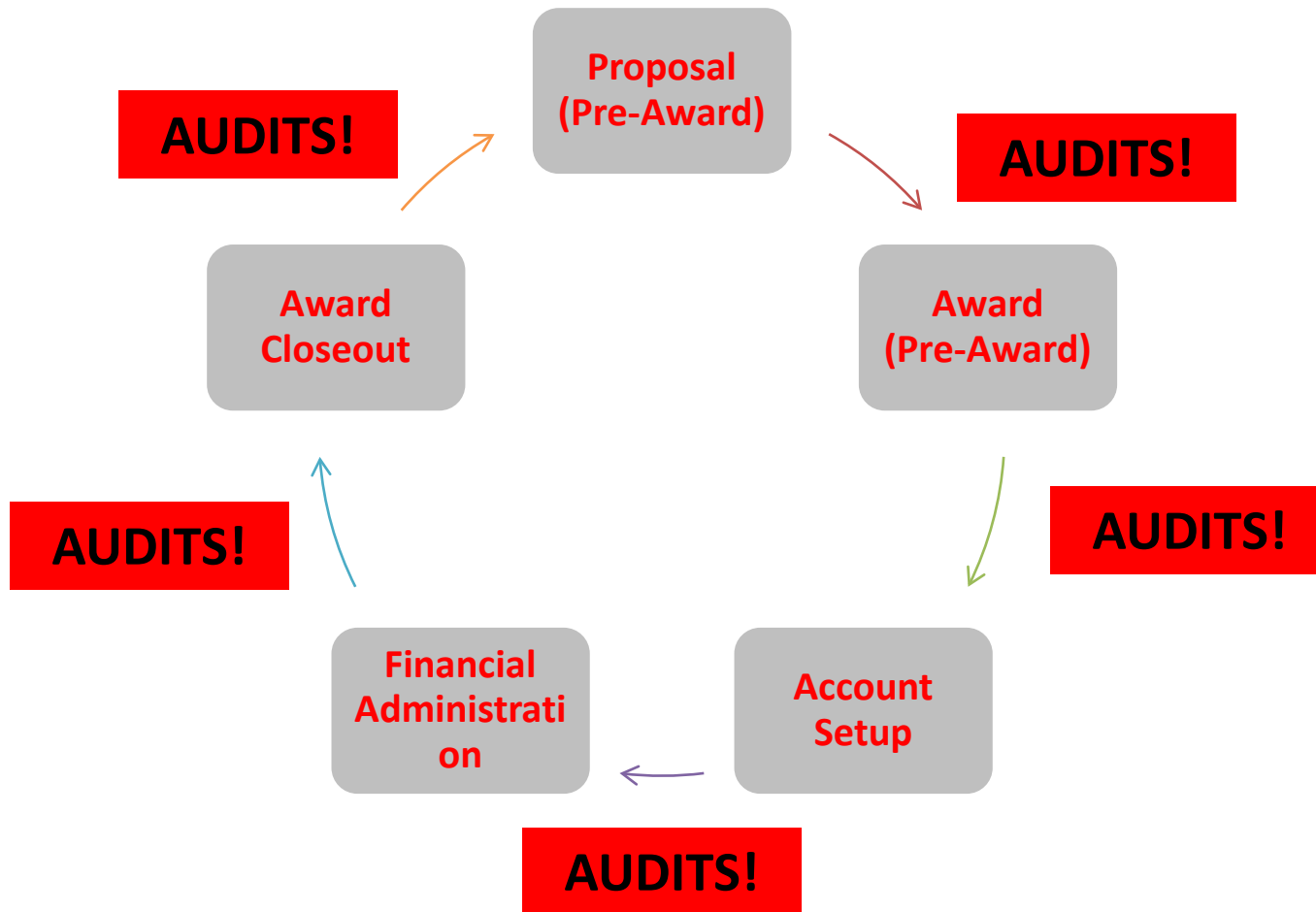
Account #	Recipient	Unpaid Balance <= \$25,000	Unpaid Balance > \$25,000	Unpaid Balance	Subaward Amount
<u>613215A</u>	URS (U0688I)	\$0.00	\$696,176.23	\$696,176.23	\$6,000,000.00
<u>613215B</u>	Brookhaven Science Assoc LLC (B0495I)	\$0.00	\$0.00	\$0.00	\$2,046,997.56
<u>613215C</u>	UChicago Argonne LLC (U0621O)	\$0.00	\$0.00	\$0.00	\$2,265,000.00
<u>613215D</u>	UT Battelle LLC (U0160O)	\$0.00	\$298,330.05	\$298,330.05	\$6,121,290.00
<u>613215E</u>	UChicago Argonne LLC (U0621O)	\$0.00	\$0.00	\$0.00	\$560,971.04
<u>613215F</u>	Stanford Linear Accelerator Center (T0381O)	\$0.00	\$0.00	\$0.00	\$40,173.45
<u>613215G</u>	Lawrence Berkeley National	\$0.00	\$0.00	\$0.00	\$90,000.00

Post-Award Management: RC accounts

Why are RC accounts different?

- Monitored in compliance with Sponsors' terms and conditions.
- Subject to audit by Single Audit (formerly known as A-133) auditors, internal auditors and external auditors.
- PI's responsible for financial management
 - Departmental administrators, CGA and other central administrators (purchasing, payroll, accounting, etc.) are available to assist.

The Award Life Cycle: Audits and Compliance



Federal Paybacks Resulting from Audits

- University of Florida, 2015 \$19.875M Settlement
- Columbia University, 2014, \$9.02M Settlement
- University of South Florida, 2014, \$6.4M *Questioned Costs*
- Emory University, 2013, \$1.5M Settlement
- Northwestern University 2013, \$2.9M Settlement
- Florida State, 2012, \$3M *Questioned Costs* – not yet settled
- Cornell - Weil Medical College, 2006, \$2.6M Settlement
- Yale University, 2008, \$7.6M Settlement
- Clark Atlanta University, 2006, \$5M Settlement
- University of Connecticut, 2006, \$2.5M Settlement
- Cornell University, 2005, \$4.3M Settlement
- Mayo Foundation, 2005, \$6.5M Settlement
- Florida International University, 2005, \$11.5M Settlement

141 Sponsored Programs Audits in 4 Years

	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>FY 14-15</u>	<u>FY 15-16</u>
Internal Audit	32	30	37	25
External Audits – Plante Moran				
MSU Annual Audit	1	1	1	1
NCAA	1	1	1	1
WKAR (Radio and TV)	2	2	2	2
External Audits – Sponsored Programs				
Federal A-133 - Plante Moran	1	1	1	1
Federal Agency Audits (NSF, DOJ, USDA, USAID, etc.)	25	34	25	15
State Audits (MEDC, MDE)	12	8	4	5
Foundation Audits (Kellogg, Gates)	4	3	0	2
Subtotal Sponsored Programs	<u>42</u>	<u>46</u>	<u>30</u>	<u>23</u>
Total Audits	78	80	71	52

Compliance: Why is it Important?

- To protect MSU's reputation
- Sustain a relationship of trust between sponsors and MSU
- Protect future research investment
- Avoid repercussions of non-compliance
- Withholding future awards.
- Audit findings and cost disallowances.
- Lawsuit settlements.
- Criminal, civil and/or administrative penalties and fines.
- Loss of administrative flexibility:
 - Automatic carryover
 - No-cost extensions.

Compliance: How do we comply?

- Establish and maintain policies and procedures
- Adequate systems
- Clearly defined roles and responsibilities
- Sufficient training
- Monitoring programs
- Sufficient documentation
- Understand Federal regulations and policies

Compliance: Who Monitors Compliance?

- **PI's!!!!**
- **Departmental and College Administrators**
- **CGA** – Reviews and approves *some* expenditure transactions.
- **Internal Auditors** – Mission: “Assist University units in effectively discharging their duties while ensuring proper control over University assets.”
- **Single Audit Auditors** – Conduct our annual Single Audit
- **Grant Officers of Federal Agencies** – Review cost claims, financial reports and question expenditure items.
- **Non-Federal Sponsors** – Conduct audits of programs and projects.
- **Inspector General** – Conducts audits to detect and prevent fraud, waste, abuse and mismanagement of government programs and operations.

Thank you!

Contact Information

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