

EXTERNALLY SPONSORED AGREEMENTS

Grants and Contracts

- Roseanne Wallin, Director
Grants & Contracts Administration
- Stephana Colbert, Associate University Counsel
- Jeanette Pastelak, Director
Grant and Contract Accounting



Sponsored Projects Administration

Major Functions

- Proposal Approval
- Award Negotiation
- Account Set-up
- Contract Review & Negotiation
- Liaison with Counsel and Outside Agencies



Award Types

- Grants
- Cooperative Agreements
- Contracts



TYPES OF CONTRACTS

- Standard Contract (City, State, Federal)
- Subcontract
- Research Agreement (Industry)
- Consortium Agreement
- MTA (Material Transfer Agreement)
- Confidentiality and Non-Disclosure
- Testing Agreement
- Consultant Agreement



First Steps

- Notify OVPR and Dean's Office of Timeline and Program Requirements
- Begin SPAF
- Discuss any special circumstances with College at this point



Issues

- BUDGET RELATED
- Do I need to use this funding to buyout a course?
- Will I be using Research Assistants and if so, will I need to request tuition remission?
- Will space be an issue?
- Will there be any required match or cost sharing?
- Will I need to request a reduced indirect cost rate?
- Will there be any subcontracts/Consultants?



Issues related to Subcontracts

- When Temple issues subcontracts we become the stewards of those funds
- The work done by the subcontractor ultimately affects the work done by the PI on his prime award
- Detailed Scope of Work is essential



Paperwork

- Depends on the Kind of proposal
 - Temple will be receiving a prime grant or contract from an outside agency to perform research or services
- Temple will be a subcontractor on someone else's award



Temple as Prime Contractor *Documents Needed*

- SIGNED SPAF
 - Any proposal requiring a signature from OVPR must have a signed SPAF attached

Standard Agency Grant Forms

OVPR will review the Face page, budget and budget justification in conjunction with the SPAF.

- Sometimes a formal proposal is required by Agency, sometimes not. (Contracts/Foundation Grants)
 - If no proposal paperwork is required, a SPAF will be needed when the contract comes in for review and signature.



Temple as Subcontractor *Documents Needed*

- Letter of Intent
- Budget and Scope of Work
- Completed and Signed SPAF
- Copy of our NFARA, A-133 Audit Cert.
- Documents will be signed by Dr. Kenneth Soprano, Vice President for Research



University Counsel Major Functions

- Identify significant legal issues
- Review and negotiate contracts
- Approve contracts for signature by Authorized Representative
- Provide advice and counsel
- Develop relevant policies and procedures



Legal Issues

- Legal Issues related to SPAF Checklist
 - No. 5: "Any real, apparent or potential conflict of interest"
 - No. 20: "Impact on faculty teaching load" Conflict of Commitment
 - No. 28: "will research activity result in any publications, patentable results or inventions, or commercialization efforts?"



More Legal Issues

Special Considerations

- Nos. 1 & 2– Human Subjects/Clinical Trials or Animal Research: make sure this process is in place with IRB (Institutional Review Board) & IACUC (Institutional Animal Care & Use Committee) application.
- Nos. 3 & 4: Biohazards or radioactive material



Proposal is Funded Grant Process

- If I already have SPAF and budget
- Send Notice of Award, SPAF and budget to Grant Accounting to set up Cost Center.
- Copy to the PI for their records.



Proposal is Funded Contract Process

- Often we find out we have the award well in advance of actually receiving a contract
- The nature of some of the work makes it urgent that the work start before the contract is either received/fully executed
- The risk is on the PI and the Dept and College.



Contract Is Received

- Process:
 - PI should review, especially SOW (Statement of Work)
 - OVPR reviews and highlights potential issue
 - Forwarded to University Counsel for final review
 - If there are problems, discussions with PI and/or agency begin



Problem Clauses

- *Favored Nations*
- *Choice of Law*
- *Indemnity*
- *Ownership of Intellectual Property*



Problem Clauses

- *Confidentiality*
- *Clauses that commit us to certify on behalf of the entire University*



Signature Authority

- only an authorized University representative can sign any document that is legally binding on the University!



Contract is Received (con't)

- Once negotiations are complete, contract is forwarded to VP for Finance for signature
- Returned to OVPR who sends signed contract back to agency
- OVPR receives fully executed contract back from agency and forwards to PI and Grant Accounting



Grant and Contract Accounting Major Functions

- Setup Awards in Financial Management System (FMS)
- Approval of Certain Financial Transactions
- Financial Compliance
- Financial Reporting
- Cash Management



Establishment of Cost Center

▪ New Award

- Fully Executed Agreement
 - OVPR sends SPAF, award and budget to Grant Accounting to request number

- No Documentation
 - Complete a SPAF and have signed
 - Send a memo to OVPR requesting that a cost center be set up and include a cost center to be used as a default in the event the contract does not come through
 - Attach any correspondence from awarding agency



Establishment of Cost Center

▪ New Award

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- No Documentation
 - Complete a SPAF and have signed
 - Send a memo to OVPR requesting that a cost center be set up and include a cost center to be used as a default in the event the contract does not come through
 - Attach any correspondence from awarding agency



Establishment of Cost Center

▪ New Award

- With Unexecuted Contract or Unsigned Award
 - Complete SPAF and Budget, OVPR will request a cost center



Establishment of Cost Center

- Continuation Award
 - Complete the memo requesting continuation status
 - Return memo to Grant Accounting who will set up continuation number
 - Must include "default" cost center (not another sponsored project)



What is a Cost Center

- Unique nine digit number assigned to each source of funding
- Comprised of three sections
 - xx – xxxx –xxx
 - Funding source – positions 1 and 2
 - Stewardship- positions 3 through 6
 - Identifier positions 7 - 9



Why Set Up A Cost Center Number if Award Has Not Been Received

- Contracts arrive after end date of project
- Expenditures properly charged to correct center
- Salaries are charged correctly
- Less Cost Transfers



Cost Center Tips

- What does zero award amount mean?
- What is account 7900?
- I don't see an account code for my line item?
- Correct use of account codes
- You can spend if no budget
- You can spend if funds have not yet been received



Cost Center with No Budget Information

LINE	DESCRIPTION	AMOUNT	COMMITTED	TOTAL ACTUAL	AVAILABLE
0001	F/T FACULTY	7,556.00	7,556.00	7,556.00	0.00
0002	SALARIES & WAGES	7,556.00	7,556.00	7,556.00	0.00
0590	FRINGE BENEFITS	642.00	642.00	642.00	0.00
7200	GENERAL SUPPLIES	2,970.00	2,970.00	2,970.00	0.00
7900	YEAR END ADJUSTME	16,308.00	16,308.00	16,308.00	0.00
7923	O/M GIFTS & GRANT	5,187.00	5,187.00	5,187.00	0.00
TOTAL		46,427.00	46,427.00	46,427.00	0.00



Cost Center with Zero Budget

LINE	DESCRIPTION	AMOUNT	COMMITTED	TOTAL ACTUAL	AVAILABLE
0001	F/T FACULTY	7,556.00	7,556.00	7,556.00	0.00
0002	SALARIES & WAGES	7,556.00	7,556.00	7,556.00	0.00
0590	FRINGE BENEFITS	642.00	642.00	642.00	0.00
7200	GENERAL SUPPLIES	2,970.00	2,970.00	2,970.00	0.00
7900	YEAR END ADJUSTME	16,308.00	16,308.00	16,308.00	0.00
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TOTAL		46,427.00	46,427.00	46,427.00	0.00



Compliance

- Office of Management and Budget Circulars
 - A-21 "Cost Principles for Educational Institutions"
 - A-110 "Uniform Administrative Requirements for Grant and Agreements with Institutions of Higher Education and Other Non-Profit Organizations"
 - A133 "Audits of Higher Education and Other Non-Profit Organizations"
- Federal Acquisition Regulations
- Other Federal Regulations (by agency)
- Specific Terms and Conditions of Award



Compliance Con't

- University Policies
- Direct and Indirect Costs
- Unallowable Costs
- Costs Must be
 - Reasonable
 - Allocable
 - Allowable




Direct vs Indirect Costs

- What is a Direct Cost?
 - Direct costs, as defined by OMB Circular A-21 "Cost Principles for Educational Institutions," are those costs that are necessary to meet a project's specific scientific and technical requirements.
 - Example: Salaries and wages, such as PI, research associate, lab technician, graduate research assistant; fringe benefits, travel, materials and supplies, equipment, subcontracts, specialized service centers
- http://www.temple.edu/controller/grant_accounting/pol_proc/pdf/grp101.pdf



Direct vs Indirect Costs

- What is an Indirect Cost?
 - Indirect costs as defined by A-21 are those costs incurred for common or joint activities of the University
Example: Administrative and Clerical salaries, purpose software, clerical supplies
- What is an unlike circumstance?
- http://www.temple.edu/controller/grant_accounting/pol_proc/pdf/grpl01.pdf




Cost Transfer Policy (Journal Entries)

- What is a Cost Transfer?
- Why do I have to justify the transfer?
- What is an allowable transfer?


University's Weak Point

http://www.temple.edu/controller/grant_accounting/pol_proc/pdf/grpr0202.pdf



Effort Reporting What is It?

- The reporting and confirmation of one's time spent conducting any university activity that typically is expressed as a percentage of the total institutional based time.
- OMB A-21, J10 Compensation for personal services
 - "a statement will be signed by the employee, principal investigator or responsible official(s) using suitable means of verification that the work was performed"



Personal Activity Reports (PARs)

- Distributed on a semester basis for faculty
- Distributed quarterly for all other full time employees including graduate research assistants
- Shows percent of effort on a project
- Must be in whole numbers
- PAR Types
 - Regular
 - Manual



Reporting

- Interim Billing
- Financial Reporting (Interim and Final)
- Receivables



Closing Out An Award

- Project Period or Budget Period
- Work with Principal Investigator, Business Manager or designee to identify all costs of the project
- Submit timely and accurate financial report
- Follow up procedures



Websites

- Office of the VP for Research
 - <http://www.research.temple.edu/spa/>
- Grant Accounting
 - http://www.temple.edu/controller/grant_accounting
- University Counsel
 - <http://www.temple.edu/legal>