



RESEARCH

Preparing for Awards and Managing Contracts

NURAMP Spring 2017

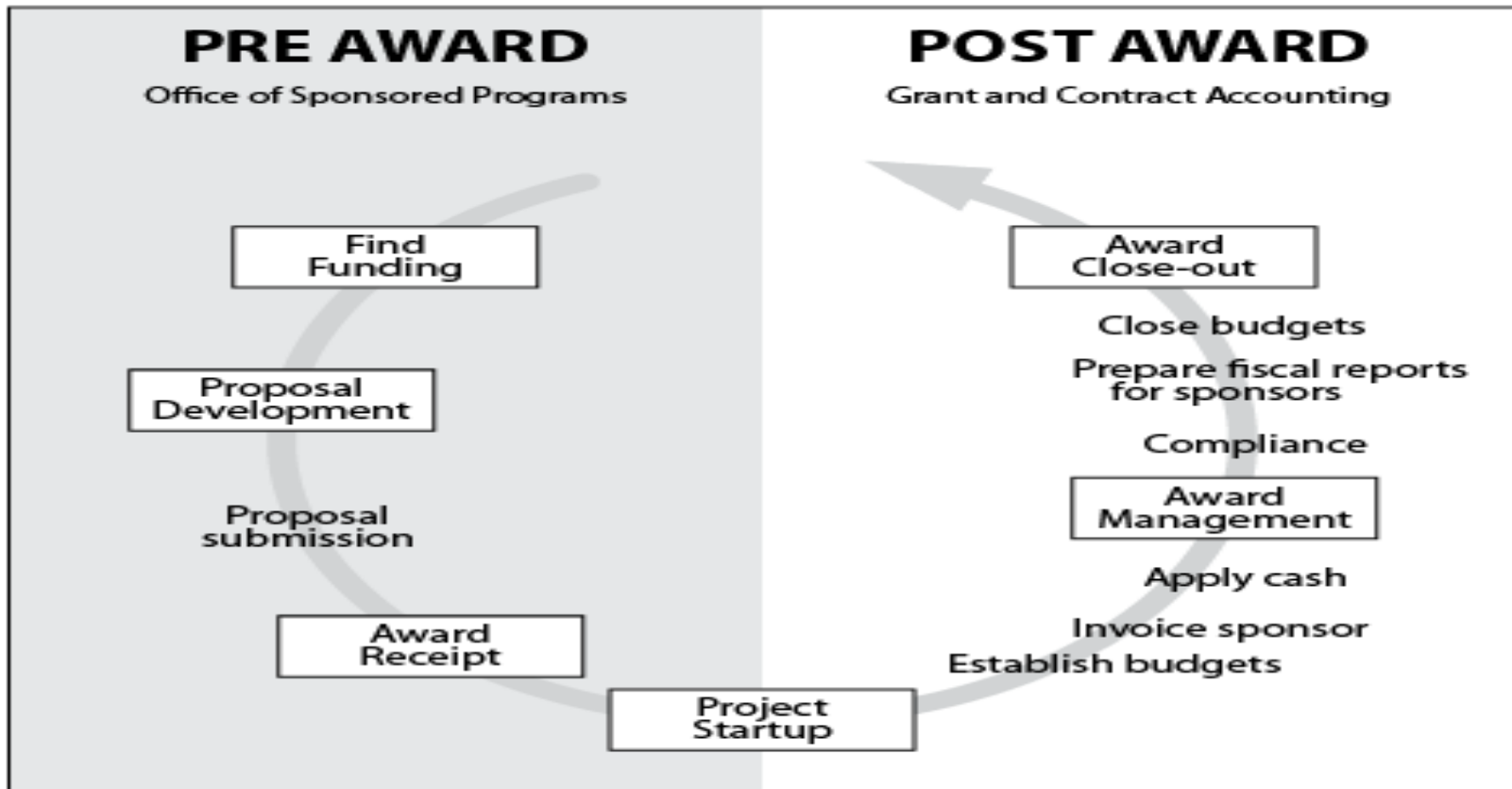




Session Outline

- Sponsor correspondence
- Just-in-time(JIT) and other preparation prior to award
- Prepare for WBS establishment
- IPAS
- Contracts – who, what, when
- Award process in OSP

Grant Life-Cycle





Scenario 1

- Dr. Brilliant submitted a proposal and has received a good score by the review panel.
- The sponsor notifies him he needs to provide JIT materials.
- The sponsor also asks for a reduced budget.
- What should Dr. Brilliant do now?

WHO YOU GONNA CALL?



makeameme.org



Scenario 2

- Dr. Fantastic is notified she is receiving an award from the Nebraska Dept of Education (NDE).
- NDE sends her the agreement and asks her to sign and return it.
- They also ask her to attend a meeting in Washington, DC the following week.
- What should she do?





Scenario 3

- Dr. Awesome plans to send a proposal in response to a federal RFP due 3 months from today.
- The RFP contains 3 pages of FAR clauses by reference.
- What steps should she take to appropriately respond to the RFP?





Scenario 4

- OSP receives a fully signed agreement with the PI signing for UNL.
- There is no statement of work or budget included and several of the agreement terms are unacceptable to UNL.
- No internal approvals (NUgrant routing) were obtained prior to receipt of this award.
- What steps were missed and what happens now?

AAUGH!





Sponsor Correspondence

- After proposal is submitted, possibilities for correspondence with sponsor:
 - If PI needs to initiate a contact, discuss with Grants Coordinator to determine best approach
 - If asked for more information by sponsor, best to contact your Grants Coordinator before responding
 - Sponsors usually require updated information be approved by an institutional official (someone in OSP)
 - Sponsored Programs must be aware of any changes to a proposal after submission
- If PI is contacted by a Nebraska State Agency:
 - PI should notify State of the appropriate Pre-award contact at UNL



Just In Time (JIT)

- Primarily NIH term, but used by other federal agencies
- Strategy to reduce burden on PIs and institutions
- Some transactions delayed until after proposal is reviewed and prior to award
- If proposal scored highly enough, JIT information will be requested – no funding commitments at this point
- Common JIT information can include:
 - IRB/IACUC approvals
 - Updated Other Support information
 - Revised budget
 - Updated biosketch(es)/Current and Pending Support



Preparing for an Award – Compliance

- Discuss with Research Compliance any approvals for humans, animals, Export Control, Recombinant DNA/Biosafety Research that may be needed
 - Estimate time needed to obtain them and begin processes, as appropriate
- Discuss with Environmental Health and Safety
 - Radiation safety, hazardous materials
 - Begin processes, as appropriate
- Complete or update Interest Reporting Form (IOARF)
 - Questions about form should be directed to Research Compliance
 - Conflicts of interest requiring committee review may take some time to obtain approval – plan ahead
- All above areas have modules in NUgrant

Nugrant Modules



NUgrant Modules



Office of Sponsored Programs



Internal Competitions



Interest and Activity Management



Institutional Review Board



Institutional Animal Care and Use Committee



Institutional Biosafety Committee



Radiation Safety Committee



Export Control



Course and Lab Fees





Preparing for an Award – Compliance

- Find contacts for Research Responsibility and Compliance at <http://research.unl.edu/orr/staff.shtml>
- Find information on Environmental Health and Safety at <http://research.unl.edu/orr/ehs.shtml>

Institutional Prior Approval to Spend (IPAS)



- Circumstances when use is appropriate
- Form available on OSP's Forms & Templates web page
- Processing an IPAS within OSP
 - Received by Post-award Specialist who checks if allowable
 - Awards Coordinator verifies if all compliance requirements are approved and checks with Pre-award Coordinator for award status update
 - If allowable and compliance approvals obtained, WBS is established for limited time period
 - Executed award releases full award period and \$ funded



Requirements for Official WBS Set-up

- **Project information must be complete and include:**
 - Completed routing form in NUgrant
 - Interest Reporting Form(s) approved
 - Compliance approvals – IRB/IACUC/Biosafety
 - Copy of proposal
 - A budget that agrees with award amount
 - Cost share information, if applicable
 - Subaward Information, if applicable
 - Institutional letter of commitment
 - Subawardee sponsored programs contact information
 - Budget and justification
 - Detailed work statement



Contracts





Contract Definition

A contract is an agreement, enforceable by law, between two or more competent parties.

For federal contracts, FAR 2.101 defines a contract as a mutually binding legal relationship that obligates the seller to furnish supplies or services and the buyer to pay for them.



Contracts

- Funding may be incremental, tied to set deliverables or schedules
- Final payment (e.g., 10%) may be held until “acceptance” of deliverables
- Federal process governed by Federal Acquisition Regulations (FAR)



Contract Types

Cost-Reimbursement

- Pays allowable costs that are expensed and invoiced
- Contractor must have adequate accounting system to track applicable costs

Fixed Price

- Price-based, not cost-based
- Price defined in contract (by unit or deliverable)
- May be firm or adjustable



Contracts – Cost Reimbursable vs. Fixed Price

- Cost reimbursable contracts paid on regular billing intervals or payment schedule
 - costs incurred will be paid
 - portion can be paid up front and expensed against
 - excess balance usually returned to sponsor
- Fixed-price contracts pay a flat amount whether or not costs are covered
 - any excess balance is often retained
- UNL requires a substantial up front payment on industry contracts regardless of the type



Contracts – Fixed Price Issues

- UNL must fully recover costs in performing services and should not generate profit or be in deficit
- Even if costs are found to be underestimated, UNL must still perform full SOW promised
- If costs are significantly overestimated, residual balances at project end may be subject to UBIT and affect UNL's tax status
- UBIT is Unrelated Business Income Tax – UNL's tax status is based on its non-profit related mission (education, research and community outreach)



Contracts – Fixed Price Issues

- Residual balances can violate state or federal regulations on non-profit status, or on cost-accounting standards
- Salaries for staff working on the project need to be charged in proportion to work done
 - If not, UNL may not comply with OMB Circular A-21 effort reporting requirements
- Must track effort through PARs

Contracts – UNL Policy on Residual Balances



When the following is complete:

- Work complete to UNL and sponsor satisfaction
- All reports provided to sponsor and accepted
- All project expenses have been charged to the project's WBS
- All sponsor payments received
- Residual Balance Transfer Form complete
- Any balances in excess of 25% of awarded amount justified and accepted by OSP

Contracts – UNL Policy on Residual Balances

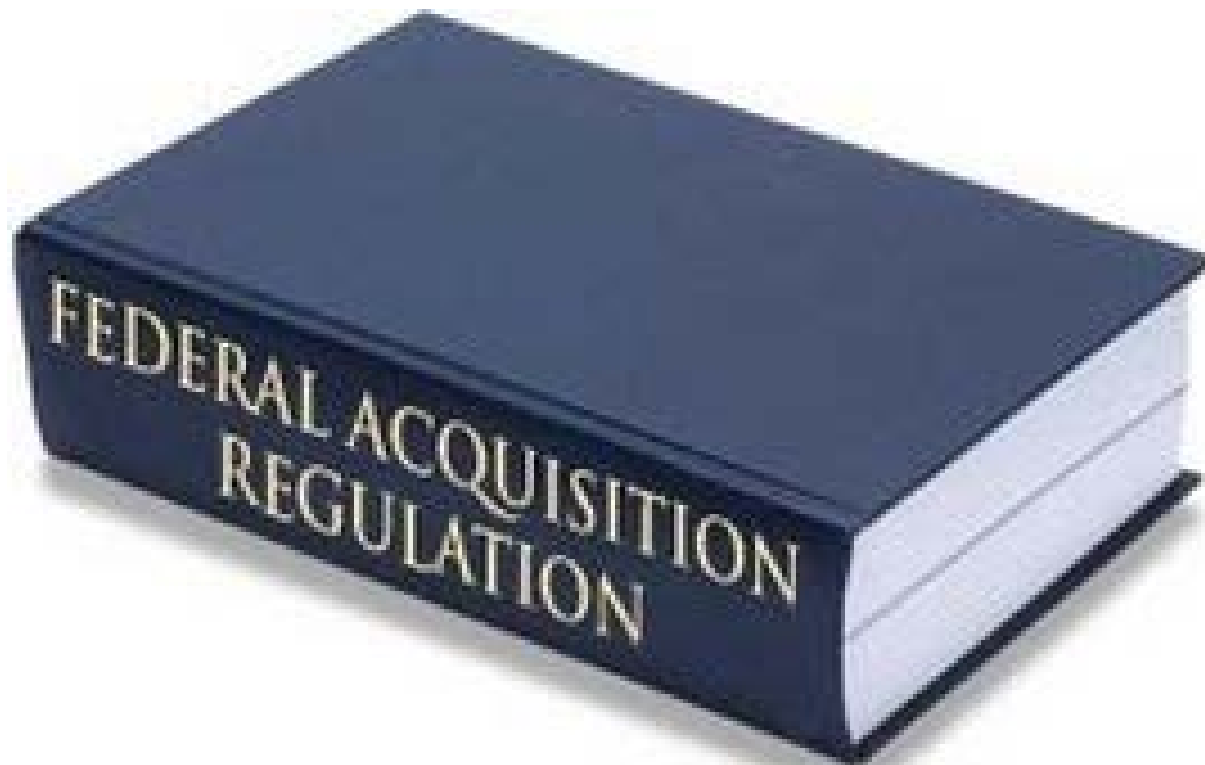


Then:

- Residual balance will be transferred to cost center provided on Residual Balance Transfer Form
- Funds to be used to continue carrying out UNL's mission of teaching, research and extension



Federal Acquisition Regulations





What is the FAR?

- Federal Acquisition Regulations
- System of uniform policies and procedures governing acquisition (purchasing) for all federal agencies
- Procedures manual for federal agencies to acquire goods and services, including research
- Certain agencies have their own implementation of the FAR
 - Defense Federal Acquisition Regulations (DFAR)
 - Army FAR (AFAR), Air Force FAR (AFFAR), etc...
 - Department of Energy Acquisition Regulations (DEAR)



Contracting under the FAR

- Nature of contract determines type
 - Cost-Reimbursement
 - Fixed-Price
- Purpose can be any of following, we often are doing R&D work
 - Construction
 - **Research & Development**
 - Supply
 - Service



A Contract Subject to the FAR

52.222-39	Notification of Employee Rights Concerning Payment of Union Dues or Fees	DEC 2004
52.222-50	Combating Trafficking in Persons	AUG 2007
52.223-3	Hazardous Material Identification And Material Safety Data	JAN 1997
52.223-5	Pollution Prevention and Right-to-Know Information	AUG 2003
52.223-6	Drug-Free Workplace	MAY 2001
52.223-11	Ozone-Depleting Substances	MAY 2001
52.223-14	Toxic Chemical Release Reporting	AUG 2003
52.225-13	Restrictions on Certain Foreign Purchases	JUN 2008
52.226-1	Utilization Of Indian Organizations And Indian-Owned Economic Enterprises	JUN 2000
52.227-1 Alt I	Authorization And Consent (Dec 2007) - Alternate I	APR 1984
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement	DEC 2007
52.227-11	Patent Rights--Ownership By The Contractor	DEC 2007
52.228-7	Insurance--Liability To Third Persons	MAR 1996
52.230-2	Cost Accounting Standards	OCT 2008
52.230-3	Disclosure And Consistency Of Cost Accounting Practices	OCT 2008
52.230-5	Cost Accounting Standards--Educational Institutions	OCT 2008
52.230-6	Administration of Cost Accounting Standards	MAR 2008
52.232-9	Limitation On Withholding Of Payments	APR 1984
52.232-20	Limitation Of Cost	APR 1984
52.232-22	Limitation Of Funds	APR 1984
52.232-23	Assignment Of Claims	JAN 1986
52.232-25	Prompt Payment	OCT 2008
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	OCT 2003
52.233-1 Alt I	Disputes (Jul 2002) - Alternate I	DEC 1991
52.233-3 Alt I	Protest After Award (Aug 1996) - Alternate I	JUN 1985
52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004
52.242-1	Notice of Intent to Disallow Costs	APR 1984
52.242-3	Penalties for Unallowable Costs	MAY 2001
52.242-4	Certification of Final Indirect Costs	JAN 1997
52.242-13	Bankruptcy	JUL 1995
52.243-2 Alt V	Changes--Cost-Reimbursement (Aug 1987) - Alternate V	APR 1984
52.244-2	Subcontracts	JUN 2007
52.244-5	Competition In Subcontracting	DEC 1996
52.244-6	Subcontracts for Commercial Items	MAR 2007
52.245-1 Alt II	Government Property (Jun 2007) Alternate II	JUN 2007
52.245-9	Use And Charges	JUN 2007
52.246-9	Inspection Of Research And Development (Short Form)	APR 1984
52.247-1	Commercial Bill Of Lading Notations	FEB 2006
52.247-63	Preference For U.S. Flag Air Carriers	JUN 2003
52.249-5	Termination For Convenience Of The Government (Educational And Other Nonprofit Institutions)	SEP 1996
52.251-1	Government Supply Sources	APR 1984
52.253-1	Computer Generated Forms	JAN 1991
252.201-7000	Contracting Officer's Representative	DEC 1991
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DEC 2004
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.204-7004 Alt A	Central Contractor Registration (52.204-7) Alternate A	SEP 2007
252.204-7009	Requirements Regarding Potential Access to Export-Controlled Items	JUL 2008



Introduction to 2 CFR Part 200 “Uniform Guidance”

Streamlines the language from eight OMB circulars to one consolidated set of guidance. The following have been combined in this document:

- **A-21** Cost Principles for Educational Institutions
- **A-87** Cost Principles for State, Local and Indian Tribal Governments
- **A-89** Federal Domestic Assistance Program Information
- **A-102** Awards and Cooperative Agreements with State and Local Governments
- **A-110** Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations
- **A-122** Cost Principles for Non-Profit Organizations
- **A-133** Audits of States, Local Governments and Non-Profit Organizations
- **A-50** Audit Follow-Up, (as related to Single Audits)

Introduction to 2 CFR Part 200 “Uniform Guidance” (cont.)



- Focuses federal resources on improving performance and outcomes
- Eliminates duplicative and conflicting guidance
- Reduces administrative burden on federal agencies
- Strengthens oversight to minimize risk of waste, fraud and abuse.



Applicability of the “Uniform Guidance”

- New awards authorized on or after Dec 26, 2014
- Project modifications made on or after Dec 26, 2014
- Audit requirements – apply to audits of non-federal entity fiscal years beginning on or after Dec 26, 2014

Major Differences between Contracts & Grants



Contracts

- Often RFP solicitations
- Need for specific service/product
- Schedule technical & expenditure reports and/or other deliverables
- Payment often tied to deliverables
- Numerous special terms and conditions
- Close control on budget
- Usually audited
- Can be cancelled for default

Grants

- Often standard guidelines/proposal kits
- Support for proposed work in general programmatic areas - need to advance knowledge
- Requires technical progress reports
- Payments may be in advance, by schedule, or upon completion
- General terms and conditions
- Flexible budget control
- Some audited
- Almost never cancelled



Awarding process - Grants

Award arrives in OSP, and Awards Coordinator:

- Reviews award terms & conditions alongside original proposal documents
 - Verifies routing form complete
- Reviews award budget against proposed budget
 - Verifies any cost share commitments documented
- Verifies subaward documents complete
 - Letter of commitment
 - contact information
 - budget and justification
 - detailed work statement



Review of Grant Agreement

Problematic Terms

- Publications and Confidentiality
- Intellectual Property
- Academic Freedom
- Payment Terms
- Acceptance of Deliverables
- Termination
- Audit
- Indemnification and Insurance
- Use of UNL's Name
- International Issues (governing language, governing law, foreign currency)



Awarding process - Grants

- Verifies compliance requirements are met, as necessary
 - IRB approvals obtained
 - IACUC approvals obtained
 - Biosafety approvals obtained
 - IRF(s) are current
- Obtains necessary signatures
- Submits to Post-award for creation of WBS and ongoing financial management
- NUgrant is updated with award information

NOTE: PARs from previous awards must be current and compliance approvals obtained before WBS is established.



Awarding process - Contracts

Contracts Manager:

- Is notified a PI is planning to work with an industry sponsor
 - Provides PI or industry sponsor with UNL template agreement
 - Reviews sponsor's template, if they don't want to use UNL's
- Is notified PI is applying for federal funds that will be issued under a contract
 - Reviews contract terms referenced in the RFA or other docs
- Negotiates with the sponsor any necessary changes to the contract
- Obtains institutional signatures
- Ensures a NUgrant routing has been completed for the project & forwards to Awards Coordinator



Negotiation & Signature Authority

Sponsored Programs has authority for negotiation and acceptance of grants, cooperative agreements and contracts.

Signature authority is delegated by the Board of Regents
(<http://bf.unl.edu/bfpolicy/SignatureAuthority.pdf>)

*Note: Pls, deans, chairs and others are **not authorized** to **negotiate or sign agreements** or any other sponsored programs document on behalf of the Board of Regents of the University of Nebraska.*



Official Institutional Information

Official Applicant/Recipient Entity:

**The Board of Regents of the University of Nebraska for the
University of Nebraska-Lincoln**

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Lincoln, NE 68588-0430

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Email: unlosp@unl.edu

<http://research.unl.edu/sponsoredprograms/>



Useful Web sites

UNL Forms & Templates

<http://research.unl.edu/sponsoredprograms/forms-templates/>

UNL Research Policies & Procedures

<http://research.unl.edu/research-policies-procedures/>

OMB Circulars <http://www.omb.gov/circulars>

CFR <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html>

FAR <https://www.acquisition.gov/FAR/> or
<http://farsite.hill.af.mil/vffara.htm>

FDP <http://www.thefdp.org>

CFDA <http://12.46.245.173/cfda/cfda.html>



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