

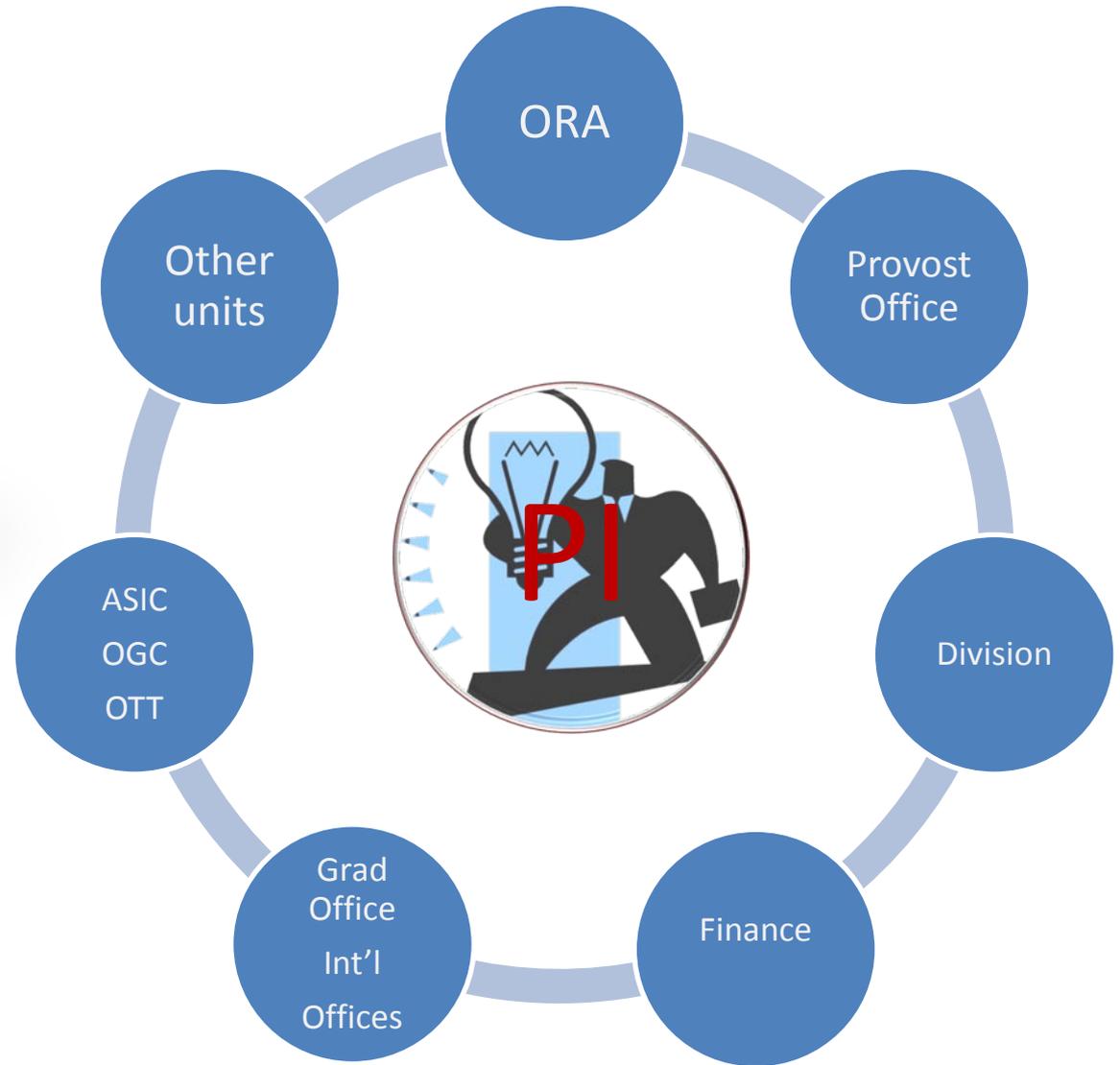


Post Award Administration

Presented by
ORA, Finance, Biology
& International Offices



We are in this together.....



Office of Research Administration

Richard Seligman
Associate Vice President

Mika Walton
Administrative Assistant

David Mayo
Director
Office of Sponsored
Research

Adilia Koch
Director
Export Compliance

Urmila Bajaj
Director
Project Accounting

Office of Sponsored Research

David Mayo
Director

Contract-based
Proposals and Awards

Gayle Lund
Associate Director

Grant-based Proposals
and Awards

Mary Gibson
Assistant Director

Gaylene Ursua
Contract & Grant Officer

Lucy Molina
Contract & Grant Analyst

Lisa Miller
Contract & Grant Analyst

Jenny Mercado
Contract & Grant Analyst

Lois Sierra
Contract & Grant Assistant

Award Acceptance

Pre-award

- PI & program officer concur on technical merit
- OSR negotiates award terms and conditions

Award setup

- OSR accepts award, informs PI and division
- Division requests for PTA and submits budget

Award activation

- OSR activates PTA and allocates budgets
- OSR issues award summary to notify campus

Terms and Conditions....

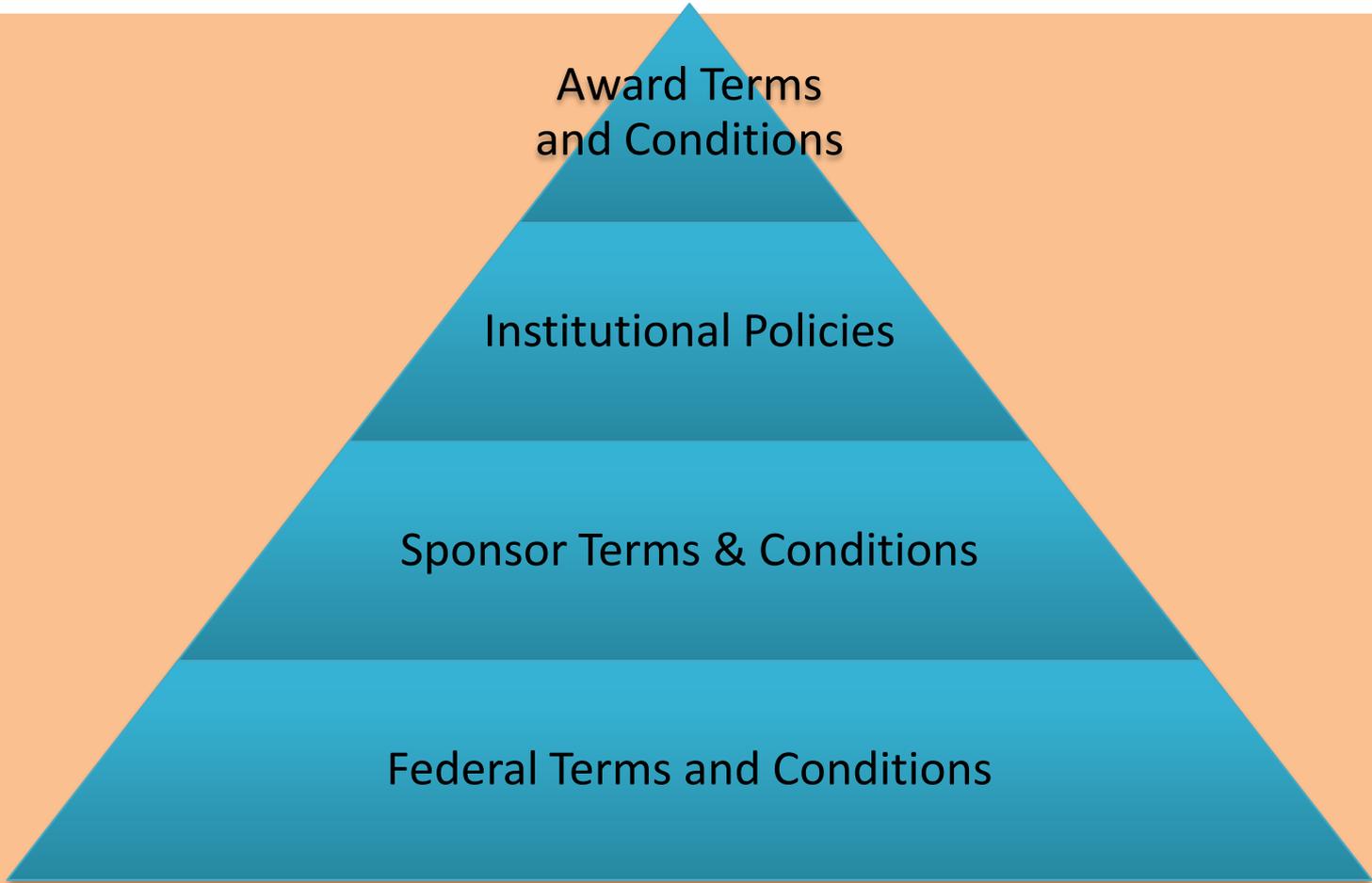
T&Cs...

Award Terms
and Conditions

Institutional Policies

Sponsor Terms & Conditions

Federal Terms and Conditions



OSR

Post Award Responsibilities

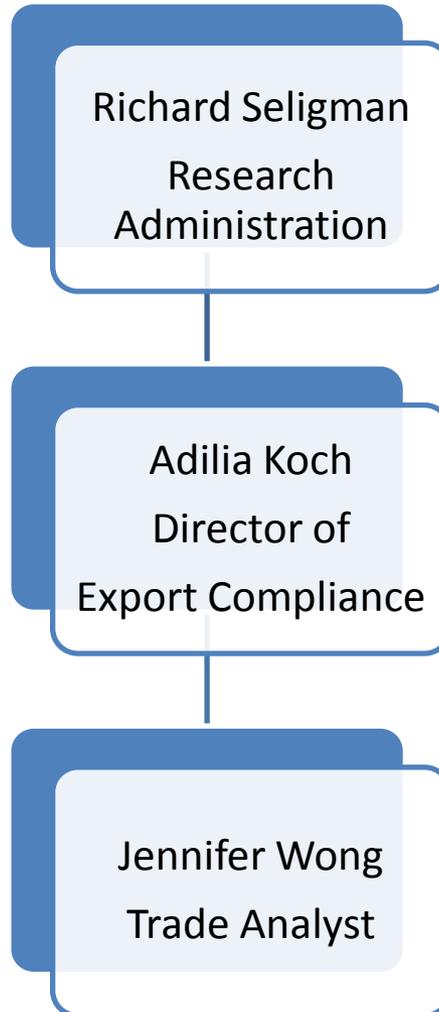
Negotiating/implementing changes to award terms

Processing additional funding

Official point-of-contact for Sponsor

Interpretation of sponsor policies and federal regulations

Caltech Export Compliance Office



Export Compliance:

Awards Requiring Greater Care

JPL IAs, Awards
or Transfers

- May involve transfer of export controlled info , items or services

DARPA, DOD,
NASA, Defense
Contractors

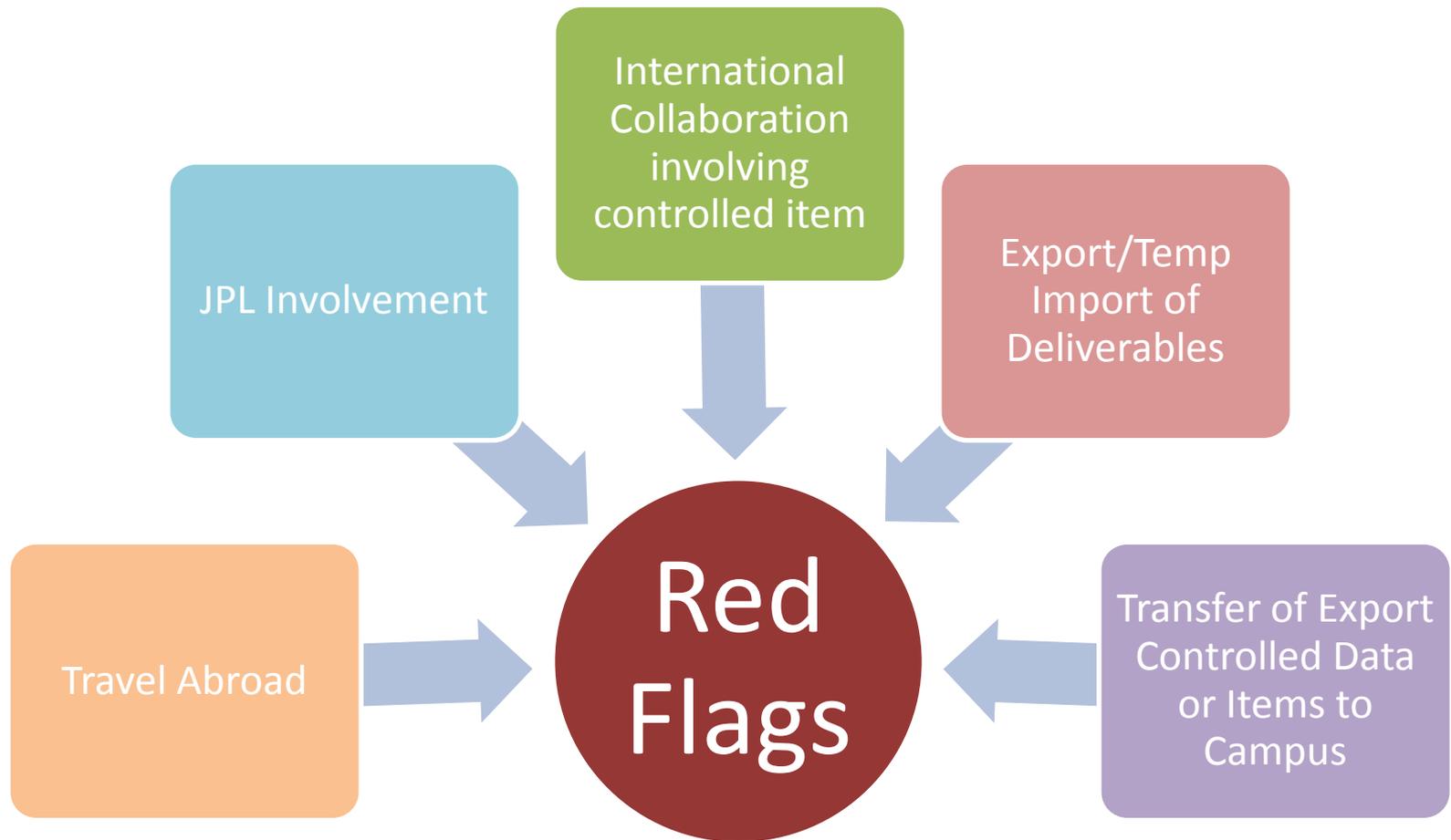
- May involve development of sensitive technology or items

All Other Awards

- Deliverables may require export of items or any of the above

Export Compliance:

What you should look for; ask for help!



Discrepancies in Your Transaction

Unapproved
Freight
Forwarder Pick-
ups

Review forms
before they go
out: Do they
look right?

Costs incurred
may be allowable
but not the
penalty or fines

Export Resources

<http://researchadministration.caltech.edu/export>

Website

International
Shipments
Forms

Regulations

Information

Caltech
Export
x2641

Visit our
Website!

Contact Info

Adilia F. Koch
x4469

Caltech Export
x2641

Jennifer Wong
x2558

Mika Walton
x2882



Project Accounting

Urmila Bajaj
Director

Alice Salazar
Manager

Virgil Swanier
Senior Accountant

Lisa Frenchie
Financial Analyst

Estella Venegas
Manager

Rosemary Nomura
Lead

Moses Nurtjahja
Lead

Paulina Perez
Accounting Assistant

Cindy Santos
Accounting Assistant

Grant Hovakimyan
Lead

Sandie Glaze
Accountant

Lucita Dimaculangan
Accountant

Divisions

Martin Madrigal
Accountant

Carolyn Griffiths
Accountant

Karel Zumbunnen
Accountant

JPL/Audit
Coordination

Pablo D'Angelo
Accountant

Kathy Kelly
Accountant

Christa Lacombe
Accounting Assistant

Kristina Hovakimyan
Part-Time Assistant

Eduardo Villalobos
Accounting Assistant

Project Accounting

- Financial management of sponsored projects
 - submits invoices and financial reports
 - reimburses Caltech and JPL via LOC draws
 - reviews, approves and processes cost transfers
 - monitors special conditions
 - prepares financial closeout



Financial Compliance

- allowability

- allocability

- consistency

- reasonability

- questionable costs (food, foreign travel, honorarium)

- costs for related activities (distribution of costs)

- direct or indirect costs

- cost price analysis, prudent person rule

Referenced documents:

OMB Circular A-21 Cost Principles for Educational Institutions

OMB Circular A-110 Uniform Administrative Requirements for Grants and Other Agreements

Award management: Divisional responsibilities

Presented by
Samantha Westcott
Grant Manager
Department of Biology

Awarded Budget Categories

Personnel

- Key personnel effort allocation
- Salary Cap

Supplies

Equipment

- Threshold \$5K
- 2 year shelf life
- Unexpendable
- Fabrication costs

Awarded Budget Categories (cont.)

Travel

- Fly America Act for Foreign travel

Tuition Remission

Subawards

Participant support costs

Other direct costs

Divisional Actions by Budget

PTA Setup and Structure

- Fabrication
- Salary Cap
- Cost Sharing
- Distribution and communication to all parties

Personnel

- Recruitment, hiring and training
- Labor scheduling and distribution in OGM

Purchasing

- Equipment
- Supplies
- Subawards

Divisional Actions during Award

Travel

- Support sponsor approval process
- Support Visas and travel papers for foreign trips

Monthly Reconciliation of Expenditures

- Initiating necessary transactions
 - Cost Transfers
 - Budget re-alignments
 - Labor adjustments
- Adjusting future spending to prevent deficits

Divisional Actions during Award (cont.)

Projections

- By Project
- By Laboratory

Communication with PI

- Regularly scheduled review for reconciliations
- Calendaring and scheduling
 - Progress report applications
 - Approval of subaward invoices
 - ARRA quarterly reporting on project progress

Caltech International Offices

International Scholar Services

International Student Programs

JPL International Office

<http://international.caltech.edu/>

<http://cit.hr.caltech.edu/ISS/>

Hiring internationals

Numbers

- 40% of CIT grad students
- 60% of CIT postdocs

Process

- Information to ISP or ISS
- Preparation of documents
- Visa or change of status application

Immigration and Government Agencies

Most commonly used categories for CIT

- F-1 students
- J-1 researchers
- H-1 temporary workers

Government Agencies

- DHS = nonimmigrant status
- DOL = prevailing wage
- DOS = visas

Charging immigration fees to a federal account

Person must be assigned to the award for an on-going period of time

Normal CIT costs can be charged to the award— includes J, H, & O filing fees – *no urgent or special handling*

Discuss green card costs with Sponsored Research and International Office (Marjory Gooding—8808). Please see <http://cit.hr.caltech.edu/ISS/default.htm>

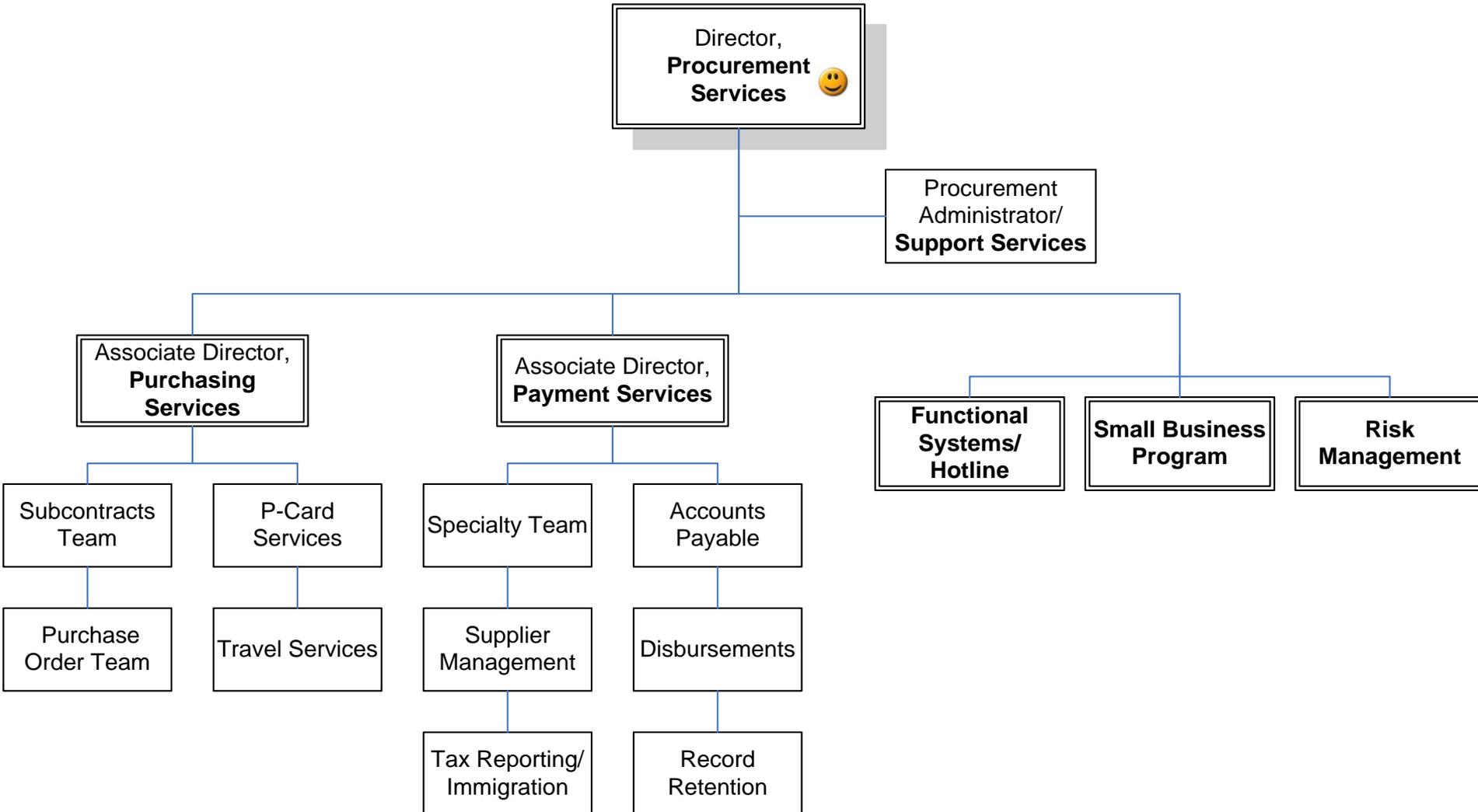
Post Award Administration – Procurement Services' Role



Presented by:

- Tina Lowenthal, Director of Procurement Services
- Monica Marquez, Associate Director of Purchasing Services
- Muriel Sandoval, P-Card & Travel Services Manager
- Peggy Burke, Travel Administrator

Procurement Organization



Procurement's Role

Issue Purchase Orders

Issue Subawards

- Subrecipient Monitoring
- Subaward Closeout

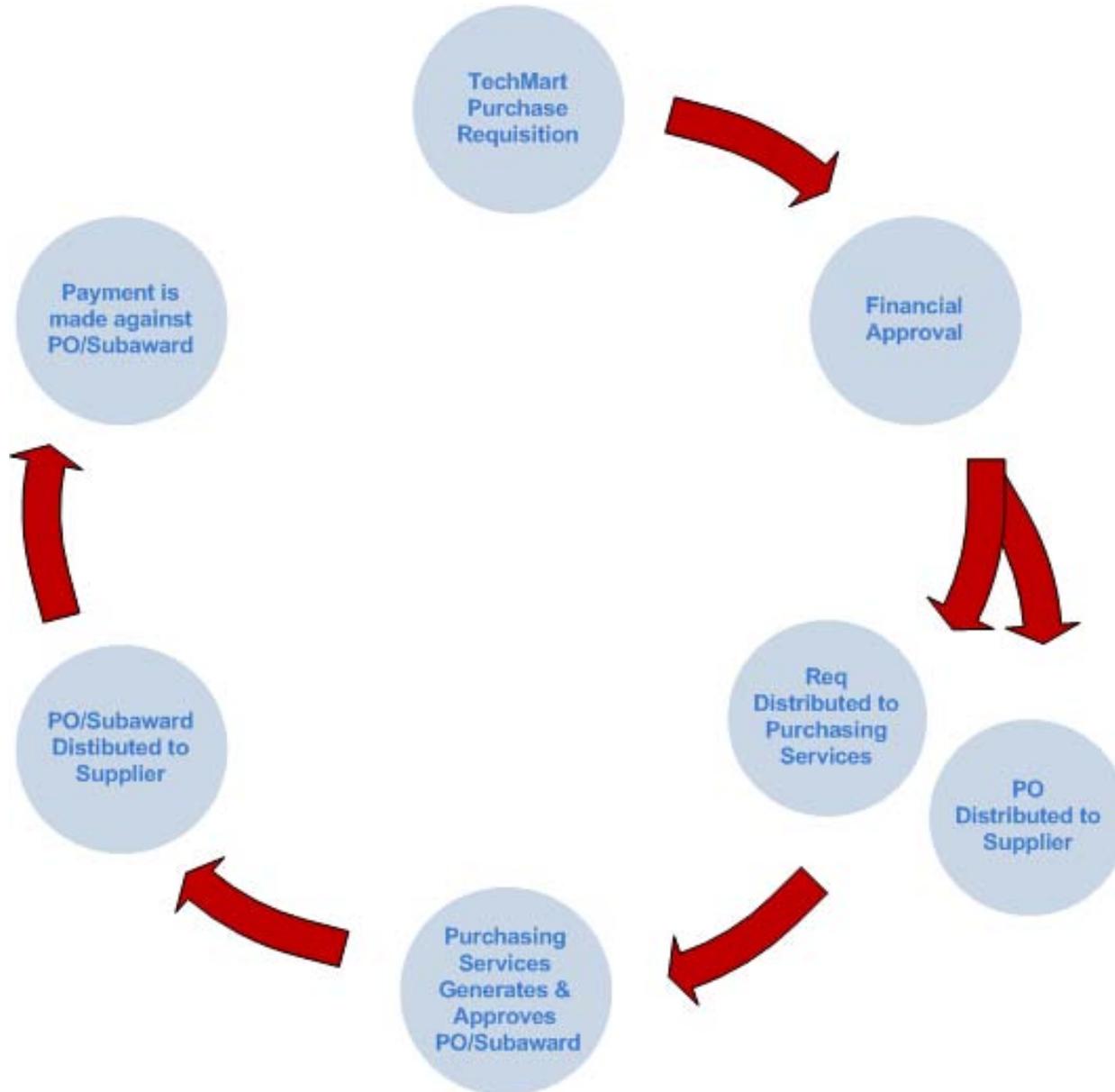
Administer P-Cards

Travel Audit

Payment of Invoices



Procure-to-Pay Cycle



TechMart Purchase Requisition – Supporting Documentation Requirements*

Purchase Orders	Subawards
1. Supplier Quotation	1. Statement of Work
2. Competitive Bids	2. Final Budget
a. Required for POs >\$10K	a. Must match Req. amount
b. 2-bid minimum requirement	b. Identify Cost Sharing
3. Non-Competitive Procurement Justification	c. Include Budget Justification
a. Justify supplier source (not the item)	
b. Market research	
4. Invoices/Receipts	

*Requirements may vary based on order type.

Purchasing Services' PO Responsibilities

1. Verify Non-Competitive Procurement Justification for completeness
2. Verify price and availability with the supplier
3. Prepare a Procurement Justification (>\$5K)
 - a. Verify Equipment Screening (Federally funded POs)
 - b. Perform a Cost/Price Analysis
 - c. Determine tax status
4. Obtain supplier certifications
 - a. Government funded POs
 - b. >\$25K Debarment; >\$100K Lobbying
5. Complete a Documentation Checklist
6. Issue Purchase Order and submit for approval



Purchasing Services' Subaward Responsibilities

Generate a Technical/Cost Analysis (PI approval required)

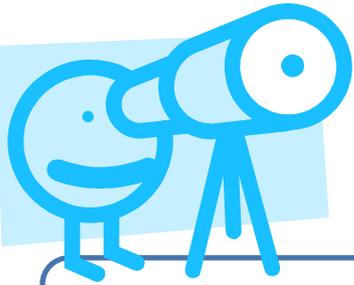
Obtain Assistance Subrecipient Questionnaire

Obtain Supplier Debarment/Lobbying Certifications

Obtain Certification of Compliance with OMB Circular A-133 (Higher Ed/Non-Profit only)

Complete a Documentation Checklist

Generate the subaward document, including appropriate flow-down terms from prime award



Sub-recipient Monitoring

As our responsibility for managing federal funds, Caltech “monitors” subawards

Subrecipient Monitoring is done throughout the life of the subaward – from proposal to closeout

It is a shared responsibility between the PI, OSR, ASIC (if necessary), and Procurement Services

Ensure federal regulations are followed in issuing subawards; assess risk

Oversight of non-technical, non-financial compliance issues of Subrecipient (e.g. property, small business subcontracting, eligibility to receive federal funds)

Closeout of subawards

Subaward Closeout

1. Purchasing notifies Subrecipient prior to end of subaward



2. Subrecipient has 60 days after end date to provide final reports (unless shorter time is mandated by prime award)



Final
Technical

Final
Report of
Inventions

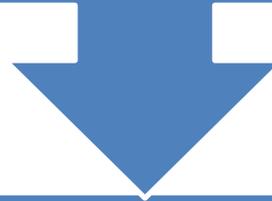
Final
Property

Final
Invoice

Final
Release of
Claims

Subaward Closeout (continued)

3. If Subrecipient delays, Purchasing will make two additional attempts to obtain required documentation before “forcefully” closing the subaward, with PI concurrence



4. Final invoice must be signed by both authorized Division representative (to approve invoice for payment) and PI (to certify that work was completed satisfactorily)



Payment of Invoices

Purchase Orders	Subawards
1. Invoices less than \$5K will be caution stamped; automatic payment within 7 days	1. Division must provide written/electronic approval on all Subaward invoices, regardless of dollar amount
2. Department/Division must provide written/electronic approval on all invoices \$5K and greater	2. Final Invoices must be approved by the PI <u>and</u> Division Representative



Procurement Services – Resources

Consider it Done!

Procurement Services Webpage:

<http://procurement.caltech.edu/index.shtml>



Procurement Services Hotline: Ext. 8900

Purchasing Services: Monica Marquez ext. 2566
Kevin Speaks ext. 4572

Payment Services: Michelle Thompson ext. 6778
Guillermo Ramirez ext. 8178

Purchasing Services' P-Card/Travel Team

Name

Title

Muriel Sandoval

P-Card/Travel Manager

Peggy Burke

Travel Administrator

Holly Cronin

P-Card Administrator

Michelle Lampe

P-Card Administrator

Teresa Ponce

Travel Administrator

About P-Card

1. Bank of America MasterCard
2. May substitute invoice attached, payment requests, petty cash and PO's
3. Caltech pays the monthly bill
4. On-line reconciliation required to assign charges to accounts
5. Restrictions on the purchases



P-Card Restrictions

1. **Animals:** Per Federal and State Law, all animal purchases must be processed through the Office of Laboratory Animal Research (OLAR).
2. **Controlled Substances**
3. **Leases & Long Term Rentals**
4. **Purchases for Personal Use**
5. **Radioactive Materials**
6. **Weapons/Ammunition**
7. **Capital Equipment:** Capital equipment is considered to be any Caltech owned equipment, furniture, or software with a unit cost of \$5,000 or more and, with a useful life of 2 years or more OR any government owned equipment regardless of cost.
8. **Single Purchases of Goods Exceeding \$3,500:** Any purchase of goods or services exceeding \$3,500 should be processed via a TechMart Purchase Requisition.



P-Card Limits

1. Standard basic card limits are \$3,500/transaction and \$15,000/monthly
2. Card with travel - \$5,000/transaction and \$20,000/monthly
3. Higher limits are available with approval from authorizer and Associate Director of Purchasing Services
4. Single purchases over \$10,000 – require competitive bids or a Non-competitive Procurement Justification



Post Award Administration

Travel's Role

1. Audit expense reports for compliance with Institute Policy and Federal restrictions

2. Contact preparer or traveler regarding questionable expenses

3. Assist non-PCard holders with purchases and travel arrangements

4. Posting of personal and sponsor refunds to projects

Post Award Administration Travel's Role (continued)

5. Train travelers and expense report preparers on policy and report creation

6. Approve expense reports and upload master file for charging to award and payment creation in Oracle

7. Payment of third party travel related invoices

8. Assist grant managers with questions regarding specific reports and projects

Travel Audit

Why expense reports can get held up...

- Missing traveler, preparer or approvers signature
- Insufficient information regarding trip/business purpose
- Use of non-US air carrier on federally funded foreign trips with missing or incomplete justification
- Missing or incomplete receipt documentation
- PTA is not chargeable
- New traveler not set up with Supplier Management
- Use of Excel/manual report by preparer must be entered in to Rapid Recon manually by Travel Services
- Incorrect or missing remittance address

Travel Role – Monitoring

Why do we “audit” expense reports?

- Responsibility for management of federal funds
- To protect both the Institute and the traveler in event of an audit
- Failure to adhere to the policy could result in loss of the Institute’s IRS Accountable plan, expense reports would then become tax reportable to the traveler
- Making decisions based on reasonableness of situation
- Interpretation of Institute Policy “Gray Areas”
- Volume of reports received
 - 11,142 trips in calendar 2008 with three travel processors
 - 10,253 trips in calendar 2009 with two travel processors

Travel Role – Monitoring

Who is involved?

- It is a shared responsibility between the Preparer, Traveler, Grant Manager and Travel Services

Why does Project Accounting get involved?

- Travel costs charged to federal awards need to be supported with receipts, business purpose, etc.
- Unsupported travel costs are unallowable charges on federal awards

Travel Services – Resources

Travel Services Webpage:

<http://procurement.caltech.edu/purchasing/travelhome.shtml>

Procurement Services Hotline:

Davida Perez ext. 8900

Travel Services:

Muriel Sandoval ext. 6273

Peggy Burke ext. 3702

Teresa Ponce ext. 2368

PCard Services:

Muriel Sandoval ext. 6273

Holly Cronin ext. 2894

Michelle Lampe ext. 6257

Property Services

Tracey Fraser

tracey.fraser@caltech.edu

Director

x2540

Ernest Ngalula

ernest.ngalula@caltech.edu

Manager

x4181

Tan Benjakalyakorn

tan.benjakalyakorn@caltech.edu

Property Analyst

x8192

Alex Flores

alex.flores@caltech.edu

Property Services Assistant

x2556

Property Overview

Equipment

- Stand alone asset with a useful life of more than one year and a cost of \$5,000 or more

Title

- Caltech's ability to meet compliance requirements depends upon the correct identification of title (via expenditure type) at time of acquisition
 - Equipment - Caltech
 - Equipment - Government
 - Equipment - Other
- If in doubt, ask

Property Overview (cont.)

Fabrication Process

- A fabrication is an item of equipment to be used for research that does not currently exist and cannot be purchased off-the-shelf
- Fabrication PTA requests must be approved by Property and OSR
- Re-budgeting requests from the main award to the fabrication award of 20% or more of the **originally approved** fabrication amount require both Property and OSR approval

Disposals / Sale / Cannibalization / Trade-in

- Contact Property beforehand (may be restrictions on disposal, use or recording of any sale proceeds, etc)
- Don't wait until inventory (may result in inaccurate sponsor and / or financial statement reporting)

Questions?

- Ernest Ngalula at x4181 or Tracey Fraser (tracey.fraser@caltech.edu)

Post Award Management-Special Conditions

- Financial management includes special compliance monitoring
 - cost sharing
 - cost transfers
 - payroll distribution confirmation
 - faculty effort monitoring
 - JPL IA and Transfers
 - audits



Cost sharing

Portion of project costs not borne by the sponsor

Types of cost sharing

- Mandatory (required by sponsor)
- Voluntary committed (PI proposed and sponsor awarded)
- Voluntary uncommitted (not mentioned in the proposal or award)

Mandatory and voluntary committed require tracking

- Set up cost sharing companion awards (ZOACS Awards)
- Set up NIH or other sponsor mandated salary cap companion awards

References:

Caltech policy on cost sharing

http://researchadministration.caltech.edu/documents/37-policy_costsharing.pdf

OMB A-110, Subpart c-Post Award Requirements, .23 Cost Sharing

<http://www.whitehouse.gov/omb/circulars/a110/a110.aspx>

Cost transfers

Cost corrections

- Needs to occur within the first 90 days
- Late transfers are high audit risks
- Over 90 days require PI and division chair's approval
- Overdraft transfers between sponsored projects are not allowed unless certain circumstances exist
- Transfers between two sponsored awards require additional justifications

References:

Caltech policy on cost transfers

http://researchadministration.caltech.edu/documents/29-policy_costtransfers.pdf

Payroll Distribution Confirmation

Federal government requires effort reporting or salary certification for all directly charged salaries

Key personnel effort

- effort committed=salaries paid (direct +cost shared)
- reductions greater than 25% require sponsor approval
- variances may create cost sharing situations

Payroll Distribution Confirmation

PA distributes semi-annual reports

- Faculty PDC
 - Faculty certifies work performed commensurate to salary received
- Award Manager PDC
 - PI certifies work performed by all personnel commensurate to salaries received

Discrepancies result in labor cost transfers

JPL IAs and Transfers

Interdivisional Authorization (IA)

- JPL authorizes Caltech to perform work (research or other services)
- JPL is treated as the “sponsor”
- Caltech PI and JPL PI concur on technical merit
- OSR accepts research IA from JPL
- OSR activates division’s PTA request and allocates budget
- Caltech overhead rates are applied
- Caltech bills JPL for costs incurred

JPL IAs and Transfers (cont.)

JPL Transfer

- Caltech authorizes JPL to perform work (research or other deliverables)
- Caltech division generates PO (via TechMart)
- Caltech Purchasing Services issues Purchase Order (PO)
- Costs are incurred on Caltech PTAs under “JPL Expenditure Exempt” expenditure type
- JPL bills Caltech for costs incurred

JPL IAs and Transfers (cont.)

Research IA

- Special Consideration
 - Equipment
 - JPL equipment threshold is \$1,000
 - Purchase or fabricated equipment JPL is considered Government-owned equipment
 - Upon completion of the IA, Caltech will be required to return the equipment to JPL

Audits

OMB A-133 requirement

- annual audit for awardees expending > \$500K of federal funds
- conducted by third party, SAC

Defense Contracting Agency Audits

Sponsoring agency specific

Internal reviews by ASIC

Award closeout

Project Accounting

- sends 90 day notifications to divisions
- closes main award, fabrication, cost sharing
- submits final financial report or invoice

Division

- clears open encumbrances
- approves subawardee's final invoices
- ends labor distributions
- assigns personnel to other projects

PI

- Submits final technical report/deliverables

Award closeout (cont.)

Property Management

- submits final property report

OSR

- submits final patent report
- follows up on late technical reports

Sponsor

- accepts final reports/deliverables
- releases final payment

Record Retention

- records are retained according to Caltech policies

Thank you!

For more information check out our website:

<http://researchadministration.caltech.edu>