POST AWARD SESSION
MAY 5, 2017

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Advanced Account Numbers can be utilized when the finalized contract has not been issued, but you’ve received notice of the award.

Form is found under the OSPA Website – Forms – Award Documents

Form requires information regarding the award, an account number that charges could be moved to should the award not come through, and signatures from the PI, Department Chair (DICE), and the College (RRC).

Form is submitted by fax to OSPA (515-294-8000) or via e-mail to grants@iastate.edu once necessary signatures are obtained

Account is then set up to allow charges prior to the award being finalized.
SUBRECIPIENT REQUEST FORM

How to get money to your subrecipients once you have your award.

❖ When the gold sheet is done the budget, scope of work, and transmittal letter are included for any subrecipients

❖ Once the proposal is awarded send a completed subrecipient request form to ospa-awards@iastate.edu or industry-contracts@iastate.edu. As long as there is no changes from the time the proposal was submitted the awards team can use the budget, scope of work, and transmittal letter from the gold sheet, however, if any changes occurred please send the updated information with the subrecipient request form.

❖ Form is found under the OSPA Website – Forms – Award Documents
ALLOWABILITY & APPROPRIATENESS

(Excerpts pulled from ISU Allowability & Appropriateness Manual)

Allowable expenditures are expenses that CAN be charged.
- Have an ISU business purpose
- Adequately documented – will hold up to audit scrutiny
- Defined in applicable state and federal laws, regulations, university and sponsor policies, and terms and conditions specified in contractual documents
- Type of funding source

Appropriate expenditures SHOULD be charged
- Necessarily and beneficial to the University and the Sponsor
- Reasonable (Des Moines Register test)
- For 4XX accounts the expenditure must be necessary to perform the work funded by the sponsor.
ALLOWABILITY & APPROPRIATENESS

Different Funding Sources at ISU

- Sponsored Funding
- ISU Foundation Funds
- Revolving Accounts
- General University Funds
- Incentive Accounts
- Discretionary Accounts
UNIFORM GUIDANCE – ISU COSTING POLICY FOR PRINCIPAL INVESTIGATORS

ISU has put together the ISU Costing Policy for Principal Investigators based on the new Uniform Guidance that has been enacted by the federal government. This guidance relates to Sponsored Funding.

❖ What is Uniform Guidance?
- It is administrative requirements, cost principles, and audit requirements for federal awards that was put together by the Federal Office of Management and Budget (OMB)
- This replaces other OMB Circulars such as A-110 and A-21

❖ How does it impact me?
- Many of the rules that ISU has implemented in our costing policy are related to rules in the Uniform Guidance
ISU COSTING POLICY GUIDE FOR PI’S (CONT...)  

Direct Costs  
- costs that can be identified specifically with a particular final cost objective  
- Considered allowable when it is necessary, reasonable, allocable, conforms to any limitations or exclusions set forth in the applicable regulations or in award, complies with ISU policies and procedures, and is consistently treated by ISU as a direct cost, and is adequately documented.  
- Exclusions – Certain types of costs (salaries and related benefits of administrative and clerical staff, office supplies, postage, subscriptions and memberships, and telecommunication line charges) are normally treated as F&A (indirect) costs and cannot be directly charged to federally sourced sponsored projects unless circumstances related to a particular project are clearly differed from the normal operations of the institution (AKA unlike circumstances)  

Distribution of Direct Costs  
- Proportional Benefit rule – direct costs are allocated according to the benefit provided to each project.  
- Interrelationship Rule – This rule is used when it’s not possible to determine the proportional benefit. Costs allocated on a reasonable basis - **Be sure to document the reasonable basis used**
Unlike Circumstances - costs normally charged as F&A (indirect) costs may be charged as direct costs when unlike circumstances exist. Unlike circumstances only exist when the specific activities related to the project are clearly different in type or significantly different in scale than normal or typical circumstances.

- If known, this should be documented in the budget at proposal time.
- If not known until awarded, agency approval is required – OSPA will assist PI’s in receiving approval.

**Examples of Appropriate Unlike Circumstances**

- Administrative and Clerical
  1. Administrative or clerical services are integral to a project or activity
  2. Individuals specifically identified with the project or activity
  3. Explicitly included in proposed budget and justification or prior written approval is received
  4. Administrative effort of at least 15 percent FTE

Costs should be included in the proposed budget and justification and expenditure documentation must be maintained by the department according to the ISU records retention policy, and clearly justify the unlike circumstance.
Office Supplies – costs may be directly charged where office supplies are not for general use and can be identified closely to the projects (notebooks for research results, supplies for presentation). Costs should be included in the proposed budget and justification and expenditure documentation must be maintained by the department according to the ISU records retention policy, and clearly justify the unlike circumstance.

Postage – when a particular project has an exceptional need for postage, and the costs are directly related to the specific award. Costs should be included in the proposed budget and justification and expenditure documentation must be maintained by the department according to the ISU records retention policy, and clearly justify the unlike circumstance.

Telecommunication costs – when the project has unique requirements such as a hotline or when communications are needed with project activities at remote locations. Costs should be included in the proposed budget and justification and expenditure documentation must be maintained by the department according to the ISU records retention policy, and clearly justify the unlike circumstance.
CHANGES DUE TO UNIFORM GUIDANCE

- Computing devices may be directly charged in proportion to use on the project if they are essential and allocable to the project.

- F&A on Subawards – if a subrecipient does not have a federally negotiated rate a 10% de minimis MTDC F&A rate may be used.

- Publication costs may be charged after the end date of the award, but prior to close-out.

- Short-tem Visa Costs maybe be directly charged if the travel is critical and necessary and allowable by the particular federal agency.
AWARD REQUIREMENTS

Order of Precedence for Award Requirements

1. Award-specific requirements in the award documents or proposal guidelines
2. Program-specific requirements
3. Agency-specific requirements
4. Federal requirements

All of the above need to be considered when determining allowability on a federal award.
AUDIT RED FLAGS

❖ Inadequate Business Purpose.
  ▪ Looking back on a specific charge 2-3 years after the charge was made – will you remember the business purpose if the business purpose is not detailed enough. What was the business purpose of the $25 bookstore item bought 3 years ago?
  ▪ Will set this item up to be part of audit sampling

❖ Charges posting within the last few days of the award.
  ▪ Will you be utilizing all these items before the end of the award period.

❖ 100% of salary of a faculty member during a given time period.
  ▪ Will the faculty member be attending a meeting, checking e-mails, or teaching during that time.

❖ 100% of a computer being purchased on an award.
  ▪ Will the computer be used to check e-mail, or do any other work besides work on the project.

❖ Large amounts of cost transfers.
  ▪ Why weren’t these charges put on the award before
NO COST EXTENSION

- No-cost extension requests are done when additional time is needed to complete the sponsored Project.
- Deadlines to receive no-cost extensions can vary by sponsor so read the guidelines carefully.
- Information needed includes award information, requested end-date, justification for the extension, anticipated ending account balance and Plan for the use of remaining funds.
- Form is found under the OSPA Website – Forms – Award Documents.
- Form is e-mailed as an attachment to ospa-awards@iastate.edu or Industry-Contracts@iastate.edu.
- The awards team or the industry contracts team then works with the sponsor to secure the extension.
Incentive Accounts

The indirect cost incentive program was originally established to encourage PIs to obtain full indirect cost recovery on awards. Fifteen percent of indirect costs charged on qualifying awards are credited back to the PI's incentive account established in the 490 fund series.

Awards Qualifying for Incentive

In order to qualify for incentive, the award must have the full allowable indirect cost rate applicable. If the sponsor limits recovery to a certain percentage, this is considered full allowable recovery.

Who Qualifies for Incentive Accounts
How Incentive is Calculated

The 15% incentive is calculated based on the amount of indirect costs which post for a month. The actual posting of the incentive funds will appear in eData on the 5th working day of each month as part of the month-end closing process. For example, if $1,000 of indirect costs post in March, then $150 ($1,000 * 15%) of incentive will post to the PI's 490 account around April 5th as a March period transaction.

If incentive is split among two or more PIs, then the incentive will be distributed based upon the percentages entered on the GoldSheet. This distribution can be found in eData Financial Reporting: SPA Summary/SPA Financial Reports, RMM ICR Distribution link.

Using the example from above, each PI would receive $75.
Setting Up an Incentive Account
Incentive accounts are set up as 490-xx-xx accounts. Only one incentive account is set up per principal investigator, as the system can only distribute incentive to one 490 account per principal investigator. It may be possible to have an incentive account set up for a center director, but this is only done on a very limited basis. If you are interested in setting up a center director incentive account, please contact your SPA accountant for more information.

Managing an Incentive Account
The 490 account must always have a positive cash balance.

Expenditures charged to all university accounts must be both allowable and appropriate.
Some examples of unallowable expenses on an incentive account include:

- Alcoholic beverages, unless the use is for cooking, research or course study.
- Flowers or gifts of any kind in connection with the illness or death of employees or family members. Flowers used for public functions, such as retirement parties and convocations, are allowable when they serve a business purpose.
- Employee hospitality functions such as Christmas parties and Administrative Professionals' Day lunches. Annual departmental retreats and retirement parties with a business purpose are allowable.
- Items for employee use only, such as coffee, coffee pots, refrigerators, microwaves, etc., are unallowable. This does not preclude a unit from initially charging coffee to a University fund, except for federal sources, and then collecting employee funds to reimburse the University account.
Closing an Incentive Account

A 490 account remains active as long as it has a positive balance and the PI is associated with the University. If a former employee is given collaborator status or emeritus status, then the 490 account will also remain active. If the PI leaves or retires, the account balance reverts to the administering department/research unit. The balance may be transferred to a 290 account and must be approved by the department/research unit chair.
REBUDGET REQUEST

When to use the rebudget form:

<table>
<thead>
<tr>
<th>Item</th>
<th>NO</th>
<th>YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awards subject to Federal Terms &amp; Conditions (except when terms may require it)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Fixed price agreements</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Federal Contracts (except when terms may require it)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Industry agreements (except when terms may require it)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Scope of work changes budget</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Revisions to budget exceed 10% of the total budget</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>$25K re-budgeting requirement for unbudgeted equipment</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

http://www.ospa.iastate.edu/forms
EASE FORMS

EASE stands for Employee Activity Summary of Effort. EASE is a University form completed by most ISU employees twice a year to capture the types of activities or functions in which they are involved. Functions are categorized as Instruction, Research and Scholarship, Outreach, Administration, and Service/Other. There are four major reasons why Iowa State University has a process for gathering this information:

Completion of the form provides confirmation of direct personnel effort on federal and state sponsored programs. This confirmation is mandated by federal regulation.
Completion of the form documents cost share on sponsored programs. Mandatory cost share confirmation is also required by federal regulation.
The State of Iowa mandates the reporting of faculty and staff effort.
Information from the EASE forms is used by the University to make decisions related to research space needs.
IOWA STATE UNIVERSITY  
EMPLOYEE ACTIVITY SUMMARY OF EFFORT (EASE)  
JANUARY 1 THROUGH JUNE 30, 2010  

START HERE: Put the percent of your effort devoted to each function in the large shaded boxes below. Examples of the functions are found on the back of this form. The sum of these boxes must be 100%. Evaluate all effort required to fulfill university obligations. 

THE LARGE SHADIED BOXES COMPRISE THE SUMMARY SECTION. ALL LOWER SECTIONS DETAIL THIS SUMMARY. 
Put the percentage of effort from each of the five sources in the sections below the summary. A + B1 + B2 + C + D must add to the number in the large box.

<table>
<thead>
<tr>
<th>INSTRUCTION</th>
<th>RESEARCH &amp; SCHOLARSHIP</th>
<th>OUTREACH</th>
<th>ADMINISTRATION</th>
<th>SERVICE &amp; OTHER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summary</td>
<td>% of effort devoted to instruction</td>
<td>% of effort devoted to research or scholarship</td>
<td>% of effort devoted to administration</td>
<td>% of effort devoted to other activities</td>
</tr>
<tr>
<td>Federal or State paid sponsored effort</td>
<td>% of salary</td>
<td>% of actually paid effort</td>
<td>% of salary</td>
<td>% of actually paid effort</td>
</tr>
<tr>
<td>NONE</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Mandatory Cost Sharing effort</td>
<td>% of salary</td>
<td>% of actually paid effort</td>
<td>% of salary</td>
<td>% of actually paid effort</td>
</tr>
<tr>
<td>415-40-04</td>
<td>30%</td>
<td>30%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Non-Federal/State paid effort</td>
<td>% of salary</td>
<td>% of actually paid effort</td>
<td>% of salary</td>
<td>% of actually paid effort</td>
</tr>
<tr>
<td>420-42-03</td>
<td>5%</td>
<td>5%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>R1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R2</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

D: Experiment Station funded research  % of actual effort  

#704-01-XX 
#102-4X-XX 

I certify that the effort data provided represents a reasonable assessment of my activities during the period covered by this report. 

Signature of employee Date 

I certify that the effort data provided by the employee represents a reasonable assessment of his/her activities during the period covered by this report. 

Signature of supervisor or administrator Date 

Forward the completed form to your departmental EASE coordinator.
A PI wants to charge her USDA grant for charges in preparing a proposal for an NIH grant.
The week before a federal grant expires, the PI wants to purchase $2000 in office supplies to use up the unspent balance.
EXAMPLE

A graduate student charged chemistry store supplies to the wrong federal grant account resulting in a deficit balance. The graduate student is very sorry about the mistake and asks you to transfer the supplies to the correct federal account.
During February, a PI charges air tickets to a professional conference in June to his federal grant. The federal grant terminates on April 30 but the PI is presenting the results of his research funded by the federal grant.
The PI wants to wine and dine a potential post doc and charge a 497 account.
Your department has two faculty members that want to go to The Café for lunch to discuss a joint project they are working on.