

## SPONSORED PROJECTS REPORTING, CLOSE OUT, AUDITS



## AGENDA

- REPORTING REQUIREMENTS
  - GPRA, OMB A-110, Roles & Responsibilities
    - Financial, Technical, Intellectual Property, Equipment, etc.
  - Timing and Method
  - No Cost Extensions
- INTERNAL & EXTERNAL TRANSFERS
  - PI absence and/or change in employment
- HANDLING AUDITS

## The Government Performance Results Act of 1993

- Passed in 1993 – Agency Plans and Regs due by 1997 – First Reports Due to Congress in 1999.
- Purposes:
  - Improve confidence in American people of congressional spending decisions
  - Improve program effectiveness and accountability for successes and failures
  - Improve Congressional decision making

## STANDARD REPORTING REQUIREMENTS

- FINANCIAL REPORTS
- TECHNICAL REPORTS
- INTELLECTUAL PROPERTY REPORTS
- PROPERTY REPORTS
- ENVIRONMENTAL IMPACT REPORTS
- SPECIAL LIMITATION OF FUNDS REPORTS ON GOVERNMENT CONTRACTS (Federal Acquisition Regulations)
- DATA (Industry Contracts)

## REPORTING RESPONSIBILITIES TECHNICAL REPORTS

- PI is responsible for submitting interim and final technical reports accurately and within a timely manner.
- PI should copy sponsored projects on their report submissions for inclusion in the University's official records.
- Departments should retain a copy of all technical reports, project data, and lab notebooks to safeguard against loss of research information

## REPORTING RESPONSIBILITIES TECHNICAL REPORTS, cont.

- If PI is unable to complete report, Department Chair and/or Dean becomes responsible to complete it.
- Unless award is specifically for dissertation or thesis support, use of a student's publication is usually not sufficient to meet sponsors' reporting requirements.



## REPORTING REQUIREMENTS FINANCIAL

- It is PI's responsibility (sometimes assigned to a departmental administrator) to insure all project costs are appropriately allocated to the grant prior to project close-out.
- PI must avoid cost transfers, JVs & PR-45s & purchase of equipment in the last 45 days of the project and ***must never be performed after the project end date.***
- Sponsored Projects will send final financial reports to sponsor and sign subcontractor releases as applicable.



## REPORTING REQUIREMENTS INTELLECTUAL PROPERTY

- It is PI's responsibility to disclose any intellectual discoveries to the Technology Transfer Office during the project and prior to close out of the project.
- Sponsored Projects will submit the IP reporting form to the Technology Transfer Office for verification and when complete, will sign and submit final report to sponsor.



## REPORTING REQUIREMENTS PROPERTY REPORTS

- BCN Purchasing Director prepares all Government furnished and Government owned Equipment Reports
- Sponsored Projects will prepare project specific equipment and unused personal property reports based on accounting data
- PI is responsible to provide purchasing with information regarding government furnished equipment
- Department is responsible for verifying accuracy of equipment inventory report to purchasing annually



## PROPERTY/EQUIPMENT DISPOSITION

- PI is responsible for shipping equipment back to sponsor if university does not hold title to equipment.
- If University has title, University owns equipment – not a PI or department
- Before equipment can be surplus for sale or transferred to a different institution, University must verify that the equipment can not be used on another federally funded project elsewhere on campus. One department may not charge another department for such equipment. OMB A-110



## OTHER REPORTS

- PI is responsible for submitting other reports as required by the award document. Please copy Sponsored Projects Office on these reports for inclusion in official audit files.



## REPORT TIMING

- Each award will specify reporting requirement timing, method & location
- General rule for most federal agencies is report due 90 days after project end date
- Renewal Applications are generally due a minimum of 60 days prior to project end date
- If federal pass through, reporting period can be shortened to 30 or 45 days after project end date.

## REPORTING METHODS & LOCATIONS

- Agencies will specify whether reporting must be via paper to certain address(es), web based, or on CDs.
- Be aware that many NASA & DOD reports are administrated by ONR, so, multiple copies must be sent to a variety of addresses.
- PI must submit reports in the manner specified by the sponsor or the report will be deemed to have not been submitted at all.

## CLOSE-OUT OF SUBCONTRACT AGREEMENTS

- If a project involves subcontracts, the PI is responsible for ensuring that all project deliverables and reports from the subcontractor have been received prior to approving the subcontractor's final invoice.
- Sponsored Projects will finalize financial reports including subcontractor's invoiced amounts and obtain subcontractor releases as necessary.
- Subcontractor must submit final invoice within 45 days after project end date – or their invoice may not be paid.

## "BUT, THE PROJECT ISN'T DONE YET!"

- If work remains to complete the proposed scope of work and you have sufficient unspent funds available to continue the project, consider getting a no cost extension from the sponsor.
- Projects under expanded authorities allow for a one-time, one-year University approved no cost extension. (submit request a minimum of 10 to 45 days prior to project end date).
- Some sponsors require OSP sign-off on extension requests.

## "BUT, THE PROJECT ISN'T DONE YET!" cont.

- Some sponsors do not allow for no cost extensions so you will lose any unexpended funds
- If you don't have money to cover the project for an extended period, consider asking sponsor for supplemental funds or "bridge" money to complete the project. Always submit these requests a minimum of 60 to 90 days prior to the project end date.

## OSP ASSISTANCE

- OSP will send out the following reminders to PIs regarding project close out:
  - Project Termination Notice to PI 30 to 60 days prior to project end date
  - Close-out Requirements Notice to PI after project end date

## OSP ASSISTANCE, cont.

- OSP will send out the following reminders to PIs regarding project close out:
  - Late Report Notice(s) to PI if reports not received prior to due date – 2 notices
  - Late Report Notice if no response to prior reminders – copied to Dept. Chair – PI will be suspended from all other sponsored projects (proposal and award activities) until reports are submitted.

## SANCTIONS FOR LATE REPORTS

- PI or CO-PI can be suspended from proposal submission or award by particular sponsor.
- Sponsor may suspend all faculty from submission of proposals and/or receipt of award from the particular agency
- One federal agency can debar or suspend the entire institution from receipt of any and all federal funds due to delinquent reports
- Delinquent reports can result in project audits and/or loss of expanded authorities on future projects

## SPONSORED PROJECTS TRANSFERRING AWARDS



## CHANGES IN KEY PERSONNEL

- The University (NSHE) owns all sponsored project awards – not an individual, PI, college, or department.
- Any absence of “key personnel” for a period of 90 days or more must be reported to the sponsor and, if the individual is a project PI, an alternate PI must be named to handle the project in the PI’s absence.

## CHANGES IN KEY PERSONNEL, cont.

- In the event of a PI transfer from one department to another, or from this University to another employer, the University will initially determine appropriate disposition of the project.
- The University will submit a disposition plan to the sponsor which can either accept, reject, or suggest an alternate disposition of the project.

## ALTERNATIVES

- University may opt to keep project at the University and name an alternate PI.
- University may choose to transfer project to PI’s new institution.
- University may decide to terminate the project and return unexpended funds back to the sponsor.
- University may opt to keep project at the University and subcontract a portion of it to the PI’s new institution.
- NOTE: All of the above actions will be subject to the Sponsor’s approval

## INTERNAL TRANSFERS

- Normally, the Project will transfer with the PI to his/her new department
- A memo signed by the PI, the relinquishing department chair and dean and the accepting department chair and dean must be sent to OSP to ensure account modifications occur
- If the transferring PI is a program grant PI involving multiple departments and colleges or if the PI is a Center Director on a Center based grant, the Project will normally stay with the Center and the new Director will be named as PI

## PROCEDURES TO TRANSFER AN AWARD FROM UNR TO ANOTHER INSTITUTION

If University opts to transfer the award:

1. PI must submit notice to sponsored projects that he/she will be leaving and the effective date of the transfer.
2. Sponsored Projects will shut down account on the effective date.
3. PI will prepare transfer paperwork and work with Sponsored Projects to submit transfer request paperwork and notices to sponsor in accordance with sponsor's requirements.
4. Approximately 60 days after notice to sponsored projects of effective transfer date, sponsored projects will report on total project expenditures and amount of funds available for transfer.

## COURT CASE EXAMPLE:

- April 2006 – U.S. District Court in St. Louis: Judge Limbaugh ruled that Washington University retains sole ownership of tissue samples amassed during research conducted by PI, William J. Catalona, and he was not authorized to take samples with him when he moved to Northwestern University. Ownership was not retained by the donors of the samples or by the PI.

## UNR TRANSFER PROCEDURES

1. PI must submit final technical reports and intellectual property disclosures for all work completed to date at the University and submit these reports to the Sponsor and/or OSP/Technology Transfer Office.
2. Disposition of equipment must be identified. Any transfers of equipment must be approved by University. If PI desires to take equipment to the new institution that was not purchased on an ongoing active project, the equipment must be surplus and the new institution must pay fair market value for the equipment.
3. PI must leave a copy of all technical data, lab notebooks and technical reports with his/her department prior to leaving University and must insure that all final technical reports have been submitted to project sponsor(s).

## UNR TRANSFER PROCEDURES

4. PI must provide University with contact information for his/her new institution for purposes of transferring the grant
5. When all financial expenditures have cleared the University financial system, OSP will prepare a final financial report and complete transfer paperwork with the Sponsor.
6. Sponsor will issue a new award to PI's new institution – PI must follow new institution's procedures/policies to finalize transfer of award.

## Procedures to Transfer an Award to UNR

- PI must prepare a transmittal form for signature routing and must attach any proposal forms required by sponsor, a copy of the current award from previous institution and a copy of the transfer or relinquishment paperwork from the institution. Include a budget using UNR rates and accounting codes for the amount of transferred funds. Submit this to sponsored projects.

## TRANSFERS TO UNR

- PI must inform purchasing of any government furnished or purchased equipment being moved to the UNR campus.
- PI must provide approvals from previous institution's technology transfer office if PI plans on utilizing any patents or copyrights generated at previous institution. This must be provided to UNR Technology Transfer office.

## TRANSFERS TO UNR

- PI must work with department for purchase of equipment from previous institution using faculty start up funds, etc.
- Once OSP receives sponsor's transfer approval and/or new official award, an account will be set up for project.
- If a UNR memo account is requested to get the project going while waiting for the Sponsor's award, the start date of the memo account can not be prior to the transfer date specified in the previous institution's relinquishment request.

## TYPES OF AUDITS

- A-133 Annual Audit under the Single Audit Act. (Usually in July for last fiscal year) – "random" selection of projects for audit – looks primarily to insure compliance with Cost Accounting Standards Disclosure and that institution has fiscal management systems in place.
- Sponsor Audits: Example, JPL or NIH campus visits to look at policies/procedures and whether institution follows their policies/procedures.
- Project Specific Audits: Can be random or triggered by whistleblower complaints. Only look at expenditures on individual projects.
- Project Specific Close-out Audits – DOE & DOD & EPA are notorious for these.
- "Desk" or "Invoice" audits – All financial backup is required with each submitted invoice. Example: some State Agencies require this contractually.

## AUDITORS

- Theoretically, an auditor's job is to do an unbiased evaluation of the books. In reality, their job is to find something that you did wrong. If they don't find something, they aren't doing their job.
- The nicest auditors are usually the ones who end up with the most damaging information. Be prepared.
- Never, never, never lie to an auditor and never, never, never instruct others to lie for you.
- Know the rules – a seemingly innocent question can be aimed at discovering incongruencies from the reported facts or other interviews
- If you don't feel comfortable with meeting an auditor on your own, request that someone from sponsored projects be present to assist you during the audit.

## THE AUDIT TRAIL

- The best defense in an audit situation is adequate preparation. Make sure you can back up your claims with a paper trail.
- Never charge something to one project that benefited another project.
- Never accept a program officer's approval as an agency approval – these must come from the sponsor's contracts office.
- Only answer the question that has been asked and never guess.

## SAMPLE Q&As

- Question: What were you wearing on November 30<sup>th</sup> of 2003?
- Answer: I don't remember
- Question: What work did John do in the lab last December?
- Answer: You will need to ask John that question
- Question: Can you tell me what \*&^% happened at the \*(&&&@^?
- Answer: I'm sorry, I didn't understand the question, could you repeat (or clarify) for me?

## Red Flags for Auditors

- Any charges made in the last 45 days of a project period
- JVs, PR-45s, Cost Transfers on projects (particularly in the last 45 days or if they occurred within a short time after a new project is funded)
- Expenditures that exactly equal the amount of funding authorized
- Cost Transfers between public and private funding sources
- Late financial reports and/or invoicing activities
- Whenever there are cost share commitments
- ERS showing 26.3467 . . . %
- Human Subjects or Animal subjects research



## Module 5A Complete

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Thank you



■ Sponsored Projects

■ University of Nevada, Reno

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