

## **USM Office Post Award Management**

### **Guidelines and Procedures**

The Principal Investigator (PI) alone with the Office of Financial Affairs serves as the primary individual responsible for the scientific integrity and fiscal and administrative management throughout the period of the sponsored award. Post award fiscal management includes:

- Managing and controlling funds in a prudent manner
- Expending funds in accordance with the award terms and conditions, institutional, state and federal requirements
- Ensuring funds are only expended to directly support project effort
- The day to day post award management may be delegated to a Grant Project manager. This may include:
  - Reconciling projects on a repeating basis to ensure only those reasonable, allocable and allowable expenses are charged to the sponsored award
  - Tracking the effort of key personnel
  - Tracking performance to ensure that the project is completed in a timely manner
  - Ensuring that the specific award terms are followed.

While this responsibility may be delegated, accountability for compliance ultimately rests with the PI and The Office of Financial Affairs.

The categories below have been designed to assist with post award sponsored project management. Should you have any questions regarding the management of a sponsored project, please contact the USM Office of Academic Affairs (PI).

### **Determining Cost Allowability**

OMB Circular A-21 governs the allowability of costs that may be charged to a federally sponsored award. A cost is allowable if it is reasonable, allocable and consistently treated. In particular, section J of the Circular provides general provisions for selected items of cost.

Budgets are reviewed prior to submission of sponsored proposals to federal agencies by the Chancellor's Office. The Office of Academic Affairs review budgets to ensure that identified costs meet the allowability criteria of A-21. Once the award is approved, during award set-up,

The Grant Accountant establishes the budget in Excel. The Grant Project manager establishes budget line items only for A-21 allowable expense codes. Throughout the project period, the PI and/or Project manager should review direct charges posted to the award. Should an unallowable cost be charged in error to a sponsored project, the cost must promptly be removed via journal entry by the Grant Accountant and posted to a non-sponsored USM Office account.

Please contact the Grant Project manager or Grant Accountant regarding any questions on allowable versus unallowable cost and the proper method of recording these transactions.

### **Pre-Award Spending**

OMB Circular A-110 permits USM Office certain expanded authorities under Federal grants and cooperative agreements. Pre-award spending is one of these expanded authorities. The ability to charge pre-award costs may be requested to incur specific expenditures prior to the start date of the Federal grant or cooperative agreement. Costs must be incurred no more than 90 days prior to the official start date of the award. Pre-award approval must be obtained from awarding agency prior to the incurrence of any costs. **The department is fully responsible for any charges made to a pre-award account should an award or amendment not materialize. The department is also fully responsible for any unallowable costs incurred when the pre-award cost period exceeds sponsor rules.**

### **Re-Budgeting**

Re-budgeting may or may not require prior sponsor approval. You will need to review the award terms carefully to determine whether or not prior approval needs to be sought. Grants awarded under the Federal Demonstration Partnership or those with Research Terms & Conditions incorporated have more flexible re-budgeting terms. Consult sponsor website to identify agency-specific rules regarding re-budgeting. Some awards have restrictions on the percentage of the budget that may be re-budgeted without sponsor approval. This percentage must be monitored closely since it is a cumulative percentage (e.g. 10%) over which sponsor approval must be sought. In those instances where re-budgeting requests can be submitted through a Sponsor's post-award management system (e.g. Research.gov), no additional paperwork is necessary. In all other instances, a letter will need to be drafted by the Associate Vice Chancellor of Academic

Affairs or PI that explains the re-budget request and the affect it will have on the project. A revised budget will need to accompany the letter. This letter should be signed by the principal investigator and counter-signed by the Chancellor and forwarded to the Sponsor for action. If you are unsure whether or not re-budgeting is allowed under a sponsored project, please contact the agency for guidance. Re-budgeting as it relates to Sub-partners are done on a case by case bases by the Project Manager in consultation with PI and Grant Accountant. Re-budgeting requests are denied if they are not within the project scope.

### **Foreign Travel**

Foreign travel may or may not require prior sponsor approval. You will need to review the award terms carefully to determine whether or not prior approval needs to be sought. Consult the agency website to identify agency-specific rules regarding foreign travel. As a reminder, Federal funds require the use of US Flag Air Carriers.

Export issues: Please be mindful that Federal laws limit the movement of goods and knowledge between countries. Any foreign national should be screened before coming to the USM Office for business.

If you are unsure whether or not foreign travel is allowed under a sponsored project, please contact the agency.