



## University of Colorado at Denver and Health Sciences Center

### OFFICE OF GRANTS AND CONTRACTS

### QUARTERLY UPDATE – *Good Information to Use!*

Vol. 2, Issue 2 – July 2006

#### **Congratulations and Thank You!**

The Office of Grants and Contracts would like to take this opportunity to thank the Health Sciences Center research faculty and staff for the excellent response to early proposal submission requirements of Grants.gov.

The volume of sponsored project proposals, awards and funding increased again during FY 2005-2006. This good news is tempered somewhat by reduced funding in some instances. Congratulations to principal investigators and research staff – details to come in the Sponsored Project Annual Report to be published early this fall.

#### **Policy and Education**

##### **Direct Charging Training**

We have started training research faculty and staff on Fiscal Policy 4-7, *Direct Charges to Federally Sponsored Programs*. The training is mandated by an audit that was conducted by the CU Department of Internal Audit in 2004. Members from the OGC are available to provide a presentation on direct charging at faculty meetings or any other setting deemed appropriate. Please contact Christine Ahearn at 303.724.0245 or [Christine.Ahearn@uchsc.edu](mailto:Christine.Ahearn@uchsc.edu) if you would like to schedule a time for this presentation.

##### **OIG Draft Compliance Program Guidance**

The OIG issued a draft Compliance Program Guidance (CPG) for Recipients of Public Health Service (PHS) Research Awards in the Federal Register on November 28, 2005. Following the comment period, the OIG withdrew the CPG as issued in November 2005. The OIG has agreed with the recommendation of the Committee on Science of the National Science and Technology Council to establish an inter-agency initiative which will develop voluntary compliance guidelines for recipients of Federal research funding from all Federal agencies. We will provide additional information as it becomes available.

##### **PER Training**

We extend our thanks to everyone who has completed the Personnel Effort Reporting course on Blackboard. Remember, personnel effort reporting is a requirement for anyone engaged in federal sponsored research, and all faculty and staff at the Health Science Center with salary supported by Federal grants funding must complete the PER course. The course can be accessed at <https://blackboard.cudenver.edu/> and takes approximately 20 minutes to complete. Questions? Please contact Christine Ahearn at [Christine.Ahearn@uchsc.edu](mailto:Christine.Ahearn@uchsc.edu) or 303.724.0245.

## **Pre Award**

### **Recent and Future Changes with Application and Proposal Submissions**

For those faculty and administrators who worked to meet the new routing requirements, thank you! For those faculty and administrators who were not able to meet the new routing requirements, please understand these requirements remain in place.

What have we learned about NIH electronic submissions through Grants.gov? The little things matter! Simple data fields completed incorrectly stop the submission and require much more time for the faculty member/administrator and Grants and Contracts PreAward than is necessary. OGC can provide a sample application we distributed this spring that includes instructions on how to complete the SF424 R&R forms. Please use the sample every time you prepare an application to ensure successful submissions. The impact of problematic submissions greatly impacts workload issues, reducing turn-around times overall in PreAward.

### **What Does PreAward Review on a Typical Grant Application?**

- Routing Form and Attachments (FID, VA MOU)
- Proposal Documents
  - Administrative Information
  - Detail budget for stated budget period
    - Salary rates used
    - Fringe benefit rates used
    - Personnel/Consultants/Subrecipients categorized correctly
    - F&A applied correctly
    - Cost share
  - Budget for Entire Proposed Period of Support
    - Inflation Rate Used
    - F&A applied correctly
  - Complete budget justification
    - Consistent with detail budget
    - Cost share
  - Performance Sites and/or Key Personnel
    - Consistent with detail budget
  - Other forms requiring institutional signature from Grants and Contracts
  - Terms and conditions being agreed to in advance of the award being issued

## **Contracting**

We have observed a number of units and faculty moving ahead and conducting work without finalized signed agreements. We encourage everyone to work with us to secure a final legally-binding agreement before commencing work. If a final binding document is not secured, the sponsor may not be obliged to pay for work performed without an agreement in place.

## **Accounting**

### **Electronic Personnel Effort Reports Coming**

We wanted to provide an update on the implementation of Electronic Personnel Effort Reporting that is currently in progress. The University is working on a system-wide initiative to update our current time and effort reporting system to a web-based mechanism. This system will replace the paper process used for required certification of effort for sponsored project activities. Reporting

will be on a semester basis with three reporting periods during each calendar year. This initiative is in the programming phase and representatives from each campus will be asked to test the system prior to implementation. The proposed implementation date is September 2006 with training to occur prior to that time in August and early September. *We want to remind you that PERs for the January through May semester are due back to Grants and Contracts within 30 business days after they have been received in the department!*

## **Post Award**

**Training Grants and Job Codes** - In this season of re-appointing many of the Training Grants, we want to send a reminder regarding stipends vs. salary.

The support received from the training grant must be paid in the form of stipends. To accomplish this, one of the following job codes must be used for this portion of the total compensation:

3201 Post-Doctoral Trainee  
3110 Resident Fellow Stipend (use only GME)  
3204 Pre-Doctoral Trainee

If the Post-Doc/Resident is also performing a service on a research grant where he/she is being supervised by a University employee, this generally would constitute an employer/employee relationship. Payment for these services should generally be in the form of salary and therefore require a second position to be created. This second position would use a job code that translates to a salary expense, not stipend. Two examples of typical job codes in this situation are

1438 Post-Doc Associate  
1505 Research Associate

## **Journal Entries**

More and more audit findings are being published regarding Journal Entries (JE's) and the sufficiency of the supporting documentation. Journal Entries can be used by auditors as an indication of the effectiveness of financial processes. Therefore it is very important that all of our JE's can pass the scrutiny of an audit.

To make sure your JE's, as they relate to the 30 and 31 Funds, will withstand an audit, please keep in mind the following items:

- The project must be benefited by the expenses in an amount proportionate to the amount of the expense. How the project is benefited should be included in the JE explanation.
- The expense must be an allowable expense, i.e., comply with Sponsor requirements, State and University Fiscal Policy.
- The expense must be reasonable in amount and reflect an "arm's length" transaction.
- There must be sufficient budget available to "cover" the expense.
- The expense must be incurred within the project's budget period.
- The JE's explanation must be complete and sufficient to provide a reviewer the understanding of the purpose of the entry and why this is the appropriate transaction.
- The Journal Entry must be accompanied by complete supporting documentation.

*Questions? Call us – 303-724-0090      Have a great summer!*