



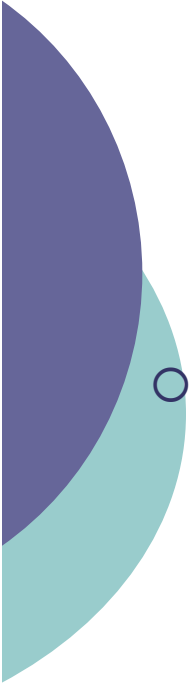
The Post-Award Perspective on Subcontracts

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School of Nursing



Goals & Objectives of this Presentation

- Describe what is a subcontract
- Review the university policy statement
- Define the roles of the PI & Finance Office
- Review standard operating procedures
- Discuss administrative functions
- Introduce new policy



From the Post Award Perspective: What is a Subcontract?

- “As the recipient of an award for a sponsored research project (a "Sponsored Project"), Columbia University (the "University") may award financial assistance to a collaborator (a "Subrecipient") to facilitate performance of and payment for specific work to be conducted by such Subrecipient in connection with the Sponsored Project (a "Subaward").”

http://www.columbia.edu/cu/administration/policylibrary/policies/rsch/00bb9c6718c92f6e0119338733270006.html?base=az_index.



What does this Policy Statement mean?

- Under the condition of the award, as collaborators, the subcontracted institution
 - owns data (product)
 - has a restricted budget
 - performs “best effort” work
 - publishes findings

- Consultant are not collaborators
 - not bound by the conditions of the award
 - do not have intellectual and property rights
 - goods and services are procured by Investigator on behalf of CU to fulfill program objectives



Role of the Principal Investigator in the Post-Award Process

- University Policy Statement 92-5 states the PI must exercise appropriate oversight of the overall finances of the project to ensure:
 - personnel charges are consistent with the effort
 - other than Personnel/Salary expenses (OTPS) are appropriately charged to the sponsored projects
 - grant expenses do not exceed the funds awarded
 - significant re-budgeting is reported
 - accurate and timely reports to sponsors are submitted
 - committed expenses become actual expenses by the end of a budget period



What does this policy statement mean?

- Investigators are responsible for the management of subcontract:
 - overdrafts & surpluses
 - timely expenditure of awarded funds
 - work product receipt
 - contractual compliance
 - Invoice/billing accuracy



How do we help Investigators comply with Policy Statement 92-5?

- Ruth E. Torres, Director of Finance:
 - Coordinates the subcontract set up process
 - Manages the post-award process
 - Reconciles all grant activities (including subcontracts)
 - Prepares reports
 - Resolves complex issues as they arise



How do we help Investigators comply with Policy Statement 92-5?

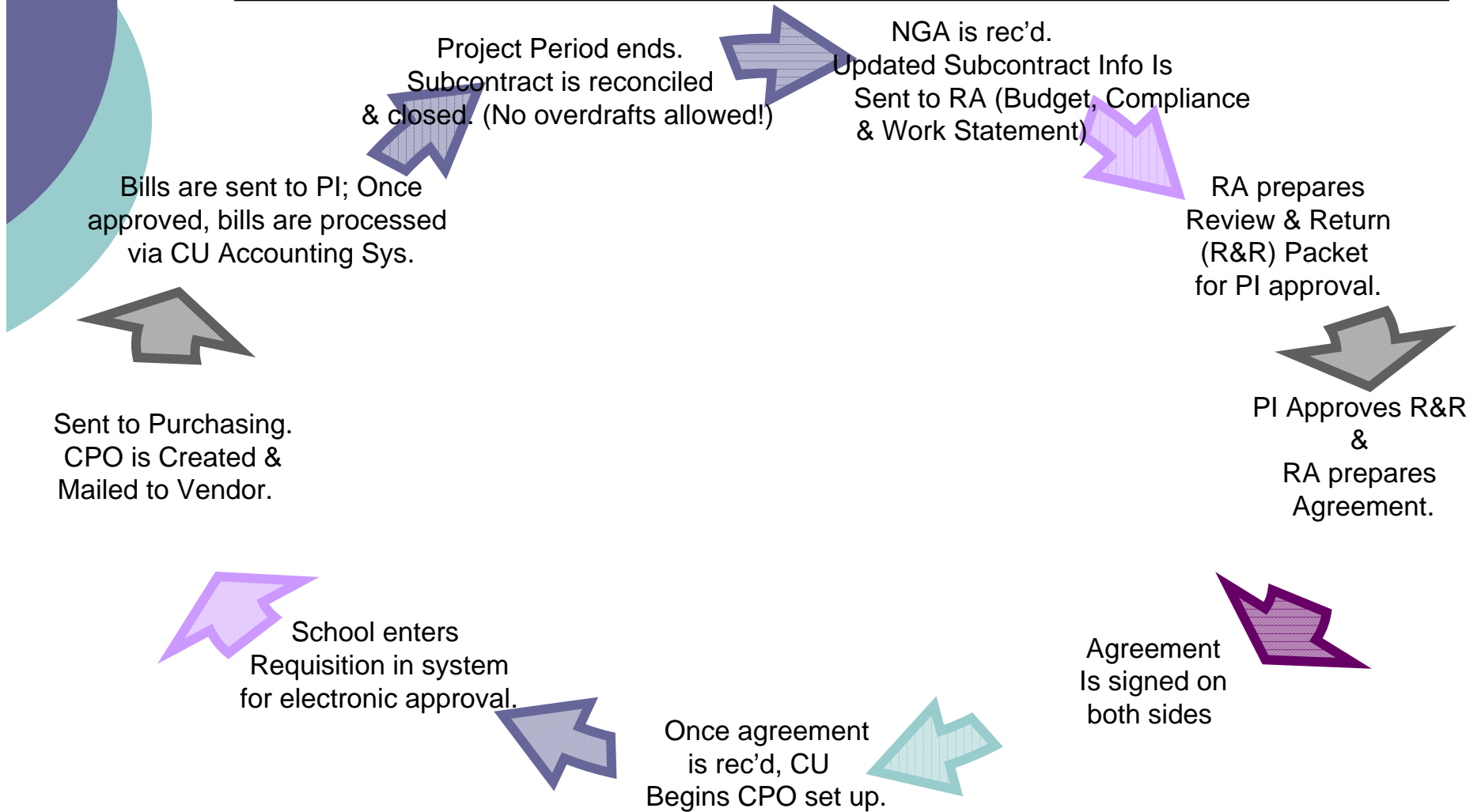
- Maribel Pachay, Administrative Assistant (reports to Director of Finance):
 - Prepares purchasing requisitions
 - Processes all approved subcontract billing via the Accounts Payable (AP CAR) invoice payment system.



How do we help Investigators comply with Policy Statement 92-5?

- Glen Davis, Elba Suarez & Lillian Vasquez (Temporary RA Team)
 - Work with Director of Finance in the set up process
 - Monitor subcontract spending patterns
 - Assist departments in the resolution of complex problems.

Standard Operating Procedures (SOP's)





Re-budget of Subcontracted Funds

- Generally, the NIH requires no prior approval on the re-budget of a single category as long as it does not exceed 25% of the original project award (terms & conditions may vary)
 - e.g., If award is \$200K, \$50K is the maximum you can re-budget between two categories
- Some agencies require prior approval regardless of amount
 - Money is lost to indirect cost during the process
 - Must divide proportionally between categories
- In most cases, if re-budget is >25%, agency approval is required
 - Must provide agency with justification and demonstrate that change in scope will not compromise objectives of program.



When to Re-budget

- Any time during the year you can re-budget. The SOP's:
 - Contact Director of Finance
 - Contact agency if re-budget is >25%, or if agency requires prior approval on re-budgeting activities
 - Submit to Director of Finance
 - Budget
 - Justification
 - scope of work
 - re-budget request
 - subcontract information form
 - Steps described in slide #10 will ensue



Closing of Subcontracts

- At the end of a grant cycle/budget period, 90 days are required to prepare a final report of expenditures (FSR). During that time:
 - All invoices must be received from subcontracted institution
- A final reconciliation is prepared by department (Director of Finance) & submitted to Restricted Funds (RF), a division of Controller's Office
- RF reviews the reconciliation and prepares a finalized version of the FSR which is submitted to the agency



Carry over of Unobligated Balances

At the end of a budget period/cycle, unobligated balances can be

- returned to the agency
 - carried over into a subsequent year
- Note: the federal government analyzes budget versus expense activities in total.
 - If you anticipate carrying over <25% of your award, but your subcontracted institution is carrying over >25% of award, to the government agency, your carryover is >25%.



Coming Soon!!! Changes to Standard Operating Procedures (SOP's)

The University is committed to the provision of optimal service. To improve the process, RA is changing SOP's:

- departments sends (RA) subcontract set up documentation
- RA works with Purchasing to immediately assign the subcontract a contract purchase order (CPO)
- subcontract agreement contain CPO information at the time of mailing; upon return, it is easier to track & manage
- Once received, the department receives a copy of fully executed agreement with all pertinent information (e.g. CPO number, expiration dates, etc.)

Approximate turn around time is 1 month.



Have a Question or Want to Schedule a Meeting?

If you have any questions or to schedule a meeting
to discuss your grants/subcontracts,
please call me (Ruth Torres) at:

Telephone: 212 305-3052

Email: ret2@columbia.edu

Office of Finance and Administration
1st Floor, Suite #115

Thank you & I look forward to working with you!