University of Kansas Medical Center Research Institute

What Every Administrator Ought to Know About Grant Management
Who is the RI?

The University of Kansas Medical Center Research Institute, Inc. is a private, not-for-profit 501(c)(3) corporation established to promote and support medical research and faculty invention disclosures. Established by the University of Kansas Medical Center in 1992, the Research Institute administers federally-funded and privately-funded research projects and Clinical Trials within the University of Kansas Medical Center with a major objective of enhancing the research capability of the University of Kansas Medical Center faculty for the benefit of the public.

The RI:

- Identifies sponsored program opportunities
- Submits grant proposals
- Administers grant awards
- Develops clinical trial proposals
- Administers clinical trial awards
- Monitors research expenditures
- Manages research reimbursement
- Manages RI properties
- Manages KU’s intellectual property
RI’s Organization
University of Kansas Innovation and Collaboration (KUIC)

KUIC

• Protects and markets KU’s intellectual property.
• Supports faculty engaged in launching new businesses.

Lawrence Campus:
Youngberg Hall
2385 Irving Hill Road
Lawrence, KS, 66045-7568
P: (785) 864-8087
F: (785) 864-5272
E: kuic@ku.edu

KUMC Campus:
Mailing Address:
KUMC – RI
Attn. KUIC
3901 Rainbow Blvd.
Mail Stop 1039
Kansas City, KS 66160
P: (913) 588-5721
F: (913) 588-8214
E: kuic@ku.edu

Physical Address
Bioscience & Technology Business Center (BTBC)
Room 2031
2008 W. 39th Ave.
Kansas City, KS 66103
Research Properties

Research Properties manages the Bioscience and Technology Business Center (BTBC) local facility in the Breidenthal building. This building has laboratory and office space for companies to lease as they grow their bioscience business.

**Lawrence Campus:**
2029 Becker Drive
Lawrence, KS, 66047
P: (785) 832-2110
E: info@btbcku.com

**KUMC Campus:**
2002 West 39th Avenue
Kansas City, KS 66103
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The University of Kansas Medical Center Research Institute Inc., encourages relationships between faculty and research sponsors in the government, nonprofit and industry sectors. These relationships often require a wide variety of written agreements related to pre-clinical and clinical research. The Office of Legal Affairs develops, negotiates, and arranges the execution of these agreements.

Director: Peter Griffith
Call 913-588-5362 to contact the Office of Legal Affairs.
Human Resources (HR)

The University of Kansas Medical Center Research Institute Inc., as a stand alone 501 (c)(3) corporation requires a fully functional HR division. We employ approximately 50 individuals. Job openings are advertised on our website: http://kumc.iapplicants.com/
Clinical Research Administration (CRA)

Clinical Research Administration (CRA)

- Serves as the central liaison between the funding agency, Institutional Review Board (IRB) and principal investigators (PIs) at the University of Kansas Medical Center.
- Provides timely and efficient clinical trial initiation by managing the administrative aspects of the trial.

The CRA is organized into two person teams, one serving as the project manager and the other as the budget and contract specialist. The team, with the assistance from the Office of Legal Affairs, works to launch and maintain clinical trials from a budgetary, contract, and regulatory point of view.

Asst. Director: Caroline Murray
Clinical Trial Accounting

After a clinical trial has been awarded, the clinical trial accounting office oversees the financial aspects of the trial.

- Initiate budget and speedtype
- Monitor revenue and expenses
- Consult and inform the PI, Study Coordinator, and Sponsor on financial matters
- Close out speedtype, balance the books, and archive the financial documentation

Manager: Elena Cruse
Financial Services (A/P)

All research purchases (A/P) and revenues (A/R) are processed through the Financial Services division.

- Pays vendors for all invoices, including Market Center requisitions and PS Pos*
- Pays university for payroll on RI speedtypes
- Processes letters of credit, checks and other sources of payment from our sponsors

Controller: Tim Lumpkin

*Please send the original receipt.
Institutional Systems and Cost Analysis (ISCA)

Institutional Systems and Costs Analysis

- Serves as the IT unit for the RI.
- Manages the ECRT system for effort certification.
- Records budget for cost sharing on sponsored projects.
- Manages the calculation and returns of indirect costs.
- Serves as business analysts for the RI.

Director: Kathy Schleeter
Sponsored Programs Administration (SPA)

Director: Mei-Shya Chen
Assistant Director: Deb Maloney

Pre-Award: Kathryn Stotts, Todd Carter, Luan Marzreku

Post Award: Lena Chen, Doug Harris, Jeff Fisher, Janice Thul, Ruth Brenneman

Contracts: Pam Hansen

P: (913) 588-1251
E: spa@kumc.edu
Sponsored Programs Administration

Pre-Award
- Find Funding
- Review Proposal
- Submit Proposal
- Award Acceptance

Post Award
- Award Set-Up
- Monitoring
- Close Out
Pre-Award Services

- Funding opportunity search and announcements
- Proposal review and help with preparation
  - Compliance
  - Budget
  - Cost Share
  - Subcontracts
- Proposal submission
Pre-Award (con’t)

• Process Awards
  – Just in time requests
  – Notice of grant award
  – Sub-awards and subcontracts
  – Progress reports
  – No cost extension
Post Award Services

• **New award set up**
  - Create new speedtype
  - Enters budget
  - Authorizations

• **Monitor award**
  - Review personnel expenditures
  - Review purchases (allowable costs)
  - Track revenue
  - Guard against over-expenditure
  - Reviews AM90 for monthly snapshot
  - Prepares payroll rollovers to new period’s speedtype
Post Award (con’t)

• Billing and financial reporting
  – Prepare invoices
  – Manage financials for sub-awards and subcontracts
  – Prepare quarterly and annual financial reports

• Account Closing
  – Verify all revenue has been received
  – Submit final progress report
  – Close speedtype
  – Archive award documentation
Grant Concepts

Proposal
Award
Budget
Revenue
Grant Definitions

Proposal
A formal proposal or application submitted to a government or civilian entity that outlines a proposed project and shows budgetary requirements and requests monetary assistance in the form of a grant. Proposals are usually sponsor specific; some institutions will reject applications if guidelines are not followed exactly.

Award
Financial assistance that provides project support. Awards include grants and other agreements in the form of money or other property by the sponsor to us, the recipient.

Budget
A detailed statement outlining estimated project costs to support the sponsored project. A budget should include all the direct costs and facilities and administrative (F&A or overhead) costs required to carry out the project objectives.

Revenue
Grants do not generally create revenue. Most grants employ the ‘cost reimbursement’ method of payment. This means that we must first expend our own money for activities identified in the grant and then we are reimbursed by the sponsor for the actual costs incurred.
Grant Concepts

Cost Principles
- Reasonable
- Allowable
- Allocable
- Consistency
Grant Definitions

Cost Principles
The accounting guideline defined by the federal government in the Office of Management & Budget (OMB) Circular A-21 that must be adhered to at the proposal stage and when the funds are expended. The cost principles establish standards for the allowability of costs, provide detailed guidance on the cost accounting treatment of costs as direct or F&A costs, and set forth allowability and allocability principles for selected items of cost.

• Reasonable
  A cost may be considered reasonable if the goods or services acquired and the associated dollar amount reflect the action that a prudent person would have taken under the circumstances prevailing when the decision to incur the cost was made. One should consider if the cost is of a type generally necessary for the organization's operations or the grant's performance. Expenditures should also comply with established organizational policies.

• Allowable
  This test of allowability – conformance with limitations and exclusions as contained in the terms and conditions of award, including those in the cost principles – varies by the award. Sponsor guidelines are an excellent source for allowable and disallowable expenditures. Common items not allowed are food and alcohol, certain types of travel, and office supplies.

• Allocable
  A cost is allocable to a specific grant if the goods or services involved are assignable to that grant based on the benefits received. A cost is allocable to a grant if it is incurred solely in order to advance work under the grant; it benefits both the grant and other work of the institution, including other grant-supported projects; or it is necessary to the overall operation of the organization and is deemed to be assignable, at least in part, to the grant. A cost is allocable as a direct cost to a grant if it is incurred solely in order to advance work under the grant or meets the criteria for closely related projects determination.

• Consistency
  We must be consistent in assigning costs to our speedtypes. Costs may be charged as either direct costs or F&A costs, depending on their identifiable benefit to a particular project or program, but all costs must be treated consistently for all work of the organization under similar circumstances, regardless of the source of funding.
Grant Concepts

Direct Costs
Indirect Costs or Facilities & Administration (F&A)
Cost Share
Grant Definitions

Direct Costs
A direct cost is any cost that can be specifically identified with a particular project, program, or activity or that can be directly assigned to such activities relatively easily and with a high degree of accuracy. Direct costs include, but are not limited to, salaries, travel, equipment, and supplies directly benefiting the grant-supported project or activity.

Indirect Costs or Facilities & Administration (F&A)
Facilities & Administrative (F&A) costs are real costs that the institution incurs in support of sponsored activities but which cannot be directly charged to a specific grant or contract. The costs result from shared services such as libraries, physical plant operation and maintenance, utility costs, general, departmental and sponsored projects' administrative expenses, and depreciation or use allowance for buildings and equipment. F&A costs also are sometimes called indirect costs or institutional overhead. KUMC-RI negotiates an F&A rate with the federal government on behalf of the university. Our current rate is 51%. This means that for every $1 spent in direct costs, we earn an additional 51 cents to cover our indirect costs.

Cost Share
Direct costs paid for a sponsored project by either the university or some other entity that is not the sponsor. This can include ‘in kind’ donations, such as equipment or supplies, that are used by the sponsored project but were provided by a third party.
Grant Concepts

Key Personnel
Effort & Effort Certification
Salary Cap
Grant Definitions

Key Personnel
In addition to the principle investigator, key personnel are defined as individuals who contribute to the scientific development or execution of the project in a substantive, measurable way, whether or not salaries or compensation are requested. Anyone who could be replaced without significantly affecting the direction or conduct of the project should not be listed as key personnel.

Effort & Effort Certification
Effort is generally defined as the proportion of time spent on any activity and expressed as a percentage of the total professional activity for which an individual is compensated. Total effort for an employee must equal 100%. Effort certification is completed by using the Effort Certification Reporting Tool (ECRT) maintained by KUMC-RI. The effort certificate will reasonably reflect all of the employee's research and other professional effort during the reporting period. All faculty and non-faculty principal investigators (PIs) must certify their own effort. Non-faculty personnel, such as professional staff, senior fellows, and lab technicians, may certify their own effort or the PI or other responsible official(s) can certify the effort.

Salary Cap
The NIH has determined a top salary it is willing to pay any researcher (currently $183,300). This amount is sometimes lower than the actual salary a KUMC faculty member is paid. The salary cap is the difference between what is charged to a grant and the cap which is allowed by NIH and is considered cost share.
Grant Concepts

- Budget period
- Carryover
- No cost extension
Grant Definitions

Budget period
The interval of time, usually 12 months, in which the project period is divided for budgetary and funding purposes.

Carryover
Carryover occurs when funds from a budget period will not be spent until the subsequent budget period. Most federal awards automatically allow carryover, but there are some private sponsors that require prior approval.

No cost extension
An extension of the period of performance beyond the project end date to allow the principle investigator to finalize a project. No additional funds are requested or provided. Most sponsors require prior approval.
Grant Management

New Award

- Be familiar with the sponsor’s guidelines
- Obtain your speedtype and know your budget and the balance available
- Make sure everyone who can spend grant funds has been given authorization [http://www.kumc.edu/kumcri/financial-services/ri-authorization-form.html](http://www.kumc.edu/kumcri/financial-services/ri-authorization-form.html)
- Set up payroll according to budget and confirmed by PI (PFC/HRIS forms)
Grant Management (con’t)

Expenditures

– Make sure people paid on a grant work on it
– Only grant related items should be purchased using grant funds
– Know how to use the Market Center and the PeopleSoft IDB, BPC, and Travel module for purchases. System training is available from PeopleSoft Support.
– Employee travel on grant business require prior approval
– Subject payments can be handled with Greenphire cards.
– If purchases are placed on the wrong speedtype, use the expense reallocation form

http://www.kumc.edu/kumcri/financial-services/expense-reallocation.html
Grant Management (con’t)

Changes

– If funds will be used differently than specified in the original budget (especially unbudgeted equipment purchases or travel), use the re-budgeting form and work with grant accountant to notify sponsor of changes for prior approval before spending
  http://www.kumc.edu/kumcri/financial-services/budget-reallocation-request.html

– If key personnel effort needs to be adjusted, use the effort change form and work with grant accountant to notify sponsor of changes
  http://www.kumc.edu/Documents/ri/spa/effort_key_personnel_change.docx
Getting Information

- Know your way around PeopleSoft and Market Center, including reports, document searches and queries
- Be sure to learn how to work in ECRT
- Learn to use the QlikView applications, in particular the KUMC Analytics
  [https://qlikview.kumc.edu/qlikview/index.htm](https://qlikview.kumc.edu/qlikview/index.htm)
- Get to know your grant accountant. They are an excellent source of information and advice.
- Various trainings are available.
Grant Management (con’t)

Ending Award

– You must have prior approval from the sponsor to carryover funds from one period to the next or for a no cost extension. Work with your grant accountant to discuss these possibilities with the sponsor.

– All expenditures, including payroll, need to be turned off when the award ends.

– The non-scientific final report to the sponsor will be handled by the grant accountant, but may require your help.
Last Thoughts

Most grant management activities require a form.

Watch over your grant. Make sure it is compliant and within budget.

When in doubt, talk to your grant accountant. They are here to help!

http://www.kumc.edu/Documents/ri/spa/Staff_Assignments.pdf