DHHS Subaccount Transition for NIH Continuation Awards
Reminder of DHHS Requirements

• Be able to segregate letter of credit draws on an award-by-award basis
  – Removes ability to “pool” expense and perform a U of Minnesota drawdown for all our awards at once
  – Enables the government to do award-by-award burn rate calculations (enhance ability to detect fraud, waste and abuse)
What Does this Mean

• SPA will need to set up a new CON number for all NIH continuation awards that have not previously been converted to P-accounts

• Project period will now be divided into mini-segments
What Awards Will Be Affected

• All DHHS agencies (HRSA, CDC, AHRQ, FDA, etc.) Should already been converted
• Mainly NIH continuation awards (that have not been previously converted) issued with a start date after October 1, 2015
• Estimate that there will be 130 awards
Action Plan

• SPA will notify PI’s, Dept Admin., GA and SFR monthly with a list of which non-competing continuation proposal that will require a new CON number. This information will be kept on SPA’s home page.

• SPA will establish pre-award accounts upon submission of the non-competing continuation proposal.
Action Plan (cont.)

• SPA will use either the continuation proposal budget or the budget lines on the first mini-segment to determine how many projects are needed and what budget lines should be set up on pre-award projects(s)

• This will allow departments to begin transition to the new CON number
Departmental Checklist

• Please utilize CA Dept checklist
• Some examples:
  • Change payroll distributions
  • ISO’s chartfield string
  • Close or release open encumbrances
  • Subcontracts - Expedite invoices
  • Capital Equipment - No need to transfer to new mini-segment
Point in time (transitional) FFR

- Will be done when balances carryforward without agency approval (noncompeting continuation)
- Purpose is to transfer balance to subaccount
- Expenses included through budget period end
- Finalized ASAP after the budget period end
- SFR accountant will e-mail academic department the FFR and list of transactions (included and not included)
- Any expenses after budget period end need to be moved to the new EFS contract.
Carryforward

• Automatic Carryforward
  – DHHS will automatically authorize the transfer of the unobligated balance reported on the FFR to the P account upon acceptance of the final financial report
Handling of Carryforward

• SPA will use the following guidelines to setup:
  – Subaward balances will be set up in the appropriate budget lines
  – Restricted funds will be set up in appropriate budget lines
  – All other funding will be setup in SPA reserve - internal budget account (810850)
Handling of Carryforward (cont.)

- Awards with multiple projects, a PeopleSoft friendly budget will be requested
- NOGA issued to reflect both continuation award and carryover
Final FFR

- Is necessary when balances require carryforward approval

- Academic department consulted on late charges

- Follows standard financial reporting process
Carryforward (cont.)

- No Carryforward authority –
  - DHHS will automatically authorize the carryover in the PMS P subaccount to equal the unobligated balance reported in the FFR AND Prior approval request is required.
Priority Close

- Old contracts will be closed quickly in the financial system
- Academic department notified if expenses not included on FFR have not been removed
Additional Items of Interest

• Subawards:
  – SPA plans to modify existing subawards to keep same subaward agreement/PO number for new mini-segment
  – Awards with automatic carryforward any subaward balance from previous budget period will be moved to a new PO or distribution line
Additional Items of Interest

• Subaward (cont.)
  – Will not require subaward release forms for the original mini-segment

• Renewal awards:
  – Renewal awards will follow current process to set up new CON#
  – Pre-award Requests for a renewal award will require departments to submit pre-award request form
Questions?

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Questions?

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