International Subawards Roundtable

YSM: Ewa Lech, Kristin Ott

OSP: Beth Kingsley, Robert Prentiss

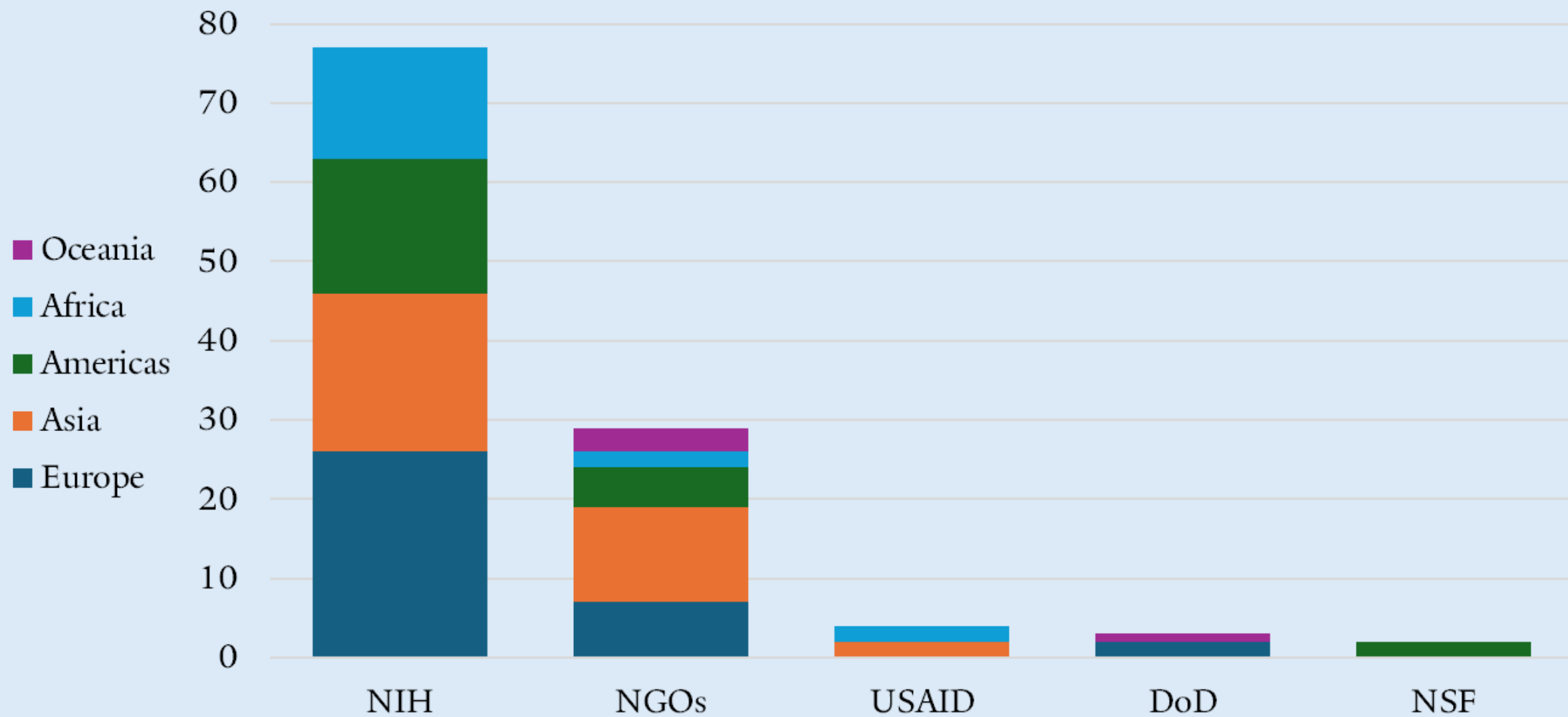Yale *Learn and Grow*

FUNCTIONAL LEARNING

Welcome!

Identify Pain points at the time of proposal development, subaward development, and post-award management (especially invoice issues)

Understand high risk subrecipients

Solicit feedback from the Yale RA community

International Subawards at Yale:
Prime Sponsors and Subrecipient Locations

International Subawards by Planning Unit

Planning Unit	Number of Subawards	Number of Countries
School of Medicine	55	24
School of Public Health	27	20
Other FAS and Academic Departments	12	9
School of the Environment	7	4
School of Divinity	6	5
MacMillan Center	5	2
School of Engineering and Applied Science	2	2
School of Nursing	1	1

International Subaward Timeline

Proposal development
& submission

Subaward management

NOA issued

Subaward development

Subrecipient monitoring

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Departmental Perspective

Section I

Pre-award Considerations

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FUNCTIONAL LEARNING

Agenda

Timeline

Proposal Documents

Problems/Solutions

YSM Pre-Award
Proposal Submission Timeline

4-6 Weeks

Discussion with Pre-Award Administrator
4-6 weeks in advance of sponsor DUE DATE*
But no less than 4 weeks in advance
<u>Note that the full 6 weeks is needed for any of the following:</u>
- ➢ Foreign subawards or other foreign components are involved
- ➢ Sponsor is CDC, HRSA, PCORI or SAMHSA
- ➢ Program projects/multi-components/multiple subawards
- ➢ Foundation proposals that utilize sponsor portals
- ➢ Proposals for new and early career faculty investigators

**2 Weeks
(10 Business Days)**

Finalize budget, justification and scope of work (including subawards)

7 Business Days

To ensure a full review by YSM Pre-Award **all final documents should be sent as early as possible;** 7 business days is the latest that materials should be received. Proposals received less than 7 business days prior to deadline may receive an abbreviated review to assure they are submitted to OSP/sponsor on time.
YSM Pre-Award reviews documents for compliance and sponsor guidelines, advises PI of any outstanding items, resolves any issues, finalizes proposal record, and initiates internal routing process for submission to OSP

5 Business Days

OSP conducts University compliance checks, final proposal review, identifies additional edits as needed, provides AOR signature if required, and either submits or gives approval to submit.
Proposals received late may receive an abbreviated review to assure they are submitted to the sponsor on time

*Excluding holidays/recess days
*For subcontracts, due date is the date proposal is due to lead / pass through entity
*If sponsor specifies a deadline after 5PM, all OSP reviews and signatures need to be in place by 5PM. Please note there are no exceptions to this policy.

Proposal Documents (Required for all submissions; other sponsors may have different requirements)

Subrecipient Form (SIC)

- A key document that must be completed fully and accurately.

Budget/SF424 Form

- Must obtain the designated amount from the PI, in USD rather than the home country's currency. F&A for submissions is set at 8% for NIH submissions. This rate will not apply to all sponsors.

Budget Justification

- Must include all items in the budget

Letter of Support

- Optional

Scope of Work

- Concise description of work to be undertaken specifically at the subaward institution

Facilities & Other Resources

- Should cover all resources that will be used in all labs/project sites

Major Equipment

- Optional

Biosketch for Key/Senior Personnel

- Mandatory for NIH and must include eCommons ID. Format is the same for U.S personnel: https://grants.nih.gov/grants/forms/biosketch.htm
- Other Sponsors may allow a CV

In-Country Taxes

- The most common is VAT, or Value-added Tax. Very prevalent in African countries. We should be instructing the foreign sub to work with their organization to ensure any/all required costs for their country are included, if allowable.

Problem

What happens if the foreign institution does not have SAM Registration?

Solution

Lack of SAM registration is not a hard stop for a subaward partner. SAM registrations require that applicants be issued a UEI (Unique Entity Identifier) number first: https://sam.gov/content/entity-registration. This can take up to 6 weeks.

OSP will submit the proposal but they will need to have a UEI set up by award time.

Note: this is not a requirement for non-federal subawards

Problem

What happens if the foreign institution does not have a FCOI policy?

Solution

- For PHS awards, the subaward partner PI will need to complete a Yale Financial Interest Disclosure form (pdf/paper version). The Proposal Manager will forward to Jill Pagliuca at the COI office for review and approval prior to submission of the proposal.

  The form is not included in IRES PD internal documents tab due to confidential information contained within, only coordinated via email. The COI office will be in touch with the OSP proposal manager to confirm the document is satisfactory.

- The subaward partner PI should be advised that their institution will need to implement a PHS compliant COI policy **before** they can receive their subaward agreement with Yale.

Problem

What do we do if the foreign institution does not have a financial audit at submission time?

Solution

OSP will submit the proposal without a financial audit on file.

However, the subaward partner should be advised that a financial audit or financial statements must be made available prior to establishment of any subaward with Yale.

Problem

My challenge is the budget. The sites often struggle with filling out the RR budget form and a simple Excel budget is usually missing key information. There's a lack of understanding around salary vs. effort, etc.

Solutions

Sometimes international partners will need help. The PI and/or their staff can help.

- Ask the Yale PI and/or their research manager/coordinator to work with the subaward partner to write their budget together. Yale pre-award administrator could participate or lead this **meeting via Zoom/Teams.**

- **Provide a very simple Excel file** for the subaward partner to complete. Note the spots to be completed, lock the fields they are not to use.

- **Yale PI writes subaward partner's budget** for them; we send to them for edits and signatures.

Problem

Foreign PIs almost never have eRA Commons IDs. How do I obtain?

Solution

Ideally and preferred, **the Signing Official at the PI's home institution** will create an eRA Commons ID for them. Registration in eRA Commons is required for applicant institutions so they should have an SO available. Creation of an account takes only minutes. Instructions can be found here:
https://www.era.nih.gov/register-accounts/register-in-era-commons.htm

Link can be found here: Online Survey Software | Qualtrics Survey Solutions

If time is short, and **only as an exception**, Yale OSP can create the account. Contact your OSP Proposal Manager with the request.

Problem

How do we assist foreign subaward PIs in affiliating their eRA Commons ID with their institution?

Guidance can be found here: Switching Institutions (nih.gov)

Solution

The SO (Signing Official) at the home institution should be able to assist the subaward partner PI with this task.

Note that all institutions participating in PHS applications are required to register in eRA Commons, so they should have an SO designated.

If the institution has not registered in eRA Commons, they should do so by following the guidance here:

https://public.era.nih.gov/commonsplus/public/registration/initRegistration.era

Problem

We received the SIC form but it is signed by the PI themselves since their institution doesn't have AORs. Is that acceptable?

Solution

OSP will require an email from the PI confirming they are signing the SIC form because their institution does not have AORs.

Problem

If the foreign subcontractor does not provide the signed SIC form by the time of submission, can the proposal still be submitted?

Solution

Yes, OSP will submit and advise the signed form is still needed as soon as possible.

Problem

We are currently entering zeros for foreign subs that don't have a UEI at the time of submission. How will this impact the proposal if/when the grant is funded?

Solution

NIH may ask for this information. Otherwise, it will need to be sent to Yale for the subcontracting process.

Tips/Reminders

- Time Management: To the extent possible, I give foreign subs a longer lead time, considering their limited capacity/infrastructure. Foreign subs may lack administrative experts to support grant proposals which slows down processes. Since more guidance is required from us, I allocate additional time in my workflow to adequately support to the sub and ensure compliance with document requirements.

- Communication Barriers:
  - Use email translation tools if needed. FYI, outlook has translation tools.
  - Clarify budgets (e.g., currency conversions, IDC rates).
  - Ensure budgets are in USD and SOWs in English.

Tips/Reminders

- **Forms:** Foreign subs may be unfamiliar. Complete as much of the information as possible before sending. It helps if the PI shares copies of their own forms

- **JIT:** Foreign subs may not have access to Human Subjects Protection trainings. One option is CITI which provides this at a cost.

- **Include links** whenever possible.

Tips/Reminders

- **Time Difference:** This can cause delays between Yale and the foreign country.

- **Time off:** Foreign organizations may shut down during their summer. **No one** will be around to sign the documents if the sub isn't invited on time. (Subs have been left out of submissions for this.)

- **PHS COI:** Foreign subs may not have a policy in place, so they need to file an initial disclosure. This requires more time. Initial disclosures should NOT be added to the IRES record.

- **Language:** Foreign subs may not have their audit reports in English.

International Subaward Timeline

Proposal development
& submission

Subaward management

NOA issued   Subaward development   Subrecipient monitoring

OSP Perspective

Section II

Subaward Development

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FUNCTIONAL LEARNING

Common Delays

Documentation
- All standard proposal docs
- Revised budget (watch currency fluctuation!)
- Subrecipient Questionnaire

Compliances
- UEI
- FCOI

Internal Systems
- Workday Supplier Setup

Agreement Negotiation

Advanced Payments

Pros

- Collaboration expansion
- Remains in standard reimbursement zone
- Does not require sponsor prior approval

Cons

- Significant administrative burden
- Significant financial risk
- Audit risk

Potential Solutions

"Kick-off" Meeting

Anticipate!

Communicate early and often, using multiple methods

Option: Fixed Amount sub instead of Advanced Payment

Other ideas?

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Section III

Subrecipient Monitoring

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Subrecipient Risk Assessment

- A risk assessment is performed on all subrecipients at the time of the initial award, and once per year thereafter.

- Each subrecipient and subaward is evaluated individually. We do not have a single approach to mitigating risk.

- Organizations deemed high risk have not necessarily done anything wrong, but we do have concerns about some aspect of compliance with federal funding requirements.

- Most international subrecipients do not receive an annual compliance audit the way most domestic subrecipients do, so we are more reliant on our direct experience with the subrecipient.

- Feedback from DBOs regarding subrecipient performance is very much appreciated, and we will reassess risk based on that feedback.

Some Characteristics of High Risk International Subrecipients

Characteristic	Method of Verification
Very new organization	Organization's start date in the System for Award Management (sam.gov)
Very small organization	Organization's website
Little or no history of receiving federal awards	Recipient profile in USAspending.gov
Located in a country with a reputation for public sector corruption	Corruption Perceptions Index (Transparency.org)
Unfamiliarity with the requirements associated with federal funding	Subrecipient Questionnaire
Doubts about the organization's ability to continue as a going concern	Organization's financial statements

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Department Perspective

Section IV

Subaward Management
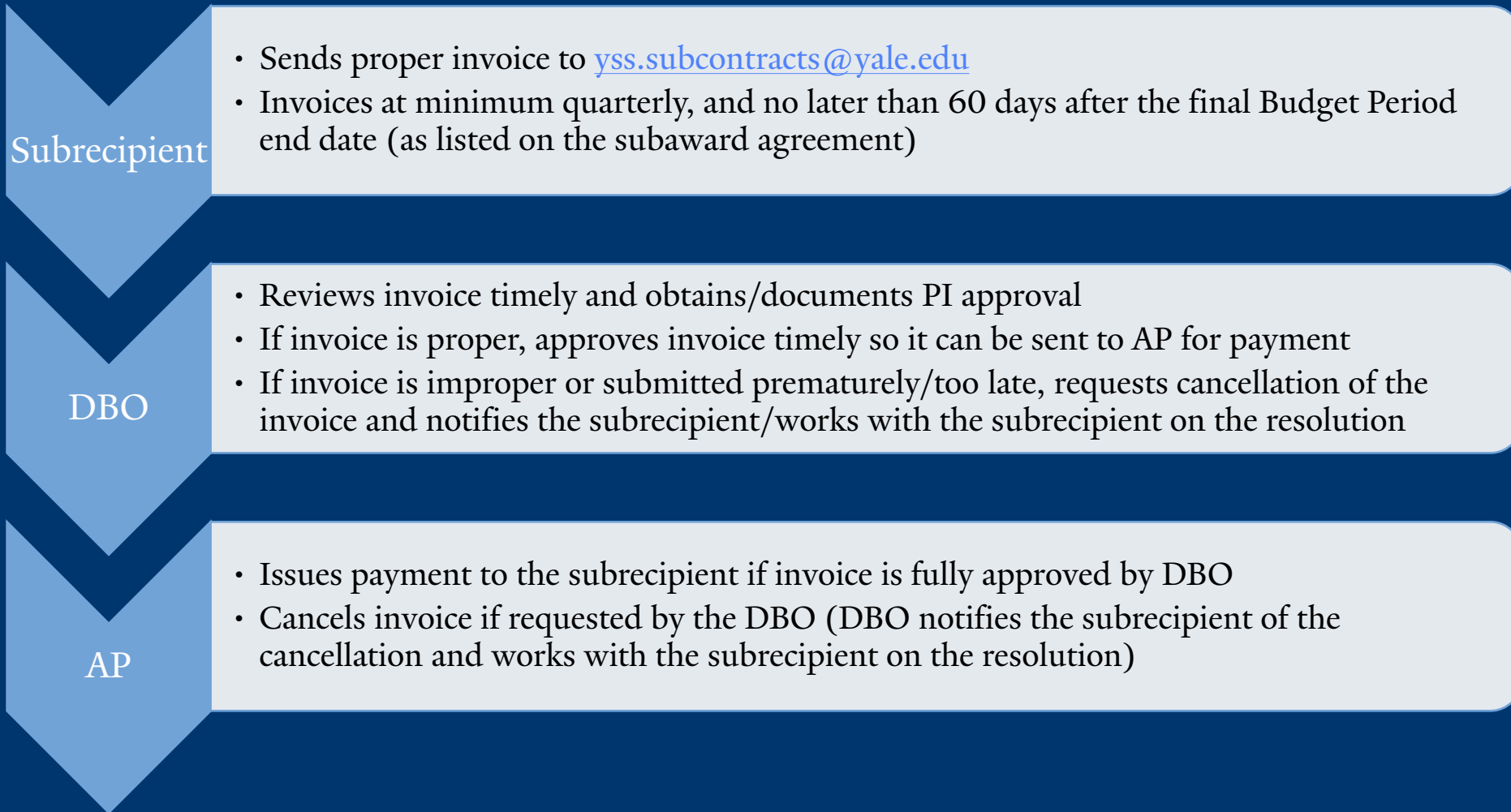
Subaward Management: Business Office Role

- DBO manages payments made to subrecipients via AP/Workday invoicing process

- Invoices (SIs) must be uploaded to Workday (Salesforce) and matched to a CON# and corresponding GR# and use SC217 (unbreakable link in Workday)

- Each subrecipient receives a copy of the Yale subaward invoice template in their subaward agreement, but is allowed to use their standard invoice template as long as the invoice includes:

- Proper subaward invoices must be paid within 30 days from the day of the receipt of the invoice (per federal policy)

- Subrecipients should be invoicing Yale at minimum quarterly, and they are typically contractually required to submit the final invoice no later than 60 days from the end of the final Budget Period listed on the sub agreement

Subrecipient Monitoring: Process

Subrecipient
- Sends proper invoice to yss.subcontracts@yale.edu
- Invoices at minimum quarterly, and no later than 60 days after the final Budget Period end date (as listed on the subaward agreement)

DBO
- Reviews invoice timely and obtains/documents PI approval
- If invoice is proper, approves invoice timely so it can be sent to AP for payment
- If invoice is improper or submitted prematurely/too late, requests cancellation of the invoice and notifies the subrecipient/works with the subrecipient on the resolution

AP
- Issues payment to the subrecipient if invoice is fully approved by DBO
- Cancels invoice if requested by the DBO (DBO notifies the subrecipient of the cancellation and works with the subrecipient on the resolution)

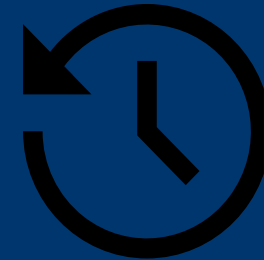# Subrecipient Monitoring: Most Common Issues

Subrecipients are not invoicing timely

Invoices are improper (missing information or listing incorrect information)

Invoices are submitted before subagreement / amendment is executed

Subrecipients are not invoicing timely: Troubleshooting

- Monitor frequency of invoicing and contract balance by running the following reports monthly:
    - Find Subawards – Yale
    - Account Holder Report
    - Invoice Aging in Progress – Yale (the only report we found to include subaward invoices not matched to CON)

- For ongoing subawards:
    o Make PI aware of delays in invoicing and ask for their input on how to address subrecipient's lack of compliance with the subagreement's terms and conditions
    o Reach out to the subrecipient and notify them they're out of compliance with the terms of the subagreement. Request that invoices are sent.
    o If these two approaches don't work, escalate to OSP (Subaward Management)

- For subawards that ended:
    o Reach out to the subrecipient (include sub-PI and the Yale award PI on the email) and request that invoices are sent as soon as possible to close out the award
    o Provide a deadline beyond which subaward invoices won't be paid (based on the 60-day window from the end of the final Budget Period)
    o If invoices are sent directly to you, make sure they're submitted to yss.subcontracts@yale.edu as well
    o Work with SPFA on holding off on FFR submission until subaward invoices are paid or on including pending subaward invoices on the FFR

Not collecting and processing all and final invoices from subrecipients before FFR is filed might result in the Department having to cost share that expense; SPFA typically does not refile FFRs due to late subrecipient invoices

Yale **may** elect to not pay invoices submitted by the subrecipient after the contractually required invoicing timeframe in the subagreement, but Yale needs to pay invoices before the sponsor's required reporting/payment timeframe and within Yale's accounting closeout timeframe.

Improper Invoices – revisions need to be requested

o List unallowable costs (not permitted by sponsor and/or not in the budget approved by the PI)

o List different F&A rate than agreed upon in the subaward agreement

o List billing period outside of the current agreement (often an issue with non-SNAP awards)

o Exceed funds issued so far via agreements/amendments (often an issue with non-SNAP awards)

o Don't include:

- Subrecipient name
- Date of invoice
- Invoice number or reference
- "remit to" address is missing
- Period of performance (listed on fully executed agreement/amendment) is missing or incorrect
- Expenditure period is missing
- Expenses are not broken down by major categories
- Yale Contract and/or grant number are missing
- Federal certification statement is missing (for subawards linked to FD02)
- Signature from the subrecipients AOR to certify all expenses listed are accurate (for both, federal and non-federal awards) is missing
- Don't include Cumulative and Current expenses breakdown

DBO Identifies Improper Invoice in Workday

The issue can't be resolved in 5 business days	DBO estimates the issue can be resolved in 5 business days

Left column:

DBO emails askfinance@yale.edu asking for the invoice to be cancelled. The request should include SI# and reason(s) that make the invoice improper.*

↓

DBO reaches out to the subrecipient to let them know that they should submit new and corrected invoice with unique INV# once the issue is resolved

Right column:

DBO uses "Save for Later" option and lists the reason why invoice is improper in "Comment" section

↓

DBO requests revised invoice from subrecipient

↓

If the revised invoice has the same INV#, DBO submits it to askfinance@yale.edu with a request to upload it to the existing invoice record

↓

If the revised invoice has a different INV#, DBO emails askfinance@yale.edu and requests that the current SI is cancelled*

↓

DBO submits the new revised invoice to yss.subcontracts@yale.edu

*If AskFinance will not cancel the invoice and suggests reaching out to the vendor or AP or another "solution," escalate to Patti Taylor in AP at patti.taylor@yale.edu or Ashley Page at ashley.page@yale.edu

49

Invoices are submitted before subagreement/amendment is executed

- Subaward invoices shouldn't be paid if the performance period or funds haven't been authorized yet via agreement or amendment to the agreement

- Workday has a set of validations and [error messages](#) built in to prevent such payments

- This is a common issue with awards that change AWD and/or GR each budget year

- SI will not be able to be matched to a CON in Workday:
  - Invoice date is outside the CON active dates – most of the time such invoice needs to be cancelled
  - GR and/or CON is inactive in Workday (both need to be active) - if funds are available, DBO can reach out to SPFA and Subaward team to reopen both so the invoice can be matched to CON and paid
  - SC other than SC217 is attempted to be used on an invoice – DBO user error prevention
  - GR not linked to CON is attempted to be used on an invoice – DBO user error prevention

- If the invoice amount exceeds the current remaining balance on the CON, the SI will be matched to CON in Workday, but it will result in an error message if submission is attempted. Such invoice needs to be unmatched from CON, funds on the CON need to be increased, and then the SI needs to be matched again with CON – such invoices are improper and most of the time, they should be cancelled by following the process outlined on the prior slide

Various Other Challenges

SI sent to yss.subcontracts@yale.edu but not uploaded to Workday

- Always reach out to subrecipient directly if invoicing is not timely or before FSR submission
- Ask to be copied on invoice submissions to yss.subcontracts@yale.edu

SI sent to someone in DBO and not to yss.subcontracts@yale.edu

- Always advise subrecipient to submit invoices directly to yss.subcontracts@yale.edu
- If invoice is sent directly to you, submit it to yss.subcontracts@yale.edu (or confirm who else in the DBO is taking that action)

Unresponsive Yale PI

- Notify the PI that invoice might result in cancellation due to the lack of approval
- Escalate to your manager
- Reach out to Subawards team for guidance
- Document in the BP of SI attempts at obtaining PI approval
- If PI refuses to approve the invoice, the invoice needs to be cancelled

Questions?

Contact Us!

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