

PCORI's Contract Award and Activation

Shayan Hobbi and Geri Guman

Contracts Management and Administration

June 23, 2015



PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE

Welcome!

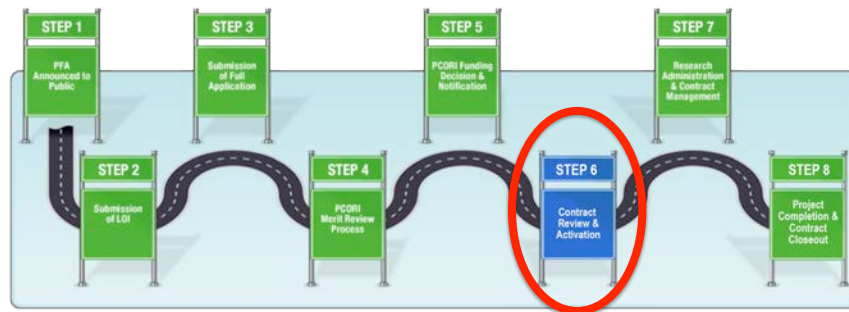


Shayan Hobbi
Contracts Associate,
Post-Award



Geri Guman, MBA
Senior Contracts
Administrator,
Post-Award

PCORI Guide to Contract Activation




In This Session

- Detail the PCORI contracting process from Award Announcement to Contract Execution
- Review key notes on Budget and Milestone Schedule
- Describe the roles of Contractors, PCORI Program Officers, and PCORI Contract Administrators



Award Announcement



**Letter of Award PCORI
Funding Announcement:
PROGRAM**

PCORI Announces Research Awards: Congratulations!
Dr. Jane Smith; jsmith@awardee.org

February 20, 2015

Smith, Jane
"Patient Centered Outcomes"
Awardee Organization

Dear Dr. Jane Smith


Congratulations! On behalf of the Patient-Centered Outcomes Research Institute (PCORI), I am pleased to inform you that today, February 20, 2015, the PCORI Board of Governors authorized your application for funding, titled: "Patient Centered Outcomes". We are pleased to be able to support your research.

Please note the following:

1. PCORI awards contracts, not grants. Even though your application has been approved, a final business and programmatic review must take place before you receive the award and funding. In order to start the award activation process, please return the attached Recipient Information Form to fundedofa@pcori.org by **March 1, 2015**. Upon receipt of this completed form, PCORI will e-mail you in the coming days to continue the award activation process. A contract must be executed between your institution and PCORI before this award is finalized. By entering into a contract, recipient accepts all terms and conditions as agreed upon by both parties. Until the award is fully executed, the proposed budget should not be construed as final. All pre-award costs are incurred by the applicant at risk.



Recipient Information Form (RIF)



PCORI Recipient Information Form

Contact Information Instructions:
Please provide answers to the requests below. The contract manager is an individual who will facilitate contract review and execution on behalf of the principal investigator, and may be a member of your organization's Office of Sponsored Research. The financial point of contact is someone that will assist with invoicing and processing payments. If the latter two POCs are the same, please duplicate the information.

PCORI Recipient Information Form

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DUNS	
EIN	
Contract Manager First Name	
Contract Manager Last Name	
Contract Manager Title	
Contract Manager Department	
Contract Manager Phone	
Contract Manager Email	
Financial Contact for Payments First Name	
Financial Contact for Payments Last Name	
Financial Contact for Payments Title	
Financial Contact for Payments Department	
Financial Contact for Payments Phone	
Financial Contact for Payments Email	

I certify that all recipient information provided in this document is true and complete. I understand that any misreading or misinterpretation may result in funding delays.

☐ I agree with the statement above.

Signature of Signing Official	
Title of Signing Official	
Name of PI	
Date of RIF	



What Are Milestones and Deliverables?



Definition:
Significant events or accomplishments within the project. Milestones often have deliverables associated with them.



Definition:
Products generated by the successful execution of the contracted project plan.

Sample Milestone Schedule

	Milestone Name	Description and Additional Information	Projected Completion Date
A	Contract Start Date	-	2/1/2014
B1	IRB Approval	IRB approval	2/28/2014
B2	Engagement update, focus group results	Conduct up to 6 focus groups. Describe involvement and contributions of patient and stakeholders in the conduct of focus groups and development of topic guides.	7/31/2014
B3	Topic guides, summary of discussions	Conduct discussion groups with peer coaches and community coordinators.	7/31/2014
B	Report Submission	Submit Progress Report, Using Interim Progress Report Template.	7/31/2014
C1	Manuscript Reporting	Manuscript reporting results of focus groups	1/31/2015
C2	Website live	Create a website that will serve as a resource bank for peer coaches and community members wishing to access resources.	1/31/2015
C3	Engagement update	Describe patient and stakeholder involvement and contributions to the study materials	1/31/2015
C	Report Submission	Submit Progress Report, Using Interim Progress Report Template	1/31/2015
D1	Finalize Protocol	Finalize the study's data collection protocols.	6/1/2015
D2	Engagement update Report of recruitment strategy	Develop the recruitment strategy. Describe how patient and stakeholders are involved in the development of the recruitment strategy.	6/1/2015

Key Budget Notes

- PCORI Caps
 - Salary not to exceed \$200,000
 - Indirect Cost Rate (IDC) not to exceed 40%
 - Travel not to exceed \$10,000 for Scientific Travel
- IDC calculations can only include the first \$25,000 of ALL subcontractor costs
- Read the PFA carefully for additional funding and travel guidelines, etc.
- Make sure Milestones tie back to the budget
- Make sure Budget Summary aligns with Budget Detail

*For more information please attend the Preparing Your Budget breakout session at 1:00PM



Issuance of a Contract

Standard Language for PCORI Contract Activation

PCORI's Expedited Review Process

Due to the accelerated timeline for this contract, we are urging PF's to work closely with their institution to ensure that reviewing and signing the contract is a top priority. PCORI does not accept revisions to the contract terms and conditions unless an article:

1. Is not permissible by state law and does not already have the qualifier "to the extent permitted" under state law, or
2. Has a material adverse impact on your ability to enter into this contract.

If you have one of the conditions mentioned above please contact PCORI at fundedpfa@pcori.org.

Recipient Actions Due by XXXX:

- Complete the attached Recipient Information Form.
- Using the PCORI Guide to Contract Activation, please address all requested insertions, validate the populated information in the contract, and verify that you have completed all requirements and are ready to execute your contract. Any changes to personalized Recipient information in the contract must be returned in MS Word using the "Track Changes" function so we may update our records. Then sign and return a PDF version and the MS Word tracked changes to PCORI at fundedpfa@pcori.org.
- **Update(s) regarding your Final Budget (Attachment A):** We conducted a budget review and may have requested additional information. Please contact PCORI's Contract Department at fundedpfa@pcori.org for additional instructions.
- Please submit copies of your institution's, as well as all subcontractors' federally negotiated or independently audited indirect cost rate agreement.
- **Update regarding your Milestone Schedule (Attachment B):** We conducted a milestone review and may have requested additional information. Please contact your PCORI Program Officer if you have additional questions.
- After PCORI receives your signed and completed contract, we will countersign and send a new copy to you for your records.

If you have any questions, please contact us at fundedpfa@pcori.org.



You have a contract, now what?

Verify the accuracy of the:

- Effective start and end dates of the contract
- Officials and their addresses listed in the contract
- Project title listed in the Recitals
- Final budget amount and details in Attachment A
- Milestone Schedule in Attachment B



Complete the COI Certification

- The COI certification form addresses specific requirements in PCORI's Authorizing Legislation relating to Conflicts of Interest
- Complete Questions 1–6 in Contract Attachment C: Conflicts of Interest Disclosure Form
- Have the signing official and the Principal Investigator (PI) sign and date the certification

Attachment C: Conflicts of Interest Disclosure Form

1. Name of Recipient: _____

2. Names of Principal Investigator (PI) and Key Personnel: _____

3. Please list any direct or indirect links to industry, such as pharmaceutical, medical device, health insurance, and health care related companies, that Recipient and any PI and Key Personnel participating in the Research Project have that have the potential to bias or appear to bias the PCORI-funded research. There is no need to include disclosures here that will be reported under Question 6. (Attach additional documents, if needed)

4. Does Recipient have a Conflicts of Interest Policy or Guidelines that meets the requirements of the federal financial conflicts of interest regulations of the U.S. Public Health Service (<http://www.hhs.gov/epo/policy/cou/>)? _____



Prepare the Contract for Execution

- Set up e-payment account with PCORI Finance team
- Submit Institutional Review Board (IRB) approval documentation, if applicable
- Have your signing official sign and date the contract and return to PCORI



Active Portfolio Management

PCORI is actively involved to ensure that deliverables are met and milestones are on-track and within budget.

Key players

- Contractors:
 - Manage project within contract terms and conditions
- PCORI Program Officers:
 - Actively monitor scientific research projects
- PCORI Engagement Officers:
 - Monitor patient and stakeholder engagement in projects
- PCORI Contract Administrators:
 - Actively monitor progress of awardees, for contractual and financial compliance
- PCORI Finance:
 - Ensures the timely payment of Contractors

*For more information please attend the Active Portfolio Management breakout session at 10:50AM

Welcome!



**Kim Jackson, CPA,
CGMA, MBA**

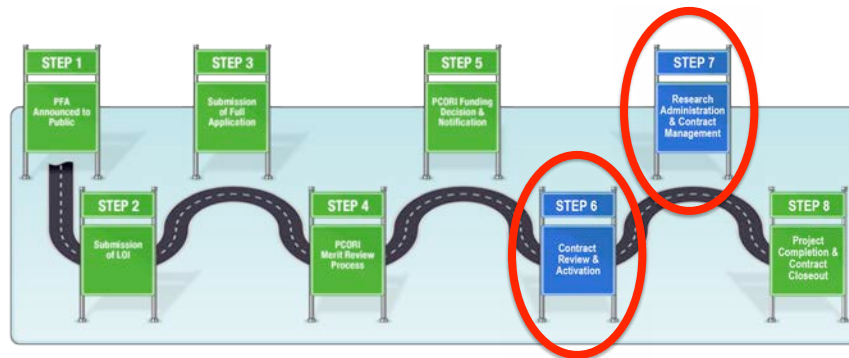
Deputy Director,
Finance-Controller

Session Objectives

- What to expect with regard to financial requirements
- Overview of the invoicing and payment process
- Expectations for initial invoice submission
- How to meet requirements for monthly invoicing
- Avoid common invoicing pitfalls
- Allocate project expenses to appropriate cost categories
- Satisfy project closeout requirements



PCORI's Invoicing to Payment Process



PCORI's Invoicing to Payment Process (cont'd.)



PCORI is not Federal

- PCORI funding comes from the Federal Government
 - Appropriations, CMS Transfers and PCOR Fee
- PCORI is not subject to OMB circulars.
- **BUT**, we do observe the best practices and rules as if the OMB circulars did apply.
- We behave and require expense substantiation in a certain way to fulfill our fiduciary duties as recipients of Federal dollars.



Getting Setup to Receive Payment

- Identify financial point of contact
- Establish vendor profile
 - Address confirmation
 - Complete a W9
- Establish electronic payment profile
 - Currently Bill.com
- Submit invoice
- Get Paid!



Invoicing PCORI

Attachment D: Sample Invoice
Invoices should contain the following elements and should be submitted to finance@pcori.org on letterhead in electronic format. This format is for presentation purposes.

A: Date	K: Contract Number
B: Invoice Number	P: Project Title
C: Billing Period	G: Period of Performance
D: PI Name	H: Total Contract Value

	I	J	K	L	M	N	O
	% Effort	Approved Budget	Price Per Hour	Current Period	Committed Period	Budget Amount	Approved Budget %
Subtotal Categories							
1. Personnel Costs							
Salaries		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Health Insurance	0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Life Insurance	0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Retirement	0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Travel		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Per Diem	0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Subtotal Personnel Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
2. Consultant Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
3. Supplies		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
4. Travel		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
5. Other Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
6. Indirect and Overhead Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
7. Repurchase		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
8. Government Contract Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Contract Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Facilities and Administration Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Subtotal Government/Contract Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
9. Total Direct Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10. Indirect Costs	0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Grand Total		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%



- What is required to invoice PCORI?
- PCORI requires monthly invoicing.
- Attachment D: Sample Invoice
- OR–
- System General Invoice
 - With necessary detail and/or supporting reports

Invoicing PCORI – Labor Detail

- Included a detailed labor report:
 - In body of invoice or as separate report
- Indicate:
 - Who worked on the contract
 - % of time and cost for each person charging to the contract
- The terms of PCORI's contract flow down to the subcontractors.
 - The same labor detail requirements for subcontractor
- Effort certification



Invoicing PCORI – Allowable Expenses

- Supplies
 - Must be specifically allocable to the contract
 - General office supplies are not an allowable expense



Invoicing PCORI – Allowable Expenses

- Meals may be expensed on a research contract when:
 - Provided to subjects or patients under study
 - Specifically approved as part of project activity in contract
 - Not duplicated in per diem or subsistence allowances (if any)
 - When part of a meeting held to disseminate technical information
- Institutions must have a written, enforced policy
- Meals at recurring business meeting are not an allowable expense



Invoicing PCORI – Indirect Cost Rate

- Use rate in Negotiated Indirect Cost Rate Agreement (NICRA)
- Rate cap is 40%
 - What if rate is lower than 40%?
 - What if rate is higher than 40%?
- What to do in absence of NICRA rate:
 - Calculate a rate
 - 10% rate
 - PCORI can provide further guidance



How PCORI Reviews Invoices

- PCORI reconciles project invoices and spending, ensuring that:
 - Charges are allowable, allocable, reasonable, and consistent
 - Funds are spent in accordance with the approved budget
- Avoid common pitfalls
 - Include labor detail
 - Spend within cost categories
 - Adhere to budget
 - Avoid unallowable cost and cost misallocations



Prepare for PCORI Audits

- PCORI has the right to perform audits, desk reviews, and/or site visits
- PCORI may review Federal or financial audits
 - A-133, etc.
 - Looking for identified deficiencies
 - Institutions receiving > \$750,000
- Availability
- Record retention requirement - Why it is so important?
 - Keep detailed records:
 - Timesheets and labor reports
 - Invoices and receipts
 - Other financial records
 - Requirements
 - Five years
 - Later of the term or termination of the agreement



Invoicing PCORI – Receiving Payment

- PCORI pays all invoices electronically
 - Bill.com ACH platform
 - New ACH platform coming soon
- Secure, quick, and easy to use
- Submit to FINANCE@PCORI.ORG.



Ensuring Timely Final Payment

- Financial requirements for project closeout:
 - Submit Final Report
 - Submit Expenditure Report
- Final payment will not be released until all final reports have been submitted and approved by PCORI



Closeout Checklist

- 12 Categories
 - Contract Negotiation Historical Background Data
 - Contract Modification Documents
 - Reports; Special Progress Reports; Final Reports
 - Public Dissemination Notifications
 - Peer-Review; Public Dissemination
 - Finance; Outstanding Issues; Close-out
- Excel spreadsheet/MS Word draft version in development



Questions?

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Thank You!

Shayan Hobbi, Contracts Associate, Post-Award

Geri Guman, MBA, Senior Contracts Administrator, Post-Award

Kim Jackson, CPA, CGMA, MBA, Deputy Director, Finance-Controller



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