Pitfalls for Non-U.S. Institutions Working on U.S. Federally Funded Programs

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Session objectives

1. To learn about the common challenges that arise at non-US institutions managing federal funds and

2. To discuss strategies to mitigate these challenges

3. To share experiences and troubleshoot issues with the group
Who are we?
Karolinska Institutet

A Medical University in Stockholm, Sweden

Karolinska Institutet is one of the world’s foremost medical universities. Our vision is to make a significant contribution to the improvement of human health; our mission is to conduct research and education and to interact with the community.

→ As a university, KI is Sweden’s single largest center of medical academic research and offers the country’s widest range of medical courses and programs.
Administrative Structure at KI

- Organized by department based on medical area
- Each department has its own admin and finance staff

- Management of EU grants has been centralized within the Grants Management Office (GMO)
- Management of US grants is not yet centralized
The nature of US awards requires a lot of continuous collaboration between GO and GMO.
Pitfall: Managing both EU and US Grants

Research accounts for 84% of the total annual revenue of KI, in 2018 the income for the research area amounted to SEK 6 billion (576 million EUR). The largest financial contributions, except government based-funding, come from the Swedish Research Council, Region Stockholm and the EU.

Both EU and US awards require a high degree of administrative burden
- Critical mass for US awards not met – lots of admin for not a lot of money
- More focus and resources devoted to EU award management

At KI in 2018:

<table>
<thead>
<tr>
<th>EU Funding</th>
<th>US Funding</th>
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<tbody>
<tr>
<td>264 million SEK from EU (~25 million EUR)</td>
<td>95 million SEK from US (~9.1 million EUR)</td>
</tr>
<tr>
<td>Over 200 ongoing projects</td>
<td>55 ongoing projects</td>
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</tbody>
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Pitfalls

Registration

→ Registration on different web platforms
→ SAM, DUNS, CAGE, PHS/PMS and so on and on and on...
  ▪ Registration in several systems/web forms required, needs to match EXACTLY.
  ▪ IRS and EIN
→ Alphabetic characters – Å Ä Ö
→ Limited access to funding opportunities
  ▪ Can’t apply for all opportunities
  ▪ Can’t access DoD website
Pitfalls

Legal Compliance

→ Ethical approvals
→ IRBs
→ Official documents – language
→ US legislation – compliance with US laws that are not applicable/contradictory to Sweden’s
→ Standard “boiler plate” language of contracts and documents

ARTICLE 27. COMPLIANCE WITH LAWS

Subrecipient will conduct all Work in compliance with all applicable laws and governmental regulations and guidelines including but not limited to the Arms Export Control Act, as amended; the Export Administration Act of 1979; the International Traffic in Arms Regulations; and all rules and regulations promulgated by the U.S. Department of the Treasury Office of Foreign Asset Controls. Any human
Project Management

→ Equipment
  - Full cost of the purchase, depreciation costs not allowable disposition of equipment etc. tracking of federal

→ Exchange Rate Fluctuations

→ Procurement
  - Thresholds will vary with the exchange rate

→ Different Requirements for Different Funders – same staff
  - PIs/key personnel are often on multiple awards from different funders, all of which may have different requirements (i.e. timesheets vs. LOE certifications)

→ Multiple Prime Institutions
  - Different requirements from different primes, communication.
Project Management

→ F&A
  ▪ Only for assuring compliance, 100% co-finance required
  ▪ Costs normally considered to be OH can sometimes be charged as direct costs – rent, it-fees etc.

→ WHAT DOES IT MEAN??
  ▪ Confusing terms – use the Bilat 4.0 wiki!

https://bilat-wiki.ethz.ch/wiki/Main_Page
PRE and POST collaboration is KEY!

- Regular meetings, clear work-flow, written down procedures and common rules for documentation and information.
Mitigating the Pitfalls

- Written agreement with each department
  - Clearly outlines roles and responsibilities

- Start-up meeting with department, PI and other stakeholders
  - Mandatory for PI´s
  - For both centralized and decentralized project management

- Standardized, documented Best Practices

- GMO (project management) helpdesk
  - One entry point for questions from the departments, funding agency etc.
Mitigating the Pitfalls

- Internal KI network for EU-US
  → Information emails, work shops, checklist, project management guide etc.

- Local and International networks
  → EUFOU-US, NCURA, INORMS, EARMA etc.
  → Attend workshops, seminars, present and get involved and NETWORK!!

- Collaborate with your audit firm

- Attend Agency Specific courses
  → NIH Regional Seminars 2 times/year
Chance favors the well prepared…

- **Single Audit or Project-Specific Audits**
  - Clear work-flow, written down procedures and common rules for documentation and information. Underlying documentaion to all costs.

- **FOS (Foreign Organization Site visit)**
  - KI 2005, 2010, 2015 and we are expecting them to come in 2020
  - Examine one specific project in detail

- **Large Scale Audits (NIH, NSF)**
  - Office of Inspector General – work plan
  - More and more common in the U.S,
Examples from your organization?
…Or Questions?
TACK! (thank you!)
E-mail:
grantsoffice@ki.se – applications
post-contract@ki.se - post-award