

# National Institute of Allergy and Infectious Diseases/NIH Foreign Organization System (FOS) Review

1. Grantee Organization:

Address:  
Telephone:  
Fax:  
Web site:

2. Type of Organization: (check one)

- Nonprofit
- Higher Education ( Public or  Private)
- Hospital ( Public or  Private)
- For-Profit
- Government

3. Grant or Application Number(s):

4. Title(s) and Name(s) of Grantee Organization Official(s):

Title:  
Name:  
Telephone:  
Email:

Title:  
Name:  
Telephone:  
Email:

Title:  
Name:  
Telephone:  
Email:

Title:  
Name:  
Telephone:  
Email:

Title:  
Name:  
Telephone:  
Email:

Title:  
Name:  
Telephone:  
Email:

Official signing for:  
**Grantee Organization:**  
**Principal Investigator:**  
**Administrative Official:**  
**Chief Financial Officer:**  
**Other:**

5. NIAID Staff:

6. NIAID Representatives:

7. Date of Review:

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### KEY TERMINOLOGY

**U.S.** – United States of America

**NIH** – National Institutes of Health

**NIAID** – National Institute of Allergy and Infectious Diseases

**PI** – Principal Investigator

**Consortium or consortia** - Funding of collaborating research with a separate organization(s)

## **A. GENERAL INFORMATION**

1. Is there an organizational chart (or similar document)? (If yes, please provide a copy.)
2. Names of key organizational officials and to whom they report.
3. Are duties for key organizational officials defined?
4. Please provide a list of those employees authorized to sign for your organization or an explanation of internal delegation of authorities.
5.
  - a) Is your organization receiving support from other sources including host country and other international sources?
  - b) Are you receiving funds from other sources for the subject of this grant?
6.
  - a) Have the accounts in your organization recently been audited internally or by an independent public accountant? (If yes, provide a copy of audit reports.)
  - b) Has your organization carried out Yellow Book audit or an audit that meets the requirements of 45 CFR 75, Subpart F?
7. Provide a brief History of the Institution.
  - a) When was your organization established?
  - b) Number of total staff:
  - c) Number of research & non-research staff:  
Research staff:  
Non-research staff:
  - d) Is your organization affiliated to other organizations (domestic & foreign)?
  - e) Is your organization part of a Government Agency?
  - f) Provide a brief (one or two paragraphs) history of the Institution.
8. What are the past and proposed relationships your organization has had or will have with NIH or other US agencies?
9. What were the total revenue/funding for your organization last year?

10. What were the sources of funding (to be illustrated by pie chart)?

% of Sources of Funding		
	Sources	Percentage
	1. Government 2. Private 3. Intl donors 4. Other Sources	
Total		100%

11. To whom was the Notice of Grant Award sent?

## **B. APPLICATION AND PROPOSAL PREPARATION**

1. a) Does your organization have a tracking system so that it knows when applications, reports, etc., are due?  
b) Describe the process.
2. Does your organization review, coordinate and maintain oversight of all applications and proposals?
3. Does your organization provide assistance to the Principal Investigator during the preparation of applications?
4. Does your organization review applications for compliance with finance, purchasing, audit and all other organizational policies?
5. a) Does your organization review applications for reasonableness of costs, adherence to policies and other grant requirements?  
b) When applications are prepared who reviews the budget to ensure that appropriate rates, salaries, fringe benefits, etc., have been used?
6. Does your organization have established dates to ensure that applications will arrive on time, at the appropriate office, and in acceptable condition?

## **C. POLICIES AND PROCEDURES**

1. Does your organization maintain current policy manuals, guides, circulars, letters of instructions, etc.?
2.
  - a) How does your organization keep current on new or changing rules, regulations, policies, procedures and other requirements?
  - b) How is staff informed of new or changing requirements?
  - c) Has your organization downloaded the Grants Policy Statement from the NIH website and distributed it to all appropriate staff?
  - d) Are all the appropriate staff knowledgeable and aware of the specific terms and conditions as stated in your Notice of Award?
4. What are your organization's procedures for assuring compliance with NIH/NIAID requirements regarding:
  - a) Research Misconduct:
  - b) Animal Welfare:
  - c) Human Subjects:
  - d) Inclusiveness in Research Design:
  - e) Lobbying:
  - f) Delinquent U.S. Federal Debts:
5. What is the procedure for developing new policies, certifications or assurances (e.g., Lobbying, Indirect Cost, etc.) when they are required?

## **D. AWARD MONITORING**

1.     a) How does your organization monitor grants?  
       b) Describe the process.
2.     Does your organization review the PI's monthly accounting reports to monitor progress and the appropriateness of charges to project?
3.     a) During the budget period is the PI informed of expenditures and balances available in the grant?  
       b) How frequently?



## **E. FISCAL AND SCIENTIFIC OVERLAP**

1. How does your organization ensure that funds are not received from several sources for:
  - a) Over 100% salary for the same person?
  - b) The same item of equipment or supplies?
  - c) The same science?
  
2. How does your organization's accounting system track a person's effort among many grants?

## **F. FINANCIAL CONFLICT OF INTEREST**

1. Does your organization have a written policy or guidelines on financial conflict of interest (FCOI) and the avoidance thereof? (If yes, provide a copy.)
2. Who is covered under the FCOI policy (e.g., which employees, consultants)?
3.
  - a) How does your organization ensure employee compliance with the FCOI policy?
  - b) How often?
4. What are the steps your organization will take when it determines that an FCOI exists?
5. How does your organization ensure consortium institutions have written conflict of interest guidelines and their investigators are in compliance with the guidelines?

## **G. CONSORTIUM ARRANGEMENTS**

1. Does your grant involve a consortium arrangement between your organization and other institutions?
2. Does your organization have a standard subcontract or consortium agreement?
3. How are the Terms of Award on the Notice of Grant Award conveyed to the consortium or subcontract organization?
4. Does your organization have written policies and procedures describing the monitoring of performance by consortium institutions?
5. How is the performance of consortium institutions reviewed?
6. Are there termination provisions for contracts or consortia in excess of \$10,000 (U.S.)?
7. Are vouchers/invoices required of the consortium institutions and do the vouchers/invoices provide a description of the costs incurred?
8. Does the Principal Investigator review the vouchers/invoices for appropriateness and approve the scientific progress?
9. How are the consortium institutions reimbursed e.g., in advance, monthly reimbursement, or other methods?
10. At what rate does your organization reimburse Indirect Cost to consortium institutions?
11.
  - a) Are there any consortium agreements with for-profit organizations?
  - b) If so, what are the policies regarding equipment purchased with grant funds?
12. How is the determination made whether or not research at the consortium institution involves human subjects or vertebrate animals?
13. What are your organization's procedures for monitoring compliance with NIH/NIAID regulations and policies at cooperating institutions if research involving human subjects or live vertebrate animals is being conducted at the consortium institutions?

## **H. INDIRECT COSTS**

1. What are your plans for the use of your 8% indirect cost allocation for compliance costs and other related activities?
2.
  - a) How will your organization ensure the use of these funds are as planned?
  - b) Who will have the responsibility?

## **I. RECORD MANAGEMENT**

1. Are there written policies and procedures regarding the maintenance, retention, disposal and security of grant records?
2. Are records maintained on a project-by-project basis?
3. Are there procedures for the maintenance of records, documents and other supporting evidence necessary to evaluate the scientific activity on grant-supported projects, including the fiscal management and expenditure systems?
4. Who is responsible for maintaining scientific records?
5. Who is responsible for maintaining fiscal and business records?
6.
  - a) Where are these records retained?
  - b) Are the filing and storage facilities adequate and accessible?
7. Does the records management system permit selective data retrieval for active, semi-active and inactive records?
8. What are the procedures for disposing of records?

## **J. FINANCIAL BANKING ARRANGEMENTS**

1. What is the established banking arrangement for your organization?
2.
  - a) What will be your banking arrangements for this project?
  - b) Do your banking arrangements differ by source of support?
  - c) Do you have a separate bank account for this grant/project?
3. Can your organization hold International Bank Accounts?
4. Who will sign for withdrawal of funds from the bank for the NIH/NIAID project(s)?
5. What is the policy both organizational and governmental on receipt of US dollars?
6. What is the planned practice on using and exchanging U.S. dollars to support the project?
7.
  - a) Is there a limit to the amount of U.S. funds that can be received at one time?
  - b) If yes, explain the process if limit is exceeded.
8. Are the funds requested in advance of needs or as a reimbursement of costs?
9. Please provide details of your bank for this project's funds.

**Name of Bank:**

**Account No**

**Address:**

**Manager:**

**Telephone:**

**Fax:**

**Email:**

**SWIFT No.:**

**Routing No.:**

**Correspondent Bank:**

## **K. PAYMENT MANAGEMENT SYSTEM (PMS)**

1. Have you registered in the payment management system?
2. What is the procedure for drawing down the funds?
3. Do you have a written policy regarding fund projections and drawdowns?
4. Who is responsible for drawing down the funds?
5. Does the supervisor/Manager verify the calculations before a drawdown is made?
6. What steps are taken to ensure that funds are drawn down for immediate needs only?
7. What happens if excess funds are drawn down?
8. Has the staff attended the WEBINAR training offered by PMS?

## **L. BUDGETARY CONTROLS**

1. How is an operating budget for the project developed? Please provide a copy of the line item budget for this project?
2. Who can make changes to the developed project budget?
3. To whom does this person or persons report?
4.
  - a) Are there written procedures describing the process required to change an established budget?
  - b) What is the process?
5. What controls are in place to ensure that NIH/NIAID approval is always obtained for the following items:
  - a) Use of funds restricted on the Notice of Grant Award
  - b) The expenditure of grant funds for cost items requiring NIH/NIAID prior approval:
6. Does your organization have an established procedure to determine the availability of budgeted project resources prior to the commitment or obligation of funds?



## **M. ACCOUNTING SYSTEM**

1. Does your organization have or plan to hire an accountant or fiscal manager for NIH/NIAID projects?
2. What are the qualifications required for the position responsible for the fiscal management of NIH/NIAID projects?
3. What is the job description for this position?
4. Who does this person report to?
5. Does your organization have an accounting manual? If so, please provide a copy.
6. Is a double-entry accounting system used?
7. Is there a chart of accounts? If so, please provide a copy.
8. Does your organization maintain basic books of account? See examples: (If no, describe how accounts are maintained.) Examples:
  - a) General Ledger:
  - b) Project or Job Cost Ledger:
  - c) Receipt and Disbursement Journals:
  - d) Supporting Journals (e.g., payroll, income, purchases, general)
9. Does the grant ledger include a total of the direct costs expended each month? (Provide a copy of the grant ledger for a recent month and last year's final summary ledger, if applicable.)
10. Does the accounting system identify individual receipts and expenditures for each grant and consortia? Describe.
11. Does the accounting system provide for the recording of expenditures for each project by cost category (e.g., personnel, supplies, travel, etc)?
12.
  - a) Are project expenditures reports prepared and compared to the approved project budget?
  - b) What is the frequency of the budget to actual expenditure reports?

13. Please explain the procedures in effect if a proposed obligation of funds will exceed the budgeted project funds available. (See BUDGETARY CONTROLS K.2 & 6)
14. When accounting errors are made who has the authority to make corrections? Are there written procedures?
15. Does your organization have a tracking system for determining when Financial Status Reports (FSRs) are due? If yes, describe the system.
16. Does your organization have a system for recording interest earned on U.S. funds?
17.
  - a) Does your accounting system provide for the timely billing and payment of accounts receivable and payable?
  - b) Is a report of outstanding receivables and payables prepared?
  - c) How are delinquent accounts resolved?

## **N. INTERNAL CONTROLS AND AUDITS**

1.
  - a) Are the accounting records and financial systems followed and audited periodically?
  - b) By whom?
  - c) How often?
  - d) Have problems been found?
  - e) If yes, describe. (Provide a copy of the last audit report.)
2. Is there an auditor on staff or have you retained a qualified independent public accounting firm to conduct an audit annually?
3. Does your organization have written policies and procedures for its internal audit responsibilities?
4. Do these procedures include a review to determine that all financial management systems comply with NIH/NIAID standards?
5. Do the policies include the requirement for a written report to the appropriate officials stating findings, recommendations and matters of audit significance?
6. Do the policies ensure the independence of the internal auditor(s)?
7. How is the information regarding internal accounting requirements and internal control systems communicated to personnel involved on the project?
8. Is there a separation of responsibility in the receipt, payment and recording of cash? For example, are the duties of the record keeper separated from receipt or payment or disbursement of cash?
9.
  - a) Are all checks and supporting documents reviewed and approved before they are signed?
  - b) Are checks co-signed?
  - c) Are all checks serially numbered?
  - d) Where are blank checks kept?

10. Is the signing of checks limited to those who are designated officials whose duties exclude posting, recording cash received, approving vouchers for payment and payroll preparation?
11. Are all accounting entries supported by appropriate documentation; e.g., purchase orders, vouchers, vendor payments, etc.?
12.
  - a) Is there a petty cash fund?
  - b) If yes, who is entrusted to be the single custodian for use of funds?
  - c) What safeguards are in place to prevent misuse of the funds?
  - d) Is it on an imprest basis?
  - e) Provide a copy of the policy, if available.
13.
  - a) Are bank accounts reconciled monthly and copies maintained in the files?
  - b) Do persons not involved in disbursement and payroll procedures do reconciliation?
  - c) Who reviews the reconciliations?
14. Are employees who handle funds required to be bonded against loss?

## **O. PERSONNEL**

1. Does your organization have established personnel policies? If yes, please provide a copy.
2. Do these policies detail at a minimum:
  - a) Duties and responsibilities of each employee position?
  - b) Qualifications for each position?
  - c) Salary ranges associated with each position?
  - d) Procedures for consistency in recruiting, hiring, compensating, disciplining and discharging of employees?
  - e) Annual performance evaluations?
  - f) Types and levels of fringe benefits paid to employees and officials?
3. How does your organization ensure compliance with these policies?
4.
  - a) Are salary comparability surveys conducted?
  - b) If so, how often?
  - c) Is employee compensation comparable to that paid for similar work in the labor market?
5.
  - a) Are salaries of personnel assigned to NIAID projects the same as salaries of similar positions paid for by your organization?
  - b) If there are no similar positions, are the salaries in accordance with the established salary ranges and the qualifications for each position?
  - c) Are personnel assigned to NIAID projects paid any additional sums as supplements, honoraria, etc?
6.
  - a) Does your organization have employees with dual appointments either as the primary employer or with another organization as primary?
  - b) Are these part-time employees or full-time? Describe.
7.
  - a) How is part-time employment recorded in your system and on grant applications?
  - b) How are salaries determined?

8.
  - a) How does your organization record estimated time and effort to be spent on multiple activities by professional staff?
  - b) Describe the process used to certify actual time and effort spent on project, including who certifies.
  - c) What is the frequency of the certification?
9.
  - a) Does your organization maintain daily attendance records for non-professional employees?
  - b) Do supervisors approve them?
10. How does your organization keep track of the time and effort of staff that do some of their work in the field or offsite?
11.
  - a) Are employees permitted to act as consultants for outside organizations?
  - b) What is your organization's policy? (Provide a copy of the policy if there is one.)

## **P. PAYROLL**

1. How many employees are in the payroll department?
2. Once a person is hired how are they designated as an employee and paid?
3. How is an employee removed from the payroll when he or she leaves your organization?
4. How are wage rates authorized?
5. Are employees paid by cash, check or electronic transfer?
6. Does someone, other than the person who prepares the payroll checks, verify payroll accuracy?
7. Who distributes payroll cash, checks or electronic transfer information?

## **Q. PROCUREMENT**

1. a) Does your organization have written purchasing policies or procedures?  
b) If not, briefly describe how purchases are handled. (Provide a copy of policy or procedure, if available.)
2. Who is responsible for final approval of purchasing requests?
3. Who is the individual who accounts for the purchase?
4. Who is the individual who receives the purchase?
5. Does your policy or procedure consider such matters as quality, cost and delivery?
6. What documentation is necessary to initiate purchasing equipment and services?
7. Who is responsible for checking invoices for:
  - a) Prices and credit terms?
  - b) Duty fees and Value Added Taxes?
  - c) Freight charges or allowances?
8. Is there a written policy or procedure for emergency acquisitions?
9. Are competitive bids obtained for items such as capital equipment, rentals or service agreements over specific amounts?
10. Is an account payable established for the grant account when a purchase is authorized?
11. Are the vouchers/invoices, supporting documents and expenses or other distributions reviewed and initialed by a designated employee before payment is authorized?
12. Who is notified if purchased goods are returned to the vendor?
13. Is there a system for the recording and checking of partial deliveries?
14. If an obligation was established for the grant account and only a partial order is received, is the grant account credited for the undelivered portion of the order?



## **R. PROPERTY MANAGEMENT**

1. Does your organization have written policies and procedures governing the acquisition, maintenance and disposition of property? If yes, please provide a copy.
2.
  - a) Are records maintained which provide a description of the items purchased, the acquisition date, cost, the location and ultimate disposition data?
  - b) How long are the records maintained?
3.
  - a) Is equipment tagged or labeled upon receipt when purchased with NIH/NIAID funds?
  - b) Do the records include identification of the grant under which the equipment was acquired?
4. Are proposed purchases screened to avoid unnecessary or duplicate items?
5.
  - a) Are detailed property records periodically checked by physical inventory?
  - b) How often?
6. Is there a control system to ensure adequate safeguards to prevent loss, damage or theft of the property?
7.
  - a) Are periodic reports prepared showing obsolete equipment, equipment needing repair or equipment no longer useful to your organization?
  - b) Is there a maintenance program to keep the property in good use and working condition?

## **S. TRAVEL**

1. Does your organization have a written travel policy?

If yes, does it require that:

a) Travel requests and the purpose of the travel must be approved and justified prior to the trip?

b) Travel charges are reimbursed based on actual costs incurred or by use of per diem and mileage rates. Is there a maximum allowance, or is reasonableness of the expense a consideration?

c) Receipts for lodging and meals are required when reimbursement is based on actual costs incurred?

d) Per diem rates include reasonable dollar limitations?

e) Commercial transportation costs must be incurred at less than first class whenever possible?

f) When travel is funded from NIH/NIAID funds, that U.S. flag air carriers are used for departure from and entry into the U.S. and for any other portion of the trip when they are available?

2. Who reviews travel vouchers and what is the process?

## **T. CONSULTANTS**

1. Are there written policies which are consistently followed regarding the use of consultants and which detail at a minimum:
  - a) Circumstances under which consultants may be used?
  - b) How decisions are made on selecting consultants?
  - c) Travel, consulting rates, per diem, etc.?
2. Are consultants required to sign consulting agreements outlining services to be rendered, duration of engagement and pay rates?
3. Are invoices and final reports required of consultants prior to payment?
4. Who reviews these documents and what is the process?

## **U. PUBLIC ACCESS**

1. Does your organization have a written policy or guidelines on public access? (If yes, provide a copy.)
2. Who is covered under the policy (e.g., which employees, consultants)?
3.
  - a) How does your organization ensure employee compliance with the policy?
  - b) How often?
4. How does your organization ensure consortium institutions follow the public access guidelines and their investigators are in compliance with the guidelines?

## **V. NIAID/NIH GRANT CLOSEOUT**

1. Do you have a written policy regarding closeout procedures?
2. Is staff working on grants management knowledgeable of the grant closeout guidelines?
3. Did any grants end after September 30, 2014?
4. If yes, were the closeout procedures followed?
5. Have all final reports been submitted within time limits?

*Thank you for completing the review. Your time and effort are very much appreciated.*