1890 Project Management 101

Presenters:

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Craig Warner, College of Agriculture and Human Sciences (CAHS)
TOPICS OF DISCUSSION

Techniques for…

1. Program Management
2. Operational Management
3. Fiscal Compliance Management
Project Management

The Five Project Management Process Groups

- **Initiation**: Defines or authorizes the project (or phase of a project).
- **Planning**: Refines the project goal, scope, requirement etc. and develops the project master plan.
- **Implementation**: Brings together all required resources to undertake the project in accordance with the master plan.
- **Monitoring, Evaluation & Control**: Monitors the project to identify and access shortfalls and variances and initiates corrective action if needed.
- **Closure**: Formalizes acceptance of the project output by the project customer and brings the project to its end.
Techniques for Program Management

Initiation Phase

*Defines a project or phase of existing project*

1. Establish a project initiation team
2. Establish a relationship with the stakeholders
3. Establish a project initiation plan
4. Establish management procedures
5. Establish the project management environment and workbook
Initiation Phase

Who should be involved?

- Executive Leadership
- Program Managers
- State and Local Officials
- Stakeholders
Techniques for Program Management

Planning Phase

Establishes the scope, defines the objectives, develops the course of action

1. Describe project scope, alternatives and feasibility
   - What challenges/opportunities does the project address?
   - What are the desired results?
   - What needs to be done?
   - How will success be measured?

2. Divide the project into tasks
Techniques for Program Management

Planning Phase (cont’d)

3. Develop a preliminary schedule
4. Develop a communication plan
5. Determine project standards and procedures
6. Identify and accesses risk
7. Create a preliminary budget and resource plan
8. Develop a statement of work (SOW)
Techniques for Fiscal Compliance Management

Planning Phase

Establishes the scope, defines the objectives, develops the course of action

1. Determine project standards and procedures
   - Set up project in project management system
   - Communicate and/or input terms and conditions of the award
   - Communicate and/or input deliverables of the award
   - Input budget into the financial system
   - Input budget restrictions into financial system

2. Notify project management team of setup completion
Planning Phase

Who should be involved?

- Executive Leadership
- Program Managers
- Stakeholders
- Operations Team (Project Leads, Administrative Support Staff)
- Fiscal Compliance Office (Office of Sponsored Programs)
Techniques for Program Management

Implementation Phase

*Executes the work defined in the project or SOW*

1. Execute the baseline project plan
   - Carry out project activities
   - Acquire and assign resources
   - Orient and train new team members
   - Keep the project on schedule
   - Assure the quality of project deliverables

2. Monitor project progress against the baseline project plan
Techniques for Program Management

Implementation Phase (cont’d)

3. Manage changes to baseline project plan
4. Maintain the project workbook
5. Communicate the project status
Techniques for Program Management

EFFECTIVE VS. EFFICIENT

Efficient: achieving maximum productivity with minimum waste effort or expense

Effective: successful in producing a desired result

EFFECTIVE ≠ EFFICIENT
## Techniques for Program Management

<table>
<thead>
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<th>High</th>
<th>Effective but not efficient. Some resource are wasted</th>
<th>Effective &amp; efficient. Goal are achieve &amp; resource are well utilized, area of high productivity</th>
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<td>Efficient but not effective, no wasted resource but goals not achieve</td>
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<tr>
<td>Poor</td>
<td>Resource utilization</td>
<td>Good</td>
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**1890 PROJECT MANAGEMENT 101**
Techniques for Operational Management

Implementation Phase

Executes the work defined in the project or SOW

1. Execute the baseline project plan
   - Carry out project activities
   - Procure and assign resources
     - Ensure items and services are allocable, allowable and reasonable
     - Seek prior-approvals if applicable
     - Properly document utilization and assignment of property and equipment
   - Orient and train new team members
Implementation Phase (cont’d)

2. Examine tasks against the baseline project plan
3. Maintain appropriate documentation for tasks assigned
4. Communicate the status of tasks

HOW DOES A PROJECT GET TO BE A YEAR LATE?... ONE DAY AT A TIME.

~Fred Brooks~
Techniques for Fiscal Compliance Management

Implementation Phase

Executes the work defined in the project or SOW

1. Identify all project inflows and outflows

2. Review and document cost allowability methodology

   - Based on cost-principles, program statute, agency guidelines and institutional policy

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<td>Consistent</td>
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</table>
Techniques for Fiscal Compliance Management

Implementation Phase

Executes the work defined in the project or SOW

3. Maintain appropriate records and documentation showing source and use of funds

4. Communicate the project status (actual vs. budgeted), rules and regulations

There is no “I” in TEAM
Implementation Phase

Who should be involved?

- Program Team
- Operations Team
- Fiscal Compliance Team
- Stakeholders
Techniques for Program Management

Monitoring, Evaluation and Control Phase

Tracks, reviews and regulates the progress and performance of the project

1. Track performance of the project
   - Is performance properly managed and monitored?
   - Are we on schedule?
   - Do we have sufficient, supporting documentation?
   - Are corrective actions warranted?

2. Evaluate implementation of corrective actions

3. Evaluate improvements to other areas
Techniques for Operational Management

Monitoring, Evaluation and Control Phase

Tracks, reviews and regulates the progress and performance of the project

1. Track performance of the project
   - Is performance properly managed and monitored?
   - Are we on schedule?
   - Are we providing sufficient, supporting documentation?

2. Implement corrective actions
   - Document improved processes

3. Implement improvements to other areas
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

Tracks, reviews and regulates the progress and performance of the project

1. Evaluate and implement improvements to internal controls per 2 CFR §200.303

- Effective and efficient operations
- Reliable reporting
- Compliance with applicable laws and regulations
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

Internal Control Areas of Concern

- Keep funding sources separate
- Minimize cost transfers
- Equipment purchases
- Time and Effort
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

SEGREGATION OF FUNDS IN ACCOUNTING SYSTEM

2 CFR §200.302(B)(1)

Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received.

Federal program and Federal award identification must include, as applicable:

- CFDA title and number
- Federal award identification number and year
- Name of the Federal agency
- Name of the pass-through entity, if any
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

BEST PRACTICES REGARDING SEGREGATION OF FUNDS

- Have a system in place that clearly identifies awards with different award numbers are established in separate accounts
- Ensure that each award is assigned a new fund or sub-fund code
- Do not co-mingle state and federal funds in the accounting system
- Ensure that required identifiable information that is present
# Techniques for Fiscal Compliance Management

## 04/11/18 12:38
**FY 2018 CC 05**

**Support Account Search**

- **Screen:**
- **Account:** 482102 00000
- **Dept/SDepth Search:**
- **Respons Person Search:**
- **Include Deleted Accts:** N

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*Press ENTER to View More Accounts***

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Hmenu Help EHelp Dload
Techniques for Fiscal Compliance Management
Techniques for Fiscal Compliance Management

088 SL Attributes 2

Screen: [ ] Account: 482102 ___ EVANS ALLEN FY 2016

Element of Cost: ____ Sub-El: ____ Foreign Tvl: 5 Gen Exp Bud: N
Effort Category: DRES_ Foreign Per: Y Admin/Clerical: __
Salary Sav. Dist: _______ ______ Rev Pledged: N Restricted: N
Fac Salary Sav. Dist: _______ ______ Pyrl Acct Anal: 5170 Delg Type: __
Fac Savings Form 500: _______ ______ Int Exempt: __ Int Exe Reason: __
Grad Savings Form 500: _______ ______ Interest Acct: 215111 00000
ETravel Fee: ______ ______

USAS Cd: ___ Obj Trans --- Subcode Edits ---
Bond Issue: _______ Cat Type Low High Match
Budget Sort: ____ Cost Ref 1: ____ ____ ____ ____ ____ ___
Gift Fee Exempt: N Cost Ref 2: ____ ____ ____ ____ ____ __
A/R Clerk Cd: 3C Cap. Campaign: __ __ __ __ __ __ __
GCP/Constr.Proj: _______ _______ ___ __
Accountant Resp: BURG, LOIS W
Title to Equip: PVAMU
Comments: BASE FOR VARIOUS CARC 2016 LAND GRANT ACTIVITY ACCOUNTS ASAP
#33100089163310016000 PROGRAM INCOME 482152

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
Hmenu Help EHelp Next CAcct Cmnt

IGNITE your passion ... Experience PVAMU
Techniques for Fiscal Compliance Management

F0013 Please enter desired modifications
009 SL Grant/Contract Attributes

Screen: _____ Account: 482102 _____ EVANS ALLEN FY 2016

Sponsored Project: 48210200000 EVANS ALLEN AG. RESEARCH FY 201
Sponsor: 0000977 USDA-NATIONAL INSTITUTE OF FOOD
Award Nbr: 20163310008916

Total Awarded: 5170651.00

90 Day Pre: __ Billing Revenue Object: 0250
Start Date: 10/01/2015 Indirect Expense Object: 9610
End Date: 09/30/2017 Indirect Revenue Object: 0320

Total Awarded: 5170651.00

TAMRF Acct/Proj Nbr: __________ System Member: 05
CS Acct Link: ________ TE Certify: Y E-Verify: _

---- Indirect Cost ----
Base: NONE
Rate: 

Distribution: 

CFDA Nbr: 10.205 NSF Category: USDA

Activity: 1A
Science/Engineering Field: 2G
Character of Work: 4B
Selection Process: 5B

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
Hmenu Help EHelp Next CProj AResp
Techniques for Fiscal Compliance Management

$0013 Please enter desired modifications
115 Project Billing Information
04/11/18 12:41
FY 2018 CC 05

Screen: [ ] Project: 4821020000 EVANS ALLEN AG. RESEARCH FY 2016

Bill Mode: C Type: _ Frequency: _

Beg Date for Next Bill Cycle: ________
First Bill Date: ________ Estimated Next Bill Date: ________
Final Installment Date: ________ Last Date Billed: ________
Regular Installment Amt: ________ Last Invoice Number: ________
Last Bill Sequence: ___

Letter of Credit Group: NIFAPV
Project Summary: N Print Outstanding Inv Summ: N Certification: N

Retention Percent: ________ Limit: ________
Retention Balance: ________ Retained from Billing: ________

Comment: ASAP# 33100089163310016000; POST REV 0018
Form Number: SF-425__ Number Copies: __ Cost Share Report: _
Detail Expense: _ Manual Backup: _
Payroll Summary: _ Payroll Detail: _
Enter: PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
Hmenu Help EHelp Next
**Techniques for Fiscal Compliance Management**

**Monitoring, Evaluation and Control Phase**

**COST TRANSFERS**

An expense reassigned within or between accounts, cost centers or internal orders used to bill interdepartmental costs, to adjust billing errors initially recorded in the accounting system.

- Are we shifting costs just because funds are available?
- Are we shifting costs just to accomplish some other financial objectives?
- Do we have controls in place to ensure that individuals are acting responsibly and with informed diligence when managing sponsored funding?
- Are we shifting costs from an over-expended account to a grant account?
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

UNALLOWABLE COST TRANSFERS

Costs allocable to a particular sponsored agreement may not be shifted to other sponsored agreements in order to:

- Meet deficiencies caused by overruns or other fund considerations
- Avoid restriction imposed by law or by terms of the sponsored agreement, or
- For other reasons of convenience

Cost over authorized funding levels transferred from any award or contract to another award or contract is unallowable
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

BEST PRACTICES REGARDING COST TRANSFERS

- Allocate costs proportionately at the time of requisition
- Ensure service centers have accurate information on the appropriate grant to which services should be billed
- Confirm allocation of costs with the PI before charging
- Conduct timely review and distribution of purchasing card charges
- Ensure sponsored project accounts are not the default source account for purchasing card expenses
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

BEST PRACTICES REGARDING COST TRANSFERS

- Have a system in place to detect errors within a reasonable time frame
- Have a policy to address the timeliness of cost transfers to sponsored projects
- Require senior leadership approval for all transfers in excess of 90 days
- Always transfer erroneous charges from a sponsored project
- Do not “park” charges on grant account
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

BEST PRACTICES REGARDING COST TRANSFERS

- Have a policy that only allows for cost over-runs to be transferred to institutional accounts
- Require monthly review and reconciliation of expenditures
- Ensure training and cross training for financial administrative support staff
- Must be supported by sufficient documentation that fully explains how the error occurred and a certification of correctness of the new charge by a responsible official
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

EQUIPMENT PURCHASES

2 CFR §200.313

Property records must be maintained that include a description of the property:

- Serial number or other identification number
- Source of funding (including FAIN)
- Vesting information
- Acquisition date
- Cost
- % of federal participation of costs
- Location
- Use and condition
- Disposition data
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

BEST PRACTICES REGARDING EQUIPMENT PURCHASES

- Have a process in place for equipment purchases $\geq 5,000 \text{ when prior approval is required}$

- Know and document disposition rules up front
  - FMV is $\leq 5,000$ (no further obligation)
  - FMV is $> 5,000$ (if not known request written disposition instructions)

- Have procedures regarding the sale and/or replacement of equipment

- Conduct physical inventory at least once every two years
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

TIME AND EFFORT

2 CFR §200.430

Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by internal controls
- Be a part of official records
- Reasonably reflect 100% of total compensation
- Encompass both federally assisted and all other activities compensated
- Support distribution among specific activities if the employee works on more than one award or activity
Techniques for Fiscal Compliance Management

Monitoring, Evaluation and Control Phase

BEST PRACTICES REGARDING TIME AND EFFORT

- Do not use budget estimates as THE tool for completing effort certification
- Ensure proper certification by appropriate personnel; person with first-hand knowledge (e.g. employee and supervisor/PI)
- Complete monthly personnel activity reports (PARs) to support the certification
- Provide guidance on how % are to be measured, documented and reported
- Provide procedures for the review and certification process
Monitoring, Evaluation and Control Phase

Who should be involved?

- Project Management Team
- Operational Management Team
- Fiscal Compliance Management Team
- “Stakeholder” Board

SMALL ACTS, WHEN MULTIPLIED BY MILLIONS OF PEOPLE, CAN TRANSFORM THE WORLD
Techniques for Program Management

Closure Phase

Finalizes all activities in the project

1. Pre-closeout of the project
   - Determine whether or not you need more time to meet deliverables

2. Closeout the project
   - Ensure that all contractual terms of the project have been meet
   - Complete final technical reports

3. Conduct post project reviews
   - Identify the strengths and weaknesses of project deliverables (lessons learned)
   - Review and (if necessary) re-evaluate processes (capture feedback)
Techniques for Operational Management

Closure Phase

Finalizes all activities in the project

1. Pre-closeout of the project
   - Initiate personnel actions to move salary/benefits to new account
   - Start the process to liquidate outstanding encumbrances
   - Ensure budget availability for future expenditures
   - Analyze the account for questionable charges

2. Closeout the project
   - Ensure encumbrances have been liquidated
   - Ensure cost-transfers have been requested and completed
Techniques for Fiscal Compliance Management

Closure Phase

Finalizes all activities in the project

1. Pre-closeout of the project
   - Notify program and operational team of the expiring account
   - Analyze the account for questionable charges

2. Closeout the project
   - Ensure encumbrances have been liquidated
   - Ensure cost-transfers have been requested and completed
   - Complete final financial reports
   - Complete final drawdown of funds
Closure Phase

Who should be involved?

- Program Team
- Operations Team
- Fiscal Compliance Team
Conclusion

Techniques included in the five phases of the project management cycle will enable a project team to:

- Link project goals and objectives to stakeholder needs
- Build high-performance project teams
- Calculate risks
- Estimate project costs and schedules
- Develop work breakdown structures to manage deliverables
- Establish a dependable control and monitoring system
- Form effective communication strategies
- Work across functional boundaries
- Meet time constraints
QUESTIONS

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