Entering Incoming Sponsored Billing Agreements into GMAS

Originally Issued: September 9, 2019
Last Revised: December 9, 2019
Responsible Office: Office for Sponsored Programs

Purpose

This document outlines the process for incoming Billing Agreements (BAs) using sponsored funds. Adhering to it helps avoid dual paychecks and benefit plans, and ensures proper reimbursement of personnel expenses (salary, fringe, stipend, tuition/fees, travel, and training-related expenses) when an employee or trainee from Harvard (the primary employer, or “Non-grantee Institution”) performs work at another local institution (the prime recipient of an award, or “Prime Institution”). This document covers processes for BAs; Salary and Trainee Stipend BAs; and BA amendments, in each case, where Harvard is the Non-grantee Institution (i.e. incoming BAs). BAs under which Harvard is the Prime Institution are subject to separate processes. BA’s without a sponsored funding source should continue to be handled at the local level and NOT be entered into GMAS.

Considerations

1. The other institution must be a Harvard University Affiliate Institution (view the list of Affiliate Institutions), Massachusetts Institute of Technology, The Broad Institute, or the National Bureau of Economic Research (each, an “Affiliate Institution” for purposes of this process).

2. Is a BA the appropriate mechanism? The answer must be “yes” to all of the following:
   a. Is the person primarily employed or paid by the Non-grantee Institution?
   b. Will all work described in the BA be conducted at the Prime Institution?
   c. Does the BA include only direct personnel costs (or tuition), and exclude F&A? You Must use Non-grantee Institution’s fringe rate.
   d. Is the work described in the BA research-related?
   e. Are the direct personnel costs to be paid from a sponsored award to the Prime Institution?
3. Use the appropriate Billing Agreement Template from the [ORA Website Forms Page](https://ora.harvard.edu/forms) (Salary, Trainee Stipend, or Amendment).

4. Make no changes to the template’s Terms and Conditions.

5. For Trainee Stipend BAs, attach the Statement of Appointment form (PHS 2271), and ensure the information matches what is in the BA (dates, amount of stipend, tuition, fees).

6. Only use BA Amendments to make changes **within** a budget period already governed by an existing BA. Subsequent budget periods should be issued under a new BA.

7. Upload copies of all fully executed incoming BAs to GMAS per the process outlined herein.

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**Standards of Service**

The Department (any school unit including divisions, centers, institutes, programs, etc.) grants manager (GM) or equivalent works with the Affiliate Institution to obtain the draft BA.

The Office for Sponsored Programs reviews the draft BA with the department and signs the agreement on behalf of HU.

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**Process for INCOMING Salary BAs (Harvard is Non-Grantee Institution)**

- Affiliate Institution is the Prime Institution (prime recipient of award);
- Person is primarily employed by Harvard;
- Work is being done on a sponsored project at an Affiliate Institution;
- Funds are coming into Harvard from an Affiliate Institution (Harvard is invoicing for reimbursement).
Table 1: Process for INCOMING Salary BAs (Harvard is Non-Grantee Institution)

<table>
<thead>
<tr>
<th>Step</th>
<th>Role</th>
<th>Task/Activity</th>
</tr>
</thead>
</table>
| 1    | Dept GM    | • Obtain the draft BA from Affiliate Institution.  
• Ensure that the BA information matches the Department’s and Harvard employee’s understanding of the arrangement/project.  
• If this is the first year the Harvard employee is working on the BA project under this process, enter an initial request in GMAS identifying the Project Type as “Billing Agreement” and listing “Billing Agreement:” as the Project Title prefix (see Appendix A for guidance on entry of the BA information). If a GMAS Project for this BA activity already exists, GMAS request entry is not necessary.  
NOTE: if a prior year’s billing agreement was managed outside of GMAS, the next/current year can be set up in GMAS going forward. However, we cannot cut-over a billing agreement if an invoice has already been sent to the Affiliate Institution via a separate process.  
• Create an Initial Request in GMAS and upload the partially executed BA to the Request Document Repository. |
| 2    | OSP SGCS   | • Review BA with GM and request any necessary changes from Affiliate Institution. Ensure that Harvard’s fringe rate is used.  
• Review GMAS Initial Request for consistency with information reflected in the draft BA and instructions outlined in Appendix A. When ready, “submit to sponsor” initial request in GMAS.  
• Partially execute BA and return to Affiliate Institution.  
• Upon receipt from Affiliate Institution log FEA las a notice against the GMAS request. |
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>3</td>
<td>OSP SGCS</td>
<td>• Bypass “Confirm Research Team” and complete the account set up in GMAS. Select “Billing agreement” as the Funding Instrument to ensure the fund type defaults to the NE range (200000-249999). (See Appendix B with special account set-up considerations)</td>
</tr>
<tr>
<td>4</td>
<td>Dept GM</td>
<td>• Update salary coding</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Review and reconcile account monthly</td>
</tr>
<tr>
<td>5</td>
<td>OSP RF</td>
<td>• Prepare and submit monthly invoices based on GL expenditures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Notify GM of account over-expenditure</td>
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<td></td>
<td>• Perform accounts receivable collections as needed</td>
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<td>6</td>
<td>Dept GM</td>
<td>• At agreement end, update salary coding</td>
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<td></td>
<td></td>
<td>• Perform final reconciliation of account against budget</td>
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<td>7</td>
<td>OSP RF</td>
<td>• Confirm cumulative expenditures (GMAS Final Figure) with GM. NOTE: a full Compliance Checklist is not required; only a confirmation of final expenditures against budget.</td>
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<td></td>
<td></td>
<td>• Prepare and submit final invoice</td>
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<td></td>
<td></td>
<td>• Perform collection on any outstanding receivables</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Process Revision to de-obligate in any remaining funds GMAS (no carryforward)</td>
</tr>
<tr>
<td>8</td>
<td>OSP RF</td>
<td>• Fully reconciled accounts will automatically disable 90-days after the account end date. NOTE: OSP can manually set an account to disable ahead of 90 days, if requested.</td>
</tr>
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<td></td>
<td></td>
<td>• Segment closeout will occur 9-months after award end date, per current process</td>
</tr>
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Process for INCOMING Trainee Stipend BAs (Harvard is Non-Grantee Institution)

- Affiliate Institution is the Prime Institution (prime recipient of training award);
- Trainee is primarily paid by Harvard;
- Work is being done on a project at an Affiliate Institution;
- Funds are coming into Harvard from an Affiliate Institution (Harvard is invoicing for reimbursement).

Table 2: Process for INCOMING Trainee Stipend BAs (Harvard is Non-Grantee Institution)

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</table>
| 1    | Dept GM | • Obtain the draft BA from Affiliate Institution.  
      |       | • Ensure that the BA information matches the Department’s and the Harvard employee/trainee’s understanding of the arrangement/project. 
<pre><code>  |       | • If this is the first year the Harvard employee/trainee is being supported under this training grant under this process, enter an initial request in GMAS (see Appendix A for guidance on entry of the BA information). If a GMAS Project for this BA activity already exists, GMAS request entry is not necessary. Note: if a prior year’s billing agreement was managed outside of GMAS, the next/current year can be set up in GMAS going forward. However, we cannot cut-over a billing agreement if an invoice has already been sent to the Affiliate Institution via a separate process. |
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<td>the fund type defaults to the NE range (200000-249999). (See Appendix B with special account set-up considerations.)</td>
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<td>4</td>
<td>Dept GM</td>
<td>• Charge appropriate stipend (non-employee) object code: 6440 for pre-docs, 6450 for post-docs. Includes trainee’s name (and HUID if available) and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Affiliate Institution abbreviation in transaction description.</td>
</tr>
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• Prepare and submit final invoice  
• Perform collection on any outstanding receivables  
• Process GMAS Revision to de-obligate funds |
| 9    | OSP RF | • Fully reconciled accounts will automatically disable 90-days after the account end date. Note: OSP can manually set an account to disable ahead of 90 days, if requested.  
• Segment closeout will occur 9-months after award end date, per current process |

**Process for INCOMING BA AMENDMENTS (Harvard is Non-Grantee Institution)**

- **Only** for changes within a current budget period already covered by an existing BA, which are outlined in the amendment template.
- A **new** BA is required for all other situations, like adding subsequent years of funding, or adding a new funding source.
- If a funding source changes from sponsored to non-sponsored or institutional funds the existing BA must be terminated by a formal amendment.
### Table 3: Process for INCOMING BA AMENDMENTS (Harvard is Non-Grantee Institution)

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| 1    | Dept GM   | • Draft BA Amendment or obtain the draft BA Amendment from Affiliate Institution.  
       |           | • Ensure that the BA Amendment information matches the Department’s, the employee’s, and the Affiliate’s understanding of the changes being made.  
       |           | • Send for processing to [OSPProposalAssistance@harvard.edu](mailto:OSPProposalAssistance@harvard.edu) with existing Fund number. |
| 2    | OSP SGCS  | • Ensure that the Amendment is used only to make changes within a budget period already governed by an existing BA (allowable changes are specified in the BA Amendment template).  
       |           | • Ensure that all other information matches the original BA, and that the exact same Agreement Reference # is used.  
       |           | • Return partially executed BA to Affiliate Institution.  
       |           | • Obtain fully executed BA Amendment from Affiliate Institution.  
       |           | • Provide copy to GM (if they haven’t received it already).  
       |           | • Upload in GMAS Notice Repository to replace the Partially Executed or Draft BA previously logged.  
       |           | • Revise GMAS account string per changes reflected in the BA Amendment. |
Appendix A – GMAS Initial Request Entry Guidance

Leave all Optional fields blank

Request Entry

- Org: Home Org of employee covered under the BA
- Project type: “Billing Agreement”
- Principal Investigator: Employee/Trainee covered under the BA
- Proposal Title: “Billing Agreement: [Name of employee covered by BA +Title of Grant from BA]”
- Sponsor: Grantee Institution/Affiliate Institution name
- Harvard is a subrecipient: “Yes”
- Prime Sponsor: Prime Sponsor listed on the BA
- Prime PI: Prime PI listed on the BA
- Start date: Start Date listed on BA
- Number of periods – enter the full number of periods that the individual is anticipated to work on this project (use the estimated project period from the BA to determine the number of periods)
- Discipline: “Other”
- A21 Code: A03 (Other Sponsored Activity (OSA))
- Preponderance of Effort: Off-campus
- Has this proposal been submitted without institutional (OSP/SPA) review and approval: No
- Due to Sponsor: One week from the date you’re entering

PI Information Entry:

- Proposed Effort for PI: Effort level listed on BA

Proposed Budget Entry:

- Budget: just list total directs from BA
- IDC rate: 0%
Approval Questions:

- Answer no to everything

School Questions

- Answer no to everything

Lock and Route for signatures:

- Obtain signatures from PI and Department Approver (Sponsored Programs Approver signature is not required)
Appendix B – Special Account Set-Up Considerations

- Award number: Reference number from the billing agreement
- Fund: NE range
- Account should be established in year logic
- A21 code should be A03
- 0% F&A for HUIDC with IDC Basis as TDC
- Root value:
  - Principal Investigator or Faculty Root
  - For Trainees, use the root value of the Harvard mentor or supervisor
  - For post docs or other situations, use the root value of the PI whose lab they primarily work in
  - If none of these scenarios apply, the Department Chair can be listed as the PI, so that a Root Value can be obtained