

## INSIGHTS FROM THE BDO LIFE SCIENCES PRACTICE

# Best Practices for Managing Federal Funding for Biodefense & Life Sciences

Receiving a federal award is exciting and opens many doors for product developers. However, these awards have strict regulatory and compliance requirements to ensure taxpayer money is spent appropriately. This is especially true in the biodefense and life sciences space, where products and technologies are intended to ensure the health and safety of both U.S. civilians and military personnel. These best practices provide a solid foundation on which to build your federal award management strategy and remain compliant with the broad array of requirements.

## Best Practices for Managing a Federal Award

**Communicate** actively with the government.



You'll submit monthly reports to the government, but your communication responsibilities don't stop there. The government should be notified of any adjustments to scheduling, performance or budget as soon as possible. There should never be any surprises in your monthly reports.

Put everything in **writing**.



When it comes to managing federal funding, accurate documentation is everything. Make sure you have everything in writing from the government, including technical directives. This will make it much easier to fulfill your reporting requirements and reduce the risk of miscommunication.

Design a **project accounting** system.



The goal of your accounting system should be to track and account for all project costs. Your accounting system must meet not only basic Generally Accepted Accounting Principles (GAAP) but also the unique federal cost accounting requirements and your award-specific terms.

Establish a **purchasing policy**.



It's your responsibility to make sure the prices you're paying are fair and reasonable. Always maintain proper, written documentation of all purchases and design a policy that meets the basic requirements of federal awards to ensure you are remaining compliant.

Never incur costs without **consent**.



You must have the proper approvals and systems in place before you begin to incur costs. Failure to do so may put your reimbursement of those costs in jeopardy. Ensure you are aware of the terms required by your federal awards prior to incurring costs.

Create a robust **data governance** process.



If you've received federal funding related to biodefense, chances are you'll be working with sensitive information. Regardless of the type of information you collect and use, you should always be confident in your ability to secure and protect your data. You can use our [comprehensive guide to data governance](#) to make sure your process is up to par.

Proper management of your federal awards is key to ensuring the successful development of your product or technology. It can open the door for additional funding to support later stage development, or to new partnerships for the development of additional products and technologies. However, if you mismanage your award, you could be responsible for the financial fallout and it may damage your ability to work with the government in the future. It's crucial to keep careful documentation and build robust processes to ensure you're remaining compliant and satisfying your obligations.

**Thinking about submitting a proposal for federal funding? Click [here](#) to check out part one of this infographic.**

## HOW BDO CAN HELP

Want to seek federal funding but unsure where to begin? BDO can be your trusted partner through the product development lifecycle, from designing your strategy to post-award contract management. Our Biodefense, Life Sciences and Government Contracts team is experienced in leading strategic partnerships with government agencies including the Biomedical Advanced Research and Development Authority (BARDA), National Institutes of Health (NIH), DOD's Joint Program Executive Office (JPEO-CBRND) and more. With BDO, you'll have access to the right resources to successfully attain and manage federal funds. With the right approach, our support can often be recovered via future federal awards.

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## ABOUT BDO LIFE SCIENCES PRACTICE

BDO's Life Sciences Practice provides the guidance that pharmaceutical, biotech, and medical device manufacturers need, when they need it. From understanding the complexities of research and development tax credits and FDA regulations, to licensing agreements and due diligence, we help our clients grow.

## ABOUT BDO

Our purpose is helping people thrive, every day. Together, we are focused on delivering exceptional and sustainable outcomes and value for our people, our clients and our communities. BDO is proud to be an ESOP company, reflecting a culture that puts people first. BDO professionals provide assurance, tax and advisory services for a diverse range of clients across the U.S. and in over 160 countries through our global organization.

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