

## **Start-up Checklist for Government Contracts & Grants**

1. Incorporate legal entity (through legal counsel) with federal government and state of business residence
2. Obtain federal and state tax identification numbers
3. Obtain business licenses from city and county of business residence
4. Obtain business accountant (individual or accounting firm) with government cost accounting and federal grants and contracts audit experience; establish auditable cost accounting system
5. Obtain Dunn & Bradstreet (D&B) number:  
[https://eupdate.dnb.com/requestoptions.asp?cm\\_re=HomepageB\\*TopNav\\*DUNSNumberTab](https://eupdate.dnb.com/requestoptions.asp?cm_re=HomepageB*TopNav*DUNSNumberTab)
6. Obtain Cage Code number: <https://www.bpn.gov/ccupdate/NewRegistration.aspx>
7. Register in Central Contractor Registration (CCR): <https://www.bpn.gov/ccr/default.aspx>
8. For DoD, registration in ORCA must also be completed: <https://orca.bpn.gov/>
9. Register with [www.grants.gov](http://www.grants.gov) website :  
[http://grants.gov/applicants/organization\\_registration.jsp](http://grants.gov/applicants/organization_registration.jsp) and/or FastLane if submitting to NSF: <https://www.fastlane.nsf.gov/n1/N1AddInst.html> and/or DoD SBIR Net for DoD submissions: <https://www.dodsbir.net/submission/Firm/Firm.asp?view=add>
10. Read the funding announcement carefully for additional requirements.
11. Work with business accountant to derive appropriate and auditable general and administrative (G&A or other indirect cost) and employee fringe rates using financial actuals and/or forecasts, if insufficient operating history
12. Apply calculated rates to government proposals (either as prime or as subrecipient)
13. Become familiar with the appropriate CFR clauses, FAR clauses, and/or OMB circulars (see <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=d71f9d08d139c3d7a8986819c536dc5a&rgn=div8&view=text&node=48:5.0.3.26.39.13.1.15&idno=48> and the grants policy guidance from the specific agency) pertinent to for-profit companies receiving federal grants and contracts, and the agency to which you are applying.
14. Develop and implement policies and procedures as required by federal government for maintaining internal controls.
15. Work with business accountant in responding to funding agency requests for audit of rates when program is awarded (Note: could occur during contract/grant negotiation for prime with sponsor or best-and-final offer (BAFO) stage)
16. Depending on #15 results, rates (and proposed budgets) may need to be adjusted before final contract/grant award; final rate negotiated is a “provisional rate” only –

funding agency will likely audit company again in less than one year to confirm or adjust provisional rate

17. As company grows, indirect rates will need to be recalculated and reapproved by the funding agency
18. When planning to collaborate with a university in a subrecipient role on a grant or contract, you will need to provide auditable and federally approved rates before any subrecipient award will be made.
19. Use of university facilities, equipment, students, staff and other resources – whether the university is a prime or subrecipient (to your company as prime), requires active/valid sponsored research agreements, facility lease agreements, conflict of interest forms and management plans, CSURF licenses, and adherence to all other university policies and procedures.