

Preface

The Office of Sponsored Programs (OSP) serves as the major unit responsible for providing assistance in the procurement and management of agency grants. The major functions of the OSP are to:

1. Provide current information about federal/state agency grants in certain instances private sources i.e., foundations and corporations;
2. ensure University compliance with federal rules and regulations in the administration of such grants;
3. serve as the University's principal component organization for developing, managing and reporting Federal and State sponsored programs activities;
4. offer support and services to projects funded through sponsoring agencies;
5. represent the University in transactions with sponsoring agencies and
6. coordinate all federally funded projects.

The Office of Sponsored Programs along with the senior administrative offices strongly supports the goal of increasing both faculty and staff involvement in research, and will participate in the process to compete successfully.

This edition of the Virginia Union University Sponsored Programs Manual has been prepared for the following purposes:

1. To assist faculty and other members of the University Community in monitoring the compliance of each funded project with federal regulations and institutional policies and procedures.
2. To assist individual faculty/staff, who are awarded research grants or contracts, in fulfilling their relevant responsibilities as project directors, principal investigators, and/or managers of external projects.
3. To provide oversight and coordination for all research activities at the University. In this capacity, this manual offers guidelines to faculty and staff for pre-award/proposal development, submission to external funding agencies, grant award activities involving indirect cost negotiation and budget monitoring, post-award reporting processes and close-out procedures.
4. To provide new and experienced investigators and administrators with information regarding the established University procedures regarding the conduct of research and sponsored program activities supported through federal, state and private sources.
5. To ensure accountability and proper management of sponsored program activities.

The policies, regulations and procedures contained in this manual are to be observed in all matters relating to research grants, contracts and other educational projects that commit institutional resources, faculty and staff.

Advancement Ethics

Virginia Union University personnel are required to adhere to the general ethical standards mandated of all University employees as well as the following Statement of Ethics established by the Council for Advancement and Support of Education (CASE).

Institutional Advancement professionals, by virtue of their special responsibilities within the academic community, represent their colleges, universities and schools to the larger society. They have, therefore, a special duty to exemplify the best qualities of their institutions, and to observe the highest standards of personal and professional conduct.

- ❖ *In so doing, they promote the merits of their institutions, and of educational generally, without disparaging other colleges and schools;*
- ❖ *Their words and actions embody respect for trust, fairness, free inquiry, and the opinions of others;*
- ❖ *They respect all individuals without regard to race, color, sex, sexual orientation, creed, ethnic or national identity, handicap, or age;*
- ❖ *They safeguard privacy rights and confidential information;*
- ❖ *They do not grant or accept favors for personal gain, nor do they solicit or accept favors for their institutions where a higher interest would be violated;*
- ❖ *They avoid actual or apparent conflicts of interest, and, if in doubt, seek guidance from appropriate authorities;*
- ❖ *They follow the letter and spirit of laws and regulations affecting Institutional Advancement;*
- ❖ *They observe these standards and others that apply to their professions, and actively encourages, colleagues to join them in supporting the highest standards of conduct.*

This Statement of Ethics for Advancement personnel is also applicable to all Virginia Union University Faculty and Staff in their contacts and seeking of funds for the University and academic research engaged in contractual reservational activities related to community structure programs.

All Advancement and related faculty and staff are informed of the ethical conduct code requirements during orientations, faculty/staff institutes, in the employee handbook and the University website. Oversight for adherence to Advancement Ethics is the responsibility of the Vice President for Institutional Advancement and articulated throughout the infrastructure including advancement operations and personnel.

Services Offered by the Office of Sponsored Programs

- A. **Proposal Development** – Proposal development is one of the primary objectives, as well as one of the key activities of the OSP. Representatives in each of the four schools are available to assist and direct proposal development in the various discipline areas. OSP staff provides proposal development and processing assistance for all sponsored research grants and contract activities funded from extramural sources.

- B. **Proposal Review** - Each proposal, upon submission to an external agency, reflects upon the capabilities and standards of Virginia Union University. To assure uniform, high quality institutional representation, each proposal must pass a multi-step internal review. **Signature authorizations at the Investigator’s, Departmental, the School and the University Administrative levels must be secured to complete the review process.** The OSP is prepared to assist and complete the proposal review process at the University’s Administrative level.

- C. **Research Incentives Program** - The Office of Institutional Advancement has developed a comprehensive awards program to encourage faculty to participate in proposal writing. A percentage of the indirect charges earned from funded grants and contracts are distributed to the principal investigator, and/or department of origin, and the University. Research incentive awards are designed to promote reward and successful grantsmanship.

Proposal Submission Procedure and Post-Award Activities

Procedures for submitting proposals to state, private and federal agencies as well as post-award activities are as follows:

All grant proposal applications must be internally reviewed and approved before leaving the University as an official final-draft submission. In most cases, a signature from the Vice President of Institutional Advancement will indicate that a successful internal review of the document has been completed.

Pre-Award Activities

- Step 1:** **AUTHORIZATION TO APPLY FOR GRANTS AND CONTRACTS:** Should be submitted to the Director of Sponsored Programs, C. D. King Hall, Room 216. A copy of the RFP must be submitted with the authorization form. This form must be completed and approved before any grants are prepared.

- Step 2:** **PROPOSAL SUBMISSION:** The Principal Investigator (PI) then prepares the proposal components. Using the Certification forms, the PI should secure the appropriate signatures indicated on the form.

- Step 3:** **PROPOSAL REVIEW:** *The proposal should be submitted to the Director of Sponsored Programs for review 10 business days prior to*

the proposal due date. Please call the Director of Sponsored Programs to schedule an appointment for the proposal review.

- Step 4:** **REVISIONS:** The Department of Sponsored Programs will assist the P.I. with any technical assistance if necessary.
- Step 5:** **SIGNATURE OF THE VICE PRESIDENT FOR INSTITUTIONAL ADVANCEMENT & DIRECTOR OF SPONSORED PROGRAMS:** Formal approval for submission is not complete until the signatures of the Vice President for Institutional Advancement and Director of Sponsored Programs are obtained.
- Step 6:** **SUBMISSION:** The Director of Sponsored Programs is responsible for the submission of all proposals. Upon submission an e-mail notification will be sent to the PI.
- Step 7:** **AWARD NOTIFICATION:** Upon receipt, a copy of the Official Grant Award Notification documentation, the Director of Sponsored Programs will schedule an appointment with the PI and Director of Constituency and Post-Grant Award Services to review award obligations and reporting requirements.
- Step 8:** **REVIEW AND FINAL BUDGET SET-UP:** The review process consists of the following: (1) Compare proposed budget to approved budget by the awarding agency and make any necessary revisions; (2) Upon completion, the final budget (upon approval from the awarding agency) is forwarded to the Comptroller's office for entry into the financial ledger.
- Step 9:** **ASSIGNMENT OF ACCOUNT NUMBER:** The University Comptroller will assign an account number to the project. The account number (including sub-categories) will be forwarded to the PI by the Director of Sponsored Programs, along with allowable expenditures for each budget category.
- Step 10:** **PROJECT IMPLEMENTATION:** Implementation of all projects/programs must adhere to regulations and required progress reports sent to the Director of Constituency and Post-Grant Awards.
- Step 11:** **REPORTS AND OTHER REQUIRED DOCUMENTS:** The PI is responsible for submission of any additional forms required and/or needed for implementation and progress reporting. All progress reports must be submitted to the Director of Sponsored Programs for review by the Director of Constituency and Post-Grant Awards. If necessary, an appointment will be scheduled with the PI to discuss any issues related to all reports to ensure accurate compliance of stated regulations. All

progress reports must be submitted to the Director of Sponsored Programs **10** working days prior to the due date.

Step 12: **CLOSE-OUT:** Upon the termination of any grant sponsored programs, the final close out report must be submitted to the Director of Constituency and Post-Grant Awards. All required signatures must be obtained before any grant programs are officially closed. A close-out interview must be scheduled with the Director of Constituency and Post-Grant Awards and the Director of Sponsored Programs to complete this process.

Step 14: **AGENCY CLOSE-OUT NOTIFICATION:** Upon receipt of the close-out notification from the awarding agency, a copy will be sent by the Director of Constituency and Post-Grant Awards to the PI and Director of Sponsored Programs.

Human Subjects, Laboratory Animals, Recombinant DNA, Hazardous Materials and Radioisotopes

If a proposal is to involve any of the items listed above, there are procedures to follow and approvals to be obtained. The OSP can assist with information on these. Persons should check on these items early in the proposal development because they all require committee approval.

Drug-Free Workplace

Many granting agencies require an “Assurance Statement” that the grantee will provide a drug-free workplace for grant activities. Check with the OSP.

Policy on Indirect Costs

Indirect cost is money provided to institutions to cover overhead cost for supporting grant operations. It costs money for a grant to operate on a campus, and it should be understood that the indirect cost belongs to the institution to help defray these costs. Virginia Union University permits a percentage of indirect costs to be returned to the PI and/or the department of origin. These monies cannot be used to increase salaries. It is hoped that they will be used in a manner that would further enhance research and development efforts on campus.

Policy on Faculty Release Time

All release time associated with externally funded projects during the academic year must be fully paid for by the sponsoring agency. Therefore, proposal budgets must reflect the full cost of release time (salary, fringe benefits, indirect costs) to the funding agency. Chairpersons may not award release time to a faculty member at the University’s expense in order to carry out activities associated with an externally funded project. Faculty who

have release time for the academic year may not defer that time in order to gain more release time in any one semester. For example, faculty may not combine two semesters of release time into one. Any exception will require recommendation of the Dean, the Vice President of Academic Affairs and the President.

Employment Compensation on Research and Sponsored Program Activities

A portion of a faculty's salary, consistent with time and effort on the project, can be charged to the grant. The total distribution of one's time cannot exceed 100%.

Additionally, **grant funds cannot be used to increase one's base salary**. Nine-month persons can be compensated during the summer months consistent with Virginia Union University's policy on summer employment.

***Salary Supplements**

Faculty can be compensated up to an additional 33% over their base pay for work performed under outside funding. Several conditions must be met. (1) The supplement cannot accompany release time from teaching; it is intended to handle the overtime situation that occurs when teaching and research are performed during the same semester. Some situations involving large or multiple contracts may justify a combination of release time and supplementary pay. (2) The outside funding must cover the supplement and its associated indirect cost. When funds do not permit a full 25%, application may be made for a smaller supplement. (3) Application must be made and approved in advance each semester. Forms are available in the Office of Academic Affairs.

Federal and State Grant Expenditures

All expenditures including the employment of personnel, on federal and state grants must be cleared through the OSP.

Transfer of Principal Investigator to Another Institution

If the principal investigator transfers from Virginia Union University to another institution, the grant, because it was awarded to Virginia Union University and not to the individual investigator, remains with the University, unless in petitioning to the Vice President for Institutional Advancement, it is released. All equipment purchased with grant funds also remains with Virginia Union University unless the P.I. requests, in writing, and is granted permission from the Vice President for Institutional Advancement. The granting agency must also approve the proposed change of institution.

Funding Agencies

There are many funding agencies that provide funds to colleges and universities. Some feeling about particular agencies – their mission, organizational structure, etc. – can benefit in seeking funding opportunities. The major funding agencies include:

DOD - [Department of Defense](#) (includes Air Force, Army, ARPA, and Navy)

DOE - [Department of Energy](#)

DOI - [Department of Interior](#)

USDA - [United States Department of Agriculture](#)

USIA - [United States Information Agency](#)

U.S. Department of Health and Human Services/National Institutes of Health – <http://grants.nih.gov/grants/>

National Institutes of Health – <http://grants1.hih.gov/grants/oer/htm>

U.S. Department of Health & Human Services – <http://www.hhs.gov/agencies>

U.S. Department of Agriculture – <http://www.usda.gov>

National Science Foundation – <http://www.nsf.gov>

U. S. Environmental Protection Agency – <http://www.epa.gov>

National Aeronautics and Space Administration – <http://www.nasa.gov>

National Endowment for the Humanities – <http://www.neh.fed.us>

The Army Research Office – <http://www.aroncren.net/>

Air Force Office of Scientific Research – <http://www.afosr.af.mil>

U.S. Department of Transportation – <http://www.dot.gov>

U.S. Department of Education – <http://www.ed.gov/index.jhtml>

Office of Naval Research – <http://www.onr.navy.mil>

Proposal Development

A good proposal, whether it is research, training or curricular development, requires time. Oftentimes one is forced to speed up proposal development because of impending deadlines, but many times one knows far enough in advance to make adequate plans. Many granting agencies have more than one deadline; it may be more profitable to miss deadline rather than submitting an application that is not very well prepared.

Proposal writing is a difficult exercise. It requires organization of thought, clear communication and a logical sequence of ideas. Under the procedure of meeting a deadline it is especially difficult to produce a coherent, precise, and concise application which represents one's work in the most favorable manner possible. An especially useful aid in helping researcher develop their ideas and prepare for proposal deadlines is the concept paper. The concept paper is a brief sketch of a project idea, which serves as an advance organizer for the full proposal, and provides a medium to assess the idea in a number of contexts. This brief paper of 2-4 pages helps applicants organize, think through and refine their idea so that it can be shaped into a fundable proposal. Once written, concept papers can be used in a variety of ways: (1) obtain feedback from colleagues; (2) identify resources needed; (3) bring collaborators on board; (4) determine boilerplate which will be needed; (5) identify potential sponsors; (6) pre-proposal contact with sponsor.

While deadlines often govern the proposal writing process, they are generally cyclical. Therefore, researchers can work toward a deadline instead of being driven by it, if they are prepared with a concept paper. Since writing and research productivity are derived from personal commitments, the concept paper is a means of establishing priorities and building upon background, training and experience. They are aids in thoughtfully arriving at the type of commitment, which advances researchers' interests and contributes to knowledge.

Some ideas are not fundable, either because they are not important, because the timing is not yet right, or because there is no support available. The concept paper can help forecast the viability of an idea and suggest strategies for redefining it, remodeling it, aggressively pursuing it, or abandoning it. Since the effort invested in writing a concept is less demanding, it is a practical exercise, which can serve as an early success indicator. Research funds are highly competitive. The quality of applications is critical to their acceptance for award. By generating the proposal on a smaller scale and systematically iterating it, you can considerably enhance its chances for success.

***Obtained from the "Guide for Proposal Development" prepared by the Ohio State University Office of Sponsored Programs.**

Proposal Components

There is no standard format for proposals. Each application should be developed in accordance with specific program instructions. The test should be organized and keyed to the evaluation criteria published in the guidelines. Although the narrative outline should follow program specific guidelines, there are components which are common to all proposals and the following should be recognized as the basic framework for translating an idea to a well ordered form:

COVER PAGE

Contains information about the legal applicant and the proposal: the principal investigator, the title of the project, the agency to which the application is being submitted, the date submitted, duration of the project, contact persons for questions or negotiation; institutional approvals; and amount requested.

The title deserves special attention. It carries the image of the project. Since it is entered, scanned, and indexed in information systems, it should be precise and telling. Keep it short, but appropriately descriptive.

ABSTRACT

This page summarizes the key features of the proposal. It should include a statement of the objective, methods, and significance condensed to a page or less. The main points of the text should be covered; it should be informative to others and understandable to a lay person.

The reviewers usually read the abstract first to gain a perspective on the study; use it later to remind themselves of the nature of the study when the project comes up for discussion; it may be the basis for assignment by the sponsor to a specific review group.

PROBLEM STATEMENT/NEEDS ASSESSMENT

Define the problem in specific and realistic form. Don't let them be too grandiose or too trivial. Why has this problem been chosen for study? What are the causes of the problem? Why does the study need to be conducted? Provide documentation and relevant, though carefully selected, statistics. State why the sponsor favors this project over all other applications.

LITERATURE REVIEW/BIBLIOGRAPHY

The problem statement and need for the study, as well as the methodology, will have their foundation in the literature.

For example, what is known about the area of inquiry; how does the study relate to what is known; why has the particular approach to the problem been selected? Citations should be analytical, highlighting the essence of an author's work and describing strengths, weaknesses, comparisons and points of departure. It is important to demonstrate your familiarity with the field. Any pertinent reference that is overlooked may be one that the reviewer expected to see cited. The bibliographic selection will reflect the author's scholarship and credibility.

If there is no literature bearing on the problem, indicate what sources were consulted; also offer reasons why there is a vacuum. Cite those works, which come closest to the

problem and explain why they fall short. If the literature is overwhelming, select only those sources, which bear directly on the problem.

This part of the proposal is not usually a discrete section. Usually it is worked into the flow of the entire narrative so that it provides a conceptual framework. Two points should be kept in mind. First, the proposal can't be written and then the literature search done. Second, the reviewers will probably be some of the leading authorities in the field and will be looking for particular references; demonstrating your knowledge and understanding of the state-of-the-art is critical. All citations in the text should be compiled in a Selected Bibliography.

OBJECTIVES/QUESTIONS/HYPOTHESIS

These are precise, measurable statements of the expected outcome of the project. They can be phrased as objectives, or questions to be answered or hypothesis to be tested. They present the terms of the study by establishing its parameters. Carefully selected, they create the specific focus for a manageable project; expressed in epic statements they propose a project, which attempts to do more than it could hope to realize.

If they are too narrow, the study may appear to be trivial. Striking a balance keeps the project realistic and manageable. Number and list them so that anyone reading the proposal knows exactly what you seek to achieve. Ask yourself if the objectives lend themselves to operational definitions and if the hypotheses and questions are testable. If they do not, redefine them until they do.

PRELIMINARY WORK

Often, especially in the case of highly competitive grants, there will be a request for information related to introductory and prerequisite research of studies performed prior to the proposed project. It is useful therefore and to the researcher's advantage to include a proposal section summarizing experimentation or studies that have been completed in preparation for the primary investigation being proposed. Funding organizations want some assurance that their research dollars are being put to the best possible use, and also want to learn what has led the investigator to formulate his or her present a set of objectives. In many such cases, it may be net to impossible for the researcher to qualify for funding without the inclusion of some well-organized preliminary work.

METHODOLOGY/DESIGN

This section gives evidence of your ability to plan and conduct the study. What activities are proposed to carry out the objectives, to test the questions and hypotheses? What is the rationale for the approach?

The procedures should be carefully detailed. In a research proposal, discussion of the methodology should include what data will be collected, accessibility of data, who will collect it and how, the data will be analyzed, sampling procedure, controls, and subjects.

Justify where necessary the appropriateness of the study design and research methods. Address sample size ad selection and application of statistical methodologies.

If you are going to develop curriculum, explain existing sources to be used and why selected, what form it will take, content, filled testing, how it will be used, who will use it, and how it will be made available to users. A training program should explain what material will be used, who the participants will be, how many, how they will be selected, where the training will take place, how long and who the trainers will be. Let the reader know you have developed a complete plan of action.

EVALUATION

Carefully consider if an explicit plan should be included in your proposal and decide what factors will have to be assessed. Consult an evaluation specialist if you have not training or background in evaluation methodology. Clarify for the reviewer who will conduct evaluation, their qualifications to do so, and their plan for doing it. This maybe a service provided b an outside consultant, someone on campus, or an organization set up for such purposes.

RESULTS/SIGNIFICANCE

Be sure you have clearly in mind what contribution the study will make. Can the process or the outcomes be duplicated, adapted, or generalized? What accomplishment can the agency take to Congress to support budget requests? Either as an advancement of fundamental knowledge or as an instrument of applied science, the impact of the study must be made clear. Will the results have local, regional, or national significance? What difference will your project make (the eternal before and after question)?

DISSEMINATION

The results of any study must be made available to potential users for application or replication. How will you do it? Dissemination vehicles include presentation at a professional meeting, publication of an article, holding a conference, and utilizing any existing networks. Plans for this effort should be discussed when it is clear than an agency considers this activity a criterion of evaluation.

MANAGEMENT PLAN

Identify key staff members, including yourself, highlight their backgrounds, and comment on the special contribution their expertise will enable them to make. Describe their specific responsibilities and show their relationships in an organizational chart. If other departments, institutions, or organizations will be participating in the project, discuss their input and what the lines of communication will be.

If consultants or an advisory board will be used, identify people or at least describe the backgrounds and capabilities, which you will seek. Explain the role, exactly what they

do and when as well as why they are needed. Try to contact individuals before the proposal goes in to get their agreement to participate.

Let the reader know you understand your own limitations and weak areas as well as your strengths. Provide an activity chart, which lists tasks across the project time period. This can range from a simple bar chart to a critical path chart. The ordering of events dates for completion, and staff responsibilities for implementation in a diagram help the reader visualize and summarize the work plan.

OTHER ELEMENTS

General university facilities or special features should be narrated. Equipment, systems, administration, resources – all should be highlighted as appropriate. While much of it can be boilerplate for any proposal you write, it should be adapted for each application to call attention to those support systems, which have special relevance to the proposed project. Curricula vitae for all key staff members and consultants are integral to the application.

Letters of support and endorsement help (and may be necessary) to demonstrated evidence of cooperation from participating organizations or individuals. Access to subjects, sites, and data collections must be made clear.

Budget Consideration

Proposal Budgets must be carefully prepared, with attention given to details. They must not be exorbitant, but realistic in terms of reaching proposed goals.

1. Basic Steps in Budgeting a Proposal

- A. Specify the start and end dates of the project budget period.
- B. Decide which budget line items are required by the project.
- C. Price the items.
- D. Justify budgetary requests, in narrative form, where needed.
- E. Seek written approval from university administrators before submitting budget to sponsors.

2. Checklist for Proposal Budget Items

- A. Personnel
 1. Academic Personnel
 2. Research Associates
 3. Research Assistants
 4. Graduate Students
 5. Interviewers
 6. Computer Programmer
 7. Evaluators

8. Secretaries
 9. Editorial Assistants
 10. Technicians
 11. Hourly Personnel
 12. Release Time
 13. Salary increases in proposal for new year
- B. Fringe Benefits (@ 30% of salaries and wages for faculty & staff)
1. FICA
 2. Retirement
 3. Group Ins. – Life
 4. Group Ins. – Health
 5. Unemployment
 6. Worker's Compensation
- C. Consultant Services
1. Consultant fee
 2. Travel
 3. Subsistence
 4. Supplies for consultant
- D. Subcontracts
- E. Computer Costs
1. On-line Time
 2. Job runs
 3. Data Storage
 4. Computer software
 5. Computer use
- F. Equipment
1. Fixed equipment
 2. Movable equipment
 3. Office equipment
 4. Equipment installation
- G. Materials and Supplies
1. Office Supplies
 2. Communications
 3. Test materials
 4. Questionnaire forms
 5. Duplicating materials
 6. Animals
 7. Animal Food
 8. Laboratory supplies
 9. Glassware

10. Chemicals
11. Electronic supplies
12. Report materials and supplies
13. Miscellaneous
14. Periodicals & Books
15. Instructional material

H. Travel

1. Administrative
2. Field Work
3. Professional meetings
4. Travel for consultation
5. Air Transportation
6. Mileage
7. Registration fees
8. Per diem
9. Hotel
10. Auto rental/taxi/bus/metro/train

I. Other Expenses

1. Duplication services (reports, etc.)
2. Printing
3. Publication costs
4. Photographic/graphic services
5. Space rental
6. Equipment maintenance
7. Equipment rental
8. Human Subjects payment
9. Workshops
10. Telephone (line charges; long distance)
11. Postage
12. Honoraria

J. Indirect Costs

K. Cost Sharing (if required)

L. Trainee Costs

1. Stipends
2. Dependency allowance
3. Trainee travel
4. Tuition & fees
5. Training supplies

Handing Rejected Proposals

There are many reasons for proposals being rejected. Proposal developers are encouraged not to take a rejection of proposals personally; a number of meritorious proposals get turned down for lack of funds.

On a rejected proposal, one should get the critique form the agency, address reviewers' comments, and resubmit. You may not agree with the comments and you don't have to accept, but they should be addressed. Success rates of first submissions run anywhere from 25% to 35%, depending upon the agencies. When a proposal is re-evaluated, modified as necessary and resubmitted, chances of funding increase dramatically in a number of cases.

The suggestion on rejected proposals is to try, try, try and try again.

Purchasing and Accounting

Once an award is made, there are some logistics that must either be in place or put in place to increase the chances that the proposal objectives are met and that the policies and procedures of the granting agency as well as those of the university are followed.

- **Requisitions** – Requisitions are made routinely with the appropriate account name and number (accounts are set up for funded projects in the Comptroller's Office via a written request addressed to the Vice President for Institutional Advancement).
- **Purchase orders** – The purchase order (PO) is the official document authorizing the purchase of requested items. POs are issued from the Purchasing Officer in the Purchasing Department.
- **The Bid Process** - Virginia Union University.

Some Definitions

A-21 - "[Cost Principles for Educational Institutions](#)," a circular published by the federal [Office of Management and Budget \(OMB\)](#) that establishes the principles for determining the costs applicable to [grants](#), [contracts](#), and other government agreements with educational institutions (also known as sponsored projects).

A-133 - [Audits of States, Local Governments, and Non-Profit Organizations](#). A circular published by the federal [Office of Management and Budget \(OMB\)](#).

Accrued expenditures – The charges incurred by the recipient during a given period requiring provisions of funds for the following:

1. Goods and other tangible property received;
2. Services performed by employees, contractors, sub recipients, and other payees; and

3. Other amounts becoming owed under programs for which no current services or performance is required.

Accrued income is the sum of earnings during a given period from

- Services performed by the recipients;
- Goods and other tangible property delivered to purchasers; and
- The amounts becoming owed to the recipient for which no current services or performance is required by the recipient.

Award is the financial assistance that provides support or stimulation to accomplish a public purpose. Awards include grants and other agree

Allocable Costs - Those allowable costs that actually benefit the grant or contract to which they are charged.

Allowable Costs - Those categories of costs that are allowable as a charge on a grant or contract as determined by the terms and conditions of the award and/or appropriate cost principles. Certain types of costs, such as the cost of alcoholic beverages are not allowable and may not be charged to a contract or grant.

Authorized Signature - (1) Signature of the person authorized to commit funds and facilities on grants and contracts. The President and his/her authorized representative are the only authorized signatures in executing a tendered contract or accepting a grant. The President, Vice President and Associate Vice President for Institutional Advancement and are the authorized institutional officials to sign a proposal on behalf of the University. (2) Signature of those persons authorized to commit project funds. The project director/principal investigator is the authorized signer for his/her own project, and may authorize other persons to commit project funds.

Bequests - A type of donation or gift. Bequests and gifts are awards given with few or no conditions specified. Gifts may be provided to establish an endowment or to provide direct support for existing programs. Frequently, gifts are used to support developing programs for which other funding is not available.

Budget Description (or Justification or Narrative) - A written description of the cost estimation methods used in preparing a budget that also explains or describes the types of individual costs that make up a larger budget category.

Budget Period - The interval of time--usually 12 months--into which the project period is divided for budgetary and funding purposes.

Budget Adjustment - The act of amending the budget by moving funds from one category or line item to another.

CAS - [Cost Accounting Standards](#) Federally mandated accounting standards intended to ensure uniformity in budgeting, accounting and reporting project costs.

CBD - [Commerce Business Daily](#)

CDC - [Centers for Disease Control and Prevention](#)

CFDA - [Catalog of Federal Domestic Assistance](#)

CFR - [Code of Federal Regulations](#)

Close Out - The act of completing all internal procedures and sponsor requirements to terminate or complete a research project.

COLA - Cost of Living Allowance granted to employees based in a foreign city, where cost of living is higher than in Washington, D.C.

Competing Renewal Proposal - Proposals (for ongoing projects) that must compete again if the term of the original award has expired.

Conflict of Interest - Situations in which employees use their positions for purposes that are, or give the appearance of being; motivated by a desire for private gain for themselves or others, such as those with whom they have family, business or other ties.

Consortium Agreement - Group of collaborative investigators/institutions; arrangement can be formalized with specified terms and conditions.

Contract - A mechanism for procurement of a product or service with specific obligations for both sponsor and recipient. Typically, a research topic and the methods for conducting the research are specified in detail by the sponsor, although some sponsors award contracts in response to unsolicited proposals.

Cost Sharing or matching - A general term that can describe virtually any type of arrangement in which more than one party supports research, equipment acquisition, demonstration projects, programs, institutions. Example: A university receives a grant for a project estimated to have a total cost of \$100,000. The sponsor agrees to pay 75% (\$75,000) and the university agrees to pay 25% (\$25,000). The \$25,000 is the cost-sharing component.

Direct Costs - Clearly identifiable costs related to a specific project. General categories of direct costs include but are not limited to salaries and wages, fringe benefits, supplies, contractual services, travel and communication, equipment, and computer use.

DOD - [Department of Defense](#) (includes Air Force, Army, ARPA, and Navy)

DOE - [Department of Energy](#)

DoED - [Department of Education](#)

DOI - [Department of Interior](#)

DOT - [Department of Transportation](#)

Donation - Transfer of equipment, money, goods, services, or property with or without specifications as to its use. Sometimes a donation is used to designate contributions that are made with more specific intent than is usually the case with a gift, but the two terms are often used interchangeably.

Equipment - Tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

Exempt property – Tangible property acquired in whole or in part with Federal Funds where the Secretary has statutory authority to vest title in the recipient with further obligation to the Federal Government. An example of exempt property authority is contained in the Federal Grant and Cooperative Agreement Act (31 U.S. C. 6306) for property acquired under an award to conduct basic or applied research by a non-profit institution of higher education or non-profit organization whose principal purpose is conducting scientific research.

Federal awarding agency – The Federal agency that provides an award to the recipient.

Federal share – The percentage of the property's acquisition costs and any improvement expenditures paid with Federal funds.

Fringe Benefits - Employee benefits paid by the employer. (e.g., FICA, Worker's Compensation, Withholding Tax, Insurance, etc.)

IC - Indirect Costs (Facilities and Administrative Costs - F&A Costs) - Costs related to expenses incurred in conducting or supporting research or other externally-funded activities but not directly attributable to a specific project. General categories of indirect costs include general administration (accounting, payroll, purchasing, etc.), sponsored project administration, plant operation and maintenance, library expenses, departmental administration expenses, depreciation or use allowance for buildings and equipment, and student administration and services.

Key Personnel - Personnel considered being of primary importance to the successful conduct of a research project. The term usually applies to the senior members of the project staff; however, sponsors may have differing definitions of Key Personnel.

Limitation of Cost (LOC) - A mandatory clause for cost-reimbursement type contracts. Under the clause, the sponsor is not obligated to reimburse the contractor for costs in excess of the stated amount. The contractor, however, is not obligated to continue performance once expenses reach the stated amount.

Matching Grant - A grant that requires a specified portion of the cost of a supported item of equipment or project be obtained from other sources. The required match may be more or less than the amount of the grant. Some matching grants require that the additional funds be obtained from sources outside the recipient organization. Many matching grants are paid in installments, the payments coinciding with the attainment of pre-specified levels of additional funding. Matching grants are very common in the sciences, especially for equipment. They are standard practice in some government agencies.

No Cost - Extension - An extension of the period of performance beyond the expiration date to allow the principal investigator to finish a project. Usually, no additional costs are provided.

Non-Competing Continuation Proposal - A continuation proposal reports on progress made during a portion of the project period and requests continuation funding for the next portion of the project period. Continuation proposals do not compete with new project proposals and are not subject to peer review beyond the initial project approval.

Notice of Grant Award - The legally binding document that serves as a notification to the recipient and others that a grant or cooperative agreement has been made; contains or references all terms and documents the obligation of funds.

NSF - [National Science Foundation](#)

OMB - [Office of Management and Budget](#)

OMB Circulars - Regulatory circulars issued by the [Office of Management & Budget \(OMB\)](#). Definitions included in OMB Circulars A-21, 122, 128 and 133.

Peer Review – A system that uses reviewers who are the professional equals of the principal investigator or a program director and are responsible for directing or conducting the proposed project. It is a form of objective review. Peer review is legislatively mandated in some programs and in other programs is administratively required.

PI - Principal Investigator - The individual responsible for the conduct of research or other activity, described in a proposal for an award. The Principal Investigator is responsible for all programmatic and administrative aspects of a project or program.

Personal property – Property of any kind except real property. It may be tangible having physical existence, or intangible, having no physical existence, such as copyrights, patents or securities.

Prior Approval - The requirement for written documentation of permission to use project funds for purposes not in the approved budget or to change aspects of the program from those originally planned and approved. Prior approval must be obtained before the performance of the act that requires such approval under the terms of the agreement.

Priority Score - A score derived from the rating given a research proposal by each member on a review committee. It is used to help determine which approved proposals will be granted awards, based on funds available.

Project costs – All allowable costs, as established in the applicable Federal cost principles, incurred by a recipient and the value of the contributions made by third parties in accomplishing the objectives of the award during the project period.

Proposal Transmittal Form - An internal routing form used at VUU for securing institutional approvals prior to submitting a proposal to a sponsor for funding consideration.

Regs - Short for "regulations."

Regulatory Noncompliance - Failure to adhere to regulations, policies, procedures or special conditions related to the conduct of research. Examples of such noncompliance include, but are not limited to, failure to obtain/maintain approval for research; coercion of human subjects; performing unapproved procedures; and conducting research at unapproved sites.

Renewal - Applicable to grants and cooperative agreements only. A competitively reviewed proposal requesting additional funds extending the scope of work beyond the current project period.

Request for Applications (RFA) - Announcements that indicate the availability of funds for a topic of specific interest to a sponsor. Proposals submitted in response to RFAs generally result in the award of a grant. Specific grant announcements may be published in the Federal Register and/or specific sponsor publications.

Request for Proposal (RFP) - Announcements that specify a topic of research, methods to be used, product to be delivered and appropriate applicants sought. Proposals submitted in response to RFPs generally result in the award of a contract. Notices of federal RFPs are published in the Commerce Business Daily.

Request for Quotations (RFQ) - A formal request to vendors for a price quotation on equipment or supplies to be purchased.

Research - Investigation or experimentation aimed at the discovery and interpretation of facts, revision of accepted theories in the light of new facts, or the application of such new or revise

Senior Personnel - Professional personnel who are responsible for the scientific or technical direction of project.

Small Grant - A special type of award, often limited to a beginning researcher. Typically, such an award may be obtained for one year only.

Special Purpose Equipment - Equipment that is generally usable only for research, medical, scientific, or technical activities.

Sponsor - The organization or entity that funds a research project.

Sponsored Research - Research conducted by University employees using any University space, facilities, materials, equipment, or property, and which is financed by contract payments, grants, or gifts from any source other than the University's funds.

Stipend - A payment made to an individual under a fellowship or training grant in accordance with pre-established levels to provide for the individual's living expenses during the period of training.

Subcontract, Subgrant, or Subagreement - A document written under the authority of, and consistent with the terms and conditions of an award (a grant , contract or cooperative agreement), that transfers a portion of the research or substantive effort of the prime award to another institution or organization.

Subs - Short for subcontractors.

Supplemental Proposal - A request to the sponsor_for the additional funds for an ongoing project during the previously approved performance period. A supplemental proposal may result from increased costs due to modifications in design or a desire to add a closely related component to the ongoing project.

Supplemental (Rebudgeting or Modification) Proposal - A request to the sponsor_for additional funds for an ongoing project during the previously approved performance period. A supplemental proposal may result from increased costs, modifications in design, or a desire to add a closely related component to the ongoing project.

Teaming Agreement - An agreement between two or more parties to participate in a research project or teaching activity.

Terms of Award - All legal requirements imposed on an agreement by the sponsor, whether by statute, regulation(s), or terms in the award document. The terms of an

agreement may include both standard and special provisions that are considered necessary to protect the sponsor's interests.

Third Party in-kind contributions – The value of non-cash contributions provided by the non-Federal third parties. Third party in-kind contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the project or program.

Unallowable Costs - Unallowable costs are specific categories of costs that cannot be charged, directly or indirectly, to federally sponsored agreements in accordance with Federal regulations.

Unrestricted Funds - Moneys with no requirements or restrictions as to use or disposition. Grants, contracts, and cooperative agreements are considered to be restricted funds, while gifts are usually considered unrestricted funds.

USDA - [United States Department of Agriculture](#)

USIA - [United States Information Agency](#)

VA - [Veterans Administration](#)

Policies and Procedures

The following procedures and regulations govern all research at the University, whether externally or internally funded. Depending on the research topic and conditions necessary for successful project implementation and completion, special circumstances may be encountered which require extra measures of precautions. Adhering to the appropriate procedures will ensure that the University policies specifically pertaining to the situations as well as the minimal federal, state and local laws and regulations are met. Included are: Human Subjects in Research; Animal Subjects in Research; Biohazards; Hazardous Waste; and Patent and Copyright Policies of the University.

Human Subjects in Research

Purpose: To establish local institutional policies and procedures for implementation of federal policy safeguarding the rights and welfare of humans involved as subjects in experimental projects and research.

The Vice President for Institutional Advancement is the University official responsible for safeguarding the rights and welfare of human subjects involved in research activities. Any project originating at Virginia Union University which uses human subjects, including self-experimentation, is subject to review and approval. The review shall determine that:

- the rights and welfare of the subjects involved are adequately protected.

- the risks to an individual – physical, psychological, or social – as a result of any activity which exceeds the application of accepted routines necessary to meet his needs are outweighed by potential benefits to society.
- legal informed consent is obtained by appropriate and adequate methods.
Approval must be obtained **before the project is initiated**.

All projects involving human subjects and requesting funds from external sources should have approval of the Institutional Review Board prior to submission to the agency, or the protocol must be submitted to the Committee concurrently with submission to the agency. If the project is to be carried out at a facility not associated with Virginia Union University, the principal Investigator is obligated to follow that organization's guidelines as well. This procedure applies to all activities involving human subjects conducted by Virginia Union University personnel regardless of the source of support.

The determination of the risk-to-benefit ratio is primarily the application of common sense and sound professional judgment to the proposed activity. Questions concerning what constitutes risk should be addressed to the Chairman of the Institutional Review Board during the planning stages of the proposal.

Procedures:

- Principal investigators submitting proposals involving the use of human subjects must check *Human Subjects* in the *Project Requirements* section of the *Proposal Review and Certification Form*.
- Agency requirements for human subjects assurance certifications vary
- Principal investigators must allow sufficient time for review and approval of the Human Subjects Committee in the proposal submission and internal review/approval process. Clearance is indicated by the appearance of the signature of the Human Subjects Committee Chairman on one of the lines provided for *Other Signatures Necessary on the Proposal Review and Certification Form*.

Animal Subjects in Research

Procedures: To establish local institutional policies and procedures for implementing federal policy governing the welfare of animals used by University personnel for research.

An animal is defined to be any living vertebrate organism used or intended for use in research, experimentation, testing, training, teaching or related purposes. The definition includes, but is not limited to, dogs, cats, rodents, primates, large domesticated animals, poultry, wild-captured animals, and aquatic animals used for these purposes.

All policies established for laboratory care at Virginia Union University shall meet the standards set forth by the National Institutes of Health (NIH) "Guide for the Care Use of Laboratory Animals" (U.S. Department of Health, Education and Welfare Publication N.

{NIH} 7-23, 1978) and all revisions thereof. Additionally, the University shall uphold federal laws relating to the use of laboratory animals.

Federal laws and regulations define and prescribe the rules for obtaining, maintaining, transporting and disposing of animals, other than farm animal, used for research purposes. Failure to comply with these rules and regulations can result in the loss of federal funding for the University. To comply with these regulations, an Animal Care Coordinator has been selected to implement and administer the University policy on animal welfare. All research, sponsored or non-sponsored, involving animal subjects must be reviewed by the Animal Care Coordinator to assure that it conforms to the University's policies governing animal care and welfare as set forth in the NIH Guide.

- Principal investigators must allow sufficient time for review and approval of the Animal Care Coordinator in the proposal submission and internal review process. Clearance is indicated by the appearance of the signature of the Animal Care Coordinator on one of the lines provided for *Other signatures as Necessary* on the *Proposal Review and Certification Form*.

Biohazards

Purpose: To monitor the extent of biohazards use in University research.

The term “biohazards” generally refers to chemical carcinogens, mutagens, teratogens, and all microbiological agents and radiological hazards. Common compounds that fall into these groups are asbestos, arsenic, benzene, carbon tetrachloride, chloroform, aflatoxin, urethane, and vinyl chloride. Radioactive materials, x-rays, lasers and microwaves represent common radiological risks.

University policies governing the use of biologically hazardous materials shall be set by an appointed Biohazard Safety Official. It is the responsibility of the principal investigator to be fully knowledgeable about the potential risks and to practice proper care and handling of such materials and generating devices. A Biohazards Safety Official review is required for proposal submissions for external funding for projects involving the use and/or handling of biohazards.

Procedures:

- Principal investigators proposing to conduct research involving general biohazards should check *Biohazards Review* in the *Project Requirements section of the Proposal Review and Certification Form*.
- The Office of Sponsored Programs will refer all proposals for research activity involving biohazards to the University Biohazard Safety Official for review and approval. Principal investigators are encouraged to consult with this person early in the proposal development process to identify and resolve potential problems and questions concerning biohazard handling and use.

- Principal investigators should allow ample time for review and approval of the Biohazards Safety Official in the proposal submission and internal review process. A signature by the Biohazards Safety Official in the *Other Signatures as Necessary* section of the *Proposal Review and Certification Form* may be required before further processing can be completed.

Hazardous Waste

Purpose: To alert the people reviewing the proposal that hazardous waste will be generated during conduct of the project and that provisions have been made for disposal of this waste in accordance with University regulations.

Procedures: The principal investigator should write a memorandum stating arrangements have been made for disposal of any hazardous waste generated during the project. The PI and the person responsible for disposing of the waste should sign the memorandum. The memorandum should be included with the Proposal Review and Certification form and filed with the proposal.

Copyright Policy

Work under grants

Unless otherwise provided by the terms of the grant, when copyrightable material is developed in the course or under a grant, the grantee is free to copyright the material or permit others to do so.

Work under sub grants

Unless otherwise provided by the terms of the grant or sub grant, when copyrightable material is developed in the course of or under a sub grant, the sub grantee is free to copyright the material or permit others to do so.

The federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for Federal Government purposes: (1) The copyright in any work developed under a grant, sub grant, or contract under a grant or sub grant; and (2) Any rights of copyright to which a grantee, sub grantee, or a contractor purchases ownership with grant support.

Patents

Universities and colleges are discovering that there is profit in patents; patents offer the University a return on its research investment. Changes in the federal patents/ownership rules make patents further attractive. The current patent law gives universities and nonprofit organizations a first right of refusal to title inventions made in performance of federal grants and contracts. OMB bulletins update patent information and offer detailed information on title rights, subcontracts, inventions etc.

Conflict of Interest

In compliance with OMB Circular A-110, Virginia Union University maintains the following standards of conduct governing officers, employees, or agents engaged in the award of administration of contracts using federal funds.

No employee, officer or agent will participate in the selection, award administration a contract in which federal funds are used, where to his her knowledge, any of the following has financial interest in the contract:

- The employee, officer or agent;
- Any member of his or her immediate family
- His or her partner;
- An organization in which any of the above is an officer, director, or employee; and
- A person or organization with whom any of the above individual is negotiating or has any arrangement concerning perspective employment.

Employees, officers or agents may not solicit or accept gratuities, favors or anything of monetary value from contractors or potential contractors. Violations of, or requests for exceptions to this policy will be reviewed by the President. If violations to these standards are found, officers, employees or agents will be subject to disciplinary actions as recommended.

Managing the Grant

Responsibilities

The Project Director is responsible for management of a grant or contract. A co-director may be designated and will be expected to complete the project in the event the Project Director becomes unavailable. The Director is expected to conduct the affairs of the grant or contract in full compliance with provisions of the contractual agreement. Particular requirements governing a grant are usually provided with the grant award notification. Project Directors should become thoroughly familiar with any special terms or conditions that should be adhered to in the conduct of the funded project.

Sponsors will usually request a progress report on programs when they are finalized and/or at intervals during their operation. The Project Director is responsible for narrative involvement. All financial information should be provided by the University's Business Office. Under no circumstances should a Project Director attempt to unilaterally provide the financial information to the sponsor. This action could cause serious auditing problems.

Fiscal Accounting Procedures

The Office of Sponsored Programs adheres to the Office of Financial Affairs' policies and procedures in fiscal accounting for managing grants and contracts to include the establishment of an institutional indirect cost rate negotiated with the sponsoring agency.

Establishing an Account

An account is the financial record established by the Office of Financial Affairs to provide current information on the income and expenditures of projects. Each project is assigned its own account (identified by an account number). Expenditures can be made for a project only after an account is established for the project. In order to establish an account the following must be done:

- ✓ Official Notification of the grant award must have been received prior to establishing the account;
- ✓ The Project Director must meet with the Vice President for Financial Affairs and complete a project budget;
- ✓ "Hard" matching funds must be transferred from departmental or unit accounts to the project account or a firm commitment must be on hand from a non-federal source.

Programmatic Changes

Change to scope/objectives – the recipient shall obtain prior approval for any change to the scope or objectives of the approved project. (For construction projects, any material change in approved space utilization or functional layout shall be considered a change in scope).

Changes in Key Staff – The recipient of a grant or sub grant for research (or any kind of grant or sub grants if the terms of the award make this rule applicable) shall obtain prior approval: 1) to continue the project during any continuous period of more than 3 months without the active direction of an approved project director or principal investigator; or 2) to replace the project direct or principal investigator (or any other persons named and expressly identified as key project people in the notice of grant or sub grant award) or to permit any such people to devote substantially less effort to the project than was anticipated when the grant or sub grant was awarded.

Significant Changes may include: 1) a change in federal grant or contract effort is considered significant; 2) a change in function is significant; 3) a significant change must be instituted by the director of a federal grant program or the principal investigator of a sponsored research program; 4) anything greater than a five percent (5%) change of a federal grant program or the principal investigator of a sponsored research program; and 5) most changes required will be prospective changes that will process in the next monthly payroll cycle.

Other programmatic changes

The following shall require prior approval except to the extent explicitly included in the project plan as approved by the awarding party at the time award: 1) providing financial assistance to a third party by sub granting or any other means; 2) transferring to a third party, by contracting or any other means, the actual performance of the substantive programmatic work.

The term substantive programmatic work means activities which are central in carrying out the purpose of the project, and not merely incidental. Transfer of substantive programmatic work does not include purchase of supplies, materials, or equipment; acquisition of general or incidental support services; obtaining advice; or transfer of activities whose cost is treated as an indirect cost; and 3) providing medical care to individuals under research grants.

Supplanting

Supplant is defined as substituting grant funds to pay for personnel activities, services, or other costs that were supported from other sources prior to receipt of a grant or such costs that are contained in the current institutional budget. Examples include the following:

- An employee (administrator or faculty) continues to perform the same functions as he did prior to the receipt of Federal funds but is now paid partially or completely with Federal funds.
- Funds regularly budgeted for travel, supplies, contrast, consultants or equipment is replaced with Federal funds.

Supplementing

Supplement is defined as using grant funds to correct a deficiency in an existing activity or service, or to improve, enrich, or enhance an existing service or activity through the addition of new services or activities.

Directors and Principal Investigators are encouraged to seek assistance from the OSP and grant officials when there are questions concerning the issue of supplanting institutional funds. It is very important that grantees maintain appropriate records and accounting procedures to ensure that compliance is achieved with regard to this limitation.

Required Reports

Time & Effort Reports

Effective October 1, 1986, the University implemented a revised time-and-effort reporting system to comply with the standards for documentation of labor costs charged to federally funded programs or sponsored research programs.

The standards for documentation for personnel costs charged to the grant are set forth in the Education Division General Administrative Regulations (EDGAR) Par 74 Administration of Grants Subpart Q Cost Principles Section 74.174 Part II B which provides that:

“The costs of such remuneration are allowable to the extent that the total compensation to individual employees is reasonable for the services rendered and conform to the established policy of the institution consistently applies and provided that the charges for work performed directly on Government Research Agreements are determined and supported as herein provided.” 45CFR 100, Appendix C. Section J.7d.

Section J.7d provides that for proper documentation of professional salaries, the contractor’s payroll system must be supported by one of two methods:

1. “An adequate appointment and workload distributions system accompanied by monthly reviews performed by responsible officials and a reporting of any significant changes in workload distribution.”
2. “A monthly after-the-fact certification system which will require the individual investigators, deans, departmental chairs or supervisors having first-hand knowledge of the services performed to report the distribution of effort.”

The system for time and effort reporting consists of the following:

1. Employees (professionals, faculty, administrators and support staff) remunerated, in whole or in part, with federal grant funds.
2. Monthly employees who charge time directly to sponsored research agreements or who fulfill cost sharing requirements.

3. Monthly employees who distribute their monthly salary to more than one effort activity (either direct or indirect).

Contractual Workload

1. Faculty appointments are for 9 to 10 months in duration.
2. Nine to ten-month contractual faculty members may perform instruction in the summer session in addition to their normal contractual workload.
3. Professional, administrative and support staff appointments are for 10, 11, or 12 months in duration.

Effort Certification

Monthly, all staff covered (see System Coverage) will receive a complete Faculty and Staff Time & Effort Report.

The report will be signed by the employee and employee's immediate supervisor. If the employee's immediate supervisor is absent, the senior Administrative Officer of that division/department has the authority to certify the employee's time.

All monthly reports must be returned on the 10th of the following month to the OSP to be forwarded to the Business Office. Payroll checks for those persons who do not submit completed time and effort reports will be withheld the following month.

Monthly, all staff covered will complete a Faculty and Staff Monthly Activity Report reflecting either "no change" or, where applicable, the "significant change" in time and effort.

All monthly reports should be returned normally within five working days after the end of the month to avoid retroactive payroll changes resulting from the significant changes in time and effort.

Subcontracting

When it is anticipated that a portion of work to be performed under a grant or contract is to be subcontracted to an outside organization, the Principal Investigator should first contact the Office of Sponsored Programs to make known the requirements of the subcontract. The PI must make no advance commitments, implied or otherwise, to potential subcontractors regarding the award of subcontract work. Some of the requirements that must be coordinated between the PI and the OSP are listed below:

- Prepare the "Statement of Work" and "Schedule of Payments" to be included in the subcontract;
- Develop a list of potential bidders (if necessary to consider only a single source, an explanation of the reason should be provided);
- Prepare and submit a "Request for Proposal";

- Obtain sponsor approval prior to awarding of subcontract work;
- Determine that adequate funds are available to cover the subcontract work.

Keys – Collect university keys from all project staff and return them. Note: Appropriate deans and department chairpersons are to maintain key control for all labs and offices.

Project Files - A review of all project files. Budgetary and personnel information should be forwarded to the dean's/director's office for storage. All project files should be retained for three years because of the possibility of an audit.

Budget Close-Out – The most recent budget printout available from the Comptroller's Office should be reviewed by the project officers to ensure that all charges reflected in the printout and that funds are not over expended. During the last two weeks of the budget period, the project director should meet with the Comptroller to review the budget.

Final Report – The final report required by the funding agency should be completed and submitted and copies forwarded to the dean's/director's office and the OSP.

Project Close-out Checklist

- Office of Human Resources notified of University supporting personnel position terminations
- Complete Personnel Action Forms to terminate these employees
- Use remaining vacation leave
- Telecommunications notified to stop telephone service
- Dean's/director's office notified of furniture and equipment to be transferred
- Keys returned
- Files reviewed and stored
- Budget closed-out
- Final report submitted to funding agency with copies to dean/director and OSP

Subcontracting Practices and Procedures

L. Subcontracting Practices and Procedures

I. WITH PRIVATE FUNDS

What is a Subcontract?

A subcontract may be defined as “an agreement written under the authority of and consistent with the terms of the Prime Award (grant or contract) that transfers a portion of the research or substantive effort to another organization.” This definition contains four critical phrases, (as italicized):

Agreement - A subcontract is a formal, legal contractual instrument. The term subcontract is more correct than the often used terms *sub grant* and *sub agreement*. While it may seem logical to refer to a lower tier relationship from grant funds as a sub grant, the bilateral agreement which is actually a contract.

Authority of - Prior to transferring any substantive effort to another institution, approval of sponsor is usually required. Award from private sources may not be clear about the assignment of work to another party; sound practice, however, dictates that the sponsor be consulted beforehand. Otherwise, costs associated with a subcontract which did not have prior approval may not be considered as allowable costs under the prime award.

Consistent with - An effective subcontract will establish the critical parameters of the relationship and will set out the rights and responsibilities of each party, but in particular will require that the subcontractor will conduct the project in accordance with the terms and conditions of the prime award by transferring or flowing down to the subcontractor the relevant terms of the prime award. Only in this way can the prime awardee exercise the prudent stewardship necessary to ensure fulfillment of its responsibilities under the prime award.

Transfers a portion of the research or substantive effort - In instances when another organization will be responsible for performing a portion of the substantive work for which the prime award was made, a subcontract does not refer to the purchase of goods, equipment or services, which can be handled properly by consulting agreements or purchase orders.

The recipient of a subcontract is referred to as a subcontract. Terms such as “sub grantee” and “subrecipient institution” are also used.

Prime Award

The prime award is a grant. Contract or cooperative agreement which establishes the relationship between the funding source or sponsor and the prime awardee. The recipient

of the prime award, or prime awardee, may alternatively be referred to as the “grantee” or the “contractor.

Sponsor

The term sponsor is synonymous with the funding organization or other agency and which is the ultimate source of funds.

What do Subcontracts Accomplish?

A subcontract serves to identify clearly the obligations and responsibilities of the collaborating organizations and to ensure that the sponsors expectations and requirements can be met. Moreover, a formal subcontract agreement demonstrates to the sponsor the appropriate level of stewardship and accountability.

When Should Subcontracts be Issued?

In deciding whether to issue a subcontract or to use a different vehicle, the awardee should consider the following question: what type of activity will be performed and is it an integral part of work for which the award was made; does the action constitute a purchase of services or the establishment of a collaborative effort between colleagues; what is the appropriate tone of the relationship which will exist; how much creativity and flexibility will the subcontractor have in developing and accomplishing the anticipated work? These types of factors are more cogent indicators of the vehicle to be used than factors such as length of agreement or size of award.

A formal and unique subcontract should be drafted, negotiated and implemented whenever a portion of the substantive work for which the award was made will be transferred to another organization. In such cases, a subcontract is preferable to the use of general purchase orders, consultant agreements can effectively transfer funds from one organization to another, and the type of agreement used substantially sets the tone of the relationship. Purchase orders, for example are appropriate for vendor relationships and the purchase of supplies and services, such as fabrication, some statistical analysis, etc.; subcontracts are the correct vehicle for the transferring programmatic work, whether research, training, curricular reform, or conferences, etc.