

**Project Directors Guide and  
Policy & Procedures Manuals  
of the  
Office of Sponsored Programs  
and  
Grants and Contracts**

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## **The Office of Sponsored Programs Staff**

*Executive Director*

*Administrative Assistant*

*Compliance Officer*

*Grants Administrator /Pre Awards*

*Grants and Contracts Coordinator I /Pre Awards*

*Grants and Contracts Coordinator I/Post Awards*

*Grants and Contracts Coordinator II/Post Awards*

## **General Information**

The Office of Sponsored Programs (OSP) serves as the major unit responsible for the development and promotion of the University's overall program of sponsored programs and sponsored research. OSP implements the established sponsored programs and research priorities, goals and policies as defined in the University's long-range strategic plan. OSP is responsible for assisting all facets of the University with the process of sponsored programs and research. It provides support for research and externally funded programs at the University. All proposals involving sponsored programs and research are reviewed and approved by OSP prior to final submission to the external funding agencies.

Related information concerning applications for research support from federal and state agencies, corporate organizations, foundations, and institutes are available through OSP. This office also oversees all patent and copyright activities through approved technology transfer agents. OSP has the ultimate responsibility for advising the President, faculty and administrative staff on institutional research policies, activities and making recommendations on current and future priorities in research.

## **Mission Statement**

The mission of the Office of Sponsored Programs (OSP) at Alabama A&M University is to: Serve as an advocate for sponsored research; Advise the administration of matters of regulatory compliance; Assist faculty in finding funding opportunities; Assist faculty with the development of proposals; and Promote internal sponsorship of scholarly activities.

## **Office Location**

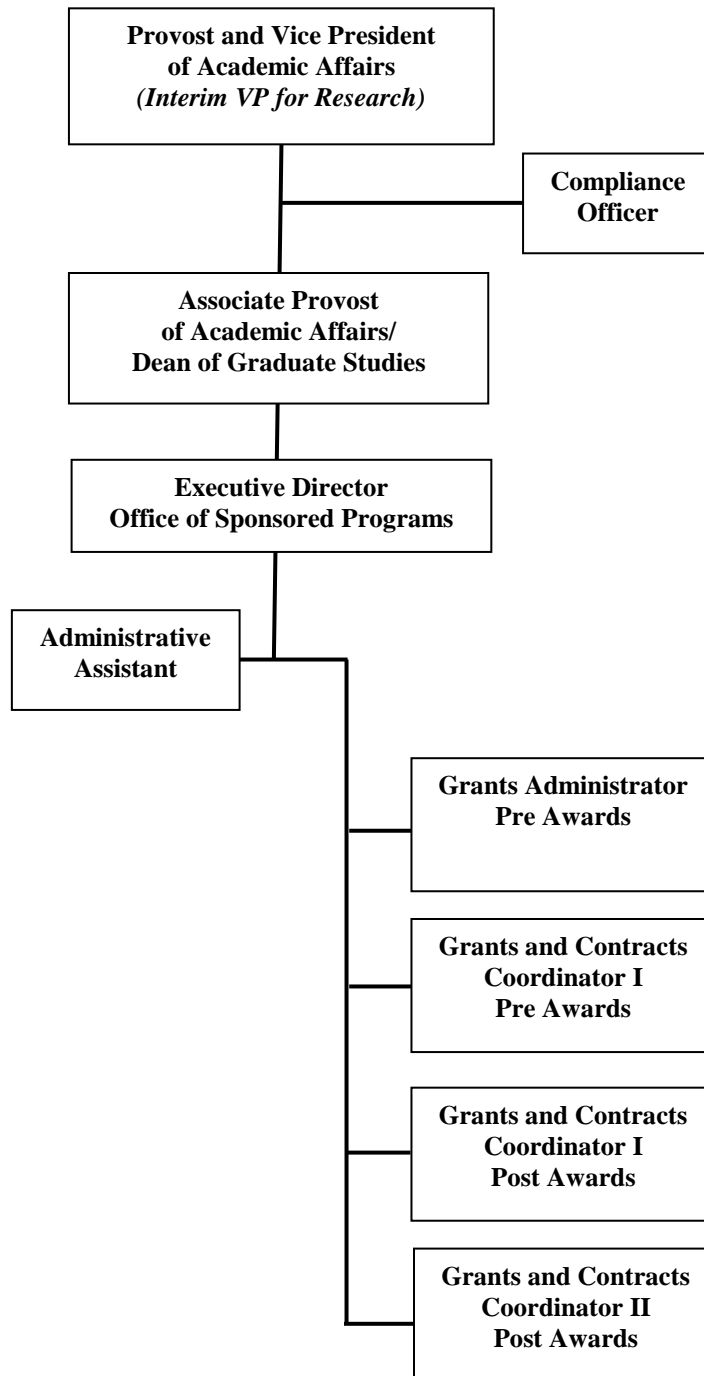
The Office of Sponsored Programs, currently located in the Carnegie Building, Buchanan Street on the second floor provides funding information, application guidelines and forms, proposal budgeting, proposal approval, award negotiations, consultation on all fiscal matters related to proposals, and training seminars.

## **Organizational Structure**

The Office of Sponsored Programs (OSP) reports directly to the Associate Provost, Dean of Graduate Studies. The office also works directly with the Office of Grants and Contracts Accounting (GCA) and indirectly with the Office of the President, Academic Affairs, Business and Finance, and Student Affairs, on all matters relating to sponsored programs and sponsored research. OSP's Organizational chart is displayed on the next page and an additional chart displaying the interrelationship between OSP and GCA is on the following page.

# OFFICE OF SPONSORED PROGRAMS ORGANIZATIONAL CHART

## ALABAMA A&M UNIVERSITY

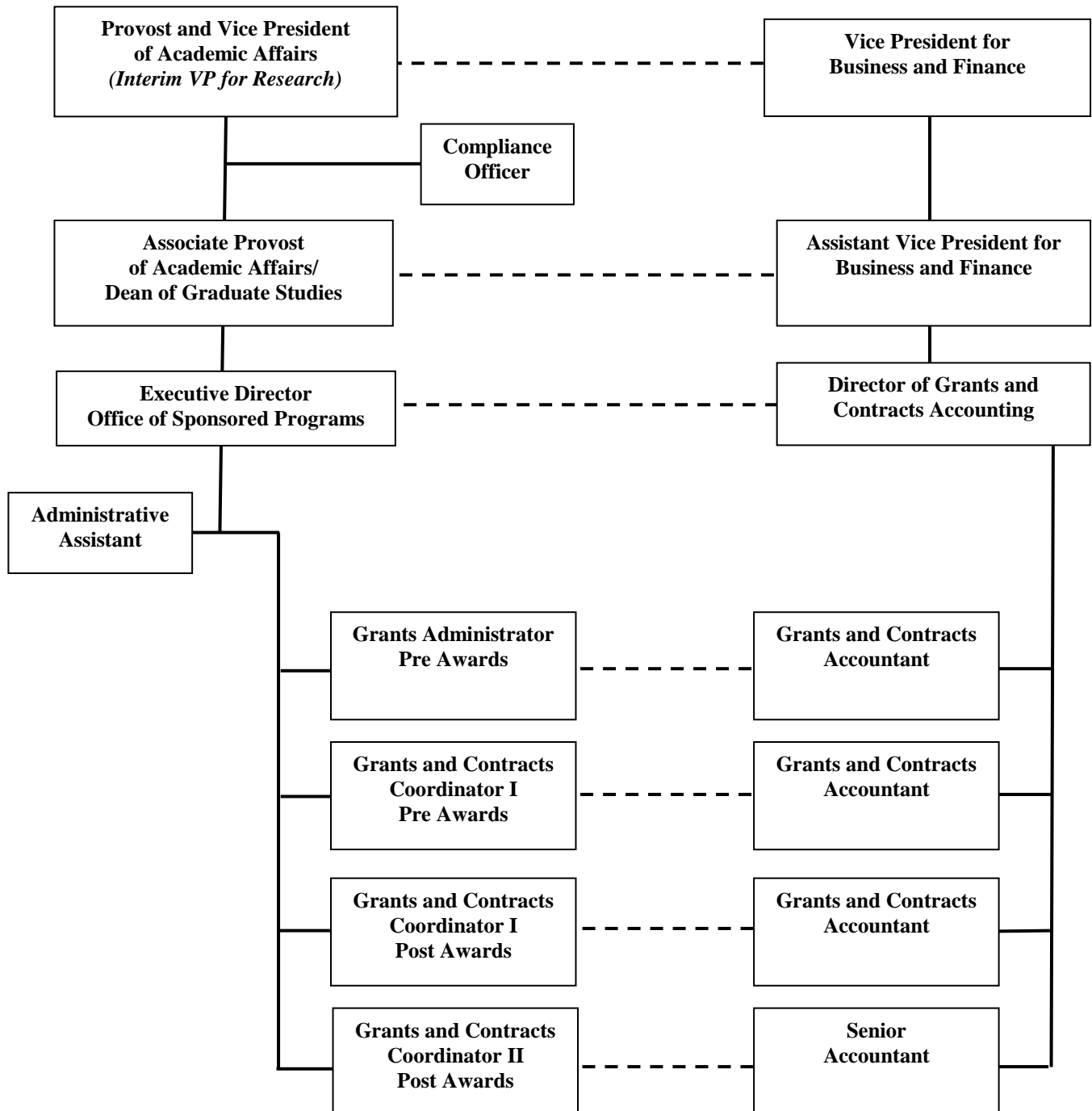


# ADMINISTRATION OF EXTERNALLY FUNDED GRANTS AND CONTRACTS

## ALABAMA A&M UNIVERSITY

### Office of Sponsored Programs

### Office of Grants and Contracts Accounting



## **Overview of Services**

Services provided to faculty and staff include:

- **Assigned Grants Administrators** – A Grants Administrator has been assigned to each of the University's four colleges. They are present in their assigned colleges 1-2 days per weeks to provide assistance with proposal development, budgeting, proposal submission, and proposal processing for research projects, sponsored programs, and contracts funded by extramural sources:
- **Research Support** -Research grants, contracts, or gifts will be accepted only when the proposed research is of benefit to the University, and/or the public in general. The availability of funds must not be the sole justification for undertaking research. The terms of any grant, contract, or gift for research must conform to the usual University policies and business procedures, and, in general, permit the University to exercise administrative control and accountability for the proposed research.
- **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 colleges are available to assist and direct proposal development in the various discipline areas. OSP staff provide full time proposal development and processing assistance for all sponsored research grant and contract activities funded from extramural sources.
- **Proposal Review** - Each research proposal, upon submittal to an external agency, reflects upon the capabilities and standards of Alabama A&M University. To assure uniform, high quality institutional representation, each proposal must pass a rigorous, multi-step internal review. Signature authorizations at the Principle Investigator, College, School, and the University Administrative levels must be secured to complete the review process. OSP staff members are prepared to assist in and complete the proposal review process at the University's Administrative level; and
- **Funding Source References** - A number of funding source publications are on file in the OSP office, including: Federal Register, Commerce Business Daily, Office of Federal Programs Reports, Federal Agency newsletters, and electronic databases from MOLIS. Faculty is encouraged to stop by and peruse these resources.

## **Incentives Program**

The OSP has developed a comprehensive awards program to encourage faculty to participate in research. A percentage of the indirect charges earned from funded grants and contracts is distributed to the principal investigator, department of origin, college of origin, and OSP. Research incentive awards are designed to promote and reward successful grantsmanship. They include:

- **Principle Investigator (PI) of the Month** – OSP recognizes each month the PI whose award brought in the largest amount of funds.
- **Research Writing Team of the Month**- Along with the PI, OSP recognizes the writing team that assisted the PI with the writing of the proposal that was funded.
- **Project/Program Director of the Month**- OSP recognizes the Project Director who submitted a successful competitive proposal and received the largest amount of funding that month.
- **Project/Program Writing Team of the Month** – Members of the Project/Program Director's writing team will also be recognized.
- **New PIs of the Month** – Faculty, who have written for the first time will be recognized each month.
- **Researcher of the Year** – The OSP is committed to recognizing researcher for outstanding efforts. A researcher will be recognized at the end of each academic year.
- **OSP End of the Year Recognition Affair** - OSP will honor all PIs at an end of the year affair. The College/School that received the most awards during the academic year will also be honored.

## **Pre-Proposal Development Activities**

### **Some University Requirements**

#### **1. Proposal Submission Procedure and Post-Award Activities**

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

All research grant proposals and contract applications must be internally reviewed and approved before leaving the University as an official final-draft submission. In most cases, a signature from the Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP) will indicate that a successful internal review of the document has been completed.

### **Pre-Award Activities**

The Principal Investigator (PI) should submit a "Notice of Intent to submit" form (Appendix A) as soon as he/she decides to develop a proposal. It is important to notify appropriate Chairpersons, Deans, and other supervisory or administrative individuals of proposed research, since these persons need to agree that the proposed activity is consistent with the

missions of their respective units. Moreover, they may be called upon to provide space, release time, etc. for the project if funds are granted.

- b. Preliminary proposal review(s) should be scheduled with Departmental Supervisors during the proposal development period. PIs should develop their proposals consistent with the specific RFP notification being answered.
- c. The final-draft proposal should be submitted through appropriate supervisory channels with a "Proposal Review and Certification Form" (Appendix A), which can be obtained in the OSP. Four signature approvals are needed to complete the review process (PI; Dept. /Program Head or Center Director; Dean; and Associate Provost, Dean of Graduate Studies or Office of Sponsored Programs (OSP)) as indicated on the form. In special cases (see below), other signature approvals as necessary may be required. Note: In signing the transmittal sheet, the principal investigator is approving the entire proposal and assuming responsibility for: (1) the scope of scientific and technical effort; (2) preparation of the required technical reports; and (3) management of the project within the budget and time restraints of the proposal in compliance with sponsor regulations and University policies.
- d. Be sure to specify the required number of copies to be mailed to the funding agency, the postmark deadline, and please provide a copy of the solicitation with the proposal.
- e. In preparing the budget, use appropriate Fringe Benefits (currently 26.48% of Salaried Personnel) and Indirect Cost rates (see Appendix B - General Information: Negotiated Indirect Cost Rates -- percentage to be applied to Direct Cost Total).
- f. Allow **Five Working Days (minimum)** to process and mail proposal applications. **Allow Extra Time for Proposals Specifying Special Conditions** (e.g., use of Human Subjects, Laboratory Animals, Hazardous and/or Radioactive Materials, etc.). Proposals must be reviewed to assure that they conform to academic, financial, research conduct, personnel, animal welfare, hazardous materials/waste handling, and human subject health/safety restrictions and guidelines imposed on and by the University. Even under normal circumstances (with no special conditions), completing the review takes time and is often subject to the availability of responsible individuals (reviewers). Every effort will be made to accommodate all proposal submissions in meeting the deadline. However, every proposal submission is not an emergency! PIs are requested to plan their proposal development accordingly.

## **D. Proposal Development**

### **Request for Proposals (RFP)**

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 a deadline rather than submitting

an application that is not very well prepared. Writing a concept paper is one way of helping one plan, organize, think through, and refine ideas into fundable proposals.

## **1. \*Concept Paper**

Proposal writing is a difficult exercise. It requires organization of thought, clear communication, and a logical sequence of ideas. Under the pressure 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 researchers 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; and 6) pre-proposal contact with sponsor.

By reducing proposal writing to an intermediate, smaller, more manageable task, a concept paper can prepare applicants to develop full proposals with more assurance, self-confidence, logic, and timeliness. Conceiving the proposal in miniature, researchers can better control its evolution. They can take advantage of critical debate, sponsor perspectives, and design expertise. As they map out the foundation for their project, they can anticipate problems, weakness, needs, and evaluate the relationship between the problem statement and solution. Before committing themselves completely to a project idea, they can in effect test out its feasibility and significance.

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 truly 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 paper 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.

## **2. Proposal Components**

Each application should be developed in accordance with specific program instructions. The text 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 OSP 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 (see Appendix B).

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**

A page which 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 terms. 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, weakness, 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. Do not overlook the National Information Technical Service and similar sources. All citations in the text should be compiled in a Selected Bibliography.

### **OBJECTIVES/QUESTIONS/HYPOTHESES**

These are precise, measurable statements of the expected outcome of the project. They can be phrased as objectives, or questions to be answered or hypotheses 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 and contracts, there will be a request for information related to introductory and prerequisite research or 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 set of objectives. In many such cases, it may be next 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, 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 and 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, field 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 evaluation plan should be included in your proposal and decide what factors will have to be assessed. Consult an evaluation specialist if you have no 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 may be a service provided by 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 that 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 COMPONENTS**

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 demonstrate evidence of cooperation from participating organizations or individuals. Access to subjects, sites, and data collections must be made clear.

## **F. 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                       | 8) Secretaries  |
| 2) Research Associates                      | 9) Editorial Assistants                                       |
| 3) Research Assistants                      | 10) Technicians   |
| 4) Graduate Students                        | 11) Hourly Personnel  |
| 5) Interviewers                             | 12) Release Time  |
| 6) Computer Programmer                      | 13) Salary increases in                                       |
| 7) Evaluators Proposals for continuing year | 14) Get percentages for below<br>from HR/grants and contracts |

### **b. Fringe Benefits (@ 26.48%) of salaries & wages of faculty & staff)**

- |                           |                               |
|---------------------------|-------------------------------|
| 1) FICA 7.65%             | 4) Group Ins. – Health 9.07%  |
| 2) Retirement 9.36%       | 5) Unemployment .01%          |
| 3) Group Ins. – Life .38% | 6) Worker's Compensation .01% |

### **c. Consultant Services**

- |                   |                            |
|-------------------|----------------------------|
| 1) Consultant fee | 3) Subsistence             |
| 2) Travel         | 4) Supplies for consultant |

### **d. Subcontracts**

### **e. Computer costs**

- |                 |                      |
|-----------------|----------------------|
| 1) On-line time | 4) Computer software |
| 2) Job runs     | 5) Computer use      |
| 3) Data storage |                      |

### **f. Equipment**

- |                      |                           |
|----------------------|---------------------------|
| 1) Fixed equipment   | 3) Office equipment       |
| 2) Movable equipment | 4) Equipment installation |

### **g. Materials and Supplies**

- |                          |                                 |
|--------------------------|---------------------------------|
| 1) Office supplies       | 9) Glassware                    |
| 2) Communications        | 10) Chemicals                   |
| 3) Test materials        | 11) Electronic supplies         |
| 4) Questionnaire forms   | 12) Report materials & supplies |
| 5) Duplicating materials | 13) Miscellaneous               |
| 6) Animals               | 14) Periodicals & books         |
| 7) Animal food           | 15) Instructional material      |
| 8) Laboratory supplies   |                                 |

## **h. Travel**

- |                            |                                      |
|----------------------------|--------------------------------------|
| 1) Administrative          | 7) Mileage                           |
| 2) Field work              | 8) Air transportation                |
| 3) Professional meetings   | 9) Registration fees                 |
| 4) Travel for consultation | 10) Auto rental/taxi/bus/metro/train |
| 5) Aircraft rental         | 11) Per Diem                         |
| 6) Foreign travel          | 12) Hotel                            |

## **i. Alterations and Renovations**

## **j. Other Expenses**

- |  |  |
|--|--|
| 1) Duplication services<br>(Reports, etc.) | 9) Equipment rental                                    |
| 2) Printing                                | 10) Human Subjects payment                             |
| 3) Publication costs                       | 11) Workshops  |
| 4) Photographic/graphic services           | 12) Telephone (line charges;<br>long distance & tolls) |
| 5) Service contracts                       | 13) Postage  |
| 6) Space rental                            | 14) Interviewers' fees                                 |
| 7) Page charges                            | 15) Honoraria  |
| 8) Equipment maintenance<br>& repair       |  |

## **k. Indirect Costs**

## **l. Cost Sharing (if required)**

## **m. Trainee Costs**

- |                         |                      |
|-------------------------|----------------------|
| 1) Stipends             | 4) Tuition & fees    |
| 2) Dependency allowance | 5) Training supplies |
| 3) Trainee travel       |                      |

## **Post-Award Activities**

Upon receipt of an award, usually in the form of an award letter, an account having an assigned name and number must be set up in the Comptroller's Office, so that proper expenditures can be made. A budget request form to the Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP) will initiate this process. No financial obligations are to be made on a grant without the award letter and the appropriate account established.

Copies of progress and/or final reports are to be filed in the OSP. It is the Principal Investigator's responsibility to provide these reports in a timely manner in order to meet the agency deadline.

Some funding agencies grant "no cost" extensions for funds not obligated at the end of a grant period. Specific guidelines for the particular agency must be checked. Usually there is a time frame in which such a request has to be made.

## **2. 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.

## **3. Drug-Free Work Place**

Many granting agencies require an "Assurance Statement" that the grantee will provide a drug-free work place for grant activities. Check with the OSP.

## **4. Policy on Indirect Cost**

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 indirect cost belongs to the institution to help defray these costs. Alabama A&M University permits a percentage of indirect costs to be returned to various units of origin

- 10% -Office of Office of Sponsored Programs (OSP),
- 7% - School of Origin,
- 5% - Department of Origin,
- 78% would go to the University

These monies cannot be used to increase salaries. They will be used as incentives for potential PIs.

## **5. Policy on Faculty Release Time**

Alabama A&M University makes provisions for reduced teaching and/or workloads for those persons participating in funded projects. The reduction in loads corresponds to the equivalent of time spent on the projects. The work created by the teaching load reduction is reallocated by reassigning responsibilities, where appropriate, by hiring adjunct faculty, or by hiring new full-time faculty. The University will honor its commitment to release those persons who will be involved in funded research efforts.

## **6. Employment and 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 a 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 Alabama A&M University's policy on summer employment. *All employees who participate in sponsored programs must record time and effort as it relates to his/her specific federal project. Quarterly time & effort forms must be provided to Grants and Contracts with all required signatures.*

## **7. Salary Supplements**

Faculty can be compensated up to an additional 25% 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.

Continued high levels of funding may also justify base-pay adjustments. However, such adjustments are not addressed by this policy, but rather by the normal faculty-review process.

## **8. Federal and State Grant Expenditures**

All expenditures exceeding \$5,000 (or \$1,500 when desired expenditures are not budgeted in the original proposal), including the employment of personnel, on federal and state grants must be cleared through the OSP.

## **9. Transfer of Principal Investigator to another Institution**

If the principal investigator transfers from Alabama A&M University to another institution, the grant, because it is awarded to Alabama A&M University and not to the individual investigator, remains with the University, unless in petitioning to the Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP), it is released. All equipment purchased with grant funds also remains with Alabama A&M University unless the P.I. requests, in writing, and is granted permission from the Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP). The granting agency must also approve the proposed change of institution.

## **10. Cost Sharing**

Many of the funding opportunities available to the University require state matching funds, sometimes to the extent of one-to-one. The University is generally supportive of proposals that show various forms of matching, such as indirect costs, supercomputer time, and even previously uncommitted funds. However, proposed matching must be coordinated with the Comptroller's Office well in advance of the proposal's due date (several weeks if possible). One must have a commitment for cost matching in advance of proposal processing.

## **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 proposal objectives are met and that policies and procedures of the granting agency as well as those of the university are followed.

- 1. Requisition** - 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 Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP)).
- 2. Purchase Order** - The Purchase Order (PO) is the official document authorizing the purchase of requested items. POs are issued from the Chief Purchasing Officer in the Purchasing Department.
- 3. The Bid Process** - Alabama State Law requires that purchases of \$7,500.00 and above (not including sale tax) to any one vendor must be put out to bid. Normally this takes from 30 to 60 days. (For more information on rules and restrictions, contact the Purchasing Department).

### **I. Some Definitions**

- 1. Grants** - A grant is an award of funds to an individual or an institution for a specific period of time to engage in certain activities. Grants have minimum restriction and the person in charge, the principal investigator, has a fair degree of flexibility within certain parameters as to the proposed activities.
- 2. Contracts** - A contract is similar to a grant, but generally is much more restrictive. Usually the terms in a contract are set forth in writing so as to be enforceable by law.
- 3. Cooperative Agreements** - Sometimes funds are extended to a university to do research, development, or training activity in the form of an open-ended document called a "cooperative agreement". Details of the work statement are filled in by mutual consent from sponsor and recipient as the project proceeds.

### **J. Hints and Possible Resources for Research Initiation**

- 1. Short-Term Appointments** - Short-term appointments at a research institution, government laboratory, or industry can be very instrumental in initiating research projects. A number of such appointments are available, especially during the summer months. Stipends are usually paid as well as travel and subsistence allowances in many cases.
- 2. Supplemental Grants** - To encourage more participation of underrepresented groups and professors from small institutions, most federal agencies will allow scientists who have regular grants with them to submit a supplemental grant including members of the underrepresented groups. The OSP can provide additional information for interested persons.

- 3. Workshops** - Workshops on proposal development can provide helpful hints on research initiatives and proposal development. The OSP sponsors several proposal development and research opportunity awareness meetings each semester during the academic year.
- 4. Serving on Review Panels** - Serving on review panels allows one to see the nuts and bolts of how proposals are examined and some of the specifics of what reviewers look for. Additionally, copies of funded proposals usually are available from funding agencies upon request.

## **COMPLIANCE**

The federal government mandates that Alabama A&M University (LU) have the ultimate responsibility to ensure that any research conducted on or off campus, including collaborative research with other institutions, is conducted in compliance with University, local, state, federal and funding agency regulations. It is also the responsibility of the institution to ensure that the rights and welfare of human subjects, the welfare of animals, the rights of the investigator, the environment and the community are protected. OSP, through the Associate Provost/Dean of Graduate Studies is authorized to provide this oversight for the institution.

To ensure with compliance of this mandate, The OSP Interim Executive Director will continually monitor, analyze and evaluate the adequacy and effectiveness of the University's system of internal controls when compared to established research standards. Alabama A & M University is committed to meeting those standards and to be strong in research compliance. These internal controls will be combined with education, training, effective communication and teamwork to fulfill this mission and responsibility.

Research is defined in the Code of Federal Regulations (45 CFR 46) as "...a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge. Activities that meet this definition constitute research for purposes of this policy, whether or not they are conducted or supported under a program that is considered research for other purposes. For example, some demonstration and service programs may include research." Therefore, research projects that are the responsibility of Alabama A & M University include projects conducted by undergraduate and graduate students, projects for academic credit, research that involves University resources, research that will result in publication or licensing, and projects funded both internally and externally.

The Interim Executive Director also acts as a resource for the university community and public concerning research compliance requirements and coordinates compliance measures on campus. This includes the use of human subjects in research, control of biohazards and radiation safety. The Officer also develops, modifies and implements regular, effective education and training programs targeted to specific research compliance issues, policies, procedures and processes

## **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 precaution. 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. Also included is a summary of the NIH Policy on Scientific Misconduct.

### **1. Secret or Classified Research**

As a public land-grant institution with a trifold mission to serve the surrounding community and state through the dissemination of knowledge (teaching, research, extension), Alabama A&M University cannot accept grants or contracts for research which in any way preclude the open disclosure of research results.

The sources of sponsorship and purpose of each project must be such that they can be publicly announced and described. A sponsor will not be permitted to determine the contents of any publication reporting the results of research.

### **2. Publications Policy**

The University will not enter into any agreement with a research sponsor that restricts the faculty or staff's right to publish the results of that research, with the following exceptions:

- a.** Upon request, the University can agree not to disclose or publish without the sponsor's approval any sponsor-furnished information, nor reveal to others specific applications of the research results or operations of the sponsor.
- b.** Upon request, the University can agree to provide the sponsor a copy of any report or manuscript containing the results of research at first availability and prior to publication.
- c.** Upon request, the University can agree to delay publication of information concerning an invention for a period of no longer than twelve months from the date of submission of the manuscript by the principal investigator to the sponsor, or until a U.S. patent application has been filed, whichever represents the shorter interval of time. With governmental sponsors, publication may be delayed indefinitely for reasons of public policy. Any sponsor may waive a previously agreed-upon delay period, thus permitting immediate publication. The submission and cataloging of any thesis or dissertation prepared by a graduate student in fulfillment of an academic requirement is exempt from any delay or review by the sponsor.

## Intellectual Property

During the agreed-upon term of sponsored research, it might be necessary or desirable for a sponsor to entrust to Alabama A&M University certain materials business or technical information, or data in confidence during the term of sponsored research and for a reasonable period of time beyond such term. The University; however, is not obligated to treat as confidential any information, which is: (1) public information; (2) already known to the University or its personnel; (3) independently developed by University personnel; or (4) required by a court order to be disclosed. The University further agrees to return to sponsor or destroy any such proprietary materials, information, or data and all copies of such upon request. The sponsor agrees to identify clearly such materials, information, or data it considers to be proprietary in writing at the time of transmittal to the University.

## 4. 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 Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP) is the University official responsible for safeguarding the rights and welfare of human subjects involved in research activities. This responsibility has been delegated to the Institutional Review Board (IRB). Any project originating at Alabama A&M University which uses human subjects, including self-experimentation, is subject to review and approval by the Human Subjects Committee. This 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 Alabama A&M 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 Alabama A&M 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 Item *D. Human Subjects* in the *Project Requirements* section of the *Proposal Review and Certification Form*.
- Agency requirements for human subject's assurance certification vary: check with the Office of Office of Sponsored Programs (OSP) for more precise information.
- 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 line provided for *Other Signatures as Necessary* on the *Proposal Review and Certification Form*.

## **5. Animal Subjects in Research**

Purpose: 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 animal care at Alabama A&M University shall meet the standards set forth by the National Institutes of Health (NIH) "Guide for the Care and Use of Laboratory Animals" (U.S. Department of Health, Education and Welfare Publication No. [NIH] 78-23, 1978) and all revisions thereof. Additionally, the University shall uphold federal laws relating to the use of laboratory animals (Publications 89-544 and 91-579).

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 Committee has been established to implement and administer the University policy on animal welfare. All research, sponsored or non-sponsored, involving animal subjects must be reviewed by Animal Care Committee to assure that it conforms to the University's policies governing animal care and welfare as set forth in the NIH Guide.

Procedures:

- Principal investigators proposing to conduct research that involves the use of animals must check Item *F. Animal Welfare* in the *Project Requirements* section of the *Proposal Review and Certification Form*.
- The Animal Care Committee will evaluate the protocol to determine whether it conforms to the University's policies governing animal welfare as set forth in the NIH Guide. The Committee may approve or disapprove the protocol. If it is disapproved, the Committee may advise the principal investigator on ways of altering the protocol to bring it into compliance with University policy.
- Principal investigators must allow sufficient time for review and approval of the Animal Care Committee in the proposal submission and internal review/approval process. Clearance is indicated by the appearance of the signature of the Animal Care Committee Chairman on one of the lines provided for *Other Signatures as Necessary* on the *Proposal Review and Certification Form*.

## **6. 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 University Biohazards Safety Committee. 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 Committee 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 Item *E. Biohazards Review* in the *Project Requirements* section of the *Proposal Review and Certification Form*.
- The Office of Sponsored Programs (OSP) will refer all proposals for research activity involving biohazards to the University Biohazards Safety Committee for review and approval. Principal investigators are encouraged to consult with this committee 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 Committee in the proposal submission and internal review/approval process. A signature by the Biohazards Safety Committee Chairman in the *Other Signatures as Necessary* section of the *Proposal Review and Certification Form* may be required before further processing can be completed.

## **7. 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 principal investigator 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. A Hazardous Waste/Materials Committee has been established to set University policy governing the handling and disposal of toxic and hazardous wastes. Review and approval of this committee is required for proposals of projects requesting external funds for research generating measurable hazardous waste.

## **8. Copyright Policy**

It is not the intent of Alabama A&M University to infringe upon the rights of faculty, staff, and students to write or otherwise generate on their own original copyrightable materials for which they have sole rights of ownership and disposition.

The University does, however, claim property rights to copyrightable materials when it provides the facilities, salaries, or other support for the express purpose of creating such materials. Included are such items as books, pamphlets, or other printed matter; film, videotape and audio recordings; computer programs or computer-based instructional materials; or any other items covered by the Federal Copyright Act now existent or as later amended.

The University faculty, staff, and student body are encouraged to contact the Office of Office of Sponsored Programs (OSP) for sources of information or technical advice for questions concerning protection of their individual rights to materials they have generated or questions involving the use of currently copyrighted materials in their work as teachers, scholars, and creators of their own copyrightable materials.

Whenever University personnel are employed or directed by their department chairman, dean or other University officer, to generate specific works subject to copyright, the following shall apply:

- a. The chairman, dean or officer shall decide whether or not the material will be produced and distributed with copyright protection. In the interest of free dissemination of knowledge, materials produced by faculty, ordinarily will not be copyrighted by the University. However, if the cost of producing the materials must be recovered from sales, or if there is other good reason, the materials shall be copyrighted in the name of Alabama A&M University, or in the name of a publisher with whom the University will enter into a contract.
- b. If the materials are to be copyrighted, the author(s) and, if appropriate, publisher shall enter into a copyright agreement with Alabama A&M University. Property rights to the materials shall be divided among the University, the author(s), and the publisher in an equitable manner, reflecting the contribution made by each party to the finished materials. The copyright agreement shall be signed by all parties before work on the project begins. The Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP), as designated by the University President, shall sign for the University. The author(s) of such copyrightable materials shall be considered as creating the work for hire by the University.
- c. Nothing in this policy shall nullify or preempt the copyright provision of any grant or contract accepted by the University from a research sponsor, governmental or private, when such contracts or grants provide the sponsor with specified rights to the materials developed from research or when such contracts or grants limit the right of the copyright.

## **9. Patent Policy**

See Appendix B

## **10. Dealing with Possible Misconduct in Science**

See Appendix C

## **11. Time and Effort**

See Appendix D

## **Subcontracting**

When it is anticipated that a portion of the 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 (OSP) 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 Office of Office of Sponsored Programs (OSP) are listed here:

- Prepare the "Statement of Work" and "Schedule of Payments" to be included in the subcontract;

- Develop a list of potential bidders (if it is necessary to consider only a single source, an explanation of the reason should be provided);
- Prepare and submit "Request for Proposal";
- Evaluate bids received and determine the successful bidder;
- Obtain sponsor approval prior to awarding of subcontract work;
- Determine that adequate funds are available to cover the subcontract work;
- Ensure that University and sponsor requirements are met if human subjects are involved;
- Establish procedures for administering the work performed under the subcontract.

When it is known during the proposal preparation stage that subcontracting will be required, a subcontract should be prepared at that time and included in the proposal submitted. Attention to such details in the proposal stage should save time and permit smoother initiation of the project upon receipt of the award.

For a more thorough discussion of subcontracting, both with private sources of funding and with federal governmental sources, see section *O. Subcontracting Practices and Procedures*.

## **12. Hazardous Research Areas, Occupational Safety and Health**

Sponsors are not legally responsible for accidents, illness or claims arising out of any work undertaken with the assistance of a grant or contract. The University and the Principal Investigator are expected to take the steps necessary to insure and protect the University and its personnel and to comply with the applicable standards issued pursuant to the National Occupational, Safety and Health Act. Sections of the Act, where applicable, must be followed.

All persons who enter the buildings, classrooms, and laboratories owned by the University do so at their own risk. Areas of particularly high risk, such as laboratories, greenhouses, research areas, etc., where carcinogens, radioactive, toxic or other hazardous materials and/or conditions exist or potentially exist, shall be designated by a clearly visible warning message posted at or near the entrance as a "Potentially Hazardous Research Area."

## **13. Conflict of Interest**

Alabama A&M University faculty is made up of highly trained professionals, many of them of national and international reputation, representing a significant reservoir of human resources. Services of this group are available to the various sectors of society for the mutual benefit of government, industry, the academic community and society at large. Outside employment and activities are encouraged, provided they do not detract from full and competent performance of a faculty member's duties and responsibilities.

The information presented below concerning conflict of interest has been adapted from the Joint Statement of the Council of the American Association of University Professors and

the American Council on Education, December 1964, and is intended for the guidance of University faculty members engaged in research.

### **Outside Interests**

When a University faculty member undertaking or engaging in a program has a significant financial interest in, or a consulting arrangement with a private business concern, it is important to avoid actual or apparent conflicts of interest between University obligations and outside interests and other obligations. Situations in or from which conflicts of interest might arise are the following:

- Orienting University activities to serve the needs of private firms without disclosing such orientation to the University and to the sponsoring agency.
- Purchasing major equipment, instruments, materials, or other items for a sponsored program from the private firm in which the faculty member has an interest without disclosing such interest.
- Transmitting to the private firm or using for personal gain work products, results, material, or information from sponsored programs that are not made generally available to others (this includes licensing arrangements for inventions or consulting on the basis of sponsored research results).
- Use for personal gain or other unauthorized use of privileged information acquired in connection with the faculty member's sponsored activities (the term "privileged information" includes, but is not limited to, medical, personnel, or security of individuals, or knowledge of forthcoming programs).
- Negotiation or influence on the negotiation of contracts, related to the faculty member's sponsored program, between the University and organizations with which he/she has consulting or other significant relationships.
- Acceptance of gratuities or special favors from organizations with which the University does or may conduct business in connection with a sponsored project, or extension of gratuities or special favors to employees of the sponsoring organization, under circumstances that might reasonably be interpreted as an attempt to influence the recipients in the conduct of their duties.

### **- Distribution of Staff Effort**

There are competing demands on the energies of a faculty member. The way in which effort is divided among these various functions does not raise ethical questions unless the

organization supporting the research is misled in its understanding of the amount of intellectual effort actually devoted to the research in question.

If the agreement stipulates that a faculty member will devote a certain fraction of effort to the sponsored program or assume responsibility in relation to such research, a corresponding measure of actual involvement is to be expected.

#### **- Other Potential Conflicts of Interest**

When the principal investigator consults for one or more organizations in the same technical field as the sponsored program, care must be taken to avoid giving advice that may be of questionable objectivity because of possible bearing on the faculty member's other interest. In undertaking and performing consulting services, full disclosure of such interests should be made to the University and to the sponsor insofar as they may appear to relate to the work at the University or for the sponsor. Conflict of interest problems could arise, for example, in the participation of a faculty member of the University in an evaluation for the sponsor on some technical aspect of the work of another organization with which the faculty member has or had a significant consulting or employment relationship or a significant financial interest, or in an evaluation of a competitor to such other organization.

### **14. Anti-Lobbying**

Federal agencies require that the University provide assurance (via Standard Form LLL) that no federally appropriated funds have been paid or will be paid, by or on behalf of the person signing the assurance, to any person for influencing or attempting to influence an officer or an employee of any agency; a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with the awarding of any federal contract or grant; the making of any federal loans; the entering into of a cooperative agreement; and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. If any funds other than federally appropriated funds have been paid for the services mentioned above, the PI is required to complete and submit Standard Form LLL-A, "Disclosure Form to Report Lobbying," in accordance with its instructions. This certification is a pre-award requirement. Appropriate forms should be part of the application package or may be secured from the Office of Sponsored Programs (OSP).

### **15. Civil Rights, Handicapped Individuals, Age and Sex Discrimination**

The University must provide assurance of compliance with the Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments, and the Age Discrimination Act of 1975. Alabama A&M University assures that it will prohibit discrimination on the basis of race, color, national origin, handicap, sex, and age in all programs or activities receiving Federal financial assistance. The institution agrees that compliance with this assurance constitutes a condition of continued receipt of assistance, and that it is binding upon the applicant, its successors, transferees, and assignees for the period during which such assistance is provided. Furthermore, the

University assures that all contractors, subcontractors, subgrantees or others with whom it arranges to provide services or benefits in connection with its education programs or activities are not discriminating or in violation of the above statutes, regulations, guidelines, and standards. The University will have on file with all of the Federal agencies, any required documentation of its compliance with the Civil Rights Act of 1964 and relevant amendments.

## **16. Drug-Free Workplace**

Alabama A&M University operates in compliance with the Drug-Free Workplace Act of 1989, the Higher Education Act of 1965 (Section 1213) and the Drug-Free Schools and Communities Amendments of 1989 (P.L. 101-226, Section 22), and certifies that it strives to provide and maintain a drug-free workplace. Federal regulations require that for all grants awarded after March 18, 1989, the applicant must provide certification that it will maintain a drug-free workplace, and that otherwise federal funding may be withheld. The University operates in conformance with all federal drug-free workplace requirements and has established a Center for Drug Abuse Prevention and Education under the supervision of a full time director. All required drug-free workplace documentation will accompany grant or contract application submittals originating from Alabama A&M University. If these forms are not part of the application package, they should be secured from the Office of Office of Sponsored Programs (OSP).

## **17. Debarment and Suspension**

Certification regarding debarment, suspension, and other responsibility matters is required by the regulations implementing Executive order 12549, Debarment and Suspension, 34 CFR Part 85, Section 85.510. The prospective applicant certifies to the best of his knowledge and belief that its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; have not been convicted of or had a civil judgment rendered against them for fraud or a criminal offense in connection with obtaining or performing a public transaction; are not presently indicted for or otherwise criminally or civilly charged by a government entity; and have not had one or more public transactions terminated for cause or default within a three-year period preceding the application/proposal. Form GCS-008, 6/88 is used to certify all of the statements in this Executive order. This is a pre-award requirement.

## **18. Non-Delinquency on Federal Debts**

The Department of Health and Human Services, Public Health Service (PHS) requires that individuals submitting applications for fellowships or research service awards from PHS and individuals signing grant applications as the applicant organization's authorized representative are required to certify as to their non-delinquency on Federal debt (face page of Form PHS 416-1 for individuals and face page of Form PHS 398 for organizations). Federal debt includes delinquent taxes, audit disallowance, guaranteed or direct student loans, Federal Housing Administration (FHA) loans, business loans, and other miscellaneous administrative debts. This certification is a pre-award requirement.

## **19. Health and Safety**

Alabama A&M University is committed to provide a safe and healthy environment for its employees and students. The University assures that regulations pertaining to compliance requirements for health and safety standards in the workplace are enforced, including compliance with Occupational Safety and Health Association (OSHA) regulations. A Research Safety Committee ensures that the University is protected from toxic and nuisance substances, flammable materials, and fire. In addition this committee ensures that all sources of ionizing radiation (including biohazard radiation and radioactive materials) at the University are used safely and in a manner which complies with applicable Federal and State regulations. The Research Safety Committee is appointed by and reports to the Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP).

## **20. Programmatic Compliance/Technical Reports**

Federal sponsoring and other grant agencies require specific information about program performance. Grant proposal guidelines usually inform the project director of reporting requirements. The PI/PD is responsible for managing the day-to-day operations of grant and sponsored activities and must monitor project activities to ensure compliance with applicable agency requirements and that performance goals are being achieved.

Performance reports shall normally contain brief information on the following:

- A comparison of actual accomplishments with the objectives established in the proposal;
- An explanation for not meeting established objectives;
- Analysis and explanation for cost overruns;
- Other applicable information required by the sponsoring agency.

The sponsoring agency should be notified of developments, which may have significant impact on the grant or sponsored activity. Specifically, the agency should be notified of:

- Problems or delays which may impair the ability to meet the proposed objectives;
- Favorable developments which will permit the PI/PD to meet objectives sooner than scheduled or at less cost than anticipated.

All project directors are asked to inform the Office of Office of Sponsored Programs (OSP) of all compliance requirements mandated by the agency at the time of receiving the award. In addition, project directors are encouraged to present a file copy for OSP records of all reports to sponsoring agencies.

## **21. Consultant Payments**

Compensation for those persons who are not filling an established position and are being paid on a one-time basis when work is completed is termed consultant payment. Payment

for consulting must be supported by a written agreement signed by the consultant and by an authorized project representative. The agreement must include a detailed statement as to the duties and responsibilities of the consultant. Consultancies that are over \$10,000 require a different form and they must go out on bid. If payment is under \$10,000, a University requisition will suffice.

## **22. Overload Payments from Grants for University Personnel**

Faculty employed at Alabama A&M University and paid with federal grant funds are not considered federal employees, but Alabama A&M University employees; therefore, the use of project funds for the payment of fees for additional pay (from within the grantee organization) is allowable under the conditions indicated below:

- a. There must be evidence that the services to be provided are essential and cannot be provided by persons receiving salary support under the grant.
- b. There must be evidence that a selection process has been employed to secure the most qualified person available and that the selection has been approved by a senior officer of the University.
- c. There must be evidence that the charge is appropriate considering the qualifications of the employee, his/her normal charges, and the nature of the service rendered.
- d. If overload payment is sought for an employee of the University, the service must be across departmental lines and in addition to regular duties, or it must involve a separate or remote operation, and the work performed be in addition to the employee's regular workload and specifically approved in writing by the sponsoring agency.

## **23. Stipends**

Stipends are payment to individuals, fellows, or trainees under fellowships or training grants. Such payments are intended to provide for the individual's living expenses during the period of training.

Student stipends cannot be charged to sponsored projects unless they are specifically provided for in a written authorization from the sponsor. Students receiving stipends are not eligible for fringe benefits.

## **24. Impact of Release Time on Cost Sharing**

All personnel working on sponsored projects may be relieved of their regular duties by the department head or other responsible persons for that period of time and percentage of effort to be devoted to the sponsored project. If such personnel continue to be paid from departmental funds while working on a sponsored project, then that portion of their salary and fringe benefits related to the sponsored project effort represents cost-sharing to the project. Alternatively, if regular personnel are appointed to and paid from the sponsored project budgetary account on which they work, then departmental (University) budget

money will be released. These State funds can then be used for other purposes within the University (subject to the approval of the department head and dean and in conformity with University policy. The principal investigator may request of the department head and/or dean to use these State funds for project related costs.

## **25. Expenditure of Project Funds**

### Purchasing Supplies and Equipment

The Purchasing Department is responsible for obtaining all goods and services from outside the University. The responsibility of the Purchasing Department encompasses the obligation to obtain quality merchandise/service by the date required at the lowest possible cost to the University. Procurement of goods and services from sources outside the University by individuals or entities other than the Purchasing Department is not authorized. The Purchasing Department may determine the selection of the vendor from whom the merchandise or service will be ordered. The specifications or model requested by the principal investigator will not be changed without prior approval.

A Requisition Form is used to procure goods or services from external vendors, as well as for various on-campus services. All requisitions for purchases over the amount of \$1,000 should be forwarded to the Purchasing via the Office of Office of Sponsored Programs (OSP) which will verify the allowability of the item(s) requested.

### Competitive Bids

To obtain the best possible price, competitive formal bids are solicited when appropriate. Competitive formal bids are normally required for all requisitions (except sole source) that exceed \$7,500.

## **26. Travel**

Generally, it is the University's policy that travel on sponsored projects should conform to the same rules and regulations as those applicable on non-sponsored projects. Travel costs are chargeable to a sponsored project if the trip is directly related and beneficial to the specific work funded under the sponsored agreement.

### Permission to Travel

- a. A Travel Authorization Request form must be completed in advance of any official travel.
- b. All official travel must be approved by the traveler's supervisor.
- c. All travel for liaison or contract activity with federal or state agencies must be approved by the Associate Provost, Dean of Graduate Studies for Office of Sponsored Programs (OSP).

- d. Travel in excess of thirty (30) continuous working days requires Presidential approval.
- e. Although travelers with budgetary authority may sign as budget managers on their own travel, no travelers may sign as their own supervisors. Therefore, the approval of the principal investigator's department head or dean is required for the principal investigator's own travel.
- f. The Travel Authorization Request form and the subsequent Travel Reimbursement Request form should clearly indicate the meeting or purpose of the trip and expected benefits to the sponsored project to which it will be charged.

### **Travel Reimbursement**

Travelers on sponsored projects are subject to the same rules and regulations as are travelers on other budgets. Hence, travelers should become familiar with the existent University travel procedures.

## **27. Property Control**

The title for all equipment that is purchased with contract or grant funds is vested with the granting agency. Upon completion of the project, the principal investigator, in the name of the University, may request that the title be turned over to the institution. All such requests for property title transfer are to be processed and coordinated through the OSP. If the title is turned over to the University, the dean of the school/program is then in control of that property on behalf of Alabama A&M University. If the title is to remain with the federal agency, a U.S. government decal should be attached to the equipment.

An equipment inventory is maintained by the Office of Property Management.

## **28. Financial Management**

### **Cost-Sharing**

In most instances, when requesting federal, State or other external funding, the University must demonstrate commitment to the proposed program. The commitment is to be proven in certain programs by matching funds. Each academic unit determines the importance of possible externally supported programs according to the priorities of the school or program in its respective academic development plan. Based upon this, the school or program decides if the cost sharing required by the agency can be committed or identified within existing budgets. This cost-sharing in funding and/or in-kind must be audible. It is recommended that salaries with the pertinent fringe benefits and assessments be used as the primary type of cost sharing, however, other budgetary commitments may be approved on an individual case basis. For example, anticipated project equipment, travel, supply, or

facilities usage expenditures in excess to those normally covered by Indirect Charges (normal operating overhead) may qualify upon approval as in-kind cost-sharing.

### Budget Transfers

If a budget change is required on an on-going contract or grant, a Request for Transfer of Funds Form is necessary. Upon submission, a review of the project will be made by an Administrator within the Office of Sponsored Programs (OSP) determine whether agency approval is required.

Prior approval is normally required for the following:

1. Subcontracts or subgrants
2. Changes in scope or objectives
3. Changes in key personnel
4. Transferring substantive programmatic work to a third party
5. Medical care to individuals under research grants
6. General purpose equipment
7. Large transfers of monies from one category to another
8. Foreign travel

Items that are NOT allowed on contracts and grants are:

1. Contingency funds
2. Entertainment costs
3. Fundraising, solicitation of gifts
4. Losses on other research agreements or contracts
5. Lobbying

## **29. Final Reports**

The OSP will send notification to the P.I. 90 days before expiration of the grant as a reminder of closeout procedures. A copy of this notification is also forwarded to the dean/director, Human Resources, Property Management, and Comptroller's Office. To ensure that the University receives its final payment and that sponsor requirements are met, the following procedures should be followed:

**Final Report of Expenditures:** The Grants and Contracts Accountant in the Office of the Comptroller is responsible for compiling the Final Report of Expenditures and sending a copy to the principal investigator.

**Technical Reports:** It is the responsibility of the Principal Investigator to ensure that all technical and other reports (e.g., invention reports and property and classified reports) are delivered in a timely manner and in the format agreed upon with the sponsor.

### **30. Project Close-out**

#### **University Support Personnel Positions**

The Office of Human Resources should be notified at least ninety (90) days prior to the grant ending date of any University support personnel positions for which funding will not be continued. This notification, which is the principal investigator's responsibility, should include the individual's name, job classification, current position location, and date of termination of the current program funding, and should be processed through the dean's/director's office. The Office of Human Resources will assist in placing clerical staff in another position on campus, but needs sufficient lead time to do so.

#### **Personnel Action Forms**

**Forms should be completed and** processed through the dean's/director's office to terminate support personnel services.

#### **Use of Vacation Leave**

Project staff are encouraged to use accrued annual leave before the ending date of the grant.

#### **Telephone**

If your project has its own telephone lines, notify the Telecommunications Office at least a month in advance of the date on which the telephone service is to be discontinued. Also, suggest where project calls should be forwarded, and provide this information to both Telecommunications and the dean's/director's office.

#### **Furniture/Equipment/Books**

If your project has purchased furniture, equipment (e.g., computer, iPad, etc.), books, etc., provide an inventory of this equipment, including the Alabama A&M property tag number, to the dean's/director's office. Distribution of the furniture and equipment, within or outside of the unit, will be done by the dean's/director's office.

#### **Leased Furniture/Equipment**

If your project leases office furniture or equipment, arrange with Purchasing for the pick-up of the leased items on or about the time of project closeout.

#### **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**

Review 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 audit.

### **Budget Close-out**

The most recent budget printout available from the Comptrollers Office should be reviewed by the project officers to ensure that all charges are 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 Grants and Contracts accountant to review the budget.

### **Final Report**

The final report required by the funding agency should be completed and submitted and copies forwarded to the deans/director's office and Office of Office of Sponsored Programs (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
- ⇒ Return of leased equipment arranged
- ⇒ Mailroom notified of forwarding address
- ⇒ Keys returned
- ⇒ Files reviewed and stored
- ⇒ Budget closed-out
- ⇒ Final report submitted to funding agency with copies to dean/director and OSP

## **L. Subcontracting Practices and Procedures**

### **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."<sup>1</sup> 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 *subgrant* and *subagreement*. While it may seem logical to refer to a lower tier relationship from grant funds as a subgrant, the bilateral agreement which is executed is actually a contract.

**Authority of** - Prior to transferring any substantive effort to another institution, approval of the sponsor is usually required. Awards 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 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 subcontractual relationship should be established. Thus defined, 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 **subcontractor**. Terms such as "subgrantee" 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, which may be a corporation, foundation, research institution, a not-for-profit charitable 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 sponsor's 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 questions: 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 the 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, and letters or memorandum of agreement. While each type of agreement can effectively transfer funds from one organization to another, 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 transferring programmatic work, whether research, training, curricular reform, or conferences, etc.

### **Basic Legal Principals Governing the Subcontractual Relationship**

A basic tenet in subcontracting is that there is no direct relationship or contractual obligation between the sponsor and the subcontractor: neither is party to the same agreement and hence no promise has been made directly by one party to the other. Rather two different relationships are established - that between the sponsor and prime awardee and that between the prime awardee and the subcontractor. This lack of direct relationship results in a lack of what is termed 'privity' under the law. This means that the subcontractor may not sue the sponsor directly nor may the sponsor sue the subcontractor directly. The fact that the sponsor is ultimately covering the cost of the subcontract and the fact that the sponsor must approve the establishment of subcontracts does not create a relationship of privity.

A second underlying principle is that the prime awardee cannot free itself from its obligations and responsibilities by subcontracting or delegating a portion of its duties to another party. In the law of contracts, this tenet is "perhaps the only immutable rule."

These two basic principles make it clear that the prime awardee is responsible for every aspect of the performance of the project, including the subcontracted portion, and the prime awardee alone is accountable to the sponsor. The relationship between the sponsor and the subcontractor must be mediated in all aspects by the prime awardee.

## **Developing the Collaborative Proposal**

The framework of the collaborative relationship is essentially determined by the collaborators. The impetus for the proposed collaboration may be a specific Request for Proposals (RFP), which requires the establishment of consortia, or may be based in the type of project to be undertaken and the specific expertise and resources required for its successful execution. The choice of collaborators is a technical one which rightly resides with the principal investigator with little, if any, institutional input.

## **Selecting the Collaborative Arrangement**

The type of collaborative arrangement selected should be discussed with the institutions and the sponsor. Some sponsors prefer a prime-subcontractor situation, while others prefer parallel proposals from the two or more institutions for the same project. Use of the later arrangement is increasing, but is best suited when the proposed work is fairly independent or parallel, rather than integrated and interdependent. While it eliminates the liability of the prime institution for the performance of its subcontractor, it also eliminates the ability of the prime to monitor the work of the collaborating institution, the success of which may well affect the outcome of the entire project. While from an institutional point of view a subcontractual relationship seems preferable, separate awards are acceptable and the principal investigator and his/her collaborator may be given the freedom to determine under which mode to propose.

Before formalizing a proposal with a subcontract, the collaborators must determine which institution will serve as the prime awardee and which will serve as the subcontractor. In many cases, this is a straightforward decision, based primarily on the following: who the lead investigator is, where the preponderance of the project will take place, and whether the proposed project is an outgrowth of an ongoing one. In others, however, the choice is less clear, particularly when the project is split 50-50 between the institutions or when many institutions are collaborating and there is no clear leader. Long term collaborations may alternate prime and subcontractor roles.

## **Submission of a Subcontractual Proposal**

A proposal to act as a subcontractor is as formal an offer as one submitted to a sponsor and should be treated in essentially the same manner. Therefore, WHEN PROPOSING TO ACT AS A SUBCONTRACTOR, THE INSTITUTION SHOULD REVIEW AND APPROVE THE PROPOSED STATEMENT of work, budget and budget justification, and any required materials prior to their submission to the prime. In addition, any internal approvals or required forms should be routed to the pre-award or sponsored projects office (i.e., Office of Sponsored Programs (OSP)). Upon successful review of the proposed materials, the proposed subcontracting institution may either endorse a cover sheet or preferably transmit these materials under a cover of transmittal letter. This letter can function in three ways: it indicates institutional approval of the subcontract proposal; it verifies the indirect costs, fringe benefit rates, and type and level of institutional cost-sharing, if any; and it indicates that institution's willingness to administer a future subcontract.

## **Responsibilities of Prime Awardee**

The institution which will function as the prime awardee has a responsibility to review the subcontract materials, as well as the full proposal to be submitted to the sponsor. The proposed prime awardee should ensure that the subcontracting institution has reviewed and approved the submitted subcontracting materials and that appropriate materials, especially budget information, have been properly incorporated into the proposal. Much of the subcontractor's materials serve as back-up information for the proposed prime awardee and is not necessarily incorporated verbatim in the proposal; this is particularly true of the subcontract statement of work and institutional letter. Items to consider include the following. Does each institution, for example, know what its respective role would be? Does the proposal clearly articulate that a subcontractual relationship will be developed? Is the budget adequate to the proposed work? Has someone authorized to sign on behalf of the subcontracting organization endorsed the subcontract proposal?

When these and other issues are adequately resolved, the proposed prime awardee submits the proposal for consideration by the sponsor. Except to respond to possible requests for additional information, or to generate revised budgets, the proposed prime and the subcontracting institution usually have little further contact until an award is received, at which time they will negotiate a subcontract. Occasionally, however, it is prudent or necessary to establish a teaming agreement or memorandum of agreement at this stage to spell out the future relationship, as well as to define the relationship during the interim period (i.e., maintaining confidentiality during the review period.)

To ensure that the subcontract is drafted and negotiated when the overall proposal is funded, it is an excellent idea to establish a tickler or coding system. Such a system could be a simple tag or colored mark on the proposed file, or it could be a computerized database tied to the proposal information. Whatever the system, its goal is to facilitate the timely issuance of subcontracts.

## **Drafting and Negotiating Subcontracts**

### **Securing Sponsor Approval**

Before a subcontract is drafted, the approval of the sponsor should be secured. Prior approval is a clear concept in governmental subcontracting, but often less clearly articulated with private sources. However, the basic concept of prior approval is a sound one; without prior approval to subcontract, the sponsor has no responsibility to allow subcontract costs. Prior approval protects the interests of the prime awardee. In most circumstances, a proposal and budget submitted to the sponsor would indicate the anticipated collaborative relationship, specifying the collaborating institution, the key personnel and how much of the prime award would be subcontracted. An award based upon such a proposal and budget would generally constitute prior approval. If the need to subcontract a substantive portion of the work is not indicated in the proposal, it is prudent to secure the sponsor's permission before entering into a subcontractual relationship even if the prime award lacks an Assignment clause.

## **Rights and Responsibilities of Each Party**

An effective subcontract should clearly establish the rights and responsibilities of each party. By transferring or "flowing down" relevant provisions of the prime award (suitably modified), a subcontract ensures that the prime awardee can fulfill its responsibilities toward the sponsor. The subcontract should also reflect the policies and needs of the prime awardee institution, as well as those of the subcontractor. It should enable the prime awardee to exercise necessary and reasonable oversight. A subcontract may be more restrictive than the prime award, but not less so. However, in drafting and negotiating a subcontract, the prime awardee should remember that it is often dealing with a colleague organization and that the role of prime awardee and subcontractor may one day be reversed. A subcontract should serve to protect the prime awardee which is solely liable and accountable to the sponsor for the conduct of the entire project and for compliance with all the prime award requirements. Finally, as a bilateral contract, the subcontract should comply with standard contract practice and law.

## **Standard Subcontract Clauses Include:**

The goals and purposes of 16 basic subcontract elements are discussed below. These discussions are augmented by the sidebars, which provide specific contract language. The proposed contract language is intended as a starting point in drafting a subcontract; specific language should, of course, reflect the specific conditions and requirements of the prime award and the institutional policies and procedures of the prime awardee.

## **Post-Award Management of Subcontracts**

### **Receiving a Subcontract**

The recipient of the subcontract processes and administers the subcontract award in a manner consistent with its practices for all other awards. This should include establishing a separate and unique account number for expenditures from the subcontract. This allows the project to be segregated from all others and for the project records to contain expenditure data for this project.

To facilitate a subcontractor's familiarity with obligations for billing the prime awardee and other subcontract requirements, it is useful to create a database or notes to the file. These can include any requirements which are not apparent or that are unusual so that anyone picking up the task of billing can easily recognize what is required.

The subcontractor should monitor its expenditures on the subcontract in a manner consistent with its stewardship of other awards. It should review expenditures to determine whether rebudgeting of subcontract funds is necessary, and it should work with the department, key personnel, and pre-award office to submit an appropriate request.

## **Administering Subcontracts**

A prime awardee should establish appropriate systems for the administration of its subcontracts. This usually involves creating a special set of subcontract files, with tie-ins to the prime award file, and establishing clear procedures for reviewing, approving and paying invoices, for requesting report information, and for retaining the subcontract records for the required retention period.

It is particularly useful to establish a separate file from the prime award file to accumulate billings and correspondence regarding the subcontract. If subject to a future audit, the office will not be confusing documentation between the prime award and the subcontract.

To assure subcontractor compliance with the terms of the subcontract, key terms and conditions of the subcontract should be highlighted through notes to the file or on a database. Procedures can be established that perform a "mini-audit" before invoices are paid. This would include comparing monthly billing amounts to the budget and determining the need for rebudgeting. Is the invoice properly signed and certified? Is the invoice in enough detail to enable one to make a determination of reasonableness and to justify the expenditure? Is there need for proof of audit? These and other key compliance issues could be summarized in the form of a checklist. Finally, the retention requirements of the prime award should be applied to the retention of all records regarding the subcontract.

## **Modifications**

As the collaboration proceeds, modifications to the subcontract may be required. Whether for a change in personnel, a substantive change in the statement of work, additional time (no-cost extension), rebudgeting, or increased funding, the request should be submitted to the prime awardee in writing, after being endorsed by the subcontractor's key personnel and authorized institutional official. Review of the request by the prime awardee should include the Principal Investigator and should be programmatically and well as financially and contractually based. The prime awardee should seek additional information when necessary to clarify reasons for the change and the benefits to the overall project. Moreover, it must determine whether the approval of the sponsor is required by the terms of the prime award. If sponsor approval is necessary, the request should be in writing and should come from the prime awardee, although it may refer to and attach the subcontractor's request. Depending upon the nature of the requested change, it might be prudent for the prime awardee to discuss the request with the sponsor to gauge how receptively the request would be received. If sponsor approval is required, no modification should be issued prior to receiving the sponsor approval in writing.

When the prime awardee approval and/or sponsor approval for the change has been received, the prime awardee can issue a Modification to the subcontract. An effective modification should clearly reference the original subcontract, alter those clauses which are effected by the change, and declare that all other clauses of the subcontract remain in force. As part of the formal subcontract, such a modification requires bilateral approval. It is convenient to number modifications.

## **Invoicing**

The subcontractor should submit invoices on a regular basis and in a manner consistent with the terms of the subcontract. This not only allows for timely reimbursement from the prime awardee, but also enables the prime awardee to bill the sponsor regularly and to judge programmatic progress against spending patterns, and to project future average spending and perhaps positive variances. Billing instructions should be followed carefully to avoid questioned charges, returned invoices and delayed payment... The subcontract submission of regular invoices throughout the life of the subcontract will also limit problems associated with large billings at the end of the project.

The prime awardee should carefully review the invoice to ensure that it is in an acceptable format, that it includes the type of back up and justification which the subcontract requires, and that the spending is consistent with the budget and its categories. Any discrepancy should be clarified before the invoice is paid. Moreover, many institutions require that the Principal Investigator review and approve all invoices before they are paid. Prime awardees should try to pay subcontractor invoices promptly, remembering how much this will contribute to the collegial nature of the ongoing relationship.

## **Audit Compliance**

Federal regulations require prime awardees to monitor subcontracts over \$25,000 in accordance with either OMB Circular A-133. Although non-governmental sponsors do not generally require compliance with these regulations and may instead substitute their own audit requirements, federal auditors often look for compliance with federal regulations and expectations in federal, state and non-governmental awards. One of the purposes of OMB Circular A-133 is to ensure that institutions receiving federal funds have in place internal controls sufficient to assure compliance with terms of the prime award, appropriateness of charges to safeguard against waste, loss and misuse, and availability of necessary data and reports. Many institutions, when establishing systems as required by federal sponsors, extend the applicability of those systems and standards to all awards. Institutions may find it easier to apply the requirements, for example, of the monitored workload system or procurement system to all awards rather than set up shadow and competing systems for governmental and non-governmental awards. Similarly, it may be convenient to ask subcontractors to comply with federal requirements for subcontractor monitoring. THIS MAY ALSO SERVE TO PROTECT THE PRIME AWARDEE FROM LATER NEGATIVE AUDIT FINDINGS.

## **Troubleshooting Common Problems**

Even the best subcontract agreements cannot eliminate all future complications, disagreements between the prime awardee and the subcontractor or between the project's key personnel. Resolving many of these situations will demand tact, patience and communication with the PI, the subcontractor and its investigator. While it is impossible to foresee all the problems which might arise, it is useful to outline a few of the possibilities and to suggest strategies for dealing with them.

## **Termination for Lack of Progress**

Every subcontract should include a clause which enables the prime awardee to terminate the subcontract in the event of insufficient or delayed progress. This protection is critical since the prime remains solely liable to the sponsor for successful execution and completion of the project. While this concept is sound, and negotiating such a clause will be straightforward, invoking the clause to initiate a termination for lack of progress is extremely difficult, if not emotional. The PI will play a central role in a termination for lack of progress and will bear the major responsibility for making the determination that progress is not acceptable. The same collegial relationship that undergirds the collaborative project will make severing the contractual relationship difficult. Therefore, it is essential that there be complete documentation of the reasons for the decision to terminate. If, on the other hand, the lack of progress has legitimate programmatic causes, it may be possible to preserve the collegial relationship while maintaining the relationship with the sponsor by asking for a delay in reporting requirements or a no-cost extension. Situations may arise, however, which preclude this, and it is the research or sponsored projects administrator's responsibility to balance the relationships and expectations. It would be wise to do some damage assessment. Try to determine what would cause longer term or more widespread damage - is it, for example, worth possibly sacrificing an otherwise positive relationship with a foundation sponsor by failing to meet the sponsor's expectations in a timely way?

If a termination is deemed necessary, the dean, department chair and PI should be made fully aware of what is happening and why. With the potential for reverberations high, all parties should be prepared to answer criticism with good documentation.

## **Termination of Prime Award by Sponsor**

The prime awardee has a responsibility to protect itself in instances of termination, but it also has a responsibility toward its subcontractor. While a well-crafted subcontract will have included provisions for termination of the subcontractor in instances when the sponsor terminates the prime award, it may not have specified the mechanisms whereby a termination settlement may be requested. As privity exists only between the sponsor and the prime awardee and between the prime awardee and the subcontractor, the prime awardee has a responsibility to protect and champion the interests of its subcontractor. Chiefly, it should represent the subcontractor in negotiating an acceptable termination settlement, including a reasonable period in which to conclude the work and a reasonable settlement of costs. This should include all obligations made through the date of termination, as well as noncancelable commitment (e.g., student or postdoctoral support).

## **Subcontracting with Foreign Entities**

If the organization with which one is establishing a subcontract is a foreign entity, special caution and sensitivity is necessary. Since standard accounting practices may vary from country to country, it is important to specify explicitly requirements for record keeping, invoicing, etc. Terms like "pre-award spending," "rebudgeting," and "no-cost extensions"

and concepts such as indirect costs may not be known or understood. Moreover, if the funds derive ultimately from federal sources, one will need to determine carefully which of the federal requirements can be flowed down - while human subjects regulations should be flowed down, those involving affirmative action should not.

### **Establishing Systems**

To avoid unnecessary embarrassment, it is worth establishing simple systems in the office to ensure that all proposals which included proposed subcontracts result in the timely issuance of agreements. Unfortunately, it is not uncommon for a PI to discover, while preparing the first programmatic report and soliciting material from his or her collaborator that the subcontract work has not begun because no agreement was ever negotiated. Establishing simple procedures can prevent complicated and embarrassing situations.

### **Consistency**

Most audit investigations try to answer this question: Does an institution have the necessary systems and are they applied in a consistent and reasonable manner? It is far better to be able to answer with a simple "yes" than with a long-winded explanation (e.g., that a particular form was not necessary because the sponsor of this subcontract was a private entity, while another subcontract has the form because while it appears to be from private sources, the funds are really government pass-through). In terms of expectations and in-house paperwork, it may be easier for staff to expect the same subcontracting materials on non-governmental subcontractual relationships and to complete the same checklists.

### **Lack of Written Approval for Actions**

Non-governmental agencies are generally more flexible about approving actions after the fact than federal agencies. One goal should be to ensure that charges will be deemed allowable while maintaining a positive and productive relationship with the sponsor. A well worded and sufficiently detailed explanation of what has occurred and why will generally satisfy the sponsor and result in the desired after-the-fact approvals. In addition, it might be helpful to indicate what steps are being taken to ensure that after-the-fact approvals will not recur.

### **Recognizing Government Funds in Non-Governmental Clothing**

The federal government often makes awards to entities such as EPRI, which conduct open solicitations and make awards. Are these government funds or non-government ones? How can one tell, and does it make a difference? Sometimes, if the prime award does not cite the source of the sponsor's funds, it can be almost impossible to determine whether the funds derive ultimately from government sources. There are some giveaway indications: Are any FAR clauses cited? Are audit requirements of A-133 passed down? Are they requiring any certifications regarding affirmative action, drug-free workplace or debarment and suspension? If so, the funds are ultimately federal in source. If not, the funds are probably not. The answer will materially affect the content of the subcontract: if federal

funds are being passed through, the underlying federal regulations and requirements should be passed through to the subcontractor. Similarly, patent rights, rights in technical data and equipment ownership may derive from federal regulations. A prime awardee should not hesitate to ask the sponsor the source of funds for the project. The information may be critical in determining whether to accept the award and how to draft an appropriate subcontract.

## **II. Federal Prime Awards**

In writing and administering its subcontracts, the prime awardee or contractor performs essentially the same functions as the federal Contracting Office and the Contracting Officer's Technical Representative (e.g., Program or Project Officer) when the latter issue and administer the prime awards. When acting as prime awardee or contractor, an institution is accountable to the government for its actions; and while federal agency officials may often appear disinterested, and irrespective of whether the government chooses to waive oversight in given cases, the institution's responsibilities must be taken seriously.

Proper subcontract oversight does not mean that one must intrude upon the prerogatives of the subcontracting institution or the management of its portion of the project effort. Rather, "oversight" simply means that, at the beginning of the project, the rights and responsibilities of both parties are determined, and that the subcontract is administered within the limits of those rights and responsibilities.

An institution acting as contractor must comply with standard federal subcontracting regulations and requirements for a number of reasons. First, if one does not comply with the requirements of the prime award, an institution can have some or all of its subcontracted costs disallowed as a result of an audit. Second, the prime awardee or contractor will be unable to fulfill its administrative responsibilities if it has not properly managed the entire grant or contract. Aside from creating poor relations with the federal agency, future awards can be jeopardized, especially in this era of greater accountability demanded of institutions by the government and the public. Third, a subcontractor may not realize what is expected of it during the course of the agreement. This almost inevitably will lead to unnecessary disputes and misunderstandings over a number of issues, including ownership of equipment, delivery of reports, and payments. Fourth, an inadequately prepared subcontract offers little or no protection to an institution when dealing with organizations that find it profitable to take advantage of ambiguous situations.

### **Basic Considerations and Definitions**

The Federal Acquisition Regulations (FAR) state that a subcontract is "...any contract...entered into...to furnish supplies or services for performance of a prime contract or subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders."

That definition is very broad. In fact, according to the FAR, whenever a purchase order is used to buy office supplies or airline tickets, a subcontract is effected.

A more useful definition for a subcontract might be stated as follows: **An agreement that is written under the authority of, and consistent with, the terms and conditions of a prime award, and authorizes a portion of the research or substantive effort to be performed by another organization.** It means that the prime awardee or contractor must be cognizant of its rights and responsibilities, as well as those held by the subcontractor under the prime award, and that both parties must be aware of what is expected of them. It also means that the agreement between the parties must be specified to a sufficient level of detail. Simply stated, there is no better way of assuring than by writing a proper subcontract.

A subcontract should be written any time a portion of the work is to be performed by another organization. It does not matter if the period of performance is one month or two years, nor does it matter if the cost of the work is a thousand dollars or a million dollars.

While some federal regulations (e.g., the FAR) require approval to subcontract under certain conditions that does not mean that a subcontract should be written only under those circumstances. Remember, the FAR pertains to prime contracts. Attachment O to OMB Circular A-110 sets forth the procurement standards for both pre-award and post-award administration of subcontracts written under grants and cooperative agreements. Furthermore, each federal agency has its own approval requirements which may or may not reflect verbatim the provisions of the FAR or OMB Circular A-110.

Under prime grants, approval is required for all subcontracts regardless of the dollar value or period of performance. Such approval is often considered to have been given if the subcontract is specified in the final budget approved by the federal granting agency. In certain circumstances, however, the agency's Grants Officer may specifically reserve the right to approve each subcontract document. One should carefully review the prime award, and the pertinent regulations before preparing and executing subcontracts.

Aside from protecting the interests of one's organization, a subcontract has other important purposes:

It provides evidence of one's institution's acknowledgment of its accountability to the

## **Effort Reporting: Certifying Effort on Sponsored Projects**

### **Scope**

This document sets forth the University's policy on certification of effort expended on sponsored project awards administered by Alabama Agricultural & Mechanical University ("University"). This Policy applies to all individuals who commit and devote effort to a sponsored project as well as those individuals involved in certifying the effort of individuals on a sponsored project.

### **Purpose of the Policy**

This policy ensures that effort certifications completed in connection with University sponsored projects are accurate, reasonably reflect the actual level of effort expended on a sponsored project, and comply with sponsor requirements. As a condition of receiving sponsored awards, the University must assure sponsors that the effort expended on their sponsored projects

justifies the salary charged to those projects. In addition, the University must assure sponsors that the commitment indicated (including mandatory and voluntary committed cost sharing) in the proposal and subsequent award is met in accordance with the sponsor's terms and conditions. The University provides this assurance by requiring periodic effort reports for each individual whose salary is charged to one or more sponsored projects and/or cost sharing accounts during the effort reporting. Completed effort reports indicate the percentages of the individual's total effort that are dedicated to the sponsored project(s) and other University activities, and require a certification that the reported effort percentages are reasonable and accurate.

Each faculty member must be aware of his/her level of committed effort to sponsored projects, their ability to meet those commitments in light of any other University obligations they may have and to communicate any significant changes in level of sponsored projects effort to his/her respective business office.

Financial penalties, expenditure disallowances, and harm to the University's reputation could result from failure to provide accurate effort certifications or failure to comply with the University's effort reporting requirements. All individuals involved in the effort certification process are expected to abide strictly by the provisions of this policy.

### **Policy Statement**

- The University is committed to ensuring that effort reports completed in connection with sponsored projects are accurate.
- All faculty and staff who are involved in allocating salaries and wages to sponsored projects, managing sponsored projects, or completing effort reports are responsible for understanding the principles of accurate and timely effort reporting.
- In no case can the percentage of an individual's salary charged to a sponsored project exceed the percentage of the individual's total effort that is expended on the project during an effort reporting period.
- If the percentage of total effort expended in a given effort reporting period is less than the percentage of salary charged to the sponsored project during the period, the salary charges must be reduced to reflect actual effort.

### **1. What is "effort certification?"**

Effort certification is a process in which the proportion of the employee's salary charged directly to a sponsored project or committed as cost-share is calculated as a percent of Institutional Base Salary (IBS). The employee is asked to certify that this percent salary distribution reasonably reflects his/her Total Institutional Effort during the reporting period.

### **2. To whom does the effort certification requirement apply?**

Effort certification is required of all salaried (i.e., "exempt") employees (faculty, administrative/professional staff, and graduate assistants) who are compensated from, or contribute mandatory or voluntary committed time as cost share, to a sponsored project as part of their Total Institutional Effort. Employees who are paid hourly (non-exempt staff, student

assistants, and casual laborers) do not participate in the effort certification program. These individuals complete a daily timecard that records hours worked on the sponsored project and, when approved by the supervisor (generally the Principal Investigator/Project Director), serves as documentation of effort.

### **3. Why must effort be certified?**

Effort certification is required because salaried employees do not keep detailed time records to document their activity. It is an alternate method for assuring that individuals who are paid with federal funds have contributed the required effort. The requirement for effort certification is set forth in *OMB Circular A-21: Cost Principles for Higher Education Institutions*, which applies to any federally funded grant, cooperative agreement, contract, sub award, or subcontract. *OMB Circular A-21* provides the rules regarding allowability and allocability of costs on federal awards, including compensation for personnel services, as well acceptable methods of effort certification. For consistency, the University extends effort certification requirements to all non-federally funded sponsored projects.

### **4. What is “Institutional Base Salary (IBS)?”**

An individual’s Institutional Base Salary (IBS) is the annual compensation paid by the university for his/her Total Institutional Effort, whether that individual’s time is spent on teaching, research, service, administration, or other regular assigned activities. IBS may include salary supplements for assigned extra duties but excludes extra compensation for incidental work, including overload pay.

### **5. What is “Total Institutional Effort?”**

Total Institutional Effort includes all activities that the institution expects the employee to perform (i.e., a full workload or all regularly assigned job responsibilities) in exchange for his/her Institutional Base Salary (IBS) compensation, regardless of the number of hours the employee works. Total Institutional Effort does not include incidental work (i.e., work performed for the university on an infrequent and short-term basis that is in excess of normal for the individual) for which extra compensation is received. Separately compensated external (private) consulting and other outside professional activities are not included in Total Institutional Effort.

### **6. Why is work for extra compensation not considered part of Total Institutional Effort?**

Federal regulations allow the exclusion of incidental effort (i.e., work performed for the university on an infrequent and short-term basis that is in excess of normal for the individual) for which the employee is additionally compensated above his/her Institutional Base Pay if such compensation is paid under institutional policy and is separately identified and documented in the institution’s financial management system. Since extra compensation is initiated by use of a specific document and coded separately in the accounting system, these requirements are met, allowing the university to exclude the incidental work associated with the extra compensation to be excluded from the effort certification process. Signature of the employee on the extra compensation form bearing a sponsored programs account number is the employee’s verification that the work performed for that extra compensation will be related to the sponsored project.

### **7. How is an individual’s distribution of effort determined?**

The University employs an “after-the-fact” effort certification method, one of three methods prescribed by *OMB Circular A-21*. The portion of effort to be charged or committed to the sponsored project is initially estimated during proposal development. Upon award, the Grants & Contracts Accountant completes the paperwork necessary, with Principal Investigator/Project Director approval, to charge the proposed effort to the sponsored project account and/or its associated cost-share account.

At the close of each reporting period, salary distribution is calculated in percentages. The numerator represents compensation from the sponsored project or associated cost share account, and the denominator is the Institutional Base Salary. In most cases, the salary distribution reasonably reflects the actual distribution of effort. When it does not, the employee is asked to make corrections before certifying his/her effort.

**8. How can an individual assure that the effort he/she is certifying is reasonably represented by the salary distribution percentages?**

The federal government does not require faculty and other salaried personnel to keep time records indicating the number of hours or days worked on a sponsored project. Most individuals working on a single sponsored project do not have difficulty estimating the actual percentage of effort devoted to the project on a semester basis. However, individuals working on more than one sponsored project or those who work only sporadically on a single sponsored project during the semester may find it more difficult to estimate actual effort from memory. Employees are encouraged to document their time in the manner that will best assist them in comparing actual effort to the salary distribution reported on the certification form. Such documentation, although not required, could become auditable, and so a commitment to maintaining an individual tracking system should also include a commitment to apply it consistently and accurately.

**9. What is the definition of “reasonable” when one compares salary distribution to actual effort?**

The federal government recognizes that, “in an academic setting, teaching, research, service, and administration are often inextricably intermingled. A precise assessment of factors that contribute to costs is not always feasible, nor is it expected. Reliance, therefore, is placed on **estimates** [*emphasis added*] in which a degree of tolerance is appropriate” (*OMB Circular A-21, Section J.10*). In accordance with a 1979 interpretation by the U.S. Department of Health and Human Services, the University defines “reasonable” as no more than  $\pm 5\%$  variance in effort distribution from the salary distribution percentages reported. The percent variance allowed is a percent of the Total Institutional Effort.

For example, if 50% of an individual’s salary is paid by a grant, no adjustment to the level of effort indicated on the certification form would be required if the individual’s effort could reasonably be determined to fall between 45 and 55%. However, if the individual certifies effort at, for example, only 30%, an after-the-fact salary reallocation would be required to reduce the salary charges to the sponsored project.

**10. What should the employee do if the percentages are not accurate?**

The employee should individually review the effort form to determine if the distribution of salary during the reporting period provides a reasonable representation of effort during that period. “Reasonable” is defined as no more than  $\pm 5\%$  variance in effort distribution from the salary

distribution percentages reported. If the salary distribution is not a reasonable representation of effort, the employee should make corrections on the certification form to indicate actual effort distribution, and then sign the certification statement. The employee should keep in mind that total effort must always equal 100%. If the employee changes one percentage figure to reflect a different level of effort, a corresponding change must be made in another category to keep total effort at 100%.

In all cases, if the salary distribution presented on the effort form is not a reasonable representation of the distribution of the individual's total effort performed for the University during the reporting period, the individual should make appropriate changes before certifying. In the event the proportion of the effort on the sponsored project significantly exceeds (i.e.  $> \pm 5\%$ ) the proportion of payroll charged to the sponsored project account, no change in the charges to the sponsored project are generally required. If, however, the individual's actual effort is significantly less than the proportion of his/her compensation that is charged to the sponsored project, reduction of the personnel costs charged to the sponsored project account during the reporting period will likely be necessary.

#### **11. Can someone else sign the effort certification form for an employee?**

Employees should certify their own effort when possible. If someone else signs for the employee, he/she must have firsthand knowledge of the employee's work on the project. Although the federal government does not define "firsthand knowledge," an auditor may closely question the signer about the exact nature of his/her firsthand knowledge. Graduate assistants, departmental clerical staff, and even department heads/unit directors rarely have the kind of firsthand knowledge necessary to certify effort for another individual. Thus, a PI/PD signing for an employee who is no longer at the institution is the most usual case of an alternate certification signature. Alternate certification in other cases should be rare and will likely involve a special circumstance.

#### **12. Should the Principal Investigator/Project Director approve other employees' certification forms?**

An approval signature in addition to the employee's signature is neither required nor desired. An approver can be questioned about the nature of firsthand knowledge of the employee's work during audit. Thus, since there is no federal requirement for an approval signature, this practice is discouraged.

#### **13. What are the "trouble spots" in effort certification?**

There are a number of specific practices or possible deficiencies in an institution's effort certification system that auditors and inspectors generally examine. Any effort certification that totals to something other than 100% automatically invites detailed scrutiny. Thinking that a standard "40 hour work week" has application to effort reporting can lead to this kind of miscalculation of total effort. An employee is improperly reporting effort if, proceeding on this assumption, he/she reports an allocation of 50% of his/her total effort to a sponsored project based on having devoted 20 hours per week to the project, when the 20 hours actually reflects a smaller proportion of his/her overall work. Likewise, a researcher who has spent many hours mentoring a promising graduate student erroneously thinks, "I do that on my own time." These well-intentioned beliefs can result in costly mistakes because they fail to recognize that effort on a sponsored project must be measured against "Total Institutional Effort" as described earlier.

Other “red flag” areas for auditors are completeness and timeliness of certification. Late, unsigned, or missing effort reports will likely raise questions. Effort reports that appear to have been signed in batches can be problematic. “Corrected” effort reports may draw an auditor’s attention; this is especially true when the “corrected” effort certifications lead to an unusually large number of payroll cost transfers. Employees who need to correct effort certifications should keep meticulous documentation in order to be able to explain why the correction was necessary. This explanation may be required in an audit conducted years later when memories have faded, and it may have to be delivered to potentially skeptical federal auditors and officials. Finally, simply “correcting” effort certifications near the end of the term of a sponsored project in order to “spend out” unused funds presents such egregious non-compliance that criminal charges may be made under the False Claims Act.

#### **14. What are the potential consequences of inaccurate or non-timely effort certification?**

Effort certifications provide the basis for institutional claims for reimbursement of direct and indirect charges under a federal grant or contract. Inaccurate or fraudulent reports may give rise to a False Claims Act (31 U.S.C. § 3729 *et seq.*) lawsuit. An individual who is found to have violated this Act can be subjected to civil penalties of not less than \$5,000 nor more than \$10,000 for each violation; to criminal sanctions, if the violation was willful, of imprisonment for up to five years and fines of up to \$25,000; and to an order to reimburse the government for treble the damages sustained by the government because of the individual’s act. There have been instances in which individual researchers have been required to make substantial civil monetary reimbursements to the federal government because of their involvement in improper effort certifications. Of course, the institution can suffer as well from False Claims Act violations by its employees. Institutional sanctions may include the payment of costly settlements or even debarment from participating in federally funded research. The issue of compliance with effort certification requirements should always be approached with these potentially heavy sanctions for violations in mind.

Every institution that receives federal grant or contract funds must abide by the same rules, including implementing an accurate effort certification system and ensuring that the federal government is not overbilled for effort that did not occur. Auditors may elect to review the effort certification system of any institution at any time, regardless of the type of institution or the size of its sponsored programs portfolio. Although the small size of an institution or a relatively modest volume of federally funded research may lower the probability of an effort certification audit, if it should occur, the magnitude of the impact of audit disallowances or a False Claims Act suit would be substantially greater, as small institutions generally do not have large monetary reserves from which to pay for disallowances, fines, settlements, and attorneys’ fees. Thus, any institution, regardless of size, is remiss if effort certification is not taken seriously and is not done in a way that satisfies federal regulations and ensures that the federal government is not overcharged for personnel time on sponsored projects.

- It clarifies the prime awardee or contractor's expectations of the subcontractor's efforts.
  - It provides a mechanism for preventing and, if necessary, resolving disputes by setting out as clearly as possible the terms and conditions by which the prime awardee or contractor and the subcontractor agree to abide.

It offers a measure of protection for one's institution should something unforeseen occur that has a negative impact on the entire grant or contract effort.

Finally. One should remember that a subcontract, like any other contract, represents a meeting of the minds between two parties. It should be equitably written and should fairly represent the interests of both the prime awardee or contractor and the subcontractor.

## **Types of Subagreements**

There are several basic types of subcontracts. One can write a cost-reimbursement (with or without fixed fee) subcontract. This type is most often written under cost-reimbursement prime contracts. If the prime award is a fixed-price contract, it is important that the subcontract be fixed-price as well. A fixed-price subcontract can be written also under a cost-reimbursement contract if circumstances indicate it would be prudent to do so.

If the prime awardee or contractor has been awarded a grant or cooperative agreement, any subcontract (or "subgrant") written under the prime agreement must be consistent with the terms of the prime award. In effect, that means that the amount of the subcontract represents a cost ceiling, since it is highly unlikely that more money will be forthcoming to offset overruns. This is not the same as a "fixed-price" agreement, since payments are not based on the submission of deliverables and the subcontractor is not required to complete the work irrespective of final costs.

NIH regulations also refer to consortium agreements. In reading those regulations carefully, one will see that there is little difference between a subcontract/subgrant and a consortium agreement. While one might view the latter as reflecting a more collaborative relationship in the conduct of the scientific effort, the administrative responsibilities of the parties are identical no matter whether one calls the agreement a subgrant, subcontract, memorandum of agreement, or consortium agreement.

There is nothing inherent in any type of subcontract that prevents the scientific efforts from being collaborative. It is important to remember, however, that a subcontract should always serve to facilitate the completion of the funded project within (1) the legal and regulatory limitations imposed on the organizations and (2) the principles of prudent management. To the greatest extent possible, the subcontract should help, not hinder, the work to be performed while protecting the interests of the organization involved.

## **The Content of a Subcontract**

Some institutions have created standard formats (often referred to as "boilerplates") for writing a subcontract, because they write numerous subcontracts under a given agency's prime awards. Such formats are valuable timesaving instruments. Nevertheless, each subcontract needs to be tailored to address the particular situation. The subcontract sections must be appropriate to the circumstances as they relate to the prime award and

must act as integrated parts of the whole. The basic format and order for the sections of a subcontract are as follows.

### **1. Preamble**

This is usually a brief paragraph identifying the names and addresses of the parties to the subcontract and the fact that the subcontract is written under a specified federal prime award. As noted below, it can also be expanded to include the Recitals section.

### **2. The Recitals**

Sometimes this section is referred to as "the whereas" since each paragraph usually begins with the word "whereas". The Recitals set the tone of the subcontract and are used to state reasons for entering into the agreement. An example of a set of Recitals is: "Whereas the Prime Contractor and the Subcontractor intend to collaborate on the study of synthetic skin grafting" and "Whereas the Subcontractor has created an advanced synthetic skin product" and "Whereas the Prime Contractor requires further research on the nature of synthetic skin products to complement its work on grafting techniques." While sometimes this section and the types of statements made in it are left out of subcontracts entirely, one might frequently see the Preamble and the Recitals (without the "whereas") combined into the Preamble.

### **3. The Schedule**

This section is composed of articles that include important information pertaining to the particular project. Among the items addressed by the Schedule articles are the period of performance, the estimated costs or fixed price, and the identification of the administrative and technical representatives for both the prime awardee or contractor and the subcontractor.

It is useful to include within such articles other brief statements that set forth particular aspects of the subcontract. For instance, the estimated cost article should state whether the subcontract is to be incrementally funded or if all funds are obligated at once. As another example, it would be helpful to add to the technical and administrative articles a brief outline of subcontract related responsibilities.

Finally, the Schedule takes precedence over all other section of the subcontract. There may be references in the various sections of the subcontract pertaining to the same subject. Therefore, it is beneficial to include an order of preference clause in the contract to prevent disputes over which provision applies to a given circumstance.

### **4. The Special Provisions**

This section is usually not necessary when subcontracting under many federal agency grants (e.g., those from NSF and NIH). On the other hand, the Special Provisions are valuable when dealing with agency prime grant provisions that read virtually the same as contracts (e.g., those from HUD and DOE). As a general rule, the Special Provisions are

most always necessary when subcontracting under a federal prime contract. The Special Provisions enable the prime awardee or contractor to incorporate items negotiated with the subcontractor that are not covered in the prime award. In addition, this section can be used by parties to incorporate items that supersede parts of the General Provisions and are necessary to enhance the administration of the subcontract. For example, in a subcontract written under a prime contract, one might use a "Payment" article in the Special Provisions that supersedes the invoicing section of the "Allowable Cost and Payment" clause in the General Provisions. Therefore, the payment article may state to whom invoices are to be sent, how frequently, and in what form; yet it would also leave intact the section of the General Provisions clause that deals with allowable costs.

## **5. The General Provisions**

In too many subcontracts, the General Provisions are simply attached verbatim to the subcontract or incorporated en masse in a simple, single reference. Neither method is appropriate. The General Provisions must be addressed as carefully as any other part of the subcontract. It is inappropriate to pass on provisions that do not apply either to the type of subcontract issued or to the subcontractor as a type of organization. For instance, one should not include General Provisions from a cost-reimbursement prime contract in a fixed-cost subcontract; or, a nonprofit prime awardee or contractor should not pass through its prime contract General Provisions to a profit making concern.

It may be a problem deciding which provisions to pass on and which to exclude. A relatively simple approach to the problem is to separate the General Provisions into three types. First, there are those that are passed on without change to the subcontractor. An example is the "Officials Not To Benefit" clause (FAR 52.203-1) found in contracts. Second, the prime awardee or contractor may want to exercise the same rights as the government under certain clauses. For instance, "Inspection" clauses that give the government the right to visit and review work in progress are pertinent here. One may wish to reserve the same rights for his/her institution as is reserved for the government. Third, there are clauses that are necessary to pass through to the subcontractor for which the prime awardee effectively supplements the government. For example, that is true in a "Limitation of Cost" clause. Each of these three types of clauses should be identified under its own heading within the rubric of the General Provisions. If this kind of effort is not made, one may be identifying incorrectly his/her institution's and the government's roles in administering the subcontract.

There are two basic views on how the General Provisions should be presented in a subcontract. Some feel it is sufficient to list the General Provisions by clause title and FAR or agency acquisition regulation citations. Others believe that it is necessary to provide the complete text of each clause. Neither view is incorrect. It is, of course, much simpler to incorporate the General Provisions by individual clause reference. It must be remembered, however, that if the texts of the clauses are not included in the subcontract, the prime awardee or contractor should be prepared to deliver them to the subcontractor upon request.

## **6. The Statement of Work**

As is the case with the General Provisions, it is very tempting to take the easy way out when writing a statement of work. Many subcontracts inappropriately include Statements of Work that say no more than, "The subcontractor will cooperate with the contractor in the project entitled..." While such an approach is a quick fix, it really tells the subcontractor nothing of substance and can easily lead to disagreements during the course of the work.

At the time the prime awardee or contractor submits its project proposal to a federal agency, the subcontractor should submit its proposal (statement of work and budget) to the prime awardee or contractor, and it should be signed by an authorized subcontractor signatory. The subcontract proposal needs to be approved by the prime awardee or contractor's Principal Investigator.

The Statement of Work does not have to be extremely long and detailed. It should, however, be a concise narrative summary of the work to be undertaken by the subcontractor. In fixed-price subcontracts, the Statement of Work should also contain performance standards and deliverable schedules.

## **7. The Budget**

As noted above, the budget should be a part of a formal subcontract proposal. Every cost-reimbursement subcontract and each subcontract written under a prime grant should have a budget attached. The budget should be as detailed as necessary to indicate cost item accountability and should be in the same form as, if not more detailed than, the invoices and financial reports required under the subcontract. In general, percentages of effort or labor hours for personnel, fringe benefit rates, general and administrative rates, and indirect costs should be clearly established. If cost-sharing is required, the percentage and amount should be included on the budget page. Also, the subcontractor should use the same agency forms that are required of the prime grantee or contractor.

A budget is not required for fixed-price subcontracts. In such cases, however, sufficient data should be provided in the subcontractor's proposal to permit the prime awardee or contractor to perform a pre-award cost and price analysis. This is important because the prime awardee or contractor is not permitted to audit fixed-price subcontracts on a post-award basis.

## **Why Such Attention to Detail?**

Institutions are being called upon to exercise greater care in the management of federal funds and are being held accountable for actions (or inaction) to a greater degree than ever in the past. Therefore, particular care must be taken in writing subcontracts that are consistent with the terms set forth in the respective prime award contracts, are appropriate to the given circumstances, accurately reflect the nature of the subcontract relationship, preserve the government's rights, protect the prerogatives and responsibilities of the institutions, and treat the subcontractors fairly. Such care on the institution's part at the initiation of a subcontract is well worth the effort, as it will avoid potential cost

disallowance, unnecessary disputes with subcontractors, and poor relations with federal sponsors. Furthermore, these efforts will facilitate the work conducted under federally funded projects, and that is the core responsibility of research administration.

#### Significant Publications and Total Number of Publications

#### Research Honors/Awards

Selected Abstract(s) (In Layman's Language) of proposed areas of research interests for funding searches.

NOTE: This information should be updated annually, preferably at the beginning of the academic year. Up-to-date information is valuable to research administrators in doing specific funding searches and identifying individuals who have a potential interest in a special topic. It is also useful in determining which faculty members should receive a particular announcement. For example, there are programs restricted to individuals within 5 years of their terminal degree, to individuals who are U.S. citizens or permanent residents, to minorities, etc. The ability to identify these special constituencies can be important not only for identification of possible outside funding sources, but also for other internal institutional needs, such as abilities in a particular foreign language or a particular computer expertise.

# **COST ALLOCATION GUIDE**

## **Cost Allocation Methodologies**

### **Overview**

This policy is designed to provide assistance to the University when direct charging costs to sponsored projects and to comply with the direct charging principles contained in 2 CFR Part 220 (OMB Circular A-21). As such, the University is responsible for ensuring that costs charged to a sponsored agreement are allowable, allocable, and reasonable under these cost principles; and the University's financial management system shall ensure that no one person has complete control over all aspects of a financial transaction.

In addition, goods and services purchased by the University under a sponsored award may often benefit more than one award. Such costs must be allocated to sponsored awards in proportion to the actual benefit received by the awards. If it is impractical to determine how much of the goods or services are actually used for each award, an allocation methodology must be developed that reasonably estimates the actual benefit to each award. Costs are then distributed to each benefiting sponsored award using the allocation methodology.

2 CFR Part 220 (OMB Circular A-21) provides two methods for allocation of an allowable direct cost to two or more grants, proportional and interrelationship, which are further described below.

#### **1. Proportional Benefit**

- a. If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost should be allocated to the projects.

*Example: A PI has two awards which require the purchase of mice to conduct experiments. The Specific Aims for one award indicates 150 mice are needed to conduct the research and the Specific Aims of the second award requires 50 mice to conduct the research. The PI orders 200 mice and allocates the cost of the mice 75%/25% between the awards.*

- b. In order to determine the proportional benefit, the initiator of the transaction (Principal Investigator (PI)/Co-PI/authorized designee) must have first-hand knowledge that the goods or services are reasonable, are appropriate to be charged to the accounts, and are allowable according to University and applicable sponsor policies.

- If a preparer is processing a request on behalf of the initiator, they must have received the appropriate proportional allocation instructions from the initiator in order to execute the purchase. Documentation may be in the form of an email, fax, or departmental request form, etc.
- Since direct benefit to the project(s) is being determined by the initiator and allocated in proportion to the benefit received by the awards, detailed documentation supporting the calculation of proportions is not required to execute the transaction.

#### **2. Interrelationship Benefit**

- a. If a cost benefits two or more projects or activities in proportions that cannot be easily determined due to the interrelationship of the work involved, then the cost may be allocated to the benefiting projects on any reasonable basis.

*Example: Acetone purchased for use in a laboratory is needed for the technicians working concurrently on three research projects. A reasonable method of allocating the cost of the Acetone could be based on the number of FTEs.*

## **Developing an Interrelationship Allocation Methodology**

When costs cannot be easily allocated and determined due to the interrelationship of work involved, it may be necessary to determine a method for allocating costs that supports a reasonable distribution across multiple awards. The basis for allocating a cost among awards should logically relate to the type of expense incurred. For example, it would be appropriate to allocate lab supplies based on the proportion of effort devoted to each award (measured as Full Time Equivalents or FTE's), whereas rent expense may be more appropriately allocated based on the square footage of lab space occupied by each award rather

than FTEs in the space. The methodology chosen should produce an allocation of costs to each sponsored award that **reasonably** reflects the benefit received by each award.

Some examples of methodologies that could be used as a basis for allocating costs include:

Effort of research personnel (FTEs)

Laboratory space (square footage)

Number of experiments or procedures performed

Actual usage records for a representative sample (e.g., one week, one experiment cycle, etc.)

Modified Total Direct Costs (excluding subawards entirely) budget of benefiting sponsored projects

Different allocation methodologies may be required for different types of costs. When developing an interrelationship allocation methodology, it is important that the basis for the allocation method be: documented contemporaneously with the cost being incurred and allocated; and approved in advance by the Principal Investigator(s) or initiator of the awards to which the costs are allocated.

## **System Restrictions**

Occasionally, it may not be possible to allocate costs to the benefiting sponsored awards at the time the goods or services are purchased. Such costs must be recorded in a non-sponsored award (e.g., a Unrestricted or Institutional account). "Parking" costs on a sponsored award with the intention of later allocating some or all of the costs to other awards is a violation of federal regulations and is therefore prohibited.

Note: If costs are initially recorded on a non-sponsored award, the eventual distribution of these costs to sponsored awards is a cost transfer that must comply with the University's Cost Transfer policy and procedure.

## **Allocation methodology "Do's and Don'ts"**

**Don't** use allocation methodologies that result in an over- or under-recovery of expense. An over-recovery of expense may result in a refund to the sponsor. An under-recovery may need to be funded by the department.

**Don't** use any allocation methodology that is based on the funds available on sponsored awards.

**Do** ensure that the interrelationship allocation methodologies are documented contemporaneously with the cost being incurred and allocated.

**Do** document how measures such as FTE or square footage logically relate to the cost being allocated and the benefit received by the awards.

**Do** retain the supporting documentation in the department so it is available for review and audit.

**Do** review allocation methodologies periodically to ensure they are reasonable. Significant changes to the population may signal the need to review the allocation methodology. Also, allocations based on FTE's must be updated to reflect any changes in FTE's or effort. Methodologies based on sampling, surveys, etc., should be reviewed, updated and approved by the PI at least once each fiscal year and/or when new awards are received and awards expire.

**Do** identify the allocation method that will be used in advance of purchasing or at the time of ordering the goods/services whenever possible (to avoid the need for cost transfers).

**Don't** allocate costs after-the-fact by use of cost transfers.

## **ALLOWABILITY, ALLOCABILITY, AND REASONABLENESS GUIDE**

### **Overview**

This guide is designed to provide assistance to the faculty and administration regarding the direct charging of costs to sponsored projects while maintaining compliance with the Federal cost principles (2 CFR Part 220, formerly OMB Circular A-21) and University policies. As such, the University is responsible for ensuring that costs charged to a sponsored award are allowable, allocable, and reasonable under the Federal cost principles; and that the University's financial management system shall ensure that no one person has complete control over all aspects of a financial transaction.

In addition, sponsors may include special terms and conditions for individual awards which must be considered when incurring costs. Consult with the Office of Sponsored Programs or Grants & Contracts Accounting for assistance with any concerns or questions related to the allowability of a specific type of expense.

### **Allowable Costs**

All costs must be allowable under federal regulations and sponsor terms and conditions, including program-specific requirements and University policy.

To be allowable, costs must:

1. Be reasonable and necessary;
2. Be allocable to sponsored projects under the principles and methods provided in 2 CFR Part 220;
3. Be given consistent treatment; and
4. Conform to any limits or exclusions set forth in 2 CFR Part 220 or the terms and conditions of the award.

2 CFR Part 220 details the allowability of particular elements of cost. When an item is questionable, the Office of Sponsored Programs or Grants & Contracts Accountings should be consulted **before** the cost is incurred.

Typical costs charged directly to a sponsored project include:

1. Compensation of employees for performance of work under the sponsored agreement, including related fringe benefit costs;
2. Costs of materials consumed or expended in the performance of the sponsored project;
3. Travel in accordance with University policy; and
4. Other allowable items of expense incurred for the sponsored project.

Costs of materials from services rendered by specialized facilities or other institutional service operations may be included as costs under federally sponsored agreements, provided such items are:

1. Consistently treated in similar circumstances as direct costs, rather than Facilities and Administration (indirect) costs; and
2. Charged under a recognized method of computing actual costs.

### **Reasonable Costs**

2 CFR Part 220 defines a cost as reasonable if the nature of the goods or services acquired or applied, and the amount involved, reflect the action that a *prudent person* would have taken under the prevailing circumstances when the decision to incur the cost was made. Important considerations in determining the reasonableness of costs are:

1. Is the cost of a type generally recognized as necessary for the operation of the University or the performance of the sponsored project?
2. Have the requirements imposed by such factors as federal and state laws and regulations, and sponsored agreement terms and conditions been satisfied?
3. Have the individuals concerned acted with due prudence in the circumstances, considering their responsibilities to the University, its employees, its students, the government, and the public at large?

4. Is the extent of the actions taken with respect to the incurrence of the costs consistent with established University policies and practices applicable to the work of the institution generally, including sponsored projects?

### **Allocable Costs**

A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received or other equitable relationship. Every incurred cost must have a direct benefit to the sponsored project being charged. In general, a cost is allocable to a particular sponsored project if it fulfills one of the following conditions:

1. It is incurred solely for the benefit of the work to be performed under the sponsored agreement; or
2. It benefits both the sponsored agreement and other work of the University, in proportions that can be approximated through use of reasonable methods; or
3. It is necessary to the overall operation of the institution and, is assignable in part to sponsored projects in accordance with 2 CFR Part 220.

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort, the cost should be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefited projects on any reasonable basis, per the University's Cost Allocation Guide.

Where the purchase of equipment or other capital items is specifically authorized under a sponsored agreement, the amounts thus authorized for such purchases are assignable to the sponsored agreement regardless of the use that may subsequently be made of the equipment or other capital items involved.

Any costs allocable to a particular sponsored agreement under the standards provided in 2 CFR Part 220 may not be shifted to other sponsored agreements in order to meet deficiencies caused by overruns or other fund considerations, to avoid restrictions imposed by law or by terms of the sponsored agreement, or for other reasons of convenience.

Any costs allocable to activities sponsored by industry, foreign governments, or other sponsors may not be shifted to federally sponsored agreements.

## **COST TRANSFER POLICY**

### **Scope**

This document sets forth Alabama A&M University's policy regarding cost transfers, including transfer of payroll and other direct costs associated with sponsored projects.

### **Purpose of the Policy**

This policy is issued to assure the correctness of the University's charges transferred to and/or from a sponsored project after an initial charge elsewhere in the University's accounting system. Additionally, this policy is issued to ensure compliance with sponsor terms and conditions, regulations, and University policies.

### **Policy Statement**

The University is committed to ensuring that all cost transfers are legitimate and are conducted in accordance with sponsor terms and conditions, regulations, and University policy.

All Principle Investigators (PI's) are responsible for ensuring that the transfer of costs to (or between) sponsored projects which represent corrections of error are made promptly.

Cost transfers must be supported by documentation which contains a full explanation of how the error occurred and a correlation of the charge to the project to which the transfer is being made. Explanations such as "to correct an error" or "to transfer to the correct project" are unacceptable.

Transfers of costs to any sponsored project are allowable only where there is a direct benefit to the project being charged. An overdraft or any direct cost item incurred in the conduct of one sponsored project may not be transferred to another sponsored project merely for the sake of resolving a deficit or an allowability issue. Cost transfers should **not** be used as a means of managing awards.

Cost transfers must be prepared and submitted within 90 days of the end of the calendar month in which the transaction posts as an expense to an award, except in cases where the sponsor's terms and conditions are stricter than University policy. Any cost transfers submitted after 90 days require Grants & Contracts Accounting Director review and approval, and will be granted only under extenuating circumstances and confirmation of approval by the sponsor, when applicable.

***Note: Cost transfers to correct an error must be completed regardless of timeframe if the correction benefits the sponsor.***

The University expects that costs directly charged to federally sponsored awards received by the University will comply with the cost principles outlined in 2 CFR Part 220 (OMB Circular A-21).

### **Cost Transfer Definition**

A cost transfer is the reassignment of an expense to a sponsored project after the expense was initially charged to another sponsored project or a University project. Cost transfers include reassignments of salary, wages, and other direct costs.

### **Policy**

1. **The appropriate account should be charged initially.** The University expects that all costs charged to a sponsored project are correctly charged at the outset, such that charges must be:
  - a. Allowable – the cost is allowed by federal regulations, sponsor terms and conditions, including program specific requirements and University policy;
  - b. Reasonable – reflects whether or not the individuals concerned acted with due prudence in the circumstances;
  - c. Allocable – the cost has a direct benefit to the account being charged; and
  - d. Treated consistently – like costs in similar instances are treated consistently throughout the University.

Goods and services should be charged or allocated among awards at the time of the original purchase whenever possible and practical, to avoid unnecessary cost transfers. The PI is expected to make personnel and corresponding payroll distribution determinations (utilizing the EPAF system) prior to any individual devoting effort to a project.

2. **Financial information in the University's accounting system should be reviewed regularly to facilitate timely discovery of error.** A departmental business manager or other designated staff member may assist the PI in reviewing financial information. The PI must identify legitimate errors in a timely manner and communicate required changes to Grants & Contracts Accounting promptly.
3. **Authorization and documentation of cost transfers.** All cost transfers involving sponsored project funds, whether for labor or goods and services, require preparation and approval ensuring that no one person has complete control over all aspects of a financial transaction.

The department is responsible for ensuring that requested cost transfers are made promptly and that a copy of all required documentation is forwarded to Grants & Contracts Accounting. Documentation related to each cost transfer should be scanned and emailed to Grants & Contracts Accounting.

Care must be exercised in making any cost transfer; therefore when a cost transfer is necessary the following information is required:

- Authorization in writing that is signed and dated (email is acceptable) from the PI or a designee;
  - A detailed statement explaining the reason for the cost transfer and, if applicable, how the error occurred;
  - A description of how the cost benefits the award to which the cost is being transferred; and
  - Documentation that provides evidence of the existence of the charge on the award from which the cost is being removed (i.e., Banner printout) dating and verifying the original charge.
4. **Cost Transfer Approval.** Grants & Contracts Accounting has the authority to approve and post cost transfers to the University's financial system. Any cost transfer not meeting the requirements of this policy will be rejected.

## **COST TRANSFER PROCEDURE**

### **Cost Transfer Procedure – General Information**

#### **Scope**

This document sets forth Alabama A&M University's procedures regarding cost transfers, including transfer of payroll and other direct costs associated with sponsored projects.

#### **Purpose**

In accordance with Alabama A&M University's Cost Transfer Policy, this procedure will:

- Assure the integrity of the University's charges for salaries, goods, and services on sponsored projects that are transferred to or from a sponsored project after an initial charge elsewhere in the University's accounting system; and
- Ensure compliance with sponsor terms and conditions, regulations, and University policies.

#### **Cost Transfer Definition**

A cost transfer is the reassignment of an expense to a sponsored project after the expense was initially charged to another sponsored project or a University project. Cost transfers include reassignments of salary, wages, and other direct costs.

#### **Cost Transfer Requestor**

A cost transfer may be prepared by any University employee; however, the request to transfer a cost to or from a sponsored project must receive the approval of the PI responsible for the sponsored project receiving the charge **prior** to the cost transfer being processed.

### **Cost Transfer Procedure – Process**

#### **Initiating a Cost Transfer**

**Financial information in the University's accounting system should be reviewed regularly to facilitate timely discovery of error.** A departmental business manager or other designated staff member may assist the PI in reviewing financial information. The PI must identify legitimate errors in a timely manner and communicate required changes to Grants & Contracts Accounting promptly. Only an individual with first-hand knowledge may officially request the cost transfer of an expenditure to or from a sponsored project.

*Note: A cost transfer cannot be requested and processed by the same individual.*

#### **Cost Transfer Preparation**

A cost transfer may be requested by the following individuals: a sponsored project Principal Investigator (PI), a department business manager, or other departmental staff. The requestor must provide the following information:

- FOAP where the expense originally charged.
- FOAP where the expense **should** have charged.
- Completed Cost Transfer Justification Form, from the PI or sponsored project business manager.  
*Note: An email including the appropriate documentation for the cost transfer is generally acceptable.*
- If the cost transfer request is for salaries or wages, the University employee's name must be provided, along with the time period (or pay period) and amount of effort/salary affected. *Note: If an effort report has been completed, a copy of the individual's certified effort report must be included.*
- If the cost transfer request is for other direct costs, the invoice number or purchase order number must be provided.

- A written explanation for the error, including a justification of how the cost benefits the sponsored project it is being transferred to, if applicable.
- If the cost transfer request is beyond the 90 day time limit, an explanation must be provided justifying why the request was delayed and how the error will be prevented for future transactions.

### **Cost Transfer Questions**

Prior to submission of a cost transfer request, the request should be evaluated by the requestor and the following questions should be answered.

Is the cost:

1. Allowable under 2 CFR Part 220 (OMB Circular A-21) and/or the terms and conditions of the sponsored project and related University policies?
2. Allocable to the sponsored project that will now be charged?
3. Reasonable and necessary to meet the aims/goals of the sponsored project to be charged?
4. Within the budget period of the sponsored project to be charged?
5. Consistently treated in relation to other sponsored projects?

*Note: For a cost transfer request to be approved by Grants & Contracts Accounting, the answer to all of the above questions must be **yes**.*

The requestor should then ask the following additional question:

1. Are the identified costs being transferred in order to cover an apparent cost overrun on another sponsored project?

*Note: For a cost transfer request to be approved by Grants & Contracts Accounting, the answer to this question must be **no**.*

### **Grants & Contracts Accounting Document Review**

Once received by the Grants & Contracts Accounting department, all documentation should be reviewed for completeness. If all required documents/information have been supplied, and all questions above in "Cost Transfer Questions" have been answered satisfactorily, a Journal Voucher (JV) should be prepared to transfer the cost. If documentation/information is incomplete, the cost transfer request should be returned to the department. If the questions above have **not** been answered satisfactorily, the cost transfer request should be forwarded to the Office of Sponsored Programs for a compliance review and approval.

### **JV Processing and Approval**

A JV detail sheet and a JV cover sheet should be prepared in accordance with University policy detailing out the cost transfer to be performed. The following documents should be attached to the JV as supporting documentation, based on the type of cost being transferred.

1. The signed Cost Transfer Justification Form for all cost transfers.
2. Any supporting documentation provided by the department with the cost transfer request for all cost transfers.
3. A copy of the certified effort report for labor cost transfers where an effort report has already been completed.
4. A printout of NHIDIST (or an export of) detailing out the salary expenditures for labor cost transfers.
5. A printout of FGIBDST and a drilldown of FGIBDST (or an export of) detailing out the cost for all cost transfers.
6. If the cost transfer required a compliance review by the Office of Sponsored Programs, a written, signed approval to proceed.

JV should be entered into Banner in accordance with University policy.

Cost transfer JV's will be approved by the Director of Grants & Contracts Accounting only if all required documentation has been completed. In the absence of the Director, cost transfer JV's may be approved

by the Assistant Vice President of Business & Finance. All JV forms and supporting documentation should be retained in accordance with the University's record retention policy.

## **GCA FINANCIAL REPORTING POLICY**

### **Scope and Purpose**

This policy applies to all sponsored awards received by Alabama A&M University and informs the Alabama A&M community of its compliance obligations to sponsors regarding its reporting requirements for both interim and final financial reporting.

### **Policy Statement**

Alabama A&M University shall submit financial reports to its sponsors supporting research and other scholarly activities that:

- Accurately reflect the use of sponsored funds as recorded in the financial records of the University; and
- Are in compliance with the sponsor's terms and conditions.

Achieving compliance with this policy is a shared responsibility involving the Principal Investigator's (PI), departmental business office, the Office of Sponsored Programs (OSP), and the office of Grants and Contracts Accounting (GCA).

### **Definitions**

**Financial Report** - A financial report [e.g., Financial Status Report (FSR), invoice, etc.] is an accounting of expenditures and obligations incurred during the period of performance and/or at the conclusion of the sponsored project. The financial report reflects the University's official accounting records.

**Financial Closeout** - The process at the end of a sponsored award by which the University completes any required accounting to the sponsor and prevents any further expenses from being incurred on the award.

### **Financial Reporting**

It is the responsibility of GCA to prepare interim financial reports, final financial reports and invoices based on institutional financial records. Additionally, it is the responsibility of GCA to sign and submit all financial reports to the sponsor on behalf of the institution. On rare occasions and with the approval of GCA, financial reports may be submitted to the sponsor by the department or business support unit in collaboration with GCA in order to ensure the receivable is properly recorded and payment is tracked and collected.

### **Final Financial Reporting**

Department business offices or business support units considered to be the responsible organization and owner of an award will review and verify a draft of the final financial report. They are responsible for communicating changes and providing additional information or documentation to GCA, and return the final draft financial report, certified by the Principal Investigator to GCA. In cases when the draft final financial report is not returned to GCA as instructed, GCA will submit to the sponsor a certified final financial report based on University's financial records without departmental or business support unit approval.

Except in unusual circumstances approved by the Director of GCA, the University will not file final financial reports which indicate unliquidated obligations or commitments. Any unique circumstance that may require a final financial report to be filed with unliquidated obligations or commitments must be approved in advance by GCA.

**Closing Sponsored Accounts**

At the conclusion of the award, after the financial report is filed with the sponsor, and all financial obligations satisfied, GCA is responsible for changing the award status in the University's financial system to "Inactive". Once an award status is changed to "Inactive", no further financial activity can occur. GCA provides the award owning department, and OSP, with a copy of the signed and submitted final financial report for appropriate record retention purposes.

**AWARD SET-UP**

Once a proposal is awarded and a budget has been approved, the award mechanism (letter, contract, grant, subcontract, etc.) will be forwarded by the Office of Sponsored Programs (OSP) to the Director, Grants & Contracts Accounting. The University Budget Set-up form will be included with the award. The GCA Director will review the award and budget, and then forward it to the Grants & Contracts Accountant for the appropriate college to establish a new fund in Banner. After the Grants & Contracts Accountant sets up the account, an email will be sent to the Principal Investigator (or Budget Manager), OSP, Grants & Contracts Accountant, and FOMPROF setup staff with the new FOP, title, grant number, sponsor, budget manager, and budget total. A paper file will be created in GCA and the Grants & Contracts Accountant will review the award documents to determine proper invoicing and financial reporting procedures.

Once FOMPROF has been established for the new FOP, spending can begin.

# APPENDICES

## APPENDIX A

# REQUEST FOR PROPOSALS ANALYSIS FORM

**Title of RFP** \_\_\_\_\_

**Name of PI**\_\_\_\_\_

**Team**\_\_\_\_\_

College/Department\_\_\_\_\_

**Name of Agency/Foundation**\_\_\_\_\_

### Project Summary/Overview:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**Agency's Philosophy:** Concepts in this section defines an agency's philosophy and overarching goals. List the stated concepts and ideals, usually in the form of meaningful phrases, to remind you of the issues to address and the relationships to establish between your project's goals and those of the funder.

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**Rationale for Project:** Attention to the terminology and concepts in the first two of these sections will add relevance to a proposal. These sections define an agency

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**Program Design:** The Program Design section defines the types of activities envisioned and supported and identifies the appropriate program for a particular project. A careful reading of the agency's goals, target audience, and statement of purpose is the first step in establishing a match between a funding agency and your project. What activities will apply to your project?

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**Agency/Foundation Goals/Objectives:** Carefully read the specific program goals, objectives, target audiences, and funding levels will determine how strong the match is.

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**Eligibility:** Groups, organizations education levels, government entities can apply for funding.

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## Funding Levels

Total Funding:

\_\_\_\_\_ Floor \_\_\_\_\_ Ceiling \_\_\_\_\_

**Number of grants to be awarded:** Always note the number of projects that will be funded. The more projects that the agency will fund is important.

**General Description/Purpose:** Noteworthy points may include level of affected students, appropriate disciplines or courses, importance of including under-represented minorities, and program components that should be discussed. Key words or phrases from the RFP document such as "innovative strategies," "models for improvement," "extending the instructional capability of equipment," and "dissemination of results" should be noted.

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**Target Population/Research Area:**

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**Focus**

**(Research)**

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**Reason for Project/  
Research**

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**Current Data and knowledge gaps:** Some agencies and foundations identify the area(s) of research that is needed and what (type) the agency supports

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**Who will  
benefit?**

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**Expected Results of  
Project/Research:**

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**Scope of Program: Some RFPs** define some key terms, i.e., what they consider to be a teaching "laboratory," the size of the past awards, and the maximum length of the granting period. The section also includes a listing of acceptable and unacceptable activities or types of projects. Matching these definitions with your own ideas and needs is critical. If there are any questions, do not guess or waste time; call the program director.

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**Proposal Eligibility Lists:** These listings define acceptable budget items, project size, types of institutions, academic disciplines, etc. In some cases, the requirement for matching funds, i.e., funds that must come from other sources, is explained. Dealing with requirements for matching funds will be dealt with in a later section. If your project doesn't fit within the eligibility rules, look for another funding source. If in doubt, call the program director.

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**Preparation of Proposals.** This section is actually divided into two parts. The first defines the elements to be included under each major section or heading of the grant while the second includes specific details such as maximum page lengths, contents of appendices, and proposal format.

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This first portion of the Preparation of Proposals of the RFP was developed by the agency to inform PIs of the important issues and items that should or must be addressed within each major section of the grant.

**Review Criteria:** This section of the RFP that must be read carefully before the writing process can begin. The Review Criteria of the RFP that must be read carefully before the writing process can begin. In this section several categories are listed (according to the agency). These include: Performance Competence," "Intrinsic Merit," "Relevance of the Project," and "Effect on the Infrastructure.

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**Evaluation** –Some funding agencies/foundations require a yearly or “end of the year” program evaluation. The need for an evaluation is addressed in the RFP, Contact the Program Officer with questions and concerns as soon as you decide to write the proposal.

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**Sustainability** – Most funders want to know, how the project/programs will be funded after the award period is over.

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**Budget-** The budget section usually instructs the PI how to draft the budget, what items to include in the budget, the funding ceiling, IDC, etc.

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**Review Criteria** – Most RFPs instruct the PI as to what to expect during the review process -

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## **Appendix B**

### **Patent and Copyright**

Alabama A & M University's Patent and Copyright Committee shall consist of five persons appointed by the Vice President for Institutional Research and Sponsored Programs, upon approval by AAMU President. One representative shall be selected from the Office of the Comptroller, one representative shall be selected from the Office of Grants and Contracts, two representatives shall be selected from any two schools, and one representative from AAMU shall serve on this committee. The Vice President for Institutional Research and Sponsored Programs shall appoint the Chairperson of the Committee. Committee appointments will be from one (1) to three (3) years. Of the members on the Committee, two shall be appointed for a term of one (1) year, two shall be appointed for a term of two (2) years, and one shall be appointed for a term of three (3) years. A currently enrolled student may be appointed to this committee for a term of one (1) year as a committee member. Members of the Committee may be appointed to serve successive terms. In the event any seat on the Committee is vacated prior to expiration of the normal term, the Chairperson, in consultation with the Vice President for Institutional Research and Sponsored Programs, may appoint a successor to fill the unexpired term of the seat vacated.

#### **The role of the Patents & Copyrights Committee is to:**

- (a) Advise the Vice President for Institutional Research and Sponsored Programs on policy matters relating to Patentable and Copyrightable materials;
- (b) Proposed revisions considered necessary to the Patent and Copyright Policy, and
- (c) Arbitrate disputes.

The committee shall meet as necessary but at least twice a year. To keep abreast of developments pertaining to Patent and Copyright laws, the committee should have a meeting within the fall semester and the spring semester.

#### **Policy Applicability to Research Scientists, Academics Faculty and Students**

This policy shall be applicable to all full or part-time research scientists, academic faculty and students performing research for AAMU.

#### **Assignment of Rights/Ownership**

Intellectual property or creative work developed by persons in relation to their participation in their employment or program of study at AAMU is the property of Alabama A&M University. All full or part-time research scientist, academic faculty and research graduate student shall, as a condition of employment with Alabama A&M University, execute an assignment of rights, assigning all rights, title and interest, to the extent prescribed in this policy, in any patent and copyright to Alabama A&M University.

## **Determination of Rights and Equities in Patent and Copyright Policy**

### **A. Sponsor-Supported Efforts**

The grants or contracts between the sponsor and AAMU, under which patentable and copyrightable material are produced, may contain specific provisions with respect to disposition of rights to these materials. The sponsor (1) may specify that the materials be placed in the public domain, (2) may claim reproduction, license-free use, or other rights, or (3) may assign all rights to AAMU. *In those cases where income is realized by AAMU, the inventor or creator may appropriately share (as determined by the Patent and Copyright committee) in the income. The nature and extent of the inventor or creator's participation in income is outlined in Section 1.4 in the Administrative Procedures.*

Inventions arising from research sponsored by the Federal Government shall be controlled by the terms of the contract, grant, or cooperative agreement, and any applicable federal regulations. Where patent rights are not claimed or are waived by the Federal Government, such inventions or discoveries shall be controlled by this policy.

### **B. University-Assigned Efforts**

Ownership of patentable and copyrightable materials developed as a result of an assigned employment effort shall reside with AAMU. The general obligation to produce scholarly and creative works does not constitute a specific assignment for this purpose.

### **C. University-Assisted Individual Effort**

Ownership of patentable and copyrightable materials developed by research scientist, academic faculty or research graduate students of Alabama A&M University where AAMU provides support of their efforts or use of institutional resources in more than a purely incidental way (unless such resources are available without charge to the public) shall be shared by the inventor or creator and by the AAMU. *The nature and extent of inventor or creator participation in income is outlined below in Section 1.5 in the Administrative Procedures.*

### **Individual Effort**

Ownership rights to patents or copyrights developed by research scientists, academic faculty or students of AAMU shall reside with the inventor or creator of such patent or copyright provided that: (1) there is no use, except in a purely incidental way, of AAMU resources in the creation of such patent or copyright (unless such resources are available without charge to the public); (2) the patent or copyright is not prepared in accordance with terms of any AAMU grant or contract; (3) the patent or copyright is not developed by a research scientist, an academic faculty member or a student as a specific University assignment. The nature and extent of the use of University's resources shall be subject to AAMU's regulations.

## **Other Efforts**

Ownership rights to patentable and copyrightable materials developed under any circumstances other than those listed herein in Section 1.4 of this policy shall be determined on an individual basis and approved by the Vice President for Institutional Research and Sponsored Programs or his/her designated representative. The nature and extent of inventor or creator participation in income shall, however, be set forth as outlined below in Section 1.5, Administrative Procedures.

## **Administrative Procedures**

AAMU is responsible for implementation of the University's Patent and Copyright policy.

AAMU is authorized to seek patent and copyright protection for potential licensing purposes only. The relevant school, laboratory, center, or the individual inventor/creator must fund patent and copyright protection for reasons other than the aforementioned purpose.

Prior to public disclosure or submission for publication, a developer or inventor of intellectual property or creative works shall disclose to his or her Chairperson, Dean and the Vice President for Institutional Research and Sponsored Programs any such property or works upon realization that it has commercial potential suitable for development.

Upon disclosure, the Vice President of Institutional Research and Sponsored Programs will provide the developer/inventor, within thirty (30) days, a strategic plan outlining the proposed University action concerning the disclosure. The Vice President for Institutional Research and Sponsored Programs will adopt a strategic plan only after consultation with the developers(s), Chairperson, and Dean (Or other appropriate unit administrators).

Alabama A&M University may at its sole discretion determine to release its ownership rights in the intellectual property or creative works to a developer/inventor upon conditions the University deems beneficial and fair to all parties. Any such release will be provided in writing to all parties.

AAMU's Vice President for Research & Development, after reporting of the plan and approval by AAMU President, will advise the inventor or creator of AAMU's final decision whether to accept a patent or copyright for administration in writing within ninety (90) days of receipt of the complete patent or copyright disclosure form (Report of Invention). Should AAMU decide not to accept the patent or copyright for administration, or if it at any future time decides not to take any further action in marketing, or encouraging further development as a prelude to marketing, the patent or copyright, it shall notify the inventor(s) or creator(s) within (90) days of receipt of the complete disclosure form or of its later decision to discontinue marketing of its release of the patent or copyright to the inventor(s) or creator(s).

Developers/inventors shall fully disclose to Alabama A & M University any financial and or other relationships that they may have that might affect or encumber the transfer of intellectual property or creative works to any off-campus individual or entity. Before or contemporaneously with disclosure, developers/inventors and all University personnel working on development of the intellectual property or creative work shall sign a standard form of non-disclosure agreement with the University. The non-disclosure agreement form may be obtained from the Office of the Vice President for Institutional Research and Sponsored Programs.

No AAMU personnel shall take any action to seek commercialization of or receive any benefit from any invention other than in accordance with AAMU policy.

After filing and patent expenses have been paid, Two Thousand Five Hundred Dollars (\$2,500.00) of gross income derived from the commercialization of any patent or copyright other than video tapes/multimedia material shall be paid to the inventors/developers. Thereafter, the net income shall be distributed as follows:

INCOME	NEXT \$100k	\$101-500k	\$501-1,000 k	Over \$1 MILLION
INVENTOR	35%	30%	30%	30%
REINVEST	15%	20%	20%	20%
AAMU	50%	50%	50%	50%

In the case of the death of an inventor, any payment due, or which would have been due to such inventor, shall be made to the inventor's estate.

### **Net Income**

All licensing income less all expenses attributed to that specific disclosure (e.g. patent costs, attorney costs, marketing costs, reproduction, mailing, consumables, etc.) shall be distributed quarterly by AAMU.

### **Inventor**

The inventor will be the inventor or inventors of record listed on the original invention disclosure. When more than one inventor/developer is listed, the allocation will be determined by the percentage of ownership listed in the original invention disclosure. That allocation may be altered for future royalty distribution only by written request signed by all inventors listed on the original invention disclosure. In the case of the death of an inventor, any payment due, or which would have been due, to such inventor shall be made to the inventor's estate.

The inventor must file an application with the U. S. Patent Office within twelve months of disclosure in a publication or of any other action that results in the details of the invention becoming generally available.

## **Reinvestment (Research Performance Incentive)**

Royalty distribution for reinvestment payment will be made in the form of an AAMU grant to the school, unit, or laboratory of the principal inventor/developer for use in funding additional or similar development activities at the unit level.

Reinvestment of funds is intended to seed additional development of new patents and copyrights. Funds will expire eighteen (18) months from the date of the grant.

Reinvestment-fund accounts will be set up for the inventor to use for new research and the development by the individual inventor or developer. In the event the inventor/developer leaves AAMU, the accounts will be managed by AAMU.

### **1.2 Appeals**

AAMU's researchers shall have the right to appeal the decisions of the Patent and Copyright Committee to the Vice President for Institutional Research and Sponsored Programs and the AAMU President

### **1.3 Changes in Policy**

Alabama A&M University may change this policy for Institutional Research and Sponsored Programs on the recommendation of the Patent and Copyright Committee and the approval of the Board of Trustees.

### **1.4 Conflict**

In the event of conflict between this policy and any policy of the Board of Directors, a legal representative shall assist the Patent and Copyright Committee with any legal matter arising out of the AAMU patent program.

## **APPENDIX C**

### **Office of Sponsored Programs (OSP) Overview**

**A. OSP Mission Statement**

**B. OSP Goals**

**C. Strategies to Achieve Goals**

**D. Sponsored Programs Staff**

**E. Organizational Structure**

**F. OSP Organizational Chart**

**G. Staff Duties and Responsibilities**

- 1. Executive Director**
- 2. Administrative Assistant**
- 3. Compliance Officer**
- 4. Grants Administrator/Pre Awards**
- 5. Grants and Contracts Coordinator I/Pre Awards**
- 6. Grants and Contracts Coordinator I/Post Awards**
- 7. Grants and Contracts Coordinator II/Post Awards**

**H. Proposal Submission Process**

**I. Proposal Submission Process Flowchart**

**J. Award Process**

**K. Award Process Flow Chart**

**L. Principle Investigator Handbook**

## **A. MISSION STATEMENT**

The mission of the Office of Sponsored Programs (OSP) at Alabama A&M University is to: Serve as an advocate for sponsored research; Advise the administration of matters of regulatory compliance; Assist faculty in finding funding opportunities; Assist faculty with the development of proposals; and Promote internal sponsorship of scholarly activities.

## **B. OFFICE OF SPONSORED PROGRAMS (OSP) GOALS**

OSP goals are:

1. Increase all OSP staff understanding of principles of sponsored project administration;
2. Develop a team work environment;
3. Reduce the administrative burden placed on PI's in applying and administering contracts and grants;
4. Increase the number of proposals submitted per College by 25% each Fiscal Year; and
5. Increase the number of awards by 5% per College.

## **C. STRATEGIES TO ACHIEVE GOALS**

The above goals will be achieved by the implementation of the below listed strategies:

- Each grants administrator will work with a college to ensure that faculty in each college is engaged in writing a grant during the 2012-2013 FY.
- Each grants administrator will attend a proposal building/development workshop in an effort to hone their skills in grant writing.
- The Capabilities Assessment Statement (CAS) will be updated and will serve as “a boiler plate” for faculty members involved in grant writing.
- Faculty capabilities will be placed on file in OSP, and the Capabilities Assessment Statement (CAS) will be published.
- The number of faculty writing grants will increase by 10% per college.
- Update and design the OSP website in a way that it will enhance faculty to write proposals. The website will also feature announcements, OSP newsletter, etc...
- The OSP staff will meet with the Deans to discuss the office's new organizational structure, OSP procedures.
- Each grants administrator will work closely with the Dean.

- Workshops will be conducted at least once every semester via on site presentations and webinars.
- Each grant administrator will be available to assist faculty within his/her assignment at all times.
- Grant administrators will also assist each other according to his/her area of expertise.
- One on one consultation as deemed necessary and/or when requested.

## **D. OFFICE OF SPONSORED PROGRAMS STAFF**

*Executive Director*

*Administrative Assistant*

*Compliance Officer*

*Grants Administrator / Pre Awards*

*Grants and Contracts Coordinator I / Pre Awards*

*Grants and Contracts Coordinator I / Post Awards*

*Grants and Contracts Coordinator II / Post Awards*

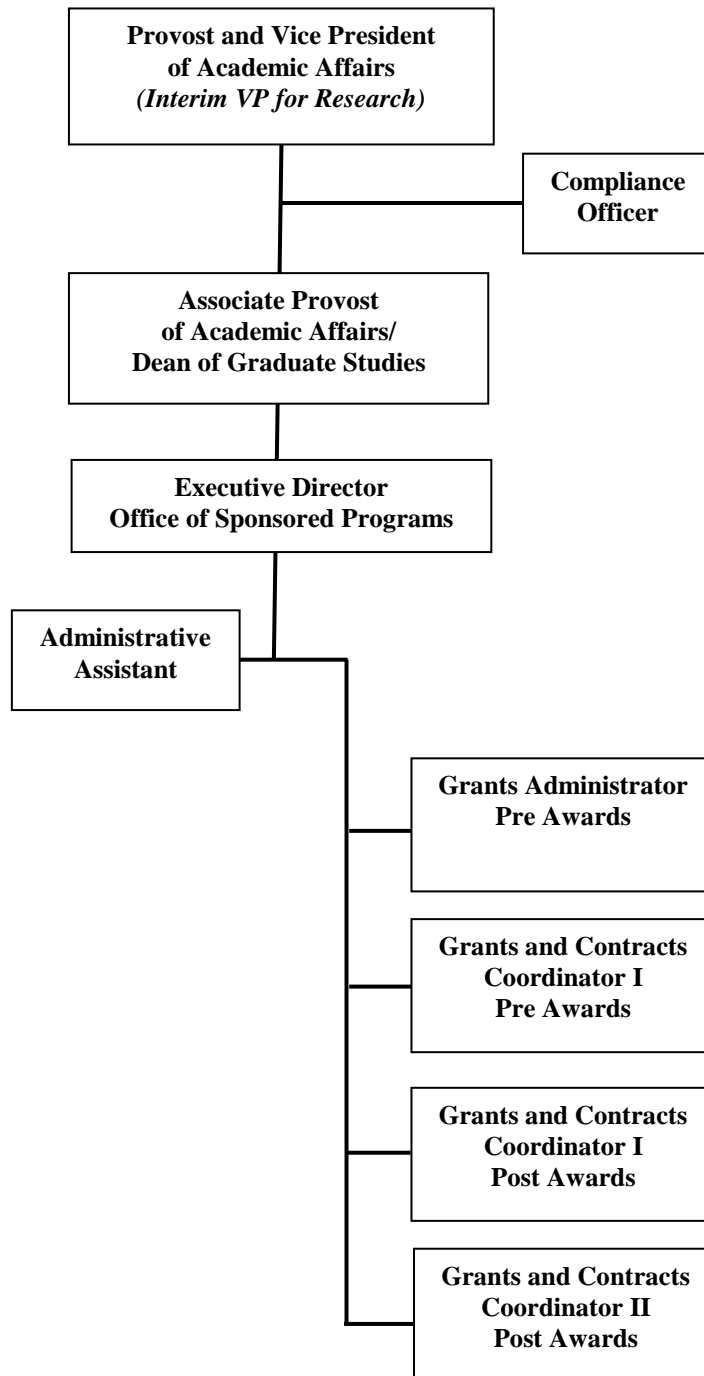
## **E. ORGANIZATIONAL STRUCTURE**

The new OSP organizational structure is designed to make the office more viable, visible, focused, better managed, and supportive of faculty.

The OSP staff consists of; the executive director, an administrative assistant, a compliance officer, two pre-award grants administrators and two post award administrators. The organizational chart on the next page indicates the position role of staff members.

## **F. ORGANIZATIONAL CHART**

### **OFFICE OF SPONSORED PROGRAMS ALABAMA A&M UNIVERSITY**



## **G. STAFF DUTIES AND RESPONSIBILITIES**

### **Executive Director of Sponsored Programs**

Fair Labor Standards Act (FLSA) Classification: Exempt  
Grade: Unclassified

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

#### **Summary:**

The position encourages and supports university faculty in their pursuit of external grant support for research programs, scholarly activities, student research awards, program services, and equipment purchases. The Director oversees university-wide initiatives to improve external funding success and helps to identify and secure collaborative partners for specific funding requests.

The position will provide oversight and supervision of a comprehensive program of institutional research. Responsible for maintaining a quality assurance program. Additionally, the position acts as a liaison to colleges and departments in project/program development; dissemination of information on potential funding sources; assistance in proposal preparation and submission; negotiation of grants and contracts, research compliance and assistance in project monitoring and reporting.

#### **Duties and Responsibilities:**

- Encourage and support faculty in the pursuit of external grant and contract support for sponsored programs.
- Oversee university-wide initiatives to improve external funding success.
- Identify and secure collaborative partners for specific funding requests.
- Provide for the pre- and post-award processes.
- Work closely with Academic Deans and Center Directors to assist faculty in their research, scholarship, and grant-writing activities.
- Supervise a staff of coordinators and grant writers.
- Advise grant writers so as to ensure: (1) that proposals are of the highest quality, and (2) that all final proposals conform to sponsor criteria.
- Maintain oversight over successful grant and contract applications to ensure that the funding sources guidelines, policies, and required reporting procedures are followed by the university.
- Establish relationships with state and local governmental agencies
- Work with community and local organizations to promote ongoing partnership
- Seclude workshops, webinars as needed

#### **Minimum Position Requirements (including certifications, licenses, etc.):**

- Master's degree (Doctorate preferred).
- Three (3) years of experience with sponsored programs and assessment.

**Knowledge, Skills, and Abilities:**

- Excellent analytical and communication skills.
- Excellent, organizational, supervisory, and interpersonal skills.
- Demonstrated ability to independently conceive, design and conduct research using statistical techniques.
- Ability to prepare effective reports on results of research.
- Demonstrated ability to work effectively with multiple constituents including faculty, staff, students, alumni, the public, governmental agencies, and the corporate and foundation community.
- Ability to provide effective leadership to internal and external constituents.
- Knowledge of federal regulations, public and private contracting, and job specific processes.

**Administrative Assistant**

Fair Labor Standards Act (FLSA) Classification: Non-Exempt

Grade: 15

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

**Summary:**

Performs and/or oversees a variety of associated administrative, fiscal, staff support, and planning activities, some of which require advanced or specialized knowledge and skills, such as budget administration and control, equipment, facilities, and inventory management, specialized recordkeeping and database management, and/or specified information-gathering projects and tasks. Coordinates and facilitates meetings, program functions, and/or special events, as appropriate. Trains and oversees lower graded staff and/or students. May coordinate specified administrative activities and reporting across multiple organizational units within a department.

**Essential Duties and Responsibilities:**

- Oversees and/or performs a range of diverse administrative activities for the department or organizational unit; serves as a central point of liaison with other departments and external constituencies in the resolution of a variety of day-to-day matters concerning the unit.
- Utilizes knowledge and understanding of underlying operational issues to create, compose, and edit technical and/or administrative correspondence and documentation.
- Assists in administrative problem solving, program/project planning, development, and execution of stated goals and objectives.
- Researches information, compiles statistics, and gathers and computes various data; prepares special and/or one-time reports, summaries, or replies to inquiries, selecting relevant data from a variety of sources.
- Monitors, reconciles, and assists with fiscal administration for the unit, including but not limited to budgets, funding, grants, contracts, payroll, employment, travel, and/or purchasing; may assist with fiscal planning, including participating in seeking alternate sources of funding.
- Provides and/or oversees support activities for the unit such as answering telephones, assisting and resolving problems and inquiries of visitors, review and control of incoming and outgoing correspondence, and follow-up on operational commitments.

- Provides administrative assistance with faculty and/or staff searches, as appropriate, to include logging employment applications; preparing applicant acknowledgments and interview documents, coordinating interview logistics, and coordinating search documentation.
- Schedules appointments and maintains calendars; schedules, coordinates and facilitates meetings, facilities usage, events, and/or travel arrangements, as required.
- Establishes, updates, and maintains unit's files, inventories, and records; implements and maintains data management systems, as required.
- Leads and guides the work of lower level staff, and supervises student employees as appropriate; may participate in hiring decisions and performance appraisal.
- Performs miscellaneous job-related duties as assigned.

**Minimum Position Requirements (including certifications, licenses, etc.):**

- Bachelor's degree in office administration or related area
- At least three (3) years of experience that is directly related to the duties and responsibilities specified.

**Knowledge, Skills and Abilities:**

- Knowledge of computerized information systems used in financial and/or accounting applications
- Knowledge of general accounting principles
- Knowledge of human resources concepts, practices, policies, and procedures
- Skill in the use of personal computers and related software applications
- Skill in organizing resources and establishing priorities
- Demonstrated ability to maintain confidentiality
- Records maintenance skills
- Database management skills
- Ability to gather data, compile information, and prepare reports
- Ability to supervise and train assigned staff
- Ability to analyze and solve problems
- Ability to make administrative/procedural decisions and judgments
- Ability to create, compose, and edit written materials
- Ability to communicate effectively, both orally and in writing

## **Compliance Officer**

Fair Labor Standards Act (FLSA) Classification: Exempt

Grade: Unclassified

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

**Function:** To coordinate and monitor activity that involves human subjects, health privacy, and animal care and use to ensure compliance with federally mandated regulations protecting the rights and welfare of the subjects of research.

## **Essential Duties and Responsibilities**

## **Compliance:**

The Compliance Officer works closely with the chairs of Institutional Review Board (IRB), Human Subjects and the Institutional Animal Care and Use Committee (IACUC) to coordinate, support, and review all research involving use of human and animal subjects. Duties and responsibilities include:

- Designs, plans, and coordinates Responsible Conduct of Research (RCR) training and review programs.
- Supplies vision for building compliance infrastructure for research integrity and streamlines procedures and forms for submission and monitoring approved protocols
- Keeps up with developing research compliance needs of the University
- reviews and analyzes internal and external controls and procedures to ensure compliance with appropriate federal regulations and state and university policies for human and animal subjects protections, privacy, and conflict of interest
- Keeps records of monitoring activities makes recommendations for changes;
- Plans and facilitates meetings of the review boards; and conducts training in compliance with RCR requirements
- Attends, present, and network at national and regional research administration conferences
- Act as the central contact point for audits by regulatory agencies and provide campus liaison with such agencies
- Other assignments as required

## **Minimum Position Requirements and Qualifications:**

Substantial experience with IRB, IACUC, Sponsored Programs, and/or other administrative office responsible for research administration. Experiences could be in a university, hospital, or research center, government organization, foundation, or other commensurate situation. Competence, experience, and leadership to ensure the University's continued compliance, and to ensure efficient/effective support of research, teaching, and service programs. Specifically, the following is being sought:

- A masters degree or the equivalent combination of education and experience is required.
- Knowledge of compliance issues in pre-award and post-award processes is preferred.
- Demonstrated knowledge in IRB, IACUC, and/or compliance management.
- Ability to extract pertinent data and create useful reports presented in logical, clear and concise formats, taking the end-user audience into consideration.
- Experience in analyzing organizational needs, recommending innovative solutions, developing processes and implementing procedures.
- Political acumen and communication skills to interact with a diversity of individuals and teams.
- Ability to conduct strategic risk assessments and implement solutions to address critical needs
- Ability to supervise support personnel associated with the position.
- Ability to work effectively with researchers, committees, and administrators to provide program continuity on a daily basis
- Presentation and training or education development skills
- Ability to develop and communicate internal policies and procedures that comply with federal regulations and the university structure.

## **Grants Administrator (Pre Awards)**

Fair Labor Standards Act (FLSA) Classification: Exempt

Grade: 17

- Analyzes Request For Proposals (RFP) announcements and articulate to faculty
- Create word search lists based on faculty research interests
- Utilizes Federal, state, and private foundations portals to search for opportunities
- Prepares proposal packages and submit to agencies

- Employs working knowledge of Federal circulars
- Communicates with each agency's contact person
- Send confirmation of submittal to PIs
- Assists with planning presentation of OSP pre-award workshops
- Reviews proposal narratives, budgets and forms as required per announcement
- Coordinates and direct office services such as records and budget preparation, personnel
- Promotes and assists University externally funded R&D grants and contracts development and management
- Maintains contact with University participating scientists in matters pertaining to establishment, implementation and closeout of sponsored R&D contracts and grants.
- Reviews requisitions

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

**Function:** To assist with administration of Federal/State funded, research and development (R&D) grants and contracts

- Exercises independent judgment and discretion of planning, controlling, reviewing, advising, and approving to ensure terms and conditions of individual contracts and grants, public law, agency regulations, cost accounting standards, and university policies and procedures are followed
- Employs working knowledge of Federal circulars
- Communicates with each agency's contact person
- Send confirmation of submittal to PIs
- Assists with planning presentation of OSP pre-award workshops
- Reviews proposal narratives, budgets and forms as required per announcement
- Coordinates and direct office services such as records and budget preparation, personnel
- Promotes and assists University externally funded R&D grants and contracts development and management
- Works with Coordinator to ensure coordination of office services such as records and budget preparation, personnel.
- Promotes and assists University externally funded R&D grants and contracts development and management
- Demonstrated experience in managing and completing multiple concurrent projects, developing strong business relationships, and experience in grant/contract financial analysis
- Reviews requisitions and proposed budgets to ensure compliance with all Federal/State laws and regulations
- Exercises independent judgment and discretion of planning, controlling, reviewing, advising, and approving to ensure terms and conditions of individual contracts and grants,

public law, agency regulations, cost accounting standards, and university policies and procedures are followed

- Implement and monitors subcontract awards, modifications, and expenditures to assure compliance with contractor specifications
- Manage sub recipient performance (cost, schedule, delivery and technical performance reporting)
- Supports University Agency and University Industry contacts, attends meetings, conferences, and consortia assemblies where appropriate
- Provide education and training to faculty, staff, and students regarding post-award matters
- Works with Business & Finance Office to ensure yearly A-133 audits are conducted
- Assist with Project Closeout requirements
- Other duties as assigned

### **Minimum Position Requirements (including certifications, licenses, etc.):**

1. Bachelor's degree in Business or related field and 3-5 years of professional experience in the field is required. Master's Degree preferred. Working knowledge of Federal/State grants and contracts management, contract accounting, subcontract managements, and research implementation practices and procedures.
2. Strong computer skills utilizing Microsoft Office Suite of Products (Word, Excel, PowerPoint, Access).
3. Strong oral and written communication skills.

### **Grants and Contracts Coordinator I (Pre Awards)**

Fair Labor Standards Act (FLSA) Classification: Exempt

Grade: 17

- Analyzes Request For Proposals (RFP) announcements and articulate to faculty
- Create word search lists based on faculty research interests
- Utilizes Federal, state, and private foundations portals to search for opportunities
- Prepares proposal packages and submit to agencies
- Employs working knowledge of Federal circulars
- Communicates with each agency's contact person
- Send confirmation of submittal to PIs
- Assists with planning presentation of OSP pre=award workshops
- Reviews proposal narratives, budgets and forms as required per announcement
- Coordinates and direct office services such as records and budget preparation, personnel
- Promotes and assists University externally funded R&D grants and contracts development and management
- Maintains contact with University participating scientists in matters pertaining to establishment, implementation and closeout of sponsored R&D contracts and grants.

- Reviews requisitions

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

**Function:** To assist with administration of Federal/State funded, research and development (R&D) grants and contracts

- Exercises independent judgment and discretion of planning, controlling, reviewing, advising, and approving to ensure terms and conditions of individual contracts and grants, public law, agency regulations, cost accounting standards, and university policies and procedures are followed
- Employs working knowledge of Federal circulars
- Communicates with each agency's contact person
- Send confirmation of submittal to PIs
- Assists with planning presentation of OSP pre-award workshops
- Reviews proposal narratives, budgets and forms as required per announcement
- Coordinates and direct office services such as records and budget preparation, personnel
- Promotes and assists University externally funded R&D grants and contracts development and management
- Works with Coordinator to ensure coordination of office services such as records and budget preparation, personnel.
- Promotes and assists University externally funded R&D grants and contracts development and management
- Demonstrated experience in managing and completing multiple concurrent projects, developing strong business relationships, and experience in grant/contract financial analysis
- Reviews requisitions and proposed budgets to ensure compliance with all Federal/State laws and regulations
- Exercises independent judgment and discretion of planning, controlling, reviewing, advising, and approving to ensure terms and conditions of individual contracts and grants, public law, agency regulations, cost accounting standards, and university policies and procedures are followed
- Implement and monitors subcontract awards, modifications, and expenditures to assure compliance with contractor specifications
- Manage sub recipient performance (cost, schedule, delivery and technical performance reporting)
- Supports University Agency and University Industry contacts, attends meetings, conferences, and consortia assemblies where appropriate
- Provide education and training to faculty, staff, and students regarding post-award matters

- Works with Business & Finance Office to ensure yearly A-133 audits are conducted
- Assist with Project Closeout requirements
- Other duties as assigned

### **Minimum Position Requirements (including certifications, licenses, etc.):**

1. Bachelor's degree in Business or related field and 3-5 years of professional experience in the field is required. Master's Degree preferred. Working knowledge of Federal/State grants and contracts management, contract accounting, subcontract managements, and research implementation practices and procedures.
2. Strong computer skills utilizing Microsoft Office Suite of Products (Word, Excel, PowerPoint, Access).
3. Strong oral and written communication skills.

### **Grants and Contracts Coordinator I (Post Awards)**

Fair Labor Standards Act (FLSA) Classification: Exempt

Grade: 17

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

**Function:** To assist with administration of Federal/State funded, research and development (R&D) grants and contracts

### **Essential Duties and Responsibilities:**

#### **Award**

- Supports University Agency and University Industry contacts, attends meetings, conferences, and consortia assemblies where appropriate
- Serve as the grant accounting expert and post-award compliance authority; Ensure the accuracy and integrity of all transactions by applying internal controls that comply with funding agency and college terms and policies
- Manage, develop and implement policies, processes, and systems for all aspects of the financial management of the College's Sponsored Programs
- Provide education and training to faculty, staff, and students regarding post-award matters
- Prepare all financial reports and journal entries related to grant accounts, as well as related budget adjustments, cost transfers, and account reconciliations

- Coordinates the completion of all grant-funded project tasks and goals while remaining within grant timelines and budgets
  - Prepare clear and accurate interim, annual, and final performance reports containing key findings, outcomes, and conclusions of all grant projects.
  - Receive time and effort reports
  - Monitor budgets for research foundations, federal, state, private and local project awards
  - Verifies budget conforms with sponsor requirements
  - Prepare and submit reports as requested
  - Coordinate close-out activities between the university and agency for each funded project
  - Coordinates with Grants & Contracts Accounting (GCA) and Business & Finance offices
  - Work with GCA to establish budget
- 
- Reviews grants and contracts expenditures received from PI (requisitions, encumbrances, payroll items, consultants, etc.) to be sure that each is allocable, allowable, reasonable, and necessary
  - Works with GCA to monitor financial reimbursement process (from sponsor)
  - Has quarterly reconciliation meetings with GCA to review drawdowns and schedule closeout preparation
  - Works with Business & Finance Office to ensure yearly A-133 audits are conducted
  - Assist with Project Closeout requirements
  - Other duties as assigned

### **Minimum Position Requirements (including certifications, licenses, etc.):**

1. Bachelor's degree in Business or related field and 3-5 years of professional experience in the field is required. Master's Degree preferred. Working knowledge of Federal/State grants and contracts management, contract accounting, subcontract managements, and research implementation practices and procedures.
2. Strong computer skills utilizing Microsoft Office Suite of Products (Word, Excel, PowerPoint, Access).
3. Strong oral and written communication skills.

### **Grants and Contracts Coordinator II (Post Awards)**

Fair Labor Standards Act (FLSA) Classification: Exempt

Grade: 17

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

**Function:** To assist with administration of Federal/State funded, research and development (R&D) grants and contracts

## **Essential Duties and Responsibilities:**

### **Award**

- Supports University Agency and University Industry contacts, attends meetings, conferences, and consortia assemblies where appropriate
- Serve as the grant accounting expert and post-award compliance authority; Ensure the accuracy and integrity of all transactions by applying internal controls that comply with funding agency and college terms and policies
- Manage, develop and implement policies, processes, and systems for all aspects of the financial management of the College's Sponsored Programs
- Provide education and training to faculty, staff, and students regarding post-award matters
- Prepare all financial reports and journal entries related to grant accounts, as well as related budget adjustments, cost transfers, and account reconciliations
- Coordinates the completion of all grant-funded project tasks and goals while remaining within grant timelines and budgets
- Prepare clear and accurate interim, annual, and final performance reports containing key findings, outcomes, and conclusions of all grant projects.
- Receive time and effort reports
- Monitor budgets for research foundations, federal, state, private and local project awards
- Verifies budget conforms with sponsor requirements
- Prepare and submit reports as requested
- Coordinate close-out activities between the university and agency for each funded project
- Coordinates with Grants & Contracts Accounting (GCA) and Business & Finance offices
- Work with GCA to establish budget
  
- Reviews grants and contracts expenditures received from PI (requisitions, encumbrances, payroll items, consultants, etc.) to be sure that each is allocable, allowable, reasonable, and necessary
- Works with GCA to monitor financial reimbursement process (from sponsor)
- Has quarterly reconciliation meetings with GCA to review drawdowns and schedule closeout preparation
- Works with Business & Finance Office to ensure yearly A-133 audits are conducted
- Assist with
  - Project Closeout requirements
  - Other duties as assigned

### **Minimum Position Requirements (including certifications, licenses, etc.):**

1. Bachelor's degree in Business or related field and 3-5 years of professional experience in the field is required. Master's Degree preferred. Working knowledge of Federal/State grants and contracts management, contract accounting, subcontract managements, and research implementation practices and procedures.

2. Strong computer skills utilizing Microsoft Office Suite of Products (Word, Excel, PowerPoint, Access).
3. Strong oral and written communication skills.

## **Ongoing Office of Sponsored Programs (OSP) Activities**

The Office of Sponsored Programs (OSP) is established and charged with the responsibility of assisting all facets of the University with the process of sponsored programs and research. OSP provides support services to all faculty as well as assistance with proposal writing. Support services and writing assistance includes: workshops, distribution of information, reporting requirements, close out requirements, time & effort requirements, one-on-one consultation, proposal development process, and the post-award process. Each of these activities are briefly described below and on the following pages.

1. **Workshops:** OSP will conduct three major workshops per year. These include: “Before You Write” – a workshop that focuses on activities that a potential PI should engage in prior to writing (i.e. completing the Capabilities Assessment form, review of agency announcements and analyzing the announcement (RFP, NOFA, PA).
2. **Distribution of Information:** Faculty will be kept aware of funding opportunities per agency and foundations through e-mails, the OSP web site, and personal contact.
3. **One on One Consultation:** OSP will assist faculty engaged in grant writing on a one on one bases as needed. This includes, but is not limited to: completing the Request for Proposal and other funding announcements, writing the narrative, research, and completing the budget/requirements.
4. **Proposal Review:** To ensure uniformed, high quality institutional representation, each proposal must be submitted for review prior to being submitted to an agency. The review is one that is rigorous and has multi-steps. Signature authorization at the Principle Investigator, college, schools and University levels must be secured to complete the review process.
5. **IRB Review Committee:** This committee’s purpose is to establish and maintain policies and procedures for the implementation of federal policy safeguarding the rights and welfare of humans involved in experimental projects and research.

## **H. PROPOSAL SUBMISSION PROCESS**

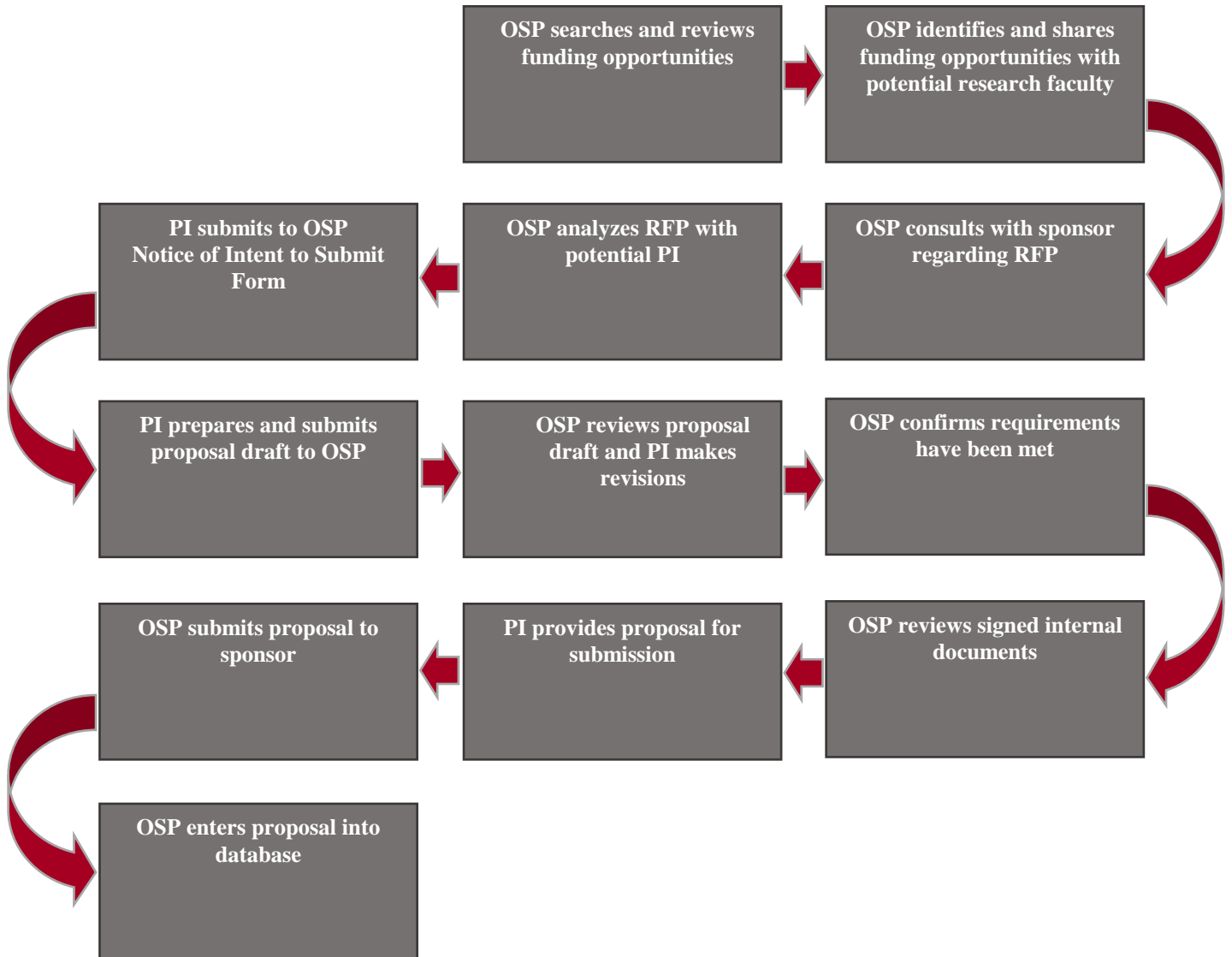
1. Reference Faculty Research Capabilities Guide (Establish Capabilities Assessment of Faculty in Research among the four colleges of the university in order to identify and match funding opportunities with faculty expertise)
2. Search and Review Funding Opportunities
  - a. OSP works alongside faculty with searching for potential funding opportunities (agency databases – (federal, state, and local entities), internet notification subscriptions, local community outreach and partnerships opportunities with peer universities
3. Identify Specific Funding Opportunities (Notify Dean and potential Research Faculty)
4. OSP has consultation with Sponsor regarding details of Request for Proposal (RFP)/Funding Opportunity
  - a. OSP shares notes obtained from sponsor consultation (if any) with Principal Investigator (PI)
  - b. Submit draft (Minimum of 10 days prior to deadline)

## **I. PRE AWARD PROCESS FLOW CHART**

**OSP - Office of Sponsored Programs**

**PI - Principal Investigator**

**RFP - Request for Proposal**



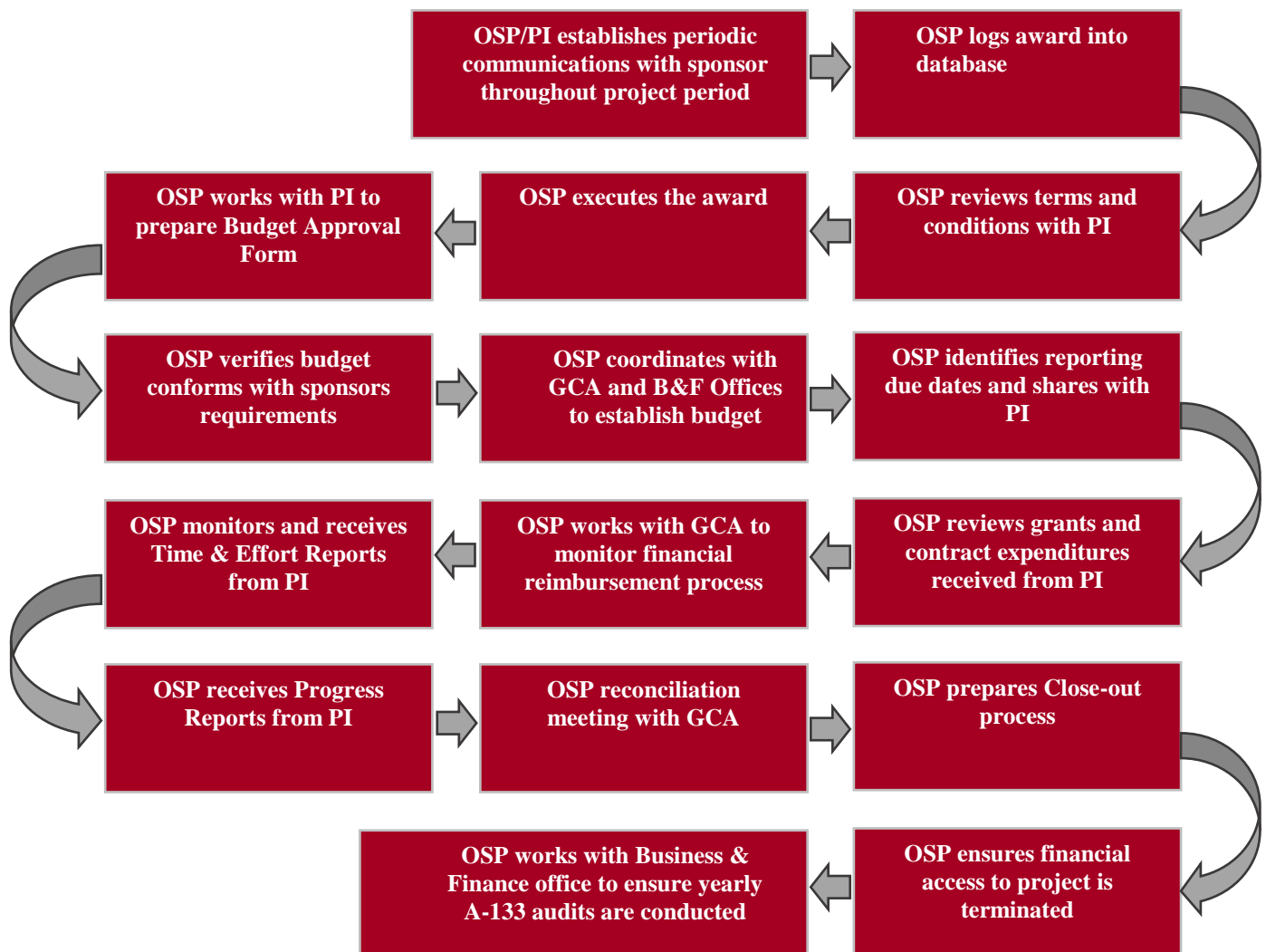
## **J. AWARD PROCESS**

*(Note: Proposals awarded will be analyzed (sponsor will be contacted, reviewer comments will be requested and revised pro: Proposals not funded will be resubmitted by PI/OSP in next funding cycle if applicable).*

1. OSP receives notification of award from sponsor
2. OSP/PI establishes periodic communications with sponsor throughout project period; logs award into database (identifies as new or incremental funding), and updates database by reclassifying previously submitted proposal as a funded award
3. OSP reviews terms and conditions with PI and negotiate contract (if required)
4. OSP executes the award by validating necessary signatures of sponsors and university representatives
5. OSP works with PI to prepare Budget Approval Form
6. OSP verifies budget conforms with sponsor requirements
7. OSP coordinates with Grants & Contracts Accounting (GCA) and Business & Finances Offices to establish budget
8. OSP identifies reporting due dates and shares with PI (Calendar is established)
9. OSP reviews grants and contract expenditures received from PI(requisitions, encumbrances, payroll items, consultants, etc.) to be sure that each is allocable, allowable, reasonable and necessary
10. OSP works with GCA to monitor financial reimbursement process (from sponsor)
11. OSP monitors and receives Time & Effort from PI
12. OSP receives Progress Reports from PI (establish/identify prior to deadline)
13. OSP has quarterly reconciliation meetings with GCA
  - a. to review draw down schedules and close out document financials
  - b. coordinate with GCA on submission and preparation of final financials document
14. Prepare Close-out process (Coordinate close-out activities between the university and agency for each funded project)
  - a. Request/determine if cost/no cost extensions are required
  - b. Request and prepare close out reports with PI (Final Project Report, Final Financial Report, Final Property Report, Final Intellectual Report
  - c. Submit all close out documents to sponsor with exception of final financials document
  - d. Coordinates with Property Management office to review property disposition guidance per award per sponsor terms and conditions
15. Financial access to project terminated
16. OSP works with Business & Finance office to ensure yearly A-133 audits are conducted timely

## K. POST AWARD PROCESS FLOW CHART

OSP - Office of Sponsored Programs  
 GCA - Grants & Contracts Accounting Office  
 B&F - Business and Finance Office  
 PI - Principal Investigator



*Note: Proposals not awarded will be analyzed by OSP - sponsor will be contacted, reviewer comments will be requested and revised proposals will be resubmitted by PI/OSP in next funding cycle if applicable.*

## **APPENDIX D**

### **Office of Grants and Contracts Accounting (GCA) Overview**

**A. GCA Mission / Goals / Strategies**

**B. GCA Staff Positions**

**C. GCA Organizational Chart**

## **A. GCA MISSION / GOALS / STRATEGIES**

### **Mission Statement**

The mission of the office of Grants & Contracts Accounting (GCA) is to serve as the financial managers of Alabama A&M University's grants and contracts funding; to serve as a resource to Principal Investigators and Budget Managers in understanding the tracking and reporting of finances.

### **Goals**

1. To provide timely invoicing and financial reporting.
2. To assist Principal Investigators/Budget Managers in financially managing their grants and contracts.
3. To reduce the risk of audit findings due to financial errors, untimely reporting, improper invoicing, etc.

### **Strategies to Achieve Goals**

1. Each grants accountant has been assigned a college(s) and will work to create strong relationships with Principal Investigators, Budget Managers, and departmental staff within their respective college(s).
2. Each grants accountant will work toward becoming knowledgeable of their college's grants and contracts, the corresponding rules and regulations, and the invoicing and reporting requirements of such.
3. Ellucian has been brought in to provide training and implementation support to OSP and GCA in order to more fully utilize Banner software moving forward. The teams will continue to work toward full implementation of the available Banner modules.
4. All GCA staff will continue to attend available training regarding both the Banner software and grants and contracts specific conferences.

GCA staff will implement a quarterly training seminar for departmental staff regarding use of the Banner software for financial tracking, budget vs. actual analysis, etc.

## **B. GCA STAFF POSITIONS DESCRIPTIONS**

### **Position Title: Director of Grants and Contract**

Fair Labor Standards Act (FLSA) Classification: Exempt

Grade: 24

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

### **Summary:**

This position directs all aspects of the Grants and Contract Accounting unit under the Assistant Vice President for Finance. Provide accounting services for sponsored project funds, ensuring compliance with federal, state and local government, sponsor and Alabama A& M University regulations and policies. Monitoring compliance with cost accounting standards, preparing recurring and special reports and analyses, developing and delivering training to departmental employees and to the campus community.

### **Duties and Responsibilities:**

- Provides leadership to the Grants Accounting staff, and training and workshops to the campus constituency
- Assists with cash flow management through the timely and accurate posting of Grants expenditures and the subsequent request for reimbursement.

- Maintains general ledger, subsidiary ledgers and transactions journals for the Restricted federal, state and local current funds
- Performs analyses and reviews of expenditures, encumbrances, cash disbursements, and cash receipts transactions
- Reconciles general ledger control accounts and subsidiary ledgers
- Assists with month-end and year-end close out and financial statement preparation
- Performs A-110, A-21, and A-133 reporting and compliance activities.
- Reviews and approves Grants Accounting journal entries.
- Prepares monthly, quarterly, and annual reports.
- Prepares, reviews and approves invoices for submission to granting agencies
- Insures the timely preparation and submission of reports and invoices
- Assists PI's with inquiries relative to the Grants Accounting process and the facilitation of those grants
- Performs other duties as assigned.

**Minimum Position Requirements (including years of experience, certifications, licenses, etc.):**

A bachelor's degree in accounting and three years of Grants and Contracts Accounting experience or two years of related professional level experience. One year of leadership or supervisory experience is required.

**Essential Functions:**

- A strong foundation and understanding of generally accepted accounting principles
- Knowledge of internal controls relative to finance and accounting processes
- Experience with computer based accounting systems
- In depth knowledge of state and federal regulations and procedures relative to grants processing
- Strong verbal and written communication skills

**Position Title: Grants and Contracts Accountant**

Fair Labor Standards Act (FLSA) Classification: Exempt

Grade: 14

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

**Summary:**

This is professional accounting work of a routine nature. The position reports to the Director of Grants and Contracts.

**Duties and Responsibilities:**

- Maintains general ledger, subsidiary ledgers and transactions journals for the Restricted federal, state and local current funds
- Performs analyses and reviews of expenditures, encumbrances, cash disbursements, and cash receipts transactions
- Reconciles general ledger control accounts and subsidiary ledgers
- Assists with month-end and year-end close out
- Performs A-110 and A-21 reporting and compliance activities.
- Prepares journal entries.
- Prepares monthly, quarterly, and annual reports.
- Assists in the distributions of reports.
- Prepares Invoices for submission to granting agencies
- Assists PI's with inquiries relative to the Grants Accounting process
- Performs other duties as assigned.

**Minimum Position Requirements (including certifications, licenses, etc.):**

A bachelor's degree in accounting and one year of grants and contracts accounting experience or two years of related professional level experience.

**Essential Functions:**

- A strong foundation and understanding of generally accepted accounting principles
- Knowledge of internal controls relative to business processes
- Experience with computer based accounting systems.
- In depth knowledge of state and federal regulations and procedures relative to grants processing
- Strong verbal and written communication skills

**Position Title: Senior Accountant**

Fair Labor Standards Act (FLSA) Classification: Exempt

Grade: 17

The following statements are intended to describe the general nature and level of work that is to be performed in the identified position. The statements are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required of personnel so classified as other duties may be assigned.

**Summary:**

This is professional accounting work of a complex nature. Supervision is received from the chief accountant.

**Duties and Responsibilities:**

- Maintains general ledger, subsidiary ledgers and transactions journals for the general fund, and agency fund. Performs analysis and reviews of expenditures, encumbrances, cash disbursements, and cash receipts transactions.
- Reconciles general ledger control accounts and subsidiary ledgers.
- Assists with month-end and year-end close out.
- Distributes bookstore, supply store, printing and duplication, job orders, and telephone charges. Prepares journal vouchers.
- Performs chart of accounts file maintenance.
- Assists in the preparation of monthly, quarterly, and annual reports.
- Assists in the distributions of reports.
- Performs other duties as assigned.

**Minimum Position Requirements (including certifications, licenses, etc.):**

A bachelor's degree in accounting and two year professional level experience in accounting or auditing work.

**Essential Functions:**

- Proficiency in accounting principles and techniques.
- Considerable knowledge of governmental accounting and college and university administration.
- Some knowledge of systems of internal control.
- Some knowledge of computer based accounting systems.
- Some knowledge of applicable state and federal regulations and procedures.
- Ability to communicate ideas and information.

### **C. GCA ORGANIZATIONAL CHART**

