Agenda
Tuesday, April 9

- Pre-Award Overview
- Working with Industry
- Post-Award Non-Financial Management
- Cost Sharing
- Research Accounting (ASRSP – Accounting Services for Research and Sponsored Programs)
- Research Misconduct and Compliance

Sponsored Research:
Pre-Award Overview
The Sponsored Project Life Cycle

Reasons faculty submit proposals:

- Research (Basic & Applied)
- Instruction
- Training
- Construction
- Public Service

The document submitted to a prospective sponsor outlining and requesting support for a specific project and includes a description of the project’s goals, methods, timelines, personnel, and budget. The terms “proposal” and “application” are often used synonymously.
How do sponsors request proposals?

**Sponsored Project Solicitation**: Request from a sponsor for project proposals that outlines application requirements, submission information, review criteria, and in certain instances award terms and conditions.

**Variety of names:**
- Funding Opportunity Announcement (FOA)
- Program Announcement (PA)
- Request for Applications (RFA)
- Request for Proposals (RFP)

The solicitation serves as the roadmap.

For more: [SPOT - A Beginner's Guide to Sponsored Project Solicitations](#)

Proposal components:

- **Technical Components**
- **Administrative Components**
**Technical Narrative**
- Statement of need/impact
- Objectives/Goals
- Research Plan
- Specific sections vary from sponsor to sponsor

**Statement of Work (SOW)**
Describes the work being performed; referred to as “abstract” or “summary”

**Other Technical Components**
- References cited
- Schedule/Milestones
- Appendices
- Compliance Sections

*not an exhaustive list, examples of common items*

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**Facilities and Other Resources**
A description of the resources available to perform the proposed project

**Biographical Sketches**
Details the individual’s professional/education background and research background

**Budget and Budget Justification**
Itemized list of costs and narrative description justifying those costs

**Current and Pending Support**
Information pertaining to current and pending support for the individual from other sponsored projects

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*Administrative Components*
Budget

• Itemization of the costs required to complete the proposed project
  – The funding requested must be based on a realistic and reasonable estimate of the cost to complete the work
  – All budgeted costs must be allowable on, and allocable to the project
  – Understanding the SOW is an important piece of budget development
• A large portion of the budget will be devoted to personnel costs (salary and fringe benefits) for most projects
• Other costs might include supplies, services, consulting costs, travel, subcontracts, and indirect or facilities & administrative costs

Direct vs. Indirect Costs

• **Direct costs:** Directly allocable to the project, common examples include personnel costs, materials and supplies, and travel costs
  – Special considerations: Different types of personnel (e.g. faculty, students), fringe costs, and special cost categories (e.g. Subcontracts, equipment, research subjects / participants costs)
• **Indirect or Facilities and Administrative (F&A) Costs:** Incurred for common or joint objectives and cannot be assigned to a specific sponsored project.
  – Facilities: buildings, maintenance/utilities, library
  – Administrative: general university / departmental admin and services
Budgets: The Big Picture

Budget Justification

- A detailed description and explanation of the requested funding by line item
- Use categories developed by agency
- Relate line items to program objectives
- Ensure level of detail meets sponsor requirements
- Follow sponsor formatting guidelines
- Provide any required backup documentation
- **No budget can be adequately reviewed without a justification**
Overview of the Budget Building Process

_Begins and ends with sponsor guidelines/templates_

- Read and evaluate the solicitation
- Identify key budget elements & outline development approach
- Develop the budget and justification components
- Submit the final, formatted budget and justification to OSR

Learn More about Budgeting

SPOT & Sponsored Research In-Person training courses available:

**Proposal Budgets 101**
- Define key terminology related to budgeting
- Explain how to calculate salary cost and fringe
- Explain how to chose the correct indirect rate and how to calculate indirect costs correctly
- Outline introductory strategies / process for budgeting

**Proposal Budgets 102**
- Explore in greater detail topics introduce in Proposal Budgets 101, including revising a budget, selecting the correct F&A rate based on project type, and budgeting for special direct cost categories
- Introduce additional key budget terms and concepts
Pre-submission Review Process

• **Administrative Proposal Review**: Set of standard review criteria and related routing processes for OSR review, endorsement, and submission of competing grant proposals
  – **Opportunity for Review**: Single opportunity for a thorough review of the required administrative components by Sponsored Research
  – **Submission Timing**: Execution of all review processes is contingent upon receipt of required administrative components by Sponsored Research sufficiently in advance of a sponsor’s deadline

• **What is reviewed?** Very generally speaking...
  – Reviewed: Compliance, personnel, budget, justification, subcontracts
  – Not reviewed: Technical components, formatting, other inclusions

• Visit the Sponsored Research for
  – **Administrative Proposal Review** job aids and complete review criteria
  – More about **Proposal Review and Submission**

How are Proposals submitted?

Two general submission methods:

– **System to System**: Submitted electronically directly from InfoEd to grants.gov

– **Non-System to System**: Submitted outside of InfoEd to the sponsor (e.g., over email or using an external submission platform like the National Science Foundation’s system FastLane)

ALL proposals require an InfoEd record

**InfoEd**: Electronic Research Administration support software that provides two major functionalities:

– **Proposal Development**: providing system-to-system proposal submission for many federal programs

– **Proposal Tracking**: Storing proposal and award data

For Additional Information:
InfoEd Training Resources
Best Practices

• Consistent and clear communication is a must:
  PI ↔ RA ↔ GA/GO ↔ Agency

• **START EARLY** and establish a timeline to minimize last minute rushes; this will help ensure the best possible proposal goes out the door

• Review proposal guidelines and instructions carefully and thoroughly

• All sponsored projects **must** go through Sponsored Research for review and signature

• Be mindful of all deadlines

Questions?
Sponsored Research: Working With Industry

Northwestern Goals and Industry Goals

<table>
<thead>
<tr>
<th>Goal</th>
<th>Northwestern</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Objective</td>
<td>Expand knowledge through teaching, research, and public service</td>
<td>Develop and commercialize a product, process, and/or service</td>
</tr>
<tr>
<td>Knowledge Dissemination</td>
<td>Ability to publish with only limited time delay for review of patent rights</td>
<td>Keep information proprietary and away from competitors</td>
</tr>
<tr>
<td>Knowledge Ownership</td>
<td>Ownership of intellectual property developed by NU*</td>
<td>Ownership and control of intellectual property developed by NU</td>
</tr>
<tr>
<td>Funding</td>
<td>Full F&amp;A recovery, Reasonable payment terms, such as timing and frequency</td>
<td>Reduce costs wherever possible</td>
</tr>
</tbody>
</table>

*Clinical Trials
Clinical Trial Agreements (CTA)

- Establish terms & conditions under which corporate research funding is accepted and conducted by NU
- Help protect NU, faculty, staff & subjects from liability
- Resolve intellectual property issues
- Preserve publication rights and NU data access

Key Risk Areas on Industry Projects

- **Pre-spending**: Do not pre-spend
- **Payment**: Check with ASRSP to ensure payments on schedule; do not allow spending to exceed revenue
- **Budgets**: Rebudgeting is flexible, but check restrictions with sponsor
- **Unallowable Costs**: Cannot charge admin supp. & office supp. if F&A costs are assessed
- **Final Report**: Submit in a timely manner
- **Fixed Price Projects**: Unspent funds transferred to non-spons. chart string; Overdrafts covered by Dept./Center
Negotiating with Industry

Negotiation takes time:
- Completeness of submission to Sponsored Research
- Negotiating terms of agreements
- External review when required
- IRB and budget approval

Outcome:
- Contract fully negotiated
- IRB approval
- Budget negotiated & approved
- COI clearance

Any Updates - Please refer to your InfoEd PD record accessible through the SP Number!

Key Issues Negotiated

Publication rights

Intellectual property
- Ownership
- Licensing
- Background IP

Confidentiality

Export controls and foreign national restriction

FAR flowdowns
Best Practices

To expedite negotiations:

– Make sure to set-up your PD record in InfoEd
– Email draft agreements to your Senior Contract and Grant Officer and cc the Administrative Coordinator
– Do not pre-spend if any export control or foreign national restrictions apply
– Ask for a copy of the prime award (if applicable)
– Don't forget to include the InfoEd PD record accessible through the SP Number!
– Keep your Contracts Officer informed of budget negotiations and IRB approval

For Additional Information:
http://osr.northwestern.edu/clinical-research/industry

Want to Learn More?

• Contact Sponsored Research Corporate Team Administrative Coordinators for one-on-one training
• More information on broad principles applicable to clinical research agreements between NU and industry: http://osr.northwestern.edu/clinical-research/industry
• Watch for Sponsored Research monthly meetings announced on Sponsored Research listserv
• Find My Grants / Contracts Officer
https://osr.northwestern.edu/contact

Note: Both grants team and industry/clinical team contacts are included.
Questions?

Sponsored Research: Post-Award
Non-Financial Management
The Sponsored Project Life Cycle

Before the award…
Sponsor Supplemental Requests

Sponsor may request supplemental documentation and materials prior to issuing the award

- **National Institutes of Health (NIH)** – Just-In-Time (JIT) information is required
- **Dept. of Defense (DOD)** – Salary verification and other budget documentation
- **National Science Foundation (NSF)** – may request budget revisions

Sponsor-Specific Requests

Other Information/Documentation

May vary per sponsor request

Receive the award…
Award Negotiation & Acceptance

Sponsored Research is the institutional unit authorized to accept all award on behalf of the University

Negotiation & Acceptance Process
- Receives Notice of Award or award agreement
- Reviews and, when necessary, negotiates terms and conditions
- Confers with PI/Department as needed (e.g. in the case of significant budget cuts)
- Submits any necessary revisions to sponsor
- Confirms that COI and IRB / IACUC approvals in place
- Once negotiation is completed Sponsored Research signs the agreement

For more: SPOT: How to Read an Award Document

Research Terms & Conditions (RTC)

The standard core set of administrative terms & conditions for research & research-related awards that are subject to Uniform Guidance

Waives the requirement for prior approval from many federal sponsors for:
- Rebudgeting
- Carryover of funds
- 1st no-cost extension
- Federal Agency-specific implementation
What is “Uniform Guidance”?  

- Consolidates the eight federal circulars that govern financial assistance  
- Guidelines that ALL Federal agencies have to follow in regards to financial assistance mechanisms  
- Eases administrative burden and strengthens oversight over Federal funds

For more: Uniform Guidance

Sponsored Research sets up the award…
Award Set-Up: Sponsored Research Responsibilities

For more: SPOT: How to Read an Award Document and SPOT: Setting Up an Award

Verify receipt of all approvals, determinations, and required information

Financial Conflict of Interest (FCOI) Disclosures, Conflict of Interest Determination, and Revised budgets (if applicable)

Complete award data entry

Within InfoEd and NUFinancials

Generate chart strings and distribute PAS and Award Documents to PI/Dept.

PAS contains funding appropriation information including chart strings, and other award details

The department manages the award…
Award Management:
Department Responsibilities

- Review PAS against the award notice; ask questions if something looks amiss
- Obtain access to Chart String across all NU business systems (payroll, NUFinancials, etc.)
- Ensure correct expense accounts are used when charging expenditures
- Notify other departments if utilizing outside personnel
- Request additional budget accounts to be opened, if needed
- Monitor spending, subawards, and invoice payments; provide financial reports to PI

Change Requests

- Use the Change Request module in InfoEd for requests for
  - Changes to proposals after they are submitted
  - Changes to awards (e.g. personnel, budget)
  - Subawards – New and amendments
- Access job aids on the InfoEd page on the OSR website
Revised Budgets

Revised budgets may be required at both pre- and post-award stages. For these requests a Change Request should be routed containing the information below:

<table>
<thead>
<tr>
<th>Proposal</th>
<th>Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Original budget and justification</td>
<td>• Current budget and justification</td>
</tr>
<tr>
<td>• Revised budget and justification</td>
<td>• Revised budget and justification</td>
</tr>
<tr>
<td>• Key personnel effort reduction</td>
<td>• Key personnel effort reduction</td>
</tr>
<tr>
<td>• Sponsor correspondence</td>
<td>• Multiple chart strings clearly marked</td>
</tr>
<tr>
<td>• Revised scope of work <em>(if applicable)</em></td>
<td>• Uncommon budget categories specified</td>
</tr>
</tbody>
</table>

No Cost Extension (NCE)

• Extends the project period without additional funding from the sponsor

• Effort during NCE is assumed to be the same as the last year of the grant. If effort will change this should be noted in the Change Request, sponsor approval may be required

• Under RTC most federal awards allow a grantee approved one-year NCE

• Non-federal sponsors generally require prior approval for any NCE
**Requesting an NCE**

- Formal NCE requests should go through Sponsored Research
- Submit a Change Request with the following information:
  - Length of extension requested
  - Strong justification for the extension
    - Reason for the delay?
    - What work will be accomplished?
  - Confirmation of effort during NCE
  - Most recent IRB and/or IACUC approval, if applicable
  - Current balance
    - Justify large or small balances

**Subcontract (or Subaward)**

A formal agreement between the prime institution or pass through entity (PTE) and another organization (subrecipient) under a sponsored project

**To initiate a subcontract:**
- Department submits a Change Request along with subrecipient’s SOW, budget, and justification
- May need agency approval to initiate a subcontract if it was not included in the original proposal

**PI/department responsibilities:**
- Monitoring subrecipient progress
- Collecting and retaining technical reports
- Approving invoices for payment
Progress Report

All NIH awards require an annual progress report, or noncompeting continuation application, due 45-60 days prior to the start of the next budget period

- The use of the Research Performance Progress Report (RPPR) module is required for all annual non-competing (Type 5) NIH awards

Almost all other sponsors require some type of technical report

For some sponsors, funding in subsequent years is dependent on satisfactory progress

Progress Reports: Things to Remember

- In InfoEd select: “NU Progress Report / Continuation” as the template for the proposal record

- Provide a completed copy of the Unobligated Balance calculator, found on the Sponsored Research website [Resources > Tools & Forms > Checklists]

- Make certain COI disclosures are up to date

- Provide current IRB and/or IACUC approval, as needed
The department prepares to close the award…

Award Closeout

- PI submits final progress report
- OSR submits final invention statement
- ASRSP submits final financial report
- Dept. works with ASRSP to reconcile and close chart string

For more: SPOT, Award Closeout: Basics
Questions?

Sponsored Research: Cost Sharing
What is Cost Sharing?

The portion of total project or program costs (direct and indirect) not born by the sponsor

- The University or a third party (such as a subcontractor or an unfunded collaborator) bears the cost
- Normally in the form of direct costs (e.g., salary) or with sponsor approval, may take the form of F&A costs where reimbursement is waived or reduced

Common Types of In-Kind Cost Share

- Faculty Effort
- Unrecovered F&A
- Graduate Student Fellowships

Appropriate Sources for Cash Funds

- Gifts
- Endowments
- Unrestricted discretionary funds

Cost Matching

“Cost Sharing = “Cost Matching”

- Terms can be (and often are) used interchangeably
- However, the terms “cost matching” often refers to cost sharing agreements in which the amount of sponsor funding is based on an equal or proportionate commitment (e.g., 1:1) from the University
Types of Cost Sharing

- **Mandatory Cost Share (MCS)**
- **Voluntary Committed Cost Share (VCCS)**
- **Voluntary Uncommitted Cost Share (VUCS)**

Pro / Con of Cost Sharing

**Positive**
- Helps Northwestern be eligible for certain programs
- Makes Northwestern more competitive for certain programs
- Helps Northwestern allocate resources to areas of strategic national importance

**Negative**
- Financial
- Administrative
- Compliance
- Investigator
- F&A Rate Decrease
Institutional Position on Cost Share

Northwestern only engages in cost sharing when it is in the best overall interest of the University
  – Mandated by sponsor solicitation or policy
  – Deemed appropriate in light of specific circumstances

Requesting Institutional Support

Large-Scale, Interdisciplinary Proposals
  – DoD, DoE, NSF
  – NIH Program Project Grants or Center Grants (P Series)

Instrumentation Proposals
  – NSF Major Research Instrumentation (MRI)
  – NIH Shared & High-End Instrumentation (S10/HEI)

Central Administration does not consider requests for “cap gap” cost sharing
Cost Sharing Requirements

- Verifiable from the recipient’s records
- Not included as contributions for any other Federally-assisted project or program
- Necessary and reasonable
- Allowable
- Not paid by the Federal Government under another award
- Provided for in the approved budget when required by the Federal awarding agency

Unacceptable Forms of Cost Sharing

- Costs funded by other sponsored projects
- Costs pledged as cost sharing for another funded project
- Unfunded salary for effort beyond the contractual appointment period
- Costs reimbursed through the F&A rate
- Salary dollars above the regulatory cap
- Costs not deemed to be necessary and reasonable
### Required Cost Share Fund Codes

<table>
<thead>
<tr>
<th>Type</th>
<th>Fund</th>
<th>Cost Share Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory Cost Share</td>
<td>191</td>
<td>Required by sponsors as a matter of statute, regulation or policy, or is indicated in individual solicitations</td>
</tr>
<tr>
<td>Over the Cap Commitment</td>
<td>192</td>
<td>Difference between actual salary and sponsor imposed salary cap (e.g. NIH)</td>
</tr>
<tr>
<td>Voluntary Committed Cost Share</td>
<td>193</td>
<td>Not required by the sponsor as a condition of award but provided at the proposal stage at the discretion of the institution.</td>
</tr>
</tbody>
</table>

### Accounting for Cost Sharing

- Ensures Northwestern can provide verification that MCS and VCCS obligations have been met
- Ensures proper classification of costs in F&A rate calculation *i.e. MCS and VCCS must be included in the base*
- Provides valuable management information in the form of accurate financial accounting *i.e. the reporting of full research costs*
Cost Sharing Timing & Best Practices

- **Start very early**: It takes a while to process cost share requests
- MCS, VCCS and Salary-over-the-cap cost must be tracked and reported in F&A proposals and Effort Certification
- Work with Sponsored Research to ensure the appropriate cost share chart strings are open upon award notification
- Fund the CS chartstring by a *non-sponsored source*
- For more info, visit Sponsored Research website cost sharing page: [https://osr.northwestern.edu/proposals/costsharing](https://osr.northwestern.edu/proposals/costsharing)

Questions?
Accounting Services for Research and Sponsored Programs (ASRSP)

Research Accounting

- Overview of ASRSP
- Tools & Resources
- Navigating Grant Management
- Audit: Hot Topics
- Award Closeout
- Additional Training
ASRSP Mission

To provide exceptional financial administration to sponsored research grants and contracts.

We are committed to the highest standards of financial stewardship and compliance with both University and sponsor regulations.

Key Functions of ASRSP

- Financial Reporting
- Collecting Revenue
- Coordinating Audits
- Transaction Review & Approval
- Award Closeout
ASRSP & Related Offices

- President
  - Provost
  - Executive Vice President
    - Vice President for Research
    - Office for Research
    - Executive Vice President
      - Vice President of Financial Operations & Treasurer
        - Executive Director for Research Financial Operations
          - Accounting Services for Research and Sponsored Projects (ASRSP)
            - Office of Cost Studies

Roles & Responsibilities

- **Cash Management**
  - Reports to Peg Morrisroe
    - Apply Payments

- **Special Projects**
  - Reports to Svetlana Kanel
    - Audit and Transaction (Expense) Reviews

- **Financial Reporting**
  - 3 GCFA groups report to Howard Ventura, Felice Patterson, or Kathy Mustea.
    - All GCFA Groups report to Jennifer Mitchell and Karen Spina
    - Reporting, Invoicing, Closeout

- **Information Management**
  - Reports to Jarrod Routh
    - IT and Data Reporting

- **Subcontract Management**
  - Reports to Kathy Watson
    - Subcontract Payments
ASRSP Snapshot

In Fiscal Year 2018 (9/1/17-08/31/18)

- $802 million in sponsored research expenditures
- 6,258 financial reports submitted
- 5,998 Cost reimbursable invoices sent
- 7,693 Payment applied in NUFinancials
- 4,959 subcontract invoices
ASRSP Tools & Resources

Lots of essentials available, including today’s handouts:

1. Charging Sponsored Projects – Allowability Guide
2. Sponsored Project Purchase Justification Form
3. Request to Allocate an Expense Across Multiple Projects

www.northwestern.edu/asrsp

Award Management
Navigating Grant Management

Avoid potential obstacles or “icebergs” by understanding:

- Timeliness of expenditures
- Approver responsibilities
- Audit topics and best practices for spending & payments
- Where to go with questions and to learn more

Being proactive is key!

The Clock Starts Ticking!

General accounting rule: Post expenses within 90 days of occurrence

How do I best ensure timeliness?

- Create a spending plan to monitor expenses from beginning of award
- Adhere to deadlines
- Make purchases in adequate quantities over the life of the grant
Approver Responsibilities

Department approver should:

**Audit Transactions**
- Does transaction adhere to sponsored project cost principles?
- Was the correct account code used?
- If a Service (*account code starts with 75***), does the transaction include a quote or attachment?
- Is there a PI signature? *(may be required for some transactions)*

**Explain Transactions**
- Specify the importance and benefits to the grant (e.g., expense report audit, consultant, corrections journals, equipment/computer purchases)

**Backup or Support Transactions**
- **Always attach support** if you have special circumstances that raise red flags
- Expedite the transaction approval through explanation and planning ahead

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**Audit Topics**

- Consultant Fees & Payments
- Subrecipient Monitoring
- Travel: General Regulations, Visa Fees, Air Carriers
- Purchases:
  - Capital Equipment
  - Computers
  - Procurement Cards (P-Cards)
- Cost Transfers
- Overdrafts
Consultants: What’s Required?

Work plan (e.g., work, scope, deliverables, payment terms) must be in place before any work is completed
- Work must directly benefit the grant

Correct Classification
- Cannot be classified as employee or subcontractor
- US residents and non-residents are paid differently

Contracted Services Approvals Form (CSF)

Payment terms
- Flat fee for deliverable, hourly rate/expected hours for completion of work, and possibly, a monthly deliverable schedule
- Pay always based on receipt of timely, itemized invoice

Consultants: Fees & Payments

Speaker Fees:
- Normally not allowable on sponsored projects
- Exceptions include: Conference Grants, Training Grants, and specifically included on the approved budget

Payments:
- May come from HR or Accounts Payable
- Must complete a Contracted Services Form after completion of service period; ASRSP reviews and approves form
- Missing information will delay payment
Approver/
Contracted Services:
Interactive Activity
Please work with a partner.

You have 5 minutes to come up with your list of errors.
We will discuss the results as a group afterwards.
Invoice from Services

<table>
<thead>
<tr>
<th>Description</th>
<th>Unit Price</th>
<th>Line Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 hours 1: Project Management &amp; Creating Project Document for 6/23/23 meeting</td>
<td>$450.00</td>
<td>$450.00</td>
</tr>
<tr>
<td>1 hour 1: Project Management &amp; Creating Project Document for 6/23/23 meeting</td>
<td>$450.00</td>
<td>$450.00</td>
</tr>
</tbody>
</table>

Subtotal: $900.00
Tax: $27.00
Total: $927.00

Overview of Subrecipient Monitoring

Handled by Sponsored Research, ASRSP, and the department

- OSR
  - Risk Assessment
  - SAM.GOV
  - Work with ASRSP on Management Decision and discuss special language required
  - FFATA

- Dept./School
  - Review and approve invoices and back-up documentation
  - Collect Technical Reports and monitor programmatic progress
  - Communicate issues PI may have with site
  - Expedite approval

- ASRSP
  - Review Invoices
  - Manage timely payments
  - Annual Single Audit Review
  - Management Decision letter and follow up
  - Communicate with OSR and GCFA
  - SAM.GOV
Subcontract Payment Process

OSR sends Dept. Fully Executed Amendment

Department creates Requisition in People Soft + Receiver Required (Y)

ASRSP receives and forwards invoices to the Department

Invoices are certified by PI that costs charged are acceptable and work has been performed

Department approves receiver required field in People Soft

Invoice returned to ASRSP from Department for processing with Accounts Payable

ASRSP reviews and then mails check to vendor along with a copy of the invoice

AP sends check to ASRSP

ASRSP sends check to vendor along with a copy of the invoice

Additional Subcontract/Subrecipient Information

Sponsored Research Contacts

Evanston and Chicago: Tyra Darville-Layne, Sierra Clark, Allison Siebold-Guzman

ASRSP Contacts

Evanston, Research Centers/Institutes: Zoe Sing
Chicago: Silvana Sabatino, Young Kasarski, and Katie Wu

Additional online training resources will be coming in the near future for subcontract/subrecipient monitoring!
General Travel Regulations

• Abide by Northwestern Cost Principles (e.g., Allowability)
  • Working lunches and local meals are not allowable
  • Alcohol is not allowable
  • Penalties, fees, and upgrades are generally not allowable
  • Professional development and networking expenses are not allowed on grants

• Must directly benefit the grant and be allowed by sponsor and within sponsor guidelines/award terms

• Must be completed within award budget period

• Reimbursement can only be made upon completion of travel
  • Original itemized receipts required, unless per diem option is selected prior to travel
  • Reasonable and actual costs of lodging

Travel: Visa Fees

• Fees for visas are allowable when foreign travel is authorized as part of the budget, and a visa is necessary for travel

• Sponsor-specific rules:
  • NIH allows visa fees for employees only for recruitment purposes; renewal applications are not allowable
  • NSF does not allow visa fees for employees
  • For other federal agencies, the determination of allowability is still pending
Travel: Air Carriers

Fly America Act:
• Federal law prohibits use of a foreign air carrier when travel is paid for by federal funds, with limited exceptions*

Open Skies Agreement:
• Dept. of Defense does not allow an Open Skies exception to the Fly America Act
• Air carrier allowability:
  ▪ US air carriers are the easiest options for foreign travel
  ▪ Air carriers from European Union members states is allowable for non-DOD federal grants
  ▪ Air carriers from Australian, Japanese or Swiss may be allowable
• University preferred travel vendors are there to help

Federal Government (Fly America Act)  *Fly America Act (ASRSP)
Open Skies Agreement Information

Capital Equipment Purchases

$5,000+ and useful life of 1+ years

• Uniform Guidance describes equipment use, title, inventory and disposal requirements
• Purchase within final 3 months of grant is an audit red flag
• ASRSP reviews and approves equipment expenditures
• Government titled property is managed by ASRSP
• Procurement of items over 10K require multiple bids
Computer Purchases

- Must be necessary for and provide benefit to the project
- Must be directly allocable to the project
- Must be reasonable
- Uniform Guidance requires justification for computer purchase
  - Use Sponsored Project Purchase Justification Form
  - The account code used is computer non capital 77030 or 77570 for capital

Procurement Cards

- A tool to streamline low-value purchasing transactions
- Does not avoid or bypass appropriate procurement or payment procedures
- Not used for travel and entertainment purposes

- Include a detailed description of the item being purchased
- Be sure to keep all backup documentation, such as the P-Card log and receipts, for audit purposes
- ASRSP reviews all charges at the end of a grant, including P-Card charges, for unallowable items
Cost Transfers

Expenses moved from one chartstring to another to correct an error

Support for cost transfers includes:
- Description of the expense item
- Explanation of how the expense benefits the grant
- If it is travel, who traveled, to where, for what and the date of the travel
- Detail why or how the expense was charged incorrectly
- No need to say “moving from project A to project B”
- Timeliness is very important!

Overdrafts

Expenditures exceeding the awarded amount

- Overdrafts are an uncollectable cost
- Department is responsible for funding these costs
- Transferring overdrafts to another sponsored project is not allowable
- Overdrafts typically cannot be transferred to continuation award
- ASRSP will charge department or center chartstring if overdraft is not resolved
Award Closeout

Collaborative effort to coordinate the completion of a project, to meet all requirements and deliverables established as a condition of the award.

- Begins **90 days** before a grant ends
- A time to settle all expenses that belong on the grant and send final reports due
- **Reconciliation** throughout the sponsored project period assists with a smooth closeout
- Department should strive to post all expenses on a grant by the end date to avoid loss of funding
Award Closeout Timeline

- Closeout Email: PI and RADM receive a closeout email and talk about closeout plans.
- No Cost Extension?: Dept either requests a NCE or begins final spending plan.
- Prespending?: Dept requests prespend chartstring for competing continuations.
- Internal Services Stop: Dept should inform lab staff & internal service centers to stop using chartstring.
- Review Expense & Encumbrances: Dept ensures encumbrances are valid, reviews expenses to ensure they are allowed, and initiates final POs or corrections.
- Effort Check: 30 days before effort reviewed. Respond to emails that require corrections ASAP.
- Final Progress Reports: PI prepares & submits. Dept should keep a copy in file ready for auditors' request.
- Final Invention Statement: PI should Submit through Sponsored Research.
- Carryover Request: PI submits carryover request to Sponsored Research, if terms require approval.
- Award End Date: Grant has ended. No new expenses should post.
- Finalize Expenses: Dept follows up on unposted expenses, and communicates status to ASRSP.
- FFR DUE: ASRSP reviews expense for allowability, will submit before deadline and close chartstring.
- Final Effort Reports: PI & Dept certify final effort reports.
- Effort Check: 30 days before effort reviewed. Respond to emails that require corrections ASAP.
- Final Invention Statement: PI should Submit through Sponsored Research.
- Carryover Request: PI submits carryover request to Sponsored Research, if terms require approval.

Transfer or Relinquishment

- Transfer or relinquishment is like an “emergency” closeout
- Complete ESPR request 90 days prior to transfer or close
  - Email ASRSP GCFA about any transfer or relinquishments
  - ASRSP will help you determine amount to relinquish or Transfer
- Make arrangements made for project personnel/animals
- Inform ASRSP to prepare financial report and close chartstring
- Follow standard closeout procedures
- ORI Check-out Procedures for PI’s PDF check list
Award Closeout Online Training

**Sponsored Project Online Training (SPOT) Course: Award Closeout Basics**
- Understand the responsibilities of participants in the closeout process
- Be able to access and use tools that facilitate closeout
- Identify the actions and documentation required for closeout to occur

Register via myHR Learn:
learn.northwestern.edu

Additional Training

**ASRSP**
- Brown Bag Presentations, Semiannual Networking, Online Mini Courses, and Additional Training

**Sponsored Research**
- Presentations, SPOT, In-Person Training, Microlearning, Job Aids, and Additional Information

**NUFinancials**
- Entering Expenses
- Estimating Grant Expenses
- Visitors Expense Report [Travel]

**Cognos**
- Reading and Running Reports

**InfoEd**
- Grants Management
Questions?

Research Misconduct and Compliance

Michelle Stallionis
Senior Compliance Specialist
Office for Research Integrity
m-stalilonis@northwestern.edu
What is Research Misconduct?

- Fabrication
- Falsification
- Plagiarism

Research Misconduct

**Fabrication** is making up data or results and recording or reporting them.

**Falsification** is manipulating research materials, equipment, or processes, or changing or omitting data or results such that the research is not accurately represented in the research record.

**Plagiarism** is the appropriation of another person’s ideas, processes, results, or words without giving appropriate credit.
Reporting a concern

If you have a concern regarding potential research misconduct:

- Contact the Office for Research Integrity at researchintegrity@northwestern.edu or 312-503-0054
- Contact your supervisor, department chair or dean
- Contact EthicsPoint, either online or by phone

www.researchintegrity.northwestern.edu/research-misconduct

Research Compliance Contacts

To ask a question, receive guidance, or report a violation, contact:

**Export Controls**
Export Controls Compliance
Lane Campbell, Director
lane@northwestern.edu
847-467-4063

**Falsification of Research Effort**
Controller's Office
Mike Daniels, Director
m-daniels2@northwestern.edu
847-491-4710

**Grant Management**
Sponsored Research
Andrea Zakrzewski, Associate Director for Grants Management
a-zakrzewski@northwestern.edu
847-467-3495

Controller's Office
Mike Daniels, Director
m-daniels2@northwestern.edu
847-491-4710

**Research Misconduct**
Research Integrity
Lauran Quakenbush, Director
researchintegrity@northwestern.edu
312-503-0054

**Research on Human Subjects**
Institutional Review Board Office
Nathalia Henry, Executive Director
nhenry@northwestern.edu
312-563-9338

**Research on Animals**
Institutional Animal Care and Use Committee Office
Mandy Kozlowski, Director
m-kozlowski@northwestern.edu
312-563-0109
EthicsPoint: A Compliance Hotline

- Compliance Office manages the University’s EthicsPoint hotline
- Any suspected problems will be reviewed according to University procedures
- Policy prohibits retaliatory action against those reporting
- Anonymous

[Website Link: www.northwestern.edu/ethics]
EthicsPoint: A Compliance Hotline

- Report potential misconduct or violations of policy
- File a report online, or call the hotline at 866-294-3545

Penalties for Noncompliance

**Institutional:**
- Fines and penalties
- Exceptional status
- Funding reduction

**Personal:**
- Termination
- Disciplinary action
- Criminal/civil sanctions
- Suspension and debarment
- Professional integrity compromised
### Recent Examples of the Impact of Noncompliance

<table>
<thead>
<tr>
<th>Institution</th>
<th>Settlement Time Frame</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwestern University</td>
<td>February 2003</td>
<td>$5.5 million penalty for overstating effort reporting on federal sponsored projects</td>
</tr>
<tr>
<td>University of Connecticut</td>
<td>January 2006</td>
<td>$2.5 million penalty for overstating anticipated expenses, overcharging the government, and billing for items not covered by grants, Cost sharing issues</td>
</tr>
<tr>
<td>Cornell University’s Weill Medical College</td>
<td>Fall 2007</td>
<td>$2.6 million settlement for a PI failing to disclose on grant applications to the NIH the full extent of various active research projects</td>
</tr>
<tr>
<td>Yale University</td>
<td>December 2008</td>
<td>$7.6 million settlement for inadequate documentation of cost transfers and summer salary charges wrongly charged to federal grants</td>
</tr>
<tr>
<td>Dartmouth College</td>
<td>October 2010</td>
<td>$275,000 settlement and $604,000 in contract funds returned to the government for contract pricing and cost recovery issues, lack of compliance with Federal Acquisition Regulation (FAR), and Conflict of Interest issues.</td>
</tr>
</tbody>
</table>
Research Data: Ownership, Retention and Access

- Defines "research data"
- Defines University and PI responsibilities
- Transfer to data when researcher leaves institution
- Data retained for minimum of 3 years after the last financial report for the project has been submitted, unless longer periods are required

How can you ensure compliance?

- Understand complex regulations
- Identify resources
- Know when and where to ask for help
- We are all responsible
- When in doubt, ask
Questions?

What... does this happen often?