Agenda
Monday, July 23
9am – 12:30pm

- Office for Research Safety
- Office for Sponsored Research
  - Pre-Award Overview
  - Working With Industry
  - Post-Award Non-Financial Management
- Office of Cost Studies:
  - Cost Principles for Sponsored Projects Administration
  - Facilities & Administrative Rate

Cindi Mason
Manager, Research Safety Training
safety-training@northwestern.edu
ORS Office and Contact Information

Evanston: Tech NG-71, 847-491-5581
Chicago: Ward B-106, 312-503-8300
E-mail: researchsafety@northwestern.edu

Why does Northwestern need ORS?

- Identify hazards
- Control risks
- Manage compliance
Regulatory Agencies

- OSHA
- CDC
- IEMA
- IATA
- NIH
- U.S. Department of Transportation
- U.S. Nuclear Regulatory Commission
- National Fire Protection Association
- Chicago Fire Department

Consequences of Noncompliance

- Employee exposure to hazards
- Fines
- Loss of funding
- Legal consequences
ORS Programs

- Biological Safety
- Laboratory and Chemical Safety
- Radiation and Laser Safety
- Emergency Response
- Hazardous Waste Disposal
- Training

Biological Safety

Dr. Andrea Hall, Biological Safety Officer

Programs:
- Laboratory Safety Reviews
- Recombinant DNA registration
- Human gene transfer
- Bloodborne pathogens
- Infectious agents
- Biohazard waste
- BSL3 laboratories
- Select agents
- Biosecurity
Laboratory and Chemical Safety

**Dr. Mark Bachrach,** Chemical Hygiene Officer

**Programs:**
- Laboratory Safety Reviews
- Laboratory Safety and Chemical Hygiene Plan
- Lab design review
- General safe work practices
- Engineering controls
- Personal protective equipment
- Respiratory protection
- Safety equipment
- Hazardous processes
- Chemical Fume Hood Inspections
- Engineered nanoparticles

Radiation and Laser Safety

**Program Areas:**

*Radiation Safety* (Jose Macatangay)
- Training and Audits
- Radioactive material use authorization
- RAM inventory, accountability, receiving/shipping
- X-ray
- Irradiator Security

*Laser Safety* (TJ Whittenhall)
- Training and Audits
- Laser use authorization
- Laser Inventory
Emergency Response

- Hazmat response
- Spill kits
- Incident reporting

Hazardous Waste Disposal

Heritage Environmental Services

- Chemical waste
- Biological waste
- Radioactive waste

http://researchsafety.northwestern.edu/hazardous-waste/hazardous-waste-disposal-guide
Online system designed to inform PIs, Cores and Lab Workers about safety specific to their workplace:

- Regulations
- Engineering controls
- Safe work practices
- Personal protective equipment

https://www.nsis.northwestern.edu

NSIS: Principal Investigators

Principal Investigators: If you are new to the University and need to create an NSIS profile send an email to ory-operations@northwestern.edu. Include your name, NetID, department, anticipated date of arrival and a contact phone number and/or email address. You will receive email notification once your profile has been setup.
NSIS: Safety Evaluation

Safety Evaluation Summary

1. Do you use or store hazardous chemicals other than household cleaning chemicals?
   - Yes
   - No

2. Do you use or store compressed or liquefied gases?
   - Yes
   - No

3. Do you use or store controlled substances on DEA schedules?
   - Yes
   - No

4. Do you use animals for research?
   - Yes
   - No

5. Do you use human, blood products, body fluids or other potentially infectious materials, including human-derived cell lines?
   - Yes
   - No

6. Do you use biological agents at Biosafety Levels 1, 2, or 3?
   - Yes
   - No

7. Do you ship hazardous materials or dangerous goods?
   - Yes
   - No

8. Do you use recombinant or synthetic nucleic acids?
   - Yes
   - No

9. Does your work involve human gene transfer?
   - Yes
   - No

10. Do you use select agents?
    - Yes
    - No

11. Does your work involve physical hazards?
    - Yes
    - No

12. Do you use equipment with alarms that would sound after hours?
    - Yes
    - No

13. Do you currently use radioactive materials or plan to in the future?
    - Yes
    - No

14. Do you use Class 3a or Class 4 lasers in your laboratory space?
    - Yes
    - No

15. Do you use x-ray equipment in your laboratory space?
    - Yes
    - No

Training

https://learn.northwestern.edu

Research Safety
NSIS: Lab Workers

Laboratory Safety Review

- Initial visit for new labs then annual*
- Interview PI/Safety Designate and Lab Workers
- Visual inspection
- Deficiencies require follow-up
Safety Services from Other Depts.

Risk Management
- Fire safety, evacuation plans, workers compensation

Procurement and Payment Services
- Purchasing, compressed gases, dry ice and liquid nitrogen

University Police
- Personal safety, security threats and breaches

http://researchsafety.northwestern.edu

Visitors and Volunteers

- Safety regulations extend to visitors and volunteers
- Training required if the person will work unsupervised
- See Human Resources site

http://www.researchsafety.northwestern.edu/training/laboratory-visitors-volunteers
What Now?

- Review ORS website
- Acquire Department Administrator access to NSIS
- Review your department info in NSIS

http://www.researchsafety.northwestern.edu

Questions?
Sponsored Research: Pre-Award Overview

The Sponsored Project Life Cycle

- Identify Funding Opportunities
- Proposal Development & Submission
- Award Negotiation & Acceptance
- Award Set-Up
- Award Management
- Award Closeout
What is a Proposal?

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.

Reasons faculty submit proposals:
- Research (Basic & Applied)
- Instruction
- Training
- Construction
- Public Service

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)

Proposition components

Technical Components

Administrative Components

Proposal

Statement of Work (SOW)
- Describes the work being performed; referred to as "abstract" or "summary"

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

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

*not an exhaustive list, examples of common items
Biographical Sketches
Details the individual’s professional/education background and research background

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

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

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
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](#)

Learn More about Proposal Development

SPOT & Sponsored Research In-Person training courses available:

**Anatomy of an Administrative Shell**

- Define key terminology related to the sponsored project proposal: the science and the administrative shell
- Identify the items that make up the administrative shell
- Understand how to fulfill internal Northwestern University requirements and sponsor-based requirements relevant to creating a complete Administrative Shell
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 vs. 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
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
http://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

Sponsor-Specific Requests
- NIH – Just-In-Time (JIT) information is required
- DoD – Salary verification and other budget documentation
- NSF – may request budget revisions

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 on 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”?  

Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards

- 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

Verify receipt of all approvals, determinations, and required information → 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

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

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**

## Electronic Sponsored Projects Request (ESPR)

- **Award Relinquishment**
- **Budget**
  - Carry-forward of unobligated balance
  - Open new budget categories
  - Revised budget for an award
  - Revised budget for a proposal
- **Data Use Agreements & Non-Disclosure Agreements**
- **Material Transfer Agreements**
- **Fabricated Equipment**
- **Personnel**
  - Effort change for PI or other key personnel
  - Extended absence of PI
  - PI or Co-I change
  - Change of department
- **Prespending**
  - New award
  - Continuation year
- **Subcontract**
  - Request to issue new subaward
  - Subaward amendment
- **Withdraw proposal**
- **No-cost Extension**
Revised Budgets

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

**Proposal**
- Original budget and justification
- Revised budget and justification
- Key personnel effort reduction
- Sponsor correspondence
- Revised scope of work *(if applicable)*

**Award**
- Current budget and justification
- Revised budget and justification
- Key personnel effort reduction
- Multiple chart strings clearly marked
- Uncommon budget categories specified

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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 ESPR 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 an ESPR 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 an ESPR request along with subrecipient’s SOW, budget, and justification
- May need agency approval to initiate a subcontract if into 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”

- 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
- Submission of 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?

Cost Principles for Sponsored Projects Administration

Erin Farlow
Senior Financial Research Administrator
Office of Cost Studies
Cost Studies

The Office of Cost Studies is dedicated to providing analytical, cost accounting, and effort reporting expertise to the management of Northwestern University’s research enterprise and to the fulfillment of sponsor operational objectives. We establish and oversee conformance with University policy, procedure, and practice in matters relating to cost accounting and effort reporting for sponsored programs.

Responsibilities

- Cost Accounting Principles
- F&A Costs
- Compensation - Effort Reporting
- Recharge/Service Centers
- Financial Surveys
- Costing Analysis

http://www.northwestern.edu/coststudies

Office of Cost Studies - Personnel

Jennifer Mitchell
Director, Cost Studies

Tina Mete
Sr. Financial RA

Erin Farlow
Sr. Financial RA

Sophia Gabay
Sr. Cost Analyst
2 CFR 200
UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS (UNIFORM GUIDANCE)

- Effective Dec 26, 2014
- Supersedes 8 OMB circulars, including A-21, A-110, and A-133
  - A-21: Cost Principles for Institutions in Higher Education
  - A-110: Administrative Requirements
  - A-133: Audit Requirements
- Applied to Audit: period starting Dec 26, 2014
- Download: http://www.ecfr.gov/cgi-bin/textidx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

Cost Studies

Organization of Uniform Guidance

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<th>Title and Emphasis</th>
<th>Section No.</th>
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<td>Acronyms &amp; Definitions</td>
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<td>B</td>
<td>General Provisions</td>
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<td>I to XI</td>
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Risks of Non-compliance

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<tr>
<td>Northwestern University</td>
<td>2004/ NIH</td>
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<td>Institutional base salary, K award, Certifier Assignment</td>
<td>$5.5 million</td>
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<td>Johns Hopkins University</td>
<td>Feb 2004/ NIH</td>
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<td>Faculty time &amp; effort overstated</td>
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<td>Harvard University</td>
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<td>Government billed for salaries &amp; expenses unrelated to federal grants, self reported</td>
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<td>Florida International University</td>
<td>Feb 2005/ Dept of Energy</td>
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<td>Effort reporting, cost transfers, payroll dist.</td>
<td>$11.5 million</td>
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<td>University of Alabama at Birmingham</td>
<td>Apr 2005/ NIH</td>
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<td>Research work overstated, Medicare billed for research</td>
<td>$3.9 million</td>
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<td>The Mayo Clinic</td>
<td>May 2005/ NIH, others</td>
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<td>Cost allocation, cost transfers, inadequate accounting system</td>
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<td>Duke University</td>
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<td>Direct charging of administrative and clerical costs</td>
<td>Final settlement &lt; recommended $ by the auditor</td>
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Roles and Responsibilities

- Are you involved in managing these funds?
  
  *Fund 610 to 650 (Sponsored) & 191 to 193 (Cost Share)*
  
  - Research administration includes providing stewardship to appropriately manage grants and contracts at All Levels

- Internal Controls (Section 200.303)
  
  - **Must** maintain effective internal control over the federal award that provides reasonable assurance...
  
  - **Must** comply, evaluate and monitor compliance with federal statutes, regulations and the terms and conditions of the federal awards
  
  - **Must** take prompt action when non-compliance is identified
Sponsored Project Costs

Direct Costs + Indirect Costs = Total Costs

Sponsored project costs are comprised of allowable direct costs plus the allocable portion of allowable indirect costs.

Direct vs. Indirect (F&A) Costs

Direct Costs
- PI Salary
- Equipment
- Fringe Benefits

F&A Costs
- Admin Salary
- Building
- Office Computer
- Computer

Cost Studies
Guiding Principles for Charging Costs

Guiding Principles: Allowability (200.403)

- Be necessary and reasonable for the performance of the award and be allocable thereto under these principles.
- Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities.
- Ensuring consistent treatment. A cost is either direct or indirect cost when for the same purpose in like circumstances.
- Not included as a cost or cost sharing on another award
- Be adequately documented
Unallowable Costs Examples

- Uniform Guidance:
  - 200.423 Alcoholic beverages
  - 200.424 Alumni/ae activities
  - 200.429 Commencement costs
  - 200.438 Entertainment costs
  - 200.441 Fines, penalties and settlements
  - 200.442 Fund raising
  - 200.445 Goods or services for personal use
  - 200.450 Lobbying
  - 200.469 Student Activity Costs (including athletics)

- Agency-specific policy (e.g., NIH salary limitation)
- University policy (e.g., Employee morale costs)
- Award-specific terms & conditions (e.g., Some grants prohibit foreign travel)

Guiding Principles: Reasonable Costs (200.404)

- is determined by the prudent person test. i.e., are the nature and charge amount not excessive and within the bounds of common sense?
- Generally recognized as ordinary and necessary.
Can the charge pass the “Test of Reasonableness”?

- Common sense – will another prudent person make the same decision?
- How would it look if published in the Chicago Tribune?
- Is it consistent with ethical business practices and applicable laws?

Guiding Principles: Allocable Costs (200.405)

A cost is allocable to a sponsored agreement if:
- It is incurred solely to advance the work under the sponsored agreement;
- The cost is charged in accordance with relative benefits received or other equitable relationship.
Allocability

An appropriate method should be used to allocate the costs of bulk purchases to individual project (see below)

Allocate based on a reasonable estimate of actual consumption
Allocate based on the number of grants in the department

Questions?
Can I Charge this Cost to an Award?

Reasonable? Allowable? Allocable?

Yes

Direct or F&A? (consistency)

Direct

Charge the cost to the award using the appropriate expense object Account Code

No

F&A

Charge to a non-sponsored account

Check Your Knowledge
Facilities & Administrative Rate

Erin Farlow
Senior Financial Research Administrator
Office of Cost Studies

Higher Education: 4 Major Functions

Instruction
Organized Research
Other Sponsored Activities
Other Institutional Activities
F&A Rates

- All research and development activities of an institution Facilities and Administrative Cost - also known as Indirect Cost, Overhead Cost
- F&A Rates are Calculated per Major Function once every 3 or 4 years by the Office of Cost Studies
- F&A Rates of Instruction, Organized Research, and Other Sponsored Activities are then Negotiated with the Federal government
- Organized Research accounts for the largest reimbursement of the F&A Cost and is today’s focus

Organized Research

- All research and development activities of an institution are separately budgeted and accounted for including:

1. **Sponsored Research**: All research and development activities that are sponsored by Federal and non-Federal agencies and organizations
2. **University Research**: All research and development activities that are separately budgeted and accounted for by the institution under an internal application of institutional funds
F&A Rate Calculation

• The rate is based on a periodic calculation and submission of a rate proposal, which is then negotiated with Northwestern's cognizant agency (DHHS)

\[
\frac{\text{Indirect Costs} \text{ Supporting Organized Research}}{\text{Direct Costs of Organized Research}} = 58.0\%
\]

F&A Rate Development Methodology

Indirect Cost Assignment & Allocation

- Instruction
- Organized Research
- Other Sponsored Activities
- Other Institutional Activities

Direct Cost Buckets
The F&A Ratio

The “Pools”
- Facilities costs
- Administrative costs
- Based on allocations of actual costs

Indirect Cost “Pools” = 58%

Direct Cost “Base”

The Base
- Based on actual costs charged to research projects
- Typically expressed as MTDC but can be TDC or salary & wages

Facilities & Administrative Costs

Facilities Related Costs
- Building Depreciation/ Use Allowance
- Equipment Depreciation/ Use Allowance
- Interest
- Operations & Maintenance
- Library

Administrative Related Costs
- General Administration (GA)*
- Department Administration (DA)*
- Sponsored Projects Administration (SPA)*
- Student Services
F&A Rate Calculation

Assign expenditures to pools and bases by function code → Remove unallowable costs from pools* → Allocate allowable pool costs to major functions → Divide: F&A Costs allocated to OR/MTDC* of OR

Step 3: Allocate Allowable Pool Costs to Major Functions

<table>
<thead>
<tr>
<th>Indirect Cost Pool</th>
<th>Allocation Basis</th>
<th>Allocation Basis Detail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities</td>
<td>Square Feet</td>
<td>Allocation Statistic is equal to Sq. Ft used for each Major Function divided by Total Assignable Sq. Ft</td>
</tr>
<tr>
<td>Admin</td>
<td>Modified Total Cost of each major function</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Major Function</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Administration</td>
<td>University-wide MTC</td>
</tr>
<tr>
<td>Department Administration</td>
<td>School/Department MTC</td>
</tr>
<tr>
<td>Sponsored Projects Administration</td>
<td>Sponsored project MTC</td>
</tr>
<tr>
<td>Student Services</td>
<td>Allocated 100% to Instruction</td>
</tr>
</tbody>
</table>
How F&A Costs are Distributed

Organized Research – F&A Rate
## Space Survey

### Why is it Important?
- Cost allocation for building and equipment deprecation/interest
- Operations and maintenance
- Rate is capped

### How Can You Help?
- Key for F&A rate calculation*
- Offices will be calculated based on salary distribution by the Office of Cost Studies*
- For labs, account for who worked in the lab
  - Understand the funding per lab
  - Training grants vs. research grants
  - Recharge

---

## Maximizing F&A Recovery

- **F&A recovery is a critical part of the University's budget and necessary to support a sustained investment in the research enterprise**
- **Negotiated rate is almost always less than the actual calculated rate***
- **Accessing the F&A rate represents recovery of costs already incurred by the University, which benefited the sponsors**
F&A Rate Calculation: How Can You Help?

Conduct the following activities *Timely and Appropriately*:

- Effort reporting (working with Cost Studies)
- Space survey (working with Facility Management and Cost Studies)
- Equipment inventory (working with Account Services and Cost Studies)

Questions?