Overview
The Office of Research and Sponsored Programs (ORSP) supports faculty, staff and students who engage in scholarly endeavors that involve the pursuit of and/or participation in grant-funded initiatives. The University recognizes the legal responsibilities of grant recipients and the complexities involved in grant administration, and has delegated the role of Sponsored Program Administrator to ORSP. Pre-and post-award staff assist PI's with proposal development and submission, as well as the day-to-day grant management of funded projects, complying with sponsor requirements, University policies, and applicable federal and state laws. PI’s are able to focus their time and attention on their research or programmatic aspects of their projects, ensuring their success on the sponsored activity.

The PI Grant Manual has been produced by ORSP to inform Principal Investigators, Co-Investigators, Senior Key Personnel, staff and other personnel engaged in the administration of sponsored research about applicable policies and procedures governing grant related work at CSUEB. Throughout the manual, you will find embedded links providing more information about certain policies and/or processes. The ORSP website also provides a complete list of policies and forms for reference.

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Finding and Preparing Grant Applications

The ORSP staff monitor grant announcements by federal and state agencies, non-profit organizations, foundations, the CSU Chancellor’s Office and its Affinity Groups, and many other lists. Online databases and other resources for finding funding opportunities are available on ORSP’s Grant Opportunities website.

Once a funding source has been identified, the PI should complete the Intent to Submit an Application to an External Sponsor online form at least 30 days prior to the sponsor’s submission deadline. ORSP staff will prepare a timeline for the preparation of the necessary components of the grant submission and required campus forms and pre-approvals that need to occur before the grant submission. While specifics vary from grant to grant, when preparing the proposal PIs will need to do the following before the submission of the grant proposal:

- communicate budget needs for proposed budget
- determine whether individuals paid on grants are University employees, subrecipients or independent contractors.
- submit a subrecipient commitment form if there is a sub award to an outside entity.
- complete the Statement of Economic Interests for Principal Investigators (700-U) and/or sponsor specific Conflict of Interest disclosures. More information is available in the Conflict of Interest Procedures.
- determine if any cost sharing is involved and, if so, secure necessary documentation of the commitment and approvals. ORSP strongly recommends that the proposal does not include cost-sharing if it is not required by the sponsor.
- determine if the proposed research involves human subjects. Detailed information about the Institutional Review Board (IRB) and research involving human subjects can be found on the IRB website.
- determine if the proposed research involves vertebrate animals. Detailed information about the Animal Care and Use Committee and requirements regarding research on vertebrate animals is available on the IACUC website.
- determine if the project involves international travel or collaborators

Once a semi-complete narrative and the final draft of the budget are complete, the ORSP staff will generate a Proposal Routing Form and will circulate the form to obtain required campus signatures for submittal. The ORSP staff will also submit the final proposals and will maintain a copy for the University’s records.

Normally, faculty may “buy out” a portion of their instructional load for research or program administration. The Guidance on Grant-funded Faculty Buyout explains the calculation of release time costs in grant proposal budgets. Faculty should consult their Chair and Dean regarding grant-funded release time

Indirect costs (IDC) reimburse the University for expenses incurred in supporting project funded by grants and contracts from outside agencies. Current IDC rates and more information is available in the Indirect Costs Policy.
The Proposal Routing Form includes a statement regarding debarment or suspension where an individual or entity is excluded from participating in federal transactions. More information is available in the CSUEB Policy on Debarment and Suspension for Federal Grants and Contract.

Before submission of the proposal, the PIs should complete the online Conflict of Interest training. Contact ORSP for access to the training module.

Role of the Principal Investigator (PI)

A Principal Investigator is the individual designated by the University (and by the Office of Research and Sponsored Programs given its role as the sponsored program administrator) to assume primary responsibility, including compliance and safety, for all essential aspects of the work being carried out on the sponsored project. The primary responsibility of the Principal Investigator is to ensure the sponsored program’s success. The success of the program is measured not only by the intellectual merit of the research or the technical results, but also by our joint commitment to judiciously manage award funds and deliver on all obligations in accordance with the award. The authority granted to the PI is inextricably tied to the responsibility of conducting the grant in accordance with the approved proposal and budget as well as the all other guiding policies and regulations.

The Principal Investigator Policy identifies who may serve as a PI, the normal responsibilities of the PI, the reassignment of a PI, and responsibilities for multi-institutional grants.

a. Signature Authority
There are two kinds of signature authority: Program Authority and Purchasing Authority.

Program Authority: Only Principal Investigators may receive program authority for their sponsored program. This authorization enables the PI to approve requests for personnel actions, re-budgeting, and changes in project scope. Program authority is also required for submission of any official reports or requests to the program sponsor if the report or request needs to be certified by the university program official. The institutional official is ORSP.

Purchasing Authority: Only PIs, Co-PIs, and project coordinators may receive purchasing authority for their sponsored program. This authorization enables an individual to initiate and authorize expenditures against sponsored program funds. As Sponsored Program Administrator, ORSP is the final approver of all program expenditures. ORSP will provide the Delegation of Fiscal Authority for PIs.

Instructions on purchasing will be delivered at an award orientation meeting and will cover sponsor and University requirements that must be understood prior to spending program funds. Anyone granted purchasing authority has a fiduciary responsibility to
spend the money solely for the benefit of the program and not for the personal benefit of others. PIs must familiarize themselves and adhere to University procurement guidelines.

b. Expenditure Tracking
Principal Investigators are responsible for monitoring the expenditures of their programs to ensure budget compliance. Budget compliance requires that: 1) individual line items of cost are not exceeded if specific amounts are set by the sponsor, and 2) the total overall budget is not exceeded. The PI should monitor his/her actual and planned spending closely. ORSP recommends the use of a spreadsheet to cross-check against the expenditures and balances on the monthly financial reports. The PI is granted delegation of fiscal authority to commit all expenditures and personnel assignments related to their project; budget overruns are the responsibility of the PI and his/her department/college.

The DataWarehouse financial reporting system provides daily transaction reports on program expenditures. This is an essential tool for PIs to use in tracking and planning expenditures against their approved program budget.

ORSP will provide guidance to the PI on access/use of the DataWarehouse system. Any PI needing assistance or training with this should call and make an appointment with the ORSP Director of Grant Administration.

c. Staff & Contractors
Staff: The PI is the official supervisor of program staff, with responsibility to manage their activities. The PI must work with Human Resources anytime there is a need to discipline or terminate any employee. It is critical none of these actions take place prior to the involvement and approval of Human Resources due to the sensitive nature of these activities.

Contractors: “Contractors” include subcontractors, consultants, independent contractors, and vendors. The PIs role over contractors is to act as the technical representative of ORSP. This means the PI is responsible for the technical direction and monitoring of all contractors paid by the sponsored program. Part of these responsibilities includes closely tracking contractor activities to ensure required timelines and deliverables are met. The PI is also responsible for reviewing and approving invoices from contractors. The PIs approval on an invoice certifies that the goods or services have been satisfactorily received or rendered, the amount charged is reasonable and correct, and the cost is appropriately chargeable to the fund indicated.

ORSP should be immediately notified of any contractors who fail, or refuse to meet the requirements of their contractor agreement. All changes of work plans, deliverables, or budgets must be requested through ORSP.


**d. Reports and Deliverables**
The PI is responsible for the production and delivery of all reports and deliverables required by the sponsor. It is the PI's responsibility to review the award for all requirements related to reports and deliverables to ensure that all reports and deliverables are completed, and deliver such reports and deliverables to the sponsor prior to applicable award deadlines. The Project Coordinator may help prepare all the required reports and deliverables, but it is the responsibility of the Principal Investigator to review and approve all reports and deliverables prior to delivery to the sponsor. Any signatures required by the Institution/Organization/Company official should be directed to ORSP.

The PI should coordinate request ORSP’s assistance in preparing any official financial reports specified in the award. All other reports remain the responsibility of the Principal Investigator. Copies of all annual and final reports along with proof of delivery should be forwarded to ORSP (electronic copies and PDFs are acceptable) for the official grant file.

**e. Compensated Effort**
Compensated effort is tracked via the Common Financial System (CFS). Non-compensated effort is tracked manually using a combination of cost sharing forms and time and effort certification forms. Regulations related to compensated effort are primarily located in section 2 CFR 200.430 in the federal guidelines.

Charges for work performed on Federal awards by faculty members during the academic year are allowable at the Institutional Base Salary (IBS) rate. IBS is the annual compensation paid by the University for an employee’s full-time appointment. For faculty who have an academic year appointment, the IBS rate is the total amount paid for their appointment. All applicable regulations and rules regarding total allowable employment must considered when calculating effort required of a specific individual. It should be noted that individuals working on multiple federal projects are not authorized to charge any combination of their time among federal awards for more than 100% of their time.

*Additional Employment, including Overload and Summer*
Faculty will consult with ORSP post-award staff and complete required paperwork for AY overload pay or summer pay. The University has set forth an Additional Employment Policy that “establishes reasonable limits on the total amount of employment an individual may have within the CSU system.” Employment funded by grants (including release and overload) counts towards total CSU employment. The current maximum for CSU employment is 125% time-base.

More information about effort reporting can be found on the ORSP Compensated Effort Guidance (in preparation).

**Release Time Paid from the Grant**
Faculty will consult with ORSP post-award staff and complete required paperwork for
release time, and ensure their release time is approved by their chair and dean.

f. Cost Sharing/Matching
PIs who receive awards that include cost sharing requirements (mandatory or voluntarily committed) must adhere to CSUEB’s Cost Sharing Policy to properly certify and report cost sharing amounts to the sponsor. Cost sharing must be reported semi-annually using the Cost Sharing/Matching Contribution Form.

g. Safety Rules and Procedures
One of the most important roles of the PI is to ensure the safe and responsible conduct of sponsored programs. The PI should not authorize any activities that present an unreasonable risk of injury or harm to life or property. Furthermore, the PI is responsible for communicating any elements of risk that may be present in activities required by the sponsored program to all potential participants.

The PI is also responsible for ensuring compliance with all rules and regulations concerning staff, subrecipients, program participants, human subjects, animal, and environmental safety, including adherence to IRB and IACUC guidelines, research or lab protocols, and any other requirements established by the sponsor or University.

- Human Subject Program Participants: Programs with Human research subjects must obtain IRB approval and require all participants to sign an informed consent form prior to participation in the program. All researchers using human subjects doing non-exempt research are required to pass an online Human Subjects Research Training Course. This includes the PI and co-PIs, and all research technicians, research assistants, or student assistants who have contact with the research subjects. Further information on human subject research requirements is available on the IRB website.

- Contact with Minors: All program staff who will have contact with minors during program activities must submit to and pass fingerprinting and background checks. Staff will also need to have current tuberculosis immunization shots and be certified TB-negative. There are strict state requirements prior to contact with any minors. Contact Human Resources to learn the steps to gain the necessary clearances.

- Participant Travel and Off-Site Activities: Programs which require participants to travel or engage in off-site activities outside the office or classroom must obtain approval prior to the proposed travel or activity by using the Travel Authorization Form. The form should be submitted at least 30 days prior domestic travel. Special event insurance may need to be purchased (this will be a direct cost to the program) and if so, the proposed activity must not occur until the insurance is in place. If approved by ORSP, the program must have all participants sign the University Waiver of Liability prior to allowing participation in the travel or activity. It is possible for some programs that both the Informed Consent and University Waiver of Liability will be required.
h. Property & Equipment Management
Equipment purchased from project funds may only be used for authorized sponsored program purposes. Policies and procedures on equipment can be found on the Procurement website.

The PI must immediately report to the University Police Department and ORSP all instances of damage, destruction of, or theft of inventoried equipment. In the case of theft, a police report must be sent to ORSP along with a written account of the circumstances.

i. Export Controls
PIs as individuals and the University can be subjected to significant penalties for any violation of US export controls that have been established to protect the national security and foreign policy interests of this country. Export controls govern the shipment, transmission, or transfer of regulated items, information and software to foreign countries, persons or entities. Review the CSUEB Export Control Policy for more detail.

Award Set Up
a. Pre-award Spending
PIs should not begin project activity or incur costs for a project prior to ORSP’s signature of the grant or contract award. Some sponsors allow pre-award spending but this is at the risk of the department or college if the proposal is not awarded. Many sponsors do not allow pre-award spending under any circumstances, and expressly disallow costs incurred before the date of award. For these reasons, all pre-award spending must have the prior approval of the college/department and ORSP. Do not incur any costs or authorize any obligations for an unawarded proposal until both these approvals are received. Pre-award costs or obligations incurred without ORSP approval is solely at the risk of the PI and his/her college.

b. Responsible Conduct of Research
Some sponsors require training on ethics or the responsible conduct of research. For example, the National Science Foundation requires that undergraduate students, graduate students, and postdoctoral students involved in NSF-funded research must complete training on the responsible conduct of research.

The CITI Course in the Responsible Conduct of Research can be accessed here: https://www.citiprogram.org/rcrpage.asp?language=english&amp;affiliation=100

c. Award Orientation
At the outset of a funded project, the PI and CO-PI will meet with ORSP staff. ORSP
will prepare an award notice and will work with PIs to prepare a summary form upon receipt of formal notification of a grant award. PIs must sign and return this to ORSP. During the orientation, the PI will also be briefed on policies, procedures and forms needed for 1) grant accounting and tracking of expenses, 2) budgeting, 3) reporting, 4) compliance issues, and methods for securing amendments and final close-out processes.

At the orientation meeting, the PI will receive the chartfield string and will be required to complete the CA-700U form (Statement of Economic Interest) along with a Signature Authorization Form.

Your ORSP chartfield string is composed of six chartfields: Account, Fund, Dept. ID, Program, Class, Project. Each chartfield serves a different function Chartfields are separated by dashes and a blank chartfield string looks as follows:

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Account - Fund - Dept ID - Program - Class - Project
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d. Rebudgeting
Changes in a project's approved budget must be coordinated with ORSP and may also, in many cases, require prior approval by the sponsor. Certain governmental funding sources are particularly restrictive regarding budget changes.

Research Compliance

a. Human Subject Research.
The Institutional Review Board (IRB) is charged with protecting the rights of human subjects who participate in research on or through this campus. This includes research conducted by all CSUEB faculty, staff and student investigators, and also research by investigators from other institutions or agencies who are working in conjunction with CSUEB in any capacity. The IRB is responsible for ensuring that human subjects are informed about and protected from any unnecessary risks that may be associated with participating in research. More information is available on the ORSP IRB website.

b. Animal Research.
The Institutional Animal Care and Use Committee (IACUC) promotes and ensures the humane and ethical treatment of animals used in teaching and research. More information is available on the ORSP IACUC website.

c. Drones and Unmanned Aircraft Systems.
All faculty, staff, and students who wish to operate a UAS/UAV (drone) on campus must work with Office of Research and Sponsored Programs (ORSP) to ensure appropriate legal use. Unauthorized drone flights on campuses are a violation of federal law. More information is available in the CSUEB Guidance on Drone Use.
**d. Scientific Misconduct.**
Fabrication, falsification, plagiarism, or other practices that seriously deviate from those that are commonly accepted within the scientific community for proposing, conducting, or reporting research are considered misconduct. See the guidance document on Allegations of Misconduct in Scientific Research.

**e. Responsible Conduct of Research.**
CSUEB requires training and oversight in ethical conduct of research to all undergraduates, graduate students and postdoctoral researchers who are supported by the National Science Foundation (NSF). More information is available in the guidance document on the Responsible Conduct of Research Training.

**f. Export Control.**
US export controls exist to protect the national security and foreign policy interests of this country. Export controls govern the shipment, transmission, or transfer of regulated items, information and software to foreign countries, persons or entities. More information is available in the Export Control Policy.

**g. Other Compliance Issues/Additional Requirements**
If research specific issues or compliance-related items not mentioned above are involved in your project, please work with ORSP to coordinate the appropriate approvals necessary.

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**Program Personnel & Payroll**

**a. Hiring, Compensation, and Termination**
Staff in the Office of Research and Sponsored Programs (ORSP) work closely with Principal Investigators (PIs) to determine the appropriate process for hiring workers, and are responsible for verifying the availability of funding within a grant for new hires during the hiring process. The ORSP staff is also available to help PIs complete the required paperwork. PIs are responsible for working with the Office of Human Resources regarding employee evaluations, raises, personnel terminations, background checks, and volunteers.

**b. Sabbatical Leave**
Faculty on sabbatical must receive Presidential approval to receive grant compensation. Please contact the Office of Academic Affairs to initiate the approval process.

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**Processing Grant Expenses**
The tips below are not a complete description of procurement rules or guidance’s. These items are commonly overlooked, so we would like to highlight them to minimize the risk of expenses not being compliant. Please refer to the University Procurement How To Guide for more detailed purchasing instructions before incurring any expenses.

CSU, East Bay WILL NOT be responsible for purchases or other commitments made by
individuals who do not have a University-authorized purchase order or contract number. All sponsored programs need to follow 3 basic rules when it comes to expenses:

1. **Allocable** – or Allocability- the cost is properly allocated to a sponsored program (or across several programs) in proportion to the benefit received by the program.
2. **Allowable** – or Allowability- the cost is allocable, reasonable, consistently charged, and conform to any limitations or exclusions set forth in the award agreement or applicable rules and regulations.
3. **Reasonable** – or Reasonableness- the nature and amount of the cost is one that a reasonably prudent person would consider necessary in the performance of the sponsored program.

PI's who authorize spending on grant funded activities need to follow federal rules as well as **University procedures** for expending funds.

The CSU and federal government has published guidance on specific items of cost:
- CSU Policy: [Allowability Matrix (Allowable and Unallowable Under Uniform Guidance)]

**IMPORTANT:** If you have any doubts or questions about the appropriateness of a proposed expenditure, do not incur the expense until you have confirmed with ORSP that you should proceed. Any transaction you personally authorize that is disallowed becomes a personal liability for you and/or your college, as ORSP will not be able to reimburse or pay for these charges. Any expense not specifically included in your approved grant budget is not an approved expense.

The University Accounts Payable department allows certain expenses to be paid using the **Check Request form.** Please see the **check request guidelines** to determine if your expense is eligible for payment using a check request.

Many expense categories require a **requisition** and Purchase Order from the CSUEB procurement department. These categories include:
- Computers
- Furniture
- Services
- Equipment
- Repairs
- Any supplies <$2,500
- Ongoing purchases
- Rental contracts

Please download a “**purchase request form**” from the **ORSP Forms Page**, complete and submit to ORSP. You may also reference the **Procurement Office website** for more information about these categories.
For paying individuals who are not affiliated with the University, in amounts less than $5,000- please see the Short Term limited Scope Service Agreement. Please review the Instructions for the agreement first.

**Gift Cards/Certificates.** These policies are under review. In the interim, please check with ORSP. However, please ensure that it is allowed per your grant.

**Research Participant Incentives.** It is common for research participant incentives to be paid in social and behavioral sciences. Since these payments inherently involve research on human subjects, an approved IRB protocol is required. See the [IRB website](#) for more detail. In addition, the PI must ensure that research participant incentives are included in the approved budget.

- CSUEB students may receive incentives as research participants up to a maximum of $25. Payment recipients (current CSUEB students only) complete Sections I and II on the [Student Bay Card Payment Form](#) for EACH payment. Program Staff will complete section III on this form. A [Student Bay Card Cover Sheet](#) shall be completed and accompany each batch of student payment forms prior to submission.
- For research participants outside the University community, the policy and procedures to allow participant incentives are currently being developed. As soon as they are finalized this document will be updated.

**Food and Meals.**
The cost of meals at meetings and conferences, the primary purpose of which is the dissemination of technical information, are allowable if the cost of meetings or conferences are included in the approved budget.

Meal costs for other purposes or activities are not allowable unless specifically provided for in the sponsored agreement. Any meetings, conferences, events, or activities on-campus must comply with the campus catering policy. More information is available on [Procurement’s hospitality website](#). PIs should use the [Employee Payment Request Form](#) (select Hospitality Expense Claim) for reimbursement. An [FAQ](#) for this form is available on the Procurement website.

**Business Cards.** To order University Business cards please follow [this link](#).

**Promotional and Marketing materials.** Please review this list provided by the Procurement Department of [pre-approved vendors for any marketing](#) and promotional needs you may have.

**Purchases of commercial goods & services below $1,000.**

- Open Purchase Orders (OPO): If available, using OPOs for purchasing is the most convenient and cost-effective. OPOs are established by ORSP and the University with vendors for low-value purchases. This allows the program to place individual orders below $1,000 on the Open Purchase Order. OPOs are available with Staples and the University Bookstore for most office supply purchases – please contact the ORSP Post Award staff for more details. Other OPOs with scientific supply vendors...
are also available.

• Personal Cash or Credit: Program staff, if authorized in advance by the PI, can make individual purchases and be reimbursed afterward. Reimbursements for credit card expenses are issued directly to the cardholder only, not to the credit card company.

• Invoice to ORSP: Program staff, if authorized in advance by the PI, can instruct vendors to bill the University directly.

Any payment request or invoice for a vendor needs to have a **(VDR) Vendor Data Record** on file with Accounts Payable before any payment can be issued.

For additional questions regarding purchases, payments or expenses needing to be incurred on Grants, please contact ORSP for clarification and guidance on the most appropriate means of processing the payment.

**Travel**

Travel is a normal expense for a sponsored program and is strictly regulated by the CSU Travel Policy. PIs and others on official travel should familiarize themselves with the [CSU Travel Policy](#) regarding authorization, making travel arrangements and rules on reimbursements.

The following documents summarize some of the items related to domestic and international travel.

• [Tips for Domestic Travel](#)
• [International Traveler’s Checklist](#)

Note that travel authorization is due 30 prior to departure for domestic travel and 60 days prior to departure for international travel. If travel is to a high-risk country, please submit 90 days prior to departure.

The California State University pays or reimburses for travel related expenses that are ordinary, reasonable, not extravagant, and necessary to conduct official University business. All expense reimbursements and business travel arrangements must comply with University policies and procedures, prudent accounting practices, and applicable collective bargaining agreements. This policy applies to all CSU employees, students, and others traveling on official University business and where the University will be paying for the travel. The terms set forth in an extramural funding agreement govern only when such terms are more limiting than the University’s travel regulations. The campuses, if desired, may adopt more restrictive documentation, review and approval policies than what is presented here. Travelers may be held accountable for their conduct under any applicable University or campus policies, procedures, collective bargaining agreements, and/or applicable provisions of the California Education Code.
Subrecipients and Monitoring

PIs who have awards that include subawards are primarily responsible for monitoring the activities of the subrecipient. ORSP provides support to the PI to ensure compliance and accountability. The Subrecipient Monitoring Policy (in preparation) outlines the requirements for establishing and monitoring subrecipients. The Subrecipient Commitment Form identifies the subrecipient and is used to begin the assessment of risk. The Subrecipient Commitment Form must be completed during the submission of a grant proposal. If the proposal is funded, the PI must complete the Subrecipient Request Form to begin the process to establish the subaward.

Subrecipient monitoring is the review process used to determine a subrecipient’s compliance with the requirements of a federal program, applicable laws and regulations and stated results and outcomes. Monitoring includes the review of subrecipient’s internal controls to determine if the financial management and the accounting system are adequate to account for program funds in accordance with federal requirements.

Award Amendments

During the life of an award, changes to the project may occur. These may include but are not limited to: a change in PI/Co-PI, reduction of effort, transfer of an award to another institution, modification in the Scope of Work, addition of subrecipients, extension of the project end date, or other changes. For any amendments to your project, please notify ORSP as soon as possible. If changes are not approved by the Sponsor or if an executed contract amendment is not in place, this may put the PI and University at risk. All award amendments must be processed through ORSP.

ORSP will generate an Award Amendment Form (AAF) that describes the amendment to the project and will include all necessary backup documentation. The form is routed and signed by the PI, Dept Chair, Dean or Supervisor, ORSP, Provost and CFO. Once changes are approved, ORSP will update the grant file and database to reflect the updated information, and notify Accounting, and other campus units if applicable (e.g., University Advancement for grants funded by private sponsors)

In an effort to streamline the amendment process, we have provided the following guidance:

Change of PI or CoPI / Reduction of Effort
You will need to confirm with the award guidelines, but typically if a PI will be absent from a project for three or more consecutive months or reduce effort by 25 percent or more, grantees must request approval to appoint either a permanent replacement or arrange for an interim PI while the original PI is away.
A PI shall request a change in PI by sending a letter or email to ORSP with the following information:
- Reason for the change
- Date the original PI will return, if applicable
- Biographical sketch/CV of the proposed new PI
- Budget adjustments resulting from change in PI

ORSP will use this information to draft and submit a justification letter to be sent to the sponsor, which should include a signature from the authorized official. The sponsor may request additional information if needed. Changes in personnel may also need to follow University policies and procedures.

No Cost Extensions
A No-cost Extension (NCE) is considered an award amendment even if no additional monies are received. Keep in mind that agencies may require 90 days or more notice prior to the award's original end date. ORSP should coordinate and be included on all NCE approvals requested and received from the sponsor. As needed, ORSP will update the appropriate campus departments of all award amendments.

PI's shall submit NCE requests to all agencies in writing through ORSP for review/approval, ideally 90 days before award end date. The PI may want to check with a sponsor's program officer to clarify the appropriate format for the No-Cost Extension Request, which typically includes:
- Justification for the NCE, including progress to date. Acceptable statements include 1) additional time beyond the initial end date is required to complete the project; and 2) the extension is necessary for an orderly phase-out of a project that will not receive continued support
- new end date and new final report date.
- An estimate of available funds remaining on the scheduled end date
- A plan for how the remaining funds will be used during the extension period

Please Note: Requesting additional time simply to spend down remaining funds is NOT considered a reasonable justification.

For NSF Awards:
- The first NCE on an NSF award is considered a "notification," and can be approved by the grantee
- If time is needed beyond the first extension, a second NCE is considered a "request" that must be approved by NSF. "Notifications" and "requests" must be submitted via Fastlane

For NIH Awards:
- NCE requests are submitted via the eRA Commons system. The eRA No-Cost Extension feature allows the grantee organization to electronically submit a notification that the organization plans to use its one-time authority to extend the final...
budget period of a project period of a grant. This extension is without extra funding and available for up to 12 months of additional time, provided the Notice of Award does not prohibit the extension and the project's approved scope will not change.

- Note that the No-Cost Extension may be requested only by the Signing Official, no earlier than 90 days before the end of the project period and no later than the project's end date. An email is sent to the funding agency's Grants Management staff when a Signing Official submits the extension. The awarding office will revise the project period end date and send a confirmation to the grantee.

Other Project/Budget Modifications:
Any other project or budget related changes may or may not require a formal amendment. Please contact ORSP if you have questions or need assistance or clarification.

Grant Closeout Process

90 Days Prior to Award End Date:
- Approximately 90 days prior to the expiration of the award, ORSP will send an award close notification memo to the PI, stating the end date and current available balance.
- By this time, the PI should have notified ORSP if a No Cost Extension to their project is needed. Please refer to the Award Amendments section for more information about the NCE process.
- The PI should have also submitted all purchase requests to ORSP.
- The PI can schedule to meet with ORSP to perform a project review.

Project Review:
All categories of direct cost (salaries, equipment, supplies, travel, etc.) should be reviewed before the close of the project period to confirm if all expenses have been charged, are accurate and allowable.

✓ Supplies: Federal regulations require institutions receiving federal funds to reimburse the federal government for any inventory of unused supplies in excess of $5,000. To avoid having excess supplies at the end of the grant period, Purchase Orders for supplies should be submitted no later than 90 days before the end of the grant.
✓ Personnel: 90 days prior to expiration of the award, the PI must notify ORSP of all personnel who need to be transferred off the award and make appropriate arrangements with HR.
✓ Purchase and Vendor: PI and ORSP must resolve all outstanding vendor accounts.
✓ Project Balance: PI must verify with ORSP if the fund balance is correct.
✓ Final Progress Report and Final Financial Report: PI should be aware of final progress report submission and coordinate with ORSP the submission of a final financial report.
30 Days Prior to Award End Date:
- 30 days prior to expiration of the award period, ORSP notifies Purchasing/Finance if any blanket POs will need to be transferred off of the award or closed.
- ORSP and PI review that funds are being expended in a reasonable manner (i.e. no equipment or supplies purchases of high dollar value).

0 to 120 Days After Award End Date:
- At the close of the award period, ORSP and Accounting will determine if there is a deficit or surplus on the grant fund

Deficits:
- The PI is responsible for ensuring that the project does not incur a deficit, where the total expenditures and outstanding commitments exceeding the total amount received or authorized.
- If the deficit is the result of overspending, it is the responsibility of the Department or College to cover the deficit. Otherwise, the PI must indicate an alternate source of funds to cover the deficit.

Surpluses / Leftover Balances:
- When a surplus is identified, ORSP will return residual funds to the sponsor, unless otherwise specified by the terms and conditions of the award.
- If the sponsor allows the residual funds to remain with the university, ORSP will transfer funds to the appropriate department or college per agreement with the PI and their Chair and/or Dean.

- After pending expenses have cleared, and a project’s cash deficit or surplus has been resolved, ORSP post-award staff will prepare the Project Financial Summary and Closeout Checklist, reviewing and comparing the information to the award documentation on file and determine if all outstanding items have been resolved in order to close out the award.
- PI reviews the summary and checklist and provides their signature to acknowledge completion of project, and confirms adherence to sponsor guidelines and governmental regulations.
- After the PI signs the Closeout Checklist, ORSP sends the request to Accounting to inactivate the grant fund in the financial system.
- Final Progress Report and Final Financial Report: Within 90 of award close, PI must submit a final technical report to the sponsor and provide a copy to ORSP post-award staff, who will work with the PI to submit a Final Financial Report.
Glossary of Terms

“Allocable costs”
Allocable costs are those allowable costs that actually benefit the grant or contract activities to which they are being assigned.

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

“Close out”
The act of completing all internal procedures and sponsor requirements to terminate or complete a research project.

"Commercial goods and services"
are “commercial” if offered and sold competitively in substantial quantities in the commercial marketplace based on established catalog or market prices for specific products, tasks performed, or outcomes to be achieved, and under standard commercial terms and conditions (e.g. warranties).

"Competition"
All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The recipient shall be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Awards shall be made to the bidder or offerer whose bid or offer is responsive to the solicitation and is most advantageous to the recipient, price, quality and other factors considered. Solicitations shall clearly set forth all requirements that the bidder or offerer shall fulfill in order for the bid or offer to be evaluated by the recipient. Any and all bids or offers may be rejected when it is in the recipient’s interest to do so.

"Conflict of Interest"
A potential conflict of interest occurs when there is a divergence between an individual's private interests and his or her professional obligations to the university such that an independent observer might reasonably question whether the individual's professional actions and decisions are determined by consideration of personal gain, financial or otherwise. A conflict of interest depends on the situation, not on the character or actions of the individual. For purposes of this policy, a conflict of interest exists when the university, through procedures described herein, determines that a significant financial interest could directly and significantly affect the design, conduct or reporting of the sponsored project.
“Co-Principal Investigators”
Key personnel who have responsibilities similar to those of a PI on a project. While the PI has ultimate responsibility for the conduct of the project, the Co-PI is also obligated to ensure that the project is conducted in compliance with applicable laws and regulations as well as University policy governing the conduct of extramural projects.

"Cost and Price Analysis"
Some form of cost or price analysis shall be made and documented in the procurement files in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

“Cost sharing”
All contributions, including cash and in-kind, that a recipient makes to an award. If the award is federal, only acceptable non-federal costs qualify as cost sharing and must conform to other provisions, including the requirements that they be necessary and reasonable to accomplish the program objectives, allowable under cost principles, verifiable to records, and auditable.

“Direct Cost”
Expenditures are direct costs when they can be easily and accurately identified for individual projects. Direct costs are divided into categories, such as, salaries, fringe benefits, travel, supplies or equipment, and are accounted for as separate line items (object codes) within each account.

“Effort”
Effort is the portion of time spent on a particular activity, expressed as a percentage of the individual's total activity for the institution.

"Equipment"
is an article of non-expendable tangible asset having a useful life of more than one year, and an acquisition cost which equals or exceeds $5,000. Items that cost less than $5,000 or have a useful life of one year or less are considered supplies. In some cases, a purchased item may be a system made up of separate or separable parts, but it must be sold as a system by the vendor in order to qualify as a single piece of equipment. Merely grouping individual items on one purchase order does not constitute purchase of an “equipment” system.

“Extension”
An additional period of time given by the sponsor to an organization for the completion of work on an approved grant or contract. An extension allows previously allocated funds to be spent after the original expiration date.
"Honoraria"
Generally, honoraria are paid to person of scholarly or professional standing in conjunction with an academic activity or service when: 1) no legal obligation to pay exists, and 2) propriety forbids setting a fixed price for the service. Honoraria may be paid for lectures, speaking engagements, panel participation, manuscript review, workshops, and seminars if there is direct benefit to the project.

"Human Subject"
means a living individual about whom an investigator (whether professional or student) conducting research obtains data through intervention or interaction with the individual, or identifiable private information

"Indirect Cost"
Indirect Costs (overhead) are additional costs incurred by the ORSP and the University in support of sponsored programs. These costs differ from direct costs in that it is difficult or impractical to identify and attribute them accurately on an individual project basis. Typical examples of the types of indirect costs are utilities and maintenance and general administrative costs.

"Indirect Cost Rate"
In the case of sponsored projects, uniform predetermined rates is established through negotiation with the federal government and are verified in government audits.

"IRB approval"
means the determination of the Institutional Review Board (IRB) that the research has been reviewed and may be conducted at an institution within the constraints set forth by the IRB plus other institutional and federal requirements.

“Modified total direct costs”
A subset of direct costs, used to calculate indirect costs. Consists of direct costs for salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up the first $25,000 of each subgrant and subcontract (regardless of the period covered by the subgrant or subcontract). Equipment capital expenditures, charges for patient care and tuition remission, rental costs, scholarships, and fellowships, participant support costs as well as the portion of each subgrant and subcontract in excess of $25,000 are excluded from modified total direct costs.

"Noncommercial Goods & Services"
Goods and services are considered “noncommercial” if they are generally not available in the commercial marketplace or require research and/or development. Examples of noncommercial goods are specialized equipment or systems built to user-provided specifications and substantial modifications of commercial goods with new or different functionality. Examples of noncommercial services are research, consulting, and independent contractor services. Subcontracts to perform a portion of the sponsored program are also noncommercial services.
"Post-award" refers to management and conduct of a grant or contract after an award has been made. ORSP assists the PI in most administrative post-award activities which include: budget revisions, purchasing, human resources, accounting, compliance, and risk management, insurance services, payroll, etc.

"Pre-award" refers to the activities related to applying for grants and contracts. The Office of Research and Sponsored Programs (ORSP) assists prospective PIs by providing the following services: search funding opportunities, proposal development, and COI/IRB/IACUC/Hazardous Materials review.

"Principal Investigator" The Principal Investigator (PI) is the individual designated as head of a research project. To be eligible as a PI, the individual must be an academic appointee. More information about eligibility (section 1–500) and responsibilities (section 10–330) can be found in the UCOP Contract and Grant Manual (ucop.edu/raohome/cgmanual).

"Reasonable costs" A cost may be considered reasonable if the nature of the goods or services acquired or applied, and the amount involved therefor, reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made.

"Sponsored Program Administrator" means the entity designated to administer the Sponsored Program.

"Subaward/subcontract" A collaborative subaward is written under the authority of and is consistent with the terms and conditions of an award (a grant, contract, or cooperative agreement), and transfers a portion of the research or substantive effort of the prime award to another institution or organization. These agreements, commonly referred to as subcontracts, can be in the form of a subgrant, subcontract, or subagreement.

"Theft-sensitive items" are non-equipment items whose acquisition cost is below the threshold of $5,000, but which are tracked in inventory for control purposes. Theft-sensitive items which must be tracked include: cellphones, PDAs, netbooks, laptop computers, and desktop computers.

"Travel Status" An individual/employee is not on official travel status unless: 1) he/she has ORSP approval for the travel; and 2) the approved travel requires the individual/employee to travel more than 25 miles from their headquarters. No travel reimbursements shall be made (with the sole exception of mileage reimbursement and related toll/parking fees) unless the claimant was on official travel status.