

**College of the Holy Cross**

 **Sponsored Projects Handbook**



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# INTRODUCTION

The *Sponsored Programs Handbook* is written and published by the Office of Sponsored Research (OSR) to assist faculty and staff with the administrative aspects of externally sponsored projects. OSR supports the College of the Holy Cross and its mission to pursue excellence in teaching, learning, and research. Our goal is to build and maintain a supportive environment for research, education and related scholarly academic projects. The Handbook contains only general guidelines and the information provided is not intended to address all the possible applications of, or exceptions to, the general policies and procedures described.

Funding of sponsored projects are based on the professional background of the Principal Investigators (PI) submitting proposals; however, the award is made to the College of the Holy Cross. When the award is negotiated and accepted, the PI assumes the responsibility for conducting and completing the technical (research) portion of the project, while the College of the Holy Cross is responsible for the project according to state and/or federal regulations and policies of the sponsor and the College. The Principal Investigator is responsible and accountable for the sponsored project and the College provides the infrastructure in which the investigator conducts the project. **To this end, the Principal Investigator and the College have a mutual interest in carrying out the project for which the funds are awarded.**

The *Handbook* has four main goals:

* To provide guidance and support with regard to the development and administration of externally funded sponsored projects.
* To inform Principal Investigators/Project Directors (PIs/PDs) and project staff of their roles and responsibilities in sponsored projects administration and compliance.
* To assist in answering common questions about College policies and procedures, as well as federal and other regulations.
* To develop a comprehensive package of information pertinent to sponsored projects administration in a single document and make that information accessible to all interested parties.

OSR provides a wide range of services that encompasses pre-award and post-award management.

Pre-award activities mainly include assisting faculty and staff in locating and applying for external funding in support of their research and scholarship activities, including: funding searches, proposal and budget development, reading and interpreting regulations and compliance guidelines, and proposal submissions. Post-award activities include, and are not limited to, award negotiation, ensuring compliance with federal, state, and local rules and regulations, assisting with technical report completion, re-budgeting requests, changes of scope of work, changes in time devoted to a project, relocating a project, or any other changes/modifications to the original award. It is the responsibility of the Office of Sponsored Research to be the point-of-contact with the sponsor, to assist with any exchange between the PI and the funding entity. This arrangement allows for the PI to work on their research while not having the extra burden of negotiating terms and conditions of the award.

## Definition of a Sponsored Project

The majority of grants, contracts, and other agreements from outside sources that contain deliverables are considered "sponsored projects" and are administered through the Office of Sponsored Research. Any project related to either a faculty members individual research or scholarship, or an institutional initiative that is supported by government funds should be reviewed and approved by the Office of Sponsored Research.

*All procedures addressed in this handbook may not be relevant for proposals submitted to private foundations and corporations for institutional initiatives. For those projects, the Office of Foundation and Corporate Relations is available to help applicants determine which procedures apply.*

In some cases, certain activities yield a gift to the College of the Holy Cross. Those are administered by the Office of Advancement.

## Grants, Gifts & Charitable Contributions

A gift is defined as any item of value given to the College by a donor who expects nothing significant of value in return other than recognition and disposition of the gift in accordance with the donor's wishes. In general, a gift has no contractual requirements and no expectation of deliverables or rights in property or data. While there may be restrictions or minimal conditions associated with a gift, generally, there should be no specific period for incurring costs, and there should be no requirement to return unexpended funds. Please contact the Office of Advancement for procedures related to gifts and charitable contributions.

The chart below offers a quick guide to help determine where an external award or grant would fall within the College of the Holy Cross, and which office is responsible for the administration. This is **not** a comprehensive list. Please contact the Office of Sponsored Research (x2742) or the Office of Advancement for assistance (x3776).

|  |  |
| --- | --- |
| **GRANT** – Office of Sponsored Research | **GIFT**– Office of Advancement  |
|  |  |
| * Award that is specific in scope of work and performance period.
 | * Awarded irrevocably (cannot be revoked)
 |
| * Requires financial and technical reports.
 | * Given in the spirit of generosity
 |
| * Grantee is subjected to contractual obligations, including payment contingencies, prior approval for deviation, and possible return of unobligated balance.
 | * No contractual obligations or deliverables
 |
| * An exchange transaction in which there is a reciprocal transfer of something of value. However, certain non-exchange grants may also contain conditions that would call for monitoring as a sponsored project.
 | * No formal fiscal accountability
 |
| * Could require cost-sharing
 | * No intellectual property terms
 |

## Definition of Principal Investigator (PI)

Being listed as a Principal Investigator on a sponsored project is a privilege granted to certain individuals associated with the College of the Holy Cross. This privilege carries with it important responsibilities. The Principal Investigator is the individual bearing primary responsibility for all essential aspects of the work being carried out, including technical aspects and completion of programmatic work, compliance with government, sponsor, and College policies and regulations, fiscal stewardship of sponsored funds, and all administrative requirements of the project. To fulfill these responsibilities, the Principal Investigator must therefore commit a reasonable amount of time consistent with the scope of work and with the proposal submitted to the sponsoring agency.

## Principal Investigator Eligibility

Those eligible to submit external proposals, as Principal Investigator, include faculty members (tenure track, tenured, or on continuing three-year renewable appointments) or administrators (including those with faculty status or teaching responsibilities). Post-doctoral fellows, visiting faculty members, and scholars in residence are encouraged to submit external proposals, but should discuss the proposal first with the Dean's Office or Office of Sponsored Research to review the scope of work or to determine if they need a faculty member or administrator to serve as the Principal Investigator.

Note:  Administrators without faculty status may be given PI status on a case-by-case basis by the Dean of Faculty.

# THE PROPOSAL

## Initiate Contact with the Sponsor

A proposal is a request for financial support for a project. Generally, a proposal consists of a technical section and a budget section. Establishing a relationship with a potential sponsor early in the process is key to a successful proposal and project, and with many agencies this is actually recommended. The purpose of this introductory contact is to affirm the common areas of interest of the sponsor and the Principal Investigator. Connecting with a program director at a funding agency can greatly facilitate writing the full proposal, as well as serve as a resource for answering questions. A Principal Investigator may initiate contact with a sponsor to confirm mutual research interests through a telephone call, office visit, letter of intent or a preliminary proposal. While prior approval from the College is not needed when contacting a government agency for potential funding, all approaches to foundations should be cleared by the Office of Foundation and Corporate Relations in conjunction with the Office of Sponsored Research before contact is made. There are multiple opportunities for some foundations to be approached by the College, therefore a coordinated effort maximizes the College’s ability to successfully compete for limited funding.

## Step by step guide to applying for a grant are as follows:

1. **Decide on an idea and search for funding.** Once an idea is decided upon, the next step is to look for funding opportunities to support the idea. Sponsored Research can help with funding searches.
2. **Contact Sponsored Research** at least two months before a deadline. It is important to allow time to review guidelines, requirements and other compliance terms and conditions pertaining to the submission of a proposal or receipt of an award, such as coordination of approvals for animals and human subjects, cost sharing, etc. For institutional initiatives funded by government sources, longer lead time is recommended (at least 6 months).
3. **Read sponsor guidelines.** Familiarize yourself with the requirements of the sponsor and the forms required. Sponsored Research can help with interpretation of rules related to a particular sponsor, as well as College policies and procedures.
4. **Seek expert advice, contact colleagues.** It’s a good idea to allow others, in your field and outside of your field, to review the technical part of your proposal to make sure that they understand what you are trying to convey.
5. **Contact program officer(s).** It is important to contact program officers to ask questions, send abstracts, etc. to ensure that your project is aligned with the sponsor’s mission.
6. **Develop budget.** If there is any time away from teaching while conducting the research (sabbatical, course release, junior year leave, etc.), please make an appointment with the Dean of the Faculty to obtain approval. Also, discuss the time away with your Department Chair. Sponsored Research can help with budget development and provide information related to benefit rates, indirect cost rate, student rates, and other institutional figures needed for the budget forecasts.
7. **Complete internal routing form and submit proposal to Sponsored Research.** The routing form is required to be submitted well ahead of a deadline. This form will ask pertinent questions related to your project for approval purposes. Signatures are required with each submission. Please contact Sponsored Research for more information. The Office of Sponsored Research will route your proposal for signatures after you sign and obtain your Department Chair’s signature.

## Sources of Funding

**Government Funding:**

The federal government historically has been the largest sponsor of research activities at U.S. universities, providing roughly 60% of the U.S. research dollar. Funding in the STEM disciplines is provided by the National Institutes of Health, the National Science Foundation, Department of Defense, and other government agencies. Funding in areas such as education, arts, and the humanities is provided through agencies such as Department of Education, National Endowment for the Arts and National Endowment for the Humanities. This is not a comprehensive list. There are many funding agencies, both federal and state, which fund numerous research, education, training, travel, and other areas of scholarship.

**Private (non-government) Funding:**

Private sponsorship can be obtained from many sources, to include foundations, corporations, associations, voluntary agencies, and community groups. Philanthropic organizations fund programs which either address their individual interests or benefit a particular group.

The Office of Sponsored Research and the Office of Foundation and Corporate Relations often consult with each other, as well as the PI/PD of a prospective proposal to a private sponsor, to determine which office is best suited to work with the PI/PD on the proposal. Factors taken into consideration are the type of sponsor, nature of the activity (e.g., research, programmatic, instruction, etc works with Sponsored Research, while institutional initiatives fall mainly with Foundation and Corporate Relations).

## How to Identify Types of Funding

**External Funding**

There are several publications, websites, email notices, subscription services, etc. which inform research communities of available funding opportunities. Most of these funding communications reflect special announcements, upcoming funding opportunities and limited submission deadlines/information. The College of the Holy Cross has a few subscriptions to these announcements and email lists that assist faculty in learning about available opportunities. These are listed below. We suggest contacting our office first before you begin your search for funding. We may be able to assist in narrowing down the many options available. The OSR’s [Funding Opportunities](http://www.holycross.edu/office-sponsored-research/funding-opportunities) web page contains links to many federal and non-federal funding opportunities both by sponsor and by discipline.

* *[Grants.gov](http://www.grants.gov/)*

Current program announcements for all federal funding opportunities can be found on Grants.gov, the federal government's portal for Electronic Research Administration. Access [http://www.grants.gov](http://www.grants.gov/) to search for federal funding opportunities. The College of the Holy Cross is already registered as an institution and individual registration is not required.

* [*The Grant Advisor*](http://holycross.edu/office-sponsored-research/funding-opportunities/grant-advisor)

The Grant Advisor provides subscribers with a monthly PDF newsletter with upcoming funding opportunities. The Grant Advisor also includes a searchable database of grant and fellowship opportunities. This newsletter is distributed by e-mail to faculty at the beginning of each month.

* [*Grant Watch*](http://www.grantwatch.com/)

GrantWatch.com provides subscribers with the most grants for nonprofits and small businesses.

[**Internal Funding**](http://holycross.edu/office-sponsored-research/internal-funding) **- Faculty Research and Teaching Support at Holy Cross**

Faculty research, publication, curriculum, and professional development are supported by the College through a number of offices, special programs, awards, and in-house grants.

The OSR works with the Committee on Faculty Scholarship to announce, review and select internal grants and awards for the following opportunities:

<https://apps.holycross.edu/facProgApp/login>

<https://www.holycross.edu/office-sponsored-research/internal-funding>

*Batchelor (Ford) Summer Faculty Fellowship*

This fund makes available a limited number of summer faculty fellowships*.* Each award carries a stipend of $4,000 for the summer plus up to $300 in support of special expenses. All faculty on tenure or tenure-track appointments are eligible.

*Faculty Fellowships for Tenured Faculty*

A limited number of faculty fellowships are awarded each year to provide an opportunity for tenured faculty members to pursue scholarly work or professional development. Awards are salaried leaves of absence for one semester or the academic year.

*Research and Publication*

Funding is available to support a wide variety of research and scholarly activities (non-salary expenses). Applicants are limited to two applications and a maximum award of $3,000 annually.

*Williams Career Development Grant*

Designed to support tenured faculty members who are looking to make a professional transition or advance, defined broadly. This may include, but not limited to, a new book or artistic project, a new research area, creation or development of a significant new project in research or pedagogy, or a new level of engagement with service or administration. The proposal can be up to 3 years, with a maximum budget of $5,000.

*Mary Louise Marfuggi Faculty Award for Outstanding Scholarship*

Annual award established to honor a member of the faculty for outstanding achievement in the creation of original work in the arts and sciences. It is granted to a faculty member based on his or her original work that might include, but not limited to, books, major research publications, major musical compositions, major works of art, and major presentations of scholarly or creative work. This award is based on nominations from Department Chairs or faculty members and is open to all tenured faculty. The Committee on Faculty Scholarship reviews the nominations and makes recommendations to the Deans of the Faculty and the Provost and Dean of the College.

## Types of Proposals

**1. *Pre-proposals***

A pre-proposal (aka: white paper, letter proposal, preliminary proposal, pre-application, or concept paper) is generally a short 1-5 page description of the proposed project. It does not normally involve a commitment of college resources. A pre-proposal may include a total cost estimate but does not include a budget. It is not expected to result directly in an award. A pre-proposal establishes communication between the sponsor and the applicant to determine whether a full proposal should be submitted and to obtain advice that will improve the proposal's chance of success.

If a sponsor requires the signature of an institutional official on the pre-proposal and/or requires the commitment of College resources (i.e., facilities, staff, students, cost share, etc.) at the pre-proposal stage, then the investigator is required to route the pre-proposal through the College proposal routing process. In those cases where proposal submission is delegated to the College, the Principal Investigator should confirm with the Office of Sponsored Research as to whether College-level approval is required at the pre-proposal stage. **NOTE:** In cases where a pre-proposal is submitted via an electronic system by an institutional official (e.g., Grants.gov, Fastlane), the pre-proposal must be processed through the College proposal routing process. **In cases where an individual is allowed to submit a proposal to a sponsor without institutional approval, the College requires OSR be notified ahead of submission in order to comply with any unanticipated institutional requirements or obligations that you may not be aware of as a condition of a possible award.**

**2. *Solicited Proposals***

Funding agencies request formal proposals by publishing a specific program announcement called a solicitation. They may be announced through an RFP (Request for Proposal), RFQ (Request for Quotation/Qualifications) or RFA (Request for Application). Proposals submitted in response to these work statements may contain specific terms and conditions and formatting requirements. Researchers can respond to the program announcement by writing a proposal that meets the sponsor’s program guidelines. Deadlines may occur annually or several times a year, depending on the sponsor.

After proposals are submitted for review to the sponsor, most are reviewed through a six-month competitive peer review process.

**3. *Renewal and Continuation Proposals***

A competing renewal proposal (also called a competing continuation) is a request for continued funding of a project for which funding is about to terminate. These proposals are similar to "new" proposals and must be routed and approved in the same manner.

Non-competing continuation proposals, which requests the next year’s funding within a multi-year grant, generally consist of a progress report, budget, and other relevant materials such as research results, reprints, vitae for new personnel, etc. Sometimes they may include a financial status report indicating the unobligated balance for the current year. It is important to read the appropriate guidelines carefully, as federal sponsors are eliminating some requirements in their efforts to reduce paperwork and streamline their processes.

In some cases, sponsors require the signature of the institutional official on the application page of non-competing continuation proposals, and investigators are required to route non-competing continuation proposals through the College proposal routing process, even if a budget is not required. This is to ensure that appropriate College officials are informed of the current status and any changes from the original proposal before the institutional endorsement is provided.

**4. *Supplemental Proposals***

Supplemental proposals request additional support of a funded project. Examples of this type of funding include the National Science Foundation [Research Experience for](http://www.nsf.gov/funding/pgm_summ.jsp?pims_id=5517&amp;from=fund) [Undergraduate](http://www.nsf.gov/funding/pgm_summ.jsp?pims_id=5517&amp;from=fund) (REU); [Research Opportunity Award](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf07041) (ROA); [Research Experience for](http://www.nsf.gov/funding/pgm_summ.jsp?pims_id=503658) [Teachers](http://www.nsf.gov/funding/pgm_summ.jsp?pims_id=503658) (RET) and the National Institutes of Health [Research Supplements to Promote](http://grants.nih.gov/grants/guide/pa-files/PA-12-149.html) [Diversity in Health-Related Research](http://grants.nih.gov/grants/guide/pa-files/PA-12-149.html) program.

**5. *Unsolicited Proposals***

Unsolicited proposals are investigator-initiated projects submitted to a sponsor but not in response to a specific solicitation. The area of activity should be of interest to the sponsor. It is very important to establish a relationship with the sponsor in which you are trying to receive funding.

**6. *Consortium/Joint Proposals and Subawards***

Projects that involve PIs at more than one institution, submit multi-institutional proposals or collaborating proposals. Depending on the sponsor, some proposals are joint proposals where each institution submits their own budget, budget justification, biosketches, etc. while the rest of the proposal (project summary, project description, scope of work) is the same and is submitted as one proposal that is linked together electronically. The preference in recent years has leaned to collaborative proposals versus a lead/subaward model due to the ease of administration of those awards.

In cases where the majority of the scope of work is completed at one institution, that institution will be designated as the lead institution. The lead institution accepts full funding and responsibility for the performance of the project from the sponsor. Subaward agreements are then issued to transfer part of the work and appropriate funds to the other participating institution(s). Generally, all conditions imposed by the sponsor on the lead institution are also imposed on the subawardee(s). All subawards, both to and from Holy Cross, are negotiated by the Office of Sponsored Research. When Holy Cross is the lead institution, OSR requires a statement from each participating organization that includes a full budget and scope of work, signed by an authorized institutional official. When Holy Cross is the subawardee, the information (scope of work, budget, etc.) is sent to the lead organization and must be processed as a proposal through the College routing process prior to submission.

**7. *Limited-Submission Proposals***

Occasionally, sponsors announce program funding and limit the number of proposals that may be submitted by each institution. The Office of Sponsored Research distributes information related to these programs to faculty, detailing the specific guidelines and sponsor limitation information.

Information regarding these announcements and the College’s Limited-Submission Procedure can be found later in this handbook and on the OSR web site under procedures. However, please be aware that OSR may not identify every opportunity available. Anyone who wishes to apply to a limited submission Request for Proposal that has not been announced, please contact the Office of Sponsored Research as soon as possible.

Solicited proposals must be routed through the appropriate College administrative channels for approval before submission of the proposal to the sponsor.

##

## Proposal Preparation

The way a proposal is packaged is largely dependent on the sponsor’s requirements. Most sponsors have developed policies and procedures for the submission of proposals. The use of specific application forms or electronic web-based systems is common. Many have page limitations on narrative sections, bio sketches/CV, budgets, budget justifications, and more, so it is very important to meet all of these requirements. Applications not conforming to sponsor formatting requirements may jeopardize the proposal’s success. Principal Investigators should obtain the most recent version of the sponsor’s application guidelines and should follow the required proposal format. Guidelines or URLs should be forwarded to the Office of Sponsored Programs, along with the application for review well in advance of the due date of the proposal to facilitate timely internal review and processing.

Successful proposal development is a team effort that involves cooperation among faculty colleagues and the administrative staff of the College. The Office of Sponsored Research staff will provide assistance in proposal budget development and are qualified to interpret the guidelines of numerous funding agencies. OSR can assist with proposal text related to administrative or institutional data and can proofread narrative sections, if needed. In addition, OSR can assist in the completion of sponsor and institutional forms. OSR reserves the right to withdraw the application if the terms of the grantor do not meet Holy Cross standards, policies and guidelines.

When you have identified an opportunity that you would like to pursue, it is important to contact the Office of Sponsored Research at that time, as the proposal development process may take two to three months or longer to meet an expected due date depending on the sponsor, guidelines and project budget. Revised applications and renewals usually take less time but still can be a major effort and should not be underestimated. OSR cannot guarantee submission of a proposal by a deadline unless sufficient time is provided for the internal review and approval process. It is requested that at least a week is provided PRIOR to the deadline to review, route and submit a final proposal.

Please see Appendix I for information regarding The Components of a Proposal and Time Away from Teaching, etc.

# PREAWARD ISSUES

## Cost Sharing and Matching

At times, sponsored projects require Colleges/universities to participate in supporting the costs of a project. Any participation in funding the costs of a project is considered "cost sharing." When cost sharing is expressed as a ratio it is sometimes referred to as matching. For Federal grants, the terms cost sharing and matching are used interchangeably and are subject to the same federal regulations. Reference: [Code of Federal Regulations](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl): Title 2: Part 200 – [Uniform Administrative Requirements, Cost Principles, and Audit](http://www.ecfr.gov/cgi-bin/text-idx?SID=2f9e2a98fe2874f7d59d054256356101&amp;node=2%3A1.1.2.2.1&amp;rgn=div5) [Requirements for Federal Awards](http://www.ecfr.gov/cgi-bin/text-idx?SID=2f9e2a98fe2874f7d59d054256356101&amp;node=2%3A1.1.2.2.1&amp;rgn=div5) (see Section 200.306). In accordance with the Requirements, solicitations/announcements must state whether there is a required cost sharing, matching or cost participation without which an application would be ineligible or award possible. When cost sharing is not required, the announcement must explicitly state this as well.

Federal cost principles require that cost sharing contributions meet all of the following criteria:

* are verifiable from the recipient’s records
* are not included as contributions for any other Federal award
* are necessary and reasonable for accomplishment of project or program objectives
* are allowable under Subpart E – Cost Principles of the Uniform Requirements
* are not paid by the Federal government under another award
* are provided for in the approved budget when required by the Federal awarding agency

The cost sharing requirement can be expressed as: (1) percentage of the Principal Investigator's level of effort or; (2) number of hours of the Principal Investigator's time; or percentage of total sponsor-funded costs; or (4) as an absolute dollar amount. Usually, the College meets its cost sharing requirement by contributing direct labor and associated fringe benefits, plus indirect costs. For projects awarded at less than the negotiated indirect cost rate, the College may include the difference between the negotiated and the awarded indirect cost rate as cost sharing with the prior approval of the Federal awarding agency.

**Proposals should include cost sharing only to the extent required by the program**. Some investigators believe that they will improve the competitive advantage of their proposal if they promise generous amounts of cost sharing. The investigator must consider that, if an award is made on the basis of a proposal that includes excess cost sharing, the proposed cost sharing in excess of the required amount becomes a legal obligation. After the award, failure to deliver the promised cost sharing may cause a sponsor to demand a refund for the unmet cost sharing and may constitute a violation of the terms of the award so serious as to provide grounds for debarment or suspension.

The cost of College equipment purchased before the start date of the project, yet made available for use on the project, may not be included as cost sharing. It is appropriate to describe College equipment available for use on the project in the Facilities section of the proposal. The value of loaned equipment must not exceed its fair rental value.

The source of funding for the proposed cost sharing should be identified before the proposal is routed.

## Types of Cost Share

***Mandatory Cost Sharing***

Funding, either required by the terms and conditions of the award or by federal statute, that requires a College contribution toward the project as a condition of receiving the award.

***Voluntary Committed Cost Sharing***

A cost associated with a sponsored project and supported with College and/or other non-sponsored funds, which was identified in the proposal, but was not required or funded by the sponsor. It is important to note that, under Federal research proposals, voluntary committed cost share is **not** expected or allowed.

***Voluntary Uncommitted Cost Sharing***

A cost associated with a sponsored project that is not funded by the sponsor, and was not committed in the proposal or in any other communication to the sponsor. This includes effort of faculty or senior researchers that is over and above that which is committed and budgeted for in a sponsored agreement.

***In-kind/Matching***

Sometimes, by some sponsors, grant funds are required to be matched in some proportion with funds from another party, either from the College or another sponsor. Matching can be in the form of actual cash expenditure of funds or an “in-kind” match, which is the value of non-cash contributions to the project. In-kind or matching contributions made by a party other than Holy Cross require documentation from that third party that supports the use of the funds as in-kind/matching and may require a certification of fair market value from the party providing the match.

## Program Income (Proposed)

Some sponsors/applications ask the PI to describe and estimate expected program income. Program income is income generated by activities of a project, where part or all of the cost of the activity is either produced as a direct cost of the grant or counted as a direct cost towards meeting a cost sharing or matching requirement of a grant. Examples of program income include: collection of fees for services performed during the grant, proceeds from sale of property (e.g., instructional materials), usage or rental fees, and conference registrations. There are several options for the accounting treatment of program income which will be addressed further in this document. The award document will identify which option applies to your project. [Section 200.307](http://www.ecfr.gov/cgi-bin/text-idx?SID=2f9e2a98fe2874f7d59d054256356101&amp;node=2%3A1.1.2.2.1&amp;rgn=div5%232%3A1.1.2.2.1.4.29.8) of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards provides administrative guidance regarding program income.

## Conflict of Interest (COI)

The College supports and encourages relationships which may advance academic research. However, potential, perceived, and actual conflicts of interest must be managed to avoid favoritism or the appearance of such in an Investigator’s activities and responsibilities, in order to protect the integrity of the research and the College.

Currently, both the National Science Foundation (NSF) and the Public Health Service (PHS) require Investigator(s) to disclose significant financial interests. Guidance regarding the disclosure process for both NSF and PHS can be found on the OSR site under [Financial Conflict of Interest](http://www.holycross.edu/office-sponsored-research/office-sponsored-research/research-responsibilitycompliance/financial-conflict-interest). The College of the Holy Cross has contracted with the Collaborative Institutional Training Initiative (CITI) at the University of Miami to provide COI training. CITI is a web-based training program with content developed by a national consortium. The CITI COI program will ensure appropriate training and documentation related to COI requirements. CITI can be accessed at the following link: <https://www.citiprogram.org/>

## Transferring from another College/University

When a faculty member transfers to the College of the Holy Cross from another institution, the former institution will close out its agreement with the sponsoring agency. The sponsoring agency will then award a new agreement to Holy Cross. The first step in transferring an agreement is for the relinquishing institution to notify the sponsor of the remaining balance and the new end date. The PI should work with their former institution to determine the remaining balance of the agreement. The investigator will submit a proposal from Holy Cross to the sponsoring agency in the amount of the remaining balance. Many Federal agencies have special forms for both the relinquishing institution and the institution to which the award is being transferred. In many cases, this process can be completed electronically.

## Revised Budgets

On occasion, a sponsor will fund a proposed project at an amount different from what was originally proposed and will ask the investigator to submit a "revised" budget supporting the amount to be funded. All revised budgets must be reviewed by the Office of Sponsored Research to ensure the budget revisions are calculated correctly and are allowable according to the policies and procedures of the College. If the sponsor reduces the budget, the investigator must determine how the originally proposed scope and objectives of the project will be affected by the revision. If the reduction in the budget is significant, the scope of work may be affected and therefore must be rewritten to coordinate with the new budget.

# REGULATORY REVIEW

## Export Control

Federal regulations and sanctions promulgated and enforced by various federal agencies including the **Department of Commerce** - Export Administration Regulations (**EAR**), the **Department of State** - International Traffic in Arms Regulations (**ITAR**) and the Department of Treasury - Office of Foreign Assets Control (**OFAC**) prohibit the unlicensed export of specific technologies and items and payments to certain entities and individuals for reasons of national security or protection of trade.

While most research conducted on U.S. College and University campuses is excluded from these regulations under the Fundamental Research Exclusion, if College research involves specified technologies, the EAR and/or ITAR may require the College to obtain prior approval in the form of a license from the appropriate agency before allowing foreign nationals to participate in the research, partnering with a foreign company and/or sharing research - verbally or in writing - with persons who are not United States citizens or permanent residents. The consequences of violating these regulations can be quite severe, ranging from loss of research contracts to monetary and criminal penalties for the individual and/or organization violating these regulations. Please note that export control regulations may also apply to projects that are non-research in nature.

## Hazardous Materials/Hazardous Chemicals/Biohazards

Hazardous materialsare any chemical or biological agent that may cause a physical or health hazard to persons exposed to them. Use and disposal of hazardous materials are governed by many Federal, State and local agencies. Hazardous chemicalsare defined as any chemicals that exhibit a physical or health hazard. Examples of such chemicals are flammable liquids and solids, corrosives, oxidizers, and any chemicals that are considered toxic such as heavy metals. The term "biohazards" generally refers to carcinogens, mutagens, teratogens, all microbiological agents and radiological hazards. Examples of materials that fall into the biohazard classification are viral, bacterial, and fungal agents, and chemical toxins. The [Laboratory and Studio Safety](http://www.holycross.edu/laboratory-and-studio-safety) website provides detailed information regarding these issues.

## Animal Subjects

The [Institutional Animal Care and Use Committee](https://www.holycross.edu/office-sponsored-research/office-sponsored-research/research-responsibilitycompliance/institutional-animal-care-and-use-committee-iacuc) (IACUC) oversees campus-wide animal care and use (research, testing, or educational) to ensure adherence to humane and ethical principles, as outlined in the Animal Welfare Act, Institute for Laboratory Animal Research "Guide for Care and Use of Laboratory Animals," and all other applicable public laws and local policies. Federal laws and regulations define and prescribe rules for obtaining, maintaining, transporting, and using animals for research purposes. Failure to comply with these rules and regulations can result in significant monetary fines and penalties, including the loss of federal funding for the College.

Investigators/Instructors using live vertebrate animals in such activities are required to submit an [Animal Subject New Protocol Form](https://www.holycross.edu/office-sponsored-research/office-sponsored-research/office-sponsored-research/research-responsibilitycompliance/institutional-animal-care-and-use-committee-iacuc/forms) for IACUC review and approval prior to project initiation and annual reports of protocol activities following approval.

Approval by the IACUC must be obtained before an animal research project can be conducted at the College. Most granting agencies do not require IACUC approval for submission of proposals, however approval is generally required prior to their funding of a project. Please feel free to contact the Chair of the IACUC or the Office of Sponsored Research with questions.

## Human Subjects

Consistent with requirements of federally sponsored research projects, the College of the Holy Cross safeguards the rights and welfare of human subjects involved in sponsored projects. Any project originating at Holy Cross which utilizes human subjects should be submitted for review to the College’s [Human Subjects Committee/Institutional Review Board (IRB)](https://www.holycross.edu/office-sponsored-research/office-sponsored-research/research-responsibilitycompliance/human-subjects-research) prior to initiation of the project.

Approval by the IRB must be obtained before a sponsored project including human subjects can be conducted at the College. Most granting agencies do not require IRB approval for submission of proposals, however approval is generally required prior to their funding of a project.

[Forms and Instructions](http://holycross.edu/office-sponsored-research/office-sponsored-research/office-sponsored-research/research-responsibilitycompliance/human-subjects-research/application-other-forms) for securing approval for sponsored projects involving human subjects may be obtained from the Office of Sponsored Research website. Please feel free to contact the Chair of the IRB or OSR with questions.

For individuals external to the College of the Holy Cross looking for approval to conduct human subject research using students from Holy Cross, IRB approval must be obtained by Holy Cross, as well as approval from the Campus-wide Sub-committee on Assessment and Planning.

## Responsible Conduct of Research

Responsible Conduct in Research (RCR) is critical for College of the Holy Cross faculty and students. With or without federal mandate, the institution embraces the opportunity to ensure students and faculty are responsibly and ethically conducting research.

The College of the Holy Cross encourages, but does not require, all investigators to complete [Responsible Conduct of Research](https://www.holycross.edu/office-sponsored-research/office-sponsored-research/research-responsibilitycompliance/responsible-conduct-research) (RCR) training. This training is currently dependent on sponsor requirements. The National Science Foundation and United States Department of Agriculture/National Institute of Food and Agriculture (NIFA) have specific requirements in relation to RCR training. If you have an NSF grant, all personnel are required to be trained. The CITI RCR program will ensure appropriate training and documentation related to RCR requirements. Please click on link above to access RCR instructions.

The College of the Holy Cross strongly encourages all faculty, postdoc and student researchers to take training in the responsible and ethical conduct of research**, regardless of funding source**,

to optimize their career paths and scientific contributions.

# SUBMITTING A PROPOSAL

## Routing and Submission of the Internal Proposal Routing Form

***Principal Investigator and Co-Investigators***

A completed internal routing form is required for every externally funded project application **regardless of whether the grant will be awarded to an individual or to the College**. By completing and signing the internal routing form for each proposal, the Principal Investigator and Co-PIs confirm that the information provided and corresponding proposal are accurate. When the project is funded, they agree to assume accountability for carrying out the conditions of the award. Internal routing forms and proposal cover pages further certify that neither the Principal Investigator nor anyone involved in this project is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency. The Principal Investigator will also certify whether the project involves an actual or potential conflict of interest or commitment, based on College policy.

The Principal Investigator is responsible for identifying the total costs of the project, sources of funding for cost sharing, and making arrangements for space and facilities. The investigator, by his/her submission of the cover form and application, is stating that he/she will meet the proposed level-of-effort if the project is funded. The Principal Investigator cannot begin research activity on the project until completion of the applicable administrative reviews and approvals (e.g., biohazards, recombinant DNA, animal subjects, human subjects, and conflict of interest) are in place. In addition, a signed award document should be completed before research commences.

***Department Chair***

By signing the routing form, the Department Chair or direct supervisor certifies that the Principal Investigator, to the best of the Department Chair’s knowledge, is capable of carrying out the proposed project. Also, if the project is funded, the Principal Investigator’s responsibilities within the department, depending on the specific project, will be adjusted to allow the investigator the time to commit the required effort to the project. The Department Chair’s approval signifies that space and facilities are available for the project should the proposal be awarded. The Department Chair will determine whether the project is consistent with the mission of the department and the College.

***Office of Sponsored Programs***

OSR will review the entire proposal to ensure compliance with program guidelines, federal/state regulations, and College policies/procedures. We also will provide feedback regarding edits, if requested, as well as suggestions to make your proposal more competitive. Keep in mind that OSR will be in a much better position to provide you with more thorough feedback and analysis of your proposal if you submit your final proposal well in advance of the deadline. We require at least one week (5 business days) prior to the deadline, but **recommend** contact with our office as soon as you are thinking about applying for an externally funded award. For proposals received after the five-day deadline, OSR will only review the budget and mandatory proposal requirements necessary for submission. Please visit the [Proposal Development](http://www.holycross.edu/office-sponsored-research/proposal-development) section of our website to complete an internal routing form.

***Dean(s) of the Faculty***

By approving and signing the routing form, the Dean(s) of the Faculty certify that the required resources will be available and that the PI, as well as the department, are capable of carrying out the proposed project. They also approve that the project is consistent with the mission of the College. Please allow sufficient time for routing proposals, keeping in mind that it may take several days for the various offices to review and sign off on the proposal. OSR will help organize, coordinate and obtain the Dean’s signature, as well as guide you through the process, and are able to notify you of any particular need to obtain these signatures more than a week ahead of a deadline.

NOTE: When the College of the Holy Cross is proposing to serve as a subawardee or subcontractor on a proposal being submitted by another institution, routing of the College’s portion of the proposal (including the Holy Cross budget and budget justification) and institutional approval **is required**. In many cases, the institution submitting the proposal will request a letter of intent/collaboration, as well as a Sub-Recipient Form (Financial Certification) to be signed. A letter of intent can be originated from the Office of Sponsored Research. A Sub-Recipient Form, in most cases, can be completed by OSR but will need to be prepared and signed by the Director of Finance and Assistant Treasurer, hence sufficient time is important since it involves collaborating with the Finance Office.

## Electronic Submission of Proposals

Please note that proposals submitted electronically must also be routed through the College system. Sponsored Research will not approve electronic proposals without first receiving a completed and approved routing form.

It is highly recommended to allow extra time for unforeseen problems when submitting proposals electronically. Note that OSR cannot guarantee submission of a proposal by a deadline unless sufficient time is provided for the internal review and approval process.

## Mailing a Proposal

While the large majority of proposals are now submitted electronically, for those that require a hard copy submission, the Office of Sponsored Research work with the Principal Investigator to duplicate and mail the proposal to the sponsor. Be sure to note whether the due date for your proposal is the date of postmark or date received at the sponsoring agency.

## Summary of Responsibilities for the Principal Investigator

* keep track of pending support
* keep track of available and committed staff on projects
* compliance training of all staff on projects
* propose budgets based on actual costs
* identify source of funding for matching or cost sharing, if applicable
* disclose conflicts-of-interest, if appropriate
* coordinate special approvals, along with OSR:

DNA, radiation safety, biohazards, hazardous waste, human subjects, animal subjects

* obtain signatures of any Co-PIs and Department Chairs in the routing process
* schedule adequate time for writing, preparing, routing of proposals

## Responsibilities of the Office of Sponsored Programs (and College-level Designees)

* assist with funding opportunity searches
* meet with faculty to discuss potential projects
* assist in interpreting sponsor guidelines and fulfilling application requirements
* consult and assist in all phases of budget design and preparation
* review proposals for consistency with federal, institutional and sponsor guidelines and requirements
* coordinate routing process after Department Chair signature
* consult with the Finance Office, and any other office on campus regarding questions that may arise in the routing process
* submit proposal to sponsor
* coordinate any budget revisions or questions/comments from sponsor after submission

# AWARDS/SETTING UP THE ACCOUNT

The College considers the narrow schedule that a Principal Investigator is under once a project is awarded and does its best to minimize the amount of time it takes to set up a Fund to allow for expenditures. The Finance Office sets up an account/fund in the financial system after receiving a copy of the fully executed award document (e.g., purchase order, grant, contract). These documents are forwarded by the Office of Sponsored Research.

\*For Types of Agreements, see Appendix B.

## Pre-award Costs

Pre-award costs are those costs that a Principal Investigator may incur before the effective date of the project. Most sponsors require their approval before charging pre-award costs to the project. A provision for pre-award costs in the terms of the agreement/contract is the most acceptable documentation of sponsor approval. A letter/email from the contracting officer or grant officer approving pre-award costs is also acceptable.

Many Federal grants are awarded under the terms of expanded authorities. Call the Office of Sponsored Research if you are unsure whether or not your project will be awarded under expanded authorities. Expanded authorities allow the College to incur project costs up to **90 days** before the effective start date of the project. The costs to be incurred must be necessary for the conduct of the project and must be allowable under the potential award. If pre-award costs are anticipated, please be sure to notify the Office of Sponsored Research. As a general rule of thumb, pre-award costs and approval at the College of the Holy Cross should be made on a case by case basis and is NOT a normal practice for the College. Please contact OSR if pre-award costs are necessary for your project.

# SPENDING THE AWARD

## Principles of Sponsored Project Support

The majority of externally sponsored funding at the College of the Holy Cross is provided by the federal government. Cost accounting principles for higher education grantees are established by the federal Office of Management and Budget (OMB). The [Uniform Administrative Requirements](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl), Cost Principles, and Audit Requirements for Federal Award provides the basis for determining applicable direct and indirect costs ([Subpart E](http://www.ecfr.gov/cgi-bin/text-idx?SID=ac866d8f28e17bf4cefe73f6843893dc&mc=true&node=sp2.1.200.e&rgn=div6)); sets forth the maximum administrative requirements that institutions must adhere to (noting that individual federal agencies are required to implement these requirements as individual agency regulations, such as the NSF Grant Policy Manual or the NIH Grants Policy Statement (Subpart D); and establishes audit requirements and defines federal responsibilities for implementation and monitoring such requirements for institutions receiving federal awards. These requirements are applicable to state, local and Indian tribal governments, *institutions of higher education (IHE’s)* and non-profit organizations.

## Allowable Direct Costs

The most important questions to ask in determining whether a cost is allowable are:

* *Can the cost be specifically identified with the project relatively easily with a high degree of accuracy?*
* *Is the cost reasonable?*
* *Is the cost given consistent treatment on all sponsored funds as well as non-sponsored funds?*
* *Does the cost conform to the terms of the award, College policy, State law, and Federal law?*
* *Is the cost generally recognized as necessary for the performance of the sponsored agreement?*

## Proposal Costs

Proposal costs are the costs of preparing proposals or bids on potential Federal and non- Federal sponsored agreements or projects, including the development of data necessary to support the institution's proposals or bids. Proposal costs may **NOT** be directly charged to a sponsored project Fund.

## Rebudgeting

The budget is an estimate of the spending plan for the project. The actual spending pattern may vary from the categorical budget breakout. The terms of your award will dictate how much the actual project expenditures can vary from the cost categories of the award budget.

For grants awarded under the terms of Expanded Authorities (NSF, NIH, etc.), the investigator is not limited by the categorical breakout of the budget, unless the deviation from the budget represents a change in scope or objectives or if a significant part of the research is being transferred outside the College (usually in the form of a subaward). As a rule-of-thumb, the NIH Agency-Specific Terms state that a deviation in a budget category of more than 25% of the total award may indicate a change in the scope or objectives of the project. Some agencies have a lower threshold so we recommend contacting the Office of Sponsored Research for clarification of your particular award terms and conditions.

***Sponsor Prior Approval***

Requests for sponsor approval of budget deviations and requests for sponsor approval of specific items of cost should be addressed to the grants officer or contracts officer, with a copy to the program officer. All written inquiries to sponsors requesting prior approval should cc the Office of Sponsored Research. If requested, the OSR will contact your grant officer on your behalf.

# PERSONNEL COSTS

## Effort Reporting

Typically, two-thirds of the direct cost budget for research grants and contracts consists of personnel costs or services. Due to sponsor regulations and the unstructured nature of research, accounting for the effort of personnel assigned to grants and contracts requires more attention than for other academic activities. Sanctions for noncompliance can be serious, including criminal charges, debarment, and suspension. The following information is intended to inform Department Chairs and Principal Investigators of their responsibilities for ensuring compliance.

Federal cost principles allow the direct charging of personnel costs to project accounts, provided that the following requirements are met:

1. Employee's effort directly benefits the project.
2. Personnel costs are reasonable and necessary in order to reach project objectives.
3. Personnel costs are treated consistently, in accordance with policies of the institution.
4. Agreement terms/Federal cost principles do not prohibit charging the personnel costs.

The important point is the salaries and wages charged to a project must represent the proportionate share of effort that directly benefits the project. The College of the Holy Cross payroll and effort reporting procedures comply with the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The College has chosen an "After-the-Fact Activity Record” method which provides reasonable assurance that the charges are accurate, allowable and properly allocated.

Effort certifications are processed three times a year, one each semester and another covering the summer period. This process is administered by the Finance Office.

## Fringe Benefits

Fringe benefits (employee-related expenses) are charged to the project fund at a fixed rate, depending on the classification of the employee, in accordance with the College’s DHHS-approved Rate Agreement. Actual charges for FICA, retirement, insurance, and other benefits are not charged to the project fund, but are charged to a Fringe Benefit Pool Fund. This method of charging fringe benefits by a federally-approved fixed rate simplifies budgeting and accounting for personal services on sponsored agreements. See the College of the Holy Cross Proposal Preparation Information Sheet on the [Proposal Development](http://www.holycross.edu/office-sponsored-research/proposal-development) section of the OSR website for current rates.

# OTHER OPERATING COSTS

## Consultants and Speakers

It is important to differentiate an "employee" from an "independent contractor" before engaging a consultant or speaker. Please contact the Office of Sponsored Research or the Finance Office for assistance in determining the difference. The IRS website [https://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Independent-Contractor-Self-Employed-or-Employee](https://www.irs.gov/Businesses/Small-Businesses-%26-Self-Employed/Independent-Contractor-Self-Employed-or-Employee) can also provide assistance.

## Entertainment vs. Meeting Expenses

Entertainment costs on sponsored projects are unallowable.

Sometimes it’s difficult to determine the difference between unallowable entertainment charges and legitimate project-related meeting expense. Auditors and agency regulations apply a conservative interpretation of the cost principles. Therefore, the College requires that meeting and conference expenses directly charged to sponsored projects must be supported by documentation that the activity is directly-related to the project charged, and that the primary purpose of the activity is the dissemination of technical information.

Examples of acceptable documentation include: a line item in the approved project budget for the meeting or conference, narrative in the proposal referring to the meeting or conference, a published agenda, and correspondence with the sponsor. Sponsored funds are not to be spent for meals or coffee breaks for intramural meetings of the institution or any of its components, including, but not limited to, laboratories and departments.

## Administrative Costs

Subpart E (Cost Principles) of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards guidance on the treatment of certain administrative costs.

The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Inclusion of such costs on a proposal budget may be appropriate only if all of the following conditions are met:

1. Administrative or clerical services are **integral** to a project or activity;
2. Individuals involved can be **specifically identified** with the project or activity;
3. Such costs are **explicitly included** in the approved budget or have the prior written approval of the sponsor; and
4. The costs are not also recovered as indirect costs.

**Computing devices** under $5,000/unit may be direct charged to a project or activity under the following circumstances:

1. The machines are **essential**\* and **allocable** to the project in that they are necessary to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information.
2. The project does not have reasonable access to other devices or equipment that can achieve the same purpose; devices may not be purchased for reasons of convenience or preference.
3. Items costing more than $5,000 per unit are considered equipment and follow federal equipment rules for when they can be direct charged.

\*Note that Investigators are responsible for determining whether or not the device is “essential” and to what extent the cost of the device is allocable to the sponsored project. Investigators should maintain documentation that describes how the proposed computing device meets the above requirements.

## Subject Pay

Budgets for research projects involving [***human subjects***](https://www.holycross.edu/office-sponsored-research/office-sponsored-research/research-responsibilitycompliance/human-subjects-research) may provide for payments to the subjects for participating in the research. Payments to human subjects/research participants must be approved by the Institutional Review Board (responsible for the approval of human subject research).

**Forms of payment for Holy Cross (cash, gift card, etc.)**. For payments of $50 or less that are one-time payments, PIs can request cash advances from the Finance Office or the PI can pay out of their pocket and later submit for reimbursement. Payments over $50, or multiple payments to individuals are paid through Accounts Payable. Gift cards for subject payments are allowable. Please remember to check sponsor guidelines, some sponsors limit payment mechanisms. It is also important to be consistent with the payment methods that were written in the proposal at the time of submission. Please contact the Finance Office with any questions regarding subject payments. Human subject payments (cash, gift card value, etc.) paid during a calendar year are only issued a 1099 if the total reaches $600 or more.

There may be cases where payment to a small percentage of participants through a random drawing can be justified. Such drawing incentives must be randomly designed with responsibility for oversight resting with the Principal Investigator.

## Participant Support Costs

Participant support costs are direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (**but not employees**) in connection with conferences or training projects. Participant support costs are excluded from the College of the Holy Cross indirect cost base. The Principal Investigator should confirm that participants are eligible participants prior to payment of stipends.

Participant support costs are not Research Participant Incentive Payments (Subject Pay).

***Payment of Participant Support Costs***

In most cases, payments to participants should not be made via Holy Cross payroll; rather, payments to participants should be made through Accounts Payable.

Please contact the Finance Office for questions regarding payments to participants on an award.

## Travel

It is expected that travel charges to a project will be consistent with the policies of the College in relation to [travel policies and procedures](https://www.holycross.edu/sites/default/files/files/policyprocedure/adminfinance/340000-002financial-employeetravelandexpense_policy_0.pdf). Please note that federally funded air transportation is generally required by the “Fly America Act” to use only U.S. flag air carriers.

**Equipment**

Sponsor guidelines and terms of the award dictate the restrictions on the purchase of capital equipment. Before purchasing equipment on a sponsored account, the Principal Investigator must determine that the College does not have the equipment in its inventory available for use on the project. The College definition of equipment is*: an article of non-expendable, tangible personal property having a useful life of more than one year and an acquisition cost of $5,000 or more*.

The amount to be charged as "capital" is the cost of the asset, including the cost to put it in place. Capital expenditure for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as sales tax, shipping and installation costs are included as part of the capital expenditure.

## Subawards

Sponsors require prior approval before the College can transfer substantive programmatic work to a third party, by subcontracting or any other means. In some cases, this approval must be sought after an award has already been issued. In these cases, the Principal Investigator should work with the Office of Sponsored Research to ensure that all documentation is complete and submitted in accordance with sponsor requirements (for example, the National Science Foundation requires that the request be submitted through the Notifications/Requests module in the Fastlane system).

* Subaward:
* Used to procure substantive programmatic work under a grant or contract.
* Subrecipients:
* are responsible for programmatic decision making and measurable performance requirements as defined in their work statement
* must adhere to federal regulations (as appropriate)

During the period of a subaward, the Principal Investigator will review and approve the subcontractor's invoices by signing “Approved” and then will forward the invoice to the Finance Office for review and payment. The Principal Investigator is responsible for monitoring the technical progress of the subcontractor and for ensuring that all technical requirements have been met. The Finance Office reviews the invoice for allowability and allocability to the approved budget and sponsor guidelines.

# FACILITIES AND ADMINISTRATIVE (INDIRECT) COSTS

Facilities and Administrative (F&A) costs are those that are incurred for common or joint objectives, and therefore, cannot be identified readily and specifically with a particular sponsored project, instructional activity, or other institutional activity. Examples of F&A costs include general office supplies and expenses, administrative and clerical expenses, and expenses related to the management of the institution (President’s Office, Dean’s Office, Office of Sponsored Research, Finance Office, Library, etc.).

The College of the Holy Cross DHHS Federally-approved F&A rate agreement reflects the current rates in place for campus research, instruction and other sponsored activities. The Holy Cross F&A rate is based on Salaries and Wages (S&W) which consists of all salaries and wages, excluding fringe benefits. Please see the [Proposal Development](http://www.holycross.edu/office-sponsored-research/proposal-development) section of our website, listed as Proposal Preparation Information for current rates.

# FISCAL RESPONSIBILITIES

## Recordkeeping

In general (and primarily related to Federal awards), a sponsor requires record retention for three years from the date of submission of a final expenditure report. However, some sponsors require a longer retention period.

## Account Management

The Principal Investigator assumes full responsibility for all activity on the account. The Principal Investigator is responsible for ensuring that all disbursements from an award are:

* for the legitimate purpose of the account;
* allowable per the terms of the award;
* authorized in accordance with College policies, State and Federal laws and regulations;
* charged to the appropriate account code;
* within the available funding term for the award.

The Principal Investigator also ensures:

* immediate action is taken to resolve the errors or discrepancies on the award, and to follow up to ensure that errors are corrected; and file copies of supporting documentation for all activity processed on the award is maintained for at least three years after the final closeout of the project (unless required to maintain for a longer period of time based on sponsor requirements).

The Office of Sponsored Research and the Finance Office will assist you in these efforts.

## Cost Transfers

It is extremely important that all expenditures be initially charged to the appropriate account and Principal Investigators and others involved in administering an award should seek to ensure that expenditures are recorded correctly. If it does become necessary to transfer expenditures from one account to another, and if either of the accounts is a contract or grant fund, the process of moving the expense needs to be properly justified. An explanation for why it was charged to the wrong account must be stated in writing, as well as why it now belongs on the new account.

## Program Income (Actual)

Income earned that is directly generated by the sponsored project or earned in whole or in part as a result of the award is called program income (examples include fees for services performed, the sale of commodities or items fabricated under an award, conference registrations, etc.). Program income is subject to Federal regulations and must be separately accounted for. The project director must deposit and account for the program income through a separately established fund.

Unless Federal awarding agency regulations or the terms and conditions of the award provide otherwise, the College has no obligation to the Federal Government regarding program income earned after the end of the project period.

## Carry-forward of Unobligated Balance to Continuation Year

Please refer to the terms of the award and sponsor guidelines to determine whether you are authorized to carry-over an unobligated balance to the continuation year.

For grants awarded under Expanded Authorities, funds remaining at the end of one budget period (except the final budget period) are automatically carried over to the next. Since the carryover of unobligated balances is automatic, no separate or specific awarding agency prior approval is required to authorize use of the funds. The awarding agency may ask the investigator for an explanation of excessive carryover balances (generally, in excess of 25% of total funding for the budget period).

## Financial Status Reporting

The Finance Office will assist in the preparation of financial status reports for sponsors, according to the terms of the award.

## Cash Management

It is important to note that entering a budget into a account and payment terms are two separate issues. The budget is set up at the beginning of the budget period; cash is received throughout the budget period in accordance with the payment terms established within an award document and dependent upon the agreement type (cost reimbursable or fixed price).

## Invoicing

The Finance Office is responsible for preparing and sending invoices to sponsoring agencies.

## Letter of Credit

Most Federal grants and contracts are under the letter of credit method of payment. The Federal sponsoring agencies, e.g., DHHS, NSF, authorize a line of credit for the College to draw funds against the accumulated expenditure activity from the agency.

## Bad Debts

Creating a budget for sponsors in unstable financial condition or sponsors with an unknown or questionable credit history should be limited to cash as it is received. Principal Investigators should consider the risk of default when setting up the terms for payment and budget approval. If the Principal Investigator is aware of any information about a sponsor that is relevant to determining the risk of default of payment, whether for a proposed project or for a currently awarded project, it is the Principal Investigator’s responsibility to report the information to the Office of Sponsored Research and to the Finance Office.

# TECHNICAL RESPONSIBILITIES

***Data Ownership***

The policy of the funding agency, as stated in the award document, governs ownership of data. It is the responsibility of the Principal Investigator to read the conditions of his/her grant or contract. The Office of Sponsored Research is happy to assist in interpreting language, if needed.

***Access to and Retention of Scientific Research Protocols and Data/Research Conduct***

Both the PI and the College have responsibilities and, hence, rights concerning access to, use of, and maintenance of original research data. Consistent with the precepts of academic freedom and intellectual integrity, the PI has the primary authority to make judgments involving the use and dissemination of the data. Any disputes regarding access to data should be settled at the lowest possible level, if circumstances permit. Otherwise, each dispute should go before the appropriate College reconciliation committee.

Each PI is ultimately responsible for the maintenance and proper retention of research records. These records should include sufficient detail to permit examination for the purposes of replicating the research, responding to questions that may result from unintentional error or misinterpretation, establishing their authenticity, and confirming the validity of the conclusions.

Each PI should maintain a research manual that describes all major procedures. Correspondence with institutional review committees and records of the use of controlled substances and radioactive materials should be maintained as part of the research record in accordance with governmental, regulatory, and College policies.

A system of data organization should be adopted and should be communicated to all members of a research group and to the appropriate administrative person.

Where feasible, all original primary data are to be retained by the PI or by his or her designee. Accepted practices for retaining data vary among disciplines and depend on the perishability, nature, and logistics of retaining each type of data. Each investigator should treat data properly to ensure authenticity, reproducibility, and validity and to meet the requirements of relevant grants and other agreements concerning the retention of data. Primary data should be reserved for a reasonable duration to ensure that any questions raised by the researcher, colleagues, or readers of any published results can be answered.

***Research Misconduct***

The College believes that the academic community must do everything within its power to ensure integrity in scholarship and research, and as part of that responsibility has in place detailed procedures for dealing with allegations of misconduct in a timely and fair manner. Please refer to the Faculty Handbook for more information on the Policy on Scholarly Misconduct.

## Changes in the Project

***Change in Key Personnel***

Whenever there is to be a significant change in the level of participation in the approved project by the project director, program director, or Principal Investigator, the College must notify the awarding agency as soon as such information is known. Significant changes in level of effort is defined as relinquishing active direction of the project either permanently or for a continuous period of more than three months or a 25 percent reduction in time devoted to the project. Since approval of a project has, to some extent, been based on the participation and/or qualifications of the named key personnel, the awarding agency requires notification and the option to approve or disapprove alternate plans for conducting the activity.

***Change in Scope or Objectives***

Approval from the awarding agency is required for a proposed change in the scope of work or objectives under a study or the specific aims of the project stated in the proposal or agreed modifications. When in doubt, it is best to err on the side of over-communicating with your agency program officer.

***Changes in Timeframe***

Approval of the sponsoring agency is required for changes in the effective date, termination date, and due date for deliverables or technical reports.

***Change in the Effective Date***

Pre-award costs are those costs that are incurred before the effective date of the project. Most sponsors require their approval before an investigator may charge pre-award costs to the project. A provision for pre-award costs in the terms of the contract is the most acceptable documentation of sponsor approval. A letter from the contracting officer or grant officer approving pre-award costs is also acceptable.

Many Federal grants are awarded under the terms of Expanded Authorities. Contact the Office of Sponsored Research if you are unsure whether or not your project is awarded under Expanded Authorities. The terms of Expanded Authorities allow the College to incur costs up to 90 days before the effective date of the project. The costs to be incurred must be necessary for the conduct of the project and must be allowable under the potential award. The Principal Investigator (and department) assumes responsibility for covering the obligations and expenditures in the event that the award does not come through. Again, pre-award costs are NOT a normal practice at Holy Cross. Please contact OSR with any questions.

***No-Cost Extension***

Extending the termination date of the project or the due date for deliverables or technical reports requires sponsor approval.

For most grants awarded under Expanded Authorities, the College has the authority to extend the termination date one time, for a period up to one year beyond the original termination date. The Principal Investigator may request a no-cost extension for a grant under Expanded Authorities by contacting the Office of Sponsored Research.

***Please note that using up the remaining balance of the grant is not an acceptable justification for extending the termination date.***

No-cost extensions to projects do not increase the amount of the College’s original fiscal obligation (e.g. cost sharing). The no-cost extension does, however, extend the time period during which the College may perform the work.

***Procedure for Requesting Sponsor Approval***

All requests for changes in the project must be countersigned (or cc’d in an email) by an institutional representative before the investigator mails or emails the sponsor.

# PROPERTY ADMINISTRATION

The property clause of the sponsored agreement or the applicable agency guidelines will specify the title-holder of equipment purchased with sponsored funds or equipment received from the sponsoring agency. When federal funds are used to acquire equipment, it is important that the Principal Investigator understand the approved use and accountability differences between federally-titled equipment and College-titled equipment purchased with federal funds. When an award is established the Office of Sponsored Research, along with the Finance Office, can work with the PI to review all policies and procedures related to the purchase of equipment, if supported by an external grant.

##

# THE END OF THE PROJECT

## Allowable Expenditures near the End of the Project

Where a funding period is specified in the award document, the investigator may charge the project for only allowable costs resulting from obligations incurred during the funding period and any pre-award costs authorized by the awarding agency. Investigators must consider the lead time required in ordering goods; items must be delivered and used for the benefit of the project. Auditors will review expenditure activity at the end of the project period. A large amount of orders placed at the end of a project may give the appearance of spending up the available budget balance for goods to be used for future research. This is called "stockpiling" and is NOT allowable.

## After Project End Date

Valid post-termination expenditures are those charges that post to the account after the end date (within the closeout period specified by the sponsor), but actually occurred before the end of the project. Some examples are:

* Payroll for hours worked prior to the end date, but paid and posted after the end date.
* Long distance telephone charges (which usually lag one month) for services provided within the performance period.
* Liquidation of valid purchase orders (that were encumbered in the College system prior to the end date.
* Expense transfers and corrections of errors (Departmental transfers, Salary and Wage Transfers) that either move expenditures, or transfers allowable expenditures to the account.

The Finance Office will review all post-term expenses for validity. Detailed backup documentation may need to accompany post-term expenses in order to evaluate and determine the direct benefit to the project.

## Termination before the End Date

A project may be terminated by the sponsor, the College, or by mutual agreement of both the sponsor and the College. The award agreement and/or agency regulations specify the process for terminating a project before the end date. If you receive a notice of project termination, please contact the Office of Sponsored Research.

## Transfer Project to another College/University

When the Principal Investigator on a research project transfers from the College of the Holy Cross to another institution, the project, under the same Principal Investigator, may be supported at the new institution. The first step is for Holy Cross to "relinquish" its interests and rights in the grant. The investigator will be asked to estimate the amount of unobligated funds remaining on the project. This figure will be verified by the Office of Sponsored Research, in collaboration with the Finance Office. The corresponding faculty department head will be requested to provide concurrence and approval for the transfer. After receiving the relinquishing statement from the College, the sponsor will terminate the grant with the College of the Holy Cross and establish a grant with the new institution for the remainder of the project.

The process is the same for non-Federal sponsors. Holy Cross will "relinquish" its interest in the grant and return unexpended funds to the non-Federal sponsor. The sponsor will then establish an agreement with the new institution.

When the amount of time and funds remaining in a project are modest, and if both the College and the new institution are in agreement, the College may issue a subaward to the new organization for completion of the project. Sponsor approval and the approval/assignment of a replacement Principal Investigator are required before a subaward may be issued. In no event will funds be transferred from the College of the Holy Cross to the new institution without sponsor approval and a subaward.

Gift funds and funds remaining at the end of a fixed-price contract are considered College funds and are not available for transfer to the new institution.

Equipment purchased with sponsored funds for use on a specific project normally remain available for use for the duration of the project. Principal Investigators who are in the midst of projects that included funding for equipment and who will continue the project at a new institution with sponsor support may arrange to have the equipment transferred with them. Approval of the Department Chair, Dean of the Faculty, and the Property Administrator is required before the equipment may be transferred.

## Final Financial Report

A final financial report is required for most cost-reimbursement contracts and grants. The Finance Office prepares the financial report and submits the report to the sponsor. Most sponsors require the final financial report within 90 - 120 days of the termination date of the project, depending upon which government regulation the award falls under. In the case of projects with the College and subawards (for which Holy Cross is not the prime recipient of the funds), the date for the submission of the final financial report varies but is normally between 30 to 60 days following the termination date of the project.

## Final Technical Report

The Principal Investigator is responsible for preparing and submitting the final technical report to the sponsor. Please send Sponsored Research a copy of the final report to complete the file as final and complete. If the final technical report is late, the sponsor will contact Sponsored Programs and, for some sponsors, there may be consequences related to future funding or submission of new proposals by the investigator. In some cases, these repercussions can have an adverse effect on the College by limiting awards to the College as a whole; thus submission of timely reports is critical.

## Refunds to Sponsor

At the end of a cost-reimbursement project, the Finance Office will refund to the sponsor cash received in excess of expenditures (if any).

# APPENDIX I – THE COMPONENTS OF A PROPOSAL/TIME AWAY FROM TEACHING

The sections of a proposal are mostly uniform and slightly differ sponsor to sponsor:

* Transmittal Letter/Cover Letter
* Application Page (or Title Page)
* Summary/Scope of Work/Abstract
* Table of Contents
* Introduction or Background
* Technical Description/Narrative

-prior results

-proposed research methodology

-significance

-references cited

* Personnel
* Current and Pending Support
* Facilities/Equipment
* Budget
* Budget justification
* Vitae/CV
* Other appendices/Letters of Support

***The Application Page (or Title Page)***

The Application Page includes the following information:

-Project title

-Sponsor program # (Identifying number)

-Sponsor Name

-Sponsor Address

-College of the Holy Cross Name and Address

-Dollar amount requested

-Start date and End date

-Amount requested

-Signatures of PI, Co-PI, Director of Sponsored Research, Department Chair, Dean of the Faculty, Director of Finance and Assistant Treasurer (usually not all of these but a combination)

***Summary/Scope of Work/Abstract***

The summary or scope of work is a very condensed version of the proposal or total scope of work, written in non-technical language, and usually just a paragraph or two. Most scope of work statements are limited in word length. It should concisely state the significance of the project, what will be accomplished and how it will be accomplished. This is normally the first section read by a reviewer and is vital in creating a favorable first impression. Proposal writers often write the summary last, after writing the narrative. The summary should contain broader impacts and intellectual merit as separate sections.

***Introduction or Background***

Some RFP’s may request a general description of the College. The Holy Cross website provides a brief description and other general information. Please see [About Holy Cross](http://www.holycross.edu/about-holy-cross) on our website.

***Technical Description/Narrative***

The most important element of the proposal is the technical description or narrative. This section describes the objectives and scope of the project. Knowing the amount of requested financial support, define the objectives and scope accordingly. Objectives in the complete scope of work/narrative that are too broad or ambitious might give the impression that it is not possible to complete the project at the awarded level of funding. Conversely, if the scope and objectives are defined too narrowly, the investigator runs the risk of project activities being considered outside of the proposed scope. In either case, the complete scope of work/narrative must be clear enough to define the responsibilities of the Investigator(s) and the funding obligations of the sponsor.

***Current and Pending Support***

Most sponsors, and federal sponsors in particular, are interested in investigator(s) pending support for related projects, as well as evidence of an investigator’s current commitments/support. The term "pending support" is defined as all outstanding proposals, including the one you are submitting. Proposals that have been formally rejected or withdrawn are not included as "pending" support. It is appropriate to indicate in your proposal, if there is overlap in the Current and Pending Support section, plans for withdrawing other pending support or other scenarios which will remediate the overlap. In some cases, percentage of effort can be reduced.

***Facilities/Equipment***

A description of the facilities available for use on campus for the project should be included in the Facilities section. Major items of equipment should be described and special technical support facilities, such as computing equipment, and access to electronic/machine shops should be mentioned. This information will assist the reviewers in determining the capabilities of the organization to perform the scope of the project. The Office of Sponsored Research has a very comprehensive statement already written which describes the facilities at Holy Cross. This statement can easily be incorporated into your proposal, with your addition of any equipment or materials specific to your department.

***Budget***

All proposals must use the appropriate Office of Sponsored Research spreadsheet(s). These are uniform, already formula-populated spreadsheets designed to provide baseline information. Please contact our office for assistance and budget spreadsheets. The proposed budget is the PI’s best estimate of financial support needed to perform the scope of work of the proposed project. Careful formulation in this area is important, as the proposal budget may become the award budget and be binding on the institution. Investigators must use best efforts to gain vendor price quotes or use some other reasonable cost basis as support for budgeted items such as equipment, supplies, etc. Unallowable costs, as defined by the specific guidelines applicable to your sponsor, must not be included in your proposed budget. Inflation increases (not to exceed 3%) may be used for out-years of the project depending on sponsor guidelines. Sponsored Research can assist you in preparing your budget.

Principal Investigators are encouraged to follow the sponsor's guidelines precisely and provide information in the format as specified in the proposal guidelines. Budgets that are underestimated are often the primary cause of budget overruns. Any additional expenses, unable to be covered by the award that have not been budgeted properly at the proposal stage, become the responsibility of the Principal Investigator, Department Chair and the College as a whole. These situations are unpleasant for all involved. The Office of Sponsored Research is available to assist investigators in developing budgets that are consistent with College policy and agency requirements in order to avoid cost overruns.

A detailed budget or spreadsheet must accompany each proposal submitted to the Office of Sponsored Research for review and approval. This budget is used for internal planning and review purposes to verify that items have been categorized appropriately and that salaries, benefits and Facilities and Administrative (F&A) calculations are correct.

**Budget Sections:**

*Salaries and Wages* - payment for academic year or summer time allocated to a sponsored project.

Effort: Project personnel may not work more than 100% of their time, nor can they be paid more than 100% of their base salary rate. The total allocation of time to College teaching, service, and research activities may not exceed 100%. Faculty may request reimbursement for academic year release time and summer salary.

* Academic Year Release Time: Release time is time away from teaching, service, and/or administrative responsibilities by the College to conduct research or other activities during the academic year. Faculty members must receive prior approval of their Chair and the Dean of Faculty when applying for release time. Release time for faculty is usually expressed in terms of percentage of effort and is based on academic salary. A proposal will not be routed for signatures until the Dean of the Faculty approves the request for release time. After discussing your plans with your Department Chair, please schedule an appointment to see the Dean of the Faculty to obtain approval. This approval will need to be in writing to the Office of Sponsored Research before proposal budget preparation.
* Course Release: One course release is equal to 12% of your annual base salary. As with release time, faculty members must receive the approval of their Chair and Dean of the Faculty when asking for course release(s), and a proposal will not be routed until this approval is in writing from the Dean of the Faculty to OSR.
* Summer Salary: Faculty on a standard 9 month appointment can receive up to 2 months of compensation for sponsored programs each year. If more than 2 months is requested from a sponsored program, please contact the Office of Sponsored Research. Some sponsors have a 2/9th’s rule that the College must adhere to.
* Other Project Personnel: Undergraduate research assistants/student workers and/or other technical personnel must be included in the budget when those costs are directly related to the project. Please contact the Office of Sponsored Research for rates related to these positions. The College must make sure that we are in compliance with federal and state regulations (minimum wage, etc.).
* Project Administration: Under the [Uniform Guidance](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl), in some instances, project administration (administrative assistants, etc.) may be an allowable cost provided such costs are integral to the project and the individuals involved can be specifically identified to the project or activity. *Such cases must be explicitly stated in the budget and have the prior written approval of the awarding agency. These situations are rare. It is best to contact Sponsored Research for guidance.*

*Fringe Benefits –* these are direct costs associated with salaries and wages and include:

FICA (Social Security); unemployment insurance; insurance for medical, dental, life, retirement,

long-term disability and employee liability coverage; and worker's compensation. The College of the Holy Cross adheres to the following government negotiated fringe rates:

For the period of 07/01/16 to 06/30/18:

|  |  |
| --- | --- |
| Faculty Academic Year (Including course release, sabbatical, etc.): | 34.8% |
| Full-time Staff: | 34.8% |
| Faculty Summer: | 9.2% |
| Students (Summer):  | 9.2% |

*Note: student wages do not carry benefits during the academic year*

*Travel -*  All travel allocable to the project should be itemized. Travel expenses for domestic and foreign travel should be listed separately. List states or countries to be visited and dates of travel (if known), and justification for travel. Domestic per-diem travel rates can be estimated using [U.S. General Services Administration (GSA) Rates](http://www.gsa.gov/portal/content/104877); foreign per-diem travel rates can be estimated using [State Department Rates](https://aoprals.state.gov/web920/per_diem.asp). Please note that most government agencies require the use of a domestic carrier for travel both in the U.S. and abroad, except under very specific circumstances. For more detailed information see the [Fly America Act](http://www.gsa.gov/portal/content/103191). Travel to conference explanations should list the name of the conference and location, when possible. For mileage rates, please see the Proposal Development section of the Sponsored Research website, under [Proposal Preparation Information](http://www.holycross.edu/office-sponsored-research/proposal-development).

*Equipment:* Often defined by a funding agency, for Holy Cross purposes, capital equipment is defined as a tangible article that has a useful life of more than one year and an acquisition cost of $5,000 or more. Any request for equipment should be clearly justified in the proposal budget justification. It is important to collect quotes for all equipment requested.

*Supplies:* Identify all consumable supplies needed forthe project. Supplies are defined as items

of expendable equipment that do not meet the definition of permanent equipment. These include laboratory supplies, chemicals, and computer supplies. Some sponsors will request itemization (Rate x Qty.) for these types of costs. On federal grants, computing devices are treated as supplies provided their cost is less than $5,000. Computing devices are those devices that acquire, store, analyze, process, and publish data and other information electronically, including accessories (or peripherals for printing, transmitting and receiving, or storing electronic information.

*Publication:* If a publication is one of the expected results of the project, a brief synopsis of the

expected publication content and its costs should be detailed.

*Facilities and Administrative (F&A) Costs or Indirect Costs*: These are expenses related to research that cannot be easily identified with a particular sponsored project, instructional activity, or any other institutional activity. These costs are classified under two broad categories.

* Facilities (depreciation and use allowances, equipment, operation and maintenance, and

library expenses)

* Administrative (general, sponsored projects, departmental, and school administration, and

student administration and services)

F&A is normally an element of every proposal budget, unless it is unallowable by the sponsor. Sometimes a lower rate than the negotiated rate is allowable. The College of the Holy Cross federally negotiated F&A rate is 54% of salaries and wages excluding fringe benefits.

**Some Common Examples of Allowable and Unallowable Costs on Federal Grants/Contracts**

|  |  |
| --- | --- |
| **Allowable** | **Unallowable** |
| Summer Salary, AY Release/Course Release | Alcoholic Beverages |
| Undergraduate Wages | Advertising (unless recruitment of personnel) |
| Fringe Benefits | General Office Supplies or General Equipment |
| Equipment | Gifts |
| Travel | Foreign Travel (unless approved by sponsor) |
| Materials/Supplies | Housing and Personal Living Expenses |
| External Consultants/Subcontractors | Entertainment Costs |

***The Budget Justification***

Most sponsors require you to submit a budget justification (or budget narrative) in addition to an itemized budget. This allows you to explain the need for each line item, as well as show the breakdown of calculations used to arrive at the amount in each line of the budget.

|  |
| --- |
| **\*Helpful Tips\*** |
| * When constructing a budget justification, follow the same order as in the itemized budget or sponsor's budget form, so reviewers can easily compare the two documents.
* Check to see if the sponsor limits the page length for the justification.
* Be sure everything in your budget and budget justification is referenced in the proposal description/narrative as well. Also, make sure everything mentioned in your proposal description that would incur cost is explained in the budget and budget justification.
* Double-check what expenses the sponsor will and will not allow, as these differ from sponsor to sponsor.
* Remember, all costs must be REASONABLE, ALLOWABLE, and ALLOCABLE:
	+ Reasonable refers to actions a prudent business person would employ.
	+ Allowable refers to costs that may be charged to a grant or contract.
	+ Allocable refers to costs that are necessary for the success of the project.
* Investigators should state very clearly what they intend to accomplish. Proposals are often rejected because of vagueness in the research questions posed or jargon that is overused or misused. In the proposal, it is important to persuade reviewers of the project’s merit and investigator’s ability to carry out the research. PIs should include any preliminary research data.
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|  |

# APPENDIX II – TYPES OF AGREEMENTS

***Restricted Gift***

Restricted gifts are donations of money or property that must be used for a specific purpose, such as faculty recruitment, equipment purchases, student financial assistance, or research (other than project research). The award document for a gift usually takes the form of a letter to the College, written by the donor. Restricted gifts are administered by the Office of Advancement.

***Grant***

A grant is one of several mechanisms used to support a specific activity, or project, under the direction of a Principal Investigator. Typically, sponsors award grants on a competitive basis to recipients responding to a sponsor's program announcement. A grant award instrument is used when the principal objective is to accomplish a public purpose. The scope of work and expected outcomes are less defined than a contract. Grants are associated with "assistance" type of funding and the contract is associated with "procurement." The grant award agreement is generally a short document (often an email) referencing a standard set of regulations, e.g., National Science Foundation. In the case of a fellowship or a scholarship, those are typically hard copy letters from a foundation. A grant acceptance may require a College signature.

In a cost-reimbursable award, the sponsor agrees to pay for all allowable costs incurred by the College in the process of doing the work or research up to an agreed upon maximum. If the project costs less to complete than the original amount budgeted, the sponsor is obligated to reimburse the College only up to the allowable costs of the project.

***Memorandum of Agreement***

A memorandum of agreement (also referred to as a memorandum of understanding) is a written agreement to identify the working relationships and guidelines between collaborating or partnering entities. It details common understandings; clarifies the type of support to be provided; and defines the rights and responsibilities of each party.

***Contract***

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

***Fixed-price Award***

A fixed-price award commits the Principal Investigator(s) to a defined scope of work for a set sum; that is, the sponsor pays the College a fixed sum to complete a specific job, regardless of actual cost. The Principal Investigator is obligated to perform the work specified in the award and to complete that work in accordance with the negotiated time schedule. The sponsor is obligated to pay the specified price, regardless of the actual costs of completing the project. Balances after the project is complete, and accepted, remains with the College.

***Purchase Order***

Companies use a purchase order as a mechanism for buying goods and services. In many cases, purchase orders contain terms and conditions that the College cannot accept. The Office of Sponsored Research will negotiate any terms and conditions unacceptable to the College.

***Subawards/Subcontracts***

Subawards/subcontracts are issued under a larger grant or contract agreement, where a portion of the scope of work is delegated to the College of the Holy Cross. These agreements are typically subject to the terms and conditions of the prime award.

***Material Transfer Agreement (MTA)***

A material transfer agreement is a legal agreement entered into by a provider and a recipient of research material. Research material can include biological materials, plant and plant tissues, hazardous, toxic or radioactive compounds. MTA's are reviewed, negotiated, and signed by the Risk Management Officer before the transfer of research material has occurred. Please contact the Office of Sponsored Research for guidance.

**Negotiating Agreements**

The administrative process for awards begins in Sponsored Research. The sponsor will send the grant award document to the Office of Sponsored Research. If it does not require a College signature, Sponsored Research will send the appropriate documentation to the Finance Office to establish an account for expenditures. OSR will also notify the Principal Investigator about the award, if they are not already aware. An email notification will be sent to the PI from the Finance Office with account information. OSR is available to sit down with a PI, along with a representative of the Finance Office, to discuss the requirements of the award, how to go about expenditure processing, and answer any questions.

If the award instrument requires a College signature, or if specific terms or conditions are involved (e.g., contracts, some purchase orders), Sponsored Research will review and negotiate terms directly with the sponsor.

**Signing Agreements**

Principal Investigators are not authorized to sign agreements on behalf of the College. If the terms of the agreement are standard, the College of the Holy Cross Authorized Signatories will sign the documents, generally within 1-3 days.

If the sponsor's signature is present on the agreement and if there are no changes to the agreement, OSR will sign for the College, forwarding one original, fully-executed agreement to the sponsor, with a copy to the Principal Investigator. If changes to the contract are required, OSR will work directly with the sponsor to address the changes before signing the contract.

If the sponsor’s signature is not present on the agreement and if there are no changes to the agreement, OSR will sign for the College and return the original documents to the sponsor for signature. In some cases, and dependent upon sponsor requirements, signed agreements may be scanned/emailed between the parties to expedite the process. When the sponsor returns the fully-executed agreement to the College, Sponsored Research will forward a copy of the fully-executed agreement to the PI and the Finance Office.