

# RENSSELAER POLYTECHNIC INSTITUTE

## GUIDE TO SPONSORED PROGRAMS

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# Rensselaer Polytechnic Institute

## Guide to Sponsored Programs

### INTRODUCTION

The federal government continues to fund a major portion of sponsored programs at Rensselaer, with industry and state government support also at substantial levels. Each sponsor has regulations that must be followed. At the same time, Rensselaer has its own policies affecting sponsored programs. The Guide describes the procedures to follow and the resources available to help you meet both internal and external requirements.

The Guide presents basic information about sponsored programs. If you need further guidance or interpretation or are dealing with a complex issue that requires a more detailed analysis, we encourage you to contact the Research Administration and Finance (RA&F) office for assistance.

### PART I - DIVISION OF RESPONSIBILITIES

A sponsored program award supporting a specific project usually contains requirements and restrictions on the activities to be performed, expenditure of funds, and fiscal and technical reporting. Responsibility for complying with requirements is shared by the project director and administrative offices at Rensselaer.

#### 1.1 Principal Investigator

The Principal Investigator (PI) is the individual responsible for carrying out a project as proposed. This person may also be called the Project Director or Program Director (PD). Rensselaer expects the PI to use all reasonable "best efforts" to comply with the terms, conditions, and policies of both the sponsor and Rensselaer, including routine monitoring of the administrative and financial aspects of his/her awards, timely submission of all required reports and processing of internal transactions. The PI is eligible to receive incentive allocations on research projects. In summary, the principal investigator is responsible for:

- proper technical conduct of the research effort
- compliance with the terms and conditions of the sponsored agreement
- managing project funds within the approved budget
- timely completion and submission of required technical reports
- complying with the all university and sponsor policies and procedures pertinent to the award

#### Co-Principal Investigator

Two or more individuals sharing the PI's responsibilities are called Co-Principal Investigators (Co-PIs). In general, the number of Co-PIs should be kept to a minimum. When more than two Co-PIs are involved, one person should be designated as the lead PI to serve as the technical contact with the sponsor and to authorize documents sent to the sponsor. Co-PIs share incentive allocations.

#### PI Eligibility

Generally only Tenured Faculty, Tenure Track Faculty and Full-Time Permanent Research Staff are eligible to be a PI/Co-PI on a research project. Exceptions must be approved by the Vice President for Research.

## Co-Investigator

Rensselaer uses the term Co-Investigator for faculty or professional staff who perform a significant role in the project but who are not responsible for directing the project. Co-Investigators do not receive incentive allocations.

### 1.2 Office of Vice President for Research

The Office of the Vice President for Research provides infrastructure and research support for the development of research programs and projects. Support services are offered for faculty seeking research opportunities, research proposal and budget preparation, and guidance on research management and intellectual property policy.

### 1.3 Responsibilities of the Department, Center and School

Sponsored research is conducted as a school center and department function. As such, the schools, departments and centers associated with an award are expected to monitor its fiscal status and assist the principal investigator in resolving problems. *The departments receiving facilities and administrative (F&A) costs return from the award are also responsible for covering any costs incurred beyond the award amount, or any expenditures disallowed as the result of an audit.*

### 1.4 Research Administration and Finance

Research Administration and Finance (RA&F) is the office authorized to sign and submit proposals on behalf of Rensselaer and to represent Rensselaer in the negotiation and administration of sponsored program awards.

RA&F coordinates sponsored program administration for Rensselaer, working closely with administration, faculty, and sponsors. RA&F assists in the preparation of proposals; reviews and endorses proposals and awards; negotiates appropriate award terms and conditions; and recommends and implements policies and procedures regarding sponsored programs.

RA&F also establishes expenditure funds when awards are received and is responsible for reporting expenditures to and obtaining payment from sponsors. RA&F helps process financial transaction requests and answers questions about monthly expenditure reports.

### 1.5 Other Administrative Offices

The **Payroll Office** handles employee and student payroll and answers questions regarding salary and wage payments. They are also responsible for time and effort reporting.

The **Purchasing Department** is responsible for procuring all goods and services from external vendors, including those purchased with sponsored project funds.

Small Business Procurement Services (SBPS) seeks out and identifies capable small businesses, HUBZone, disadvantaged, women-owned, veteran & service-disabled businesses and provides them opportunities to compete for services and/or commodities purchased by Rensselaer.

The **Office of Property Administration** is responsible for tagging new equipment and the relocation, transfer, trade-in, cannibalization, and sale of movable equipment and related component parts. Questions regarding the fabrication of specialized equipment or test facilities

should be addressed to this office.

The **Office of Technology and Commercialization (OTC)** provides support to researchers and members of the campus community relative to intellectual property and commercialization.

The **Office of Human Resources (HR)** oversees the hiring of temporary or permanent employees on a sponsored project. Detailed information on hiring policies and procedures is contained in the Policies and Procedures for Human Resource Management at Rensselaer.

The **Corporate, Foundation and International Advancement Office (CF&IA)**, assists in partnering Rensselaer researchers with corporations and foundations in the U.S. and abroad.

## **1.6 Sponsored Programs and Gifts**

At Rensselaer, RA&F administers sponsored programs, and the Development Office manages gifts. The intent of the awarding agency and the legal obligation incurred by the Institute in accepting the award are the primary factors determining whether an award is a gift or a sponsored program.

### **Gift**

A gift is a donation that is bestowed voluntarily and without expectation of any tangible compensation by the donor. Although gift funds may be designated for use by a specific unit or for a general program area, the donor has no control over the scope of work or content of publications resulting from the project for which the money was donated. Unspent funds do not have to be returned to the donor at the end of the award period, and expenditures are not generally subject to donor audit.

### **Sponsored Program**

A sponsored grant or contract is a legally binding written agreement between the Institute and the sponsor. The sponsor may require delivery of specific items, such as technical reports, data, software, and hardware, and may want to review publications for patentable and proprietary information. It may require financial reports, return of unspent funds, and external audit.

Questions on whether funding that has been proposed or received is a gift or a sponsored program should be directed to RA&F. RA&F will discuss the status with the Corporate, Foundation and International Advancement Office (CF&IA), should the need arise.

## **Part II: Institutional Policies Affecting Proposals**

Some situations require special review before a proposal can be submitted. In some cases supporting documentation regarding the special situation will need to be included in the proposal. Circumstances requiring special attention are outlined below. (Please refer to the Handbook for Academic Staff for guidelines regarding consulting and conflict of interest issues.)

### **2.1 Department, Center, and School Guidelines**

#### **Special Requirements**

Your department, center, or school may have special requirements regarding salary recovery, graduate student support, secretarial support, and other matters affecting direct and indirect costs. You are responsible for following these guidelines and discussing any relevant issues with

the appropriate individuals, so that potential problems are resolved before your proposal is sent to RA&F for processing.

Interdisciplinary proposals involving more than one department, center, or school must be reviewed and approved by all involved entities. Budgeting and management issues should be discussed with the appropriate chairs, directors, and deans before your proposal is processed by RA&F.

Other areas of particular concern, explained below, should be noted on the RA&F's Proposal Information Sheet, which you complete when you transmit your proposal to RA&F for processing. RA&F's Project Information Form will be used to obtain approval signatures for items you have checked.

## **New Construction or Renovation**

If your project will require construction or renovation of existing facilities, discuss these needs with your chair, director, or Dean. With their approval, review your plans with Campus Planning and Facilities Design.

## **Space**

If your project will require space in addition to what is currently assigned to you, discuss this with your chair, director or dean and obtain provisional approval.

## **Hiring Staff**

If your project will necessitate hiring additional non-temporary personnel, discuss this with your chair, director or dean and obtain provisional approval.

## **Indirect Cost Waivers**

Any proposal requesting less than the full, applicable indirect cost rate must be approved by the Vice President for Research prior to submission.

## **Cost Sharing**

Proposed cost sharing should be discussed with and approved by the individuals responsible for the cost of the items being contributed.

## **2.2 Research Involving Human Subjects, Animals, Recombinant DNA, Radioactive or Hazardous Material**

Rensselaer complies with federal regulations for the protection of human subjects, vertebrate animals, and the use of recombinant DNA molecules. Rensselaer has established institutional review boards to review and approve all research activities, both on and off campus, involving these regulations. The Principal Investigator is responsible for contacting the appropriate office and obtaining required reviews and approvals. RA&F will complete all required certifications after institutional review and approval of the individual project. No award will be issued by sponsor until approval is received by the appropriate committee.

## **Human Subjects**

Rensselaer's Institutional Review Board (IRB) must review and approve any activity that will involve human subjects, including their use as respondents to questionnaires and surveys. You should contact the IRB Chair, who can provide a suggested outline for your protocol and an informed consent form and arrange a review of your project.

Review and approval should be completed before proposal submission, unless the sponsor allows a grace period.

Indicate the date your project was approved by the IRB on RA&F's proposal information sheet, which should be completed before processing by RA&F begins.

## **Vertebrate Animals**

Rensselaer's Institutional Animal Care and Use Committee (IACUC) must review and approve any activity that involves the use of vertebrate animals.

Most sponsors require completion of this review before proposal submission, but some allow a grace period of up to sixty days after submission.

Indicate the date your project was approved by the IACUC on RA&F's proposal information sheet.

## **Recombinant DNA**

Rensselaer's Biosafety Committee must review and approve each project involving Recombinant DNA prior to proposal submission.

## **Radiation and Nuclear Safety**

Rensselaer's Office of Risk Management is responsible for the review of regulations and procedures involving all uses of radioactive materials on campus. This office must review and approve each proposal involving radioactive materials or any source of ionizing radiation. In addition, any purchases of ionizing materials or machines producing ionizing radiation must be approved by this office. To obtain the necessary information, contact the Office of Radiation and Nuclear Safety affiliated with the Office of Risk Management and Loss Prevention.

## **Hazardous Materials**

Rensselaer's Office of Environmental Health and Safety is responsible for the review of plans for disposal of hazardous materials before any project commences. It is also responsible for laboratory occupational safety standards: training laboratory personnel in the proper use of chemicals, personal protective equipment, emergency response procedures, and material safety data sheets. The principal investigator is responsible for contacting the Office of Risk Management/OEHS to arrange for a review of plans and training personnel.

## **2.3 Protection of Proprietary Information**

It is your responsibility to determine if your proposal contains proprietary information that you want to protect. To protect sensitive or proprietary information, you need to label the paragraphs or pages of your proposal containing that information. RA&F will also check the proposal cover page's box regarding confidential information and will include the following statement in the cover

letter:

This proposal contains proprietary information as marked, and may not be disclosed to the public beyond the normal distribution necessary for proper review and evaluation for potential finding, nor used by the sponsor for any other purpose, without the express written consent of the principal investigator.

## **2.4 Intellectual Property**

It is Rensselaer's Policy that title to patents and copyrights developed under sponsored programs remain with Rensselaer (see Section 6.8). Contact The Office of Technology Commercialization (OTC) for further details, or see this website: <http://www.rpotechnology.com/>.

## **2.5 Sponsor Limitations on Proposals**

A sponsor may limit the number of proposals each institution may submit to a particular program. The Vice President for Research is responsible for determining which proposals will be submitted if the limit is exceeded.

## **2.6 Collaboration with Other Institutions**

### **Collaborative Proposals**

A collaborative proposal is one in which investigators from two or more organizations wish to collaborate on a unified research project. Collaborative proposals may be submitted in one of two methods: as a single proposal, in which a single award is requested (with subawards administered by the lead organization); or by simultaneous submission of proposals from different organizations, with each organization requesting a separate award. In either case, the lead organization's proposal must contain all of the required sections in a single package to be provided to the sponsor.

### **Submission of a Single Proposal**

If Rensselaer is the lead institution, the PI is responsible for obtaining the budget, institutional endorsement and any required sponsor forms from the subcontractor. The subcontractor should upload this information if electronic submission is required. If Rensselaer is a subcontractor, we will provide our information to the lead institution. The proposal should only be submitted after it is approved by each institution.

### **Simultaneous Submission of Proposals from Different Organizations**

Simultaneous submission of proposals that contain the same project description from each organization is sometimes appropriate. If it is an NSF FastLane submission, the project title must begin with "Collaborative Research." The lead organization's submission will include a proposal cover sheet, project summary, project description, references, biographical sketches, budgets, budget justification, current and pending support, and facilities, equipment and other resources for their organization. Non-lead submissions will include all of the above for their organization except the project summary, project description, and references. The following process must be completed for submission:

Each non-lead organization must assign their proposal a PIN. This proposal PIN and the temporary proposal ID generated by FastLane must be provided to the lead organization. The lead organization must then enter this information into the FastLane using the "Link Collaborative

Proposals" option found on the Fastlane "Form Preparation" screen. This linking process must be completed prior to submission of the lead and non-lead proposals.

## **Part III: Preparing a Proposal**

### **3.1 Identifying Funding Sources**

Sources of project support include federal, state, and local government agencies, private industry, private foundations, and non-profit agencies.

The Office of the Vice President for Research can also assist in locating funding opportunities.

### **3.2 Types of Proposals**

All proposals that call for institutional endorsement or commitments must be submitted through RA&F. The two common types of proposals are solicited and unsolicited.

#### **Unsolicited**

Unsolicited proposals are not submitted in response to a specific announcement or request. Although the sponsor may provide guidelines for proposal format, the PI determines the scope of work. The sponsor may accept unsolicited proposals at any time or may specify target dates by which proposals must be submitted to be included in a review cycle.

#### **Solicited**

Solicited proposals are submitted in response to a specific sponsor announcement which outlines project requirements and deliverables. Solicitations may be in the form of a Request for Proposal (RFP), Request for Quotation (RFQ) or Broad Agency Announcement (BAA). The solicitation may describe general areas of research for which proposals are being accepted or may specify the scope of work and the level of funding available.

RA&F needs to review the solicitation for:

- Instructions on proposal content and format budget guidelines, proposed contract terms and conditions.
- Terms and conditions specified in the solicitation are part of your proposal and will be incorporated into any resultant contract. Occasionally, legal review of these terms will be necessary and if any terms are unacceptable to the Institute, RA&F must notify the sponsor when the proposal is submitted.

### **3.3 Preliminary Proposal**

A sponsor sometimes requests a preliminary proposal so it can determine if there is sufficient interest in the area of research to warrant submission of a formal proposal. Pre-proposals may include a brief overview of the research problem and methodology, a list of project personnel, and sometimes an informal budget estimate.

Since sponsors may hold a subsequent award to the funding level suggested in your preliminary proposal, we highly recommend that you review preliminary budget estimates with your business administrator or RA&F grant administrator to make sure proper rates for salaries, tuition, fringe benefits, and indirect costs are used.

You do not have to submit a preliminary proposal through RA&F, unless it requires specific institutional endorsement or includes institutional commitments. However, once a pre-proposal is submitted, a copy should be forwarded to RA&F for information purposes. If you are not sure if a proposal should be submitted through RA&F, please contact us so we can determine the appropriate action.

If a pre-proposal results in an award, appropriate Institute approvals will need to be obtained before the award can be accepted.

### **3.4 Deadlines**

#### **Minimum Requirements for Research Administration & Finance to Review and Submit Proposals Electronically (Grants.gov or FastLane)**

##### ***Five (5) working days prior to sponsor imposed deadline:***

1. Completed Project Information Sheet, including designation of alternate PI if necessary
2. Preliminary Cost Estimate or budget
3. Final budget from all collaborators
4. Sponsor Announcement or Request for Proposal
5. Any Sponsor Terms and Conditions, if available
6. Cost Sharing details and approvals
7. Project Summary

##### ***Three (3) working days prior to sponsor imposed deadline:***

Complete proposal package, including:

1. Final budget
2. Final copy of proposal text, and copies of all appendices in sufficient number to comply with sponsor guidelines
3. For collaborative proposals, we need collaborator materials (final approved budgets on required sponsor forms, letters of support, bios, C&P, etc.) at this time.

### **3.5 Basic Parts of a Proposal**

Many sponsors provide proposal forms and specify proposal format in either a general proposal guide or in a specific solicitation. These guidelines are usually available from RA&F.

You will find that most sponsors want proposals to contain the following sections:

- Cover Letter - Prepared by RA&F in order to transmit the proposal
- Cover Page - Contains summary information & Endorsing signatures prepared by RA&F
- Table of Contents - Lists proposal sections and should be prepared by PI (or RA&F if final text is provided one day prior to submission)
- Project Summary - Self-contained description of project provided by PI
- Narrative Text - Statement of Work and detailed technical description provided by PI
- References - Literature Citations provided by PI
- Biographical Sketch - Provided by PI according to sponsor guidelines
- Budget - Cost Estimate - RA&F (based on information supplied by PI)
- Budget Justification - Explanation of budget items supplied by PI

- Subcontracts - PI should provide Cost Estimate, Work Statement and Organizational Commitment
- Current and Pending Support - Lists PI's proposals and awards from external sources. RA&F can provide this information from the database, however, PIs should review carefully and provide any changes to RA&F. If the sponsor requires a specific format, the PI is responsible for preparing the report in that format.

## **Sponsor Forms**

Proposals must use the forms or formats required by the sponsor. If the sponsor does not provide forms, RA&F will prepare a cover page and budget using our standard format.

## **Institutional Certifications**

The federal government requires us to submit a number of institutional assurances and certifications. RA&F prepares any/all required documents regarding:

- Lobbying
- Debarment and Suspension
- Misconduct in Science
- Non-Delinquency of Federal Debt
- Drug-free Workplace
- Affirmative Action
- Veterans, Disabled Veterans and Veterans of the Vietnam Era

## **Other Requirements**

Sometimes sponsors may require your proposal to include representations about your project, subcontracting plans, project spending plans, milestone charts, etc. RA&F will assist you in completing these documents.

Proposals submitted to the government which will result in the award of a contract that is expected to exceed \$500,000 (\$1,000,000 for construction), require that Rensselaer submit a subcontracting plan. If Rensselaer fails to negotiate a subcontracting plan acceptable to the contracting officer within the time limit prescribed, Rensselaer may be ineligible for award. Principal Investigators, or designated members of their staff, must contact RA&F and the Office of Small Business Procurement Services (SBPS) for assistance in developing subcontracting plans. The department submitting the proposal must participate in setting goals and in the attainment of goals should the proposal become an award. The PI or his/her designate will be required to initial the Subcontracting Plan indicating agreement with the plan and willingness to work toward meeting plan goals.

Any required institutional assurances regarding human subjects, vertebrate animals, biohazards, radioactive materials, and recombinant DNA will be completed by RA&F after the PI obtains approval of the appropriate Institute review committee (see Section 2.2).

## **3.6 The Budget**

Rensselaer seeks to recover the full cost of sponsored research, including both direct and indirect costs, from the sponsor. Only in this manner is Rensselaer able to use its other resources to support teaching and related activities.

## Direct Costs

Direct Costs are directly attributable and chargeable to a specific sponsored project or activity. Direct costs must be allowable by the sponsor and Rensselaer. . There are certain categories of costs that are generally not allowable to be charged to research projects. These include:

- **Administrative and Clerical Effort**
- **Office Supplies**
- **Local Telephone Costs**
- **Cell Phones and Pagers**
- **Postage Costs**
- **Photocopies**
- **Memberships**
- **General-purpose computers**—especially laptops—can be used to support a variety of activities and are rarely dedicated to one specific purpose. As a result, general-purpose computers and laptops are typically F&A costs and are seldom proposed in budgets or directly charged to awards.

Please refer to the Direct Charging Document on the RA&F website (<http://www.rpi.edu/dept/finance/docs/research/DirectCharging.pdf>) for additional information on these costs.

Standard direct cost categories are described in Section 2.6.

## Indirect Costs

Indirect Costs (also known as “Facilities and Administrative Costs”) are costs that are incurred by the Institute in general support and management of research, where these costs are not directly attributable to a specific project or activity. Indirect costs include depreciation of buildings and equipment, operation and maintenance (including utilities), departmental and general administrative research support, and the library.

## Rates

Rensselaer's standard indirect cost rates are negotiated with the Office of Naval Research. The four rates are:

- Research, on-campus
- Research, off-campus
- Other sponsored activities, on-campus
- Other sponsored activities, off-campus

In determining which indirect cost rate to use, the following guidelines should be followed:

The other sponsored activities rate should be used for educational projects where the primary focus of the work is for curriculum or classroom development or for other activities of a non-research nature. The research rate applies to all sponsored research activity.

The off-campus rate should be used when more than 50% of the work, and the cost associated with that work, is being performed at a facility other than on the Rensselaer campus. The on-campus rate applies to all other sponsored research.

Rates usually change each July 1 with the start of the fiscal year but sometimes they are approved for multiple years. Please call RA&F to obtain the current rates or go to our Rates Section on our website <http://www.rpi.edu/dept/finance/docs/research/F&ACostRateAgreement.pdf> .

## **MTDC Base**

Indirect costs are generally calculated by applying the appropriate rate to a modified total direct cost (MTDC) base. The MTDC base consists of all direct costs, excluding:

- Capital expenditures (equipment, building alterations and renovations)
- Scholarships
- Tuition
- Computer usage
- Participant support
- Costs in excess of \$25,000 for each subcontract

## **Description of Budget Categories**

Basic budget categories are explained below. If you provide the information highlighted in each section to RA&F, we will be able to prepare budgets and complete sponsor budget forms for you. Familiarity with Rensselaer's accounting system will help you to budget costs appropriately.

## **Personnel**

You must provide RA&F an estimate of the percentage of time each person will work on the project. Included under personnel are payroll charges for any Rensselaer employee or student working on the project. All personnel costs must conform to sponsor guidelines and restrictions. Department and school guidelines should also be followed.

Faculty with academic appointments may request a portion of their 9-month academic-year salary and up to 12 weeks of summer supplemental salary, depending upon sponsor guidelines.

Other Professional Staff with calendar-year appointments may recover the applicable portion of their 12-month salary.

Full-time Graduate Student support includes:

- Tuition
- Calendar Year

Undergraduate Students are paid on an hourly basis as needed.

## **Fringe Benefits**

RA&F will calculate fringe benefits for you. Fringe benefits are computed as a percentage of salaries and wages, less student compensation, regardless of the specific benefits received by individuals.

Fringe benefits cover the costs for insurance (health, unemployment, life, long-term disability), FICA, workman's compensation, pension, and scholarships for employee dependents.

Rensselaer is required to use the fringe benefit rate that is negotiated annually with the federal government. Rates usually change each July 1, with the start of the fiscal year. Please call RA&F to obtain the current rate or go to our Rates Section on our website.

## **Equipment**

You need to provide the name or description of, and estimated cost for, each equipment item you wish to purchase with sponsored funds.

Equipment is defined as any item having an acquisition value of at least \$3,000 and a life expectancy of at least two years. Components under \$3,000 may be considered equipment if they are purchased to fabricate specialty equipment or systems or to significantly upgrade an existing piece of equipment.

Equipment requested from the sponsor must be necessary for the project and must not be currently available for your use at Rensselaer. All equipment requests are subject to sponsor guidelines, and most sponsors do not allow the purchase of general purpose equipment, such as office equipment.

## **Travel**

You need to specify whether the travel is domestic or foreign and the amounts needed for each.

Many sponsors also want to know the destination and purpose of the trip or the name of the meeting you want to attend. Some sponsors also require the number of travelers, number of days, airfare, and per-diem costs for each trip planned.

## **Participant Costs**

This Rensselaer budget category refers to the costs of transportation, per diem, stipends, registration fees, and other related costs for non-Rensselaer participants or trainees, in connection with sponsored conferences, meetings, symposia, training activities and/or workshops. There may be some restrictions associated with support for local participants. Provide an estimate of participant costs, by category.

## **Other Direct Costs**

Provide the information described below, as appropriate, for any allowable costs which are required specifically for the conduct of the research project.

## **Materials and Supplies**

Indicate the categories required (glassware, chemicals, etc.) and the estimated cost for each category.

## **Publications**

Estimate the cost of documenting, preparing, publishing, disseminating, and sharing research findings.

## **Consultant Services**

Consultants are individuals providing technical assistance who are not Rensselaer employees. Your estimate of the cost for the consultant may include payment for professional services, up to the sponsor's maximum allowable rate, and related costs such as per diem and travel. The individual's expertise and the need for obtaining his or her services should be described in the proposal narrative.

## **Computer Facility Fees**

Estimate the cost for use of Rensselaer's computing facilities, based on the rates for the specific facility you plan to use. Some sponsors will request a copy of the facility's published rates.

## **Subcontracts**

List the name of the subcontracting institution and its total project costs (including direct and indirect costs). The subcontracting institution should provide us a detailed budget and an organizational letter of endorsement, which are incorporated into Rensselaer's proposal to the sponsor.

## **Other**

This includes items such as machine shop services, maintenance and service contracts, sample analysis, and facilities usage fees.

## **Indirect Costs**

RA&F will calculate the correct amount of indirect costs using the appropriate rate.

## **Budget Justification**

You must be able to fully document and justify the amounts requested in each budget category.

This documentation can be in your text or in a separate section following the budget. The amount of detail required will vary by sponsor. Items for which sponsors frequently request explanation are secretarial, equipment, travel, materials, subcontracting, and computer time.

RA&F will contact you if the sponsor requests additional budget justification after the proposal is submitted.

## **3.7 Cost Sharing**

Rensselaer or external resources that are provided under special circumstances to supplement research grants and contracts are considered cost sharing. There are two (2) circumstances under which cost sharing will be provided:

- Cost sharing is required by the agency (mandatory).
- Cost sharing will significantly enhance the probability of funding in a research area or program of high strategic priority to Rensselaer (voluntary).

## **Definitions**

### **Cash Contributions**

Cost sharing of Rensselaer funds is defined by the federal government as a cash contribution. All costs which are allowable as a direct charge by the government can be cost shared. All mandatory cash contributions by Rensselaer, including funds for tuition, equipment, salaries and fringe benefits for the PIs time which is donated to the project, are tracked and verified in the Banner system.

### **In-Kind**

Non cash contributions by third parties, such as donation of space, services, or equipment, which are not expenditures incurred by Rensselaer and where the outside party is responsible for determining the value of their donation, are in-kind contributions. Documentation from the donor, usually in the form of a signed letter, is necessary in order for Rensselaer to include in-kind costs sharing on a project.

### **Tuition**

Rensselaer has instituted a Tuition Cost Share Policy which provides a commitment of 35% toward the total cost of the graduate student tuition on all proposals processed through RA&F which are charged at federally approved indirect cost rates. Tuition cost sharing for programs paying less than full indirect costs will be prorated accordingly. RA&F will ensure that the appropriate amount of cost sharing is included in your proposal.

### **Additional Cost Sharing**

If additional cost sharing is required above the tuition waiver, cost sharing must be requested (and routed) through your department, school, and either the Office of Research or the Provost. The current guidelines allow for a split of these commitments as follows: Department and School (30%), Office of Research/Provost's Office (70%).

### **Rensselaer Donations**

Cost sharing can be supplied from other Rensselaer resources where no funds are transferred to the research project. Such contributions are usually the donation of the PI's time, or other salaries, tuition or other direct costs and include all applicable fringe benefits and indirect costs.

### **Unrecovered Indirect Costs**

Indirect Costs are a requirement for all sponsored projects and must be paid at the rate set by the federal government. There are instances when the sponsor will not pay the full indirect costs for a project Rensselaer must contribute the unrecovered portion toward the full cost of the project. Any reduction in indirect costs done on a voluntary basis (i.e., sponsor will pay but PI requests waiver), is regarded as a cash contribution and must be met by Rensselaer funds.

### **Outside Donations**

Awards from outside organizations such as corporations and foundations, where Rensselaer controls expenditure of these funds, can be utilized as part of Rensselaer's contribution or match to a sponsor. If such donations are used as cost sharing on a sponsored project, the costs are

tracked and verified utilizing the Banner system. Such contributions are setup in separate funds and are not appropriated. Outside organizations can also provide support on an in-kind basis, (i.e., donation of time or services).

## **Approvals**

All cost sharing requirements, except for the tuition waiver, must be discussed with your chair or director, dean, and in some instances, the Provost or Vice President for Research before you forward your proposal to RA&F. All waivers of indirect costs are approved by the Vice President for Research. Approval signatures are obtained during the circulation process for all cost sharing commitments.

## **Reporting**

All cost sharing, whether appropriated or non-appropriated, included in proposals becomes committed cost sharing once the award is made by the sponsor. The cost sharing will become a condition of the award and must be tracked and verified.

## **3.8 Purchasing Assistance**

We encourage you to contact the Purchasing Department if your proposal requests significant funding for equipment, supplies, or services. Purchasing can determine whether your planned purchases will be subject to bid requirements or can be justified as sole or single source to a particular vendor. They can also help you negotiate the best price and delivery and payment terms.

It is important to remember that all purchases must follow Rensselaer's Procurement Guidelines, regardless of whether your proposal budget listed specific manufacturers or model numbers.

If your proposal requires a subcontracting plan outlining planned purchases from small or minority businesses, Small Business Procurement Services (SBPS) will help you identify available sources and prepare the plan document.

## **Part IV: Proposal Approval Process**

All proposals that require institutional endorsement or commitments must be submitted through RA&F. The processes of proposal preparation, circulation, and submission to the sponsor are described in the following sections.

### **4.1 Deadlines**

Please refer to section 3.4 for proposal deadlines.

### **4.2 Form Completion**

RA&F completes sponsor-required forms or prepares generic versions of these sections of the proposal:

- cover letter
- cover page
- budget forms

- assurances, and representations and certifications.
- RA&F will also complete the Table of Contents if the text is provided well in advance of the deadline.

RA&F will provide the current and pending support from the database for each PI and CoPI on the project. This information should be carefully reviewed by the PI/CoPIs and any changes forwarded to RA&F. If the sponsor requires a specific format, the PI is responsible for preparing this information in that format.

You are responsible for completing technical information requested on forms.

### **4.3 Proposal Circulation**

RA&F maintains an Electronic Approval Routing System (EARS) which is utilized in the circulation and approval of all proposals. Once a proposal is finalized, the following documents are uploaded to the system:

- Project Information Form
- Proposal Abstract
- Cost Estimate

The system will automatically derive the appropriate approvers based on the PI and CoPIs home department, submitting unit and cost sharing (if required). When RA&F starts the circulation in the system, the PI will be the first approver and will receive an email indicating that the proposal is ready for review. Once the PI approves the proposal, the system will continue, in sequential order, to notify each approver via email of the need to approve the proposal. When the proposal has completed circulation and all approvals have been captured, RA&F will receive an email indication that the proposal is approved.

### **4.4 Required Signatures**

Each approval in EARS signifies Rensselaer's approval of some aspect of the proposed project.

#### **RA&F**

RA&F begins the circulation process before other campus approvals are obtained to signify that we have reviewed your proposal to ensure that it meets the standard requirements of your department, school, and the Institute, and complies with sponsor guidelines.

RA&F also signs the proposal cover letter, cover page, and any other required forms in the proposal after all campus approvals have been obtained on the Proposal Approval Form and all corrections have been made. This signifies to the sponsor that Rensselaer endorses the proposal and will assume responsibility for it if an award is made.

#### **PI(s)**

Each PI is required to approve the proposal in EARS and sign any required sponsor forms. Your signature indicates acceptance of commitments made to the Institute and the sponsor.

## **Changes or Corrections**

During the proposal process, the PI should review all documents contained in the proposal and verify that the proposal is ready for submission to the sponsor.

## **Dept. Chair(s) or Center Director(s)**

The department chair or center director for each PI is required to approve the proposal in EARS.

His or her approval indicates that your proposed project fits the goals and philosophy of the department/center, and that any resources promised by the department or center, including cost sharing, space, and personnel, will be provided.

## **Dean(s)**

The dean of each PI's school is required to approve the proposal in EARS.

The dean's approval indicates approval of the proposal commitments, that your proposed project fits the goals and philosophy of the school, and that any additional resources promised by the school will be provided.

## **VP for Research (and/or) the Provost**

The VP for Research (and/or) the Provost's approval in EARS is required when Institute cost sharing or other special circumstances must be approved.

## **Other**

Sponsor forms may require the signatures of additional individuals, such as the Chief Executive Officer or Chief Financial Officer. RA&F will obtain these signatures for you.

## **4.5 Proposal Submission**

### **Hard Copy**

When the proposal is finalized and all internal approvals have been obtained, RA&F signs the proposal on behalf of the Institute and/or submits the proposal electronically to the sponsor.

### **Electronic**

Electronic submission of proposals is now required by many sponsors. This submission process is more time consuming than conventional methods and technical difficulties can further delay the process. We strongly encourage strict adherence to the internal proposal deadlines stated in section 3.4 of this document in order to ensure meeting sponsor imposed deadlines for submission

## **4.6 Declines, Withdrawals, Revisions, Audits Corrections**

If it is necessary to make changes or corrections after your proposal has been submitted to the sponsoring agency please contact RA&F.

If it is necessary for RA&F to submit additional information to the sponsor, we recommend waiting until after we have received a Reference Number.

### **Revisions**

A sponsor will often request changes to the scope of work or the budget prior to issuing an award. Formal revisions must be submitted through RA&F, since sponsors require the Institutional endorsement of any changes.

### **Pre-award Audits**

A pre-award audit may be conducted by the sponsor if the award will be a federally funded contract over \$500,000. A sponsor may also require a pre-award audit for certain special projects. In a pre-award audit the sponsor requires us to verify all proposed costs before an award will be made.

### **Withdrawals**

Proposals can be withdrawn from a sponsor at the PI's request or, in unusual circumstances, at the request of the Institute.

### **Declinations**

RA&F will inform the PI if we are notified by the sponsor that a proposal has been declined. Please let RA&F know if the sponsor informs you that your proposal has been declined, so we can update our records.

Several times a year RA&F sends notices to PIs requesting a status update on each pending proposal. Unless you know your proposal is still under consideration by the sponsor, or is going to be funded, your proposal will be inactivated after one year. This is an RA&F designation for internal purposes only and does not affect the sponsor. RA&F keeps a proposal for one year after it has been declined, withdrawn, or inactivated.

## **Part V: Awards**

### **5.1 Signature Authority**

Acceptance of a grant or contract obligates the Institute to perform a specific project, report its findings, and adhere to its specific terms and conditions.

RA&F is the office authorized to accept and sign sponsored project awards on behalf of the Institute. PIs are not authorized to sign agreements committing Rensselaer.

## **5.2 Types of Awards**

The most common types of awards are grants, contracts, and cooperative agreements. All award types establish a contractual relationship between Rensselaer and the sponsor that obligates Rensselaer to use funds for the purpose stated in the award and to comply with award conditions.

### **Grant**

Grants usually support basic research or training. The PI determines the scope of work, and the work description is written in broad, flexible terms. The sponsor's terms and conditions may be quite flexible. Most grants are paid on a cost reimbursement basis, with any unspent funds reverting to the sponsor.

### **Contract**

Contracts are procurement instruments in which the sponsor purchases a tangible end product or deliverable, and the scope of work is clearly defined. Payment terms may be cost reimbursement, fixed rate, or fixed price. Contracts often require negotiation to obtain acceptable terms and conditions. Many industries use purchase orders when issuing contracts.

### **Cooperative Agreement**

In a cooperative agreement, accomplishment of the project objectives requires the sponsor to be substantially involved in technical or management aspects of the project. Award language establishes the responsibilities of each party.

## **5.3 Award Receipt**

Most sponsors forward award documents directly to RA&F, and RA&F initiates award review and fund establishment. If you or your department receives the original copy of the award, it is important for you to forward original documents to RA&F, so the award process can begin.

## **5.4 Negotiation**

RA&F reviews the provisions of each award for consistency with the proposal and Institute policies. RA&F is responsible for negotiating the terms and conditions of the agreement with the sponsor and coordinating these negotiations with the PI and, when appropriate, legal counsel and other Institute officials.

Before an award is issued, informal negotiations between the PI and the sponsor's program official may take place regarding issues such as the scope of work, project objectives, or budget. PIs are cautioned not to negotiate other matters, since conflicts with institutional policy may develop that make subsequent negotiations difficult. Negotiations conducted without RA&F involvement are unofficial and not binding and should be carefully explained as such to sponsors.

RA&F considers a number of criteria when judging the acceptability of an award. Major issues are discussed below.

## **Classified Research**

Rensselaer's policy is to accept only those sponsored programs that enhance the educational process and allow project results to be published in the open literature within a reasonable time period. In general, government classified research which results in classified output is not accepted by the Institute. Faculty and staff are not precluded by this policy from access to classified materials necessary to their work.

## **Publications**

Sponsored program results, such as theses and technical papers, must be publishable in the open literature within a reasonable time period. Therefore, restrictions on disclosure of research results are unacceptable. Short periods for review of research results may be allowed in order to protect proprietary information, patents, and copyrights.

## **Intellectual Property**

It is Rensselaer's Policy that title to patents and copyrights developed under sponsored programs remain with Rensselaer. Contact The Office of Technology Commercialization (OTC) for further details.

## **Proprietary Information Furnished by Sponsors**

The acceptance of proprietary or confidential information belonging to a sponsor is discouraged, because it can limit the free use of information and data by faculty, students, and staff.

However, if a research project is considered highly desirable by the Institute, proprietary information may be received if certain conditions are met and the Institute retains freedom to publish. These include:

- Rensselaer's obligation to maintain confidentiality generally should not extend more than three years beyond the termination of the agreement.
- Information may be disclosed to those within the Institute who are engaged in the conduct of the research.
- Rensselaer and all others authorized to have access to the information shall be released from any obligation of confidence when such information becomes public domain, is known to the Institute prior to disclosure by the sponsor, is independently developed by the Institute, is furnished to Rensselaer by a third party not restricted from disclosure by the sponsor.
- Proprietary information must be marked and designated in writing as confidential. The PI must be able to refuse such information. Most sponsors will require those individuals having access to the information to sign a confidentiality agreement.

## **Termination for Default**

Rensselaer conducts sponsored programs on a "best efforts" basis. Therefore, Rensselaer does not accept termination for default or cause clauses which contain penalties.

## **Warranties and Inspections**

Because Rensselaer conducts projects on a "best efforts" basis, the Institute does not extend warranties for performance, deliverables, or products to the sponsor or any third parties.

Rensselaer will accept inspection clauses that allow the sponsor to inspect and evaluate the work and the premises where the project is being performed, during normal business hours. We will not accept inspection clauses that can result in rejection of the work, require corrective action by Rensselaer, or hold the Institute liable for any additional costs incurred by the sponsor.

## **Insurance and Indemnification**

Rensselaer will accept responsibility for the actions and activities of its employees during the conduct of a sponsored project. Rensselaer will indemnify or hold sponsors harmless for acts of omission of Rensselaer and its employees, but not the sponsor and its employees, or any other third parties.

## **Long Term Obligations**

Sponsors may want contract terms, particularly those concerning intellectual property, indemnification, and confidentiality, to extend beyond the contract termination date. Rensselaer tries to keep such obligations to a reasonable length of time appropriate for the project. The common exception is the requirement to keep records available for audit.

## **5.5 Award Approvals**

RA&F circulates the award to those individuals who must approve acceptance by RA&F. Circumstances requiring approval are:

### **PI(s)**

RA&F requires PIs to approve all award actions before Rensselaer accepts them.

### **Legal**

Legal counsel reviews and approves agreements upon request by RA&F. Legal counsel is sought if conduct of projects may expose the Institute to financial or legal risk.

### **Finance**

The Director, Research Administration and Finance reviews any non-standard payment terms in agreements. Standard payment terms would be those payments or draws which were agreed upon in the award as being paid or drawn either monthly, quarterly or in advance. Any payment term outside of those scenarios would be considered non-standard and would require review.

### **Risk**

Review by the Office of Risk Management is necessary when agreements specify unusual types of insurance or indemnification provisions. Risk Management provides a certificate of insurance to sponsors who require one.

### **Other**

If the necessary Institute approvals were not obtained at the proposal stage, they will be obtained when the award is circulated.

The agreement circulation package usually consists of:

- [Project Director Notification form](#), which summarizes the award period, funded amount, and cost sharing. This form also summarizes sponsor terms and conditions, including reporting requirements and budget guidelines, particularly regarding travel and equipment. Any information needed from the PI, such as a budget/revised budget, will be noted.
- Copy of the Award document
- Budget (with any necessary changes noted)

## 5.6 Establishing a Project Fund

Rensselaer establishes a fund (previously called "account") for each sponsored program award. Expenditures are charged to the fund by the PI or authorized individual. This structure enables tracking and reporting of expenditures for each individual award.

RA&F establishes a fund as soon as a grant award is received, or when a contract award is fully executed. RA&F assigns a fund number, using an unallocated budget at this stage, and notifies you of the fund number. Once you receive the fund number, you can charge appropriate expenditures to it.

When the award has been reviewed and accepted, RA&F pre-award forwards budget, payment, and financial reporting information to RA&F post-award, and it is added to the fund record.

RA&F also notifies the Purchasing Department when awards contain special reporting or procurement requirements, or when there are large equipment or supply budgets that warrant special assistance.

## 5.7 Establishing a Fund before Award Receipt

Rensselaer discourages establishing a project fund number before an award is received, since expenditures incurred before award receipt are made at the Institute's risk. However, if effective and economical conduct of the project necessitates incurring expenditures prior to receipt of the award, the policy is as follows:

Principal Investigators should contact RA&F to initiate a preliminary fund. RA&F will minimize the Institute's risk by verifying the anticipated award amount and performance period with the sponsor. Together with the appropriate department chair or center director, you as a portfolio owner are now required to agree in writing to cover any expenditures, should the award ultimately not be made, the anticipated start date change, or costs not be allowable. The Director of RA&F is authorized to approve the lesser of 1) spending up to \$150,000; 2) 25 percent of the award amount, if the award represents matching funds related to a Federal grant or 3) 15 percent of the award amount. Under extraordinary circumstances and upon written request, the President may consider and authorize expenditures prior to receipt of an award in excess of \$150,000. The Director of RA&F will countersign your (or in extraordinary circumstances, the President's) approval and ensure that spending limits are not exceeded.

## 5.8 Pre-award Costs

Pre-award costs are expenditures that are incurred before the official start date of the project.

Several federal sponsors have given us expanded authorities for research grants, which allow us to approve pre-award costs up to 90 days prior to the effective date of the award. Pre-award costs for other awards usually must be approved in writing by the sponsor.

If you require pre-award costs, please contact RA&F for assistance.

## 5.9 Understanding Fund Numbers

Rensselaer has two pools of income: unrestricted funds that the Institute can budget and spend without externally imposed restrictions, and restricted funds, which are restricted to the use specified by the sponsor or donor. The restricted pool includes all sponsored programs administered by RA&F, as well as gift, financial aid, and endowment income.

### BANNER

Rensselaer's computerized Financial Accounting and Information Management System is known as BANNER. Account numbers assigned to awards are called FOAPALS, an acronym that represents the six elements of the BANNER accounting structure: Fund, Organization, Account, Program, Activity and Location.

### Fund Numbers

The fund element is a unique six-digit code assigned to each project. This is the number you will use internally to charge expenditures to your project.

Sponsored program funds begin with either A or B, with A signifying research and B signifying training. The second digit defines the type of sponsor supporting the project.

Sponsored research programs are identified as follows:

- A1: Federal government sponsored research
- A3: Federal government flow-through sponsored research (Rensselaer is funded by an entity whose funds come from the federal government)
- A5: New York state government sponsored research
- A7: Corporate sponsored research
- A9: Other sponsored research

Other sponsored programs (education, training, fellowships, workshops) are identified as:

- B1: Federal sponsored program
- B3: Federal government flow-through sponsored program.
- B5: New York state government sponsored program
- B7: Corporate sponsored program
- B9: Other sponsored programs

A sample fund number for an NSF research project would be A15555. A sample fund number for an NSF training project would be B15555. A sample fund number for a research project sponsored by General Electric would be A75555.

Restricted fund numbers beginning with F (Financial Aid), G (Gifts), or Y (Endowment Income) are not administered by RA&F.

## **Grant Numbers**

Grant numbers assigned to each fund are used by RA&F to obtain financial reporting information. This number is referenced in BANNER on-line and in printed reports.

A grant can contain either one fund or multiple funds. The grant consists of one fund if the total amount of the award is contained in that single fund. The grant consists of multiple funds when the award amount is divided into more than one fund, such as with master/subs.

## **Part VI: Award Administration**

### **6.1 Financial Management**

#### **Monitoring Expenses**

The PI is responsible for controlling expenditures and remaining within the budget awarded by the sponsor. The accuracy of both the budget and expenditure information is the responsibility of the principal investigator. Any corrections should be directed to the appropriate office as noted below. Expenditures over the budget and for disallowed costs are strongly discouraged, as they will ultimately become a department or center responsibility.

#### **Assistance**

You should check your personnel appointment, encumbrance, and expenditure information monthly. If changes or corrections are necessary, contact the appropriate office:

The Payroll Office will handle payroll corrections. Unless there was an input error, corrections require revised payroll distribution forms.

The Purchasing Department will handle changes to purchase orders or requisitions.

Financial Transaction Requests to transfer expenditures other than payroll and tuition can be sent to RA&F. This office is also responsible for Rensselaer's sponsored program accounting including invoicing sponsors, preparing financial reports, and coordinating sponsored program audits.

### **6.2 Revisions**

The PI and the Institute are both responsible for adhering to the conditions of the sponsored agreement and obtaining required approvals for changes. The most common changes needed are:

- Re-budgeting within the approved budget
- Purchase of equipment or foreign travel not in the approved budget
- Change in PI or other significant personnel or level of effort
- No-cost extension of the project period
- If Revisions are necessary, please contact RA&F for Assistance. Changes in scope of work, key personnel, or level of effort must always be approved by the sponsor.

### **6.3 Labor Verification (Effort Reporting)**

Labor Verification is a method of documenting the proportion of work time devoted to these professional activities as a percentage of total professional activity over a period of time. Payroll and effort distributions are not the same thing. Payroll distributions describe the allocation of an individual salary per pay period, while labor verifications describe the allocation of an individual's activity to individual projects over a period of time. While the comparison of charged salary and percentage of effort needs to be made, it is important to remember that the effort on a project over a period of time may not match the individuals payroll allocation for a given pay period.

#### **Why is Labor Verification Important?**

As a recipient of sponsored funds, the Institute must assure federal and other sponsors that the assignment of effort and associated salary and fringe benefit costs to projects they sponsor is fair, consistent, and timely. The Labor Verification Statement is the document that the Institute uses to confirm effort on externally sponsored projects.

Signed Labor Verification Statements are considered legal documents in which an individual attests to the accuracy of the effort spent on sponsored projects. Material inaccuracies in Labor Verification Statements result in the misallocation of costs to sponsored projects. An improper allocation of costs reported by internal, external or federal auditors may result in severe sanctions and cost disallowances assessed against the Institute.

#### **Who is subject to Labor Verification Process?**

Every individual who devotes effort to sponsored activities, whether paid or unpaid, is subject to the Labor Verification process.

Please see:

<http://www.rpi.edu/dept/finance/docs/research/LaborVerificationPolicyandProcedures.pdf> for a full discussion of Labor Verification.

#### **Cost Transfers**

Rensselaer expects its faculty, staff and students, when dealing with federal and other sponsored projects, to comply with all government and sponsor rules and regulations and follow established standards for determining when it is appropriate to initiate a cost transfer. Rensselaer expects that costs be charged to the appropriate award when first incurred but acknowledges that there are circumstances where it may be necessary to transfer expenditures to another award subsequent to the initial recording of the charge.

To be permissible, cost transfers must meet the criteria established for both timeliness and appropriateness. Cost transfers should be initiated as soon as possible after the original transaction, preferably within 90 days of incurring the expense. Requests for transfers after 90 days may be considered on an exception basis after careful review. The Institute is obligated to immediately remove incorrect charges made to sponsored funds, regardless of time frame.

The entire "Cost Transfers on Sponsored Agreements" policy can be found at:

<http://www.rpi.edu/dept/finance/docs/research/CostTransfersOnSponsoredAgreements.pdf>

## Federal Demonstration Partnership

The Federal Demonstration Partnership (FDP) is an association of federal agencies and institutional recipients of federal funds whose purpose is to reduce the administrative burdens associated with research grants and contracts. Participating federal agencies include the National Science Foundation, National Institutes of Health, Department of Energy, National Aeronautic and Space Administration, Office of Naval Research and Air Force Office of Scientific Research. The FDP is a unique forum for individuals from universities and nonprofits to work collaboratively with federal agency officials to improve the national research enterprise. At the three annual FDP meetings members hold open discussions to identify problems and develop action plans for improvement. In addition there are many collaborative working groups and task forces that meet often by conference calls in order to develop specific work products. One major accomplishment of the FDP is the implementation of streamlined terms and conditions for research grants which has created greater consistency in the administration of federal research grants.

Rensselaer joined the FDP during Phase V, which commenced on September 7, 2008. As an FDP member, Rensselaer will work with federal agency and peer institution representatives from around the country to contribute to the goals of the FDP. During Phase V, the FDP will continue its efforts to increase efficiency of administrative and compliance practices and maximize the time available for researchers to focus on research. Rensselaer's participation in Phase V of the FDP will provide the opportunity to work side by side with government agencies in determining the future direction of federally funded research programs and processes. Membership in the FDP will ensure Rensselaer is on the forefront of research related issues and allow us to continue our efforts to establish Rensselaer as a premier Research Institution.

## Expanded Authorities

Many federal agencies have granted Rensselaer, through its Research Administration and Finance, expanded authorities to approve pre-award costs, no-cost extensions, and most re-budgeting without obtaining sponsor approval.

### 6.3 Personnel

If a project requires personnel who are not current Rensselaer employees, the PI should discuss staffing needs with the department chair or center director. The dean of the appropriate school must approve hiring of all new faculty, research associates, postdoctoral associates, graduate students, and technical staff before Human Resources initiates the recruitment process.

### 6.4 Travel

The Institute's Travel and Expense Reimbursement Policy provides guidelines for the accounting and reporting of travel and other business expenses. Please consult the policy for details regarding travel advances and expense reporting.

In general, the Institute will reimburse employees for reasonable expenditures incurred while traveling on Institute business. Expense reports for travel funded by a sponsored agreement must be approved by RA&F as allowable under the project.

Foreign travel may require sponsor approval, even when the funds for such travel were listed in the approved budget. You should contact RA&F if you have any questions about what is required under a specific agreement. **Except in extraordinary circumstances, all air transportation must be on a U.S. flag carrier. Please see: <http://www.ogc.doc.gov/ogc/fl/fald/itl/itlv14.pdf> for a full discussion of the Fly-America Act.**

## **6.5 Purchasing**

Rensselaer must conform to federal procurement standards in order to maintain its flow of federal research funding. Applicable federal guidelines must be applied to all purchases regardless of the funding source.

The Purchasing Department is responsible for ensuring that adequate competition is sought, that prices are fair and reasonable, and that supporting documentation is maintained. Purchasing will help you negotiate the best terms for your purchases. They will also help you locate small and minority businesses and complete subcontracting reports.

The Purchasing Policies and Procedures Manual contains detailed information about supplier selection, procurement procedures, special procurements, and sample forms.

## **6.6 Property Tags**

The Office of Property Administration assigns a control number and tags all equipment (moveable assets over \$3,000) at Rensselaer, regardless of whether ownership belongs to Rensselaer or the sponsor. Property records are maintained for all tagged items.

Property Administration should be notified promptly when property is purchased, altered or modified in any way, incorporated into another piece of equipment, or lost or stolen, so that records are kept up to date. This includes special equipment fabricated with labor or materials charged to a sponsored project.

Property Administration is responsible for tagging and maintaining the inventory for all equipment purchased or acquired for use under sponsored projects. Disposition of all Rensselaer owned equipment is handled through Property Administration. In some cases, title to equipment purchased or acquired for sponsored research activities will be vested in the government. RA&F maintains the inventory for such equipment and each item is tagged as Government Property. Disposition of government-owned items is the responsibility of RA&F and will be accomplished at project termination.

## **6.7 Subcontracts and Consultants**

### **Subcontracts**

A subcontract is necessary when Rensselaer requests another organization to perform a significant portion of the work under a sponsored award. Sponsor approval to enter into a subcontract is usually required, unless approved in the award.

RA&F is responsible for preparing and executing all subcontracts related to sponsored programs. RA&F will work with the PI to obtain the information needed to prepare the subcontract.

A subcontract must incorporate all terms and conditions required by the prime grant or contract. A subcontractor is not authorized to begin work until a subcontract has been fully executed by an authorized representative from Rensselaer and the subcontracting organization. All subcontract invoices are submitted through RA&F for payment.

See <http://www.rpi.edu/dept/finance/docs/research/SubawardandSubcontractProcedures.pdf> for a full discussion on the subject of subcontract administration.

## **Consultants**

The services of an individual who is not an employee of Rensselaer, is sometimes needed to perform a portion of the work under a sponsored award.

If Rensselaer has the right to control and direct the individual with regard to the result to be accomplished, but not the process by which the result is accomplished, the individual will either be classified as an independent contractor or consultant.

Before an individual can be paid as an independent contractor or consultant, the Office of Human Resources must review a description of the services to be performed to determine whether the individual should be considered an employee, or an independent contractor or consultant (see Rensselaer's Independent Contractor or Consultant Policy). This review is essential to make sure the individual is properly classified according to federal regulations.

Sponsor approval is generally required for use of a consultant. In many cases, issuance of an award by the sponsor constitutes approval of consultants listed and justified in the proposal. RA&F will advise you if additional approval is needed.

The consultant should not begin work before an Independent Contractor Agreement has been fully executed. All invoices for payment must be processed by the department and approved by RA&F.

## **6.8 Intellectual Property**

Rensselaer's Intellectual Property Policy relates to technology developed by Rensselaer faculty, staff, and others participating in Rensselaer programs. The term "technology" is broadly defined and includes technical innovations, improvements, inventions, and discoveries, as well as writings, computer software, and other information in various forms.

The policy defines the ownership, distribution, and commercialization rights associated with such technology in the form of intellectual property, e.g., patents, copyrights, trademarks, and mask works. It also defines policies and procedures that govern use and distribution of the technology in its tangible form. The policy also sets forth a distribution formula for royalties received by Rensselaer from technology/intellectual property licenses.

Individuals covered by the policy are required to file an Invention Disclosure Form with the Institute's Office of Technology Commercialization.

## **6.9 Interim Reports**

If the sponsor requires submission of interim technical, financial, and invention reports, the type, form, and frequency of reports will be specified in the award.

Failure to submit required reports can jeopardize future funding to the PI or the Institute and can delay payment from the sponsor. Therefore, it is imperative that PIs submit required reports in a timely manner.

## **Technical**

PIs are responsible for the timely submission of all technical and progress reports. RA&F sends the PI reminders when reports are due. If the sponsor requires use of specific transmittal forms or

special formats, these are usually available from RA&F. Reports can be sent directly to the sponsor, as long as a copy of the cover page or transmittal letter (not the entire report) is provided to RA&F.

## **Financial**

Financial reports will be prepared and submitted by RA&F. Any unusual information or detail required by the sponsor should be provided by the PI and the department or center.

## **Invention**

If an interim invention report is required by the sponsor, RA&F will obtain the necessary information from the PI and prepare the report.

## **Part VII: Project Termination and Close-Out**

### **7.1 Transfer of PI**

Sponsored project awards are made to the Institute, not the individual PI. When a PI moves to another university during the course of an award, Rensselaer has the choice of nominating a substitute PI or transferring the award to the new institution.

In most cases Rensselaer supports transfer of the award and will cooperate fully in the transfer process so that the research may be continued with the least possible disruption. However, sometimes it may be advisable to subcontract, rather than transfer, the remaining work to the new institution.

The transfer process involves terminating the award at Rensselaer, followed by reapplication and awarding of a new grant or contract to the new institution. The sponsor should be consulted for the specific process to follow.

A transferring faculty member may wish to take equipment purchased under a grant or contract to the new laboratory, and, under certain circumstances, may be able to do so. In fact, many sponsors, NSF and NIH in particular, prefer that equipment be moved with an active project and expect the institution to cooperate fully in such a transfer.

PIs wanting to transfer equipment, when title belongs to Rensselaer, must discuss this issue with their dean, chair or director, and RA&F. This will be followed by a formal approval process.

### **7.2 Final Reports**

The Institute is usually required to submit final reports to the sponsor when a project is completed. The types of reports and the level of detail required will depend upon the sponsor and the terms of the award.

RA&F lists all reports the PI is responsible for on the Project Director Information Sheet and also sends reminder notices to the PI when these reports are due. Standard types of final reports and responsibility for them are as follows:

## **Technical**

Technical reports are the responsibility of the PI. RA&F sends the PI technical report reminders starting 30 days prior to the date the report is due. Sponsor forms and format must be used, if required. A copy of the cover page or transmittal letter (not the entire report) should be sent to RA&F.

Failure to submit required reports in a timely manner can affect final payment and future funding to the PI or the Institute. If you cannot meet a report due date or your report is not accepted by the sponsor, please contact RA&F so we can assist you in addressing the situation.

## **Financial**

A copy of the monthly financial report is provided by RA&F. The PI and department must provide RA&F with any information that is not available on BANNER.

## **Invention**

Invention reports are prepared and submitted to the sponsor by RA&F after verification by the PI and/or OTC of whether or not there were any inventions made under the project. RA&F will obtain the PI's signature if required on the invention form.

## **Property**

Property reports are prepared and submitted to the sponsor by RA&F after verification of the final inventory list with the PI.

## **7.3 Project Audits**

Most projects may be audited by the sponsor, if the sponsor chooses. The sponsor may disallow charges which are determined to be in violation of the award terms. The PI and department are normally responsible for covering disallowed costs.

Rensselaer complies with federally required institutional standards. Rensselaer's financial statements and internal control structures are audited by independent auditors to ensure compliance with laws and regulations as required in Office of Management and Budget (OMB) Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Institutions.

## **7.4 Record Retention**

Most sponsors require Rensselaer to retain all files and documents for three years after the termination of the award and completion of an audit, or for five years if an audit has not occurred. If the sponsor requires a different retention period, Rensselaer will comply.

The offices responsible for sponsored program administration retain purchase orders, invoices, personnel files, payroll records, and other official documents. It is not necessary for PIs or department offices to keep such documentation. PIs need only retain transaction documentation that might not be available to RA&F, such as handwritten records of telephone calls to sponsors or correspondence with the sponsor's technical staff.

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