Putting the Pieces of the Puzzle Together - The CHHD Proposal Process

Thursday, December 5, 2013

Bennett Pierce Living Center (110 Henderson Building)

11:30 a.m. to 1:00 p.m.

This presentation will provide an introduction to the Research Office in the College of Health and Human Development, including a description of how the Research Office operates, an overview of the tools PSU has to help faculty search for research opportunities, and the overall submission process through the Grants and Contracts office in CHHD.

Additionally, an overview of the following topics will be provided:

- The difference between Direct Costs and F&A Costs
- Cost sharing and Matching
- How sub-awards work
- A demonstration of constructing a budget through SIMS (Strategic Information Management Systems)
- A demonstration of the ePIAF (electronic Proposal Internal Approval Form)
- The Award Matrix (gifts, research grants, grants & contracts)
- The PI Portal and how it relates to proposal and awards

This presentation is intended for new and/or junior faculty as an introduction to the Grants and Contracts system in CHHD. However, all interested attendees are welcome.

A light lunch will be provided. For planning purposes, please inform Amy Mitchell (alb1@psu.edu) of your intentions to attend no later than noon, Tuesday, December 3.

Office of Research and Graduate Education
201 Henderson Building
University Park PA 16802

Phone: 814-863-7519
Email: alb1@psu.edu
Find Funding

One of the best ways of finding external funding is by searching various websites by keywords or topical areas. The following pages include popular search engines for funding opportunities as well as links to some of Penn State's largest sponsor organizations.

- Funding Searches

  ![pivot](http://www.research.psu.edu osp find-funding)

- Information about PIVOT
- Collaborations

  http://www.research.psu.edu/osp/find-funding
**Improving Undergraduate STEM Education**  
National Science Foundation (NSF)  
NSF accepts unsolicited proposals to support projects that address immediate challenges and opportunities facing undergraduate STEM education, as well as those that anticipate new structures and functions of the... [more »](#)

**Reducing Health Disparities Among Minority and Underserved Children (R01)**  
National Institutes of Health (NIH)  
This FOA solicits research project grant (R01) applications from institutions/organizations that propose to conduct research to reduce health disparities among minority and underserved children.

$1,000 USD  
**Artist Grants**  
Puffin Foundation Ltd.  
The foundation makes grants that encourage emerging artists whose works might have difficulty being aired due to their genre and/or social philosophy. For the upcoming cycle the foundation will review grants only in... [more »](#)

**Open Call for Proposals for COST Actions**  
European Cooperation In Science and Technology (COST)  
COST invites researchers to submit proposals for research networks and use this opportunity to exchange knowledge and to embark on new European perspectives. COST has a very specific mission and goal. It contributes to... [more »](#)

**Dissemination and Implementation Research In Health (R01)**  
National Institutes of Health (NIH)  
This FOA encourages investigators to submit research grant applications that will identify, develop, evaluate, and refine effective and efficient methods, systems, infrastructures, and strategies to disseminate and... [more »](#)

**Behavioral Interventions to Address Multiple Chronic Health Conditions In Primary Care (R01)**  
National Institutes of Health (NIH)  
This FOA seeks research project grant (R01) applications that propose to use a common conceptual model to develop behavioral interventions to modify health behaviors and improve health outcomes in patients with comorbid... [more »](#)

$6,000 USD  
**Summer/Short-Term Research Publication Grants**  
American Association of University Women (AAUW)  
These grants provide support to women scholars to prepare research manuscripts for publication, and independent researchers to prepare research for publication. Activities undertaken during the grant period can include... [more »](#)

€100,000 EUR  
**Gerda Henkel Prize**  
Gerda Henkel Stiftung / Gerda Henkel Foundation  
The prize is awarded to excellent and internationally acclaimed researchers who have demonstrated outstanding scholarly achievement (and can be expected to continue to do so) in archaeology, art history, historical... [more »](#)
Research Grants Program
American Educational Research Association (AERA)
The program seeks to stimulate research on U.S. education issues using data from the large-scale, national and international data sets supported by the National Center for Education Statistics (NCES), the National... more »

Translating Basic Behavioral and Social Science Discoveries into Interventions to Improve Health-Related Behaviors (R01)
National Institutes of Health (NIH)
This FOA seeks highly innovative research project grant (R01) applications that propose to translate findings from basic research on human behavior into effective clinical, community, or population-based behavioral... more »

SORT FEATURES
Deadline  soonest > latest
Deadline  latest > soonest
Amount    highest > lowest
Amount    lowest > highest
Translational Research to Improve Diabetes and Obesity Outcomes (R01)

Opp ID: 146821 | Research | Last edited on 24 Oct 2013


Sponsor: United States Department of Health and Human Services (HHS)
National Institutes of Health (NIH)
National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK)
Sponsor ID: PA-13-352

Requirements:
- Academic Institution
- Commercial
- Government
- New Faculty/New Investigator
- Nonprofit
- Ph.D./M.D./Other Professional
- Small Business

Citizenship or Residency: United States

Activity location: United States

Abstract: This Funding Opportunity Announcement (FOA) encourages NIH Research Project Grants (R01) to test practical, sustainable, and cost efficient adaptations of efficacious strategies or approaches to prevent and treat...

Eligibility: Eligible Organizations Higher Education Institutions - Public/State Controlled Institutions of Higher Education - Private Institutions of Higher Education The following types of Higher Education Institutions are always...

Keywords: Obesity Diabetes Disease Prevention
<table>
<thead>
<tr>
<th>Date</th>
<th>What's Due</th>
<th>Notes</th>
</tr>
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<tbody>
<tr>
<td>05 Oct 2013</td>
<td>Application</td>
<td>New applications are due.</td>
</tr>
<tr>
<td></td>
<td>Sponsor deadline - required</td>
<td></td>
</tr>
<tr>
<td>05 Nov 2013</td>
<td>Application</td>
<td>Renewal, resubmission, and revision applications are due.</td>
</tr>
<tr>
<td></td>
<td>Sponsor deadline - required</td>
<td></td>
</tr>
<tr>
<td>07 Jan 2014</td>
<td>Application</td>
<td>AIDS and AIDS-related applications are due.</td>
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<tr>
<td></td>
<td>Sponsor deadline - required</td>
<td></td>
</tr>
<tr>
<td>05 Feb 2014</td>
<td>Application</td>
<td>New applications are due.</td>
</tr>
<tr>
<td></td>
<td>Sponsor deadline - required</td>
<td></td>
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</tbody>
</table>
Policy RA06 COST RECOVERY FOR SPONSORED PROJECTS

Contents

- Purpose
- Definitions
  - Direct Costs
  - Facilities and Administrative (F & A) Costs
- Policy
- Procedures
- Responsibilities

PURPOSE:

The purpose of this policy is to ensure appropriate recovery of both direct and facilities and administration (F & A) costs associated with various sponsored institutional activities conducted by the faculty and staff of The Pennsylvania State University.

DEFINITIONS:

Direct Costs

Direct costs are those expenses that are essential to the conduct of sponsored institutional activities and which can be readily attributed and directly charged to specific individual projects. They include expenditures for such items as personnel (salaries and fringe benefits), supplies, equipment, travel, and other direct costs necessary for conducting the sponsored activity.

Facilities and Administrative (F & A) Costs (commonly referred to as "indirect costs")

Facilities and administrative (F & A) costs are those expenses that are essential to the conduct of sponsored institutional activities but which cannot be readily attributed and directly charged to specific individual projects. F & A costs, therefore, include such items as:

- capital expenses associated with laboratory and office space, classrooms, and other facilities
- utilities
- library services
- administrative services (e.g. accounting, human resources, purchasing, security, etc.); custodial services, building and grounds maintenance, hazardous material handling, etc.
F & A Cost Rates are determined periodically from actual cost records through a detailed accounting procedure specified by federal cost principles. The rates are audited and approved by the federal government. Separate F & A cost rates are calculated for research and instruction, and on- and off-campus sponsored activities. (http://www.research.psu.edu/osp/prepare-proposals/develop-budget/fringe-indirect-costs-f-a)

In accordance with federal regulations, the rates are expressed as a percentage of Modified Total Direct Costs (MTDC) expended, where MTDC represents direct costs excluding graduate assistant tuition remission, charges for patient care, equipment (defined as having an expected life of two years or more and having an acquisition cost of $5,000 or more), plant construction, building amortization, and the portion of each subaward and subcontract in excess of $25,000. (For more detail, see negotiated rate agreement link: http://www.research.psu.edu/osp/prepare-proposals/develop-budget/fringe-indirect-costs-f-a)

**POLICY:**

Grants, contracts and other agreements that designate Penn State as the Grantee Institution/Contractor are the appropriate mechanisms of support for all sponsored institutional activities at the University. Full recovery of both the direct and F & A costs associated with sponsored institutional activities is expected on all grants, contracts and other agreements that support those activities.

The following guidelines are used for the recovery of F & A costs:

1. If under the sponsor's published guidelines the University is required to cost share, or when an academic unit of the University proposes voluntary committed cost sharing and that cost sharing is to come from a contribution of F & A costs, the approval of the Vice President for Research and Dean of the Graduate School (for research projects) or the Corporate Controller (for non-research projects) is necessary before submission or acceptance (See procedures below for requesting approvals).

2. If a sponsor is a not-for-profit or governmental [non-foreign] entity and has published guidelines (or otherwise verifiable written policy, statute, or legislation) prohibiting or limiting the recovery of F & A costs, the University shall accept the lesser rate or amount, if it considers the program desirable for University participation (as evidenced by the approval of the College/Unit on the appropriate Internal Approval Form), without requiring central approval. The University considers the loss of F & A cost recovery, in these cases, to be usable for cost sharing when allowed by the agency.

3. If a sponsor which is associated with a particular industry and which is financed from voluntary contributions from member companies (e.g., Gas Research Institute, Electric Power Research Institute, etc.) has issued an RFP or contract prohibiting or limiting the recovery of F & A costs, the University requires the approval of the Vice President for Research and Dean of the Graduate School (for research projects) or the Corporate Controller (for non-research projects) before submission or acceptance.

4. If a sponsor is a for-profit entity and has an established, competitive grants program open to universities, and their published guidelines prohibit or limit the recovery of F & A costs to all
applicants, the University requires approval of the Vice President for Research and Dean of the Graduate School (for research projects) or the Corporate Controller (for non-research projects) prior to submission or acceptance.

5. The University waives the recovery of F & A costs on all gifts since there is no "deliverable" required. The University has established other guidelines (RAG04, Guidelines for Gifts, Grants, and Contracts (The Funding Matrix)) that give direction on recovery of F&A on unrestricted grants.

6. Other than identified above, restrictions on F & A recovery from a for-profit company are not acceptable, except in some rare circumstances (such as when the project solely funds a student's research and the student is free to publish the results) that require special review and approval by the Vice President for Research and Dean of the Graduate School (for research projects) or the Corporate Controller (for non-research projects).

7. For Commonwealth of Pennsylvania projects, the University shall attempt to recover F&A whenever possible. The following parameters should guide budget requests:

- All University proposed budgets shall include a minimum request for management/administration in a dollar amount equivalent to 15% of modified direct costs. This request should normally be shown in the other direct cost category. The only exception to this is if the sponsoring agency has specific written guidelines limiting project administration to an amount less than 15%. The budget and budget justification should indicate a dollar amount, not a percentage. The project will be expensed each month for an amount equivalent to 15% (or a lesser percentage allowed by the above exception) of the expenditures. This amount will be income to the management fee account.
- Some Commonwealth agencies specifically permit the University to recover the costs associated with administering a sponsored project. If the costs permitted for administration are greater than minimum established above, then the higher amount or rate should apply.
- Any direct administrative personnel costs to be dedicated to the project and managed by the unit should be included as project personnel under the budget category for salaries and wages, including fringe benefits, and the 15% is still included in the other direct cost category.
- If the Commonwealth specifically states in its proposal guidelines that it intends to finance a grant or contract with funds derived, in whole or in part, from a federal source, University should request full F & A costs at the same level as if the University were contracting directly with the federal agency involved. The University may negotiate the final F&A to a lower rate in certain circumstances on a case by case basis.
- The University recovers a management/administrative fee on Department of Transportation agreements. The fee is established periodically by the Controller’s Office. Contact OSP for the current rate.
- For procurement contracts funded under the Commonwealth ITQ ("intend to qualify") process, the University shall charge a management/administrative fee at a rate appropriate for procurements. The fee is established periodically by the Controller’s Office. Contact OSP for the current rate.
- This policy cannot anticipate all the variations that may arise with Commonwealth projects. In those cases, Units should contact OSP, and OSP and the Controller's Office will determine the appropriate rate that should apply.
If a Commonwealth agency offers an award without requested F&A, Units should follow the procedures below for obtaining approval to accept less than the requested amount.

Note: An imposition of an overall ceiling on the total amount of award by an agency is not considered adequate justification for a waiver of costs; rather, the scope of work for the project should match the funding available from the agency. Requests for waivers of full cost recovery that are the result of an agency recommending funding at a level less than proposed does not constitute adequate justification for cost sharing; rather the scope of work should be reduced to match the funds recommended for award.

PROCEDURES:

Proposal solicitations in some instances call for institutional cost sharing as a condition for an award. While the University is firmly committed to assisting faculty in the pursuit of outside funding for research initiatives and program development, the resources available for cost sharing are limited. All cost sharing must be approved by an appropriate institutional official who administers the source of funds providing the cost sharing. All cost sharing must be documented in accordance with University and sponsoring agency policy.

Requests for waivers of F & A costs or for institutional cost sharing through the use of F & A costs must be submitted in writing to the Office of Sponsored Programs (OSP). Originating with the PI/PD, such requests shall identify the Principal Investigator, the proposal title, the agency and program to which the proposal is being submitted, the total amount requested, the amount of institutional cost sharing proposed, the amount of cost sharing the academic units involved are providing, and the rationale and justification (such as sponsor's written policy) for utilizing F & A costs for cost sharing or for waiving F & A costs.

RESPONSIBILITIES:

It is the responsibility of the College, Institute, or other Administering Unit to:

- provide copies of the written policy of the agencies when cost sharing is required or restrictions are made on F & A cost recovery, and
- review the academic content and quality of the proposed project and to make the determination of the project's acceptability as a suitable University sponsored project.

It is the responsibility of the Office of Sponsored Programs or Office of Research Affairs (if request is to the College of Medicine), or Delegated Representatives to:

- review all proposals and awards to ensure compliance with this policy.
- obtain necessary approvals for exceptions.

It is the responsibility of the Research Accounting Office to:

- verify that all awards/accounts are established to recover F & A cost in accordance with this policy.
Effective Date: June 29, 2006
Date Approved: June 28, 2006
Date Published: June 28, 2006 (Editorial changes, March 19, 2013)

Most recent changes:

- March 19, 2013- Editorial changes in the DEFINITIONS (F&A Costs) section, providing the correct links for F&A and MTDC, respectively.

Revision History (and effective dates):

- February 24, 2010 - Minor revision in the DEFINITIONS (F&A Costs) section, changing subgrant to subaward.
- January 1, 2010 - Editorial changes. Title changed FROM "Senior Vice President for Research and Dean of the Graduate School" TO "Vice President for Research and Dean of the Graduate School," to reflect position changes, effective January 1, 2010.
- November 8, 2006 - Editorial change - changed Vice President for Research to Senior Vice President for Research.
- June 29, 2006 - revisions made to all sections to reflect current handling.
- August 27, 2003 - Editorial change: Under the POLICY section, guideline #2, "College/IRP/Unit" was changed to "College/Unit" and "Clearance Data Form" was change to "appropriate Internal Approval Form."
- October 11, 2001 - Removed the mention of blanket approval from the guidelines that are used for the recovery of F & A costs.

http://guru.psu.edu/policies/RA06.html
The following represent the current applicable F&A and fringe benefits rates as negotiated with our cognizant federal agency, the Office of Naval Research (ONR). The date of the F&A rate agreement is July 2, 2013. New tuition rates are approved by the Board of Trustees each July.

<table>
<thead>
<tr>
<th>FACILITIES &amp; ADMINISTRATIVE (F&amp;A)</th>
<th>7/1/13 - 6/30/14</th>
<th>7/1/13 - 6/30/14</th>
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</thead>
<tbody>
<tr>
<td>RESEARCH</td>
<td></td>
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<tr>
<td>RESEARCH - DOD Contracts</td>
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<tr>
<td>INSTRUCTION/CONTINUING ED.</td>
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<tr>
<td>HERSHEY COLLEGE OF MEDICINE</td>
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<tr>
<td>ARL RESEARCH</td>
<td></td>
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<tr>
<td>ARL AUTHORIZED ABSENCES</td>
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<tr>
<td>ARL INTERNAL OVERHEAD</td>
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<td>ARL CHARGE GOV PROPERTY</td>
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<td>EOC RESEARCH</td>
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<td>EOC AUTHORIZED ABSENCES</td>
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<td>EOC INTERNAL OVERHEAD</td>
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<tr>
<td>EOC CHARGE GOV PROPERTY</td>
<td></td>
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<thead>
<tr>
<th>INDUSTRY PROPOSALS (with no federal flow-through)</th>
<th>Additional 5% F&amp;A</th>
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</thead>
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<tr>
<th>FRINGE BENEFITS</th>
<th>Rate Type</th>
<th>7/1/13–6/30/15</th>
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<tr>
<td>CATEGORY I (Salaries)</td>
<td>Fixed³</td>
<td>36.5%</td>
</tr>
<tr>
<td>CATEGORY II (Graduate Asst.)</td>
<td>Fixed³</td>
<td>13.2%</td>
</tr>
<tr>
<td>CATEGORY III (Wages/Postdocs)</td>
<td>Fixed³</td>
<td>7.9%</td>
</tr>
<tr>
<td>CATEGORY IV (Students)</td>
<td>Fixed³</td>
<td>0.2%</td>
</tr>
<tr>
<td>CATEGORY V (Postdocs)²</td>
<td>Fixed³</td>
<td>25.0%</td>
</tr>
</tbody>
</table>

¹This rate for Category I (salaries) is for restricted accounts only. Rate for general funds is 35.5%.
²The new Postdoctoral Scholar rate is to be used starting 7/1/2014.
³FY 14 rates are fixed, FY 15 rates are provisional.

| FY 14 INFLATION FACTOR | 4% for tuition; 2.5% for all other costs |

<table>
<thead>
<tr>
<th>TUITION (approved by the Board of Trustees)</th>
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<tbody>
<tr>
<td>Full time (Fall 2013 and Spring 2014)</td>
<td>$7,785</td>
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<tr>
<td>PhD Dissertation Fee 601 &amp; 611</td>
<td>$1,795</td>
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<tr>
<td>601 or 611 &amp; Courses for Audit (up to 3 credits)</td>
<td>$1,795</td>
</tr>
<tr>
<td>601 or 611 &amp; Courses for Credit (up to 3 credits)</td>
<td>$2,530</td>
</tr>
<tr>
<td>Summer 2014 (est.)</td>
<td>$3,892</td>
</tr>
</tbody>
</table>
Date: April 27, 2012
From: URC Subcommittee on Research Administration Innovation
To: University Research Council (URC)
     Administrative Committee on Research (ACOR)
Re: Policies regarding matching funds and cost sharing

Based on a number of recent questions, this memo has been drafted to provide faculty with an
easy reference to existing Penn State policies and guidelines regarding matching funds and cost
sharing for externally sponsored research proposals. We are asking URC members to share this
memo with faculty members who may be considering a request for matching funds or cost-
sharing on a proposal.

1. Cost sharing may be required for a proposal by the sponsoring agency as an eligibility
criterion, but in most cases it is not required. In cases where cost sharing is not required, Penn State does not normally offer cost sharing. In truly exceptional cases, where the proposal has broad strategic implications for Penn State’s research enterprise and the cost-sharing will significantly enhance the possibility of a sponsored award, non-required cost sharing may be considered in close consultation with the relevant department heads and deans’ offices.

2. Guidelines exist for the provision of Central Administration funds for cost-sharing on
equipment and graduate student support when cost sharing is required by the sponsor. These guidelines are posted at http://guru.psu.edu/policies/RAG02.html and
http://guru.psu.edu/policies/RAG03.html. Note that these guidelines do not guarantee a
contribution from Central funds. Rather, they explain the process for the possible
provision of Central funds after other units have committed to cost sharing, and the likely
proportion of cost-sharing funds that Central sources would provide.

3. For proposals where cost share is likely to be requested by the faculty investigators, the
investigators are expected to inform their department heads and deans’ offices early in the
proposal process to facilitate budgeting. All co-investigators and senior personnel should
make their unit administrators aware of the nature of the proposed research, the strategic
importance of the research, and the likely nature of the cost-sharing request. Department
heads and research deans should expect to be informed at the earliest opportunity and at
least several weeks before a proposal is due.

4. When cost sharing is expected for proposals that involve many investigators from different
units, Penn State has a guideline for how to coordinate the multiple contributions to the
cost share. This guideline is posted at http://guru.psu.edu/policies/rag21.html, and it is
designed to facilitate transparent communication among the units involved. Following the
guideline also assumes that all of the investigators on a proposal will have communicated
with their unit administrators as explained above.

Any questions regarding the above guidelines can be directed to Ruth Weber at
rim100@psu.edu.
Guideline RAG10 COST SHARING

Contents:

- Purpose
- Guidelines
- Definitions
- Documentation of Committed Cost Sharing
- Special Rules for Property and Equipment
- University Matching Funds
- Special Note
- Cross References

PURPOSE:

OMB Circular A-21, “Cost Principles for Educational Institutions,” as clarified by “The Clarification of OMB A-21 Treatment of Voluntary Uncommitted Cost Sharing and Tuition Remission Costs” issued on January 5, 2001, outlines cost sharing requirements for federal assistance awards (grants and cooperative agreements). OMB Circular A-110, “Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations: Uniform Administrative Requirements” provides specific guidance on cost sharing (see Section 23). To assure compliance, the following guidelines have been developed.

GUIDELINES:

DEFINITIONS:

The federal government defines two basic categories of cost sharing, committed and uncommitted:

COMMITTED -

- **Mandatory:** Required as a condition to receive an award, and specified by the agency in the proposal guidelines or program announcement. This would be the minimum cost sharing required by the agency. Anything committed beyond the minimum becomes Voluntary Committed cost sharing.

- **Voluntary:** Committed by the University through the inclusion in the proposal as a specific commitment. This commitment could appear in the proposal either in the administrative/business section (e.g. budget or budget justification) or the narrative.

Committed Cost Sharing - both Mandatory and Voluntary - are accounted for the same and per OMB Circular A-21, must be properly documented for cost accounting purposes. Note: The nature of uncommitted cost sharing (see below) changes to committed as soon as it is

http://guru.psu.edu/policies/RAG10.html

11/25/2013
included in the proposal budget or award.

UNCOMMITTED -

- **Voluntary:** University expenses, such as faculty salaries, that are over and above that which is committed and budgeted for in a sponsored agreement.

Uncommitted cost sharing must not be identified specifically in the proposal budget or award or any modification thereto, and must not be documented or accounted for as part of the award.

**DOCUMENTATION OF COMMITTED COST SHARING:**

Grants and contracts that have any component of committed cost sharing – mandatory or voluntary – must so indicate on the AURA form (Cost Sharing Y or N field). All changes to committed cost sharing must be updated in IBIS through the UACT screen.

See Policy RA01 Determining The Allowability, Allocability, and Reasonableness Of Costs On Sponsored Projects to determine costs eligible for cost sharing.

To assure compliance with the documentation requirements for committed cost sharing, a cost sharing account must be established either at the administrative or departmental level, using the same budget function (function code) as the agreement (Instruction, Research, Continuing Education). Committed cost sharing for a particular grant or agreement must be accounted for in a separate cost center within this account. The name of the cost center must include the fund number of the agreement for central reporting purposes.

All committed cost sharing for an agreement from general funds should be accounted for through a general fund cost sharing account cost center. Committed cost sharing from miscellaneous funds, such as gifts and endowments or MGR, must be accounted through a miscellaneous fund cost sharing account, using cost centers to identify the match for each grant or contract. Other cost sharing should be accounted for as follows:

- **Fringe benefit, tuition, and F&A costs** for cost sharing accounted for on general funds are to be calculated manually and separately in accordance with approved rates and included in any reporting of itemized matching costs.

- **Third Party Contributions to Cost Sharing** (e.g. an industrial grant)
  - **Managed by the University** - If a portion of the grant is used as cost sharing, use a cost center to track the portion of that account used for cost sharing (cost center name should include fund number of grant for which match is being made).
  - **Incurred by Third Party** – The third party should provide a written report documenting their contributions to the committed cost sharing for a particular grant or agreement. See Policy RA02 - Acceptability and Evaluating of Services, Equipment or Property Donated to Federally Sponsored Projects

Financial Officers should budget cost sharing accounts, as required, and implement controls to assure that general funds are available and expended in accordance with the matching requirements in a particular fiscal year.
SPECIAL RULES FOR PROPERTY AND EQUIPMENT:

Property/Facilities purchased or provided in fulfillment of committed cost sharing must be reported to Property Inventory/Overhead Accounting by the Financial Officer (or delegate).

Equipment: There are additional actions that must be taken to assure that equipment is properly coded in the University's Property/Inventory records. All procurement documents should use the M-coding function in the IBIS FANS window for general fund accounts to code the item as being part of a cost-sharing (matching) agreement and should include the appropriate coding to connect it to the correct agreement. The equipment should be accounted for in the Cost Sharing Account. Any changes or corrections to the M-coding status in IBIS after the initial procurement documents are processed must be manually reported to Property Inventory by the Financial Officer (or delegate).

UNIVERSITY MATCHING FUNDS:

The University does provide matching funds to be used for committed cost sharing purposes. See Guideline RAG02 for more detail. Essentially, these matching funds are used to offset the committed cost-sharing requirement for a particular area. These allocations, approved by the Vice President for Research, should be accounted for as part of the budget in the Cost Sharing Account in the cost center for the particular agreement. In addition, any cost sharing committed at the college or departmental level should also be accounted for as part of the budget in the Cost Sharing Account.

SPECIAL NOTE:

If any costs are or have been questioned as a result of a Government audit, none of these costs shall be transferred between any federally funded accounts, including Cost Sharing accounts, unless and until expressly approved by the University's Office of Naval Research Administrative Contracting Officer after a formal Government determination as to the allowability of those questioned costs.

CROSS REFERENCES:

Other Policies in this manual should also be referenced, especially the following:

RA01 - Determining The Allowability, Allocability, and Reasonableness Of Costs On Sponsored Projects

RA02 - Acceptability And Evaluating Of Services, Equipment Or Property Donated To Federally Sponsored Projects

RA03 - Preparing Budgets (Cost Estimates) For Sponsored Projects

Effective Date: October 31, 2001
Date Approved: October 26, 2001
Date Published: October 30, 2001 (Editorial change March 7, 2005)

Most recent changes:

- March 7, 2005 - Editorial changes to correct link to “The Clarification of OMB A-21 Treatment of
Voluntary Uncommitted Cost Sharing and Tuition Remission Costs."

Revision History (and effective dates):

- New Policy Guideline; formerly University procedure CR2074 - *University "Matching" Funds.*

GURU home  GURU policy menu  GURU policy search

GURU Tech Support  Penn State website
Guideline RAG03 CENTRAL MATCHING FUNDS PROGRAM FOR RESEARCH ASSISTANTSHIPS / TRAINEESHIPS (formerly Assistantships / Traineeships Matching Funds Program)

Contents:
- Purpose
- Guidelines
- Central Matching Funds Example
- Approval Procedures
- Access to Matching Funds

PURPOSE:

This program is intended to lead to more competitive research proposals and to increase the number of externally-funded University research assistantships/traineeships by making Central matching funds available for support of research assistantships/traineeships as proposed in an externally-funded research project.

GUIDELINES:

1. Central matching funds for the support of research assistantships/traineeships are available only when a research proposal is submitted to an external agency/sponsor seeking funds for the support of research assistantships/traineeships, and the sponsor requires matching.

2. All requests for Central matching funds are reviewed in the Office of the Vice President for Research and Dean of the Graduate School, and approval is subject to meeting these guidelines and the availability of funds. The approval of Central matching funds is not automatic.

3. Research assistantship/traineeship costs that may be included in the calculation of the Central matching funds include stipend, student summer wages, fringe, and tuition.

4. Requests for GA funds will be considered only if the Central matching fund contribution exceeds $10,000 annually.

   An exception will be reviewed when the research assistantship/traineeship costs are included in a career development/young investigator proposal or a high profile research proposal/project as determined by the research dean/institute director, in consultation with OSVPR.

5. Central matching funds may be requested up to a maximum of 10 percent of the total research...
assistantship/traineeship costs supported by the sponsor [defined in (3)] or 50 percent of the F&A amount with the research assistantship/traineeship costs included in an externally-sponsored proposal. The PI, in conjunction with the relevant research deans, can choose which mode of matching to follow.

6. College/institute/department matching funds must total an amount equal to or greater than the total GA match requested from Central. The matching funds committed from the colleges/institutions/departments must be used to support research assistantships/traineeships [defined in (3)] associated with the externally-funded project. The central matching form (see link below) must be completed including the research dean’s/institute director’s signature, which indicates that the college/institute/department matching funds are confirmed.

7. There is no guarantee that an untimely request will be reviewed to meet a proposal deadline. Request forms should be submitted at least one week before the sponsor deadline.

8. Central matching fund commitments expire eighteen months from the date of approval on the approved match form. If after eighteen months, the match is still needed, a new match form should be submitted to centralmatch@psu.edu.

**CENTRAL MATCHING FUNDS EXAMPLE:**

An investigator is applying for a graduate training grant and includes 8 students on the sponsor’s budget. The sponsor costs for 8 students are equal to $288,000 and the F&A related to those costs are $144,000 (round numbers are used in these examples for demonstration purposes and do not precisely reflect actual costs).

<table>
<thead>
<tr>
<th>Sponsor GA Costs (w/o F&amp;A)</th>
<th>$ 288,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsor F&amp;A on GA Costs</td>
<td>$ 144,000 [50% = $72,000]</td>
</tr>
<tr>
<td>Central (50% of F&amp;A on GA Costs)</td>
<td>$ 72,000</td>
</tr>
<tr>
<td>College</td>
<td>$ 36,000</td>
</tr>
<tr>
<td>Institute</td>
<td>$ 18,000</td>
</tr>
<tr>
<td>Department</td>
<td>$ 18,000</td>
</tr>
<tr>
<td>Total Amount to support students</td>
<td>$ 432,000</td>
</tr>
</tbody>
</table>

**Match using 10% of GA Costs without F&A**

<table>
<thead>
<tr>
<th>Sponsor GA Costs (w/o F&amp;A)</th>
<th>$ 288,000 [10% = $28,800]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsor F&amp;A on GA Costs</td>
<td>$ 144,000</td>
</tr>
<tr>
<td>Central (10% of GA Costs)</td>
<td>$ 28,800</td>
</tr>
<tr>
<td>College</td>
<td>$ 14,400</td>
</tr>
<tr>
<td>Institute</td>
<td>$ 7,200</td>
</tr>
<tr>
<td>Department</td>
<td>$ 7,200</td>
</tr>
</tbody>
</table>
Total Amount to support students | $345,600

**APPROVAL PROCEDURES:**

1. Requests for Central matching funds must be approved by the research dean or institute director and submitted to centralmatch@psu.edu using the appropriate Central matching funds request form (located at http://www.research.psu.edu/osp/documents/proposal/Matching-Funds-Assistantship-6.pdf). The form must be completed including the research dean’s/institute director’s signature, which indicates that the college/institute/department matching funds are confirmed.

2. A proposal budget and a budget page including only assistantship/traineeship costs and F&A must be submitted with the Central matching request funds form, excluding personal salary data if considered confidential.

3. If the Central matching funds request is approved, the Vice President for Research and Dean of the Graduate School will sign the form. An approved copy of the Central matching funds request form will be electronically disseminated to the appropriate research dean(s), institute director(s), research administrator(s), PI(s), and department head(s). The approved Central matching funds request form will also be sent to the relevant Central staff.

**ACCESS TO MATCHING FUNDS:**

1. If a proposal is awarded, the relevant research office must send a copy of the award letter/notice to OSVPR at centralmatch@psu.edu. Relevant financial officers should also be notified that matching funds will be forthcoming from Central. OSVPR will contact the Provost’s office for the release of funds.

2. If a proposal is awarded with a revised budget from the sponsor/agency that decreases the research assistantship/traineeship support, the amount of Central matching funds must be recalculated to comply with the above guidelines, and resubmitted to centralmatch@psu.edu.

3. If a proposal is not awarded, the relevant research office must send an e-mail to centralmatch@psu.edu indicating that the matching funds may be released.

Effective Date: June 12, 2009  
Date Approved: June 11, 2009  
Date Published: June 11, 2009 (editorial change - January 1, 2010)

**Most Recent Changes:**

- January 1, 2010 - Editorial changes. Title changed FROM "Senior Vice President for Research and Dean of the Graduate School" TO "Vice President for Research and Dean of the Graduate School," to reflect position changes, effective January 1, 2010.

http://guru.psu.edu/policies/rag03.html  
11/25/2013
Revision History (and effective dates):

- June 12, 2009 - Major rewrite of the entire guideline to reflect the current process. Title changed from Assistantships / Traineeships Matching Funds Program to Central Matching Funds Program for Assistantships / Traineeships.

- August 14, 2006:
  - The $10,000 annual minimum will be waived for career development programs, such as, the NSF Faculty Early Career Development Program.
  - Changed the Vice President's title to Senior Vice President; other minor editorial changes.

- March 30, 2004:
  - The expiration of Central Administration matching funds commitments has been extended from twelve to eighteen months.
  - Significant changes to the procedures for processing requests for Central Administration matching funds.
  - Substantial editorial rewording.
  - Policy title changed from "Assistantships/Traineeships Matching Funds" to "Assistantships/Traineeships Matching Funds Program".

- December 4, 2000 -
  - Policy title changed from "Requesting Graduate Assistantship / Traineeship Matching Funds" to "Assistantships/Traineeships Matching Funds".
  - Substantial editorial rewording throughout.
  - Under PURPOSE, this program is intended to support, through matching funds, large, multi-investigator traineeship proposals.
  - PURPOSE now states that "Central Administration matching funds must be used to support graduate students in the proposal."
  - Under Policy Guideline #1, changed last sentence to read "A copy of the appropriate budget page(s) to be submitted to the sponsor are required."
  - The Old Policy Guideline # 4, "Central Administration matching funds will not be provided to support released faculty time" was deleted.
  - Under Policy Guideline (now) #6, the $8,000 maximum was changed to $10,000; the match on $80,000 was changed to the match on $100,000; and the 50 percent of $16,000 was changed to 50 percent of $20,000.
  - Policy Guideline (now) #7 was completed rewritten.
  - Under Approval Procedure #1, the request requirements have been changed; several position titles were changed.)

- February 20, 1998 - New policy guideline.
The Pennsylvania State University
Request for Central Administration
Matching Funds Assistantships/Traineeships

Instructions: For Central matching funds, you must:
(1) complete all sections of this form
(2) secure your Research Dean's/Institute Director's signature
(3) attach the proposal budget
(4) attach a budget outlining only the sponsor's GA expenses

College/institute: 
Pl: 

Department: 
Sponsor: 

Proposal Title: 

Proposal Deadline: 
Number of students/year on the project: 

Matching funds request based on: 50% of F&A recovered on GA costs or 10% of GA costs

<table>
<thead>
<tr>
<th>Matching Recommendation</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsor's GA Support w/o F&amp;A</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Sponsor's F&amp;A on GA(s)</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Central Match*</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>College/institute/Dept Match</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
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<td>2.</td>
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<td>3.</td>
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<td>4.</td>
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<tr>
<td>5.</td>
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<td></td>
</tr>
<tr>
<td>Total College/institute/Dept</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Equal to college/institute/department match; must exceed $10,000 annually

Approvals:

Research Dean/Institute Director: ____________________________ Date: ____________
[Research Dean/Institute Director of the College/Institute making this request; this signature ensures that matching funds for the other Colleges/Institutes/Departments have been approved. If you are a proxy, please include your name.]

Vice President for Research: ____________________________ Date*: ____________
[Central matching funds commitment is approved conditional upon receipt of the award.]
*Central Administration matching funds commitment expires 18 months from the date of this signature. Requests for cost share renewals will be considered.

Post-Award Information: If a proposal is awarded, forward copies of the sponsor's agreement, and the approved matching funds form to centralmatch@psu.edu. When a project is not awarded, send copies of the approved form to centralmatch@psu.edu indicating that the project was not awarded.

Revisions: If a project is awarded with a revised budget, re-submit the original, approved form, mark the revisions on the form, write "revised" in the upper right-hand corner, and forward the form to centralmatch@psu.edu.
Guideline RAG02 CENTRAL MATCHING FUNDS PROGRAM FOR RESEARCH EQUIPMENT (formerly Equipment Matching Funds Program)

Contents:

- Purpose
- Guidelines
- Central Matching Funds Example
- Approval Procedures
- Access to Matching Funds

PURPOSE:

This program is intended to lead to more competitive research equipment proposals and to improve University research facilities by making Central matching funds available for the acquisition of major pieces of research equipment, or a series of items that function as a single piece of research equipment, as proposed in an externally-funded research project.

GUIDELINES:

1. Central matching funds for the acquisition of research equipment are available only when a research proposal is submitted to an external agency/sponsor seeking funds for the acquisition of research equipment. This program does not provide matching funds for donated or acquired equipment from a non-sponsored source. Central matching funds are intended for the acquisition of research equipment only if the funding agency/sponsor requires matching.

2. All requests for Central matching funds are reviewed in the Office of the Vice President for Research and Dean of the Graduate School, and approval is subject to meeting these guidelines and the availability of funds. The approval of Central matching funds is not automatic.

3. Research equipment is defined as one major piece of research equipment or a series of items that function as a single piece of research equipment. Other related costs that may be included in the calculation of Central matching funds are delivery, setup and up to one year of initial technical support, salaries (for setup), or installation of the research equipment. In general, the costs that may be included are expenses required to get the equipment in place and operational, excluding F&A. The proposal budget should not be included in the match calculations, (e.g., salary for other than initial setup, graduate student tuition, maintenance and warranty costs).

4. A request for Central matching funds is considered only if the total cost of the research equipment [defined in (3)] exceeds $100,000 annually.
5. Central matching funds may be requested based on a maximum of 15 percent of the total cost of the research equipment [defined in (3)] included in an externally-sponsored proposal.

6. College/institute/department matching funds must total a minimum of 7.5 percent of the total cost of the research equipment [defined in (3)] or at least 50 percent of the funds being requested from Central. The central matching form (see link below) must be completed including the research dean’s/institute director’s signature, which indicates that the college/institute/department matching funds are confirmed.

7. Confirmation of the research equipment cost(s) must be verified by providing either a vendor’s price quote or a website/catalog price list.

8. An exception to guidelines 1, 5, and 6 will be reviewed when the research equipment is included in a career development/young investigator proposal or a high profile research proposal as determined by the research dean/institute director in consultation with the OSVPR.

9. There is no guarantee that an untimely request will be reviewed to meet a proposal deadline. Request forms should be submitted at least one week before the sponsor deadline.

10. Central matching fund commitments expire eighteen months from the date of approval on the approved match form. If after eighteen months, the Central matching funds are still needed, a new match form should be submitted to centralmatch@psu.edu.

**CENTRAL MATCHING FUNDS EXAMPLE:**

<table>
<thead>
<tr>
<th>Total Amount of Equipment (refer to 3)</th>
<th>$100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsor’s Equipment Costs</td>
<td>$ 77,500</td>
</tr>
<tr>
<td>Central</td>
<td>$ 15,000[15.0% of $100,000]</td>
</tr>
<tr>
<td>College/Institute/Department</td>
<td>$ 7,500[7.5% of $100,000]</td>
</tr>
</tbody>
</table>

**APPROVAL PROCEDURES:**

1. Requests for Central matching funds must be approved by the research dean or institute director and submitted to centralmatch@psu.edu using the appropriate Central matching funds request form (located at http://www.research.psu.edu/osp/documents/proposal/Matching-Funds-Equipment-8.pdf). The form must be completed including the research dean’s/institute director’s signature, which indicates that the college/institute/department matching funds are confirmed.

2. A proposal budget, list of the equipment, and vendor’s quote must be submitted with the Central matching funds request form.

3. If the Central matching funds request is approved, the Vice President for Research and Dean of the Graduate School will sign the form. An approved copy of the Central matching funds form will be electronically disseminated to the appropriate research dean(s), institute director(s), research administrator(s), PI(s), and department head(s). The approved Central matching funds request form will also be sent to the relevant Central staff.

http://guru.psu.edu/policies/rag02.html

11/25/2013
ACCESS TO MATCHING FUNDS:

1. If a proposal is awarded, the relevant research office must send a copy of the award letter/notice to OSVPR at centralmatch@psu.edu. Relevant financial officers should also be notified that matching funds will be forthcoming from Central. OSVPR will contact the Provost’s office for the release of funds.

2. If a proposal is awarded with a revised budget from the sponsor/agency that decreases the research equipment support, the amount of Central matching funds must be recalculated to comply with the above guidelines and resubmitted to centralmatch@psu.edu.

3. If a proposal is not awarded, the relevant research office must send an e-mail to centralmatch@psu.edu indicating that the matching funds may be released.

Effective Date: June 12, 2009
Date Approved: June 11, 2009
Date Published: June 11, 2009 (editorial change - January 1, 2010)

Most Recent Changes:

- January 1, 2010 - Editorial changes. Title changed FROM "Senior Vice President for Research and Dean of the Graduate School" TO "Vice President for Research and Dean of the Graduate School," to reflect position changes, effective January 1, 2010.

Revision History (and effective dates):

- June 12, 2009 - Major rewrite of the entire guideline to reflect the current process. Title changed from Equipment Matching Funds Program to Central Matching Funds Program for Research Equipment.
- August 14, 2006:
  - University matching funds will no longer be available to match on faculty grant/contract proposals unless the funding agency requires that match; exceptions may continue for high profile or career programs.
  - Changed the Vice President's title to Senior Vice President; other minor editorial changes.
- March 30, 2004:
  - A restated purpose was added emphasizing the goals of the equipment matching funds program.
  - The levels for matching funds consideration has been changed from falling below a minimum of $55,000 to exceeding $75,000 annually; the levels for Central Administration match has been changed from falling below $8,250 to exceeding $11,250 annually.
  - Confirmation of equipment cost(s) should now be verified by providing either a vendor's price quote or a website/catalog price list with the matching funds request.
  - The expiration of matching funds commitments has been extended from twelve to eighteen months.
  - Significant changes to the procedures for processing requests for Central Administration matching funds.
  - Substantial editorial rewording.
  - The policy title has changed from "University Equipment Matching Funds" to "Equipment Matching Funds Program."
December 4, 2000 -
- Policy title changed from "Requesting Equipment Matching Funds" to "University Equipment Matching Funds."
- New POLICY GUIDELINE item #1 states that University Equipment Matching Funds may be requested simultaneously with graduate assistant matching funds.
- Under POLICY GUIDELINES item #2, the percentage was changed from 20 to 15. In addition the conditions for matching were clarified.
- Under POLICY GUIDELINES item #3, the percentage was changed from 10 to 7.5.
- Under POLICY GUIDELINES item #4, the percentage was changed from 20 to 15.
- Under POLICY GUIDELINES item #5, the minimum level was changed from $40,000 to $55,000, and the Central Administration match level from $8,000 to $8,250; the note in this section was also changed.
- POLICY GUIDELINES item #6 was completely reworded.
- The APPROVAL PROCEDURES section has position title changes and rewording.

February 20, 1998 - New policy guideline.
The Pennsylvania State University

Request for Central Administration Matching Funds - Equipment

**Instructions:** For Central matching funds, you must:
1. complete all sections of this form
2. secure your Research Dean's/Institute Director's signature
3. attach the proposal budget, equipment list, and vendor’s quote

<table>
<thead>
<tr>
<th>College/Institute:</th>
<th>PI:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department:</td>
<td>Sponsor:</td>
</tr>
<tr>
<td>Proposal Title:</td>
<td></td>
</tr>
<tr>
<td>Proposal Deadline:</td>
<td>Amount of Match Required by the Sponsor:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Matching Recommendation</th>
<th>Cost Share</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsor</td>
<td>0 %</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Match*</td>
<td>0 %</td>
<td></td>
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</tr>
<tr>
<td>College/Institute/Dept Match**</td>
<td>Year 1</td>
<td>Year 2</td>
<td>Year 3</td>
<td>Year 4</td>
<td>Year 5</td>
<td>Total $</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>0 %</td>
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<td>2.</td>
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<td>3.</td>
<td>0 %</td>
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<td>4.</td>
<td>0 %</td>
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<td>6.</td>
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<td>7.</td>
<td>0 %</td>
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<tr>
<td>TOTAL**</td>
<td>0 %</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Maximum of 13%; minimum of $11,230 annually  **Combined minimum of 7.5%  ***Minimum of $75,000 annually

**Approvals:**

Research Dean/Institute Director: ____________________________ Date: __________
[Research Dean/Institute Director of the College/Institute making this request; this signature ensures that matching funds for the other Colleges/Institutes/Departments have been approved. If you are a proxy, please include your name.]

Vice President for Research: ________________________________ Date*: __________
[Central matching funds commitment is approved conditional upon receipt of the award.]

*Central Administration matching funds commitment expires 18 months from the date of this signature. Requests for cost share renewals will be considered.

**Post-Award Information:** If a proposal is awarded, forward copies of the sponsor’s agreement, and the approved matching funds form to centralmatch@psu.edu. When a project is not awarded, send copies of the approved form to centralmatch@psu.edu indicating that the project was not awarded.

**Revisions:** If a project is awarded with a revised budget, re-submit the original, approved form, mark the revisions on the form, write "revised" in the upper right-hand corner, and forward the form to centralmatch@psu.edu.
Matching Funds Procedure:

1. Complete all sections of the appropriate form(s).

2. Secure your Research Dean's/Institute Director's signature.

3. Attach in a PDF format, the proposal budget and additional pertinent information as outlined on each form, i.e., vendor quote for equipment, etc.

4. Submit the form(s) to centralmatch@psu.edu for review by the Assistant to the Vice President for Research.

5. If approved, the form(s) will be signed by the Vice President for Research and electronically sent to the research dean(s), the PI(s), heads of contributing departments, and the appropriate research administrator along with the financial officers in the Provost's office.

6. Please send an e-mail to centralmatch@psu.edu when one of the following occurs:
   - Project is awarded; include a copy of the sponsor's award letter
   - Project is awarded and the budget has been revised: include a copy of the sponsor’s award letter and a revised match request in PDF format
   - Project is not awarded

7. Please refer to RAG02 and RAG03 for additional details on this process. If you have any questions, send an e-mail to centralmatch@psu.edu.
Policy RA08 REIMBURSEMENT SALARY CAPS AND PLAN EFFORT CONFIRMATION

Contents:

- Purpose
- Salary Cap
- Plan Effort Confirmation
- Cross References

PURPOSE:

To identify requirements to observe, report, and confirm the percent of effort expensed on Federally sponsored projects, and to observe the specific reimbursement salary caps imposed by certain Federal agencies.

SALARY CAP:

Certain federal agencies have established reimbursement salary caps. If an individual whose salary exceeds the cap is performing effort on an account subject to a reimbursement salary cap, the amount charged to the account for each month must be calculated to account for the cap.

When an effort confirmation for a grant includes an employee who earns at a rate in excess of a reimbursement salary cap, a notation must be listed at the bottom of the effort confirmation. When confirming effort, the following must be noted on the bottom of the effort confirmation statement when reimbursement salary cap imitation has been applied:

________(1)________ spent ____(2)____% of his/her time on the grant from the period of
________ through __________, but is only permitted to charge ____(3)____% due to the cap.

(1) Name of the individual earning in excess of the cap,
(2) Actual percent effort,
(3) Percent of salary charged to grant.

Any difference between the actual percent effort and the percent effort charged must be tracked and charged to the same budget function (function code) as the agreement (Instruction, Research, Continuing Education).

Please note that if the effort changes by month, a statement is required for each time period.
To illustrate the application of these guidelines, the following example has been prepared:

Assume that Dr. Sal Kapp earns $162,000 per academic year on an academic 36 week appointment. He has committed 25% of his effort to a sponsored project, but the sponsor limits the salary to no more than $191,300 per year. Dr. Kapp’s annualized monthly salary is equivalent to $18,000 or $162,000 / 9 months. The imposed salary cap monthly salary is equivalent to $15,941.67 or $191,300 / 12 months. An adjustment will need to be made on the amount being paid on the sponsored project taking into consideration Dr. Kapp’s 25% percent effort and the maximum allowable amount. The monthly salary costs for the project effort would be $4,500 or $18,000 * 25%, but the maximum allowable monthly salary cost would be $3,985.42 or $15,941.67 *25%. Therefore, the percent of effort that can be charged to the sponsored project would be 22.14% or $3,985.42 / $4,500 * 25%. The amount of salary not reimbursed by the sponsored project would be $514.58 per month or $4,500 - $3,985.42.

All individuals whose salary is impacted by a salary limitation shall indicate concurrence at the time of award with the following language:

“I understand that the sponsored project titled “insert title” sponsored by “insert sponsor” has imposed a cap on my salary reimbursement. In the event that allowable non-federal funds are unavailable or only partially available to support the portion of my salary above the imposed cap, I understand that my rate of pay will be below my annualized monthly salary. It will be my responsibility to identify the source of allowable non-federal funds, subject to budget administrator/budget executive approval.”

If Dr. Kapp receives his full salary, the $514.58 balance of his monthly salary must be charged to an account with the same function code as the sponsored project. The following statement must be added to the effort confirmation of the project:

“Dr. Kapp spent 25% of his time on the project during the period xx/xx/xxxx through xx/xx/xxxx but is only permitted to charge 22.14% due to the cap.”

Please note that the NIH salary cap is updated effective January 1st and should be taken into consideration for effort certification notations. Current NIH Rate caps are available at http://grants.nih.gov/grants/policy/salcap_summary.htm.

PLAN EFFORT CONFIRMATION:

A summary for each account of salary amounts and related percentages to the total salary charged for each month is distributed to the administrators and/or principal investigators for confirmation of effort on an annual basis, and within 45 days after the end-date of each sponsored program. The Plan Effort Confirmation Statements will be produced after the end of the fiscal year for all accounts open during the fiscal year and must be signed and filed by September 30th each year. These statements will also be produced for individual accounts upon reaching the end-date of the sponsored program. These are to be signed by the principal investigator and budget administrator (or designated representative). No individual may confirm his/her own effort, so in those cases where the budget administrator is also the PI, the confirmation must be approved by the appropriate Associate Dean for Research or budget executive (or designated representative). In compliance with OMB Circular A-21 requirements for effort confirmation, "a responsible person with suitable means of verification that the work was performed" must sign the effort confirmation statement. Therefore, responsibility for signing effort confirmation
Issuing Subawards and Subcontracts Overview

- The first step in the subcontracting process is completion of the Subcontract/Subaward Request Form in coordination with your college/unit Contracts and Grants office or Financial Officer. The form and any necessary backup materials are then forwarded to the Office of Sponsored Programs (OSP), which will prepare and issue the subcontract/subaward (subagreement).
- Prior to issuing the subagreement, OSP may request evidence of the subrecipient's capacity to properly manage the funds (i.e., a copy of an audited financial statement or an A-133).
- Refer to GURU policies RA16 and RA19 for procedures related to the administration of subcontracts and subawards, respectively.
- Upon full execution, it is the college/unit and Principal Investigator's responsibility to manage the subagreement. The Principal Investigator (PI) is responsible for monitoring the subrecipient's progress and approval of invoices to ensure the costs are appropriate and commensurate with the work performed. The PI is responsible for signing the Technical Release form accepting final deliverable and technical performance.
- Following completion of the subagreement, OSP is responsible for the final review and analysis of costs incurred against the subagreement and for obtaining all required closeout documents.
SUBCONTRACT/SUBAWARD REQUEST FORM

Please provide the information requested below and forward the request, signed by the Principal Investigator, Dean/Consortium Director/Institute Director/CEO, and Financial Officer, to the Office of Sponsored Programs. The Subrecipient’s proposal must be attached and include the following:
☐ Cover Page ☐ Statement of Work ☐ Budget ☐ F&A Rate Agreement (if applicable)
☐ Representations and Certifications (if applicable)

1. For subcontracts/subawards being issued under a Prime Award from a PHS Agency (e.g., NIH, FDA, etc.) or other agency that has adopted similar Financial Conflict of Interest requirements, please answer the following. Otherwise, please proceed to item #2.

Have all necessary conflict of interest checks and reviews been completed by the subrecipient institution? _____ Yes _____ No*

*Note: Subawards/Subcontracts will not be executed until such review has been completed. It is a violation of federal law to allow spending on a subaward/subcontract, until the subrecipient institution has either certified its own compliance with PHS COI policy or been reviewed by PSU’s COI program.

2. Request to issue:
☐ Initial Subaward (SA)/Subcontract (SC)
☐ Amendment to Subaward/Subcontract No.: __________________________

No Cost Extension___ Additional Funding ___ New End Date & Additional Funding ___ Decrease in Funds ___

3. OSP Number of Prime Award: __________________________

4. Prime Award Number: __________________________

5. Penn State University’s Prime Award is a:
☐ Grant – Complete all sections (as applicable) except #13
☐ Contract – Complete all sections (as applicable)

6. Subcontract/Subaward Information: Subrecipient Administrative Contact:

________________________________________________________________________
Subrecipient

________________________________________________________________________
SA/SC Project Director

________________________________________________________________________
SA/SC/Amendment Amount

________________________________________________________________________
SA/SC/Amendment Period of Performance

Cumulative amount funded to date (including this action)

________________________________________________________________________
DUNS Number

________________________________________________________________________
Name

________________________________________________________________________
Address

________________________________________________________________________
Address

________________________________________________________________________
Phone

________________________________________________________________________
Email/Website
7. Prime Award Information:

Prime Sponsor

Prime Award Funded Amount to Date

Period of Performance

Budget/Fund Number   CFDA Number

Penn State Project Director:

Name

Address

Phone

Email

8. Is there a cost sharing commitment associated with this subaward/subcontract?
   Yes ☐ No ☐ If yes, please provide amount specific to this action: _______________________

9. Is Subrecipient requesting F&A?
   Yes ☐ No ☐ N/A ☐ If “Yes”, please attach rate agreement.

10. Penn State’s Project Title: ______________________________

   a. Additional description if project title does not adequately describe what the subrecipient is doing:

   ______________________________

11. Other Information

   a. Provide any information which you feel will be useful to the person preparing the subaward/subcontract, e.g., change/no change in statement of work, unusual publication requirements, unusual intellectual property requirements, etc.

   ______________________________

   b. Foreign Subrecipient Requirements:

   1. If issuing the subaward/subcontract to a foreign entity, please provide the milestone payment instructions. (Example: For a subaward totaling $15,000 for the period 10/1/2010-9/30/2011. Issue equal payments of $5,000 upon receipt of invoice and required reports, as follows: (1) Upon full execution of Agreement; (2) June ___, 2011; and (3) September ___, 2011.)

   ______________________________

   2. Has an export review been completed? ☐ Yes Log #:______________ ☐ No

12. Reporting Requirements (if not checked, reporting requirements will be monthly)

   ☐ Monthly   ☐ Quarterly   ☐ Annually

   ☐ Other ____________________________________________

Page 2 of 3
13. If Prime Award is a contract, complete either Section 13.A or 13.B (Competition or Sole Source Justification)

a. **Competition**
   Attach separate sheet which includes the following:
   i. Name and address of each potential subcontractor contacted
   ii. Name and amount proposed by each potential subcontractor responding
   iii. Subcontractor selected
   iv. Reason for selection

b. **Sole Source Justification:** Provide justification for selection of subcontractor if competitive bids were not solicited.
   □ Joint Proposal, or;
   □ Sole Source Justification provided on a separate sheet.

By signing below, I certify that I have read the following statements and certify that they are accurate and truthful to the best of my knowledge and belief:

The project or relationship with this Subrecipient *(PI initials)* _____ does or does not _____ present a potential for conflict of interest or the appearance of a conflict for investigators so involved have provided a complete disclosure of this matter, as instructed by current University policy and/or Federal regulation.

The Subrecipient’s proposed costs have been reviewed by the Principal Investigator and are considered reasonable for the Subrecipient’s level of expertise and the technical effort proposed by the Subrecipient.

Funding is available for this subaward/subcontract and is an allowable cost under the terms of the Award.

Principal Investigator

Signature ___________________________ Date __________

Approved:

Dean(s), Consortium/Institute Director, CEO or Designated Representative

Financial Officer or Designated Representative

Signature ___________________________ Date __________

Title ___________________________ Date __________

*Issued 5/1/2002, Last revised 1/15/2013*

Please return the completed form and any attachments to OSP via e-mail to PSSUB-OSP@psu.edu
1. What are the Cost Accounting Standards (CAS) and why do they matter?

The CAS were adopted by the U.S. Government to establish consistency in the way contractors estimate, allocate, accumulate, and report costs against federally funded projects. A key component of the CAS is the requirement that all costs are allocated consistently, either as direct costs or as facilities and administration (F&A) costs.

The importance of this rule is explained in OMB Circular A-21: “Adherence to these cost accounting concepts is necessary to guard against the overcharging of some cost objectives and to prevent double counting. Double counting occurs most commonly when cost items are allocated directly to a cost objective without eliminating like cost items from indirect cost pools which are allocated to that cost objective.” (The applicable CAS 9905.502 is incorporated into A-21, Appendix A.)

Federal audits at other universities have revealed examples of inconsistent cost allocation. Specifically, certain costs (clerical salaries, office supplies, mailing costs, etc.), which are normally considered F&A costs, were charged directly to federal grants and contracts. These audit findings resulted in multi-million dollar fines. If such fines were to be levied at Penn State, they would almost certainly impact the budgets of the units responsible.

2. Are there any exceptions when costs normally charged to F&A can be charged directly to federal funds?

Yes. Exhibit C of A-21 provides examples where direct charging of administrative or clerical staff salaries may be appropriate. Similar justifications can be provided for direct charging other costs normally charged to F&A. In general, routine costs (e.g., office supplies, clerical salaries) can be charged directly to a project when they fulfill the following two requirements:
   a) They are being charged for the sole direct benefit of the project.
   b) They constitute a significantly greater than normal cost.

Non-routine items (e.g., specialized supplies and services) can be charged directly to a project as long the costs are for the sole direct benefit of the project.

3. When is it appropriate to charge administrative or clerical salaries to a project?

If a project only requires a routine level of clerical or administrative support, such support is to be covered by the faculty member’s department, since these costs are recovered via the university’s collection of F&A. The only time clerical and administrative support can be charged directly to a sponsored project is when the level of support needed for a project is significantly greater than the routine level of services provided by the faculty member’s department. For example, if a project involves a very large mail survey, the project may be able to justify charging a portion of a staff assistant’s time to the project if he or she will be involved in preparing, copying, and mailing the survey, and collecting
and collating the results. Major projects (such as multi-institutional research centers) also may require additional administrative support. Projects that involve extensive travel and meeting arrangements, such as conferences, also may require additional administrative support. Other examples “where direct charging of administrative or clerical staff salaries may be appropriate” can be found in OMB Circular A-21, Exhibit C.

In all such cases, it is imperative that a specific budget justification be provided for why clerical and/or administrative salaries are being charged directly to the project.

4. When is it appropriate to charge supplies to a project?

**Laboratory supplies** (o/c 303) are generally allowable, as long as they are being purchased for use on a specific project (as opposed to being purchased for general use).

**Office supplies** (o/c 301, 309) are generally not allowable, since the cost of general office supplies are recovered via the university’s collection of F&A. The only time office supplies can be charged directly to a sponsored project is when the quantity of office supplies needed for a project is significantly greater than the routine level. For example, if a project involves developing and distributing educational materials throughout the state of Pennsylvania, charging the cost of the curricular materials directly to the project may be justifiable. A large center proposal also may require a greater than routine level of office supplies to conduct its business.

In all such cases, it is imperative that a specific budget justification be provided for why office supplies are being charged directly to the project.

**General purpose computer supplies** (e.g., toner and inkjet cartridges) are considered office supplies, not laboratory supplies, and therefore should not be charged directly to a project unless specific justification can be provided.

5. When is it appropriate to charge photocopying to a project?

Routine duplication costs should not be direct charged to a sponsored project. Greater than routine duplication costs can be direct charged, e.g., in the case of a large mail survey. In all such cases, it is imperative that a specific budget justification be provided for why duplication costs are being charged directly to the project.

6. When is it appropriate to charge telecommunication charges to a project?

Some telecommunication charges (e.g., long-distance phone charges) can be charged directly to a project, as long as it can be documented that the costs are being incurred for the sole benefit of the project. Routine telecommunications costs (e.g., installation charges, monthly use charges, local access calls, pagers, cell phones, and other communication devices) should not be charged directly to a project, since they are recovered via the university’s collection of F&A. Exceptions are possible. If a phone line or special communication device is needed for a project-specific purpose (and will be used only for that project), the associated costs may be charged directly to the project. In all such cases, it is imperative that a specific budget justification be provided for why the telecommunication costs are being charged directly to the project.
7. When is it appropriate to charge mail service charges to a project?

As a general rule, mailing costs, including overnight courier charges, should not be charged directly on federal grants and contracts. There are certain examples when these types of charges may be direct charged. For example, postage may be direct charged if the cost of postage is associated with a survey that is part of the scope of work. Overnight courier charges are typically unallowable as a direct charge unless the cost is significant and warranted by the scope of work. For example, a PSU faculty member working with a collaborator in another state may include several hundred dollars of anticipated FedEx charges in the budget if they are required to ship perishable research samples between collaborators during the course of the project. In all such cases, it is imperative that a specific budget justification be provided for why the mail service charges are being charged directly to the project.

8. When is it appropriate to charge memberships and subscriptions to a project?

Memberships and subscriptions should not be charged directly to a project unless they are being purchased for the sole benefit of that specific project. In all such cases, it is imperative that a specific budget justification be provided for why the memberships and/or subscriptions are being charged directly to the project.

9. When is it appropriate to charge general purpose equipment or furniture to a project?

General purpose equipment (e.g., fax machines) and furniture are considered F&A costs and should not be charged directly to a project. Exceptions are possible in unusual circumstances, e.g., in the case of an office being set up in a remote location to perform a special function (such as an office being established on a seagoing research vessel). It is particularly crucial that such exceptions be well documented, since the costs associated with such items can be high.

Many faculty members ask to purchase computers on their sponsored projects. Many computers are general purpose equipment, and therefore should not be charged to sponsored projects. Some projects may require specialized computers such as for high-end computational research. Other projects may require dedicated laptops for fieldwork. But in all such cases, project-specific justification should be provided. If a computer is being charged to a specific project, it should be made clear that that computer will be used for the sole benefit of that project. If a computer will be used for the benefit of more than one project, the cost of the computer should be split among the projects proportional to the benefit each project will receive. Personal use of computers purchased with sponsored funds should be severely limited (as specified in PSU Policy FN14).

Under almost no circumstances should computers or other equipment be charged to a sponsored project during the last six months of the project, since it is unlikely that the project will derive sufficient benefit to justify the cost. Purchases of computers and other equipment should be made as early as possible in the period of performance to avoid being disallowed by auditors.
10. The sponsor has approved our proposal budget, which includes staff assistant time and/or other costs normally associated with F&A. Does that mean that the costs can be charged to the project?

No. PSU is obligated to abide by OMB Circular A-21, regardless of whether the proposal budget was approved. Not all federal grants and contract officers know A-21 as well as they should, so they may approve a budget which includes inappropriate costs—costs which still can be disallowed by a federal auditor if not consistent with A-21.

11. What if a faculty member asks to re-budget funds to purchase an item normally charged to F&A?

Some sponsors require us to request their prior approval before re-budgeting funds. Other sponsors provide the university with broad latitude to re-budget funds to meet the project’s objectives, as long as all costs are consistent with the CAS. If PSU is not required to seek a sponsor’s prior approval to re-budget funds, then it is not generally necessary to inform the Office of Sponsored Programs (OSP) that the funds are being re-budgeted. Even so, it is still necessary to provide justification for direct charging a cost that is normally considered F&A. Justification should be provided to the Financial Officer at the time the item is ordered, and copies of this justification should be maintained by the department. OSP is happy to provide guidance whenever questions arise regarding the appropriate way of handling a particular case (814-865-1372).

12. Do the above rules apply to non-federal projects as well?

The Cost Accounting Standards apply to all federal and federal flow-through awards. The CAS also apply to any award which formally incorporates the CAS, OMB Circular A-21, or 2 CFR 220.

Non-federal funds are not subject to the CAS (unless they are being used to meet cost-sharing obligations on a federally funded project). Nonetheless, the cost principles identified in A-21 serve as the default rules for all sponsored programs at PSU. Justification should be provided prior to direct charging office supplies, clerical salaries, and any other costs typically paid out of F&A. All of PSU’s sponsors have a right to expect that all costs charged to our sponsored programs will be allowable, allocable, and reasonable.

13. If a sponsor does not pay full F&A, is it appropriate to direct charge costs that otherwise would be paid out of F&A?

All federal funds are subject to the CAS, even though some federal sponsors do not pay full F&A. Non-federal funds may not be subject to the CAS, but justification should be provided before direct charging costs normally allocated to F&A. Even if the non-federal sponsor does not require any justification, such justification should be maintained for internal purposes.
14. What is the role of the Office of Sponsored Programs (OSP) in reviewing proposal budgets for CAS compliance?

OSP expects all individuals preparing proposals at PSU to comply with the CAS. OSP should always receive a copy of the detailed proposal budget with the PIAF (even for NIH modular budgets). If OSP identifies a questionable cost, it will contact the college/unit for additional information. If the costs are consistent with the CAS, OSP may require more detailed budget notes to document the justification. If the budgeted costs are inconsistent with the CAS, OSP will ask the college/unit to submit a revised budget. In some cases, these revised budgets may be for internal purposes only (to document that the inappropriate costs have been removed from the budget). In other cases, the sponsor may require prior approval of budget revisions.

ADDITIONAL RESOURCES:

OMB Circular A-21 (2 CFR 220):  
http://ecfr.gpoaccess.gov/cgi/t/text/text-index.cfm?c=ecfr&tp=ecfr&browse=Title02/2cfr220.main.02.tpl

PSU Policy RA01 (Determining the Allowability, Allocability, and Reasonableness of Costs on Sponsored Projects): http://guru.psu.edu/policies/RA01.html

ACKNOWLEDGEMENTS:

This FAQ makes extensive use of a number of excellent resources available on the University of Washington’s financial management website, in particular the following:  
http://www.washington.edu/research/gco/ref/cas10_01.html and  
http://www.washington.edu/research/gco/qm/qm23.html

Last updated: 9/7/09 (jwh)
COST ACCOUNTING JUSTIFICATION
Non-Personnel Costs

Principal Investigator (PI): ________________________________
Account Number: ________________________________
Or
Proposal OSP#: ________________________________

- To Be Completed By the Principal Investigator -

Item Description: ____________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

Justification (How Does This Expenditure Benefit the Project?)
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

Will this item benefit multiple research projects? ☐ Yes ☐ No
If Yes, provide the budget/fund and percent/amount below for all projects that benefit.

Allocation / Distribution

<table>
<thead>
<tr>
<th>Account #</th>
<th>$</th>
<th>%</th>
<th>Total Cost: $</th>
<th>%</th>
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<tbody>
<tr>
<td>1st</td>
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</tbody>
</table>

Signature of Principal Investigator

Date

- To Be Completed by the Dept. or Research Admin. -

PI Email: ________________________________________________________________
Award Name: _____________________________________________________________
Award Period: ____________________________________________________________

If Item Has Been Purchased: Document #: ___________________ Object Code: __________

Research Administrator or Financial Officer: ☐ Approve ☐ Deny

Comments:

Signature: ___________________________ Date: __________________

Additional Approvals (Optional)

Title: ___________________________ Signature: ___________________________ Date: __________

Title: ___________________________ Signature: ___________________________ Date: __________
COST ACCOUNTING JUSTIFICATION
Administrative / Clerical Costs

Principal Investigator (PI): __________________________ Account Number: __________________________
Or
Proposal OSP # __________________________

-To Be Completed By the Principal Investigator-

Position: _______________________________________
Name (if known): __________________________

Justification (How Does This Position/Salary Benefit the Project?)
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________

Signature: Principal Investigator __________________ Date ________________________

-To Be Completed by the Dept. or Research Admin.-

PI Email: __________________________
Award Name: __________________________
Award Period: __________________________

Total Amount to Be Charged to Grant: __________________________ (Estimate Acceptable)

% of Position's Effort to be Charged to Grant: _______ %

Period of Time Position Will Be Charged: From: _______ to: _______ # of Months: _______

Is This Position Allocated to Any Other Grants or Contracts? □ YES □ NO

Signature: Dept. Head/Institute Dir. __________________ Date ________________________

College / Campus / Admin. Unit Approval

Research Administrator or Financial Officer Review Comments:

________________________________________ Date: __________

Associate Dean / VP for Research/Campus DAA Comments:
□ Approve □ Deny

________________________________________ Date: __________
DEFINITIONS:

1. **Employee** - Any individual hired by Penn State that meets the provisions as specified under section 101 of the *Federal Tax Coverage Rules* from the Internal Revenue Service Circular E. Typically, an Employee's work environment is substantially controlled by the University as opposed to an Independent Contractor where the work environment is not.

2. **Independent Contractor** - An individual or organizational entity hired by Penn State to perform a non-routine activity. Per Policies HR80 and RA12, the individual may not be a current Employee of Penn State. Typically, an Independent Contractor faces the risk of loss as well as profit when providing such services, as opposed to an Employee who does not.

3. **Consultant** - An Independent Contractor who is exceptionally qualified, by education or experience in a particular field, to render an opinion or give advice that is unavailable from an Employee of the University. (See "Collaborator" below.) Charges for Consultants must be to Object Classification Code 392.

4. **Collaborator** - A Penn State Employee providing qualified opinion or advice (in an awarded project) for which the Employee is remunerated as part of his/her regular compensation, or is paid an additional amount as a Supplementary appointment. (See HR06.)

5. **Sponsored Award** - The document that is executed on behalf of the governmental agency, or other organization, and the University which specifies the terms and conditions under which a project will be conducted.

6. **Subcontract** - The document which formalizes a third party relationship with an Independent Contractor to perform substantive work for Penn State based upon an award made to Penn State by a governmental agency or commercial organization or institution. (See Policy RA16.)

7. **Subcontractor** - An Independent Contractor who is made responsible for a discrete part of the project award per the terms of a Subcontract. (Use Object Code 408 up to and including $25,000, or 416 for over $25,000.)

8. **Purchased Services** - Routine activities performed other than as a Consultant or Subcontractor, normally paid to OTHER than individuals. (Use Object Code 411 or other specific purchased service Object Codes - See Object Classification Codes.)

9. **Professional Services** - Services requiring specialized skills (e.g., physician, dentist, sports officials, etc.) performed other than as a Consultant or Subcontractor; normally paid to a non-employee individual (use Object Code 393).

10. **Honorarium** - A payment given to a professional person (non-employee) for services for which fees are not legally or traditionally required (use Object Code 391).
The Funding Matrix Plan

The enclosed material was developed at the direction of and has been approved by the University Cost Savings Task Force with the assistance of the University Research Council, the Senate Committee on Research, University Park Council of Academic Deans, and the Administrative Committee on Research. It was prepared to clarify the nature of gifts for research, unrestricted grants, and research grants. Changes in current practice will become effective on July 1, 2003. Units are to use this document for procedural guidance until a more formal procedure can be developed.

Major Points

It is very important to maintain the integrity of charitable contributions to the University for research. Over the past several years, there have been a number of instances in which funding that had been processed as a gift or an unrestricted grant did not in fact constitute a charitable contribution. By way of clarification, funding given to the University that involves any quid pro quo in exchange for funding – e.g., projects that have deliverables such as technical reports or the giving of intellectual property rights or options, or instances in which goods and services are provided – does not qualify as a gift or an unrestricted grant. In these unfortunate instances of abuse, the University frequently found itself involved in disputes over intellectual property ownership or even caught in the middle of lawsuits. Thus, the University has found it necessary to give greater clarification to what may be processed as a gift or an unrestricted grant.

It also has become increasingly obvious that in order to maintain the growth of the University’s research program, the University needs to recover facility and administrative (F&A) costs associated with research so that the research infrastructure remains supportive. While the University will continue to assess no F&A to true gifts, it must recover as much as possible of the full costs associated with other forms of industry support of research.

In the spectrum of funding, there are checks that come to the University representing unrestricted grants. These funds are not identified by the companies giving them as gifts or charitable contributions; however, by the same token, they do not have any strings attached – no statement of work, no technical reports, no IP terms, etc. In these cases, the University is adopting a “fair share” concept to recover a part of the added costs associated with these research projects. Starting July 1, 2003, unrestricted grants will be assessed a 15% management fee to recover a fraction of the facilities and administrative costs associated with conducting the project.

At the request of some of the colleges, the University is instituting a new “Research Grant” process using a new standardized form. The intent is to provide companies with a simple way to fund a University research project in a manner similar to federal grants. [The same will be true for sponsored projects that are not research activities.] A one-page form covers the terms of the agreement. Companies are given an option to negotiate a license for technology, faculty and students are free to publish their results, and the
companies receive a technical report while paying no more for F&A than does the NSF or the NIH for comparable projects. This form agreement will simplify the funding process for any company that wants to support fundamental basic research at the University.

College and department consortia and centers that receive financial support from industry "partners" by collecting "membership fees" from commercial firms are covered under this same procedure. These memberships will either qualify as a gift, unrestricted grant, or full grant or contract, based on the terms and conditions of the membership and how those are placed in the context of the matrix. In order to ease the transition for membership fees, units may transition to the new arrangement (for companies that are already have an executed membership agreement) over a three-year period, if they are currently not being assessed the proper management fee or F&A. Of course, RA06 covers situations with consortia that are federally funded that restrict F&A recovery.

A new form is being developed for the College of Agricultural Sciences to support their mission as Pennsylvania's Agricultural Experiment Station. The College often receives agricultural products (seeds, pesticides, fertilizers, etc.) from companies that are tested by the University, which then disseminates the results of the tests to Pennsylvania growers. Frequently a company will send along supplemental financial support. Both the donation of the agricultural product and the supplemental financial support aid the University in its ongoing mission as the Experiment Station. We are creating a new Non-Proprietary Field Trial Grant to facilitate companies giving this kind of non-proprietary support. Funding given by companies for field trials of agricultural products is subject to at least the fair share charge.

Finally, the University is required by the IRS to possess proper documentation for any income it books. This is true for all gifts, unrestricted grants, grants or contracts, as well as deposits into Miscellaneous General Research accounts or their equivalent. In order to verify the receipt of that documentation and the appropriate classification of income, University Financial Officers will begin to employ a questionnaire similar to the one used to document research gifts and unrestricted grants. Faculty should ensure that they have proper documentation for any income they wish to deposit into the University no matter what the source or what account they want to put it in.
THE CONTINUUM OF INDUSTRY AND PRIVATE RESEARCH (1) FUNDING (THE FUNDING MATRIX):

<table>
<thead>
<tr>
<th>ITEM</th>
<th>CHARITABLE CONTRIBUTION OR GIFT</th>
<th>UNRESTRICTED GRANT</th>
<th>RESEARCH GRANT</th>
<th>SPONSORED RESEARCH AGREEMENT</th>
<th>ACADEMIC RESEARCH SERVICES (SHORT OR LONG FORM) (2)</th>
<th>FULLY NEGOTIATED CONTRACT</th>
<th>PURCHASE ORDER</th>
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<tr>
<td>Intellectual Property Terms</td>
<td>None (PSU owns)</td>
<td>None (PSU Owns)</td>
<td>PSU Owns with License Option to Sponsor</td>
<td>PSU Owns with License Option to Sponsor</td>
<td>Sponsor Owns</td>
<td>Negotiated Terms - Preferred PSU owns with License Option to Sponsor</td>
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<td>PSU Retains Publication Rights for New Scientific Findings (with Review)</td>
<td>Negotiated - Preferred: Publication Rights Except for Confidentially Provided Information</td>
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</tr>
<tr>
<td>Scope of Work</td>
<td>None (PI Conducts &quot;Departmental Research&quot; per A-21)</td>
<td>None (PI Conducts &quot;Departmental Research&quot; per A-21)</td>
<td>Area of Research</td>
<td>Description of Research Project</td>
<td>Services Requested</td>
<td>Detailed SOW</td>
<td>Rigid SOW or Services Requested</td>
</tr>
<tr>
<td>Maximum Deliverable</td>
<td>None - Gift Acknowledgement Only</td>
<td>None - Confirmation of Use and Purpose Only (6)</td>
<td>Final Technical Report</td>
<td>Specified Technical Reports</td>
<td>Specified Proprietary Test Results or Services</td>
<td>Specified Proprietary Deliverable</td>
<td>Specified Proprietary Deliverable</td>
</tr>
<tr>
<td>Typical Payment Mechanism</td>
<td>Check In Advance (3)</td>
<td>Check In Advance (3)</td>
<td>Advance Payment (3)</td>
<td>Cost Reimbursable</td>
<td>Established Fee for Service</td>
<td>Cost Reimbursement</td>
<td>Cost Reimbursable or Fixed Price</td>
</tr>
<tr>
<td>Documentation</td>
<td>Company Letter Stating Gift or Charitable Contribution</td>
<td>Company Letter Stating Financial Support</td>
<td>PSU Research Grant Form</td>
<td>PSU Sponsored Research Agreement</td>
<td>PSU Academic Research Services Form or the ARS MOU</td>
<td>Negotiated Clauses</td>
<td>Negotiated Terms and Conditions</td>
</tr>
<tr>
<td>Funding Restriction</td>
<td>None</td>
<td>$50,000 per company, per PI, per fiscal year</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>Note</td>
</tr>
<tr>
<td>F&amp;A</td>
<td>None</td>
<td>15% of Total Awarded (Management Fee) (4)</td>
<td>Full (does not include 5% premium)</td>
<td>Full plus 5% (except Federal Flow-Through)</td>
<td>Full plus 5% (except Federal Flow-Through)</td>
<td>Full plus 5% (except Federal Flow-Through)</td>
<td>Full plus 5% (except Federal Flow-Through)</td>
</tr>
</tbody>
</table>

(1) "Sponsored Programs" refers generally to academic activities including research, curriculum development, certain instruction and continuing education, scholarly, and artistic activities.

(2) "Academic" as opposed to "commercial" - as defined by case law.

(3) Amount of award is always recorded based on cash received. If scheduled payments, then they are given as supplements when a check is received.

(4) There are no Research Incentive Funds generated on 15% rate, and the 15% rate does not provide unemployment coverage.

(5) Subject to federal homeland security or export controls.

(6) Any confirmational report may not be a technical report of any detail. However, if publications result, copies may be shared. In addition, confirmation of proper utilization of funds would be allowed, such as in a "stewardship report." For example, if a company provided funds to help students build a solar-powered vehicle for a national student competition, the PI could report back how the students did in the competition, but not be required to provide detailed technical information including raw data.
myResearch Portal provides Principal Investigators with real-time, web-based access to administrative data associated with their sponsored research.

New Features
We've added new data to the myResearch Portal:

- **Subcontracts**: List of active subcontracts that Penn State has issued for one of your grants.
- **Non-Financial Agreements**: List of active non-financial agreements (e.g., non-disclosure agreements).
- **Not Funded Proposals**: Button to view proposals that were not funded by the sponsor, dating back until 2000.
- **Completed Awards**: Button to view awards, subcontracts, and non-financial agreements that have been completed. Related awards for the same grant/contract are grouped together.

Account Requirements
All Penn State access account holders can access the myResearch Portal.

Support
If you are having problems accessing or using this system, please email myresearch@psu.edu.

FAQs
Frequently asked questions about the portal.

Overview
myResearch Introduction

Accessing Your Financial Information
Account Details
Once you drill down to the account details page, you have many filtering options.

Delegating Access
myResearch Portal: Delegating Access
Delegating Access to myResearch Portal
Click More to view full screen

http://myresearch.psu.edu/

11/26/2013
myResearch FAQs

myResearch Home : FAQs

Here are frequently asked questions about the myResearch Portal. If you have a question about myResearch that isn't answered below email myResearch@psu.edu.

Below you'll find answers to questions commonly asked about: Access, Data, Proposals and Awards, Financial Accounts, Delegates, Protocols

Access

1. **Who has access to the myResearch Portal?**
   Any PSU staff or faculty member can login.

2. **What do I need to login to the myResearch Portal?**
   A PSU WebAccess userID and password and a SecureID are required.

3. **How do I obtain a SecureID?**
   They can be purchased at the PSU Computer Store. Click here for detailed instructions. Contact your ASR or local IT staff for more information.

4. **Can I access the portal from home or just from a PSU network?**
   The portal can be accessed from any network (work, home, public, etc.)

5. **Can my administrator login and see my data?**
   Faculty can delegate access to their Portal page. See section below on delegation. For a short tutorial on how to delegate access, view the login page (URL).

Data

1. **Can I update data through the portal?**
   No, the data is read-only. Data can only be updated in the source systems by those with appropriate access.

2. **Where does the data come from?**
   The data comes from the source systems (IBIS, SIMS, COINS, and PRAMS) in real time.

3. **Who do I contact if I have questions about the data or there is missing or incorrect information?**
   As a first step, contact your department or college research administrator or financial officer.

4. **Can my department head or research dean see my information?**
   There is no department head or research dean access to this data through the myResearch Portal. They may have access through other systems such as IBIS or the data warehouse.

5. **I'm a co-PI on a grant, what can I see?**
   You can view your pending proposals, active awards, and active protocols. You will not see scanned documents associated with your awards.
Proposals and Awards

1. There are pending proposals that are not funded. How do I notify someone?
The Primary PI can notify OSP that a pending proposal hasn't been funded by the sponsor by clicking on the envelope icon next to the proposal. Proposals that were not funded can always be viewed by clicking on the "View Not-Funded Proposals" button.

Financial Accounts

1. Can co-PI's or graduate students see financial information?
Access to a particular account is determined by how the account is setup in IBIS. If the person is listed on the account with the financial access flag set to Yes, the person will have access in the portal. See your department or college research administrator or financial officer if you have questions about a specific account.

2. Is salary information accessible through the portal?
No. Individual salary transactions are visible but you would have to know fringe rates, percentage of effort in that month, and appointment type to derive the salary. Project budgets are available to the PI only when viewing active awards.

3. What is the estimated available balance?
Penn State's accounting system (IBIS) does not calculate fringe and overhead on encumbrances. The estimated available balance estimates the fringe and overhead on encumbrances and subtracts that from the balance to give a more accurate figure. NOTE: Salaries cannot be encumbered past the current fiscal year.

4. How do I know what transactions go into which category?
Transactions are put in categories based on the transaction's object code. On the category view page, click on the Category Help icon to view the mapping between object codes and categories.

5. Can I access general funds like my matching accounts?
No, at this time you can only view restricted accounts. This feature has been requested and we hope IBIS will be updated by the end of 2012.

Delegates

1. I'm an administrator, how can I get access to a faculty member's information to help them?
The faculty member must delegate you access individually by clicking on the Delegate Access icon.

2. Can I be made a delegate for all the faculty in my department?
No, delegation is done on an individual basis by each faculty member.

3. Why can't I click on financial accounts since I have access to the account in IBIS?
Due to limitations in IBIS, delegates cannot drill down on financial accounts. This feature has been requested and we hope IBIS will be updated by the end of 2012.

Protocols

1. Can I submit a continuing review or modification to my approved protocol through the portal?
No, you will have to login to the PRAMS system directly to request a modification or continuing review of your protocol.

2. Can I click on a protocol to view more information?
No, at this time there is no drill-down on protocols.