

BRANDEIS UNIVERSITY POLICY

Policy: Proposals and Awards Administration Policy

Responsible Office: Office of Financial Affairs and Treasury Services

Responsible Official: Senior Vice President for Financial Affairs, Director, Sponsored Programs Accounting

Effective Date: June 1, 2014

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Policy Statement

Sponsored Programs Proposals and Awards Administration

Administration of Sponsored Programs Proposals and Awards

A broad range of research and scholarly pursuits of the faculty is essential to the success of the educational mission of the University. Brandeis encourages research and creative activities across all academic disciplines. This commitment stems from Brandeis' mission to advance knowledge, to educate both undergraduate and graduate students, and to help serve the economic and cultural needs of society. In furtherance of these goals, Brandeis faculty and other approved Brandeis personnel are encouraged to submit proposals to sponsors for support. Sponsors can be external organizations such as federal, state, local, foreign, and other government entities, private industry, foundations, educational institutions, and charitable organizations.

This section of the policy discusses the administration of proposals and awards for externally sponsored projects. It outlines the Roles and Responsibilities of University officials, including faculty, chairs and administrators and general proposal submission and acceptance policies. The purpose of these policies is to help assure that all proposals and awards conform to sponsor requirements and are consistent with Brandeis' academic policies and sound fiscal practices. Since every sponsor has its own guidelines or regulations, and these are always subject to change, individual sponsor requirements are not covered in this section.

Roles and Responsibilities

Numerous faculty, academic and administrative units and other individuals have roles and responsibilities involved with sponsored projects. The purpose of this section is to discuss the roles and responsibilities of the principal offices and individuals in this process.

Assistant Provost for Research Administration

The Assistant Provost for Research Administration, under the direction of the Provost, has responsibility for general policies concerning research and sponsored projects and acts along with the faculty as an advocate and spokesperson for the University research community. The Assistant Provost for Research Administration serves as the Director of the Office of Research Administration (ORA).

Office of Research Administration (ORA)

Sponsored programs administration at Brandeis is a partnership forged between the faculty and University administrators. Departments, Schools, the ORA and Sponsored Programs Accounting (SPA) form a network of administrative personnel who provide a spectrum of support services to the faculty researcher or project director.

ORA, within the Office of the Provost, assists faculty in obtaining external funding to support their creative and scholarly activities. As such, ORA plays a role in helping the University fulfill its research, instruction and public service missions.

ORA assists departments and faculty members in the preparation of proposals, review and approval of proposals, negotiation of agreements, and administration of awards. The Assistant Provost for Research Administration is Brandeis' Authorized Administrative Official for externally sponsored activities. The Assistant Provost for Research Administration can delegate signature authority to senior staff inside ORA. ORA is the only institutional unit authorized to submit proposals to external entities for financial support in the form of a contract, grant, or agreement (including those generated by the Office of Corporations and Foundations); and to commit the University in the event an award is made in accordance with grant and contract submission and acceptance noted in this policy.

ORA has a primary responsibility to ensure that grant and contract agreements protect the University's integrity and each faculty member's research and scholarship.

Pre-Award Proposal Review and Approval

As the Authorized Administrative Official, the Director of ORA is responsible for assuring that all proposals and awards are consistent with sponsor requirements and with Brandeis' academic and fiscal policies. In carrying out this responsibility, the Director of ORA coordinates special academic, legal, business, and financial reviews and approval,

where necessary. ORA oversees the Institutional Review Board, the Institutional Animal Care and Use Committee, and the Institutional Biosafety Committee.

During the proposal preparation and review process ORA administrators will:

- provide guidance as needed to Principal Investigators and others in the preparation of budgets and other sponsor required forms;
- check the final application for completeness and conformance with all sponsor requirements;
- review the proposed budget for cost allowability, reasonableness, application of correct indirect cost rates, and the appropriateness of any cost sharing or contributed effort;
- review and negotiate all proposed research contracts and subcontracts;
- coordinate the review of non-routine direct cost and indirect cost exceptions; and
- check the Proposal Routing Form to ensure necessary departmental approvals, financial approvals for exceptions, and completion of all regulatory compliance requirements.

Post-Award Acceptance of Award

ORA provides institutional oversight for acceptance of new awards, in consultation with the Principal Investigator and/or Department Administrator. This oversight includes:

- review the proposed award for conformance with Sponsored Programs Proposal Submission and Award Acceptance Policy, and where necessary coordinate appropriate academic, finance, or legal reviews (any terms and conditions that involve modification or rental of space, assumption of liabilities or indemnification, requires the review and approval of the Senior Vice President for Finance & Treasurer);
- accept the project budget and notify the Principal Investigator and/or Department Administrator of the project terms and conditions;
- negotiate and execute any research contracts, and develop and negotiate any subcontracts in consultation with the Principal Investigator and/or Department Administrator (any terms and conditions that involve modification or rental of space, assumption of liabilities or indemnification, requires the review and approval of the Senior Vice President for Finance & Treasurer);
- approve and expedite pre-award funding arrangements where appropriate; authorize Sponsored Programs Accounting to establish the project account in the financial system; and
- notify the Principal Investigator and Department Administrator that transactions can be posted against the account.

Project Administration

ORA is responsible for providing institutional oversight, review, and approval of all administrative actions requiring formal submission to a sponsor or subcontractor. ORA also assures that all sponsor requirements relating to non-financial reporting and closeout are met.

In consultation with SPA, ORA provides administrative institutional oversight on re-budgeting and other post-award administrative activities in accordance with sponsoring agency guidelines.

ORA approval is required for the following:

- purchase of equipment used principally or solely for research, if not identified in the original approved agency or sponsor budget;
- significant re-budgeting: defined as required by a sponsored agency or a single direct cost budget category that increases or decreases by 25% or more regardless of whether agency approval is required;
- incurring pre-award costs, for essential expenditures, to be incurred within 90 days prior to the effective date of a new or competing renewal award, at the department's risk
- no-cost extensions in accordance with sponsor guidelines;
- all administrative requirements that require prior agency approval; and
- any sponsoring agency requirements required for pre or postdoctoral candidates.

ORA will:

- prepare, negotiate and execute subcontracts and research contract modifications; and
- assure compliance with all non-financial regulatory compliance.

Senior Vice President for Finance & Treasurer

The Director of Sponsored Programs Accounting (SPA), under the direction of the Senior Vice President for Finance & Treasurer, is responsible for coordinating the development of all fiscal management policies governing Brandeis' sponsored projects. Offices reporting to the Senior Vice President for Finance & Treasurer include SPA, Strategic Procurement, and Financial Affairs & Treasury Services. The Director of Sponsored Programs Accounting and the Associate Vice President for Finance & Controller, in consultation with the Assistant Provost for Research Administration and the faculty, provides institutional oversight with regard to federal cost accounting standards, indirect costs, and compliance with federal effort reporting and audit requirements. The Senior Vice President for Finance & Treasurer participates in the ORA review of those

proposals and awards that involve significant exceptions to those procedures as detailed in this policy.

Proposal Review and Approval

The Senior Vice President for Finance & Treasurer participates in the ORA review of those proposals and awards that involve significant financial implications for the University in accordance with Sponsored Programs Proposal Submission and Award Acceptance Policy. Examples of such implications include significant cost sharing, proposals involving capital expenses, renovations or alterations, or future commitments.

Acceptance of Award

SPA, in cooperation with ORA, is responsible for timely and accurate account set up in the financial system for new and continuing awards.

Project Administration

SPA is responsible for timely billing and collection of all sponsored projects revenue.

SPA, under the Senior Vice President for Finance & Treasurer, is responsible for providing timely and accurate financial information and reports on sponsored project expenditures and commitments to sponsors and departments.

Sponsored Programs Accounting will:

- approve grant related cost transfer requests
- certify carry-forward of unexpended funds;
- approve retroactive payroll adjustments (RLDC);
- in coordination with accounts payable, review and approve advances and expense reimbursements;
- approve subcontract payment requests;
- review subcontracts for compliance with the University's policy regarding subrecipient monitoring; and
- assure adherence to all financial compliance reporting.

The Senior Vice President for Finance & Treasurer assures compliance with effort reporting policy.

Principal Investigators

Although the University is legally responsible to the sponsor as the actual recipient of a grant or contract, the Principal Investigator (PI) is accountable for the proper fiscal management and conduct of the project. This includes the management of the project within funding limitations, and assurance that the sponsor will be notified when significant conditions related to project status change. To assist faculty in this responsibility, the University provides supporting administrative services and has established procedures to help meet both sponsor and University requirements. While

responsibility for the day-to-day management of project finances may be delegated to administrative or other staff, accountability for compliance with Brandeis policy and sponsor requirements ultimately rests with the PI. The full cooperation and vigilance of the PI, along with the University, is necessary to maintain the stewardship role. The PI is normally a faculty member holding a regular appointment or an employee who otherwise meets the eligibility requirements of a School, as approved by the Dean. The PI reports to an Administrative Head (such as the head of a Department, division, School, center, or other organized academic or research unit). In the truest sense, therefore, the sponsored programs process is a joint effort between the PI and the University.

Preparation of Proposals

Principal Investigators have primary responsibility for planning and carrying out the preparation and submission of proposals for external support. Although PI's may have administrative staff to assist with the proposal development process, they are ultimately responsible for the quality and scientific integrity of the proposal, and for understanding and complying with all Brandeis academic and fiscal management policies for managing external support.

Technical Proposal

The Principal Investigator is responsible for preparing the technical proposal.

Proposal Budget

The Principal Investigator prepares, or directly supervises the preparation of, the categorized budget and its justification, including identifying the need and source for cost sharing (including matching funds), the need for subcontracts, etc.

Regulatory Requirements

The PI is responsible for anticipating whether the research will involve human subjects, live animals as subjects, recombinant DNA, infectious agents, narcotics or biological toxins, human blood or body fluids, radioactive materials, hazardous materials, or other regulated activities requiring University review or clearance. The PI is responsible for preparing information and forms required for review by Brandeis' Human Subjects Committee, Animal Care and Use Committee, or other institutional regulatory compliance entities.

Proposal Routing Form

The Principal Investigator prepares, or directly supervises, the preparation and submission of the Proposal Routing Form, and requests required approvals in a timely fashion.

Acceptance of the Award

The PI is responsible for collaborating with ORA in any negotiations with the sponsor relating to modifications of the project scope or budget.

The Principal Investigator is responsible for reviewing and approving the Notice of Grant Award (NGA), which contains the budget, and the terms and conditions of the award.

Conduct and Management of Award

The Principal Investigator is responsible for all actions required to manage and complete the scientific and programmatic aspects of the sponsored project, including performance of subcontracts and compliance with interim and final technical reporting.

The Principal Investigator is also responsible for the management of the award budget and expenditures in accordance with the sponsor's requirements. This includes attesting to the allowability and reasonableness of all expenditures at the time expenditures are requested, and monitoring the status of grant accounts to prevent overdrafts and incorrect charges.

Administrative Heads

An Administrative Head is normally the academic leader with programmatic, managerial and fiscal responsibilities for a designated area such as a Department, School, or center.

In respect to sponsored programs, Administrative Heads are accountable for the performance of Principal Investigators and administrative staff under their supervision. These responsibilities include managerial oversight of sponsored programs administration and activities performed in the Department, School, or center such as the following:

- provide oversight for all aspects requiring regulatory requirements including effective implementation of federal policies and regulations in the Department;
- assure that PI's and administrative staff with sponsored projects responsibilities receive adequate training and support; and
- assure that any delegation of grants management authority is made to individuals who have been appropriately trained.

Preparation of Proposals

Administrative Heads are responsible for academic and financial approval of all proposals submitted on behalf of faculty and staff under their supervision. In approving proposals, the Administrative Head is accountable to:

- determine the consistency of a sponsored project with the educational, research, and/or public service objectives of the University and the organizational unit;
- determine the appropriateness, acceptability, and availability of faculty time, space, equipment, and any financial commitments contained in proposals for sponsored projects;
- assure that matching dollars, cost sharing, and support from other sources is appropriately documented and available; and
- assure that proposals have complied with any regulatory reviews relating to human subjects, animal care, etc.

Acceptance of the Award

Administrative Heads are responsible for reviewing and approving significant changes to the original proposal.

Conduct and Management of the Award

Administrative Heads are responsible for general oversight of the programmatic and financial aspects of sponsored projects activities in the Department or School.

The Provost has delegated to Administrative Heads the responsibility for management of funds in their activities/accounts. These officials have the authority to expend these funds to accomplish their assigned responsibilities, and have managerial responsibility for assuring that expenditures charged to their activities/accounts are:

- reasonable and necessary;
- consistent with established University policies and practices applicable to the work of the University, including instruction, research, and public service; and
- consistent with sponsor or donor expenditure restrictions.

Administrative Heads are responsible for approving the resolution of all overdrafts and unallowable cost transfers on sponsored accounts.

Delegation of Authority

Authority to sign for the administrative unit, including approving sponsored program activities and expenditures on an activity/account may be delegated by the Administrative Head. However, the Administrative Head retains accountability for prudent control of the activity/account. The Administrative Head may place limits on the dollar level and the types of expenditures or approvals for which signature authority is delegated. All delegations for sponsored programs financial and administrative transactions require completion of the University's required sponsored programs training.

Departmental Administrators and Administrative Staff

Administrative Staff, by providing administrative support for one or more sponsored projects, are critical to the success of the project and its effective administration. Departmental administrators include staff with a wide variety of duties and position titles.

With respect to sponsored projects, departmental administrators may work under the direct supervision of a PI, Administrative Head, or other departmental administrators. Their duties can range from preparing or assisting in the preparation of documents, forms, transactions, etc. to approving certain transactions on behalf of the Administrative Unit or Principal Investigator. Thus, their responsibility may vary depending on the assigned duties and the level of training.

Administrative staff whose duties regularly involve assisting in the processing of sponsored programs administrative or financial transactions should complete the basic sponsored programs training offered by ORA/SPA. Staff who have been delegated to

sign on behalf of Principal Investigators or the Administrative Unit are required to complete the full sponsored programs training.

III. Policies and Procedures

Sponsored Programs Proposal Submission and Award Acceptance Policy

Brandeis is an internationally recognized research university where outside sponsorship of research, scholarly activities, and instructional interests of the faculty is encouraged. In order to fully support these initiatives, the sponsor should provide both the direct and indirect cost associated with this research. The specific policies on proposal submission and award acceptance described below are designed to provide maximum indirect cost recovery with the minimum impact on direct costs available to the research project. The purpose of these policies is to assure that sponsored projects are undertaken on a sound fiscal basis, and that significant or potential financial implications for the University are considered before the submission of a proposal and the acceptance of an award.

General Policy on Cost Recovery

Brandeis' policy is to perform sponsored projects on a full cost recovery basis to the maximum permitted by sponsor. Full cost recovery is necessary to support the University's programmatic, physical and administrative capacity to perform extramural projects. Therefore, proposals and awards should carefully address all anticipated costs and obligations, direct and indirect, operating and capital, which would be incurred under the work proposed.

The following sections discuss the policies for both direct and indirect costs separately for proposal submission and award acceptance.

Proposal Submission

It has been a long-standing policy of Brandeis University that proposals may be submitted to sponsors only through one of two possible routes: the Office of Research Administration (for proposals that specifically request support for faculty members' research projects) or the Office of Corporate and Foundation Relations in Development (for proposals requesting general program support). Before initiating a proposal to private industry or to a foundation, clearance must be received from the Director, Office of Research Administration; or the Director of Corporate and Foundation Relations. Without this clearance, the Office of Research Administration will not approve proposals to these entities for submission. Awards received from outside sources without prior proposal approval normally will not be accepted by the institution. Faculty are encouraged to speak to ORA at the earliest time when a request for funding is being considered.

Direct Cost

All proposals, except for those noted below and in the indirect cost section of this policy, will be handled by ORA as routine proposals without further review.

For non-routine proposals, after discussions with the principal investigator, ORA will consult as appropriate with the Senior Vice President for Finance & Treasurer, and other University officials before approving any proposal or award that involves significant financial commitments or implications for the University. The following three areas will require further consultation and approvals:

1. proposals and awards involving any non-salary cost sharing e.g., matching funds; ongoing operating expenses that will not be covered by the proposal, must identify the funding source; future fund raising can be an acceptable funding source at the time of proposal submission if approved by the Senior Vice President of Development;
2. proposals or awards involving acquisition of space, renovations or alterations; or equipment purchases requiring alteration or renovation of space; and
3. proposals or awards in excess of \$500,000 in direct annual expenditures.

The purpose of reviewing proposals and awards involving significant expenditures, cost sharing, or other University commitments is to assure that such issues are adequately factored into University budget and planning activities, and to assure that academic and fiscal priorities are appropriately considered.

Since such reviews may take time, it is important to provide adequate lead-time for the PIs and ORA to resolve the needed commitments in an orderly and timely fashion. PIs should discuss proposals that fall into these categories with ORA before preparing the application.

Indirect Costs and Exceptions

1. Where sponsor policy permits full indirect cost recovery (e.g., most federally sponsored research grants and contracts), proposals should be submitted using the Brandeis approved federally negotiated indirect cost rate. Department Administrators and PI's are not authorized to submit proposals that do not include the applicable indirect cost rate as part of the budget. Proposals at the federally negotiated rates will be submitted without additional consideration unless there are direct cost issues as discussed above.
2. Where published sponsor policy specifically limits the amount of indirect cost recovery permitted (e.g. federal training grants, grants from private foundations) Department Administrators and PIs should submit proposals at the maximum permissible rate. Department Administrators and PIs should also seek to maximize direct cost recovery, by including direct reimbursement of administrative costs where permitted by the sponsor. (See Brandeis CAS Policy on Direct and Indirect Costs.) Proposals at published rates will be submitted without additional consideration unless there are direct cost issues as discussed in the Direct Cost section of this policy.
3. The University's federally negotiated indirect cost rate should be used for all proposals submitted to a sponsor that does not have a published rate.

In fairness to all faculty and researchers, the full cost burden should be shared equally. Therefore, exceptions to full indirect cost recovery or to published sponsored rates must balance PIs and departmental interests with University-wide institutional interests. As a means of determining the costs and benefits of exceptions, the following criteria will be taken into consideration:

1. The likelihood that an award would be seriously jeopardized without an exception, and the potential effect of the loss on the faculty member's overall research program;
2. The benefit to new or junior faculty members, whose research efforts are heartily encouraged, or in support of research efforts in new directions which otherwise might not be sufficiently developed to attract typical peer-reviewed awards;
3. The benefit of increasing direct costs available for student support or a budget-relieving activity (e.g. academic year salary, student tuition); and
4. The total cost to Brandeis.

The University will continue to be fully supportive of junior faculty in their efforts to become established researchers.

Exception Procedures

Requests for submission of proposals at a rate below the federally negotiated rate or the published sponsored rate under the criteria listed above will be reviewed in accordance with the following two procedures and limitations:

1. The Principal Investigator (PI) initiates requests for indirect cost exceptions. The request must be in writing or documented on the Project Approval Form, and include the reason for the exception and the amount to be approved. The Department or organized research unit must endorse all exceptions.
2. Because of the policies adopted for RCM budgeting, if the request is less than the annually approved RCM budget rate for administration, then the Dean of IBS, Dean of Rabb or Dean of Heller, must endorse the proposal prior to submission and follow RCM budget procedures.

The Assistant Provost for Research Administration has been delegated authority to evaluate properly documented and endorsed indirect cost exceptions. The Assistant Provost for Research Administration will consult with the Senior Vice President for Finance & Treasurer, and other appropriate University offices in the review process.

Award Acceptance

In order to ensure acceptance of a subsequent award, ORA must approve all proposals prior to submission. The University will not normally accept awards received from outside sources without prior proposal approval.

ORA is the only party authorized to negotiate reduced indirect cost rates with a sponsor.

Reduced indirect cost rates will not normally be allowed when or after the award is accepted by the University. Any proposed exceptions must follow the Exception Procedures outlined above for proposal submission.

Other Issues Affecting Indirect Cost Recovery Cost Sharing through Indirect Cost Reductions

Volunteering indirect costs for cost sharing is not appropriate. When the sponsor does not restrict reimbursement of indirect costs, indirect costs may not be offered to a sponsor to meet cost sharing requirements. When a governmental or nonprofit sponsor does have a published policy which restricts reimbursement of indirect costs, the difference between the full indirect cost amount and the restricted amount may be applied to meet mandatory cost sharing, unless the sponsor specifically prohibits this. Under the federal Cost Accounting Standards, any cost sharing offered, whether for direct or indirect costs, must be documented and is subject to external audit.

Administrative Fee or Institutional Allowance in lieu of Indirect Costs

When a sponsor does not allow for an approved indirect cost rate to be charged to an award, but does provide an administrative fee or institutional allowance in lieu of indirect costs, this amount is remitted as indirect costs unless the sponsor has restricted it for another purpose. If the allowance is greater than the federally negotiated indirect costs, the excess amount will be transferred to a departmental unrestricted account. A waiver of the published administrative fee or institutional allowance is treated as an Exception and will follow the Exception Procedures outlined above for proposal submission.

Retroactive Indirect Cost Exceptions for Overdrafts, Sponsor Default, or Disallowed Costs

Indirect cost rate exceptions will not be approved retroactively after work under an award has started or after termination to cover expenses not paid for by the award sponsor. Such situations can include: overdrafts of the award amount; disallowed costs; sponsor default where the sponsor does not provide full payment; and withholding of payments due to non-performance or disputes.

Fixed-Price Contracts

A fixed-price contract is an agreement between the University and a sponsor for a specified product or service. These agreements will be subject to the same approvals as other contracts and awards. Excess funds remaining after the agreement has been completed will be governed by the RCM Budget Policy.