**Office of Sponsored Programs Administration (OSPA)**

**HANDBOOK**

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# Introduction

ISU encourages faculty and professional staff to seek external financial support for specific projects undertaken to further the mission of the University in teaching, research, and public service.

Sponsored programs enhance and expand the educational opportunities available to undergraduate and graduate students at the University. They facilitate research and scholarly inquiry, as well as the development of new knowledge while contributing to the academic achievement and stature of the institution. Sponsored program information, assistance, and technical support are provided to the principal investigator during the proposal submission, award negotiation, and post-award monitoring by the Office of Sponsored Programs Administration (OSPA).

OSPA provides the following services:

* + Assistance with proposal budget review
	+ Review of sponsor guidelines
	+ Review of proposal for conformance with sponsor, university and other requirements
	+ Submission of proposals electronically (as required)
	+ Award review and negotiation
	+ Development and negotiation of subrecipient agreements
	+ Provide assistance with non-financial post-award actions (no cost extensions; budget revisions; award transfers; supplemental budgets; changes in PI; changes in scope; etc.)
	+ Work with other ISU departments to create a client-service driven research environment

# Proposal Submission Process

## Funding Sources

*Funding Links*

The Vice President for Research maintains a site with external funding opportunities at <https://www.research.iastate.edu/external-funding-sources/>

[Grants.gov](http://grants.gov/) is the single access point for over 1,000 grant programs offered by all federal grant- making agencies. Investigators have the option to sign-up and receive notification of all funding opportunities or may choose a specific discipline and/or federal agency.

[National Institutes of Health](http://grants1.nih.gov/grants/index.cfm) – the nation’s premier government source of funding for biomedical research.

[National Science Foundation](http://www.nsf.gov/funding/) – the nation’s premier government source of funding for hard sciences research.

## Review of Sponsor Guidelines and Proposal Documentation

OSPA assists with review of sponsor guidelines. With the advent of Grants.gov and other electronic submission systems, it is particularly important for principal investigators and their teams to work together with OSPA to ensure that all formatting and submission issues are reviewed and submissions conform to sponsor requirements. If a proposal does not conform to sponsor requirements, the proposal may be rejected by the sponsor. Electronic submission systems are particularly sensitive to submission errors. Researchers should work closely with OSPA to avoid these problems.

Principal investigators should submit all proposal documentation to OSPA **four** days prior to the submission deadline to ensure a successful submission.

Proposal documentation that should be provided to OSPA includes:

* + - Sponsor guidelines
		- Statement of work
		- Proposal budget and budget justification
		- Completed GoldSheet
		- Subrecipient statement of work, budget, letter of commitment
* Cost-sharing documentation (if a third party is involved, a letter from the third party should be provided detailing the cost-sharing commitment)

## Budget Development

Preparation of the budget is an important section of the proposal. Granting agencies review hundreds of proposals annually and are proficient at comparing level of funding requested to perform the research work proposed. Therefore, it is important that the budget section of the proposal reflect, as accurately as possible, the funding needed to carry out the proposed research. The investigator should neither overestimate the funds required nor underestimate budgetary needs. Either of these strategies may lead to proposal rejection. A budget that accurately details the funds necessary to carry out the technical statement of work can strengthen the total proposal and increase the likelihood of funding. Furthermore, a carefully prepared budget can often identify weak areas in the proposal narrative and result in improvement of the proposal. Grant coordinators at the department and college level can provide expertise in completing a budget request, applying fringe benefit and facilities and administrative cost rates, and documenting subrecipient agreements, consultants, matching funds, and cost-sharing. In the case of more complicated proposal requirements, OSPA will complete sponsor assurances and certifications and will assist the investigator in interpreting sponsor guidelines.

### Direct Costs

1. ***Salaries and Wages***

To determine total salaries and wages, list the amount of time to be spent by each person, including any administrative staff, who will be working on the project. Time should normally be shown in terms of person-months and a percent of full-time effort. Show a breakdown between summer and regular academic year for faculty. No employee may be scheduled for activities in excess of 100% of effort in any given month. Sponsored activities may not result in any employees receiving compensation at a rate in excess of their authorized salary or academic rate. For multi-year projects, the budget should take into consideration any possible salary increases. [The Uniform Guidance (2 CFR 200),](http://www.whitehouse.gov/omb/circulars_a021_2004/) the federal regulation that determines the allowability of costs on federally sponsored awards, requires special justification for the use of administrative support on sponsored programs. The budget justification should include this information.

### Fringe Benefits

Fringe benefits are a direct cost to a sponsored project, are clearly related to the salaries and wages to be paid, and are shown as a separate entry in the budget. Iowa State University utilizes fringe benefit pooled rates associated with each employee group. The rates ISU charges are negotiated annually with the Department of Health & Human Services (ISU’s Cognizant Federal Agency) and can be found on the OSPA [website.](https://www.ospa.iastate.edu/proposal/preparation/benefits)

### Consultants (Independent Service Providers)

Normally, consultants are paid a consulting fee plus travel expenses. Whenever possible, identify in the budget the proposed consultant by name, indicate the number of days of work, daily rate, and provide curriculum vitae or resume for the consultant in the proposal. University employees are not permitted to serve as a consultant on an ISU sponsored project.

Many sponsors do not permit payments to consultants and some restrict or limit such payments, or require that the university obtain written approval for consultants. If in doubt as to the allowability of consultants or rates paid to consultants, refer to the award terms, sponsor guidelines, or contact OSPA.

### Capital Equipment

Equipment means an article of nonexpendable, tangible property having a useful life of more than one year and an acquisition cost of $5,000 or more per acquisition. Components, other than on-campus machine-shop labor, used to fabricate an item of capital equipment may be considered as capital equipment for budgeting purposes and should be identified as such for inventory purposes. Any on-campus machine-shop labor component involved in fabrication of capital equipment is subject to facilities and administrative costs.

### Expendable Equipment and Supplies

These are items costing less than $5,000. Normally, a research project will consume expendable supplies such as laboratory items, teaching aids, computer software, and office supplies. A reasonable amount should be budgeted for these items.

### Publications

Budget the anticipated cost of publishing the results of the research, keeping in mind that page charges may vary from journal to journal. Consider both page charges and reprint costs.

### Travel

If foreign travel is anticipated the detailed information for the trip(s) should be provided in the budget. Reimbursement levels for domestic travel expenditures are set by the university or may be determined by sponsor guidelines (the most restrictive guideline will be used). Federal funds cannot be used to make trips to secure new or additional research support or funds.

### Computer Time

Computer time costs should be included as a budget item, if appropriate. If non-sponsor funded computer time is needed, arrangements must be made in advance with the researcher’s academic department or research unit. Facilities and administrative costs apply to all types of computer time, and to all computer supply budgets.

### Subrecipient Agreements

A **subrecipient** is a state or local government, college, university, corporation or other organiza tion that expends federal funds received from a prime grantee to carry out a sponsored program.

Typically, a **subrecipient**:

* + Has its performance measured against program objectives;
	+ Has responsibility for programmatic decision-making;
	+ Has responsibility for adherence to applicable sponsor program compliance requirements; and
	+ Uses funds to carry out a program of that organization, rather than providing goods or services for a program of the prime grantee.

Other indications that an organization should be deemed a subrecipient include when:

* + The organization is contributing to the scholarly/scientific conduct of the project as described in a statement of work for the organization;
	+ The conduct of the organization’s portion of the project requires use of the discretion and unique expertise of the organization; or
	+ Payments are made before the work is performed and that ultimate settlement of the agreement will be on the basis of incurred allowable cost.

When the Principal Investigator contemplates collaboration with a colleague at another institution, if the collaboration is to be funded, this will constitute a subrecipient relationship. At the time of proposal submission, the collaborating institution should provide to OSPA a statement of work and detailed budget, signed by the collaborator's authorized institutional representative.

### Other Direct Costs

Costs such as those for copying; long-distance telephone calls for the project; postage for the project; reference books and materials; tuition and required fees for participating students: equipment maintenance; and contracted services are all considered Other Direct Costs. The principal investigator should justify the need for these items in relation to the project.

### Facilities and Administrative (F&A) Costs

* 1. ***Facilities and Administrative Costs***

Facilities and administrative (F&A) costs must be included in proposal budgets unless the sponsor has a written policy on F&A rates applicable to all potential grantees. All deviations from full recovery of F&A rates are subject to ISU administrative approval. Sponsor guidelines limiting facilities and administrative costs must be provided with a proposal. To calculate F&A costs for a project: 1) Calculate the Total Direct Costs (TDC), which is simply the sum of all direct costs (salaries, benefits, supplies, equipment, etc.) 2) Calculate the base against which the F&A rate will be multiplied by subtracting exempt items (capital equipment, graduate

student tuition and required fees, stipends, and subrecipient agreement costs in excess of the first

$25,000 of each subrecipient agreement over the life of the agreement) from TDC. This will give the Modified Total Direct Costs (MTDC). 3) Multiply the correct F&A rate against the MTDC base to calculate the facilities and administrative costs for the project. 4) Add the TDC to the F&A to calculate the Total Project Costs.

TDC - exemptions = MTDC MTDC x F&A rate = F&A

TDC + F&A = Total Project Costs Please note that since the federally-negotiated facilities and administrative cost rates are subject to change every three to five years, principal investigators should be prepared to make adjustments in budgets for such changes.

ISU’s F&A rate agreement may be viewed here: <http://ospa.iastate.edu/proposal/preparation/fa-rate.html>

### On- and Off-Campus Rates

Off-campus activities are those activities that operate entirely off University property (either owned, leased, or rented) and do not increase or decrease the costs of those activities (i.e., operations and maintenance) that would be affected had the activities been operated on property maintained and/or depreciated by the University.

Off-campus rates are generally used when the principal investigator conducts research away from the campus for a period of no less than one semester or all three summer months. They are not used for conducting of workshops, seminars, etc. off campus, especially when data

collection and analysis takes place on campus.

### Matching Funds/Cost-Sharing

If sponsor guidelines require cost-sharing or matching funds (cash contribution or donation of in-kind services such as contributed time and effort by the principal investigator and other key personnel), please provide the details of any cost sharing provided by the PI, department/unit or college and/or provide appropriate letters of commitment from third-party sources. All matching funds or cost-sharing commitments based on the faculty member's academic time and effort must be approved in advance by the principal investigator's department chair and dean. The university does not provide cost-sharing for projects on which it is not required.

## Other Proposal Information

### Limited Submission Proposals

Limited submission programs are those for which funding agencies restrict the number of nominations or proposals a university may submit for consideration for an award. ISU, therefore, must internally screen all eligible and interested nominees to determine which will represent the university in the regional, national, or international competitions.

Documents required by the University will be listed for each internal competition. Potential nominees must ensure that they are aware of any additional requirements of the awarding body beyond the University internal competition. In all cases, requirements for internal review will mirror the requirements of the awarding body to reduce duplication or extraneous paperwork. Unless stated otherwise, all required documentation should be submitted by email (preferably as a pdf file) to the Office of the Vice President for Research by the posted deadline.

It is the responsibility of the researcher and nominating body to ensure that all eligibility guidelines are met prior to submission for internal review.

### Compliance Review of Proposals

Sponsors may require approved human subject, animal subject, biosafety, or radiation protocols prior to submission of the proposal. Many sponsors will permit proposals to be submitted with pending compliance protocols but will require approved protocols prior to issuance of the award. If you are unsure about the sponsor’s guidelines on this issue, contact OSPA to discuss. If you have questions about protocol submission, please contact the Office of Research Ethics (4-4215).

### Review of Proposals by Offices Other than OSPA

In some circumstances, proposals to external agencies may require institutional authorization and approval by university offices in addition to the normal proposal submission process that occurs within the department, college, at OSPA and on occasion, the Board of Regents.

Proposals that require additional institutional authorization and the timeframe required for such review are shown below:

|  |  |
| --- | --- |
| **Proposals that** | **Timeframe for Review** |
| Call for new buildings, renovations or alterations | **See below** under Construction and Renovation for more information on timeframe |
| May be funded by a non-U.S. sponsor or involve extensive work outside the U.S. | To OSPA at least **two weeks** in advance of sponsor deadline |
| Require institutional cost sharing\* | To VPR and OSPA at least **three weeks** in advance of sponsor deadline.\*\* |
| Involve exports, foreign national restrictions, intellectual property issues, or similar issues of concern | To OSPA at least **two weeks** in advance of sponsor deadline |
| Encompass or potentially create classified/secret information | To VPR **four weeks** in advance of deadline; ISU does not accept classified projects. |
| May result in provision of services outside the university’s mission | To OSPA at least **two weeks** in advance of sponsor deadline |
| May encompass individual or institutional conflicts of interest | To OSPA at least **two weeks** in advance of sponsor deadline |
| Are budgeted at $2M or above | To OSPA at least **two weeks** in advance of sponsor deadline |
| Establish a new academic program | Contact the Provost’s Office to discuss **several months** in advance |
| Will be sent to a sponsor that limits the # of submissions permitted by an institution | To VPR by the **deadlines noted** in a limited submission announcement |

\*For proposal submissions that require mandatory cost sharing, PIs may obtain third party cost sharing from

external organizations without VPR review. Documentation of the cost sharing is required. PIs may also use their incentive funds and may use a reasonable share of their salaries for cost sharing (5-10%) without obtaining VPR review, but only for programs requiring mandatory cost sharing.

\*\*Requests for institutional support should go directly to the Vice President for Research office.

If your proposal includes any of the above scenarios, send a copy of the guidelines for the program and a summary of the statement of work to OSPA **two weeks** in advance of the program deadline unless otherwise listed above.

## PLEASE NOTE: Proposals that do not involve the scenarios above should be submitted to OSPA four business days in advance of the deadline with copies of budgets, statements of work and sponsor guidelines.

**Construction and Renovation**

All projects that include funding for construction and/or renovations must be approved by both Facilities Planning and Management (FP&M) and the Capital Projects Advisory Committee (CPAC) prior to proposal submission. It is imperative that you start the process at least one month before the sponsor deadline to assure the needed approvals are obtained. For additional information, see the CPAP website: https://www.operationsfinance.iastate.edu/capital-projects-approval. CPAC meets once a month.

## Institutional Policies Regarding Cost-Share/Institutional Support for Proposals:

The University (i.e., the departments, dean’s offices, centers/institutes, and/or VPR office)

will collectively provide cost-share support only when it is **required**. Institutional support will be considered for large, multi-investigator, multi-institutional grant proposals.

Requests for institutional cost share support should be submitted to the VPR Office using the Cost Share Support Form, in line with the ISU Policy on Cost Share for Sponsored Programs which is found on the OSPA Policies Website (https://www.ospa.iastate.edu/policies).

If the proposal is awarded at a significantly lower amount than what was proposed, the cost- share contributions will be revised accordingly.

## Cost Sharing that Involves Buildings or Land

In rare circumstances, buildings or land may be used as cost share. All proposals that include buildings or land as a part of the cost share must be approved by all parties to whom the buildings or land are assigned as well as by the Vice President for Operations and Finance.

## Institutional Letters of Support

PI’s will notify the VPR Office (vpradmin@iastate.edu) regarding requests for letters of institutional support. PI-s will provide a draft letter that includes the uniqueness of the proposed work, the strengths at ISU that make it well suited to house the work on this campus, and any other pertinent information that would be useful. The letter will be edited and the VPR’s

Office will have the letter signed by either the Provost or the Vice President for Research, as appropriate. Please allow for at least **3-5 days** to get the letter to be prepared and signed, and do not contact the Provost or the Vice President for Research directly.

# Awards

## Award Acceptance and Post-Award Administration

Award documents take many forms depending upon the type of sponsor and project. Contracts require review and signature by the official institutional representative authorized to sign on behalf of the institution. Grants from federal sponsors typically do not require signature, but are reviewed by OSPA staff for acceptable terms and conformance to the proposal submission. The Principal Investigator is notified of each new award and is responsible for complying with all award requirements.

OSPA may negotiate the terms and conditions of an award if the terms are not consistent with the requirements of an educational institution. Occasionally, OSPA will seek changes in clauses related to governing law, indemnification and insurance to comply with Iowa law. OSPA will also negotiate clauses that permit the University to retain of intellectual property developed under the agreement. OSPA also protects academic freedom by ensuring a faculty member’s right to publish by asking for appropriate terms. OSPA also seeks PI acceptance of award terms and conditions if they differ significantly from the usual federal terms prior to signing award documents.

Upon receipt of fully executed award documents or other proof of award, OSPA is responsible for initiating the ISU award set up in Kuali Coeus and award notification is sent to Sponsored Programs Accounting (SPA) for worktag assignment. A copy of the award is sent via email to the Principal Investigator, Grant Coordinator and College/VP administering unit. Once the Principal Investigator receives a Workday notification of the worktag number, funds may be encumbered or expended.

OSPA serves as a central point of contact for sponsor grant or contract officers regarding administrative matters throughout the duration of the project. OSPA also serves as facilitator for Principal Investigators in all matters post award non-financial administration. Principal Investigators are responsible for submission of all required reports in a timely fashion.

## Advanced Grant Worktag Request

If award documentation is delayed, procedures are available to obtain an advanced grant worktag. After the award information including start date of the project is verified by a representative of the sponsoring agency with the authority to commit funds, OSPA will review the request and may authorize set up of an advanced grant worktag. Note that advanced grant worktag requests for contracts will most likely not be approved since sponsors rarely permit expenditures prior to the start date of a contract. This number will become the permanent grant worktag once the agreement has been finalized.

* 1. **Pre-Award Spending Request**

Some federal agencies allow pre-award costs up to 90 days prior to the start date of a grant or cooperative agreement. If pre-award costs are requested, a justification must be provided documenting the need for incurring costs prior to the start date of the project.

## Subrecipient Agreements

Sponsored program budgets often contain funding for pass-through funding to subrecipients. OSPA has the overall responsibility for developing and negotiating subrecipient agreements under sponsored project awards (non-industry and non-commodity). OSPA maintains documentation relative to subrecipient agreement placement and any modification of the agreement.

Upon receipt of a PI-signed [Subrecipient Request Form](https://www.ospa.iastate.edu/sites/default/files/imported/award/docs/Subrecipient%20Request%20Form%20rev%20Feb%202020.pdf), OSPA will negotiate subrecipient agreements in accordance with standard business practices and, as appropriate, the Federal Acquisition Regulation and/or the Uniform Guidance (2 CFR 200). These agreements will comply with all standard and special provisions of individual awards. After the subcontract/subrecipient agreement is fully executed and work has commenced, it is the responsibility of the principal investigator to: 1) review all invoices from the subrecipient to determine if the charges are appropriate for the work performed; 2) monitor the progress of the subrecipient and; 3) obtain all required deliverables from the subrecipient.

If the ISU PI requires formal changes to a subrecipient agreement, such changes will be communicated to OSPA. Typical changes can include: (1) continuation funding; (2) no-cost extensions; and (3) carry-forward approvals.

Continuation funding is added to subrecipient agreements after ISU receives prime agreement continuation. The PI will confirm the additional funding amount and time extension. Upon receipt of PI confirmation, OSPA will amend the subrecipient agreement.

Subrecipient no-cost extensions (NCEs) may be requested. Such NCEs must be within the period of performance of ISU’s prime agreement. PIs should confirm the subrecipient has an unspent balance in Workday before requesting a NCE.

Subrecipients may request carry-forward of unspent balances to the subsequent funding period. Carry-forward actions are governed by the prime agreement and the subrecipient agreement. Some subrecipient agreements provide for automatic approval of carry-forward. When the subrecipient agreement requires explicit approval, OSPA will coordinate that with the PI and provide formal notification to the subrecipient.

1. **POST-AWARD ISSUES**
	1. **Extensions of Time**

If researchers seek an extension on a project they should submit the request using the [No-Cost Extension Request](https://www.ospa.iastate.edu/no-cost-extension-request) form. If the award is from a federal sponsor and the terms and conditions of the award are noted as either Federal Demonstration Partnership (FDP) or Research Terms and Conditions, the University may have expanded authority to extend the project for a period up to 12 months without sponsor approval. See Research Terms and Conditions matrix for prior approval requirements: <https://www.nsf.gov/awards/managing/rtc.jsp> .

If researchers seek an extension on a project, they should contact the OSPA Awards Team by email with the request. The form may be found at <http://ospa.iastate.edu/forms>. The no cost extension request must provide a valid rationale for the extension. Please note that extending the project to expend remaining funds is not a valid reason for extension.

Potential acceptable rationales for the extension include a late start due to difficulties in hiring, late receipt of award from the sponsor, unexpected changes in the project timeline due to sponsor modifications, etc. A two-month lead time is suggested in order to have an approved extension prior to the original expiration date.

For awards subject to the Research Terms and Conditions, if the one-year grantee-approved no-cost extension has already been utilized, subsequent extension requests must be requested from the sponsor.

Sponsor-approved no-cost extensions must be submitted prior to the expiration date of the grant. Please note that after submission of a request, it can take several weeks for a sponsor to approve. Consider the processing time when deciding when to submit such a request.

## Budget Changes

If a principal investigator would like to revise his or her budget after receipt of the award and sponsor guidelines do not permit the university to make the change without sponsor approval, the PI will need to request the revisions in writing from OSPA. A Rebudget Request Form must be processed through OSPA and will be forwarded to the sponsor. The form may be found at <http://ospa.iastate.edu/forms>. Most agencies who issue awards under the [Research Terms and Conditions](http://www.nsf.gov/bfa/dias/policy/fedrtc/priorapproval_oct08.pdf) do not require institutions to seek prior approval for budget modifications. If the award does not require sponsor approval for budget changes, the PI may expend as the program requires, subject to sponsor requirements regarding allowable costs.

## Requests for Additional Funds

Requests for additional funding on an existing project are processed as proposals through OSPA. You will need to submit the following items to the OSPA Pre-Award Team: 1)

GoldSheet; 2) budget; 3) statement of work for the additional effort; and 4) updated certification for all compliance issues if necessary.

## Change of Principal Investigator

If a change of principal investigator is required on a project, a request letter must be sent to the sponsor. Please send an email to ospa-awards@iastate.edu with the following information:

1. A clear description of the change (i.e. who is taking over, and why the current PI will no longer be involved);

2. A current biosketch for new proposed PI;

3. A justification for the newly proposed PI’s credentials for taking over the project.

OSPA will then compile the request letter to send to the sponsor and contact the PI if his or her signature is needed. If the request is approved by the sponsor, a revised GoldSheet should be routed to reflect the change internally.

## Principal Investigator Disengagement from Project

For Federal awards governed by the Uniform Guidance (2 CFR 200), faculty disengagement of three months or more requires prior sponsor approval. Temporary absences where a PI remains actively engaged in the project do not require sponsor approval. For absences of three months or more, PIs should send a notification to ospa-awards@iastate.edu addressing oversight of the project during the planned absence. OSPA will review, approve and transmit the request to the sponsor.

## Award Transfers

Transferring an award to another institution is a complicated process and requires proper timing to allow for the transfer and start-up at the new institution. Please complete the [PI Departure Questionnaire](https://www.ospa.iastate.edu/pi-departure-questionnaire) and submit it to OSPA as soon as you are aware that a PI is leaving the institution.

There are general procedures that need to be followed to prepare for a transfer. Please refer to the [Departing PI Transfer Process](https://www.ospa.iastate.edu/sites/default/files/imported/award/docs/Departing%20PI%20Transfer%20Process%202020-03-24.pdf) for guidance.

## Changes in Effort

When a principal investigator on a federally funded project wishes to make changes in work effort that result in a 25% or more decrease in effort any key personnel on the project, the principal investigator must notify OSPA of the change in effort so that the changes can be approved by the sponsor. Such modifications to effort are subject to the sponsor’s approval before they can be implemented.