



**Research &  
Economic Development**

**Research Administrators Certificate Course  
Award Processes**

**MRAM**

**April 2022**

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# UPDATE

## Prior Approval of Sponsored Project Proposal

- Policy #2320.070, ORED Prior Approval of Sponsored Project Proposal Policy and Procedures, updated effective March 28, 2022.
- The updated change to the policy impacts when ORED will require an ePRAF and/or approval for a preliminary proposal of “white paper”.
- *Sponsors will sometimes request a preliminary or “white paper” proposal prior to submission of a full proposal. In those circumstances, approval from ORED prior to the PI’s submission of the “white paper” proposal to the sponsor is not required provided the white paper or preliminary proposal does NOT contain any of the following: (1) an institutional limit on the number of applications submitted; (2) commitment of University cost sharing; or (3) space additional to that already available to the PI;. If any of the foregoing items is included or required in the white paper or preliminary proposal, then the normal proposal approval process must be followed by the PI. However, for all white papers or preliminary proposals where ORED approval is not required, the PI should maintain a copy to be forward to ORED for its files in the event a full proposal is later submitted.*
- The updated policy in its entirety can be found at <https://policies.fiu.edu/files/526.pdf>

# F&A Defined

- Facilities and Administrative costs are also known as “indirect costs” or “overhead”
- costs that are incurred for common or joint objectives and cannot be readily and specifically identified with a particular sponsored project, an instructional activity or any other institutional activity.
- general departmental
- college and university administration and maintenance expenses such as:
  - administrative and clerical support
  - accounting, purchasing, personnel, compliance, general maintenance and repair, depreciation and use allowance costs of buildings and equipment, libraries, janitorial support, space and utilities.
- F&A rate is negotiated by FIU with DHHS and reflects a negotiated rate based on the reimbursement for real, audited, facilities and administration costs incurred by FIU in the conduct of research
- ORED Commonly Requested Documents list current F&A rates: <https://research.fiu.edu/wp-content/uploads/2021/07/FloridaInternationalUniversity.3035.RA.2019.20.pdf>

# Full F&A Charges are Required

- Federally-sponsored projects must be charged full negotiated F&A rate unless sponsor guidelines provide otherwise
- Privately sponsored projects must be charged at least the full F&A rate
- If sponsor does not allow full F&A rate, proposal must include the sponsor guidelines that limit F&A recovery
- Decreased F&A charges must be approved by the VP of Research or Designee. In order for request to be considered the PI's Dean or Center Director (for independent centers) must approve the request before the proposal is submitted to ORED. Final decision of decreased F&A rests with the ORED.
- ORED policy – Full Facilities and Administrative Charges Must be Charged on Sponsored Project Proposals: [http://policies.fiu.edu/record\\_profile.php?id=252](http://policies.fiu.edu/record_profile.php?id=252)

# Can Items Covered by F&A be Directly Charged to Project?

- Normally, no. These include:
  - Salaries of administrative and clerical personnel, such as secretarial staff, receptionists, accountants, bookkeepers and other administrators
  - General administrative expenses, such as office supplies, postage, toner, copy paper, local telephone charges and memberships
- But, these may be directly charged in rare circumstances as defined by 2 CFR 200.413  
Direct Costs
- ORED policy - Charging General Administrative And Clerical Costs On Federally Sponsored Projects: [http://policies.fiu.edu/record\\_profile.php?id=244](http://policies.fiu.edu/record_profile.php?id=244)

# Requirements for Directly Charging Items Normally Included as F&A

- Requirements:
  - are explicitly budgeted in the proposal and explained in the budget justification;
  - are measurable and identifiable;
  - go beyond the normal administrative departmental support; and
  - are specifically identified with the project or activity directly (i.e., the project's technical mission)

# Procedure for Directly Charging Items Normally Included as F&A

- If PI believes that F&A charges may be directly charged, PI must complete Direct Charge Exemption Form (DCEF) on ORED website and include it in the ePRAF proposal package to ORED Pre-Award
- ORED will determine whether the costs may be directly charged and will note if the charges are approved or disapproved on the Direct Charge Exemption Form.
- ORED will then notify the PI of the determination.
- DCEF Form is available at
  - <http://research.fiu.edu/documents/forms/proposal-preparation/Direct-Charge-Exemption-Form-Salaries-v3.pdf>
  - <http://research.fiu.edu/documents/forms/proposal-preparation/Direct-Charge-Exemption-Form-Expenses-v3.pdf>

# Extra State Compensation / Overload

- Extra state compensation to be paid from a sponsored Project ID will only be considered in rare circumstances and only when all of the following conditions are met:
  1. The request for extra state compensation is included in the proposal for the sponsored project and is clearly identified as an extra state compensation request in the budget and budget justification of the proposal.
  2. The sponsor specifically approves the extra state compensation payment, in writing, or the extra state compensation payment is set forth specifically in the award document as an extra state compensation payment.
  3. The work for which the extra state compensation payment is sought is across departmental lines (i.e., involves a field different from the FIU employee's) or involves a separate or remote location.



# Extra State Compensation / Overload Continued...

4. The work for which the extra state compensation payment is sought is to be performed in addition to the FIU employee's regular departmental load pursuant to applicable Academic Affairs or Human Resources policies.

Research is part of faculty's normal departmental load, extra state compensation for faculty on a sponsored research project will generally NOT be permitted. Any other FIU employee whose regular departmental load or assignment includes research will also generally be ineligible to receive extra state compensation from a sponsored research project.

5. The payment is in accordance with FIU policy regarding extra state compensation payments applicable

6. The work to be performed by the employee benefits the sponsored project during the project period.

# Extra State Compensation / Overload Continued...

**For Project IDs with sponsors other than a federal agency, ORED may approve extra state compensation if:**

1. The project is not a research project; i.e., the project is for training, community service or other sponsored activity.
2. The extra state compensation is allowed pursuant to the Academic Affairs or Human Resources policies described in the Procedures section below; and
3. ORED determines that the extra state compensation is appropriate in light of the information provided by the PI in the ORED Extra State Compensation Approval Request Form.

ESC / Overload Form is located at

<http://research.fiu.edu/documents/forms/proposal-preparation/extraStateCompensationForm.doc>

**ORED Policy: Extra State Compensation Form Sponsored Projects for FIU Personnel**

<https://policies.fiu.edu/files/366.pdf>

# Foreign Projects

- Increasingly, externally funded projects at FIU include an international component or are entirely international in nature. The administration of projects on an international scale involves issues not encountered in completely domestic projects.
- PIs and staff should refer to the ORED policies and procedures for general requirements for the administration of extramural projects at FIU.
- Associate Vice President for Research for International Projects will assist with foreign projects as needed and is notified at proposal stage by ORED

# Sponsored Research Agreements Other Than Awards

- Agreements such as Non-Disclosure Agreements (NDAs), Teaming Agreements (TAs), Material Transfer Agreements (MTAs) and other sponsored research agreements other than awards are reviewed and processed by the ORED
- All negotiations of sponsored project awards and agreements must be accomplished by a representative of the Award Services team. **FACULTY AND STAFF MAY NOT EXECUTE SPONSORED PROJECT AWARDS OR AGREEMENTS ON BEHALF OF THE UNIVERSITY.** Faculty and staff are not official signatories for the University on sponsored project documentation and therefore, may not execute such documentation. The President, Provost, the Vice President for Research, and personnel delegated as signatories for the University on sponsored project documentation may execute such documentation.

# Sponsored Research Agreements Other Than Awards

- The PI must complete the appropriate ORED Agreement Request form and submit that form to [oredagremnts@fiu.edu](mailto:oredagremnts@fiu.edu) together with the draft agreement, if the PI has a draft. ORED will determine if the agreement is appropriate and if so, will negotiate the agreement with the entity with which the University will execute the agreement. Such negotiation shall be done in consultation with the PI, the General Counsel's Office, Office of Intellectual Property Management, and any other area within FIU or ORED as necessary. Once the agreement is finalized and executed by both ORED and the outside entity, ORED will provide a copy of the fully executed agreement to the PI.
- The Agreement Request Form is available at <http://research.fiu.edu/documents/forms/administrative/AgreementRequestForm.docx>
- All compliance matters such as IRB/IBC/IACUC, EH&S, Export Control, etc. must be in place before the agreement can be fully executed.

# Awards Processing

- All negotiations of sponsored project awards and agreements must be accomplished by a representative of Pre-Award. FACULTY AND STAFF MAY NOT EXECUTE SPONSORED PROJECT AWARDS OR AGREEMENTS ON BEHALF OF THE UNIVERSITY.
- The President, Provost, the Vice President for Research, and personnel delegated as signatories for the University on sponsored project documentation are the only individuals that may execute such documentation.

# Awards Processing

- The Award Services team shall review all sponsored project awards received by the University for, among other things, compliance with University policies and procedures, appropriateness of legal requirements, scope of work and budget. ORED will negotiate the terms of the award with the sponsor, in collaboration with the PI, the General Counsel's Office and the Office of Intellectual Property Management, and other units within FIU and ORED as necessary.
- PIs and Project staff who are authorized by the PI may communicate with the sponsor's technical personnel regarding the Project's research, programmatic and technical matters.

# Awards Processing

- ORED is solely responsible for communications with the Project sponsor about administrative, legal or fiscal matters, in conjunction with the Office of the General Counsel, other administrative units of the University, or the PI, as appropriate.
- PIs and Project staff are not authorized to bind the University regarding any sponsored project and therefore PIs and Project staff may not communicate with sponsors for the purpose of making any representations or commitments purporting to bind the University.



# Awards Processing

- New awards, continuations, supplements and modifications for sponsored projects are set up and processed by ORED. The following items must be received and approved by ORED before it may set up a new award for a sponsored project (some or all of the following will be necessary for continuations, modifications and supplements).
  - Award Documentation from Sponsor
  - Revised budget, electronic internal clearance form and proposal (if needed)
  - All approvals for human or animal subject research or any research involving recombinant DNA molecules, environmental, health and safety, diving, nepotism, conflict of interest or export control issues must be obtained from the FIU IRB, IACUC, IBC, Environmental Health and Safety Department, or Human Resources, as appropriate
  - Conflict of Interest internal form, HR OAR disclosure, CITI FCOI training
  - Cost Sharing. The award will not be released if cost sharing funds required by the award document and/or proposal are not available to meet the cost sharing requirements (if needed)

# Awards Processing

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- Once ORED receives all necessary award documents, it will activate a project ID number for the project. The PI must use this project id number for all non-cost shared purchases (equipment, supplies, etc.) and payments (salary and wages) on the project.
- ORED will input in its database the pertinent award information, including the period of performance and the budget categories awarded and will forward a copy of that information to the PI, the PI's Research Dean's Office and the PI's fiscal assistant, if any.

# No Cost Extensions (NCEs)

- A **no cost extension** (NCE) extends the project period beyond the original project end date. As the phrase “no cost” suggests, no additional funding is added to the project when a NCE is requested. A NCE may be requested by the PI when the following conditions are met:
  - The end of the project period is approaching, **AND**
  - There is a **programmatic need and funding** to continue the research
- Some federal sponsors have delegated to FIU the authority under grant awards to approve a one-time NCE not to exceed 12 months under the Federal Demonstration Partnership cooperative initiative. If authorized, an internal NCE request should be made at least 90 days in advance of the project end date to [doraward@fiu.edu](mailto:doraward@fiu.edu)
- If the sponsor has not delegated this authority, a written request must be made to the sponsor by the pre-award office. The programmatic reason for NCE should be prepared by the PI and then ORED Pre-award will create and submit the written request. Some sponsors (NIH, NSF, NOAA, etc.) have electronic systems to handle no-cost extension requests and approvals. Call your pre-award representative to initiate and complete a NCE request.
- The internal FIU no cost extension request form (which initiates the request) can be found here: <http://research.fiu.edu/documents/forms/award-management/noCostExtensionForm.pdf>
- Once the NCE is approved by the sponsor, pre-award will complete the processing of the action and forward it to post-award so that the end date can be updated in PantherSoft.

# No Cost Extensions (NCEs) Continued...

**It is important to note that the sponsor always retains the right to decline a no-cost extension request.**

- Examples of reasons for a declination might include:
  - An extension may not be granted solely because there is money left over
  - Programmatic benefit was not justified
  - Funding may have come from a prior year's appropriation and cannot be extended
  - The amount requested in the extension request appears excessive to the sponsor

NCEs are subject to review of all compliance matters prior to submitting to the Sponsor.

Measure effort must be reflected on the NCE form.

Because of this, it is always a good idea to request the extension in enough time to manage an orderly accomplishment of project work, and to have a contingency plan in case the sponsor does not approve the extension.

**FIU Policy: No Cost Extensions of Sponsored Projects:**

[http://policies.fiu.edu/record\\_profile.php?id=259](http://policies.fiu.edu/record_profile.php?id=259)

## **Closing Remarks**

- Questions
- Adjournment