

# LIFE OF GRANT'S CYCLE OVERVIEW



## CONCEPTION OF IDEA

- Unsolicited applications are those that the investigator initiates from his/her own ideas and requests financial support of a sponsor for those ideas.
- Solicited applications are initiated from the sponsors directly that an investigator may or may not choose to “respond” to.



## SEARCH FOR FUNDING

- There are several mechanisms for searching for sponsors who may or may not support the nature of the proposed research. Example: Spin Plus which is a comprehensive, web-based service that automatically alerts an investigator to available funding for research projects in their area of expertise or interest.



## SPACE AND INFORMATION TECHNOLOGICAL NEEDS



- Confirmation of adequate space and I.T. support are available **MUST** be made with the Director of Facilities and the Director of IT. It's import to plan for the conduct of the project, in the event of the award.



## PROPOSAL CREATION

- An awarding agency provides detailed instructions regarding proposal completion, and applicants must follow these instructions to the letter to ensure proper and timely consideration. Principal Investigators should be writing the scientific portion of their application while the grants manager is working on the administrative components of the application.



## BUDGET CREATION

- Preliminary discussion with the principal investigator and the grants manager should occur to begin to formulate and develop the budget needed to support the proposed research project.



## ROUTING AND APPROVAL

- Several approvals are need prior to final signature from the sponsoring institution. **The Senior BA** must approve the application, certifying that the budget and administrative information contained in the proposal is complete and accurate. **The Departmental Chair** must approve the application, certifying that the proposed research is within the total program and academic objectives of the department. **The Dean** of the submitting and administering school signs his/her approval to the application certifying that the proposed project is consistent with the total program objectives of the school. **Additional approvals** are required such as the IRB, IACUC, if humans and/or animals are proposed in the application. If there are faculty participating from other departments within the same school or other schools at the institution, approvals are required from their respective administrators, chairs and deans.



## SUBMISSION

- Every Award agency provides the required due date for submission of applications to be considered for funding. Some agencies specify that the application must be received by a certain date while other agencies specify that that the application can be postmarked by a certain date.



## REVIEW

- The application is reviewed the Office of Research Services. Once the application is approved, ORS will submit the application to the sponsoring agency. There may be the occasion request for additional information from the sponsor prior to awarding the proposal. Most agencies have a formal peer or merit review process while some smaller non-federal agencies provide for in-house review of applications.



## AWARD

- Awards are sometimes subject to intense negotiation prior to the formal award is made if such awards are for research contracts. Generally, research grant awards are mad with little, or no negotiation. The award will come with specific terms and conditions of the sponsoring agency and will usually reference the expected start date and end date for the project as well as the amount awarded for the length of the project and any other provisions.



## SETTING UP AWARD

- On the official notification from the sponsoring agency is received and all negotiations are final, the University's Office of Research Services(ORS) will establish a 26 digit account combination and will issue an account information(AIS) which captures all relevant information about the award as well as any terms and conditions and will enter the date into Ben Financial System.



## FINANCIAL TRANSACTIONS & DOCUMENTATION



## CLOSE OUT AND AUDIT

# The core principles for determining costs applicable to Federal sponsored agreements under A-21

## Reasonableness

"A cost may be considered reasonable if the nature of the goods or services acquired or applied, and the amount involved, reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made."

Examples:

- Airfare – economy class is reasonable.
- A leather chair for \$1,200.00, even if furniture is in the approved budget, is unreasonable.

Allowability

Is the cost in compliance with the terms and conditions of the award, the sponsoring agency policy, Circular A-21, and University policy?

Example:

- General-purpose equipment is not allowable while scientific equipment is allowable.

### **Allocability (3 parts)**

#### **1) Is the cost benefiting the sponsored project?**

Example:

- Animals may be an allowable cost, but if the project doesn't use animals, it is not an allocable cost.

#### **2) If a cost benefits both the sponsored agreement and other work, it must be allocated in appropriate proportions.**

Example:

- An item of equipment costing \$40,000 is used 10% of the time for one project and 90% of the time for another project. The project that uses the equipment 10% should be charged \$10,000 while the project that uses the equipment 90% of the time should be charged \$30,000.

#### **3) Project expenditures must be supported by evidence of direct benefit to the project.**

Example:

- For supplies and expenses, allocability is documented through purchase/payment records or other files, and/or certification of expenditures.

### **Consistency**

Is the cost incurred for the same purpose, in like circumstances, treated consistently as either direct or F&A cost?

Examples:

- A lab always charging customers the same amount using the same object code is consistent.

#### **Sampling of costs unallowable under A-21**

- **Alcoholic beverages**
- **Entertainment**
- **Fines and penalties**
- **Fund raising/alumni activities**
- **Internal interest charges**
- **Subscription**
- **Advertisement and public relations costs**
- **Travel tickets in excess of coach**
- Copying costs charged directly in one division of the department and charged as an F&A cost item in another division of the department is inconsistent.

For a complete copy of A-21 visit:

[http://www.whitehouse.gov/omb/circulars/a021/a21\\_2004.html](http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html)