PRINCIPAL INVESTIGATOR HANDBOOK

SECTION II

PRE-AWARD

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II - PRE-AWARD

A. General Information

The Office of Research and Sponsored Programs (ORSP) is designed to help faculty and staff apply for and secure external funds in support of their creative ideas and professional interests. ORSP's mission is to provide the expertise needed to assure that proposals conform to Fresno State regulations and sponsoring agency rules. All programmatic grants that will be performed by the University and Auxiliaries are to be reviewed and approved by the ORSP. Our goal is to apply that expertise to the timely review of all proposals BEFORE they are sent to sponsors.

ORSP services include:

Help Finding a Funding Source
- ✓ Access to a comprehensive library of information on federal, state and private grant and contract opportunities.
- ✓ Access to weekly updates on submission deadlines for upcoming and new grant programs.
- ✓ Access to Internet searches of available federal and private foundation funding programs based upon key words of interest to the investigator.

Orientation to Grant Writing
- ✓ Access to a wide range of grant-writing books, pamphlets and video tapes to provide assistance in grant preparation format, style and content.
- ✓ Information on available grant writing seminars and formal instruction.
- ✓ Orientation to campus grants policies and procedures.

Assistance with Proposal and Budget Preparation
- ✓ Assistance in developing proposals for submission, including project conceptualization; background materials on the University and region; editing of drafts to ensure that all grant program review areas are addressed in the proposal.
- ✓ Assistance in budget preparation; review of the budget to ensure that the proper fringe benefits and other costs are included.
- ✓ Assistance in facilitating administrative reviews and required signatures.
- ✓ Assistance in the submission of the proposal, including providing the necessary copies and mailing of the proposal.

ORSP is housed in the California State University, Fresno Foundation building at 4910 North Chestnut Ave., Fresno, phone: is (559) 278-0840; FAX: is (559) 278-0992. A directory of ORSP employees are as follows and can also be located on the ORSP Web site at http://www.csufresno.edu/grants:

Thomas McClanahan, Ph.D., Associate Vice President for Grants and Research tommcc@csufresno.edu	*278-0840*
Gillisann Harootunian, Ph.D., Director gharootunian@csufresno.edu	*278-0863*
Daniel Griffin, Ed.D., Associate Director danielg@csufresno.edu	*278-0839*
Doug Carey, MA, Grants Administrator dcarey@csufresno.edu	*278-0964*
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Eloisa Valdivia, ACT Test Coordinator evaldivia@csufresno.edu	*278-0857*

Grant Administrator's Role

Only the President or his designee can commit the University or Foundation to a proposal. Among other issues, any matching funds or other commitments included in the proposal must be accounted for, properly budgeted, and approved by your or College/School and then by the University.

Academic Affairs is designated by the President to represent the University on all "pre-award" issues. The Vice President for Academic Affairs has delegated this responsibility to ORSP. Pre-award issues include such things as reviewing, approving, and signing proposals and contracts, negotiating final contracts with funding agencies and reviewing documents for regulatory compliance on behalf of the University.

The process of putting together a proposal for sponsored activity on our campus has become increasingly complex over the years. In large part this is due to a rapidly expanding body of state and federal rules and regulations and the competitive nature of applying for assistance.

The University utilizes a review/sign-off process (see the Project Information Form or PIF) to ensure that the PI's/Project Director's Department and College/School are aware of and approve of the proposal. The PI/Project Director is responsible for obtaining the signatures of the Department Chair and College/School Dean. The College/School Dean is responsible for returning the PIF to ORSP. ORSP is responsible for reviewing all aspects of the proposal and, if it conforms to applicable policies and regulations, of the University

and obtaining the remaining administrative approvals.

Pre-Award Principal Investigator's/Project Director's Responsibilities

PIs/Project Directors are responsible for writing the project proposals. ORSP submits proposals on behalf of the University/Foundation. Refer to APM 501 for information regarding the administration of sponsored programs.

Most proposals have filing deadlines which indicate a mailing postmark date or a receipt date. Many proposals must be submitted by ORSP electronically.

To ensure that everything is included in the proposal and that the administrative review process is completed in a timely manner, the PI/Project Director is encouraged to contact the Office of Research and Sponsored Programs well in advance of the submission deadline to review the proposal and answer any questions regarding the process.

Below are some typical areas of concern ORSP examines during their review of project proposals. Several of the items below are the responsibility of ORSP (such as final signatures). Most of these issues, however, should be fully considered before turning the proposal over to ORSP for review. ORSP staff is always available to help faculty and staff with the more technical issues that require specific expertise.

- ✓ **Principal Investigator (PI) / Project Director (PD).** Is the PI/PD clearly identified in the proposal?

- ✓ **Other Faculty or Researchers Involved**. Are any additional faculty or researchers participating in the proposed project? In what capacity would they participate (co-investigators research associates,, etc.)? NOTE: Existing University faculty and staff cannot be paid as "consultants" on grants, but must be paid as salaried employees with associated benefits.

- ✓ **Type of Application**. Is this proposal a new application, a competitive renewal, a noncompetitive renewal, a supplemental request, or a budget revision? Is the application for a federal grant or contract?

- ✓ **Place of Performance**. Where will the project be conducted, on-site or off-site or both? If both, what proportion of the program activities of the project will be performed off-site?

- ✓ **Space**. Is adequately equipped space available to conduct the project? Will extra space need to be assigned to the PI for the conduct of the project? If so, have the appropriate institutional personnel agreed to these commitments?

- ✓ **Conflict of Interest**. Does the PI have any outside business, personal or other, that could adversely affect decision-making or judgments related to the administration of the grant? Not only is there a direct conflict of interest, but is there the appearance of a conflict? The PI is required to complete the Conflict of Interest form (available from ORSP) and attach it to the PIF.

- ✓ **Commitments**. Does the proposal promise institutional commitments beyond the

project period of the award? Are cost-sharing requirements allowable and supportable? Will new employees be hired for this project only?

✓ **Curricular Programs**. Does the proposal involve a new curricular program? If yes, are institutional approvals required?

✓ **Human or Animal Subjects**. Does the project involve human or animal (vertebrate) subjects? If so, has the proposal been submitted for approval from the campus Institutional Review Board (IRB) for Human Subjects or the Institutional Animal Care and Use Committee (IACUC) for Animal Subjects? All externally funded research involving human/animal subjects, including "exempt" research, must receive the compliance status from the appropriate campus-wide committee. Contact ORSP for the name and phone number of the current Committee Chair.

✓ **Research Risks**. Does the project involve the use of any hazardous, radioactive, toxic, or carcinogenic materials, chemicals or recombinant DNA? If so, has the proposal been submitted for review and/or already have approval from the appropriate committee, such as the campus Radiation Safety Committee or the Biosafety Committee? Contact ORSP for the name and phone number of the current Committee Chair.

✓ **Patents and Copyrights**. Does the proposal contain a potential patent or copyright? Are there restrictions indicated in the agency guidelines that will restrict the research project?

✓ **Publishing**. Does the agency or sponsor impose any restrictions on investigators or graduate assistants from freely publishing research results? If yes, can the PI reach a workable agreement?

✓ **Terms and Conditions**. If contract clauses are incorporated by reference, are they appropriate and acceptable and/or do they coincide with institutional policy?

✓ **Formatting.** Does proposal formatting follow sponsor guidelines? If not, will this confuse the review process?

✓ **Budget**. Have the correct budget categories been used? Are all budget costs allowable according to the appropriate cost principles? Is the proposed budget arithmetically correct? Are estimated costs proposed in the manner that costs will be expended? Can all costs be supported? Is program income budgeted and terms and conditions of applying program income and excess income specified? Do all budget forms agree?

✓ **Fringe Benefits**. Have the current approved rates been used and correctly applied to the proper salary bases?

✓ **Indirect Costs**. Has the appropriate indirect cost rate been used and applied? If the funding agency limits allowable indirect costs, is it appropriately stated on the PIF with a copy of the guidelines attached? Are you requesting an Indirect Cost Waiver (lower than allowed by the funding agency)? If so, is the approval form attached to the PIF?

✓ **Travel/Equipment/Other Direct Costs.** Are the proposed costs necessary for the proper conduct of the project? Are the costs reasonable, allowable and in accordance with sponsor guidelines?

✓ **Cost Sharing or Matching Funds**. Does the funding agency require funds from the institution or a 3rd party to support this project? If not required by the funding agency, are you voluntarily showing cost share or matching funds to support this project? Voluntary cost share is discouraged., If showing cost share, have the sources of these funds been identified and committed to this project?

Research Compliance

All sponsored program activity must comply with APM 501 Interim Policy on the Administration of Grant and Contract Activity. All PIs/Project Directors should become familiar with the APM 501 policy which can be found on the University Web site.

The policy sets directions to be followed so that the University or its auxiliary maximizes the benefits of sponsored programs and supports faculty, students, and administrators in effectively securing and carrying out sponsored programs. There are numerous other governmental regulations and CSU Executive Orders that require careful review by PIs/Project Directors (see http://www.csufresno.edu/grants/). ORSP staff is available to work directly with PIs/Project Directors during the proposal writing process to help PIs/Project Directors understand various regulatory requirements.

B. Proposal Development/Submission

Campus Approvals

Proposals for sponsored programs require the appropriate review and approval process by the correct campus officials. Approval is required on all proposals **PRIOR to submission** to the funding agency. Proposals for external funding for gift and for philanthropic grants are submitted through the University Development Office. Proposals from external funding for grants or contracts sponsored programs are submitted through the Office of Research and Sponsored Programs (ORSP). A grant or contract involves an obligation between the parties, in contrast to a gift, which does not. Non-philanthropic grants are in support of research, instructionally related activities, training or service, and under an agreement. Please refer to the Guidelines for Administration of Gifts, Sponsored Support, and Other Resources Acquired through External Relationships located on the University Web site at: http://www.csufresno.edu/humres/MAPP/II/F/F-01.2.pdf. The guidelines will provide criteria to assist in determining grants and contract sponsored programs from gifts and philanthropic grants; however, if there are concerns in distinguishing differences, ORSP can be contacted for assistance.

Proposals for sponsored programs shall not be submitted to a potential sponsor on behalf of the University and/or Foundation without prior written approval on the Project Information Form (PIF) of the President or Associate Vice President for Research and

Sponsored Programs and of the University's Chief Financial Officer or designee. The signed Project Information Form (PIF) indicates the following administrative approvals as per Academic Policy Manual, Section 501:

Department Chair and Dean: Review and approval by the appropriate Department Chair(s), Unit Director, and Dean(s) will certify that the proposed project falls under the mission of the Department and College and that all aspects of the proposal, including, but not limited to, the institutional budget commitments to cost share, personnel assignments, and other budget, personnel meet departmental and College/School policies, and the proposed project is eligible to be approved in the event a proposal is funded.

University's Chief Financial Officer or Designee: Review and approval by the Chief Financial Officer or designee will be consistent with their administrative responsibilities in effecting the fiscal policies of the University and will be consistent with CSU Executive Order 890.

President or Associate Vice President for Research and Sponsored Programs: Proposals for sponsored programs shall not be submitted to a potential sponsor on behalf of the University or Foundation without prior written approval of the President or AVPRSP. Signature by one of these officials will be the final signature on the proposal after the Principal Investigator (PI) obtains other approvals as set forth above by means of a completed Project Information Form (PIF) provided by the Office of Research and Sponsored Programs.

Review and approval by the President or AVPRSP will include, but is not necessarily limited to, the proposal quality, academic and personnel policies, procedures, mission of the University, facilities, equipment, cost sharing or allocation of funds normally budgeted for the academic programs of the University.

Project Information Form (PIF) Process:

California State University, Fresno

The University utilizes the Project Information Form (PIF) as its review document. This form is available from the Office of Research and Sponsored Programs. A downloadable version of the PIF is available on the ORSP Web site.

The PI/Project Director is responsible for obtaining the signatures of the Department Chair and the College/School Dean. The PIF and the proposal should then be forwarded by the College/School to the Office of Research and Sponsored Programs. ORSP will then forward the proposal to obtain required administrative approvals.

ORSP logs all proposals into a database from the information provided on the PIF. This information is then shared with all Colleges/Schools at least quarterly.

C. Budget Preparation

During the preparation of any budget proposal there are always several areas of concern, but personnel costs, cost sharing/matching, and indirect cost computation are usually the most complex faced by PIs/Project Directors in order to be compliant with State, University, and Foundation payroll policies. Following are brief summaries of terms typically used and the methods of calculation.

PROJECT INFORMATION FORM (PIF)
To be Completed by Principal Investigator (PI)/Project Director (PD)
(with assistance from ORSP grant manager)

Lead PI/PD: 0		Proposal due: 1/0/00
Dept:	Foreign National? Y N (circle)	Start Date: 01/00/00
Co-PI(s):		End Date: 01/00/00
Dept:	Foreign National? Y N (circle)	BUDGET — Current Year
Project Title: 0		Direct Costs $0
Year ___ of ___	Federal CFDA #:	Indirects $0
Funding Agency: National Science Foundation		Total $0
Address:		Attach Itemized Spreadsheet

YES	NO	PERSONNEL	APPROVALS
		Is Reimbursed Released time requested? If yes,	**PI(s):** All required information is correct and complete. I understand that no award will be accepted until all approvals are on file and that no substantive changes can be made to the budget w/o additional approvals.
		Name: 0 % time/aca yr: 0%	
		Name: 0 % time/aca yr: 0%	
		Name: 0 % time/aca yr: 0%	
		% time based on 30 WTU = 100%	PI Signature:
		Is Academic Year Overload requested? If yes,	Date
		Name: ___ % time/aca yr: 0%	Co-PI
		Name: ___ % time/aca yr: 0%	Signature:
		Name: ___ % time/aca yr: 0%	Date
		Is Summer pay requested? If yes,	**Department Chair(s):** I have been apprised and approve of the attached proposal and budget, including release time/additional pay for faculty in my department.
		Name: 0 # mos 0	
		Name: 0 # mos 0	
		Name: 0 # mos 0	
		Does this project budget include salary for:	Signature(s):
		Post Doc ___ Tech ___ Clerical ___	Date:
		Other Professional ___ Student ___	
		(Please check all that apply)	**School Dean(s):** I have been apprised and approve of the attached proposal and budget.
YES	NO	COST SHARE/MATCH	
		Is Cost Share/Match required? $ ___	
		Not required, but volunteered? $ ___	Signature(s):
		Itemized cost share/match must be included on attached budget	Date:
YES	NO	INDIRECT COSTS/F&A	
		Is maximum IDC rate applied? Rate: 38.40%	**ORSP Mgr:** Budget and PIF are complete, correct and in compliance with campus/Foundation policies and funding agency guidelines.
		Base: (check) Modified Total Direct Costs __ MTDC __ Total Direct	
		If "no," attach Indirect Cost Reduction form and guidelines	
YES	NO	CONFLICT OF INTEREST	
		Is the funding source a non-governmental agency, NSF, or NIH? If "yes," a Conflict of Interest form must be on file with ORSP prior to receipt of funding	Signature:
			Date:
YES	NO	ACADEMIC CREDIT	**Provost or AVP for Research or Designee:**
		Does project offer academic credit through Cont. Ed?	
		If "yes," obtain Cont/Global Ed Dean signature	Signature:
YES	NO	SPECIAL COMPLIANCE	Date:
		▪ Human Subjects (Interviews/surveys/etc) (IRB)	
		▪ Animals (IACUC)	**VP for Admin/ Univ CFO or AVP for Finance:**
		▪ Radiation, biological, or toxic chemicals (Biosafety)	
		If "yes," appropriate Committee approval must be in place prior to award	Signature:
YES	NO	SPACE/FACILITIES/EQUIPMENT/TECH	Date:
		Is additional or special space needed for this project?	Describe space/facilities/equipment/tech needs:
		Is funding requested for renovation or construction?	
		Requesting equipment requiring special space or installation?	
		Is additional tech support required? If "yes," consult w/SATO	

Attachments: Current & Pending Support ___ Budget ___ Guidelines ___	☒ Federal
ORSP Comments:	☐ State
	☐ Private
Logged in SAR by: ___ Date: ___	☐ Passthrough
	Sept 2010

Release Time Calculations (At Full Buyout)

Salaries for sponsored programs are often not paid directly to faculty, but rather to their College/School so that the faculty member can be "released" from teaching while working on the sponsored program activity. The amount of salary included in a

proposed budget for release time is expressed as the dollar value of the equivalent time associated with teaching the class units. Each WTU is worth 3.33% of annual academic salary. For example, a release of three (3) WTUs/semester equals 10% of academic year salary (3 WTUs divided by 30 WTUs per year); a release of 6 WTUs would be 20%; a release of 12 WTUs would be 40%, etc.

Release Time at Backfill Rates

Backfill is the cost of replacing a tenured or tenure-track faculty member with a part-time instructor when a faculty member is released to work on a grant/contract. Backfill rates are only used when a funding agency restricts the dollar amount available for salaries or if other circumstances warrant not being able to fund 100% of the buyout lost. Approval to only include backfill rates in a project budget requires advance approval by the Dean of the College/School affected.

Backfill rates are re-calculated yearly, based upon the salary for a lecturer B category.

Overload Salary Calculations (Academic Year)

Academic Year Overload (or Overload Pay): This is payment beyond the normal 30-unit annual full-time work load or equivalent during the normal academic year. Payment is based on the faculty member's hourly rate of pay. Please refer to the University [Additional Employment Policy](#) on the University Web site.

To convert annual salary to an hourly rate for accurate overload computation and payment to the faculty member, follow this formula:

- ❖ Divide the faculty member's annual salary by 1,360 hours (which is the gross number of contractual hours per academic year when 170 days is multiplied by 8 hours). This rate will equal the hourly pay rate.

Each month the faculty member will be asked by the Foundation to record the hours worked on the grant/contract, so that a wage payment can be authorized. The hourly rate calculation allows the faculty to complete the necessary Time Voucher forms (temporary help vouchers) used by the Foundation to pay persons working on grant/contract projects.

Administrative staff working on grants/contracts must calculate hourly rates as follows:

❖ Divide the annual salary by 2080 hours (which is the gross number of working hours per year when 173.33 is multiplied by 12).

In the case of faculty or staff, should it be necessary to calculate a daily rate, simply multiple the hourly rate times 8. To calculate a monthly rate, multiple the hourly rate times the average working hours in a month, 173.33.

Certain federal grant programs restrict the time a faculty member can work on a grant/activity as overload during the academic year, and may prohibit the practice all together. Please be sure to contact the ORSP office to verify if your grant program has academic year overload restrictions.

Summer Salary Calculations

Summer or Semester Break Overload: This is the time a faculty member spends on grant/contract during the summer or during other non-teaching time outside the academic year contract. The rate of pay is normally based on the faculty member's hourly rate of pay, similar to the calculation overload.

To determine hourly rate, the formula is:

❖ Divide the faculty member's annual salary by 1360 hours (which is the gross number of contractual hours per academic year when 170 days is multiplied by 8 hours). This rate will equal the hourly pay rate.

The amount included in the proposed budget for faculty working during months when there are no teaching responsibilities is the product of the number of hours proposed to be worked times the faculty member's hourly rate.

Certain federal programs restrict the time a faculty member can work on a grant/contract during the summer. Please be sure to contact the ORSP office to verify if your grant program has any summer employment restrictions.

Retired Faculty Considerations

Retired faculty are restricted by Public Employees Retirement System (PERS) regulations. They may not work more than 50% of a full time faculty assignment at the University without impacting retirement benefits. Faculty working under Faculty Early Retirement Program (FERP) conditions are already considered to be employed at 50% time, and may not be paid overload on any grant activity, even during non-academic time periods.

Fringe Benefits

These are the employer's (the University's or Foundation's) costs of taxes and benefits. These include taxes such as FICA, Workers' Compensation, Unemployment Insurance, and Medicare. Additional benefits include health, vision, dental, life insurance, and retirement. Sponsoring programs may include restrictions regarding the eligibility for employer contributions towards retirement plans (i.e. 401-K). Budgeting for possible consideration of retirement plans should be discussed with ORSP during the proposal process. Because health and dental rates can vary, benefits should be calculated on an individual basis. It is important to contact ORSP staff to help determine total percentage for all benefits for budget purposes.

When calculating fringe benefits, it is important to determine whether the work to be performed will be "release time" associated with regular employment or "overload" pay that is in addition to one's regular pay.

Release Time Fringe

Release time normally means that a faculty member is being released from teaching classes. When release time is being purchased by the funding agency at the full value or "buyout" rate, use the actual benefit rate. The actual benefit rate calculation is used when released time is at the "backfill" rate.

Overload Fringe

If the faculty member will be performing the work as an overload (additional payment), please contact ORSP to obtain the current benefit rate. This would include work done between semesters and during the summer. The rate is lower than the release time fringe because health care and retirement are not included in this calculation (that portion of the fringe would have been fully paid as a function of the regular pay). Rates applicable to University staff who are being paid to perform work outside of their regular working schedule (such as hiring an existing staff person to work after hours or keep records after hours or on the weekends or the hiring of a staff person who is on a 10-month contract to work during the summer months) will vary. Please refer to the ORSP Web site for Proposal Development under the Pre-award Handbook for rate information.

As stated earlier, a faculty member who is released 100% to work on federally funded grants/contracts is not allowed to work more than 100% of time on a federal grant, and would, therefore, not be eligible for overload pay.

Temporary Non-Student Employee Fringe

A temporary, non-student, employee is usually defined as (a) someone working part or full time for less than six months or (b) someone working less than 20 hours per week for more than six months. Fringe benefits that apply to temporary non-student employees include: Workers' Compensation, FICA (social security), Unemployment Insurance and Medicare. For determination of these fringe benefit costs, please contact Auxiliary Human Resources at 278-0865.

Note: A *one-year* temporary faculty or staff appointment would require a full-benefit rate because employment is for more than 20 hours per week and employment exceeds six months per year. Health Insurance and other benefits would have to be added.

Student Employee Fringe

Undergraduate students carrying six or more units during the academic year are not subject to FICA or Medicare taxes. Five or more units is considered full-time enrollment for graduate students during the academic year. **Note:** If the student does not carry the required qualifying units, the student is considered a temporary non-student employee and the employer taxes would be applicable as listed above. Non-student employee rates apply to summer months when students are working, but not enrolled in classes.

Contact Auxiliary Human Resources for current rates at 278-0865.

Time and Pay Caps

ADDITIONAL EMPLOYMENT POLICY

The maximum allowable additional employment for State employees is 25% above the equivalent of a full-time appointment.[1] This limitation is based on work during the regular academic year associated with academic-year contracts. Work during the semester break and/or summer is not included in the 25% cap. Please refer to the University's Web site for the information regarding the Additional Employment Policy.

The cap is time based. As such, the time spent on grants/contracts during any given pay period including summer months, should not exceed 125% of the normal working hours for that time period. **Note:** A faculty member who is paid 100% by federal grant funds may not work more than 100% time.[2]

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[1] Article 30, Collective Bargaining Agreement For Academic Personnel.
[2] CSU Memorandum HR2002-05 dated 2/19/02 and OMB Circular 21, Section J, 8,d (1) (As revised 8/8/00)

Although the 25% cap is time based, as a practical matter it is also salary based (with exceptions), because the Foundation cannot pay a flat fee for work done on a grant. Thus, faculty or staff members need to calculate their hourly rates of pay for their primary assignment.

Exceptions to the rule are possible when all of the following are true: (a) the funding source is not a federal agency, (b) a higher salary rate than that based on their current salary is appropriate for the grant funded work and (c) the funding agency will allow the higher salary rate, (d) and approval by the employee's Dean.

Travel and Lodging

As of January 1, 2007, the per diem rate is $50 per day for meals plus $5 for incidentals for a total of $55 per day. Lodging and transportation (hotel, air fare, or car rental, etc.) are based on actual documented costs. Local mileage travel (private car) is subject to change. Check with ORSP for current rates and refer to Foundation's Travel Policy located on the Foundation Web site.

Equipment

For Federal grants, equipment is defined as any item costing over $5,000 and having an estimated life of one year or greater. However, when buying computer equipment it is generally accepted to list all major components regardless of price. State and local government plus private foundations have different policies governing the purchase, retention, and even long-term ownership of equipment, which may not be allowed within a program budget or sponsor, so it is important to know the policies of your funding agency. ORSP managers should always be consulted if this information is not available from the funding agency.

Use of Consultants

The use of consultants is a commonly accepted practice in proposals. The payment process for these individuals has to be compliant with the IRS and other State and CSU policies. An individual should not be hired as a "consultant" to avoid payment of employee fringe benefits. If the "consultant" is considered a temporary employee, the Foundation is required to pay employer taxes and this would impact a program budget after-the-fact. In addition, significant penalties can be imposed for paying persons as consultants when they are actually working as employees. Please refer to the Foundation's Policy on Independent Contractors located on the Foundation Web site. No University faculty or staff can be considered a consultant and MUST be hired as a temporary employee. Under no circumstances can the Foundation hire a University employee as a

consultant. ORSP managers should be consulted if there is a question regarding the status of a particular consultant. In most cases, consultants are administratively handled as subcontractors. Please refer to the Policy on Monitoring of Sub-recipient Contracts located on the Foundation Web site.

Indirect Costs

Indirect costs are those costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project. The federal government uses "Facilities and Administration (F&A)", while other funding entities use "overhead" or "administration" as a synonym for indirect cost.

All grant/contract programs incur indirect costs. These are the "overhead" costs of administering a grant or contract.

They include setting up of the account, paying bills, and other accounting services necessary to conduct an audit upon completion of the grant/contract. Indirect also

includes cost for on campus activities such items as insurance, custodial services, heat, air conditioning, lighting and maintenance. As these types of overhead are considered part of the University's indirect cost line item, they should not be included in direct costs.

The Foundation's indirect rate was established by an agreement with the Department of Health and Human Services.   Effective July 1, 2009, this is 38.4% of Modified Total Direct Costs (MTDC), for "on-campus" grants and contracts. Off-campus grants and contracts have an indirect rate of 17.3% of MTDC. Documentation certifying the rate is available on the ORSP Web site.

NOTE: An exception to the indirect rate deals with large subcontracts. Subgrants and subcontracts up to the first $25,000 of each subgrant or subcontract (regardless of the period covered by the sub-grant or subcontract) are covered by the indirect rate. MTDC excludes equipment, capital expenditures, charges for patient care, tuition remission,

rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of $25,000.

The off-campus rate is to be used when the grant/contract activity is conducted at locations other than University or Foundation owned or operated facilities and indirect costs associated with the physical plant and library are not considered applicable to the project.

If the funding agency has a published policy that limits the indirect cost to a percentage below 38.4%, please indicate this on the internal routing form (the Project Information Form or PIF), provide written documentation (usually a copy of the funding source's written policies), and use the maximum allowed rate. **NOTE:** The State of California, private companies and foundations often use an alternative indirect rate of 15% of total direct costs. Attach the published policy from the funding agency to the PIF. If less than the maximum allowed by the funding agency is submitted for funding, attach to the PIF an "Indirect Cost Reduction Approval Form" signed by the Dean, the Provost or the Associate Vice President for Research and Sponsored Programs (AVPRSP). A copy of the form is available on the ORSP Web site.

Certain Request For Proposals (RFPs) stipulate that particular budget line-items are not to be part of the applicant's indirect rate. The first rule of proposal writing is to READ THE RFP, follow the rules exactly, and calculate according to the funding agency's instructions. Please note that the indirect rate is based on the funding agency's PUBLISHED policies, and not on verbal statements from a representative of the funding source.

Cost Share or Matching

Cost sharing is the portion of project expenses related to a sponsored agreement that is contributed by parties other than the sponsor and not directly charged to the sponsored project account. Please refer to the Interim Cost Share/Match Policy, APM 502, for additional information.

Cost sharing may be required by the sponsor as a condition of receiving an award or offered by the PI/Project Director by including it in the sponsored proposal document ("voluntary cost sharing"). Voluntary cost sharing is generally discouraged by the Foundation.

It is the responsibility of the PI/Project Director and the associated College/School unit to evaluate the workload and budget implications of proposed cost sharing and to ensure that the University's cost sharing commitment is met. Fundamentally, cost share is accounted for like all other cost, and must be fully supported and documented.

For expenses to be eligible for cost sharing, costs must be all of the following:

- allowable and allocable under federal cost principles (OMB circulars A-21 and A-110) and the terms of the sponsored agreement;

- necessary and directly related to the project objectives;

- for labor costs, certifiable in the effort reporting and certification process required by the Foundation. Please refer to the Interim Effort Reporting Policy for Research and Sponsored Projects, APM 504, for further information.

The costs must not be any of the following (unless approved by sponsor):

- included as cost sharing for any other project;

- payable by the same sponsoring agency under another award.

It is important to understand that federal funds from one grant cannot be used to "match" another federal grant. Also, certain facilities or services considered as in-kind are covered under the University's indirect rate and cannot be utilized as direct cost share.

Cost sharing may consist of direct or unrecovered indirect expenses (i.e., waived or reduced indirect cost rate). When direct expenses are subject to cost sharing, the associated indirect costs are automatically subject to cost sharing, but the use of foregone indirect as cost share must meet the approved guidelines of the funding source. Sometimes the use of foregone indirect as cost share is prohibited by the source.

D. Common Application Data and Information Needs

Many proposals, especially those submitted to government agencies, require specific information about which offices and individuals are involved with potential contracts. Some of the information that is commonly requested appears below. Other information is available by contacting ORSP.

Address For Both The Foundation And The University Within Applications

Thomas McClanahan, Ph.D., Associate Vice President For Grants and Research

Office of Research and Sponsored Programs, 4910 N. Chestnut Avenue M/S OF-123

Fresno, CA 93726-1852 // Phone: (559) 278-0840 // FAX: (559) 278-0992

Federal Employer ID

Foundation: 94-6003272

University: 94-6001347

Foundation DUNS (Dun and Bradstreet) Number

DUNS Number for Foundation: 150837003

Central Contractor Registration // Foundation CAGE/NCAGE Code

The Foundation CAGE Code is IKYN0. The details of the Central Contractor Registration are attached to this manual.

U.S. Congressional Districts

Fresno: 21
Service Area: Consult with an ORSP manager if work is outside District 21.

Indirect Costs

I.   38.4% of Modified Total Direct Costs (preferred), or

2.   Maximum Allowed by Funding Agency, or

3.   Amount Approved By Dean <u>and</u> either the Provost or the Associate Vice

President for Research and Sponsored Programs

Officials For Accounting Services

Occasionally, proposals must list the individual with whom the funding agency will

conduct invoicing and billing services. In this case, list the following:

Mr. Keith Kompsi		Ms. Linda Christian
(559) 278-0838	OR	(559) 278-0852
Director of Financial Services		Grant Accounting Supervisor
kkompsi@csufresno.edu		lindacar@csufresno.edu

Official Signing Proposal for Applicant

Grant *proposals* submitted in the name of the Foundation typically require an official

signature. Only the following individuals are authorized to sign proposals. The return

address and phone number associated with any of these signatures should be ORSP's

address.

Thomas McClanahan, PhD Associate Vice President For Grants and Research	Cynthia Teniente-Matson VP for Administration and Chief Financial Officer or designee	John Welty, Ed.D President

Officials Signing Contracts for Applicant of Foundation Sponsored Awards

All *contracts* and *grant award agreements awarded in the name of the Foundation* -- as opposed to proposals--require two (2) signatures. Any combination of two of the following signatures may be used. ORSP and Foundation Staff Counsel review all contracts and will obtain required approvals on contracts.

Thomas McClanahan, Ph.D. Associate Vice President for Grants and Research	Keith Kompsi Director of Financial Services	Cynthia Teniente-Matson VP for Administration and Chief Financial Officer or designee	John Welty, Ed.D President

Foundation Non-Profit Status

California State University, Fresno Foundation is a recognized auxiliary corporation and tax exempt organization under section 501(c) of the U.S. Internal Revenue Code.

When funding agencies require proof of non-profit status, they can be referred to IRS Publication 78, Cumulative List of Organizations, which can be located through the IRS Web site at *http://www.irs.gov/charities/article/0,,id=96136,00.html* in both a searchable and downloadable format.

If a hard copy is required to prove 501(c) status, utilize the IRS Notification letter available on the ORSP Web site, or contact ORSP.

Human Subjects Assurance Number

Human Subjects Assurance Number is: FWA 00003660, Expires: September 27, 2011

State Single Point of Contact

Many federal Request For Proposals (RFPs) require that the State be provided with the opportunity to review certain proposals. The language that will appear in the federal instructions will quote "Executive Order 12372, Intergovernmental Review of Federal Programs." California elects to participate in proposal review in a few cases. Check with the State Clearinghouse, Office of Planning and Research at (916) 445-0613 when the RFP requests that this be done.

The most expedient method to check with the Clearinghouse is by Internet. Obtain the CFDA Number from the RFP (ask ORSP if you need help) and look-up the number at **http://opr.ca.gov/clearinghouse/grant.html**. If the CFDA number does not appear on

the list, then the State is not interested in review. If the number does appear, contact ORSP for guidance.

Proposal Submission Deadlines

Most proposals have filing deadlines which indicate a mailing postmark date or a receipt date. To ensure that everything is included in the proposal and that the administrative review process is completed in a timely manner, the PI/Project Director is strongly encouraged to contact ORSP in advance (ORSP recommends 2 weeks, 1 week minimum) of the proposal deadline to review the process and answer any questions concerning the completion of certain proposal forms or other relevant items.

E. Pre-Award Handbook

More detailed information concerning proposal development can be found on the ORSP Web site at: http://www.csufresno.edu/grants/docs/ORSPHandbook.pdf.