Module I: Overview of the University Environment

Learning Objectives

✓ Understand the reasons behind research regulations
✓ Understand the consequences of non-compliance
✓ Understand the characteristics of a Sponsored Project
✓ Understand the difference between a gift and a grant
✓ Understand the various types of funding mechanisms
✓ Understand Howard University Policy
✓ Understand the responsibilities of the PI and Department
Module I: Overview of the University Environment

Description of the PI Certification Program

• Program that will **ensure** that principal investigators **are aware of and follow** the research policies and procedures of the University.
• Personnel from all units related to grants and contracts **will be required to attend training**, and;
• Principal Investigators **will be made aware that failure to comply with regulations will result in the recommendation of sanctions by** the Research Compliance Office.
• Research Education and Technical Assistance section within the Research Compliance Office, Sr. VP for Research and Compliance
There are **8 required modules** with other supplementary modules to be developed.

- Module 1: Overview of the University Environment
- Module 2: Cost Principles
- Module 3: Cost Sharing
- Module 4: Administrative Charging
- Module 5: Direct Costs
- Module 6: Property Management
- Module 7: Cost Transfers
- Module 8: Project Monitoring
Description of the PI Certification Program (cont.)

• There will be a short examination on the material at the end of each module
• Participants are expected to score 80% or higher on each examination
• Participants who score lower than 80% will be required to repeat the module
• The exams are “open book” and participants may use the class materials during the testing period
• The exams will be graded in class and turned in. As time allows, additional Q&A will be facilitated.
Sanctions

• Level 1: If the PI does not complete the certification process by **June 30, 2010** he/she will **not be allowed to submit any new proposals** until certification has been satisfactorily completed.

• Level 2: If the PI does not complete the certification process by **August 31, 2010** he/she **will not be allowed to serve as the PI on new proposals or awards** and will be required to function as “key personnel” under the direction of the Dean/Dept Head until certification has been satisfactorily completed.

• Level 3: If the PI does not complete the certification process by **October 31, 2010** he/she **will not be allowed to perform research at Howard in any capacity** (subject to the terms and conditions of existing awards) and no new proposals or awards will be processed on their behalf without the expressed, written approval of the SVP for Research and Compliance.

* Please note that the above sanctions are being reviewed and revised. (Nov. 15, 2010)
Description of the PI Certification Program (cont.)
Sanctions (cont.)

- Level 1, 2 and 3 sanctions may also be applied to Faculty and/or Staff who **demonstrate patterns of conduct which place the institution in jeopardy and/or at risk** with its sponsors. The OPS-RA and OSP-PASU Staff, the annual OMB-A-133 audit report and other data will be used to identify, evaluate and monitor such conduct.

- Faculty and/or Staff will be required to **re-certify every 3 years**. In the event there are audit findings or other indicators of non-compliance with HU policy, applicable local, state and federal guidance or the terms of the award, the **SVP for Research and Compliance may require recertification at any time**

- Faculty and/or Staff who **demonstrate continued patterns** of non-compliance and/or related audit findings **may be prevented from doing research** at HU at the discretion of the SVP for Research and Compliance
Module I: Overview of the University Environment

Background and Perspective
Top Compliance Risks Identified by the NIH Office of the Inspector General (OIG)

1. Effort Reporting
2. Direct vs. Indirect Cost Charging Practices
3. Charging Costs at End of Grant Period
4. Appropriate Charging of Costs to Benefiting Grants
5. Recharge Center / Service Center Rates
6. Fixed Price Agreements
7. Financial Status Reports
8. Mandatory Cost Sharing
9. Protection of Human Subjects
10. Protection and Charging of Animal Subjects
11. Cost Transfers
12. Export Controls
13. Clinical Trial Billing
14. Subrecipient Monitoring
15. Other Support
16. Conflict of Interest

Source: DHHS OIG Work Plan FY 2007
The NIH Office of the Inspector General (OIG)* identified the following eight elements considered as necessary for a comprehensive compliance program.

### 8 Elements

<table>
<thead>
<tr>
<th>Policies and Procedures:</th>
<th>Implementing written policies and procedures that foster an institutional commitment to stewardship and compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roles and responsibilities:</td>
<td>Defining roles and responsibilities across the institution and assigning oversight responsibility</td>
</tr>
<tr>
<td>Compliance Leadership:</td>
<td>Designating a compliance officer and compliance oversight committees</td>
</tr>
<tr>
<td>Training:</td>
<td>Conducting effective training and education</td>
</tr>
</tbody>
</table>

### How Institutions Should Respond

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Explicit written policies, institutional codes of ethics and conduct</td>
<td></td>
</tr>
<tr>
<td>Adequate institutional and Board-level oversight of the compliance function</td>
<td></td>
</tr>
<tr>
<td>Designation of a responsible institutional official with appropriate authority and expertise</td>
<td></td>
</tr>
<tr>
<td>Adoption of adequate procedures, resources, and systems to permit compliance</td>
<td></td>
</tr>
</tbody>
</table>
The NIH Office of the Inspector General (OIG) identified the following eight elements considered as necessary for a comprehensive compliance program.

### 8 Elements

- **Communication**: Developing effective lines of communication
- **Monitoring**: Conducting internal monitoring, quality review, auditing, and assurance
- **Enforcement**: Enforcing standards through well-publicized disciplinary guidelines
- **Corrective Response**: Responding promptly to detected problems, undertaking corrective action, and reporting to the appropriate agencies

### How Institutions Should Respond

- Maintenance of a process to allow anonymous reporting of alleged non-compliance
- Protection of employees who file reports
- Regular monitoring and quality review audits to test compliance
- Mechanisms to enforce rules and discipline rule violators, take corrective action and communicate results
## Module I: Overview of the University Environment

### Background and Perspective (cont.)

<table>
<thead>
<tr>
<th>Institution</th>
<th>Headline</th>
<th>Source</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yale University</td>
<td>Yale’s Use of Research Grants Attracts Government Scrutiny</td>
<td>Wall Street Journal</td>
<td>July 5, 2006</td>
</tr>
<tr>
<td>Howard University</td>
<td>Howard Mismanaged NSF Funding</td>
<td>Report on Research Compliance</td>
<td>April 13, 2006</td>
</tr>
<tr>
<td>Clark Atlanta University</td>
<td>Clark Atlanta U. Agrees to $5-Million Settlement Over Federal Minority-Training Contract</td>
<td>The Chronicle of Higher Education</td>
<td>April 16, 2006</td>
</tr>
<tr>
<td>University of Texas Medical Branch, Galveston</td>
<td>Texas Medical College Agrees to Pay $1.7-Million for Medicare and Medicaid Overbilling</td>
<td>The Chronicle of Higher Education</td>
<td>July 12, 2005</td>
</tr>
</tbody>
</table>
Background and Perspective (cont.)

• Howard had not always taken actions to effectively correct the deficiencies identified during its annual OMB Circular A-133 audits.

• As a result, for the 5-year period from 2000 to 2004, three reports expressed a “qualified opinion” on Howard compliance on major Federal programs because of continued material weaknesses. Our analysis of these audits disclosed repeated Howard internal control weaknesses over the 5-year period as follows:

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Qualified Opinion on Major Program Compliance</td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Subrecipient Monitoring</td>
<td>X</td>
<td>X</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Time &amp; Effort Reporting</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Equipment Management</td>
<td>X</td>
<td>X</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Inaccurate indirect and fringe rates</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

Source: NSF Office of Inspector General
Audit No. OIG 06-1-008
• “...we recommended that Howard have an independent evaluation performed to validate that timely and appropriate corrective actions are implemented to address all audit report recommendations.

• If such an evaluation discloses that Howard has not implemented actions to establish effective management control over NSF grant funds, we recommended that NSF withhold additional funding until appropriate corrective actions are instituted.

• A draft audit report requesting comments was issued to Howard University. In general, the University agreed with the audit findings and recommendations.
The University received over $179 million** in direct and pass-through Federal awards, of which $44.5 million was to support research and development (R&D) activities.

Of the R&D funding, the Department of Health and Human Services (DHHS) was the largest contributor at $28 million.

NSF was the second largest sponsor and provided $5.7 million in direct and pass-through grants.

** Note: FY 2004 Funding Data
FY 2009 NSF Audit Plan

- **OIG refers all audit findings and recommendations**, including the findings and recommendations of A-133 single audits with findings pertaining to NSF, to the agency for audit resolution and follow-up.
- NSF is responsible for implementing the requirements of Revised OMB Circular A-50 on Audit Follow-up.
- **OIG works with NSF staff** to resolve internal control, compliance, and questioned cost findings contained in these audits and to ensure awardees implement corrective action plans to address the audit findings.
Howard University will develop and implement a Research Education and Technical Assistance section within the Office of Sponsored Programs that will ensure that principal investigators are aware of and follow the research policies and procedures of the University.

Personnel from all units related to grants and contracts will be required to attend training, and Principal Investigators will be made aware that failure to comply with regulations will result in the recommendation of sanctions by the Research Compliance Office.
Howard Responsibilities…
• “…validate that **timely and appropriate corrective actions are implemented** to address all audit report recommendations.”

In order to avoid…
• “If such an evaluation discloses that Howard has not implemented actions to establish effective management control over NSF grant funds, **we recommended that NSF withhold additional funding until appropriate corrective actions are instituted.”**

NSF Responsibilities…
• “Resolution shall be made **within a maximum of six months** after issuance of a final report…”
Where do we begin …?

- University Specific OIG Audit Reports
- University OMB A-133 Audit Reports
- Agency OIG Audit Plans
- Institutional Audit Plans
- Institutional Policies & Procedures
- Sponsor Guidelines
“Non-Federal entities that expend $300,000 ($500,000 for fiscal years ending after December 31, 2003) or more in a year in Federal awards shall have a single or program-specific audit conducted for that year.”

Source: OMB Circular A-133
# Module I: Overview of the University Environment

<table>
<thead>
<tr>
<th>NSF Focus Areas</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Infrastructure</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Management of Large Infrastructure Projects</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Post-Award Administration</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Cost Sharing</td>
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<td>X</td>
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<tr>
<td>Promoting Integrity</td>
<td></td>
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<td>X</td>
<td>X</td>
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<tr>
<td>Contract Monitoring</td>
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<td>X</td>
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<tr>
<td>Audit Resolution</td>
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</tbody>
</table>
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<table>
<thead>
<tr>
<th>NIH Focus Areas</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Administrative and Clerical Salaries</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Recharge Centers</td>
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<td>X</td>
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<tr>
<td>Level of Commitment</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Safeguard Over Controlled Substances</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Royalty Income From Intramural Inventions</td>
<td>X</td>
<td></td>
<td>X</td>
<td></td>
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<tr>
<td>Conflicts of Interest</td>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
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<tr>
<td>Superfund Financial Activities for Previous Year</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Implementation of Select Agent Regulations by University Laboratories</td>
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<td>X</td>
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<tr>
<td>Review of Adverse Event Reports by Institutional Review Boards</td>
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<td>X</td>
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<tr>
<td>Privacy of Medical Records</td>
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</tbody>
</table>
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<table>
<thead>
<tr>
<th>NIH Focus Areas</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time and Effort Reporting Compliance Through Single Audits</td>
<td>X</td>
<td></td>
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<tr>
<td>Pharmacy Inventory Controls</td>
<td></td>
<td>X</td>
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<tr>
<td>NIH Monitoring of Extramural Conflicts of Interest</td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
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<tr>
<td>Subrecipient Costs and Monitoring</td>
<td></td>
<td>X</td>
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<tr>
<td>Cost Transfers</td>
<td></td>
<td>X</td>
<td>X</td>
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<tr>
<td>Compensation of Graduate Students Involved in NIH-Funded Research</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
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<tr>
<td><strong>Monitoring of NIH Research Grants</strong></td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>National Institutes of Health’s Implementation of Select Agent Regulations</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
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<tr>
<td>Procurements for Property and Services on Behalf of the Department of Defense</td>
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<td>X</td>
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</tbody>
</table>
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DATA SHEETS FOR INDIVIDUAL AUDITS

1. Assistance to the External Auditors –
   University and Hospital

2. Howard University Bookstore System (HUBS) Inventory

3. Management Letter Comments –
   PricewaterhouseCoopers LLP –
   University and Hospital


5. Risk Identification and Management –
   University and Hospital

6. Actions Related to National Science Foundation (NSF)
   Audit Report
Module I: Overview of the University Environment

Cost Transfers Policy

Policy Number: 600-029
Effective Date: April 3, 2007
Last Updated: April 3, 2007
Issuing Authority: Vice President for Research and Compliance
Responsible Offices: Restricted Fund Accounting (or Grant/Contract Accounting once established by the university)

Purpose:
To establish guidelines for the timing and appropriateness of cost transfers and to identify the mechanism for transferring allowable personnel and non-personnel costs.

Adherence to this policy is necessary because inappropriate or poorly documented cost transfers can result in the sponsor denying reimbursement of these expenses or the imposition of sanctions on Howard University, such as fines or loss of certain authorities.

Policy:
It is the policy of Howard University and all related entities, business units, subsidiaries and affiliated organizations including, but not limited to, Howard University Hospital (hereinafter referred to collectively as “Howard University”) to comply with all sponsor guidelines related to cost transfers between a sponsored award account and another account. Howard University seeks to limit cost transfers as much as is practicable and, where necessary, to transfer costs in a timely fashion. (This policy does not apply to cost transfers made between expense accounts on the same sponsored program.)
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Cost Transfers Policy

Roles and Responsibilities:

Academic Department

- Principal Investigator/Project Director (PI/PD): The PI/PD is responsible for correctly charging costs to the appropriate projects and requesting cost transfers in a timely fashion (consistent with this policy). If a cost transfer is necessary, the PI/PD completes the Cost Transfer Form and submits it to RFA-OSP/GCA for processing.
- Department Chair: The Department Chair is responsible for reviewing and signing late cost transfers for accuracy and appropriateness as well as determining the discretionary account to receive costs from unapproved cost transfers that cannot remain on the original account.

Restricted Fund Accounting (or Grant/Contract Accounting once established by the university) (RFA-OSP/GCA):

- Accountant: The Accountant reviews and approves all cost transfers. The Accountant and RFA-OSP/GCA provides guidance to the research community for interpreting and complying with this policy.
- Assistant Manager: The Assistant Manager is responsible for reviewing and signing all cost transfer requests for appropriateness and completeness.
- Manager: The Manager is responsible for reviewing and signing all late cost transfer requests.

Office of Sponsored Programs

- Associate Vice President for Sponsored Programs (AVPSP): The AVPSP is responsible for reviewing and approving all late or exceptional cost transfer requests.
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How Do We Accomplish This?

- Regulations
- Training
- Consequences of Non-Compliance
Research Regulations

- **Inspector General Act of 1978 as Amended** – “to keep the head of such establishment and the Congress fully and currently informed concerning:
  - fraud and other serious problems, abuses, and;
  - deficiencies relating to the administration of programs and operations administered or financed by such establishment;
  - to recommend corrective action concerning such problems, abuses, and deficiencies, and;
  - to report on the progress made in implementing such corrective action.
Research Regulations (cont.)

- **Single Audit Act of 1984, P.L. 502 and Amendments** - Each year, the Federal Government provides over $400 billion in grants to State, local and tribal governments, colleges, universities and other non-profit organizations (non-Federal entities).

- The **Single Audit Act of 1984** (with amendment in 1996) and **OMB Circular A-133** ("Audits of State, Local Governments, and Non-Profit Organizations") provide audit requirements for ensuring that these funds are expended properly.

Source: Office of Management and Budget
http://www.whitehouse.gov/omb/financial_fin_single_audit/
Research Regulations (cont.)

- **OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations** - defines internal control as “a process, effected by an entity’s management and personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:”
  - (1) Effectiveness and efficiency of operations;
  - (2) Reliability of financial reporting; and
  - (3) Compliance with **applicable laws and regulations**
Research Regulations (cont.)

- **Scientific Misconduct in Science**
  - The *scientific community* and the community at large rightly expect adherence to *exemplary standards of intellectual honesty* in the formulation, conduct, and reporting of scientific research.
  - The process of investigating allegations *must be balanced by equal concern* for protecting the integrity of research as well as the careers and reputations of researchers.
  - Procedures are *intended to permit* allegations of scientific misconduct to be processed promptly, confidentially, and fairly.
  - Policies and procedures *apply to research conducted, or proposed to be conducted... by any person*.

*Source: NIH Committee on Scientific Conduct and Ethics – 2001*

[www1.od.nih.gov/oir/sourcebook/ethic-conduct/smpolicy.htm](http://www1.od.nih.gov/oir/sourcebook/ethic-conduct/smpolicy.htm)
Research Regulations (cont.)

- **Institutional Review Board** - The modern story of human subjects protections begins with the *Nuremberg Code*, developed for the Nuremberg Military Tribunal as *standards by which to judge the human experimentation* conducted by the Nazis.

- In the United States, regulations protecting human subjects first became effective on May 30, 1974.
Research Regulations (cont.)

• **Institutional Review Board (cont.)**
  • The Code goes on to provide the details implied by such a requirement:
    – capacity to **consent**, 
    – **freedom** from coercion, and;
    – **comprehension** of the risks and benefits involved
    – Other provisions require the **minimization of risk and harm**, a favorable risk/benefit ratio, qualified investigators using appropriate research designs, and;
    – freedom for the subject to **withdraw at any time**.

Source: Office for Human Research Protections (OHRP) – IRB Guidebook
http://www.hhs.gov/ohrp/irb/irb_introduction.htm
Research Regulations (cont.)

- Examples of Other Applicable Regulations
  - Conflicts of Interest
  - Animal Care and Use (IACUC)
  - Export Control Regulations
  - OMB Circular A-21, Cost Principles for Educational Institutions
  - OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education
  - Radioactive Materials
  - Recombinant DNA
  - Hazardous and Controlled Substances
  - More still …
Consequences of Non-Compliance

- **ORI: Former Nursing Prof at Tennessee State University Guilty of Misconduct** - debarred for three years, from contracting or subcontracting with any agency of the U.S. government, from eligibility or involvement in certain non-procurement programs, and from serving in any advisory capacity to the Public Health Service, including as a member of an advisory or peer review committee.

- **OHRP Issues Determination Letter to Northern Arizona University** - All research approved for expedited review by an individual who was not the chair or an appropriate member of Northern Arizona University's (NAU) institutional review board must be suspended.
Consequences of Non-Compliance (cont.)

- **University of Michigan Disputes NSF OIG Audit** - Auditors for the National Science Foundation (NSF) determined that costs claimed by the University of Michigan (UM) appear "fairly stated and are allowable, allocable and reasonable for its NSF awards," except for $1.6 million in questioned costs and $136,200 of "at risk cost-sharing."

- **NSF Effort Reporting Audits Find Oversight, Control Weaknesses** - OIG found that Cornell has a generally “well established and sound” grants management system, but that it did not place sufficient emphasis on effort reporting and “did not define in its policies what constituted a suitable means of verifying labor effort or establish adequate internal controls to provide for effective management and oversight of its labor effort reporting system.
Consequences of Non-Compliance (cont.)

- Howard University Needs To Improve Internal Controls Over Management of NSF Grant Funds - Inadequate internal controls resulted in questioned Fiscal Year (FY) 2004 faculty salary costs of $91,877 or 52 percent of the total faculty salaries claimed on the five audited awards. Because these shortcomings would affect other NSF and Federal grant funds, there was increased risk that the total $44.5 million of Federal R&D funds received by Howard in FY 2004 was similarly not adequately managed.

\[ 44,500,000 \times 0.52 = 23,140,000 \]

Source: National Science Foundation Office of Inspector General Audit Report OIG 06-1-008 - March 31, 2006
Characteristics of a Sponsored Project

• Sponsored projects are established when funds are awarded to the University by external sources in support of research, instruction, training, or service under an agreement that includes any one of the following:
  – The award instrument is an agreement that binds the University to a set of terms and conditions and requires institutional endorsement by the Office of Research.
  – The agreement obligates the investigator to a line of scholarly or scientific inquiry that follows a plan, provides for orderly testing or evaluation, and/or seeks to meet stated performance goals.
Characteristics of a Sponsored Project (cont.)

- Sponsored projects are established when funds are awarded to the University by external sources in support of research, instruction, training, or service under an agreement that includes any one of the following:
  - The agreement establishes an understanding of how funds will be used or includes a line item budget that identifies expenses by activity, function, or project period.
  - The agreement requires fiscal accountability as evidenced by the submission of financial reports to the sponsor, an audit provision, or the return of unexpended funds at the conclusion of the project.
Characteristics of a Sponsored Project (cont.)

• Sponsored projects are established when funds are awarded to the University by external sources in support of research, instruction, training, or service under an agreement that includes any one of the following:
  – The agreement **obligates the investigator to report** project results or convey rights to tangible or intangible properties resulting from the project. Examples of tangible properties include equipment, records, technical reports, theses, or dissertations. Intangible properties include rights in data, copyrights, or patents.
  – The agreement **seeks considerations** such as indemnification or imposes other **terms that require legal accountability**.
### Characteristics of a Gift vs. Grant

<table>
<thead>
<tr>
<th>Grant</th>
<th>Gift</th>
</tr>
</thead>
<tbody>
<tr>
<td>Represents an “exchange transaction&quot; in which each party receives commensurate value</td>
<td>Represents a &quot;contribution,&quot; an unconditional transfer of cash which is voluntary and non-reciprocal.</td>
</tr>
<tr>
<td>Usually has reporting requirements or specific restrictions on how the money can be spent</td>
<td>No reporting No restrictions</td>
</tr>
<tr>
<td>Usually has a specified time period over which the work will be done (a start date and an end date).</td>
<td>No specific time period</td>
</tr>
<tr>
<td>Sometimes requests that unused funds must be returned to the awarding agency/foundation/corporation.</td>
<td>Usually all the money is received upfront. Tufts is given unconditional rights to the funds and funds do not need to be returned to the sponsor</td>
</tr>
</tbody>
</table>

**Source:** What Constitutes a Grant vs. a Gift  
[http://finance.tufts.edu/spa/?pid=6](http://finance.tufts.edu/spa/?pid=6)
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## Funding Mechanisms

<table>
<thead>
<tr>
<th></th>
<th>Grant</th>
<th>Cooperative Agreement</th>
<th>Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic Purpose</strong></td>
<td>Provide Assistance with few restrictions</td>
<td>Provide assistance with substantial involvement between parties</td>
<td>Produce tangible goods and services</td>
</tr>
<tr>
<td><strong>Solicitation Method</strong></td>
<td>Application kit or guidelines</td>
<td>Request for application</td>
<td>Request for Proposal of Quote</td>
</tr>
<tr>
<td><strong>Award Instrument</strong></td>
<td>Short, may refer to general conditions</td>
<td>Describes involvement, party relationships</td>
<td>Long, detailed specs., clauses, regulations, and expected results</td>
</tr>
<tr>
<td><strong>Involvement by Sponsor</strong></td>
<td>Generally none</td>
<td>Substantial involvement</td>
<td>May be extensive</td>
</tr>
<tr>
<td><strong>Rebudgeting</strong></td>
<td>Flexible</td>
<td>Usually flexible</td>
<td>More restrictive</td>
</tr>
</tbody>
</table>
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Funding Mechanisms (cont.)

<table>
<thead>
<tr>
<th></th>
<th>Grant</th>
<th>Cooperative Agreement</th>
<th>Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equipment Title</strong></td>
<td>Grantee</td>
<td>Varies</td>
<td>Varies</td>
</tr>
<tr>
<td><strong>Performance Period</strong></td>
<td>Specified in grant</td>
<td>Specified in Coop. Agreement</td>
<td>Specified in contract</td>
</tr>
<tr>
<td><strong>Patent Rights</strong></td>
<td>Usually favor recipient</td>
<td>May be involved</td>
<td>Provision in contract</td>
</tr>
<tr>
<td><strong>Publications</strong></td>
<td>May ask to be informed</td>
<td>May ask to be informed</td>
<td>Maybe prior review/approval</td>
</tr>
<tr>
<td><strong>Technical Report</strong></td>
<td>Annual summary report</td>
<td>No more than quarterly</td>
<td>Detailed, maybe monthly</td>
</tr>
</tbody>
</table>

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Funding Mechanisms (cont.)

- Clinical Trial
- Material Transfer Agreement
- International Sponsors, Development Banks and Governments
- Licensing and Technology Transfer Agreements
Responsibilities of PI and Department

• Full responsibility for the conduct of the project or activity supported and for the results achieved.
• Monitor the performance of the project to assure adherence to performance goals, time schedules or other requirements as appropriate to the project or the terms of the award.
• In order to carry out these responsibilities, each grantee organization shall agree to comply with the applicable Federal requirements for grants and to the prudent management of all expenditures and actions affecting the grant.

Source: NSF PAPP, Chapter 2, Grant Administration
http://www.nsf.gov/pubs/policydocs/papp/aag_2.jsp#IIA
Responsibilities of PI and Department

• Documentation for each expenditure or action affecting the grant shall reflect appropriate organizational reviews or approvals, which should be made in advance of the action.

• Organizational reviews are intended to help assure that expenditures are allowable, necessary and reasonable for the conduct of the project, and that the proposed action:
  – (i) is consistent with grant terms and conditions;
  – (ii) is consistent with NSF and grantee policies;
  – (iii) represents effective utilization of resources; and
  – (iv) does not constitute a change in objective or scope.

Source: NSF PAPP, Chapter 2, Grant Administration
http://www.nsf.gov/pubs/policydocs/papp/aag_2.jsp#IIA
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Helpful Links, Materials and Other Resources

- Howard University Office of Research Administration Manual for Research and Other Sponsored Programs
- URL Information at the bottom of each slide
- Applicable Case Studies with each Module
- Applicable Howard A-133 Audit Findings
- Howard University Research Policies
- Agency Specific Guidance
- Office of Management and Budget Guidance
- Office of Sponsored Programs Staff
- Office of Research Compliance Staff
- Remote Access to Modules (Under Development)