



NEW YORK UNIVERSITY

The Principal Investigator's  
Pocket Guide to the  
Administration of Sponsored  
Programs at NYU

Office of Sponsored Programs  
May 2008



## **The Principal Investigator's (PI) Pocket Guide to the Administration of Sponsored Programs at NYU**

### **Project Planning and Proposal Submission**

- Communicate with your departmental research administrator and Projects Officer in the Office of Sponsored Programs (OSP–<http://www.nyu.edu/osp>) early and often to access proposal development support; to facilitate internal routing, review and approval; and to ensure timely submission to and receipt by the awarding agency.
- Consider time and effort required of key personnel for the proposed effort as well as effort already committed to other projects; resources and facilities needed from the department, school, or University including expertise from external collaborators necessary to conduct the work; document and track commitments.
- Check the OSP website (<http://www.nyu.edu/osp/policies/basicinfo.php>) for current rates including Facilities and Administration (F&A) costs (AKA indirect costs), fringe benefits, and tuition remission as well as other NYU-specific information needed for proposals.
- Prior to approaching foundations or corporations for unsolicited proposals or fundraising, clearance must be obtained from University Development and Alumni Relations (UDAR).

## **Direct Costs**

Consider the following criteria before charging a federally funded sponsored project:

- Allowability—certain expenditure types may be unallowable, either as described in section J. of OMB Circular A-21, Cost Principles for Educational Institutions (<http://www.whitehouse.gov/omb/circulars/a021>), or per sponsor or University policy.
- Allocability—costs attributable to a particular sponsored project and expenditures charged should be in direct proportion to the benefit realized by the project.
- Reasonableness—a cost is deemed reasonable if a prudent person would be willing to pay the same amount for the good or service.
- Consistency—costs should be categorized and charged as either direct or indirect costs. For individual research grants, costs such as administrative staff salaries, general office supplies, general purpose equipment, local telephone, etc. generally may not be charged as direct costs. <http://www.nyu.edu/osp/pdf/A21admin-guidance.pdf>
- For restricted gifts or grants from non-federal sponsors, check the sponsor and NYU policy on charging costs directly.

## **Project Management**

- The Principal Investigator (PI) has programmatic and fiduciary responsibility for the sponsored projects under his/her direction, and is accountable to NYU and the

sponsor for award management and reporting, from inception and account reconciliation to close-out.

- NYU is committed to the ethical and responsible conduct of research and related activities by its faculty, students, research staff and administrators. PIs shall comply with research-related policies, procedures, and practices on topics including, but not limited to, proposal submission and award management, conflict of interest, scientific misconduct, protection of human and animal subjects, environmental health, export controls, and intellectual property.
- Post-award revisions are subject to the terms and conditions of the individual award. However, the need to obtain a sponsor's prior approval for certain actions, e.g., pre-award costs, rebudgeting, no-cost extensions, carry-over of funds, may be waived under expanded authorities for federal grants, with internal approvals granted by NYU's OSP in accordance with the Institutional Prior Approval System (PAS). <http://www.nyu.edu/osp/policies>.
- Direct to OSP any post-award actions that require sponsor approval, e.g., change in PI or key personnel or their committed effort, PI absence for 3 or more months, changes to the statement of work, subawards not originally identified in the proposal.

### **Costsharing**

Defined as funds devoted to a sponsored project which are either provided by the university or by a third party.

- There are 3 types of costsharing: mandated (either by statute or sponsor and specified in the guidelines as a requirement); voluntary committed (although not required by the sponsor, it is offered and quantified in the proposal) and voluntary uncommitted (although not required and not quantified in the proposal, it is nonetheless contributed).
- Unallowable costs and federal funds (unless specifically authorized) may not be used to meet costsharing obligations.
- Effort commitments made to meet mandatory or voluntary committed costsharing must be reflected in the time and effort certification and documented in a costsharing account. Contact Sponsored Programs Accounting (SPA) at the time the award is received to establish a costshare account to capture and report costsharing.
- NYU allows for voluntary costsharing with institutional funds only in exceptional circumstances. Obtain the approval of the Department Chair and Dean for all costsharing commitments and be aware that it may require approval of the Provost prior to proposal submission. Third party costsharing must be fully documented.

**Use of Animal and Human Subjects, Radioactive Materials or Recombinant DNA in Research:**

- Submit a protocol for review and approval by the University Animal Welfare Committee, <http://www.nyu.edu/uawc> and/or the University Committee on Activities Involving Human Subjects, <http://www.nyu.edu/ucaihs>, prior to involving animal or human subjects, respectively, in any

research project. All PIs must pass a tutorial prior to applying for either committee's approval.

- Submit the protocol well in advance of a project start to allow sufficient time for review. No work may be initiated until formal, written approval is issued by the relevant committee.
- Contact Environmental Services at <http://www.nyu.edu/environmental.services> if there are environmental health and safety concerns.
- Contact the Department of Radiation Safety <http://www.med.nyu.edu/radsafety> if radioactive materials will be used.
- For studies proposing to utilize recombinant DNA, contact <http://www.med.nyu.edu/spa/compliance/biosafety/policies.html>

### **Award Documentation**

- Review Notice of Award, distributed by OSP or the Contracts Office, including the final approved budget, PI level of effort, period of performance dates, project deliverables, any restrictions on changes to the project, special terms and conditions. Contact relevant office immediately with any corrections/questions.
- Review Project Opening Letter issued by SPA, including sponsor, period of performance, sponsor award number and award amount. This letter establishes a chartfield in NYU's accounting system (FAME) for your sponsored project and will be used to expend funds.
- Retain all correspondence related to the project; retain all

expenditure documentation demonstrating that the expenditure was appropriate, allowable and consistent with sponsor and NYU policy; retain all data, programmatic, and reporting information. Check agency guidelines for records retention requirements.

### **Effort Certification**

Required for individuals who have committed and/or paid effort on any federally-funded sponsored projects.

- Effort certifications are done on a tri-annual basis after each semester (Fall, Spring and Summer).
- Adjust effort certifications to reflect the percent of time (not hours) actually spent on the project and not payroll distribution.
- Effort certification should reflect the effort actually spent on the project, which should be consistent with the effort committed (as it may be adjusted) in the project proposal and budget. Effort certification should not verify or validate payroll distribution. Effort reports must be based on all University activities and responsibilities for which the individual is regularly compensated through NYU payroll. Total effort must not exceed 100%, regardless of the number of hours worked.
- Effort reports must be certified and documented by the PI or someone with first-hand knowledge using a suitable means of verification that the work was performed.

## Account Management

- Account Reconciliation & Expenditure Approval: With departmental grants administrator, reconcile project expenditures to FAME at least bi-monthly, and review for accuracy. Monitor balances available and ascertain relevance of specific charges to a particular project. Use the correct account and project numbers for direct expenses. Get appropriate sign-offs. Refer to University Business Policies at <http://www.nyu.edu/cdev/site20/policies/policies.html>
- Subcontract/subaward monitoring: Conduct both programmatic and financial oversight of all subrecipients by obtaining progress and expenditure reports before approving invoices.
- Equipment/Property: Ensure that all capital equipment, defined as items with a useful life of more than one year at a unit cost of \$3K or more and purchased or fabricated at NYU with sponsored project funds, is tagged by Assets Management and reported to your school administrator for inclusion in NYU inventory systems. Equipment is reported to the sponsor at close-out.

## Cost transfers

- Defined as any transfer of expenditures from one sponsored project to another sponsored project, discretionary, or operating account to correct an error.
- Sponsored project funds are **not** interchangeable for convenience; transfers must be supported with detailed explanations to justify why the transfer was necessary.

- Costs allocable to several projects should be charged in proportion to each project based on the benefit derived.
- Transfers to a sponsored project are **not** allowed after 90 days (except in extraordinary circumstances). Refer to Cost Transfer Interim Guidelines at: <http://www.nyu.edu/cdu/site20/cservice/spa.html>.
- Expenditures should not be temporarily posted to another sponsored project in anticipation of funding.
- Contact your school fiscal officer who must provide written approval for SPA to establish an “at risk” account.

### **Award Closeout**

- **Verify Financial Reports:** Review records at least 3 months prior to expiration of the award to ensure completeness, accuracy and allowability of all costs.
- **Identify Data Retention Requirements:** Develop a plan for retaining and storing data to ensure institutional and sponsor access to information.
- Ensure that all Subcontracts and Consultants have provided necessary program and financial reports.
- File Final Technical Reports with the Sponsor.
- File Invention Report with Office of Sponsored Programs.
- **Audit:** Contact your departmental grant administrator and SPA immediately for assistance if you are contacted by an auditor—either internally or from an external agency.



## NYU Offices Supporting Your Research Endeavors

### **Pre-Award Services for Research, Training, Outreach and Related Activities:**

Office of Sponsored Programs (OSP):  
(212) 998-2121; [www.nyu.edu/osp](http://www.nyu.edu/osp)

### **Post-Award Financial Accounting Services:**

Sponsored Programs Accounting  
(SPA): (212) 998-2704; [www.nyu.edu/cdv/site20/eservice/spa.html](http://www.nyu.edu/cdv/site20/eservice/spa.html)

### **Technology Transfer and Licensing:**

Office of the Industrial Liaison: (212)  
263-8178; [www.nyu.edu/oil](http://www.nyu.edu/oil)

### **Grant and Contract Negotiations:**

Contract Office: (212) 998-2903

### **Oversight for Research Involving Animal Subjects:**

University Animal Welfare Committee/Office  
of Veterinary Resources: (212) 998-7891;  
[www.nyu.edu/uavc](http://www.nyu.edu/uavc) and [www.nyu.edu/ovr](http://www.nyu.edu/ovr)

### **Oversight for Research Involving Human Subjects:**

University Committee on Activities  
involving Human Subjects: (212)  
998-4808, [www.nyu.edu/ucaih](http://www.nyu.edu/ucaih)

### **Export Controls:**

Office of the Senior Vice Provost for  
Research: [www.nyu.edu/provost](http://www.nyu.edu/provost)

### **Capital Equipment:**

Assets Management; [www.nyu.edu/asset](http://www.nyu.edu/asset)

### **Environmental Health and Safety:**

Department of Environmental Services: (212)  
998-1450; [www.nyu.edu/environmental.services](http://www.nyu.edu/environmental.services)

### **Department of Radiation Safety:**

(212) 263-6888, [www.med.nyu.edu/radsafety](http://www.med.nyu.edu/radsafety)

### **University Compliance Coordination:**

Office of Compliance: (212) 998-2075;  
[www.nyu.edu/compliance](http://www.nyu.edu/compliance)

### **Internal Policies:**

Faculty Handbook:  
[www.nyu.edu/oaa/faculty\\_hbk.html](http://www.nyu.edu/oaa/faculty_hbk.html)

### **Principal Investigator Guide:**

[www.nyu.edu/osp/policies/piguide](http://www.nyu.edu/osp/policies/piguide)

### **NYU Business Expenses and Expense**

Reimbursement Policies (including Travel Policy)  
[www.nyu.edu/cdv/site20/policies/  
busexp.html#travperm](http://www.nyu.edu/cdv/site20/policies/busexp.html#travperm)

### **Federal Regulations:**

Federal OMB Circulars: A-21, A-110, A-133  
[www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars)

### **Fly America Act:**

[http://acquisition.gov/far/current/  
html/Subpart%2047\\_4.html](http://acquisition.gov/far/current/html/Subpart%2047_4.html)