Compelling and Challenging: An Overview of Sponsored Programs Administration at Harvard Kennedy School and Harvard University

May 28, 2009

Co-hosted by Harvard Kennedy School’s Research Administration Office (RAO) and Harvard’s Office for Sponsored Programs (OSP)

Additional Materials
# HKS Sponsored Programs

## Roles and Responsibilities

<table>
<thead>
<tr>
<th>PI-Department</th>
<th>RAO</th>
<th>OFS</th>
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<tbody>
<tr>
<td>- Identify funding sources</td>
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<td>- Draft proposal</td>
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<tr>
<td>- Prepare program budget, submit to RAO with all appropriate certifications (human subjects, cost share, etc)</td>
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<td>- Know applicable rules &amp; regulations for sponsor type</td>
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<td>- Monitor spending in accordance with approved budget</td>
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<td>- Monitor Sub recipient activities</td>
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<td>- Meet all report and program deliverables deadlines</td>
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<td>- Maintain backup for all expenditures against program funds</td>
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<td>- Assist with proposal preparation questions, issues.</td>
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<td>- Manage review and approval process at HKS.</td>
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<td>- Submit to OSP for signature &amp; submission to sponsor</td>
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<td>- Track &amp; monitor proposals through to award stage</td>
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<td>- Calculate &amp; track overhead shortfall by program</td>
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<tr>
<td>- Monitor sponsored activity in conjunction with OSP, especially federal awards, for compliance with federal cost standards (A-21, A-133)</td>
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<td>- Collect &amp; monitor monthly salary certifications for staff; annual salary certifications for faculty</td>
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<td>- Manage &amp; reconcile all LTOA accounts in place.</td>
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<td>- Coordinate with OSP to ensure timely submission of final reports &amp; resolution of award closeout issues</td>
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<td>- Act as liaison with central accounting on post-award audit inquiries</td>
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A-A-R-C Direct Cost Analysis

**Allowability**
- Does A-21 say this type of cost is allowable?

**Allocability**
- Does this item or activity specifically benefit the project?

**Reasonableness**
- Would a prudent person have paid this price?

**Consistency**
- Has this cost been double-counted as both a direct and indirect cost?

**Conclusion**
- Is the cost allowable as a direct cost?
May the cost of this item or activity be treated as a **DIRECT** cost?

### A-A-R-C Direct Cost Analysis

**Allowability**
Does A-21 say this type of cost is allowable?

- Explicitly
  - NOT Allowable (e.g., J3. Alcoholic Beverages)
- Allowable as Direct Cost (e.g., J31. Materials & Supplies)
- NOT explicitly in A-21 (e.g., Specific Gizmos)
- Normally allowable only as an indirect cost (e.g., F6. Departmental Administration)

**Allocability**
Does this item or activity specifically benefit the project?

**Reasonableness**
Would a prudent person have paid this price?

**Consistency**
Has this cost been double-counted as both a direct and indirect cost?

### Allocability Test:
1. Was the cost incurred solely to advance the work under the sponsored agreement? If YES, then the cost is allocable.
2. Does the cost benefit the work under the sponsored agreement and other projects as well? If YES, then the cost must be allocated in the measure to which it benefited the work under the sponsored agreement and a written allocation plan must be in place.

### Reasonable Test:
Would a prudent person pay this price for this item or activity for the performance of the sponsored agreement?

### Conclusion
Is the cost allowable as a **direct** cost?

**Consistency Test:**
1. Have you used different practices for estimating costs in the proposal budget and for accounting/billing/reporting costs?
2. Have you charged the same cost both indirectly and directly when it is incurred for the same purpose and circumstance?

If NO to both questions, then the cost passes the Consistency Test.

The cost is allowable as a **direct** cost in the measure to which it benefits the project.
# NEW PROPOSAL CHECKLIST
FOR OSP INTERNAL USE ONLY

Due Date: ____________  □ Stimulus Grant  □ Deliver by  □ Postmark by  Proposal Review Guide
□ Grants.gov  □ Fastlane  □ Hard Copy  □ NSPIRES  □ Other  □ PI  □ R2R  □ Retro  □ Via Email

Received on: ____________  Sponsor:  ____________  PI:  ____________

Department ____________  Reviewer:  ____________  on:  ____________

Title

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<tr>
<th>Yes</th>
<th>No</th>
<th>Questions?</th>
<th>Notes:</th>
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<td>□ Has authorized party signed DAF or other approval</td>
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<td>□ Have sponsor and Harvard guidelines been included</td>
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<td>□ Are institutional approvals needed&lt;sup&gt;1&lt;/sup&gt;</td>
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<td>□</td>
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<td>□ Is cost sharing involved</td>
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<td>□ Does PI eligibility and appointment meet criteria</td>
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<td>□</td>
<td>□</td>
<td>□ Is set-up required for electronic submission&lt;sup&gt;2&lt;/sup&gt;</td>
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<td>□</td>
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<td>□ Is the budget accurate with corresponding justification</td>
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<td>□ Is the institutional information accurate</td>
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<td>□ Are letters of support needed</td>
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<td>□ Is this a final version consistent with guidelines</td>
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<th>If/Then Considerations</th>
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<tr>
<td>□ □ If subcontracts: are all necessary documents included&lt;sup&gt;3&lt;/sup&gt;</td>
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<td>□ □ If inter-faculty: is supporting information included&lt;sup&gt;4&lt;/sup&gt;</td>
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<tr>
<td>□ □ If approvals are needed: refer to FAS DAF</td>
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<td>□ □ If New Sponsor: are approvals obtained&lt;sup&gt;5&lt;/sup&gt;</td>
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<td>□ □ If travel: are warnings issued State – Treasury</td>
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<th>If Sponsor is Federal Government</th>
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<td>□ □ Are there export control issues</td>
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<td>□ □ Is PI certification on file (if NSF or PHS)</td>
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<td>□ □ Is there proprietary information</td>
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<td>□ □ Have required reps/certs been obtained</td>
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<th>At Award Stage Questions?</th>
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<tr>
<td>□ □ 3 question subcontract questionnaire reviewed</td>
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<td>□ □ Are any JIT documents required by the sponsor</td>
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<td>□ □ Are Harvard JIT approvals needed&lt;sup&gt;6&lt;/sup&gt;</td>
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<tr>
<td>□ □ Is a Participation Agreement needed</td>
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<sup>1</sup> Provost review, criteria for review by Vice-Provost of International Affairs, use of name, refer to full list of approvals on FAS DAF.
<sup>2</sup> User names, passwords, institutional profile.
<sup>3</sup> LOI, Scope of Work, Budget with justification, contract and debarment information, non-discrimination form if NSF prime.
<sup>4</sup> School, PI, Org Depart. Administration, record of approval from department.
<sup>5</sup> Provision the Sponsor's Institutional Information and Secure approval to submit.
<sup>6</sup> IRB approval, IACUC, cost sharing, etc.
Sponsored Programs Quick Tip:
Reports to Run Monthly for Effective Grants Management

Period Expense Report

**Purpose**
Indicates income and expenses to date by object code for the current period and from the inception of the award to date.

If a budget has been entered for your award, the PER will indicate the balance remaining and % balance expended. This indicates the amount remaining on your award for the current budget allocation.

**Parameters**
- Run for current award budget period to last closed period
- Keep parameters to a minimum (only include fund #)
- De-select active accounts only so that you can see the entire picture and all expenses.

Detail Listing Report - Lite

**Purpose**
Indicates expenses by transaction, and can be sorted many ways. If you want it to match the PER (and be able to compare it to the PER easily) select subactivity as the first sort.

The detail listing will include invalid code combinations; if your subactivity totals do not match the PER totals, that is an indication that there may be invalid transactions posted to this account.

A review of the detail listing will help you confirm that all applicable charges were posted correctly to your sponsored account.

**Parameters**
- Run this report by month at the last closed period (report period = most recent month)
- Keep parameters at a minimum - fund only yields the richest results
- Can be sorted many ways: by object code, subactivity, journal name, journal source, etc. For training grants, we suggest the first sort be object code and the second sort be employee ID

Salary Certifications

**Purpose**
Provides total salary distribution information for all non-faculty members receiving a portion of salary from a sponsored project. It enables Principal Investigators to certify the salary amounts charged to each project by non-faculty members on sponsored projects for each month.

**Parameters**
- PI or Org and Report Period = most recent month

Sponsored Invalid Code Combinations

**Purpose**
Identifies transactions posted to an invalid activity/sub-activity/fund combination. These transactions do not appear on the PER or in GMAS, and are not included in invoices or financial reports to our sponsors. If not corrected promptly, the department may need to post them to unrestricted accounts as they cannot be reported to or reimbursed from the sponsor.

This report indicates the last time a transaction was posted to each invalid code. Run a detail listing to review all transactions to that fund/activity/subactivity combination.

**Parameters**
- Enter your org value (or leave blank and let your security settings determine the results)
- Run this report by month at the last closed period (report period = most recent month)

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To access CREW:  
https://crew.cadm.harvard.edu  
OR  
Via the Reporting link on the GMAS homepage

Got Questions???
Contact your OSP representative  
OR  
CREW Online Help on ABLE
Elements of RAO Proposal Review

Proposal conforms with HKS and Harvard policies, and all applicable sponsor guidelines.

Budget is accurate, including salary, fringe benefit and overhead calculations.

All requested costs are reasonable and allowable, particularly on federal proposals where not all usual direct costs are allowable under A-21 regulations.

Overhead less than 20% requires approval by the Academic Dean.
Elements of RAO Proposal Review

If use of human subjects is involved, what is status of approval?

Is cost-sharing involved, and if so, is a form required?

If there is direct charging of administrative salaries to federal grants, is a checklist completed?

Does proposal require approval of the KSG Faculty Committee on Projects and Proposals (FCOPP)?

FCOPP is a senior faculty advisory committee to the Dean that assesses a subset of proposals for potential risks to the University, the School, and its faculty, staff and students.
Items Likely to Complicate Proposal Review

Common Problems

- Last-minute proposals
- Lack of editing/proofreading by preparer
- Inattention to University and sponsor budget guidelines, requirements, and instructions
- Insufficient information provided to RAO/OSP, e.g., a copy of the program announcement or other instructions
Items Likely to Complicate Proposal Review

**Missing Items**

- Subcontractor participation without documentation of institutional commitment
- Human subjects approval or exemption
- Conflict of Interest Form
- Approval of appropriate Dean(s) for faculty participation from other Harvard Schools
Items Likely to Complicate Proposal Review

**Budget Issues**

✓ Overhead shortfall (<20%) issue not addressed and resolved

✓ Incorrect fringe benefit rates

✓ Salary and vacation fringe calculations incorrect

✓ Inconsistencies between budget and budget justification/lack of budget justification or detail.
Proposal Submission

Proposals receive final review and are formally submitted by duly authorized representatives of Harvard in OSP.

CAUTION! OSP is the only office authorized to submit proposals to external sponsors on behalf of the President and Fellows of Harvard College and its faculty members.

A PI can submit a proposal (which should be labeled as preliminary) directly to a non-federal sponsor, but it will not be considered a formal Harvard University proposal until it has been submitted through the KSG Dean's Approval process to OSP.
Award Negotiation/Account Set Up

If a proposal is funded, OSP negotiates the terms and conditions of the award with the sponsor. RAO serves as liaison between OSP and Center/Program and is kept up to date on status of negotiations.

An Advance Account may be requested to set up an account string during award negotiation. This is done at the risk and request of the Center/Program.

When negotiations are complete, OSP accepts the award on behalf of the University and sets up an account for the award.