

# Office of Sponsored Programs

Administration Procedures May 2, 2016

Updated December 4, 2023

## 1.0 Summary

### Office of Sponsored Programs (OSP)

Education projects sponsored by

the policies of the Institution

This process begins with a

performance of the project,

projects are subject to differing statutory requirements and

variance between them in terms of MBL research policy and

for federal compliance programs or regulations, the administration

organizations is similar to that of government grants, cooperative agreements, and contracts.

Foundation grants, on the other hand, are usually more broadly defined, and tend to have varying administrative and contractual requirements. All sponsored awards will be consistently treated in accordance with institutional policies and sponsor guidelines.

The MBLs required to comply with regulatory requirements that include but are not limited to the Office of Management and Enterprise Commitment for handling the awards and the

The OSP Classification as Gift or Sponsored Program Policy Statement defines the responsibilities for handling gifts that cannot be classified as grants, cooperative agreements or contracts.

## 2.0 Definitions

### 2.1 Sponsored projects

Grants, cooperative agreements and contracts, herein referred to as "sponsored projects," are made to the MBL to accomplish a specific purpose, and the funds carry terms and conditions stipulated by the sponsor. Sponsored projects are transactions which require the MBL to provide something of value to the sponsor, typically a deliverable such as a report.

#### Grants

- x Project conceived by investigator
- x Performer defines details and retains scientific freedom
- x Agency support in the form of assistance
- x Agency maintains cognizance
- x Funds are provided through unilateral funding mechanism

#### Cooperative Agreements

- x Similar to a grant, but the sponsor's staff typically is involved in the preparation of the proposal and the sponsor anticipates



- 3.2.3 Maintain, with OSP assistance, the MBL Grants Administration Procedures for accounting and compliance for federal and non-federal contracts, grants, and cooperative agreements.
- 3.2.4 Complete financial closeout of all completed awards assuring proper reporting to federal and non-federal agencies.

### 3.3 Principal Investigators (PI)

- 3.3.1 Responsible for the technical and fiscal management of the project within available funding and for notifying OSP when significant conditions related to the project status change. While responsibility for day to day management of project finances may be delegated to administrative or other staff, accountability for compliance with MBL policy and sponsoring agency requirements ultimately rests with the PI.
- 3.3.2 Submit all grant, contract, and cooperative agreement proposals to OSP for review prior to submitting to a funding agency.
- 3.3.3 The Marine Biological Laboratory (MBL) is committed to addressing harassment and fostering a safe and healthy work environment. Policies and expectations for proper conduct apply to all staff, faculty, and students whether on campus or working, doing research, or engaging in scholarly activities or study at any off-site location.



- 3.4.3 Proposal elements should be in their final form and viewable by OSP on the associated sponsor system (e.g. NSF FastLane) for OSP review no later than five (5) business days prior to the sponsor's deadline.
- 3.4.4 For Grants.gov proposals applications must be available online no later than five (5) business days prior to the sponsor's deadline.
- 3.4.5 Proposals received five (5) days or more in advance of the sponsor's deadline will receive a detailed review by OSP to provide greater assurance that the proposal can be submitted error free. Proposals that fail to meet this deadline and requirement will be subject to substantive review to the extent reasonable, given the nature of the proposal and arrival date in OSP.
- 3.4.6 These procedures apply to submissions of new, competing renewal, continuation and resubmission proposals regardless of sponsor, if the sponsor specifies a deadline. If no deadline is specified, OSP will expect to have five (5) business days to process the proposal from the time of submission.
- 3.4.7 Sponsor requests for annual progress reports, revised budgets, supplemental funding requests and other requests such as this are not subject to these procedures.
- 3.4.8 PreProposal are handled on a case by case basis.

### 3.5 Origination of Awards

Some sponsors allow institutions to approve preaward costs on awards for up to ninety days prior to the award start date. In these cases, the PI completes a Pre-Award Spending Approval Form and forwards it to the OSP for review. OSP will work with Financial Services to evaluate the request. Preaward costs are not to be used to purchase equipment or other

## 4.0 Budgets, Re-budgets, Subawards and Cost Sharing

### 4.1 Budget Development and Approvals

Regardless of whether the funding agency requires a detailed budget, a detailed budget and budget justification must be submitted to OSP as part of the complete proposal package within the internal deadline as described in Section 3.4. OSP will review the budget and budget justification for compliance with agency and program-specific policies and guidelines, and recommend adjustments if needed. Proposals in which the MBL will be the recipient of a subaward from another institution require similar approval and follow the same process.

### 4.2 Award Processing

OSP reviews all awards received by MBL for any changes from the original proposal, for reporting requirements, and for any other award-specific requirements. OSP then distributes a copy of the notice of grant award, the approved budget and budget justification to Financial Services who creates a new cost center in the financial system and inputs the approved budget. Once the cost center has been established, a copy of the notice of grant award is emailed to the PI and the Center Administrator.

### 4.3 Subawards

Proposals that include a subaward to another institution, require a budget, budget justification, and statement of work from that institution. The budget and justification must be approved in writing by a signatory official in the subawardee's sponsored programs office. In accordance with federal policy and MBL's DRIS negotiated indirect cost rate agreement, the indirect rate is applied to only the first \$25,000 of each subaward. Per the OMB's Uniform Guidance 2 CFR §200, negotiated subrecipient Facilities and Administrative rate agreements will be honored. Foreign, small businesses and school districts without negotiated rates use up to a 10% modified total direct cost (MTD Tw 0.373 (ri)6 (c)-1.1320.6 (e)-3.3 6.9 (t)-3 ( an)22.207 (

#### 4.5 Rebudgeting

With most federal grants and cooperative agreements, the awarding agency gives the institution considerable authority to approve re-budgeting of funds. In all cases, re-budgeting and prior approvals will be in accordance with grantor and MBL restrictions, rules, and regulations. Within this authority, MBL requires that the PI obtain initial prior approval of a re-budget action from OSP and final approval by Financial Services. Both must agree that the proposed rebudget (1) is consistent with grant terms and conditions, (2) is consistent with grantor and MBL policies, (3) represents effective utilization of resources, and (4) does not constitute a significant project change. Examples where approval to re-budget is required include:

- xChange in person-months devoted to the project.
- xIncreases or decreases, or the addition of consultants or subawards. Investigators should be aware that in many cases, changes in subawards require grantee agency approval.
- xAddition of budget line items, such as foreign travel or salaries for administrative staff or capital equipment.
- xAny change (increase or decrease) in a single direct cost budget category from the categorical commitment level established for the budget period that more than 25 percent of the total costs awarded.
- xAny change to, or addition of, participant support costs.

Questions about what qualifies as a re-budget request should be forwarded to OSP for review.

#### 4.6 Cost Sharing

The usual policy of the MBL is to only approve cost sharing when it is specifically required by the granting agency and only to the level required by the agency. Volunteered cost sharing is not permitted under federal guidelines and is strongly discouraged under federal sponsors. The proposed cost sharing must be approved by OSP, Financial Services, and if MBL funds are to be used, by the Director of the Division of Research. Only non-federal funds may be used for cost sharing. If a proposal is funded at a reduced amount, the cost sharing should be reduced proportionately. Cost sharing will be accounted for in a separate cost center associated with the prime award. All cost sharing including "in kind" cost sharing must be accounted for and documented.

### 5.0 Purchasing

5.1 Purchasing Policies



memberships, stockroom purchases, etc.

## 5.2 Equipment

Equipment is defined as non-expendable, tangible personal property having a useful life of more than one year, and an acquisition cost that is \$5,000 or more per unit, or \$15,000 or more in aggregate cost for bulk purchases of equipment whose individual cost is less than \$5,000. All equipment purchases are approved through the MBL Procurement Department. Equipment items are exempt from the indirect rate for most federal awards. Competitive bids from three vendors are required for any expenditure greater than \$10,000. Equipment approved through MBL Procurement is tagged initially and inventoried every two years in accordance with federal guidelines.

## 5.3 Small and Disadvantaged Business Utilization

Some federal agencies have small and disadvantaged business contracting requirements or expectations. Federal agencies issuing contracts to the MBL over a specific threshold amount require a Subcontracting Plan to be completed annually. To comply with the Subcontracting Plan requirement, OSP and Financial Services must work together to accomplish the following:

- 5.3.1 A Subcontracting Plan will be developed for each federal award that requires it. The PI with help from the Center Administrator, OSP, and Financial Services must prepare the plan. OSP will provide a sample format. The plan should establish reasonable dollar and percentage goals for Small Business (including small business set-aside).

## 6.0 Cost Allowability

The award document defines the terms and conditions required by the sponsor. Project costs must be consistent with these terms and restrictions. The MBL consistently applies the following general cost guidelines for each award:

- x Costs must be reasonable. This is defined as the action a prudent person would have taken under the circumstances.
- x Costs must be allocable to a particular award in accordance to the terms of the award. Any cost allocable to a particular award or other project objective may not be shifted to other awards to overcome funding deficiencies, or to avoid restrictions imposed by law or by the terms of the award.
- x Costs must be given consistent treatment throughout the application of generally accepted accounting principles.
- x Costs must conform to any limitations or exclusions set forth in the award document.

## 6.1 Prior Approvals

The PI must submit a written request including the specific costs and justification, per the award terms and (P)-5. h e e e 6 0 T d 5 9 0 T d 6 ( t 0.217 0 7.9 (S)1)-5. h P 0.217 0 3 -1.391 h 6.4 (si)7.9

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error an Expense Transfer Document must be submitted to Financial Services. This document must include an explanation for the transfer, the job/account numbers involved, and the total amount transferred by account. Also, the document must be accompanied with a Financial Services website printout highlighting the specific line items for accurate invoice or Purchase Order number reference. Romc inc. O



and electronic signature Upon completion, the documents must be submitted electronically

Indirect Costs are expenses that cannot be specifically identified with a particular project or activity. Also known as "F&A" or "overhead," these costs are for administration, buildings, utilities, and other expenses necessary for operations of the MBL.

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## 9.5 Closeout

The requirements for closing out federal awards and subawards vary considerably among agencies. Financial