# KEY Definitions/Comparisons of Types of Awards

<table>
<thead>
<tr>
<th>Grant</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Purpose is to transfer money, property, services, or anything of value to recipient in order to accomplish a public purpose.</td>
<td></td>
</tr>
<tr>
<td>• No substantial involvement is anticipated between government and recipient during the performance of activity.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Purpose is to acquire property or services for direct benefit or use of the federal government.</td>
<td></td>
</tr>
<tr>
<td>• Government determines that procurement contract is appropriate.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cooperative Agreement</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Purpose is to transfer funds to recipient to accomplish a public purpose.</td>
<td></td>
</tr>
<tr>
<td>• Substantial involvement is anticipated between government and recipient during performance of activity.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RFP proposal</th>
<th>RFQ quotation</th>
<th>RFA application</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Government generates scope of work via Notices/Program Announcements.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• You respond with how you will accomplish, budget and time frame.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Contract is usual award document for RFP/RFQ while a grant/cooperative agreement is usual award document for RFA.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Grant vs. Contract

<table>
<thead>
<tr>
<th>Grant</th>
<th>Vs.</th>
<th>Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Project conceived by investigator</td>
<td></td>
<td>• Project conceived by agency</td>
</tr>
<tr>
<td>• Agency supports or assists</td>
<td></td>
<td>• Agency procures service</td>
</tr>
<tr>
<td>• Performer defines details and retains scientific freedom</td>
<td></td>
<td>• Agency exercises direction or control</td>
</tr>
<tr>
<td>• Agency maintains cognizance</td>
<td></td>
<td>• Agency closely monitors</td>
</tr>
</tbody>
</table>

**Cooperative Agreement**  
(in between)
## Comparisons of Types of Awards

<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>Provides assistance with few restrictions</td>
<td>Provides assistance with substantial involvement between parties</td>
<td>Procure Tangible goods and services</td>
</tr>
<tr>
<td><strong>Solicitation Method</strong></td>
<td>Application kit or guidelines</td>
<td>Request for Application (RFA)</td>
<td>Request for Proposal or 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>
<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>Generally liberal</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 University never waives right to publish.</td>
</tr>
<tr>
<td><strong>Technical</strong></td>
<td>Annual summary report</td>
<td>Frequent reports</td>
<td>Detailed, maybe monthly</td>
</tr>
</tbody>
</table>
## Consistent Treatment of Costs

### Direct Cost
- Salaries of Technical Staff
- Laboratory Supplies
- Long Distance Telephone Chgs
- Federal Express Chgs
- Animals and Care Costs
- Travel, Equipment, Computer, etc.
- Service/ Recharge Centers

### Indirect (F&A)Cost
- Salaries of Admin. or Clerical Staff*
- Office Supplies
- Local Telephone Chgs
- Postage(Stamps)
- Library Support
- Routine Maintenance of Plant/Equip
- Insurance (normally F&A with exceptions)

### Unallowable
- Entertainment and Alcoholic Beverages
- Bad Debts
- Fines and Penalties
- Honoraria (not a speaker's fee though)
- Lobbying or Fundraising Costs
- Contingency Costs

**Salaries of Admin. and Clerical Staff - should normally be treated as F&A costs.**

*Direct charging of these costs may be appropriate where a major project or activity explicitly budgets for admin. or clerical services and individuals involved can be specifically identified with the project or activity. "Major Projects" are defined in Exhibit C and include large Program Projects, collaborative efforts, and projects requiring:

- extensive data accumulation;
- making travel and meeting arrangements for large numbers of participants (such as conferences and seminars);
- preparation and production of manuals and large reports, books and monographs (excluding routine progress and technical reports);
- research fields sites that are remote from campus; project-specific database management; individualized graphics or manuscript preparation; human or animal protocols; and multiple project-related investigator coordination and communications.*
A-110 Administrative Requirements in a nutshell

Subpart B – Pre-Award requirements

Instructs Federal awarding agencies to decide what is the most appropriate award instrument (Grant, Coop. Agreement, or Contract)

Subpart C – Post-Award requirements

Revision of Budget and Program - when is prior agency approval needed?

Pre-Award Costs - Agency may allow for 90-day preaward costs.

Extensions - Agency may allow for an up to one year no cost extension if requested 10 days before the expiration date. Requests may not be used for the purpose of using up unobligated balances.

Carryover - Agency may allow for carry forward of unobligated balances to subsequent funding periods.

Property and Procurement Standards - too lengthy to explain here, but know where to find it.

Cost Sharing - Defines criteria for recipient contributions to be accepted as cost sharing or matching. (Unrecovered Indirect Costs are acceptable only with prior agency approval)

Program Income - Amount earned can be retained by the recipient in accordance with the terms and conditions and can be used to further project objectives (Additional Costs Alternative), or deducted from the total project costs (Deductive Alternative).

Progress Reporting - Requires no less than annual reporting (i.e. PHS 2590)


Record Retention - Retain for a period of 3 years from the date of submission of the FSR.

Subpart D – After-the-Award Requirements

Closeout Procedures

1. Recipients shall submit, within 90 calendar days after the completion of the award, all financial, performance, and other reports required by the terms and conditions of the award.

2. Recipient shall liquidate all obligations no later than 90 days after the funding period or date of completion.
COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1231352685AI
ORGANIZATION:
University of Pennsylvania
3451 Walnut St., P221 Franklin Bldg.
Philadelphia, PA 19104-6205

DATE: 06/05/2012
FILING REF.: The preceding agreement was dated 06/16/2011

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: INDIRECT COST RATES

<table>
<thead>
<tr>
<th>RATE TYPES:</th>
<th>FIXED</th>
<th>FINAL</th>
<th>Prov. (Provisional)</th>
<th>Pred. (Predetermined)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>EFFECTIVE PERIOD</th>
<th>RATE(%) LOCATION</th>
<th>APPLICABLE TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPE</td>
<td>FROM</td>
<td>TO</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2014</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2014</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2014</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2014</td>
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<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2014</td>
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<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2014</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2014</td>
</tr>
</tbody>
</table>

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[Signature]
Vice President for Finance and Treasurer
**BASE**

Total direct costs excluding capital expenditures (buildings, individual items of equipment; alterations and renovations), that portion of each subaward in excess of $25,000; hospitalization and other fees associated with patient care whether the services are obtained from an owned, related or third party hospital or other medical facility; rental/maintenance of off-site activities; student tuition remission and student support costs (e.g., student aid, stipends, dependency allowances, scholarships, fellowships).
TREATMENT OF FRINGE BENEFITS.

The fringe benefits are charged using the rate(s) listed in the Fringe Benefits Section of this Agreement. The fringe benefits included in the rate(s) are listed below.

TREATMENT OF PAID ABSENCES

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the cost of these paid absences.

OFF-CAMPUS DEFINITION: For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

1. The rates in the Agreement have been negotiated to reflect the administrative cap provisions of the revisions to OMB Circular A-21 published by the Office of Management and Budget on May 8, 1996. With the exception of Department of Defense contracts, no rate affecting the institution’s fiscal periods beginning on or after October 1, 1991 contains total administrative cost components in excess of that 26 percent cap.

2. Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year, and an acquisition cost of $5,000 or more per unit.

3. Fringe Benefits include: Full-Time Employees - FICA, Retirement, Disability Insurance, Life Insurance, Tuition Remission for employees, Sabbatical Leave, FAS No. 106 (post-retirement benefits other than pensions), TIAA/CREF benefits and counseling, Pennflex, Union Legal Funds, Worker's Compensation, Unemployment Insurance and Health Insurance.

Part-Time Employees - FICA, TIAA/CREF, Unemployment and Workers' Compensation.

Post Doctoral Fellows are not included in the full-time benefit rate. Post Doctoral Fellows are eligible for a separate health insurance plan which is a direct charge. They are also covered by FICA and Workers' Compensation.
**SECTION 1: FRINGE BENEFIT RATES**

<table>
<thead>
<tr>
<th>TYPE</th>
<th>FROM</th>
<th>TO</th>
<th>RATE(%)</th>
<th>LOCATION</th>
<th>APPLICABLE TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIXED</td>
<td>7/1/2011</td>
<td>6/30/2012</td>
<td>31.80</td>
<td>All</td>
<td>Full-Time Employees</td>
</tr>
<tr>
<td>FIXED</td>
<td>7/1/2011</td>
<td>6/30/2012</td>
<td>9.70</td>
<td>All</td>
<td>Part-Time Employees</td>
</tr>
<tr>
<td>FIXED</td>
<td>7/1/2012</td>
<td>6/30/2013</td>
<td>31.80</td>
<td>All</td>
<td>Full-Time Employees</td>
</tr>
<tr>
<td>FIXED</td>
<td>7/1/2012</td>
<td>6/30/2013</td>
<td>9.70</td>
<td>All</td>
<td>Part-Time Employees</td>
</tr>
<tr>
<td>PROV.</td>
<td>7/1/2013</td>
<td>Until amended</td>
<td></td>
<td></td>
<td>Use the same rates and conditions as those cited for the fiscal year ending June 30, 2013.</td>
</tr>
</tbody>
</table>

**DESCRIPTION OF FRINGE BENEFITS RATE BASE:**
Salaries and wages.
ORGANIZATION: University of Pennsylvania
AGREEMENT DATE: 06/05/2012

SECTION III: GENERAL

A. LIMITATIONS:
The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) the same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) similar types of costs have been accorded consistent accounting treatment; and (4) the information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES:
This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

C. FIXED RATES:
If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL AGENCIES:
The rates in this Agreement were approved in accordance with the authority in Office of Management and Budget Circular A-21 Circular, and should be applied to grants, contracts and other agreements covered by this Circular, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

E. OTHER:
If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected program; and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

BY THE INSTITUTION:

University of Pennsylvania

[Signature]

[Name: Stephen D. Golding]

[TITLE: Vice President for Finance & Treasurer]

[DATE: 6/5/2012]

ON BEHALF OF THE FEDERAL GOVERNMENT:

[Agency: Department of Health and Human Services]

[Signature: Robert J. Aaronson]

[Name: Robert J. Aaronson]

[Title: Director, Northeastern Field Office]

[DATE: 6/5/2012]

[Phone: (212) 264-2069]

[Signature: Louis Martilotti]

[Title: Vice President for Finance and Treasurer]

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Historical and Current Rates

FACILITIES AND ADMINISTRATIVE RATES (F&A RATES):

<table>
<thead>
<tr>
<th>Period</th>
<th>Research, On Campus</th>
<th>DOD Research Contracts &amp; Non-Federal Sponsors</th>
<th>Research, Off Campus</th>
<th>Other Sponsored Programs</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/01/95 - 6/30/96</td>
<td>Predetermined</td>
<td>63.5%</td>
<td>63.5%</td>
<td>25.3%</td>
<td>40.0%</td>
</tr>
<tr>
<td>7/01/96 - 6/30/97</td>
<td>Predetermined</td>
<td>59.0%</td>
<td>59.0%</td>
<td>26.0%</td>
<td>40.0%</td>
</tr>
<tr>
<td>7/01/97 - 6/30/98</td>
<td>Predetermined</td>
<td>59.0%</td>
<td>59.0%</td>
<td>26.0%</td>
<td>40.0%</td>
</tr>
<tr>
<td>7/01/98 - 6/30/99</td>
<td>Predetermined</td>
<td>59.5%</td>
<td>59.5%</td>
<td>26.0%</td>
<td>40.0%</td>
</tr>
<tr>
<td>7/01/99 - 6/30/00</td>
<td>Predetermined</td>
<td>56.5%</td>
<td>58.5%</td>
<td>26.0%</td>
<td>40.0%</td>
</tr>
<tr>
<td>7/01/00 - 6/30/01</td>
<td>Predetermined</td>
<td>56.5%</td>
<td>58.5%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/01 - 6/30/02</td>
<td>Predetermined</td>
<td>56.5%</td>
<td>58.5%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/02 - 6/30/03</td>
<td>Predetermined</td>
<td>57.5%</td>
<td>59.9%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/03 - 6/30/04</td>
<td>Predetermined</td>
<td>57.0%</td>
<td>59.9%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/04 - 6/30/05</td>
<td>Predetermined</td>
<td>57.5%</td>
<td>59.9%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/05 - 6/30/06</td>
<td>Predetermined</td>
<td>57.5%</td>
<td>59.9%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/06 - 6/30/07</td>
<td>Predetermined</td>
<td>57.5%</td>
<td>59.9%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/07 - 6/30/08</td>
<td>Predetermined</td>
<td>57.5%</td>
<td>59.9%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/08 - 6/30/09</td>
<td>Predetermined</td>
<td>57.5%</td>
<td>59.9%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/09 - 6/30/10</td>
<td>Predetermined</td>
<td>59.0%</td>
<td>61.0%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/10 - 6/30/11</td>
<td>Predetermined</td>
<td>60.0%</td>
<td>62.0%</td>
<td>26.0%</td>
<td>36.0%</td>
</tr>
<tr>
<td>7/01/11 - 6/30/12</td>
<td>Predetermined</td>
<td>60.0%</td>
<td>62.0%</td>
<td>28.0%</td>
<td>36.0%</td>
</tr>
</tbody>
</table>

EMPLOYEE BENEFITS RATES:

<table>
<thead>
<tr>
<th>Period</th>
<th>Full Time</th>
<th>Part Time</th>
<th>Employee Dependent Tuition*</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/01/95 - 6/30/96</td>
<td>32.5%</td>
<td>10.8%</td>
<td>N/A</td>
</tr>
<tr>
<td>7/01/96 - 6/30/97</td>
<td>31.1%</td>
<td>10.0%</td>
<td>N/A</td>
</tr>
<tr>
<td>7/01/97 - 6/30/98</td>
<td>30.8%</td>
<td>9.7%</td>
<td>N/A</td>
</tr>
</tbody>
</table>

http://www.upenn.edu/researchservices/history.htm 4/8/2013
<table>
<thead>
<tr>
<th>Date Range</th>
<th>Rate 1</th>
<th>Rate 2</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/01/98 - 6/30/99</td>
<td>30.8%</td>
<td>9.7%</td>
<td>N/A</td>
</tr>
<tr>
<td>7/01/99 - 6/30/00</td>
<td>28.7%</td>
<td>9.7%</td>
<td>N/A</td>
</tr>
<tr>
<td>7/01/00 - 6/30/01</td>
<td>27.4%</td>
<td>9.5%</td>
<td>N/A</td>
</tr>
<tr>
<td>7/01/01 - 6/30/02</td>
<td>27.4%</td>
<td>9.5%</td>
<td>N/A</td>
</tr>
<tr>
<td>7/01/02 - 6/30/03</td>
<td>29.2%</td>
<td>9.7%</td>
<td>N/A</td>
</tr>
<tr>
<td>7/01/03 - 6/30/04</td>
<td>30.2%</td>
<td>9.7%</td>
<td>N/A</td>
</tr>
<tr>
<td>7/01/04 - 6/30/05</td>
<td>31.2%</td>
<td>9.7%</td>
<td>1.8% *</td>
</tr>
<tr>
<td>7/01/05 - 6/30/06</td>
<td>30.9%</td>
<td>9.7%</td>
<td>2.1% *</td>
</tr>
<tr>
<td>7/01/06 - 06/30/07</td>
<td>29.9%</td>
<td>9.7%</td>
<td>2.1% *</td>
</tr>
<tr>
<td>7/01/07 - 06/30/08</td>
<td>29.5%</td>
<td>9.7%</td>
<td>2.1% *</td>
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<td>2.2%</td>
</tr>
<tr>
<td>7/01/11 - 06/30/12</td>
<td>31.8%</td>
<td>9.7%</td>
<td>2.2%</td>
</tr>
<tr>
<td>7/01/12 - 06/30/13</td>
<td>31.8%</td>
<td>9.7%</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

*For non-federal awards add Employee Dependent Tuition.*
Facilities and Administration (F&A) cost is another term used for indirect cost. F&A/Indirect cost are calculated based on the direct expenditures of sponsored projects. F&A/Indirect cost can not be readily attributed to one particular project, instructional activity, or any other institutional activity. These costs are “real” though they can not be associated with a specific project. Examples of F&A/Indirect Cost are building space, heating, lighting, library expenses, accounting, payroll, central and departmental administration. Penn will apply the appropriate F&A rate to the direct cost of the project based on the type of and location of the work/project being performed.

Sponsored Projects are categorized into three main activities: Research, Instruction and Other Sponsored Programs. The categories and rates are listed below.

**Research**
Sponsored research is separately budgeted and accounted for within the University's accounting system. Sponsored Research means all research and developmental activities that are sponsored by the Federal and non-Federal agencies and organizations. This term includes activities involving the training of individuals in research techniques (commonly called research training) where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function. There are two F&A rates for the type of activity described above.

**Research On-Campus:** On-campus rates are used for proposals where all work is done using University facilities or facilities rented by the University where rent is not charged to a sponsored project.

**Research Off-campus:** For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

**Instruction** Includes all teaching, course and curriculum development, and academic advising and development.

**Other Sponsored Programs**
The “Other Sponsored Programs” rate is used when the project does not meet the criteria for research or training. Typical programs are health service projects, community service programs, seminars, conferences, public exhibition, and lecture series programs.
1. You are administering an NIH research grant. As part of this grant the PI is required to visit people (human subjects) in a “rough” neighborhood. Many of the people which he will be visiting do not have telephones. He has requested to buy a cell phone and charge the use of it to the grant.

What is your response and why?

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2. You are administering an NIH research grant. You have explained to the PI that the project ends in one month and there is still $90,000 available on the fund. This grant was already extended once under FDP. The PI said that he wants to extend the grant again.

What is your response and why?

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3. You are administering an NIH research grant. There will be many human subjects involved on working on this project. It will require that someone make appointments and maintain records on these human subjects. It is anticipated that this will demand a full time employee to handle these tasks. The PI has requested to charge the full time salary for this person to the NIH grant since they will be working specifically on the grant. (This salary is not included in the approved budget.)

What is your response and why?

4. You are administering a federal research grant. The PI has published a brief pamphlet regarding his study. He has made these pamphlets available to the public (with the sponsor’s approval) for a $10 fee. The PI said that he expects to sell about 50 of these and the money can be deposited into his departmental account.

What is your response and why?
5. You are administering an federal research grant. It has a total budget of $200,000 which covers salaries of Penn employees and a few other miscellaneous expenses. The PI has just informed you that part of the work will be done by a subcontractor due to the resignation of the co PI whose salary was fully paid by the grant. She wishes to issue a subcontract in the amount of $120,000 to an outside contractor.

What is your response and why?

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6. You are administering a federal research grant. The time has come to review the fund for closeout. There has been 3 separate subcontracts issued on this project. Total expenditures on the subcontracts are $42,000, $29,333 and $140,000. The fund has been charged $100,000 in F&A.

What is your response and why?

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7. You are administering a federal research grant. The PI has purchased 10 household brooms. You explain to him that these are not normally allowed on a research project and would be considered F&A/Indirect Costs. He explains to you that as a part of this project his staff is working with a substance that while safe to work with on the short term, if it sits in open air for a long period of time, it can become toxic. He said that the individuals in his lab have been instructed to sweep at regular intervals. This is a commonly accepted practice for anyone working with this substance.

What is your response and why?

8. You are administering a federal research grant. A graduate student has went on a business trip which was directly related to the project and allowable. It is understood that she needed to rent a car to complete the tasks required of her on this trip. She rented a convertible sports car.

What is your response and why?
9. You are administering a federal research grant. The budget includes a budget for a consultant. The PI tells you that he needs a consultant to help him with writing proposals for future grants and wants you to charge it to this federal grant.

What is your response and why?

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10. You are administering a federal research grant. As you are reviewing the fund on an award that is ending this month, you notice that there is a cost sharing requirement of $10,000. The award is $200,000 and is fully spent. However, the cost sharing fund only has $5,000 worth of expenses in it.

What is your response and why?

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