NIH announces “Just-in-Time” process for IACUC review and approval

The NIH has announced that beginning with applications submitted for the October 1, 2002 receipt date, Institutional Animal Care and Use Committee (IACUC) “just in time” will be in effect. Institutions will be permitted flexibility in the timing of IACUC review relative to submission of an application. This will allow for applications to be submitted with the IACUC approval listed as pending.

The fundamental PHS Policy requirement that no award may be made without an approved Assurance and without verification of IACUC approval remains in effect. This change only affects the timing of the submission of the verification of that review. It is incumbent upon investigators to ensure that appropriate approvals be secured in order that an award can be made. The Office of Regulatory Affairs has posted additional information on their website. http://www.upenn.edu/regulatoryaffairs/


For further information at NIH contact Anthony Demsey, Ph.D., Senior Advisor for Policy, Office of Extramural Research, National Institutes of Health, 301-496-5127, demseya@od.nih.gov or, within Research Services, Pam Caudill, Director of Pre-Award Non-Financial Administration at 3-6706, caudill@pobox.upenn.edu.

Progress (Technical) Reports Need to be Filed on Time

Most sponsored projects require progress reports that can be due periodically during the life of a grant or contract or as a final report when the funding cycle is complete. This requirement is usually found in the award notice and it is the responsibility of the Principal Investigator to submit the appropriate progress reports to the funding agency. Late progress reports can impact future funding not only for the investigators involved in a particular project, but funding agencies will sometimes delay all future awards to the University based on a delinquent report.

There are times when a progress report has been submitted, but has not been properly recorded by the sponsor. In this case, once we are notified by the investigator that a report was previously filed, Research Services will contact the agency on behalf of the investigator to have the records corrected. When a progress report is filed, if a copy of the cover letter is sent to Research Services it will be included in the University’s grant file for future reference.

Reminder: Effort Reports are due on October 15, 2002
Notifications of pending NIH Non-Competing Grant Progress Reports (PHS 2590) are now in an Electronic Format

NIH has transitioned the notification of Non-Competing Grant Progress Reports from a hard copy mailing of preprinted face pages (PHS 2590) to an electronic format. As discussed in the May 2, 2002 Notice on this topic [http://grants.nih.gov/grants/guide/notice-files/NOT-OD-02-047.html](http://grants.nih.gov/grants/guide/notice-files/NOT-OD-02-047.html), the last hard copy mailing of pre-printed face pages was mailed in late June for those progress reports with November 2002 start dates. Office of Extramural Research has launched a website of Non-Competing Progress Report due date information [http://era.nih.gov/userreports/pr_due.cfm](http://era.nih.gov/userreports/pr_due.cfm). This website can be queried using the Institutional Profile Number (IPF) to return a list of "due" progress reports for the institution. Penn’s IPF is 6463801.

As a convenience for the faculty, Research Services will access the website and send out an electronic reminder to the Principal Investigator and Business Administrator to alert them when an application is due. As this new system is implemented, please keep in mind that progress reports are due two months prior to the beginning of the next funded year and it is the responsibility of the principal investigator to submit the progress report on time. The necessary forms can be found at [http://grants.nih.gov/grants/forms.htm#applications](http://grants.nih.gov/grants/forms.htm#applications).

Progress reports should continue to be mailed directly to the NIH awarding Institute/Center. A list of Institute/Center mailing addresses for progress reports is found at: [http://grants.nih.gov/grants/type5_mailing_addresses.htm](http://grants.nih.gov/grants/type5_mailing_addresses.htm)

If you have any questions regarding these procedures, please contact your contract administrator at Research Services.

Formatting Important for NIH Grant Applications

Principal Investigators must adhere to format guidelines when preparing NIH grant applications. Otherwise the applications will be returned without review.

The application must be clear, readily legible, and conform to the following four requirements:

1. The height of the letters must not be smaller than 10 point; Helvetica or Arial 12-point is the NIH-suggested font.
2. Type density, including characters and spaces, must be no more than 15 characters per inch (cpi). For proportional spacing, the average for any representative section of text must not exceed 15 cpi;
3. No more than 6 lines of type within a vertical inch;
4. Margins, in all directions, must be at least ½ inch.

Applicants should check the type size using a standard device for measuring type size, rather than relying on the font selected for a particular word processing/printer combination. Figures, charts, tables, figure legends, and footnotes may be smaller in size but must be readily legible. The type size used must conform to all four requirements. Small type size makes it difficult for reviewers to read the application; consequently, the use of small type will be grounds for the PHS to return the application without peer review. Adherence to type size and line spacing requirements is also necessary so that no applicant will have an unfair advantage, by using small type, of providing more text in their applications.

If you have any questions, please contact your contract administrator at Research Services.

Upcoming Training Opportunities for Research Administrators

“What Departmental Administrators Need to Know About Post-Award and Cost Analysis”
Sponsored by ORS, this is a segment of NCURA’s Live Satellite Broadcast series, September 24, 11:30 – 3:30, Location will be announced [www.upenn.edu/researchservices/](http://www.upenn.edu/researchservices/)


REMINDER: NIH Policy on the Acceptance of Applications requesting Direct Costs of $500,000 or more in any one Year

The National Institutes of Health (NIH) has updated its policy on the acceptance of applications requesting direct costs of $500,000 or more for any one year. Effective with the January 1, 2002 receipt dates, applicants must seek agreement to accept assignment from Institute/Center staff at least 6 weeks prior to the anticipated submission of any application requesting $500,000 or more in direct costs for any year.

This policy does not apply to applications submitted in response to RFAs or in response to other Announcements that include specific budgetary limits. However, such applications must be responsive to any budgetary limits specified, or they will be returned to applicants without review.

An applicant planning to submit a grant application with $500,000 or more in direct costs for any year is required to contact in writing or by telephone NIH Institute or Center program staff. This contact should be made during the development process of the application but no later than 6 weeks before the anticipated submission date. If the Institute or Center is willing to accept assignment of the application for consideration of funding, the staff will notify the Center for Scientific Review before the application is submitted.

The Principal Investigator must include a cover letter with the application. That cover letter must identify the program staff member and Institute or Center that has agreed to accept assignment of the application.

An application received without indication of prior staff concurrence and identification of program staff contacted will be returned to the applicant without review. Therefore, NIH strongly encourages applicants to contact Institute or Center staff at the earliest possible time.

INQUIRIES

For additional information about this policy, the program staff at any Institute or Center may be contacted. Applicants who are uncertain about which Institute or Center may have the greatest interest in the research for which support is sought should contact:

Division of Receipt and Referral
Center for Scientific Review
National Institutes of Health
Telephone: (301) 435-0715
FAX: (301) 480-1987

Attention to All Business Administrators Responsible for Service Centers:

All service center budgets (copy of BEN 100 Report) and fees for services are required to be submitted to Research Services each year according to the University Sponsored Projects Policy 2115. Business Administrators responsible for a service center should submit the budget and rate schedule to Bob McCann as soon as possible.
Copyright Protection under Research Contracts and Grants

Negotiation of contracts and grants by ORS often involves implementation of Penn policies covering intellectual property. One of these, the Copyright Policy is listed at http://www.upenn.edu/almanac/v47/n24/ORcopyright.html.

Copyright protection is provided by United States law for original works of authorship fixed in any tangible medium of expression that can be perceived, reproduced or otherwise communicated either directly or with the aid of a machine or device. Works of authorship include literary works, musical works, dramatic works, pantomimes and choreographic works pictorial or graphic works, audiovisual works, sound records, architectural works, and computer software. It is the form of expression that is protected, not the idea, principle or concept embodied in an original work.

Copyright protection exists as soon as the work has been created. No copyright notice or registration is needed to obtain copyright protection. Copyright provides the owner of the copyright with the exclusive right to reproduce, prepare new versions (derivative works), to publicly display, distribute and perform the work.

Copyrightable works covered by research contracts or grants at Penn would generally include interim and final technical reports, software, and other works first created in the performance of a research contract or grant.

Part of the Copyright policy is given here:

‘V.E.1. Policy Statement on Copyrights. The Trustees of the University of Pennsylvania, subject to the exceptions declared in Sections V.E.1.a., V.E.1.b., and V.E.1.c. affirm the academic custom that creators of intellectual property own the copyright to works resulting from their research, teaching and writing and have the individual right to apply for, own all right, title and interest to, enforce, profit by and transfer to other parties, such as publishers, copyrights in their works under the laws of the United States and other jurisdictions. Computer software and courseware (the tools and technologies used to present courses), to the extent not protected by patent law, are governed by this policy. With respect to works such as journal articles and other similar publications, when an author transfers an interest in these copyrightable works, the author should use reasonable efforts to secure for the University the right to reproduce such works, royalty free, for all traditional, customary or reasonable academic uses. With respect to computer software and courseware, the University shall enjoy a permanent, non-exclusive, royalty free license to make all traditional, customary or reasonable academic uses of these works.

V.E.1.a. Sponsored Research. Exceptions to this custom may arise when works are made under government sponsored research, industry sponsored research, and certain grants in which the University assumes specific obligations with respect to a copyrightable work resulting from a given sponsored program. To the extent necessary, where the sponsored program agreement provides that the sponsor will acquire rights to copyrightable works produced under the program, the University will own all right, title and interest to the copyrightable works created under such sponsored programs.’

The Copyright policy indicates that, when copyrightable materials are generated during the course of research covered by a research contract or grant, then ownership of such copyrightable works lies with the University to the extent necessary to comply with any Sponsor rights detailed in the research contract or grant, rather than the faculty.

For further information, please contact Donald Deyo, Esq., Senior Associate Director, Corporate Contracts at deyo@pobox.upenn.edu.
What happens during the Grant Closeout Process?

In order to meet our reporting deadlines, it is important that the PI, the departmental administrative staff, and the staff of ORS, work together. Prior to the end of the final budget period, the fund should be reviewed to ensure that it is almost ready for closeout. This is usually the best time to make any necessary adjustments. When the final budget period ends, the financial reporting process and closeout period begins. The adjustment period is the time when the financial report is due less than 30 days. The 30 days is required by Research Services to review, reconcile Facilities and Administrative (F&A) costs, and prepare and submit the financial report.

For federal grant awards, submission of Financial Status Report (FSR) SF-269 within 90 calendar days is normally required. Upon issuance of the FSR, BEN Financials fields are updated to reflect the date the FSR was issued.

The adjustment period is the time allowed for the final review of fund activity and the posting of required adjusting entries. When the adjustment period ends, the Research Services Post-Award Group issues the final financial report based on accounting information contained in the General Ledger fund.

The general ledger report that assists in the close-out process is 134.ORG "Summary of Final Expenditure Report," which provides a summary of expense and encumbrances on a project-to-date basis.

When the Final Financial Report is submitted and all monies due the University are received, the grant fund is disabled as follows:

- Special Budget categories PBIL and PBUD are adjusted in accordance with the amount reported.
- FSRD and FSRI categories are posted to reflect the reported amounts of direct cost and indirect cost (F&A).
- Equipment assets are transferred to the school surrogate account.

If the fund is not ready for disabling once the Final Financial Report is submitted, Research Services will conduct a follow-up review 120 days after the submission date to determine the fund's eligibility for disabling. Once disabling criteria is satisfied, the fund Enable flag is set to "NO" and the date of disabling entered.

For more information regarding preparing closeouts of grants, please see our website, contact your ORS Accountant, or contact Kerry Peluso at 3-6705 or pelusok@pobox.upenn.edu. In addition, pages 6 and 7 of this newsletter contain further information about this subject.

Where can I get more information about administering my grants?

Office of Research Services Web Site:
www.upenn.edu/researchservices/

Research Investigator’s Handbook:
www.upenn.edu/researchservices/rih/intro.html

A Quick Guide for Faculty:
www.upenn.edu/researchservices/pdfs/newfacbk.pdf

University of Pennsylvania Cost Sharing Policy:
www.upenn.edu/researchservices/rs/costshare.html

Contact an Office of Research Services Staff Member:
www.upenn.edu/researchservices/rs/contact.html
What is the current policy regarding revisions to FSR’s?

Approximately a year ago, Research Services commenced a project to address all delinquent FSR’s (Financial Status Reports) and to eliminate future delinquent FSR reporting. As a result of this initiative, the number of delinquent FSR’s for the University was reduced by 82%. This was possible due to the efforts of Research Services staff as well as everyone involved within the departments. The staff of Research Services is very appreciative of those departmental staff members who assisted in making this reduction possible. However, there are still some delinquent closeouts which need to be addressed. In addition, if we are to meet our goal of 100% compliance with reporting deadlines, everyone needs to continuously and consistently focus on this area.

Recently we have had some requests from departments for further clarification on Research Service’s policy regarding revisions of FSR’s. The following is an excerpt from Andy Rudczynski’s memo dated June 28, 2001 regarding this issue. This policy as written still applies.

“After consultation with several Senior Business officers we are implementing the following University policy for the submission of final Financial Status Reports. Generally speaking, FSR’s are due 30, 60 or 90 days after the end of a project. In order to meet this requirement of federal and other sponsors, ORS will submit final FSR’s no later than the day they are due. Therefore, departmental BA’s will need to communicate with ORS to assure that all necessary adjustments to grants are made within the specified adjustment period. We will work under the assumption that funds are in reportable condition once they are fully frozen.

Should subsequent examination of a grant account reveal that a revised final FSR must be submitted, it must be done within the ensuing 30 days of the discovery of the error and no more than 180 days after the termination date of the project. Please note, a revision will not be issued until all transactions bringing grant funds in line with proposed adjustments have cleared the system.

All requests for revisions will require a detailed justification and approval from the Senior Business Official of the School. Once approval is granted, the BA will have no more than 30 days to complete all necessary adjustments. Once the proposed adjustments have cleared, the revision will be issued. We would expect the Schools to determine policies and procedures for what constitutes an appropriate justification for a revised FSR and if appropriate, a corrective plan. Attached please find ORS guidelines to aid in setting School policies and procedures regarding this matter.”

In February 2001, NIH released a Guide Notice “to remind grantees of Financial Status Report (FSR) requirements and to advise that NIH is renewing efforts to ensure recipient compliance with these requirements.” Failure to meet these requirements “may lead to delays or withholding of awards, loss of automatic carryover authority, loss of advanced payments, loss of expanded authorities, removal from participation in NIH-funded awards under the Federal Demonstration Project, and designation as a high-risk grantee.” Working together, we have made great improvements in this area over the past year. Going forward, this continues to be a main area of focus for the University. Please see page 7 of this newsletter for a quick reference of the ORS Guidelines regarding FSR revisions. If you have any questions regarding the closeout process or finalizing expenses on a fund, please contact Kerry Peluso at 3-6705, pelusok@pobox.upenn.edu or your assigned ORS Accountant.
ORS GUIDELINES REGARDING FSR (Financial Status Report) REVISIONS

• Each School must ensure that ORS has the names of school level staff who have signature authority for approving the request for revision.

• Requests for revisions to FSR’s will only be considered if the request falls within 180 days after termination date.

• The following should be considered prior to approving for a revision:

  1. Are outlays allocable, allowable and appropriate to the grant?
  2. Are costs in line with the budget?
  3. How long since original submission?
  4. Will revisions to subsequent/continuation years be required?
  5. Will this revision effect carryovers, or offset of funds for continuation years?
  6. How likely are we able to collect on final payment?
  7. Was PI approval obtained to support revision?
  8. What caused the error?
  9. What is being done to prevent reoccurrence?

Having the appropriate procedures in place during the active life of a grant is key to reducing the number of revisions. We strongly recommend that the schools keep track of which departments are requesting revisions in order to monitor the issues and determine if further evaluation or training is necessary to insure appropriate grants management.

Any questions regarding the close out or revision of FSR’s processes should be forwarded to Kerry Peluso, Director of Post Award Financial Administration at 3-6705, pelusok@pobox.upenn.edu or your assigned ORS Accountant.
About Our Organization...

Our Mission

The Office of Research Services (ORS) was established in April 1998, through merger of the Office of Research Administration with the Research Accounting and Federal Compliance sections of the Office of the Comptroller. The Office of Research Services oversees the administrative support of the University’s externally funded research and is responsible for implementation of University policies established for this purpose. An important part of the ORS mission is service to the research faculty, through the provision of information and advice for the development of applications, and assistance in the administration of awarded grants and contracts.

In this role, Research Services

- Supports the schools and centers in the development of proposals for grants and contracts
- Reviews and approves all proposals before submission to the potential sponsor
- Coordinates negotiations of awards
- Accepts awards for the University, including the signing of contracts
- Provides oversight and guidance to faculty and staff concerning the proper management of sponsored projects
- Prepares all financial reports to sponsors

In addition to these functions, Research Services is responsible for billing of contracts management of letters of credit for payment of grants, preparation of indirect cost and employee benefit rate proposals and rate negotiations, management of the effort reporting system, and oversight of service center rate development.

The office reports jointly to the Vice President for Finance and Vice Provost for Research.

Treasury Offset Program Notices

Please be aware that the Department of the Treasury has been offsetting funds due to the University and forwarding them to the Philadelphia VAMC. If you receive a notification that any funds which were due to the University have been offset, please fax a copy of the notice to the attention of Kerry Peluso at 215-898-0403.

Office of Research Services
Quick Contact List:

ORS General Phone Numbers:
215-898-7293 (General Information, Proposals, Awards)
215-898-7269 (Financial Reports & Invoices, Accounting)

Andrew B. Rudczynski, Ph.D., Associate Vice President for Finance
And Executive Director, Research Services:
215-573-9249, abrud@pobox.upenn.edu

Pamela Caudill, Director of Pre Award Non-Financial Administration:
215-573-6706, caudill@pobox.upenn.edu

Donald Deyo Esq., Senior Associate Director, Corporate Contracts:
215-573-9970, deyo@pobox.upenn.edu

Robert McCann, Director of Cost Studies:
215-898-1469, mccannr@pobox.upenn.edu

Kerry Peluso CPA, Director of Post Award Financial Administration:
215-573-6705, pelusok@pobox.upenn.edu

Todd Swavely, Associate Director –Penn ERA, Project Manager:
215-573-9764, tswavely@pobox.upenn.edu