

3451 Walnut Street, Philadelphia, PA 19104
www.upenn.edu/researchservices

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Special points of interest:

- Reminder on timely submission of proposals.
- NASA limits Chinese collaborations.
- Philadelphia and the Commonwealth of PA departments will now be distinguished at award setup.
- Updates on PHS COI regulations.
- New Resources available on Penn's Export Controls website.

Policy on Recovering F&A Costs on Sponsored Projects

With awards in excess of \$900 million, Penn is one of the nation's premier research universities. In order to provide administrative support to the faculty, comply with the myriad of research related regulations and fund our research facilities, it is the policy of the University to charge all sponsored projects Facilities and Administrative Costs (F&A), also known as indirect costs, at the appropriate federally approved rate.

F&A costs are those costs that cannot be directly associated with a specific project, but provide indirect support to the activity. The facility costs include utility costs, maintenance and house-keeping costs, and interest and depreciation on buildings and equipment. The administrative component of the rate includes reimbursement for research support offices, such as the Office of

Research Services, Institutional Review Board and Institutional Animal Care and Use Committee as well as University offices such as Purchasing and Payroll.

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In an environment of increasing regulatory compliance and facility costs, it is critical that the University be reimbursed for these expenditures. With that in mind, Steven Fluharty, Senior Vice Provost for Research, and Stephen Golding, VP for Finance and Treasury, are reminding the University community of Financial Policy 2116, *Recovery of Facilities and Administrative Costs*, and introducing a new process for

complying with the policy. Effective June 23rd, the transmittal e-form in PennERA's proposal development module was modified to include a section regarding indirect costs. In accordance with university policy, if the F&A rate proposed is less than the appropriate federally negotiated rate, then the transmittal requires an account number to be provided so that the University is reimbursed for its portion of the unrecovered F&A, unless (a) this sponsor is a not-for-profit with a published policy of awarding F&A at a lower rate or (b) the proposal is for an industry-funded clinical trial.

Under exceptional circumstances, the University may allow a waiver of its portion of the F&A recovery. These requests are to be documented on the transmittal and the justification uploaded for consideration.

Please refer questions to your pre-award contact.

Amended PHS Regulations Regarding Financial Conflicts of Interest

In an effort to continue to promote objectivity in research by establishing standards that provide a reasonable expectation that the design, conduct and reporting of research funded under Public Health Service (PHS) awards will be free from bias, resulting from an Investigator's Financial Conflict of Interest (FCOI), the Department of Health and Human Services issued a final rule that amends the PHS regulations on responsibility of applicants for promoting objectivity in research for which PHS funding is sought. Institutions applying or receiving NIH funds must be in compliance with all of the revised regulatory requirements by August 24, 2012.

All subrecipient/subawardee institution *Authorized Officials* will be required to provide written certification that the subrecipient insti-

tution has a compliant conflict of interest policy in place. Subrecipients' policies must conform to the requirements of all applicable regulations, including but not limited to those set forth in 45 CFR Part 94 and 42 CFR Part 50, Subpart F at the time of proposal or continuation award. A revised Letter of Intent can be found at www.upenn.edu/researchservices/subawards.html. Further, prior to the expenditures of any funds, the subrecipient must report any identified FCIO related to the subaward. The subrecipient *Authorized Official* will be responsible for reporting all required information directly to the *Trustees of the University of Pennsylvania, Office of Research Services*. Subrecipients will also be held responsible for continuing to provide UPENN with FCOI Reports

for any subsequently identified FCOIs during the life of the subaward.

ORS is currently undertaking steps to notify those subrecipients who are not A-133 covered institutions that may be directly affected by this amended policy requirement. However, we are also encouraging these subrecipients to go directly to the [Federal Demonstration Project \(FDP\) website](#), which will provide tools for developing and establishing a PHS compliant program.



Q&A with PennERA Electronic Research Administration

Penn's Electronic Research Administration system (PennERA) is the suite of web-based applications that streamline processes and provide more efficient tools for handling pre- and post award administrative tasks related to the sponsored projects of Penn's academic research community. PennERA is a full life-cycle system for research project development, support, and management. PennERA includes the following:

- PreAward
- Submission of Proposals to Sponsor
- Electronic Notification of Award Notices
- Post Award Management
- Data Reporting for Management

What is a Generic Sponsor Form proposal and when should I use it?

The Generic Sponsor Form (GSF) is a template to be used for proposal preparation to facilitate internal routing and approval of applications that are not prepared as system-to-system (S2S) electronic submissions in

Proposal Development (PD). Electronic routing for the internal approval process replaces paper transmittals with pen and ink signatures.



The generic template is used for all nonfederal sponsors and for applications to federal sponsors that cannot be submitted S2S, e.g., NIH Program Projects such as P01's. The GSF can also be used to assemble a complete proposal package, including a cover page for institutional signature, for sponsors that do not have a specific form set.

The "Generic Sponsor Form Reference Guide" can be found under the *Proposal Reference Materials* section of the [PennERA website](#) or directly at this link: [GSF-Guide](#).

How do I know if I can submit a proposal as a System-to-System (S2S)?

Refer to the matrix "Proposal Mechanisms for System-to-System (S2S) submission" located under the *When to Use Proposal Development (PD)* section of the [PennERA website](#) or directly at this link: [S2S Matrix](#) for up-to-date information on proposal submission mechanisms.

If after consulting the S2S matrix you require help determining if your proposal should be done using System-to-System (S2S) or the Generic Sponsor Form (GSF), please email PennERA-help@lists.upenn.edu.

How do I get help with a PennERA problem?

If you experience a problem or have a question regarding the Proposal Development application you can either send an email with your question or a description of the problem to: pennera-help@lists.upenn.edu or use the



Support link in the PD application to contact the PD Support Group.

If you have additional PennERA related questions please email pennerahelp@lists.upenn.edu

Timely Review of Proposals in eRA Commons

As funding opportunities decrease and competition for funding increases, it becomes crucial that proposals are submitted prior to sponsors' deadlines. For sponsors such as the Department of Defense, American Heart Association and many others there are no further opportunities to review a proposal after it has been submitted. Specifically in the case of submissions to the National Institutes of Health, there is an opportunity to review, but any potential corrections must be made *before* the submission deadline.

The eRA Commons generates an email to alert the principal investigator (PI) if there are any system identified errors or warnings. When the proposal is received at the Commons it is automatically checked for errors of form, such as page limit violations, budget overages or missing Commons

IDs. This round of automatic review is helpful to catch more obvious policy violations, but it cannot account for the more subtle issues that may arise with a submission,



such as incorrect pagination, incorrectly displayed images or previous drafts accidentally uploaded. Once a proposal has been submitted, it is imperative that the PI follows the proposal through to the Commons to review the proposals for completeness and correctness. If the PI

notices an error, please contact the responsible business administrator (BA) and the Office of Research Services (ORS) Pre-Award representative immediately. ORS will then unlock the PennERA Proposal Development record for editing. Once the PI or BA has made all changes, the ORS Pre-Award representative will then reject the proposal in the Commons and submit the proposal as a changed/corrected application. The resubmitted proposal will be on-time only if it arrives prior to the deadline. In the event a proposal is not received prior to the deadline, the proposal is subject to the NIH Late Policy, [NOT-OD-11-035](#). Individuals who adhere to the ORS policy of submitted proposals three business days prior to the deadline will maximize their opportunity for post-submission review.

Examples of sponsor identities for the Commonwealth of Pennsylvania:

- Commonwealth of Pennsylvania Animal Health & Diagnostic Commission (PA Department of Agriculture)
- Pennsylvania Board of Probation and Parole
- Pennsylvania Commission on Crime and Delinquency
- Pennsylvania Council on the Arts

Examples of sponsor identities for the City of Philadelphia:

- Free Library of Philadelphia
- Philadelphia AIDS Activities Coordinating Office
- Philadelphia Department of Behavioral Health & Intellectual Disability Services Philadelphia Mayor's Commission on Literacy
- Philadelphia Department of Human Services

City of Philadelphia and Commonwealth of Pennsylvania Award Setup

For many reasons, such as audit compliance and internal reporting, it is important for the sponsors of proposals to be correctly identified in PennERA. In order to accommodate this need, PennERA has been changed so that Pennsylvania and Philadelphia departments, agencies, and commissions can be used as sponsor identities. PennERA can now associate those sponsor identities with the respective "parent" organization, in a manner that is transparent to and requires no additional work from the BA. This will help ORS audit projects under those sponsors, while allowing project sponsors to be better identified.

In the January 2007 ORS Newsletter, we instructed business administrators to use the sponsor identity, "Commonwealth of Pennsylvania", for all proposals for which a Pennsylvania department, agency or commission was the sponsor. Over the years, ORS has instructed BAs to use the sponsor identity, "City of Philadelphia", for all proposals for which a Philadelphia department, agency, or commission was the sponsor.

In order to accommodate this change in procedure, two new

Sponsor Types were created, UPENN-City of Philadelphia and UPENN-Commonwealth of Pennsylvania. All of the Philadelphia and Pennsylvania departments,



agencies, and commissions that had been created in PennERA were associated to the respective Sponsor Type. The names of the sponsor identities were changed to be more easily found in PennERA sponsor drop-down menus. For instance, most Pennsylvania departments now start with the word "Pennsylvania", so they are grouped under P in the sponsor pick list. A search can

be made by Sponsor or by Sponsor Type, in case there is uncertainty about which sponsor identity was used.

The identity of a sponsor in PennERA for a proposal must be consistent with the sponsor identified on an IRB or IACUC submission. For instance, if the proposal has the sponsor identity, "Pennsylvania Department of Health", then the IRB submission should have the sponsor identified as "Pennsylvania Department of Health", rather than "Commonwealth of Pennsylvania". Likewise, if the proposal sponsor identity is "Commonwealth of Pennsylvania", then the IRB sponsor identity should be "Commonwealth of Pennsylvania", rather than "Pennsylvania Department of Health".

Please note that the lists are not exhaustive; the Commonwealth of Pennsylvania and City of Philadelphia have many departments, agencies, boards and committees which sponsor projects at Penn.

Any questions may be addressed to Adam P. Rifkind, Associate Director, Pre-award, (215) 898-9990, rifkind@upenn.edu.

NASA Restriction on Bilateral Collaboration with China

NASA's February 9, 2012 Grant Information Circular states:

NASA is restricted by specific applications of Section 1340(a) of The Department of Defense and Full-Year Appropriations Act, Public Law 112-10 (NASA's 2011 continuing resolution), and Section 539 of the Consolidated and Further Continuing Appropriation Act of 2012, Public Law 112-55 (NASA's FY 2012 appropriation) from using funding appropriated in the Acts to enter into or fund any grant or cooperative agreement of any kind to participate, collaborate, or coordinate bilaterally in any way with China or any Chinese-owned company, at the prime recipient level or at any subrecipient level, whether the bilateral involvement is funded or performed under a no-exchange of funds arrangement.

NASA's procurement guidance defines "China" and "Chinese-owned company" as the People's Republic of China, a company owned by the government of the People's Republic of China, and any company incorporated under the laws of the People's Republic of China.

This restriction prohibits Penn from using NASA funding to collaborate with any Chinese government organization or entity or any company incorporated under Chinese law. The restriction applies to funding for the U.S. portion of bilateral collaboration with China, even when there are no funds passed to the Chinese collaborator.

The restriction does not apply to obtaining commercial items of supply from China for the performance of an award. It also

does not restrict the use of NASA funds for multi-national collaborations that include China. Most importantly, the restriction is not based on citizenship, but on government affiliation. This means that Penn may use NASA funding to support Chinese national students and visiting researchers, so long as those individuals are not affiliated with the Chinese government or a company incorporated under Chinese law.

Penn is required to certify compliance with the China restriction for new NASA awards and new funding on existing NASA awards. PIs with NASA funding maybe asked to fill out an ORS questionnaire to assist with this certification process. Questions regarding this requirement may be addressed to your pre-award contacts.



Did you know?

F&A Rate Extended

The University has just completed and executed a new two-year extension of our current Facilities and Administrative (F&A) Rate agreement with the U.S. Department of Health and Human Services (DHHS), effective fiscal year 2013. That means that the existing F&A rates (60% on-campus and 26% off-campus for sponsored research) will continue through fiscal year 2014. The new rate agreement, dated June 5, 2012, can be found at www.upenn.edu/researchservices/pdfs/2012FAAgreementSIGNED.pdf.

Export Controls Updates

New resources are now available on the export control web site (<http://www.upenn.edu/researchservices/exportcontrols.html>). Primary among these is the new Export Compliance Manual, which contains in-depth information on the export control laws that may have a significant impact on research activities at Penn, outlines the

roles and responsibilities for export compliance at Penn, and includes procedures to help the Penn community remain compliant with the export control laws.

Not ready to delve into the full manual? Introduction to Export Control quick guides for Research Administrators, Business Administrators, and Researchers (<http://www.upenn.edu/researchservices/exportcontrolsquickguides.html>) have been added to provide an overview of export controls and targeted information on the role that each of these groups plays in export compliance at Penn. We hope that you will find these new resources useful in helping you understand what you can do to help Penn remain compliant with the export control laws.

We welcome your feedback on the changes to the website. If you would like additional information on export controls or to schedule training on export controls for your administrative unit or lab group, please contact Missy Peloso, the Director of Export Compliance at epeloso@upenn.edu or 215-746-0234.

Congratulations and Farewell to Pam Caudill

After over thirteen years of dedicated service to the Penn research community, Pam Caudill, Associate Vice President for Finance and Associate Vice Provost for Research, has announced that she will be leaving the University at the end of July to become Chief Research Operations Officer at Harvard Medical School.

Pam was recruited in 1999 to Penn by Andy Rudczynski, then Associate Vice President for Finance and Executive Director, Research Services, to serve as a key member of his leadership team. Immediately upon her arrival, Pam was instrumental in implementing a full suite of electronic research administration tools including proposal development and the research inventory system. In 2001, she was appointed Director of Pre-award in the Office of Research Services (ORS).

With Andy's departure in 2006 and after a national search, Pam emerged as the most qualified candidate to lead the ORS. During Pam's tenure at Penn she has been an advocate for building bridges with administrative bodies responsible for various aspects of research administration across campus including School-based business offices and staff that complement ORS offerings. In addition to Pam's service on numerous University committees, she is also a member of the Board of Directors of the Council on Government Relations. In this capacity, Pam has taken on a national leadership role in advising on best practices for research administration at academic institutions.

We wish Pam well in her new role at Harvard University's Medical School. While Pam will be missed by the Penn community, we know that Harvard will benefit from all that she has accomplished throughout her distinguished career just as we did when she arrived on our campus. Please join us in extending sincere congratulations to Pam.

- Steven J. Fluharty, Senior VP for Research
- Stephen D. Golding, VP for Finance & Treasurer

To our Friend, Colleague and Mentor, we tearfully say, "Farewell and thank you Pamela Caudill!" For those of us who have had the pleasure of experiencing all, or any one of these relationships with Pam, you know for sure that you have had a "unique" encounter. Hopefully, we have all learned something more about ourselves and can stand taller knowing that we have a little more knowledge as a research administrator, directly related to her influence.

It is sad to say goodbye, knowing that Pam will no longer be just down the corridor, and we will miss the "open door" policy to her office, which made her very accessible and available for work related discussions and friendly conversations. You may not always have received the answers that you "wanted", but you could be certain that you would be given something to later ponder, which would ultimately lead you to "*the right thing to do*" – one of Pam's favorite clichés. However, it was also clear that if she stated the word "OK...", one could be assured that this was her way of giving you an opportunity to perhaps encourage you to "rethink" your position, just before she would tell you that she simply did not agree!

It goes without saying that we will truly miss her presence, and certainly she cannot be replaced. However, after having her for thirteen years all to ourselves, we sincerely wish nothing but the best for Pam as she moves on to what we believe will be a wonderful and challenging new extension of her career. Three big cheers from our heart to yours "PC"!!!

- Sheila Atkins, Associate Director, Subawards



(Pictured left to right, Pam Caudill and Sheila Atkins)

Recommendations for future newsletter articles or questions that you would like addressed may be sent to Yvette M. Wilmoth at ywilmoth@upenn.edu.