

Grant Administration

Glossary of Commonly-Used Terms in Sponsored Programs

Allowability: The determination of whether or not costs can be charged to a sponsored project as a direct or indirect cost.

Allocability: A cost is allocable to a particular sponsored project if the goods or services involved are chargeable or assignable in accordance with relative benefits received or other equitable relationship.

Cash Contribution: Represents the recipient's cash outlay, including the money contributed to the recipient by non-federal third parties.

Certify: To confirm formally as true, accurate, or genuine.

Certification: A signed statement by the employee or responsible official on the sponsored project that attests to the accuracy and completeness of the report.

Conflict of Interest (COI): Also referred to as "Financial Conflict of Interest (FCOI)", occurs when a divergence develops between an individual's private interests and professional obligations to the University such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise. In particular, a financial conflict of interest means a significant financial interest that could directly and significantly affect the design, conduct, or reporting of a sponsored project. Reviewer(s) of disclosure statements can find an actual or potential conflict of interest when it is determined that a significant financial interest of key personnel could directly or significantly affect the assigned campus activities and professional obligations of campus personnel. All key personnel must disclose all financial interests that would reasonably appear to be affected by the proposed activities.

Consistency: A cost is considered to be treated consistently when the expense is treated as either a direct or indirect cost under like circumstances.

Contract: A legally binding arrangement or performance agreement for carrying out a specific service or procuring a product that entails specific obligations for both sponsor and recipient. Generally, contracts will define specific details of the legal relationship between the participating entities and will incorporate the description and cost of the work to be performed either as a legally binding attachment or embedded in the contract document. Contracts are a more restrictive mechanism for securing services than grants, and may specify penalties for nonperformance.

Cooperative Agreement: A legal agreement between the federal government and any other entity. A cooperative agreement is when the federal government transfers something of value, usually money, to a state government, municipality or private company for a public purpose. In this type of agreement there is substantial interaction between the federal government and the other party. The main difference between a grant and a cooperative agreement is that in a grant there is not substantial interaction between the federal government and the awardee, whereas, in a cooperative agreement there is substantial federal involvement associated with the stated agreement.

Cost Match: Refer to *Cost Sharing*.

Cost Sharing: Cost sharing refers to the portion of the sponsored project not borne by the sponsor (generally the federal government). Cost sharing can be voluntary or mandatory (that is, required by means of a statute or law), and can take the form of either cash contributions or in-kind contributions. At times cost sharing is also referred to as “match.” For the purposes of this policy, “cost sharing”, “cost match”, “match” and “in-kind” shall have the same meaning.

Cost Sharing – Mandatory: That portion of the project costs and/or effort that the campus is required to provide under the terms of the sponsor agency’s contract or agreement. Some sponsors require that the recipient of an award provide some level of cost sharing or matching costs as a condition of receiving the award.

Cost Sharing – Voluntary: That portion of the project costs and/or effort that the campus provides on its own initiative when the sponsor does not require cost share or the amount of cost share provided is more than the sponsor’s mandatory requirement.

Cost Sharing – Voluntary Committed: That portion of costs and/or effort that is quantified and included in the proposal budget and award. Voluntary committed costs and/or effort must be reported and documented.

Cost Sharing – Voluntary Uncommitted: That portion of costs and/or effort that is over and above that which is committed and budgeted for but not charged to a sponsored agreement. Voluntary uncommitted effort is not required to be documented or tracked and is excluded from effort reporting.

Cost Sharing – Third Party: That portion of costs and/or effort provided by an entity or individual other than the prime sponsor, the University or the Foundation. The third party must agree to use resources provided as cost sharing. Such cost sharing can only be used on one project.

Direct Cost: Costs that can be specifically and easily identified with a particular project or activity and are allowable under the sponsor agency’s guidelines. Such costs cannot be contributed to and accounted for as cost sharing.

Effort: Allowable activity devoted to a sponsored or non-sponsored project that would be charged or committed directly to a contract or grant. Effort shall be reflected as categories of activities expressed as a percentage distribution of total activities rather than the dollar amount compensated.

Effort – Committed: The amount of effort (based on a percentage) proposed in any sponsored project application, regardless of whether salary support is requested.

Effort – Compensated: Effort consisting of campus assignment, reimbursed time, additional employment, direct pay, and cost share for faculty and staff who work on sponsored projects.

Effort – One Hundred Percent (100%): The total amount of effort expended to accomplish all professional activities of faculty and staff regardless of the actual number of hours expended on those activities. This includes all effort expended on recipient compensated sponsored research, administration, teaching, and other activity. Cost sharing activity is also included in the 100% effort. The effort must always equal 100%. The number of hours implicit in an individual’s 100% effort must be reasonable and supportable.

Example: converting part-time faculty at 60% into 100% effort (40%/60% instruction plus 20%/60% sum of sponsored research paid and cost shared equals 60%/60% or 100% effort).

Example: converting faculty approved for overload at 125% into 100% effort (80%/1.25% instruction plus 20%/1.25% sum of sponsored research paid and cost shared plus 25%/1.25% special assignment equals 1.25%/1.25% or 100% effort).

Effort – Proposed: The proposed amount of effort (by percentage) in any sponsored project application, regardless of whether salary support is requested.

Effort – Sponsored: Effort for work conducted on recipient sponsored projects, regardless of whether or not the sponsored project is paying for the work. Sponsored effort may include cost share.

Effort – University: Effort for work conducted on behalf of the University that does not involve an external sponsor.

Effort Reporting: A method of documenting the proportion of the individual's work time devoted to professional activities as a percentage of total professional activity. (Effort is not calculated on a 40-hour work week. If an individual works 80 hours in a week, 40 hours represents 50% effort.)

Equipment and Property – Government Grant/Contract-Furnished: Property directly acquired by a government entity and subsequently made available to the contractor.

Extramural Funding: General term for money coming from outside the University that is used to support a program or project. Funding sources could be federal, state or local governments, business, private foundations, or individuals.

Facilities & Administrative Costs (F&A): Refer to *Indirect Cost*.

Faculty: The academic teaching staff.

Governmental Funding Source: Research funded by the Public Health Service (PHS), National Science Foundation (NSF), or other sponsors that have adopted the federal requirements for financial disclosure.

Grant: A type of financial assistance awarded to an organization for the conduct of research or other program as specified in an approved proposal. The proposal typically defines a scope of work or performance. The sponsor makes an award, which may be based upon a competitive review, and establishes terms and conditions for performance.

Grant Administration: Grant Administration combines post award and grant accounting functions under one team to assist Principal Investigators (PIs) and their administrative staff in managing externally-funded projects throughout an award's lifecycle.

Independent Review Committee (IRC): Campus committee comprised of the Provost/Vice President for Academic Affairs, Vice President for Faculty Affairs (or Designee), and Dean of the College where the sponsor award resides. When it's determined that a financial conflict of interest exists, the IRC performs an independent review. On the basis of the review, the committee will

recommend to the President, or designee, whether funding for the research project should be accepted and, if so, whether any conditions are needed. For composition and function of the IRC, refer to HR 2015-05, Section 1.6. <http://www.calstate.edu/HRAdm/pdf2015/HR2015-05.pdf>

Indirect Cost: Those costs that are incurred for common or joint objectives, and cannot be easily and specifically identified with a particular sponsored project or instructional activity. These costs are also referred to as “facilities and administrative costs (F&A)” or “overhead”. Such costs may be contributed and accounted for as cost sharing when the direct costs associated with the project are those of the recipient of the prime award. Third party indirect is generally not acceptable as cost sharing.

In-kind Contribution: Represents the value of all noncash contributions including services and property, provided by the recipient and/or non-federal third parties. Also referred to as “cost sharing”.

Investigator: The Principal Investigator, Co-Principal Investigator(s), and any other person who is responsible for the design, conduct, or reporting of research or educational activities conducted under the auspices of the University, including investigators working for sub-grantees or contractors. Also refer to definition of *Principal Investigator*.

Memorandum of Understanding (MOU): A confirmation of agreed upon terms; a contract used to set forth the basic principles and guidelines under which the parties will work together to accomplish goals.

Non-Governmental Funding Source: Entities other than those listed in the *Governmental Funding Source* definition identified above.

Office of Management and Budget (OMB): United States Government office; the largest component of the Executive Office of the President. It reports directly to the President and helps a wide range of executive departments and agencies across the federal government to implement the commitments and priorities of the President. OMB also provides uniform guidance on administrative requirements, cost principles and audit requirements for federal awards (which includes research grant awards).

Overhead: Refer to *Indirect Cost*.

PICWEB: A PeopleSoft program used for class schedule entry, assigned time entry, and faculty workload report generation. The data is stored in staging tables and is eventually rolled or copied into PeopleSoft Production. This point of entry eliminates the need for double or multiple entry into various systems as the data is moved through an automated systems process.

Principal Investigator (PI): The University has the legal responsibility and authority for running the grant and expending grant funds. The University in turn grants to certain faculty and professional staff the authority to act as the PI of a sponsored program. The primary responsibility of the PI is to ensure sponsored program success.

Professional Staff: Professional staff includes all salaried and hourly employees other than faculty.

Property Management: Office responsible for recording, tagging, inventorying, disposing and selling of all University and Foundation-donated property and equipment.

Reasonableness: The determination of whether or not expenses are prudent in cost and necessary for the performance of the grant. (*Is the expense reasonable?*) A cost is reasonable if the nature of the goods or services acquired or applied, and the amount involved therefore, reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made.

Release Time: Also referred to as reimbursed release time or assigned time, is defined as the time a faculty member is released from normal teaching responsibilities to perform other duties such as working on a sponsored project. A teaching load is normally reduced in three (3) unit increments based on an academic year of 30 weighted teaching units (WTUs).

Research: From 45 CFR 46.102, “Research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge.” The term encompasses both basic and applied research.

Research – Basic: Systematic study directed toward fuller knowledge or understanding of the fundamental aspects of phenomena and of observable facts without specific applications towards processes or products in mind.

Research – Applied: Systematic study to gain knowledge or understanding necessary to determine the means by which a recognized and specific need may be met.

Salary Cap: A limitation imposed by the sponsor on the amount of salary that can be directly charged to projects.

Significant Financial Interest (SFI): Anything of monetary value, including but not limited to salary or other payments for service (e.g., consulting fees or honoraria); equity interests (e.g., stocks, stock options); being an owner, partner, director or officer in a non-publicly held company or entity; and, intellectual property rights (e.g., patents, copyrights) and royalties from such rights. For Investigators funded by the Public Health Service (PHS), an SFI includes a de minimis threshold of \$5,000 for disclosure which generally applies to payments for services and equity interests. This includes any equity interest in non-publicly traded entities. A reportable SFI is related to the Investigator’s institutional responsibilities. The term does not include:

1. Salary, royalties or other remuneration from the applicant institution.
2. Any ownership interests in the institution, if the institution is an applicant under the Small Business Innovation Research Program or Small Business Technology Transfer Program.
3. Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities.
4. Income from service on advisory committees or review panels for public or nonprofit entities.
5. An equity interest that, when aggregated for the Investigator and the Investigator's spouse and dependent children, meets both of the following tests: does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and does not represent more than a 5% ownership interest in any single entity.
6. Salary, royalties or other payments that when aggregated for the Investigator and the Investigator's spouse and dependent children, are not expected to exceed \$10,000 during the next funded twelve-month period.

7. Income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles.

Specialized Service Facilities: A specialized service facility (SSF), as defined by 2 CFR Part 220, Section J47 is an operating unit that provides highly complex or specialized services to internal or external users.

Sponsor: The external funding agency that provides an award directly to the University.

Sponsored Program: A grant, contract, or other agreement between the University and a sponsor agency. More specifically, those activities, sponsored whole or in part, by sources external to the University, for which there is an expectation (implied or specifically stated) on the part of the sponsor for performance, deliverables or outcomes. Sponsored programs are generally conducted by faculty, but may be conducted by staff or members of the University administration. Sponsored programs are awarded through various mechanisms such as grants, contracts, cooperative agreements, and/or other legally binding means of transfers.

Sub-Award: An award (sub-grant or subcontract) of financial support from a prime awardee to a qualified organization for the performance of a substantive portion of the programmatic effort funded under the prime award. This term also includes awards made by a subrecipient to a lower tier subrecipient.

Subrecipient: The legal entity to which a sub-award is made and which is accountable for the use of the funds provided in carrying out a portion of the prime awardee's programmatic effort under a sponsored project. A subrecipient has responsibility for programmatic and/or administrative decision making and adherence to the applicable sponsor program compliance requirements. Subrecipients may include institutions of higher education, non-profit organizations, for-profit corporations, and foreign or international organizations at the discretion of the external awarding agency.

University: California State University, Stanislaus and all of its auxiliaries and self-support enterprises.

University Department: Departments are the University's organizational unit to organize people, functions, and reporting relationships in a way that best supports the accomplishment of the University's goals.

Vendor: A vendor is responsible for providing goods or services necessary to conduct the research or other programmatic effort and is not responsible for the results of the effort. Vendors provide similar goods or services to many different purchasers. A vendor is only required to meet the terms of the procurement instrument and is not subject to compliance requirements of the federal program.