

Wadsworth Center

NEW YORK STATE DEPARTMENT OF HEALTH

EXTRAMURAL GRANTS ADMINISTRATION

GRANT CONTRACTOR REFERENCE MANUAL

Extramural Grants Administration
Wadsworth Center
Empire State Plaza, Room D350
P.O. Box 509
Albany, New York 12201-0509

Phone: 518-474-7002
Fax: 518-486-2191
scirb@wadsworth.org
hrrsb@wadsworth.org
nystemgrants@wadsworth.org

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I. Purpose

Research contracts require the timely reporting of scientific and fiscal information. The purpose of this reference manual is to assist investigators, fiscal staff, and research administration staff in managing the contract award. This reference manual does not supersede the language of the contract or negate the need to fully understand the terms of the contract. The manual is divided into the major areas of contract management: fiscal reporting and budget issues; reporting of scientific progress; and site monitoring of facilities.

Fiscal Reporting and Budgetary Issues

To be reimbursed for allowable budgetary expenditures, all contracts require the submission of a standard voucher (Form AC-92 or AC3253) and Budget Statement and Report of Expenditures (BSROE) on a quarterly basis. All vouchers must be submitted with appropriate documentation to support reimbursement requests. Refer to the contract for the exact reporting schedule and submission requirements. Note that vouchers cannot be paid without a BSROE. Vouchers submitted with overspent budget lines cannot be paid. Always refer to the latest approved budget when submitting vouchers for payment.

Over the length of the contract budget changes may become necessary. A number of options are available to provide flexibility to meet changing circumstances. Common budgetary changes include: Budget Modification Request (changes made within the current budget year), Request to Carry Forward Unexpended Funds into the Next Contract Year (moves unexpended funds into the next budget year), and a Request For No-Cost Time Extension (extends length of a contract if a project will require additional time to complete).

Scientific Progress Reporting

Timely reporting of scientific progress is vital to the successful management of research contracts. Progress Reports are used to determine if projects are progressing in a manner that justifies continued funding. They provide a vehicle for researchers to report and explain relevant information. Also, Progress Reports provide information used by the Department of Health for Annual Reports and other publications to ensure public accountability and program sustainability. Therefore, progress reports should accurately detail progress, setbacks, corrective measures, changes in key personnel or professional effort, as well as pertinent patent, publication, and training efforts. In quarters when a Progress Report is due, payment of vouchers is contingent on program approval of Progress Reports.

Reports are due on a regular basis with a Final Progress Report due at the end of each contract. Reporting requirements vary depending on the type of contract awarded. Refer to the contract for the exact reporting schedule and submission requirements. Forms will be provided by Extramural Grants Administration (EGA) staff to the contractor during the contract term.

Contract Monitoring

To ensure that program funds are being used in accordance with the terms of the contract, the program carefully monitors each contract. Monitoring involves scientific, administrative and fiscal review, including on-site monitoring visits.

Accurate record keeping is vital for prompt reimbursement. Complete documentation may be requested by program staff at random or in regard to programmatic issues.

Site monitoring visits may be conducted throughout the contract term. The purpose of these visits is to ensure compliance with fiscal and programmatic contract requirements and to foster scientific and administrative collaboration and communication. It is expected that institutions and individuals will comply fully with information requests. The exact nature of on-site monitoring visits will vary depending on the contract. Program staff will work with institutions to set up an agreed upon date and time to conduct site visits.

Communication with Extramural Grants Administration Staff

Any issues or concerns related to the conduct of research or other fiscal or programmatic matters should be referred to the Contract Management Specialist assigned to the contract. E-mail communications should be sent to the appropriate program e-mail address listed below. To facilitate a prompt response, reference the contract number in the "Subject" line.

Breast Cancer Research	Spinal Cord Injury Research	NYSTEM Research
hrrsb@wadsworth.org	scirb@wadsworth.org	nystemgrants@wadsworth.org

II. Fiscal Reporting and Budgetary Requirements

Use of Funds

Contract funds may be used only for reimbursement of budgeted expenditures necessary to carry out the approved research work plan to achieve the approved specific aims. Any changes in the approved contract budget must be approved by EGA in advance, see Budget Modifications on page 6.

Travel

Funds budgeted for travel to program-sponsored annual scientific meetings cannot be used for other purposes unless: a) the investigator or a representative attended the meeting and has funds left over in this category, or b) no meeting was held. Funds to defray the cost of other project-related travel are allowed, if adequately justified in advance.

All international travel must be pre-approved by the program, unless included in the approved contract budget.

Equipment Purchase and Disposition

Equipment is defined as non-expendable, tangible, personal property that has an acquisition cost of \$5,000 or more, is free standing, and has a normal life expectancy of one year or more. However, for purposes of indirect cost calculation, the program will follow the definition of equipment in the institution's federal agreement or its equivalent.

Only equipment requested in the application and approved in the contract budget may be purchased with contract funds. Equipment not approved in the original budget may only be purchased after prior approval has been obtained in writing from the program. Equipment may not be purchased within 90 days of contract termination.

Upon satisfactory completion of the contract, as determined by the State Department of Health, all equipment purchased thereunder may be retained by the contractor.

Facility and Administration/Indirect Cost Recovery Rate

Unless otherwise stated in the Request for Applications, indirect costs are based on the approved modified total direct cost budget. Modified total direct costs consist of all salaries and wages, fringe benefits, materials, supplies, services, travel and subcontracts up to the first \$25,000 of each subcontract (regardless of the period covered by the subcontract). Modified total direct costs exclude equipment, capital expenditures, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subcontract in excess of \$25,000.

The maximum allowable rate for indirect costs is stated in the RFA. The program will **not** provide indirect costs in excess of the amount that would have been permitted under the respective institution's federally negotiated rate and base.

Other Support

Overlapping support (scientific, commitment or budgetary) for the project is not permitted. If duplicate applications are approved for funding, the applicant must choose one and decline the other. In the event that key personnel receive other support for research that duplicates any portion of the contract, the institution must notify the program and propose a resolution. Total professional effort above 100% is not permitted. Vouchers submitted to the program must not include expenditures billed to other sources.

Changes in Key Personnel

Changes in investigator and/or key personnel are permitted with justification. Key personnel are defined as all individuals who contribute in a substantive, measurable way to the scientific development or execution of the project, whether or not salaries are requested. Consultants should be included if they meet this definition. If for any reason work on a project cannot be continued under the direction of the original PI, the PI or an official representative of the recipient institution must notify the program promptly to discuss the available options. A written proposal must be submitted to, and approved by, the program. For a change in PI, a written proposal and current curriculum vitae (CV) must be included. For other key personnel, submit an NIH-style, four page biosketch.

If, after discussion, the program does not accept the requested changes, all parties will be notified in writing and the project may be terminated. In this case, the final progress report and the final voucher must be submitted within 60 days of the termination date.

Change of Institution

If the PI chooses to move to another New York institution eligible to receive NYS awards, the award may be transferred to the new institution with approval of the original and new institutions, the program, and the Department of Health. The program will require assurances that resources are available to complete the work at the proposed institution. At the request of the PI, ownership of materials and equipment purchased or created with State contract funds for work on the project may transfer to the new institution upon program approval. Awards may not be transferred to institutions outside New York.

A Contract Assignment form must be signed by both the original and prospective recipient organizations agreeing to the date of release and the unexpended balance of the award. Changing institutions is a lengthy process lasting 9 months or more that requires the approval of the program, both institutions, the Department of Health, the Office of the Attorney General, and the NYS Office of the State Comptroller. Payment to the prospective recipient institution will be made only after the original recipient institution has released the award and the Office of the State Comptroller has approved the transfer and executed the contract assignment. Please contact your Contract Management Specialist for details regarding the appropriate paperwork and timing.

Changes to Professional Development Awards

Professional Development Awards include Empire State Stem Cell Scholar Awards and similar training or development awards. Requests for changes in PIs or mentors for these awards must be submitted as soon as possible and will be considered on a case by case basis.

If proposed changes would have the effect of nullifying the defining conditions of training, or if the requested changes are not acceptable to the program for any reason, the project may be terminated. In this case, the final progress report and the final voucher must be submitted within 60 days of the termination date.

Fiscal Forms and Usage

Standard Voucher and Budget Statement and Report of Expenditures (BSROE)

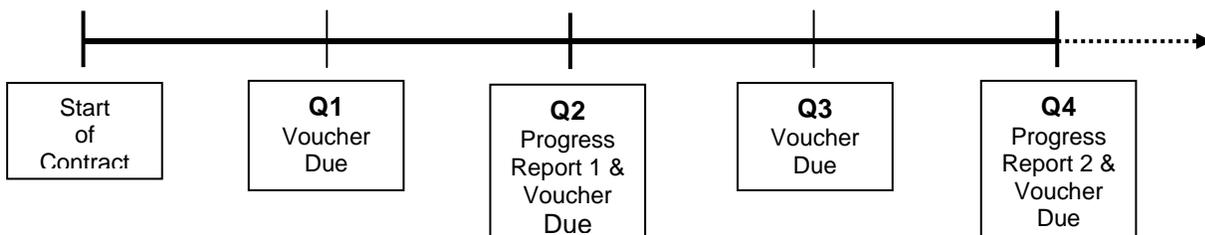
Vouchers are to be submitted quarterly. Contractors must use the Standard Voucher Form AC-92 (or AC3253). All vouchers must have an original signature. Expenditures must be shown by category and total expenditures must be calculated. A Budget Statement and Report of Expenditures (BSROE) must be attached. The first column should show the approved budget for the current budget period (current year, not entire project) by category. The second column should list prior expenditures for the current budget period (year). The third column should list current expenditures for this quarter only. The final column should list expenditures to date for the current budget period. Please be sure that all figures are mathematically accurate.

The voucher and BSROE are an official accounting of expenditures and must be signed by an authorized fiscal officer of the institution. Vouchers submitted with expenditures in excess of current budgeted amounts will not be paid. Changes in the approved budget must be requested in advance by the PI or a grants administrator. If a budget modification request has been received and approved by the program, the BSROE submitted must list the most recently approved budget lines.

The Program reserves the right to request additional backup documentation to support expenditures claimed on the BSROE.

The final voucher and BSROE are due no later than 60 days after the award termination date.

Sample Timeline: Quarterly Vouchers and 6 Month Progress Reports



Stop the Clock Letters

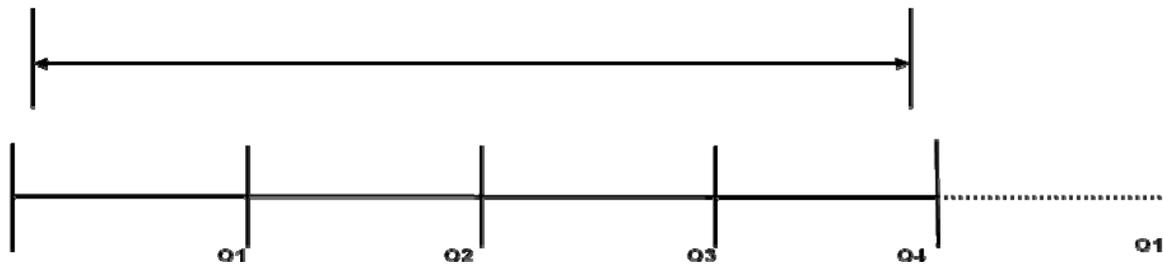
Under *Prompt Payment Legislation* contained in the State Finance Law, expenditure vouchers must be paid within thirty (30) calendar days of receipt. This “30-day clock” is stopped when any outstanding issues need to be resolved or corrections made to a voucher. Common reasons Stop the Clock letters are issued include: missing BSROE, incorrect budget information on BSROE, mathematical errors, over expended budget lines, overdue or missing Progress Reports. A *Stop-the-Clock* letter will be sent to the fiscal administrator and the PI. The letter will detail what action needs to be taken by the PI or institution to allow for the program to authorize payment.

Please note that vouchers received prior to the submission and acceptance of progress reports due for the same reporting period (i.e., Quarters 2 and 4) will receive a Stop the Clock letter. Payment will not be made until the progress report is received and approved.

Budget Modifications

Grant contract recipients may find a need to expend funds differently from the approved budget. For current year requests, submit the Budget Modification Request Form to the Contract Management Specialist. The request must be approved before affected vouchers can be submitted and paid.

Budget Mod(%) in Current Year



Please note that per Appendix A-2 of contracts:

Budget line interchanges: Any proposed modification to the contract which results in a change of greater than 10 percent to any budget category, must be submitted to OSC (Office of the State Comptroller) for approval.

Budget Categories consist of total Personal Service, total Other Than Personal Service and Equipment. This form requires justification of the requested change(s), including: (1) identification of the budget categories impacted by the change; (2) the reason for the change; (3) how the change will facilitate achievement of the research objectives; and (4) how/whether the original purpose of the funds will be met if the change is approved. Budget modification requests submitted to OSC for approval may take 6 months to review and may not be approved.

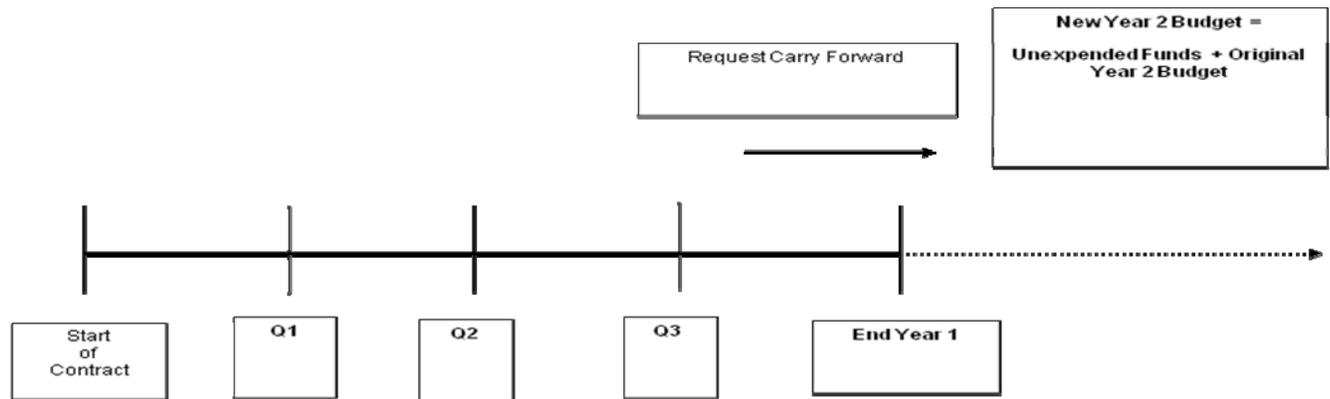
Changes implemented prior to approval are done at the contractor's risk. Expenditures made in excess of approved budget lines without approval will be disallowed.

Changes that violate the basic conditions of the award are not permitted, e.g., reducing the PI time commitment to less than the minimum required for the award type, or increasing the indirect cost rate.

Request To Carry Forward Unexpended Funds

Funds from one budget year are not automatically carried forward to the next budget year. During all but the final budget year, unexpended funds may, upon approval, be transferred to the next budget year through submission of a Request to Carry Forward Unexpended Funds.

The contractor must request approval from the program to carry forward unexpended funds no later than 60 days prior to the end of the budget year. Having unexpended funds in a budget is not sufficient justification to have requests approved. Justification must detail why the funds have not been spent as proposed in the Work Plan, how this situation will be remedied, and what impact this will have on the successful and timely completion of the contract. Approval requires that Progress Reports and all protocol approvals are up to date. Funds must be carried forward into the same budget category from which they originated. For example, unexpended funds in the "Supplies" category must be carried forward to the "Supplies" category of the subsequent year.



The program may disallow the use of unexpended funds not carried forward according to these procedures. Following program approval, the Carry Forward request must be approved by the NYS Department of Health, the Attorney General's Office and the Office of the State Comptroller, utilizing an Appendix X to amend the original contract terms. Subsequent vouchers should reflect the new budget figures once approved.

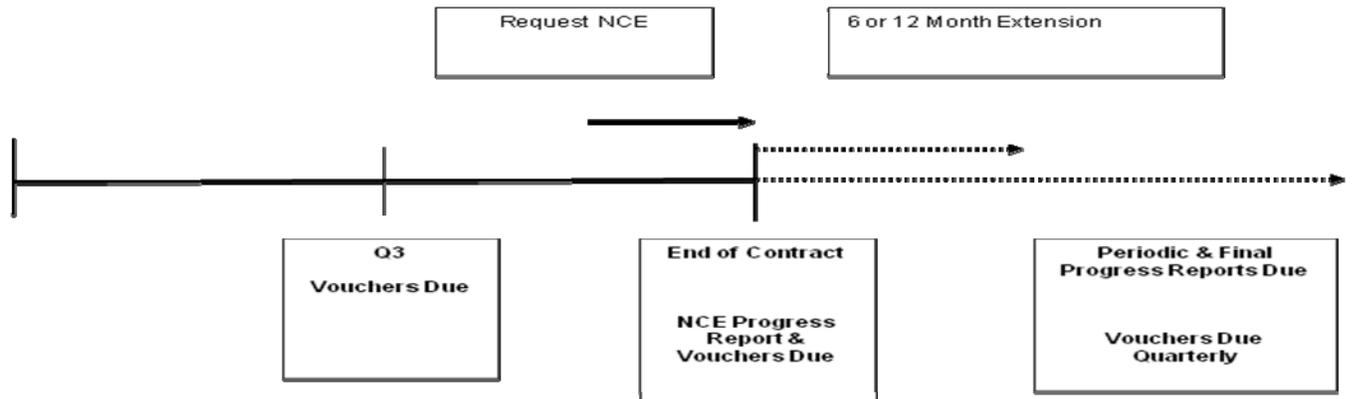
Request for No-Cost Time Extension

In the event the Work Plan is unable to be completed prior to the award termination date, a six month or one year extension may be requested. Use the Request For No-Cost Time Extension to request a change to the end date, increase the project length, and carry forward unspent funds into a new period. Such a request must be received by the program no later than 6 months prior to the end of the final year of the award in order to allow for

timely processing. The request must include the estimated funds remaining and a justification for the need to extend the project. Having unexpended funds in the budget is not sufficient justification to extend the length of the contract. Approval requires that Progress Reports and all protocol approvals are up to date.

Failure to submit the No-Cost Time Extension request may result in loss of the funds remaining at the original contract termination date. A No-Cost Time Extension requires approval by the program, the Department of Health, the Office of the State Comptroller, and the Office of the NYS Attorney General, utilizing an Appendix X to amend the original contract terms. This process takes as long as 6 months to complete and approval is not guaranteed. If the no cost extension request has not been approved prior to the original end date of the contract the contractor assumes all risk for expenditures incurred past that date.

Progress Reports and vouchers are required to be submitted on a regular basis during the approved No-Cost Time Extension period.



III. Scientific Progress Reporting Requirements

Complete and satisfactory Progress Reports for each contract must be submitted in electronic format by the contract specified deadlines. Progress Reports for the period must be received and approved by program staff before any pending vouchers for the award will be paid. Failure to submit the required information by the dates indicated will result in withholding of payments. The contents of required reports are outlined below. Up to date protocols are required for all awards using human subjects, animal subjects, pluripotent stem cells, and/or recombinant DNA as required by the contract. A sample reporting schedule follows. Specific reporting requirements are contained in the contract.

Report Due Dates		
Contract Start Date (stated on contract cover page)	Progress Reports (semi-annual)	Vouchers (quarterly)
January 1	July 30, January 30	April 30, July 30, October 30, January 30
April 1	October 30, April 30	July 30, October 30, January 30, April 30
July 1	January 30, July 30	October 30, January 30, April 30, July 30
October 1	April 30, October 30	January 30, April 30, July 30, October 30

A progress report is required for each project period as stated in Appendix C of the contract. No disbursement of funds will be authorized without an approved progress report. A *Stop-the-Clock* letter will be sent to the grant administrator and the PI.

Please e-mail the entire progress report (using Microsoft Word (DOC or DOCX format) including all sections:

In addition, copies of publications resulting from program support should be submitted as Portable Document Format (PDF) attachments to progress reports. See the contract for the specific program acknowledgement language to use when submitting papers and abstracts for publication.

If a required section is not applicable (e.g., Publication), submit that section marked "Not Applicable."

Include the name of the Principal Investigator and contract number in the "Subject" line of the e-mail. Progress Reports should be submitted electronically to the appropriate program address:

scirb@wadsworth.org or hrrsb@wadsworth.org or nystemgrants@wadsworth.org

Section 1-Progress Report

The Principal Investigator is responsible for providing a well-organized and comprehensive reporting that includes the activities and progress of all collaborators, subcontractors, consultants and subprojects. For contracts with subprojects, please include required information for each subproject; ensure each subproject is identified. Consecutively number all pages of this report, using additional pages as necessary. If there is nothing to report in a section during the reporting period, state "Nothing to Report."

Complete the information requested. For contracts with subprojects, please include required information for each subproject; ensure each subproject is identified.

Section 2-Lay Abstract

Using lay language, briefly summarize the progress toward completion of the specific aims that has been made **since the beginning of the contract**. This text will be made public to demonstrate the success of the program; do not include confidential information. Using copies of previously submitted abstracts, or the abstract from the application, is not acceptable. Please be sure to define abbreviations. **DO NOT EXCEED 300 WORDS.** **Use this format:** Introduction/Background; Progress Toward Specific Aims; Future Directions; and Impact.

Section 3-Scientific Progress

Include a statement of each aim, followed by a detailed account of progress made toward its accomplishment during the reporting period. Include data to support findings. Describe any significant problems encountered that jeopardize the successful completion of the aims. Explain the implications of the problems encountered and the anticipated/planned solutions and/or adjustments. The PI is reminded that prior approval is required whenever there are significant changes in the project or its direction. If applicable, explain:

- The reason for eliminating an original aim
- The relevance of any proposed modified or new specific aim(s) to the project's mission and research priorities
- Progress toward achievement of new or modified aims that were previously approved.

Section 4-Personal Effort

List **all personnel** devoting effort to the project, including support personnel. Indicate the percentage of effort for all personnel as most recently reported. Approval is required prior to any changes to key personnel. Describe any changes in role. Indicate date of change. The principal investigator must maintain at least the minimum percentage of effort indicated in the RFA.

Section 5-Other Support

Repeating the format shown below, provide current information on all active and pending sources of support for **each key personnel listed in Section 4 of this report**. If the individual listed has no other active or pending support, check the box and list the next person. For each entry of other support, provide the name of the funding agency and indicate whether the support is active or pending. Provide the grant/contract number and the name of its PI. Indicate whether data from the contract that is the subject of this progress report contributed to the application for each source of other support. Provide the start/end dates of the award/pending award, the annual direct costs, and the percent of effort this Key Personnel is devoting, or will devote, to this source of support. Provide the title of the project or subproject. Indicate whether the project involves stem cell research. If 'Yes,' provide the specific aims of the project. For each pending project, indicate whether it includes any scientific or budgetary overlap with the contract that is the subject of this progress report. If 'Yes,' provide the intended resolution if the pending application is funded.

Section 6-Publications

Research results must be disseminated and made easily available to the research community and the lay public in compliance with the terms of the contract (Appendix A-2). Using the format shown, provide a complete citation for each manuscript published during the reporting period. Indicate whether NYSTEM, SCIRB or HRSB funding contributed to the publication. If yes, attach a portable document file format (PDF) of each publication cited, including all items in press or published (do not include those "in preparation" or "submitted"). Also indicate whether NYSTEM, SCIRB or HRSB funding is acknowledged in the publication.

Section 7-Patents, Licenses and Invention Disclosures

Provide a list of all invention disclosures made, patents applied for or issued, or licenses issued during the reporting period that were developed, in whole or in part, with funds from this contract. Indicate the title of the disclosure, patent or license and the term for which the patent or license is in effect. NY investigators should also provide the NY Case Number, and investigators at other institutions should provide reference information such as internal case docket numbers together with other available information that has been made public, if any (e.g. other identifier numbers and date of the filing). Describe the invention and its potential importance. Do not submit confidential information in this description; it may be made public to demonstrate the success of the program. Provide a copy of the executed disclosures or agreements (e.g. invention disclosures, patent filings, licenses) marked "Proprietary/Confidential."

Section 8-Other Products of the Project

List and describe any other products resulting from the project. These may include:

- Websites or other internet products
- Technologies or techniques

- Databases, software
- Curricula, educational aids, audio or video products
- Research Material (e.g. cell lines, probes, animal models, assays)
- Other

Indicate how these products are being shared/made available.

Section 9-Training & Professional Development

Describe opportunities for training and professional development provided to those who worked on the project or were involved in activities supported by the project. Training activities may include courses or one-on-one mentoring. Professional development activities result in increased knowledge or skill in an individual's area of expertise, e.g. workshops, seminars that are not listed elsewhere in the report.

For awards that specifically require mentoring and career development activities, this Section must be completed by the mentor and specifically address the career development plan included in the contract.

IV. Site Monitoring

Contractors should anticipate periodic site monitoring visits to be conducted at a mutually agreeable date and time. The purpose of site monitoring visits is to ensure that funds are being used in accordance with the contract and that contract deliverables are being met. Importantly, site visits allow PIs and institutional personnel the ability to communicate directly with program staff to enhance mutual understanding of all aspects of the program. Primary areas addressed during a site visit are: fiscal controls and record keeping; administrative controls and compliance; and facilities. A typical on-site visit will include review of a) laboratory facilities; b) equipment purchased with contract funds; c) usage records of contract related equipment; d) time records of staff paid with contract funds; and e) vouchering and Progress Report requirements and issues.

To facilitate the on-site visit and optimize contract performance, documentation may be requested in advance. Items will vary by contract and could include but are not limited to:

- policies, procedures and documentation related to compliance with standards regarding the proper conduct of research
- current federal and State assurances and certificates
- current IACUC, IRB, ESCRO and IBC protocol approvals
- policies, procedures and documentation related to fiscal integrity
- equipment and supply purchasing
- contract vouchers and supporting records
- payroll
- percent effort
- calculation of fringe benefit rates
- facilities and administrative cost methodologies.

Support documentation for one or more vouchers will be required.

Results of the monitoring visit and any required follow up will be sent to the PI and appropriate institutional officials.