

Mayo, David J.

From: Mayo, David J.
Sent: Monday, February 8, 2021 6:26 PM
To: Abramyan, Alexander (Alex); Albanez, Christa L.; Albertson, Pamela S.; Aradhya, Shruthi; Athey, Rochelle; Ayala, Elizabeth M.; Baker-Gatchalian, Kimberly; Banks, Ishaminah L. (Minah); 'Boladian, Aleen A.'; Brennan, Victoria (Vicky); Brown, Bonita K. (Bo); 'Bubash, Kathy'; 'Callihan, Elizabeth R.'; Carlson, Cynthia L. (Cynthia); 'Cheng, Rosemary B. (Binh)'; 'Chik, Mabel'; 'Chittum, Jeri'; Chow, Annie J.; Colombo, Regina; Creger, Maria A. (Alicia); 'Curtis, Scott D.'; Dang, Tuyen T.; 'Ekmekjian, Dolores (Loly)'; Epalle, Marionne L.; 'Finigan, Kathryn (Kate)'; 'Fisher-Adams, Grace C.'; Fong, Winnie; 'Fowler, Marcy'; Gamboa, Cecilia A.; Garcia, Erika F.; Garlock, Elyse; Geard, Catherine; George, Collette; Gonzalez, Yesenia; 'Grant, Yvette'; Hansen, Hannah M.; He, Amanda H.; 'Hepworth, Martha'; Hoyt, Margot A.; Hsu, Helen E.; Hsu, Tasha; Katsikakis, Haralabos T. (Tom); Keanaaina, Gabriella; Kirk, Melinda A.; Leonardo, Jo; 'Lester, Sandra K.'; Lin, Ling Y.; Mancuso, Gina (Gina); Marr, Stephen I.; Martinez, Ruth C.; Mateo, Jaymie L.; McClain, Judy; 'Miranda, Michael'; Mojahedi, Donna; 'Nakashima, Cheryl'; Navarrete, Debra R.; 'Nelson, Dimity'; Nguyen, Kristy T.; Nielsen, Stefany A.; Oracion, Karl; 'Oshima, Nora J.'; 'Powell, Susan Diane'; Robles, Rosalba (Rosa); Rodriguez, Raquel A.; Rodriguez-Avina, Jury E. (Yuri); 'Salcedo, Martha E.'; 'Schoen, Julie'; 'Scott, Linda L.'; Scoville, Stacey L.; Seymour, Lynn R.; 'Shull, Sheila K.'; Sikora, Mary; Silberstein, Carol S.; 'Sosnowski, Carol Ann'; Steele, Heather G.; 'Steenberg, Marlene'; Stoll, Sheri K.; 'Suarez, Lydia'; Sullivan, Anne M.; Sullivan, Joan O.; 'Ta, Marcella'; Taweessup, Patama; Terrones, Ulrika; Torres, Alvin A.; Wang, Yuhsien; 'Weed, Sherri'; Westcott, Samantha J. (Sam); 'Wong, Kevin'; Yamashita, Shannon; Younger, Candace A.
Cc: Sponsored Research Dept; Perez, James M.; D'Apuzzo, Chantal M.; Koyzis, Pamela D.; Balian, Laurice M.; Welch, Tye C.; Koch, Adilia; Lowenthal, Tina; Marquez, Monica L.; Patterson, Sharon E.; Campbell, Mary (Mary Beth); Gharib, Maral; Kastanas, John; Policroniades Borraz, Palas Atenea (Palas)
Subject: RE: Miscellaneous Research Administration Topics

Hello, everyone – it was pointed out to me that I incorrectly described one of the processes below under the section titled “Charging Committed PI/co-PI Effort to Federal Awards”. I have corrected the wording and it is highlighted below.

My apologies for any confusion this may have caused.

Thanks,

David

From: Mayo, David J.
Sent: Monday, February 8, 2021 1:40 PM
To: Grant Managers
Cc: Sponsored Research Dept <SponsoredResearch@ad.caltech.edu>; Perez, James M. <jmperez@caltech.edu>; D'Apuzzo, Chantal M. <cdapuzzo@caltech.edu>; Koyzis, Pamela D. <Pamela.Koyzis@caltech.edu>; Balian, Laurice M. <Laurice.Balian@caltech.edu>; Welch, Tye C. <Tye.Welch@caltech.edu>; Koch, Adilia <adilia.koch@caltech.edu>; Lowenthal, Tina <Tina.Lowenthal@caltech.edu>; Marquez, Monica L. <Monica.Marquez@caltech.edu>; Patterson, Sharon E. <Sharon.Patterson@caltech.edu>; Campbell, Mary (Mary Beth) <marybeth@caltech.edu>; Gharib, Maral <maral@caltech.edu>; Kastanas, John <jkastanas@caltech.edu>; Policroniades Borraz, Palas Atenea (Palas)

<palas@caltech.edu>

Subject: Miscellaneous Research Administration Topics

Dear Grant Management Personnel:

Following are some new items, and reminders of existing topics regarding the preparation of proposals and administration of awards.

NEW ITEMS

NIH Salary Cap: NIH has issued its annual update to the NIH Salary Cap. The new rate is \$199,300, effective January 3, 2021. Cayuse now shows the updated rate, as do the new OBI NIH Salary Cap Reports.

https://grants.nih.gov/grants/policy/salcap_summary.htm

Use of the Term “co-Principal Investigator”: Caltech policy discourages the use of the term “co-Principal Investigator” in extramural proposals (Faculty Handbook, Chapter 7). *However, when a proposal identifies more than one Caltech PI/co-PI, the proposal should identify a single Caltech Principal Investigator who will assume primary responsibility for the project.* The Faculty Handbook will be updated to reflect this requirement.

Purchasing goods or services from Huawei, ZTE, and other companies: Purchasing has issued guidance to P-Card holders about government-imposed restrictions that limit Caltech’s ability to purchase goods or services from Huawei, ZTE and other companies, regardless of whether the goods or services will be used on or paid from federal awards. The guidance can be found here:

<https://researchcompliance.caltech.edu/export/national-defense-authorization-act-ndaa-section-889>

Office of Export Compliance: Organizationally, the Office of Export Compliance (OEC) has moved under the Office of Research Compliance, and the OEC webspace has moved in tandem. If you had saved any links to OEC webpages or documents, you can now find them here:

<http://www.researchcompliance.caltech.edu/export>

REMINDERS

PI Eligibility: Caltech has a long-standing policy that sets forth the eligibility of individuals to act as Principal Investigator/co-Principal Investigator (PI/co-PI) on sponsored awards (see Faculty Handbook, Chapter 7). By default, Caltech professorial faculty are eligible; others will normally require prior approval of the Vice Provost for Research (VPR) to act in that capacity. The Division Approval Form (DAF) should normally reflect those Caltech individuals named in the proposal who will act in the role of PI/co-PI, however, the need for VPR approval is based on the role of an individual as described in the proposal, even if they are not included on the DAF. See PI Eligibility Clarification (10/23/2018) for additional guidance:

http://researchadministration.caltech.edu/documents/16209/pi_elibility_memo_10-23-2018_.pdf

Commitments of PI/co-PI Effort in Federal Proposals:

Each PI/co-PI of a proposal that requests federal funding must commit a level of effort commensurate with the amount of time each PI/co-PI expect(s) to devote to the award. This is a federal requirement and no one at Caltech or a federal agency has the authority to waive this requirement.

However, there are a few standing exceptions to the federal requirement, which are described in Caltech policy.

- grants only for instrumentation acquisition or development;
- grants restricted by the sponsor for dissertation support, undergraduate or graduate student training, or other awards intended to provide student financial assistance;
- limited purpose awards such as travel grants and conference grants;
- postdoctoral fellowship awards where a professorial faculty member serves in an advisory capacity.

The key qualifier for the exceptions described above is that the *sponsor* restricts the proposal/award to these activities (e.g., an instrumentation or training/fellowship opportunity). In contrast, proposals submitted for similar types of support, but for which the sponsor does not restrict the activity, would require commitment of PI/co-PI effort (for example, proposals that simply describe the activity as student or postdoc support).

http://researchadministration.caltech.edu/documents/16183/june_13_2016_policy_on_commitment_of_effort.pdf

Charging Committed PI/co-PI Effort to Federal Awards:

Further to the commitment of effort described above for federal proposals, Caltech requires PIs/co-PIs to include the cost of their committed effort in the proposal budget and to charge it to the award. When a PI/co-PI does not charge their committed effort to the award, they create voluntary committed cost sharing that Caltech must track, document and which may require reporting to the sponsor. Voluntary committed cost sharing results in a loss of overhead recovery for Caltech.

To the extent that a PI/co-PI chooses not to include the cost of committed effort in the proposal budget or to charge it to the award, the PI/co-PI is responsible for reimbursing the general budget **from non-federal funds for the indirect costs related to the uncharged effort (salary and benefits)**.

This is a Caltech requirement and exceptions should be discussed with the Division Chair and approved by the Provost prior to proposal submission.

http://researchadministration.caltech.edu/documents/16183/june_13_2016_policy_on_commitment_of_effort.pdf

Changes to Committed PI/co-PI Effort on Federal Awards:

When Caltech receives a federal award that includes PI/co-PI committed effort, OSR will enter the committed effort into the financial system; this entry acts as a baseline against which Caltech will compare salary charges to determine whether the effort commitment has been met.

Federal regulations allow that for most awards, the PI/co-PI has the discretion to reduce their effort by up to 25% of the committed amount. If the PI/co-PI wishes to make such a reduction, they should contact OSR to confirm that the award allows for the reduction, and so that OSR can record the reduction in the financial system.

Reductions of PI/co-PI effort in excess of 25% of the committed amount require sponsor approval. If the PI/co-PI wishes to reduce their effort by more than 25% of the committed amount, they should provide the following information as part of their request to the sponsor:

- Reason for the reduction and explanation of how the PI's/co-PI's obligations under the award will be met within the reduced level of effort;
- Reduced level of effort;
- Effective date of the reduction.

Requests to a sponsor for a change in PI/co-PI effort should be coordinated with OSR, as many sponsors require submission via grant management systems. Also, OSR must record the approved changed of effort in the financial system.

If you have questions about effort reduction on sponsored awards, please contact OSR.

Research Administration:

- Various Caltech policies and guidance documents related to research administration can be found here.

<http://researchadministration.caltech.edu/policies>

- Previously issued notices and reminders (like this one) can be found here.

<http://researchadministration.caltech.edu/policies/Notices>

If you have any questions, please feel free to contact me.

David

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