

# Managing Externally Funded Sponsored Programs: A Guide to Effective Management Practices

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**COGR**

Council On Governmental Relations

*An association of research universities, affiliated medical centers, and independent research institutes*

# About the Guide

To help institutions review their management systems and internal controls. The Guide suggests effective practices with indicators throughout to test those practices.

Originally published in 1989. Last updated in July 2009. Currently in its 7<sup>th</sup> edition. Available on-line, with direct hyperlinks to resources. The revised guide will be updated periodically in response to regulatory changes.

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## MANAGING EXTERNALLY FUNDED SPONSORED PROGRAMS:

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A GUIDE TO EFFECTIVE MANAGEMENT PRACTICES

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## Effective Management Practices

### Managing Externally Funded Research Programs (Updated March 2016):

#### A Guide to Effective Management Practices

COGR is excited to release the much anticipated 2016 update to the Effective Management Practices Guide. The 2016 version incorporates the latest regulatory updates and other new content. In addition, this update includes bookmarks for ease of navigation and hyperlinks to direct the reader to related material both within the document and online. While the online version will updated as needed and can be downloaded and printed anytime, COGR will also have booklets available for purchase soon.

[Click Here For 2016 Guide](#)

[Click Here for 2009 Guide \(Previous Version\)](#)



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# What's changed?

- Title: "Managing Externally Funded Sponsored Programs"
- From 12 principles to 8 (streamlined)
- Preamble – to be included in online version to maintain flexibility
- Principle I – added International Transactions & Electronic Research Administration
- Principle III- Financial Administration, addresses UG
- More emphasis on cost sharing (e.g. not expected by sponsors)



# What's changed, cont'd.

- Added new Principle, Institutional Infrastructure
- Added Information Management/Security
- Revised former Protection Regulations and renamed to Integrity and Protection Regulations
- Spiral bound!

**Practice C.** The institution has appropriate policies and processes for defining and distinguishing sponsored programs from gifts and other sponsored activities.

**Indicator 1.** The policies comply with appropriate federal tax codes, [Financial Accounting Standards Board \(FASB\)](#), [Governmental Accounting Standards Board \(GASB\)](#) and [2 CFR 200 "Uniform Guidance"](#) (hereafter referred to as 2 CFR 200.).

**Indicator 2.** The responsibility, criteria, and process for making a determination are clearly defined.

## **Principle II-2. Administrative Requirements**

**The institution has trained personnel who are knowledgeable about sponsor regulations, policies, and procedures.**

**Practice A.** Roles and responsibilities are clearly delineated for research, administrative, and financial personnel involved in sponsored programs.

**Indicator 1.** Principal investigators understand and accept their specific management responsibilities for the awards that the institution receives on their behalf and are aware of resources available to assist them in managing sponsored projects.

**Indicator 2.** Training opportunities are available for all personnel that participate in sponsored programs regarding the administrative, regulatory, and financial requirements of awards (including the appropriate sections of [2 CFR 200](#) and [Federal Acquisition Regulations \[FAR\]](#)).

## Internet Resources

### OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

[http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)

### US Code of Federal Regulations (CFR)

<http://www.ecfr.gov/cgi-bin/ECFR?page=browse>

### Federal Acquisition Regulations

<https://www.acquisition.gov/?q=browsefar>

### Internal Revenue Service (IRS)

<http://www.irs.gov/>

### American Institute of CPAs

<http://www.aicpa.org/Research/ExternalLinks/Pages/TaxesStatesDepartmentsofRevenue.aspx>

## Endnotes:

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<sup>1</sup> [Since 1996, the Federal government uses the term "facilities and administrative" costs \(F&A\) rather than "indirect" costs to refer to costs that are not separately assigned to an individual project but are charged as a percentage of the direct costs to cover institutional costs like electricity, sponsored project administration, etc. In this document, we use F&A rather than "indirect" while recognizing that hospitals that work through their intermediaries to establish Medicare cost reimbursement continue to use the term "indirect" to refer to similar cost rates.](#)



# Glossary - New

## **Effective Practices Glossary**

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### **Allocable Costs**

As defined in §200.405 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR § 200), Costs are allocable if 1) the costs are incurred specifically for the Federal award; (2) the costs benefit both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and (3) the costs are necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.

# Stay tuned!

- Institutions will be receiving 5 hard copies each to their Primary Representative (no charge)
- Additional copies will be available for purchase for a nominal fee
- Online version available 24/7, updated regularly (as needed), hyperlinked for ease of use/reference

# Questions?