Principal Investigators (PI) are ultimately responsible for all aspects of sponsored project(s) they conduct, including the scholarly activity and proper stewardship of awarded funds. The University is responsible for establishing effective administrative systems and processes to support PIs in their research project management and administration. This booklet identifies a number of key responsibilities of the PI as they relate to the administration of a sponsored project. It is not meant to be comprehensive, but rather to serve as a broad overview. Where appropriate, hyperlinks to additional information are included, and faculty researchers can always visit the Research & Engagement website (R&E) for more detailed information on any topic relating to research administration and compliance. We are also available to assist by phone or email; please refer to the R&E staff directory.

Proposal and award management

As the technical expert or lead collaborator, the Principal Investigator (PI) generally directs and coordinates proposal development, typically with the support of a department, school or college business manager or research administrator. The Research Business Manager Network staff is also available for direct proposal assistance and expert consultation with local support staff. PIs may opt, where appropriate, to utilize the services of the Office of Research Development or the UM Innovation Institute (for industry sponsors and collaborations). Proposals are reviewed/endorsed institutionally and submitted to sponsors by the Office of Grant & Contract Administration (OGCA). Awards are reviewed, negotiated and accepted by OGCA or UMII (for industry sponsored projects) in collaboration and consultation with the PI. Department, school or college business managers or research administrators assist with expenditure account management and post-award research administration activities, including closeout in cooperation with the Controller’s Office.

Proposal Development and Submission

Principal Investigators should:

• Work with the department, school or college business office and/or Research & Engagement support offices (Research Business Manager Network, Office of Research Development or UM Innovation Institute) to develop proposals.
• Allow sufficient time for necessary review and approval from the Department Head/Chair, the Dean and any other special approvals or endorsements required (including University compliance committees where necessary).
• Submit to OGCA for institutional endorsement and submission to external sponsor.
• Meet University, sponsor or other project related due dates.
• When considering a new project, ensure that the level of effort required to complete the project can be met relative to existing effort commitments.
• Obtain appropriate approval for all cost sharing (mandatory and voluntary) at the time of proposal preparation.
• Recognize that his or her signature on a submitted proposal demonstrates that s/he has a responsibility to the sponsoring agency.
• Recognize that s/he shares responsibility with the department business office and central administrative staff for the ongoing and compliant management of sponsored projects.
**Award Documentation**
PIs should review and maintain the following information for each award:

- Notice of Award: Confirm: a) project deliverables, b) any restrictions on project changes, c) return of unspent balances or carryover authority, and d) possible associated program income.
- Communications: Any correspondence between the sponsor and other related parties (e.g., subrecipients/subcontractors) that is related to the award.
- Expenditure Documentation: Records that demonstrates the expenditure charged to the award was appropriately approved by the PI and that the expense is allowable, allocable and reasonable in accordance with governing federal regulations ([2 C.F.R. 200](#)).
- Financial Accounting Information: PeopleSoft financials and other similar reports.

**Project Expense Account Management**
PIs should:

- Identify significant dates and activities such as due dates for interim reports, final progress/technical reports, completed milestones and competing renewal proposals.
- At least quarterly, review and verify award expenditure reports prepared by the business officer/research administrator.
- Always be aware of the funds available to support their projects.
- Review and approve documentation of project changes prepared and maintained by the business office. Some project changes require prior approval from the sponsoring agency (e.g., changes in key personnel; and significant changes in PI effort defined as the absence of the PI from a project for more than 3 months and/or a reduction in effort of 25% or more).

**Award Closeout**
At least 3 months prior to expiration of the award, the PI and the business manager or research administrator should review the project’s financial status. All necessary adjustments (e.g., journal entries, payroll adjustments) should be made to ensure an orderly closeout. In closing out an award, particular attention should be given to:

- Ensuring completeness, accuracy and allowability of all categories of direct costs before the close of the budget period;
- Planning for updates to both payroll and procurement systems to ensure a smooth closeout or transition of financial activities to a new account number, if appropriate; and
- Assuring that subrecipients/subcontractors have submitted all required deliverables and invoices.

Additionally, when a sponsored project ends (or is transferred/terminated), certain other actions are required to ensure an orderly closing of the award. While these actions may vary by sponsor, the following are necessary for most projects:

- Final technical or progress report
- Final report of inventions
- Final inventory of equipment
- Final financial report (including any required cost sharing)

Financial management and closeout activities are supported and assisted by the [Controller’s office Research Accounting](#) staff.
Effort reporting
Universities must maintain an effort reporting system that allows responsible individuals to reasonably certify the portion of effort devoted to each sponsored project. UMass uses the ECRT online system for its effort reporting.

• Effort reports must include effort devoted to sponsored projects and all other activities for which the individual is compensated by the University.
• Effort reports should be completed using reasonable estimates of actual effort, not payroll distributions. The University uses payroll distributions to initially estimate effort. These distributions must be changed if the distribution differs from the actual effort expended.
• Effort reports must total 100% of University-compensated effort regardless of the number of hours or the appointment status of the individual.
• All faculty must certify effort reports.
• Some sponsors (including NIH and USAID) set a reimbursement cap on the salary that can be paid from an award. Specific attention must be given to these sponsors so as to not overcharge the award. Salary over the cap must be captured in a cost sharing account.
• Non-faculty effort reports must be certified by a responsible individual using a suitable means of verification that the work was performed.

Direct costs
Some types of expenses can never be charged to federal awards, and others can only be charged in certain circumstances. In general, directly charged costs:
- Must be specifically identified with a particular project – that is, must directly benefit the project to which it is charged;
- Must be allocable, or charged in proportion to their benefit, to a project;
- Must be allowable (i.e., certain costs, such as entertainment, may not be charged to a Federal grant under any circumstances);
- Must be reasonable, reflecting the conservative actions of a “prudent person”;
- Should be charged correctly the first time to avoid cost transfers; and
- Must conform to any limitations or exclusions in the award agreement.
Costs included in the University’s facilities and administration cost rate (known as “F&A”, indirect costs or overhead) cannot normally be directly charged to a federal award. Such costs typically include, but are not limited to, administrative staff, cell phone charges, and “general purpose” office supplies or equipment.

Cost transfers
Cost transfers are a means of correcting errors and should not be used as a method of managing sponsored awards. Consider the following when executing a cost transfer:
- Costs not allocable to a project cannot be transferred to that project, even temporarily. Instead, charge these types of costs to a Research Trust Fund (RTF) account.
- Appropriate cost transfers must be made within 90 days of the end of the calendar month in which the expense was incurred.
- Cost transfers must be supported by documentation that fully explains how the error occurred and a certification of the correctness of the new charge. An explanation merely stating that the transfer was made “to correct error” or “to transfer to correct project” is not sufficient.
- Transfers of costs from one project to another or from one competitive segment to the next solely to cover cost overruns are not allowable.

Controller’s Office staff are available to assist with questions regarding cost transfers.
**Subrecipient monitoring**
Monitoring the performance of a subrecipient/subcontractor is primarily the responsibility of the PI with the support of the department/school/college business office and central administrative services as appropriate. To fulfill their key responsibilities relative to subrecipients/subcontractors, PIs:
- Must review and approve all subrecipient/subcontractor invoices for reasonableness.
- Must ensure that all required deliverables are met and/or received.
- Should work with the department business managers or research administrator to ensure that the subrecipient/subcontractor has submitted required closeout reports.
- Should immediately notify OGCA regarding concerns about possible non-compliance by the subrecipient/subcontractor.

**Cost sharing**
Cost sharing is defined as the specific portion of the project or program costs which are not funded by the sponsor and which are funded by the University. If a sponsored project has a cost sharing component the following applies:
- Administrative approval is required for all cost sharing at the time of proposal preparation.
- Cost sharing for a Federally sponsored project cannot come from another Federal project.
- If proposed, cost sharing must be provided, documented and reported in such a way as to withstand audit scrutiny.
- Unallowable costs cannot be included in the portion of costs shared by the University.
- Costs benefiting another project cannot be counted to fulfill a cost sharing requirement, i.e., costs benefiting Project A cannot be included as part of the costs that are shared by the University on Project B.

**Responsible Conduct of Research (RCR)**
UMass’s commitment to research and to the sponsors that support the research enterprise goes well beyond financial and administrative obligations. Faculty and their staff must be familiar with the following policies and guidelines which support our research integrity commitment:
- Conflict of Interest
- Research Misconduct (Academic Fraud)
- Authorship
- Mentorship
- Human Subjects
- Animal Subjects
- Export Control Regulations
- Data sharing, management and ownership
- Environmental Health and Safety
- Intellectual Property (Patent and Copyright policies)
- Sharing of Research Resources (including proper protection, management and stewardship of research data and materials)

Policies and guidelines are located at: https://www.umass.edu/research/documents
- If you have any questions regarding your responsibilities as a principal investigator, please contact OGCA for assistance at (413) 545-0698 or via email at ogca@research.umass.edu
- If you would like to use the services of the Research Business Manager Network for proposal preparation assistance or research administration consultation, please use the online service request form.