Extension FAQ   **12/03/2020**

The Extension FAQ was created to better assist OSU Extension in their pursuit for external grant funding. Through a series of six panel meetings with OSU Extension Area Leaders, with input provided by CFAES Advancement, Finance, Office of Sponsored Programs, and the Office for Research and Graduate Education, these questions were addressed.

- Time and Change Video – <u>View</u>
- GDSU Website – <u>View</u>
- Sponsored Project or Gift Guide – <u>View</u>
- Office of Research Funding Databases (SPIN) – <u>View</u>
- PI Status Instructions – <u>View</u>

Acronyms:
SPO	Sponsored Program Officer
OSP	Office of Sponsored Projects
GDSU	CFAES Grant Development Support Unit
F&A	Facilities and Administrative Costs
PI	Principal Investigator

Who should we reach out to first for assistance with a gift, grant, or contract?

Katie <u>Groeniger.10</u>, your Extension SPO, should be your first point of contact when you have received a gift or are considering applying for external funding. She will be able to easily navigate you to the appropriate paperwork or person who can assist. If GDSU assistance will be beneficial, she will encourage you to Request Services from their <u>website</u> and a grant specialist will be assigned to assist.

Should I obtain Principal Investigator (PI) Status as an Extension Professional?

To obtain PI Status (OSU Extension Faculty appointments automatically have PI status), please visit the website from the <u>OSU Extension page</u> for the steps to submit. Keep in mind that once you obtain PI status from the Office of Research, the designation will never expire. A CV will be required as part of this process and can be in any format you choose. Extension Educators are encouraged to obtain PI status as part of the new employee on-boarding process (list of things to do your first year). We understand that CV's are not always requested when applying for external funding, but it is a requirement to obtain PI status.

Is there a repository of past proposals that have been submitted that Extension Educators could access?

Currently, we do not have such a repository in place. We (OSP and GDSU) have access to multiple templates and examples, and these can be provided on a case by case basis.

If Extension finds a funding solicitation, and it is determined that a 501c3 can apply, what should the process be, and do I have to involve Sponsored Programs or Advancement? Can I apply to this solicitation myself?

Katie <u>Groeniger.10</u>, your Extension SPO, should be your first point of contact when you have received a grant or are considering applying for external funding. The Office of Sponsored Programs are the only authorized representatives that can review and submit a request or application for external funds to support

cfaes.osu.edu

your programming. OSU has a 501c3 designation (via Advancement), however these projects are managed and supported by OSP.

Is there a way to streamline our process because there are funders out there who think that OSU is difficult to work with and request ways to work around going through the university? Should the process be the same for low dollar amounts as high dollar amounts?
We certainly understand the bureaucracy that comes with the system, but the processes are in place to provide protection to not only you and the university, but also the public. We continually work on process improvement, hence Workday, but welcome ideas and suggestions that will encourage streamlining for all of us.

What is F&A?
Facilities and Administrative (F&A) costs, also called indirect costs, are real costs associated with conducting sponsored programs (research, extension, and public service). These costs are critical to the financial health and stability of CFAES. F&A costs are associated with providing and maintaining the infrastructure that supports research (buildings and maintenance, administrative personnel, libraries, etc.) and which cannot be easily attributed to a specific project.

Recovery of F&A costs to the maximum extent possible is critical to the financial stability of the College and its ability to maintain and grow the research and extension enterprise. These costs exist whether they are paid by a sponsor or not.

How can we work together to address concerns related to F&A rates?
Most funders have a published F&A rate, in the absence of such a rate, your SPO, Katie, will provide you with the rate that is appropriate for the type of activity being conducted.

Katie is your best resource when you are deciphering a contract or grant solicitation and determining the funders F&A rate. We are working on additional guidance for you, much like the Sponsored Project or Gift document. Additionally, we have an F&A waiver process in place for the college. You can find that process here. Any deviations from utilizing the maximum allowable rate must be approved via an F&A waiver request. OSP does not have the authority to approve reductions from the sponsors' maximum allowable rates.

Principal Investigators are not authorized to negotiate F&A rates. Any prior understanding between an investigator and a sponsor regarding F&A rates is not binding for the University or College. Furthermore, any negotiations of F&A rates between the sponsor and the Office of Sponsored Programs are conducted with the full knowledge and consent of the College. The investigator is not authorized to approve any F&A rate on behalf of the College.

Are grants worth the effort?
Grants and Contracts are very much worth the effort. These funding sources make up a large portion of Extension overall funding. In FY 2020, they allowed us to develop new programming, increase existing programming and provide essential services to our communities. In FY 2020, $13 million in Extension external funding was received through grants and contracts. 63% of salary and fringe for Extension personnel are paid from this source. While local county budgets do not see a direct savings when Educator salaries are applied to a grant, you do receive 60% of the salary/benefit expenditure on the grant back to

your county via the Release Time process. This is an unrestricted budget to use for backfilling, programming, or other county needs.

Can a grants/contracts list be generated that shows what each extension educator currently has funding for so that OSP/GDSU can review and see when something may be coming up for renewal?
There is not a list that can be managed at this time; however, we encourage you to monitor your projects in the PI Portal and implement the Best Practices identified on page 4.

Is it possible to have a person within GDSU that specializes in Extension?
GDSU provides support to all academic departments and units and serves as the central resource for all things grants. Your SPO, Katie, is a great resource and will act as your starting point. She and GDSU will work together to meet your needs in a timely manner.

How do you report/record a gift?
If it is an unrestricted gift, OSU Advancement will deposit that directly in your current development funds and provide the funder with the appropriate tax-deductible forms. Gifts that are deposited into the advancement fund no longer have the 180-day holding period, this has been lifted by the University, and dollars are immediately available.

What is the difference between a donation and a sponsorship?
Historically, we have allowed both donations and sponsorships to go through local checking accounts with a limit of $20,000, but this seems like a good time to make a change to the old practice. All sponsorships should be treated as donations/gifts and sent to Advancement for deposit. The funds are immediately available and can be expensed directly via PCard, PO, Marketplace or any other type of payment. Extension local checking account guidelines will be updated to reflect this and be effective 1/7/21 with Workday.

Sponsorships and donations can be cash or in-kind (goods and services), but there is a big difference between the two. Sponsorships have a greater marketing focus, like putting a company's name on an event or ad to boost revenue. Donations are charitable in nature and purely benefit the organization at hand. OSU Extension Administrative Cabinet does not consider it in the best interest of county Extension programs to name specific local activities or events after a sponsor, unless the sponsorship meets OSU development fund criteria for endowed programs. Additional Extension guidance can be found, here.

It is highly encouraged that contributions to programs be treated as gifts using the OSU gift process so individual and/or corporations receive maximum credit.

With some of these smaller funding opportunities, the timelines are so quick. Traditionally, GDSU needed a lot of lead time to assist. Has that changed?
It has, from the standpoint that additional GDSU staff have been put in place. There is a prioritization process, but we can typically get you started with templates and answer any questions. Again, your first point of contact should be Katie Groeniger.10 or the SPO assigned to OSU Extension.

If the county commissioners or a local community organization has a project (i.e. training, research, assessment) that a county extension staff can conduct, deliver the deliverables, and receive funding for, who drafts the agreement/MOU and who works out the invoice/payment methods for the county Extension office?

If the local Extension officer is asked to participate on a project, the PI contacts OSP and/or reaches out to GDSU to request guidance. If there is an official program announcement or RFP, send it to Katie for review. Once the budget is created, reviewed, and approved, the PA005 can be routed for signature. If the funder does not have an agreement to provide to us for signature, we can provide our standard research or sponsored project agreement template, or in the case of CARES, we have a template that can be used.

OSP would need a scope of work, along with the budget, deliverables, payment, and invoicing language that would be included in the agreement. Once the agreement is fully executed, an award would be set up in the PI Portal and a project number issued. After a project number is assigned, spending can begin, personnel appointments can be made, and following expenses posting to the project, the billing specialist will submit invoices per the instructions in the agreement. When the payment is received, OSP Fiscal applies the payment to the project, which will then be visible in the PI Portal. Reimbursement due to out of pocket expenses is then sent to the department for distribution to the requester.

You can think of the OSP sponsored project just as you would any other fund. Spending will be done in the same manner as other office purchases, particularly for Marketplace, Purchase Orders, and Travel. OSP grant purchases can also be made on an OSP Department Pcard (not your regular office card). You will just need to be sure that each expense is allowable per the grant budget, and that you code those expenses directly to the grant using the appropriate OSP grant worktags.

I negotiate my own MOU's. Should I be doing this?

MOU's should be managed by OSP, not the extension educator. There are several MOU templates that Katie, as the SPO, can develop on your behalf.

Do you have any suggestions as far as best practices for PI's monitoring project budgets, knowing there are so many nuances?

The current version of the PI Portal will be in place for another six months or so. When the new version of the Portal is released, monitoring and planning projects and expenditures should be accessible and straightforward. (Note: the information in the PI Portal will stay the same but will be given a facelift so expenses can be reviewed in real time.)

Reviewing all projects and expenditures, including F&A costs, on a monthly basis is essential for proper award management. This includes reviewing personnel appointments and their associated levels of effort, verifying expenditures such as materials and supplies, ensuring travel and other expenditures are accurate and appropriate for the project receiving the charge, and monitoring any cost share requirements. Timely review of project expenditures ensures that the project is being managed in accordance with its budget and can help identify if a budget amendment is needed.

Another aspect of project monitoring is making sure the reporting obligation is met. It is important to keep in contact with your SPO to make sure fiscal and technical reports are up to date and that there are not any outstanding invoices. For non-standard invoicing formats, it is important to work with the billing specialists at OSP so invoicing and payments are received in an accurate and efficient manner.

Post award invoicing often experiences a disconnect. What are your suggestions of best practices for PIs to monitor budgets?
Monitoring budgets monthly is best.

Who should be handling renewals?
Katie Groeniger.10, your Extension SPO, should be your first point of contact when you have received a gift, are considering applying for external funding, or when you are approached for a renewal.

There are some misconceptions that OSU Advancement or Finance could interfere with county Extension programs involving sponsors/donors and endowment fundraising. As of now, there are numerous 4-H endowments that are managed locally, rather than at OSU. Why is there the need to change this?
Foundation and OSP are handling the bureaucracy to reduce the need for Extension to deal with all the requirements of managing external funds. This removes the burden on the project staff so they can focus on the work at hand. To assist you with determining if funding is a Sponsored Project or Gift, a joint effort was used to develop the guidance available, here.

Extension Administration personnel (Director, AD's, AL's, Ops) should strive to promote the idea that OSP and Advancement are our partners. They will work with and through Extension and they will not interfere with programing. When working with an external funder, it is in Extension's best interest to work with our internal partners to manage our risk.

What about non-traditional funding sources for salary? For example, if a local Metro Parks/SWCD wants to provide funds for an educator. Is there a specific process to follow?
Many of Extension grants and contracts provide non-traditional funding sources for salary. Katie Groeniger.10, your Extension SPO, should be your first point of contact when you have received a grant or a contract, or are approached by a non-traditional funding source. If the external funding is meant to be a replacement for the local educator cost share and when the county appropriation cannot cover that position, work with the appropriate Extension fiscal officer (Jessie Buxton, Robert Concitis or Anna Bernard) to obtain an internal waiver of the normal release time rules. These types of situations should be managed by the Office of Sponsored Programs.

When would an external grant or contract where we are receiving money (non-501c3 related) not go through OSP, but be reviewed/approved by Legal Affairs and deposited in a local grants and contracts fund?
There should be very few instances of funds that would be deposited into a local grants and contracts fund. This fund should not be used to divert funding from OSP management. If the contract for services involves business and industry research, private or foundational grants, federal, state, local funds, non-profit sponsors, or academic or research institutions, they should be referred to the Office of Sponsored Programs for processing and management.

Contracts that are for space use, lease agreements, good or services (deposited into an approved earnings operation account) should be vetted through CFAES Finance.

*Workday may change the process, but for now, we should assume all external funding will go through OSP, and we will handle any that do not on a case by case basis.

Give 3-5 recent Extension examples of why grants, contracts, and/or agreements were not successful.

Example: A PI submitted a proposal directly to the funder (sponsor) and received the award notice. The PI was not authorized to sign or submit the proposal on behalf of the University and did not have department or college approval via the PA005 process to submit. Once the award was discovered and referred to OSP for management the PI chose to rescind the award, losing important program funding.

Example: A PI contacted the SPO hours before the proposal due date and time and there was insufficient time to review the application. The funder (sponsor) had very restrictive terms in their contract language. The terms were not deemed acceptable by the College, OSP, the Office of Research, OSU Legal Affairs or the governing law for the State of Ohio, so the award was forfeited and approximately $150 thousand in funding was lost.

The biggest issue we run into is when we find out about the proposal at the last minute or after the fact. The role of OSP is to ensure the proposal complies with the funding opportunity and with OSU policies and procedures. One example would be when indirect costs (or F&A) are not included in the budget but are allowable by the sponsor. The college has an indirect cost policy that states indirect costs must be included unless the sponsor does not allow them. Only the college can provide a waiver to exclude these costs. Excluding them from a proposal budget creates a lot of issues after the award is made. The budget must be redone to include the costs, which then reduces the amount of funding available for the project.

Another issue is when expenses are not posted to the project. It is important to post expenses to the project as they occur. This is especially important for personnel costs as those are often the largest expense and take the most administrative efforts to add on later. Not posting expenses as they occur makes it difficult to manage funding. This can lead to underspent or overspent awards. This also creates red flags during an audit and could lead to closer scrutiny of the project and its expenses.

Please share some examples of why grants, contracts, and/or agreements have been successful for Extension.

One of the biggest reasons for success is open communication between the project staff and OSP. This communication begins when the project staff learns of the funding opportunity and continues through the close out of the award. Open communication allows for issues to be identified and addressed early or before they become an issue.

Another reason for success is being proactive.

Combining communication and proactivity results in another example of success – having plenty of time to prepare for the funding opportunity. The more time you have to prepare, and the more time OSP has to assist with the application, the greater the likelihood the potential award will see success.

Extension successfully submitted 64 proposals requesting $10M in funds, ranging from $500 to $7M, in fiscal year 2020.

In Development:

Within finance, a Workflow decision tree flow chart document is needed for PI's and support staff to use to understand what next steps are for payroll, adding personnel after a project number is given and procurement/travel. We are waiting until Workday is implemented to develop that guidance.

We will continue developing training materials and reference materials for processes as they relate to Extension.

Workday will classify a project as OSP or non-OSP. This will be a learning curve for all of us and together we will network and provide answers. We do not want anyone to feel isolated, whether it be an Extension Educator or a county support person.

The process of actively seeking out grant opportunities is lagging among some counties, which we attribute to a culture issue. By providing additional resources, we hope to establish a culture in which county extension offices are more encouraged to apply for additional funding.