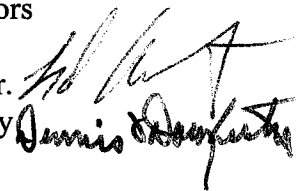
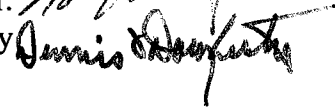




MEMORANDUM

To: Principal Investigators

From: Lloyd Armstrong, Jr. 
Dennis F. Dougherty 

Date: March 26, 2004

Subject: Grants Management Education Program

As many of you know, the federally mandated rules, regulations and requirements associated with managing sponsored research projects have become increasingly complex. While research of the highest quality by USC faculty and students is fundamental to our mission, we must always remain mindful that the financial administration and ethical conduct of sponsored research is as important as the actual research being performed.

It is our obligation, as University officials, to ensure that research projects remain in compliance with these regulations and keep the research community informed with respect to acceptable uses of government funds. Not maintaining such oversight can result in **serious consequences for the University and for individuals involved in research when these rules and regulations are violated. In particular, principal investigators and research administrators that do not comply with the requirements associated with sponsored research are subject to various sanctions which may include:**

- loss of current and/or future sponsored funding
- University disciplinary procedures up to and including dismissal
- financial liability for misappropriation of funds and/or fines
- criminal charges with penalties up to and including incarceration

We are aware that the responsibilities of investigators are rapidly evolving and recognize the difficulty in maintaining up-to-date knowledge of this critical area. Following the lead of many of our peer institutions, we have developed a mandatory grants management education program for investigators and research administrative staff. The program will consist of two courses:

1. A course primarily designed to address fiscal and administrative issues associated with sponsored projects from project proposal through closeout.
2. A course that emphasizes research integrity issues, such as conflict of interest, scientific misconduct, peer review, data management and mentoring.

Principal Investigators
March 26, 2004
Page Two

The program will commence on April 1, 2004, and investigators and staff may choose the course that is most relevant to their respective job responsibilities. For the period April 1 through June 30, 2004, these courses will be available on a voluntary basis. **Effective July 1, 2004, all principal investigators, co-investigators and research administrators listed on the Proposal Approval Record (PAR) or requesting expenditure authority on a sponsored project account must complete one of these two courses in order to obtain access to sponsored project funds or the budget administration system.** Non compliance will result in the

- Department of Contracts and Grants withholding the release of any new and/or incremental funds on new, continuing or supplemental sponsored projects
- Financial Services Administration Department blocking access to the budget administration system of the research account until the individuals requesting such access have completed the program.

The Office of Compliance will have responsibility for the grants management education program and additional information may be found on their web site at www.usc.edu/compliance or you may call their office at (213) 740-8258. Please check their website for information on how to register for this program and for further details on who is subject to the grants management training requirement. You will also be receiving additional information from the Office of Compliance outlining the grants management training program in more detail.

Because involvement in sponsored research is both an opportunity and a responsibility, principal investigators must ensure that they and their respective staff understand and comply with all relevant federal regulations and University policies regarding research administration. Your cooperation in adhering to these regulations and policies will assist us in ensuring the continued success and growth of the University's research activities.

cc: Steven Sample
Todd Dickey
Martha Harris
Alan Kreditor
Stephen Ryan
Robert Johnson
Laura LaCorte
Cornelius Sullivan
John Thurgood
Vice Presidents
Academic Deans and Directors
Senior Business Officers