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SPONSORED PROJECT POLICIES

POLICY NO.

Glossary

Audit – An examination of records or financial accounts to check their accuracy. Audits of sponsored programs are governed by OMB Circular A-133.

Allocable Cost – Allowable costs that actually benefit the grant or contract to which they are being charged

Allowable cost

Cash Match – The most common form of Matching/Cost Sharing (M/CS), using direct costs and/or unrecovered F&A.

Consultant – A consultant is an individual hired to provide professional advice or services on a project. A consultant is usually not an employee of the organization that requires their services.

Contract - the instrument for support an activity that is initiated by the funder such as a government agency or a foundation. The activity performs a specified service or will yield a particular end or product for the sponsor. The funding agency exercises considerable direction and control over the performance and timing of the work.

Direct Costs – “Costs that can be identified specifically with a federally sponsored project, a research or instructional activity, or any other institutional activity, with relative ease and a high

Intellectual Property

Sponsored Program – Any externally-funded award for activities including research, instruction, conferences, public events, library grants, etc.

Sponsored Research – All research and development activities that are sponsored by Federal and non-Federal agencies and organizations, according to Circular A-21. This includes activities involving the training of individuals in research techniques where the activities utilize the same facilities as other research and development activities and where these activities are not included in the instruction function. Sponsored research is combined with university research under the function of organized research for F&A purposes.

No. 002
Effective: December 2010

6. Faculty or staff members, who apply for external funding, must complete the Significant Financial Interest Disclosure Form and provide to ORSP, before proposal submission. Form it attached to EFPA at following link:

003 Administration of Sponsored Projects

No. 003

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Approval: ORSP

PURPOSE

To ensure that funds provided from external sources to support research and other projects are administered in accordance with University policies as well as those of the sponsor. External sources include both governmental and private organizations (including Foundations). Faculty members seeking external funding should meet with the Office of Research and Sponsored Programs (ORSP).

POLICY

1. All externally sponsored projects for research and curriculum/program development will be administered through ORSP in accordance with established University policies and procedures.
2. Any project, which meets any of the following criteria, is considered to be a "sponsored project" and will be administered accordingly:
 - a. The project commits the University to a specific line of scholarly or scientific inquiry, typically documented by a statement of work;
 - b. A specific commitment is made regarding the level of personnel effort, deliverables, or milestones;
 - c. Project activities are budgeted, and the award includes conditions for specific formal fiscal reports, and/or invoicing;
 - d. The project requires that unexpended funds be returned to the sponsor at the end of the project period;
 - e. The agreement provides for the disposition of either tangible property (e.g., equipment, records, technical reports, theses or dissertations) or intangible property (e.g., inventions, copyrights or rights in data) which may result from the project;
 - f. The sponsor identifies a period of performance as a term and condition.
3. All externally sponsored research and teaching activities that involve human subjects

No. 004

- Monitor subrecipient work and approve payment to subrecipient, as applicable.
- Ensure expenditures align with budget. Any anticipated deviations should be discussed with Assistant Controller.
- Complete and submit all technical reporting with assistance of ORSP.

3. The Office of Research and Sponsored Programs:

ORSP has the following responsibility as related to sponsored projects:

- Obtain all required information from Principal Investigator/Project Director prior to submission of proposal.
- Route the EFP through the internal review, approval and signature process.
- Submit the proposal to the sponsoring agency.
- Report changes to the budget or scope of work for funded projects to the sponsoring agency, following notification and consultation with the PI.
- Maintain official institute file for each sponsored project.

The source of this document is the Office of Research and Sponsored Programs (ORSP)

005 Budgets

No. 005
Effective: December 2010
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Approval: ORSP

PURPOSE

To establish responsibility for preparation and submission of sponsored project budgets.

POLICY

1. The principal investigator is responsible for preparing a budget within the amount of the award as indicated in the [Externally Funded Project Approval \(EFPA\) Form](#) and in accordance with any

006 Allowable Costs

No. 006
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PURPOSE

To establish guidelines for the charging and approval of direct cost expenditures on federal awards.

DEFINITION

The cost of a sponsored project is comprised of both direct costs incident to its performance plus a portion of the Facilities and Administrative (F&A) costs of the University. Direct costs are those costs that can be specifically identified with a particular sponsored project, an instructional activity, or any other institutional activity relatively easily and with a high degree of accuracy. Typical costs charged directly to a sponsored project include but are not limited to: employees working on the project; employee benefits; the cost of supplies and equipment used in the performance of the project; travel; subawards costs; and human subject fees.

POLICY

1. The principal investigator (PI) is responsible for the management and administration of his/her award within the constraints imposed by the sponsor and in accordance with University policies. The principal investigator must authorize all expenditures of project funds.
2. In some cases, the terms and conditions of the award may require that the sponsor give specific approval for certain direct costs either as part of the specific grant or contract, or subsequent funds.

4. The principal investigator must maintain adequate supporting documentation to relate expenditures to the purpose of the award.

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009 Personnel Activity Effort Reporting

No. 009

Effective: December 2010

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Approval: ORSP

PURPOSE

To comply with the federal Office of Management and Budget's Circular A-21 (Cost Principles for Educational Institutions) and other sponsor requirements for certifying that effort expended on a project is at least commensurate with the salary charged against the sponsored project.

POLICY

1. The University utilizes an after-the-fact effort reporting system (ERS) to account for the effort of the following categories of University employees:
 - a. Faculty and all administrative and professional employees paid on sponsored projects;
 - b. Non-exempt permanent weekly paid support staff.
2. Individual Time and Effort Report Forms are required to be completed for employees identified in 1.a above for each semester in which a portion of their salary is charged to a sponsored project. This includes the Fall, Spring, and Summer semesters. Summer semester effort reporting is required only for a faculty member whose appointment is for the academic

each week substantially exceeds the "normal" work week of 35, 37.5, or 40 hours, effort percentages must be based on total effort, not hours.

7. University compensated effort includes all research, teaching, administration, service and any other activity for which an individual received compensation from the University.
8. Effort distributions should be reasonable estimates of activities, recognizing that research and instruction are often inextricably intertwined and estimates will be necessary in most cases.

Example:

Based on full 9-month academic year	
Teaching 21 credits	70%
Administrative Duties	10%
Committees, etc.	5%
Grant A	10%
Grant B	5%
Total	<u>100%</u>

The above is determined using reasonable estimates of the time committed to each respective area. Total must always equal 100%.

9. Mandatory or voluntary committed cost sharing must be reported. Where some or all effort of an individual expends on a specific sponsored research project is not funded by the project sponsor but is mandated by the sponsor or where the individual has clearly committed to uncompensated effort to the project in the application, that effort must still be reported.
10. PIs are required to complete appropriately certified effort report forms within 30 business days of the end of the semester.
11. Cost disallowances on sponsored projects resulting from a PI's failure to complete Effort Report Forms or the certification of inaccurate effort report forms to ORSP will be charged to the department's unrestricted budget.

The source of this document is the Office of Research and Sponsored Programs (ORSP).

010 Faculty Summer Effort & Salary

No. 010
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PURPOSE

To define the requirements for faculty having standard 9 month contracts (September-May) who choose to work and receive compensation from a sponsored project during the months of June, July and/or August. The Time and Effort Report Form must be completed and returned to the Office of Research and Sponsored Programs (ORSP).

POLICY

1. Effort devoted and corresponding salary received must be in accordance with sponsor and University policies below.
2. Faculty receiving full summer salary from external sponsors for all University uncompensated summer months:
 - a. Are ineligible for time off during that period for which they are being compensated;
And
 - b. Must submit a letter in advance to the chair of the department and Dean indicating that they will not take time off during the summer months. Letters must contain at minimum the following language, "I will not be taking vacation during the period for which I am supported by sponsored projects funding." (Certification after the fact on the effort report will be an attestation to that full effort.) Copies of above letters must be forwarded to ORSP.
3. Due to the effort commitment to the sponsored project, payment of full summer salary as described in 2. above means that the faculty member cannot engage in other activities, i.e., administrative or academic activities not compensated by the University.
4. If a faculty member has formal summer academic or administrative responsibilities, summer compensation and the corresponding effort must be adjusted proportionately.
5. Changes reducing effort for the summer months must be reported immediately to ORSP. A payroll distribution adjustment must be made prior to the month end in which the change in effort occurred since the sponsoring agency is not obligated to pay the faculty member for time not worked on the sponsored project(s).
6. Faculty having academic year appointments and re

7. It is expected that faculty receiving summer salary from a sponsored project will perform such work in their normal place of business unless the work being conducted is off site and a requirement of the project. Any exception will require the approval of the chair, Ded5DoBTI4(ir nor)4(m

No. 012

grants, conference support, or when salary support is provided by another funding source such as career awards. In addition, all non-federally funded sponsored programs (including clinical trials) must have some level of committed faculty (or senior researcher) effort, paid or unpaid by the sponsor.

OMB Circular A-110 Requirements for cost sharing on Federal awards to be acceptable:

All contributions, including cash and third party in-kind shall be accepted as part of the recipient's cost sharing or matching when such contributions meet all of the following criteria:

- The costs are allowable in accordance with OMB Circular A-21;
- Are verifiable from the recipients records;
- Are not included as contributions for any other federally-assisted project or program;
- Are necessary and reasonable for proper and efficient accomplishment of project objectives;
- Are not paid by the federal government under another award, except where authorized by federal statute to be used for cost sharing or matching;
- Are provided in the approved budget when required by the federal awarding agency; and
- Are incurred during the period of the award.

No. 013
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of the award provide otherwise. Additionally, tuition and fees received for courses taught by an employee performing under a grant are not considered program income. Refer also to the terms and conditions of non-federal awards for the requirements related to patent and copyright income.

6. Awards in which Gross Program income may be off-set by the costs of collecting the income to enable reporting Net Program Income, the Program Income fund is to be set-up to account separately for the costs of collecting and spending the Program Income.
7. The Assistant Controller has the responsibility to report program income earned, and, when applicable, to either remit such income to the sponsor or to apply the income as funding for related project expenses in accordance with sponsor requirements.

The source of this document is the Office of Research and Sponsored Programs (ORSP).

No. 014

015 Direct Billing

No. 015
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PURPOSE

To establish responsibility for the direct billing of sponsored project expenses.

POLICY

1. The Assistant Controller is responsible for issuing requests for advance payment, payment by schedule, invoices, vouchers and any other financial instrument required to effect funding under sponsored project agreements. Exceptions to this responsibility must receive the prior approval of Office of Research and Sponsored Programs (ORSP).
2. ORSP is authorized to issue a payment request, if necessary, to legally execute an agreement between the University and a sponsor.
3. The financial accounting system represents the official record supporting any invoice or voucher issued.
4. ORSP and the Assistant Controller are authorized to conduct reviews to ensure that expenditures billed to a sponsor are authorized and allowable under terms and conditions of awards and are in accordance with University and sponsor policy.

The source of this document is the Office of Research and Sponsored Programs (ORSP).

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018 Compliance with Subrecipient Standards of OMB Circular A-133

No. 018
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PURPOSE

To establish responsibility for compliance with the Office of Management and Budget (“OMB”) Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations) as it relates to the University’s responsibilities in making awards to subrecipients subject to A-133.

POLICY

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reports (including invoices). PI concerns regarding the contents of any required report(s) must be brought to the immediate attention of ORSP.

4. ORSP will advise subrecipients of requirements imposed on them by Federal laws, regulations and the provisions of contracts, grant or collaborative agreements as well as any supplemental requirements imposed by the University.
5. PIs must utilize the Subrecipient Commitment Form to request both an initial subaward agreement and all subsequent modifications to that agreement. The PI is required to sign all subaward and subaward modification requests, verifying that the information on the request form is accurate and that a current subrecipient is performing according to the provisions of the subaward agreement.
6. The Assistant Controller will generate a list of subrecipients once each year and will request each subrecipient to submit an Annual Subaward Monitoring Form. If a subrecipient fails to submit its correspondence in a timely fashion, University of Scranton will take such action as necessary, including withholding of payment to the subrecipient.
7. The Assistant Controller is responsible for reviewing submissions from Subrecipients to identify those with findings related to Federal awards provided by the University.
8. For ongoing subawards, in those instances where audit findings impact the University, The Treasurer's Office will discuss the findings with ORSP and the principal investigator to determine an appropriate plan of action which may include adjustment of the University's records, demand repayment from the subrecipient, or other remedial action.
9. ORSP will ensure that subawards contain language permitting the University and/or its auditor's access to the subrecipient's records and financial statements as necessary for the University to comply with OMB Circular A-133.

The source of this document is the Office of Research and Sponsored Programs (ORSP).

019 External Audits

No. 019
Effective: December 2010
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Approval: ORSP

PURPOSE

To establish responsibility for the coordination of external audits, reviews, inquiries, and investigations of sponsored projects.

POLICY

1. Requests from an outside agency to conduct a financial or programmatic audit, review, inquiry, or investigation (“review”) of a sponsored project must be directed, in writing, to the Office of Research and Sponsored Programs (ORSP).
2. ORSP will notify the Treasurer’s Office, the Internal Audit Department, the Principal Investigator (PI), and his/her department of an impending “review”.
3. An entrance and exit conference with the sponsor will be a required part of the “review” process.
4. During the “review,” every effort must be made by the PI and ORSP, in consultation with the Treasurer’s Office, to provide sufficient d700484005500n049(160003>1000320049>T.nponi)-3(bil)-3(it)

020 Record Retention

No. 020
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Approval: ORSP

PURPOSE

To establish responsibility for the retention of records, including documentation supporting project expenditures, in accordance with federal, state, and sponsoring agency regulations and requirements. The Office of Research and Sponsored Programs (ORSP) follows regulations contained in [OMB Circular A-110 Subpart C-53](#) pertaining to the retention and access requirements for records.

POLICY

Following the project closeout process, ORSP retains documents, and the PI will retain all supporting documentation, for **three (3) years** effective from the date of submission of the final expenditure report, unless the award terms and conditions specify a different period.

1. At the onset of a new project, a file is created immediately upon submission of a [Externally Funded Project Approval Form](#). The file includes a copy of the proposal and the approvals for the application to be submitted to the funding agency. Once an award is issued, the Letter of Award, an executed contract or other official notification, copies of all technical and financial reports, and all additional documentation pertaining to the award or project are kept by ORSP.
2. For the duration of an award, ORSP and the PI must maintain the entire set of documents for three (3) years following the termination of the project, with the exception of all grant expenditure files. These will be maintained similarly in the Office of the Treasurer or another secure storage6(a)4(ti) must main.

and anything affixed to the land. Real property only included those structures that are affixed to the land, not those which can be removed, such as equipment.

The source of this document is Office of Research and Sponsored Programs (ORSP).

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