

# Spalding University

## External Funding Guide: Grants and Contracts Manual 2022-2023

A Guide to Proposal Preparation,  
Administrative Management, and Compliance

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**ORGANIZATION INFORMATION**

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Indirect Cost Rate (Federal):	DHHS Agreement (50% indirect cost rate) cancelled 07/01/2003; university to establish new rate

## **EXECUTIVE SUMMARY**

The Spalding University External Funding Guide: Grants and Contracts Manual (2022-2023) outlines the roles and responsibilities of principal investigators, project directors, and university offices in procuring and administering the award of external funds. Six sections outline the following:

- Section 1.0: General Information
- Section 2.0: How to Find Funding
- Section 3.0: Proposal Development
- Section 4.0: Managing Grants and Contracts (Post-Award)
- Section 5.0: Policies and Compliance
- Section 6.0: Glossary and Forms

As a living document, this guide and manual will evolve with the university. Campus community members are encouraged to offer suggestions for revision and section rewrites, and those who are responsible for policies and procedures changes affecting the contents of the document are to forward notice of changes for inclusion in future volumes. Future volumes of this document will be published as needed when substantial changes are made. The most recent copy of this document will be made available on the Office of Sponsored Programs and Research website ([ospre.spalding.edu](http://ospre.spalding.edu)).

The Office of Advancement and Office of Sponsored Programs and Research controls the document and shares responsibility for its coordination with the Office of the Provost and the Finance Office.

Many thanks to those who have helped develop this guide and manual for the future benefit of Spalding University and our diverse community of learners. We hope that the document will be useful to you.

Sincerely,



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Director, Office of Sponsored Programs and Research



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## **1.0 GENERAL INFORMATION**

This manual is a point of reference for proposal development and compliance during the pre- and post-award phases of grants and contracts management. Federal grants and grants-related contractual agreements and subawards using federal dollars are subject to the federal Office of Management and Budget (OMB) Uniform Guidance (see [Section 5.4](#)).

### **INTRODUCTION – EXTERNAL FUNDING AT SPALDING**

Spalding University is legally accountable to sponsoring agencies and grant-making entities as the official recipient of external funding. Within the context of this manual, “external funding” includes all grants and subawards, sponsored projects and research, and contractual agreements. The task of the institution and its offices is to ensure that those at Spalding who receive external funding from federal or other sources adhere to all award terms and conditions, applicable federal, state, and local regulations, and Spalding University policies and procedures.

Principal Investigators (PIs)/Project Directors (PDs) are responsible for the proper conduct and fiscal management of sponsored projects and research.

Only the President has authority to make commitments on behalf of the university and its employees. No proposals will be submitted or contractual agreements executed without the approval and signature of the President or another Authorized Organizational Representative (AOR).

The Provost, academic dean(s), unit chair(s), and program director(s) are responsible for reviewing grant proposals and contracts to ensure proposed commitments are feasible, realistic, and support the mission of Spalding University. If applicable, the following must be confirmed as appropriate: 1) Faculty and staff time and effort; 2) Cost-share or match; 3) The use of university facilities; 4) Campus modification or remodeling; 5) The cost and logistics of all equipment to be purchased, including shipping, installation, materials, and maintenance; and 6) New program or course development.

#### **1.1 ROLES AND RESPONSIBILITIES OF UNIVERSITY OFFICES – EXTERNAL FUNDING**

Office of Sponsored Programs and Research (OSPRE) – Oversees and manages the application process for all grants and contracts; provides guidance on proposal writing and the organization of project budgets; ensures compliance with federal regulations; supports award management.

Office of Advancement –Maintains relationships with external funding sources and sponsoring agencies; submits grant applications on behalf of the university. The Office of Advancement oversees OSPRe.



Finance Office, Chief Financial Officer – Responsible for budget approvals; fiscal and administrative compliance; projects accounting set-up; project invoicing; and financial monitoring and reporting.

General Counsel – Reviews all contractual agreements and Memorandums of Agreement/Understanding (MOAs/MOUs).

Human Resources – Manages employment requests, benefits, and compensation (salaries and supplemental pay).

Academic Deans, Unit Chairs, and Program Directors – Review and approve applications and contractual agreements before submission in terms of general academic policy; provide oversight of all projects generated by their unit and supervisees.

Office of the Provost – Reviews and approves applications and contracts before submission in terms of general academic policy; negotiates and approves terms of administrative course release agreements and related faculty and staff salary considerations.

Office of the President – Reviews and approves applications and contractual agreements; accepts external awards; delegates responsibilities of the authorizing certifying official to Authorized Organizational Representatives (AORs) to approve and submit applications.

## **1.2 KEY PROCEDURAL ELEMENTS – GRANTS, CONTRACTS, AND OTHER EXTERNAL AWARDS**

Grant Proposal Form – This [online form](#) must be completed and submitted to OSPRe for review by university leadership and the Finance Office prior to the submission of an application or proposal for external funding support. Please submit the form at least thirty (30) days before any application or proposal deadline. The form requests basic information about your grant or contract and will automatically be sent to your unit chair or program director, the Provost, and COO for initial approval.

Contract Proposal Form – This [online form](#) must be completed and submitted to OSPRe for review by university leadership and the Finance Office.

Research Ethics Committee (REC) Approval – If sponsored research will involve human subjects, please obtain approval from the Spalding Research Ethics Committee (REC). External funders may require proof of REC approval upon the submission of a proposal, or after an award, prior to the beginning of the research or project period.

Payments from Grants, Contracts, and Other External Awards – Expenditures must be within the award terms and budget policies of both the university and sponsoring agency. When submitting requests to the Finance Office for payment or reimbursement, the PI/PD should list all expenditures by the general ledger (GL) account number and projects accounting number (PRJ-00000) and describe the cost or expense category (equipment, salary, supplies, etc.) prior to signing each invoice or check request.

Salaries or Supplemental Pay from External Funding Sources – In accordance with federal regulations, all salaries and supplemental pay from grants and contracts must be consistent with the salaries and wages paid from university funds to other employees with similar qualifications and experience. Compensation should be proportional to the time and effort spent directly on the sponsored project. The full Faculty Compensation Policy is located in [Section 5.0](#) Policies and Compliance.

Financial Disclosures – In accordance with federal regulations, faculty and staff applying for federal support must disclose all "significant financial interests of the investigator (including those of their spouse and dependent children) (i) that would reasonably appear to be affected by the research or educational activities funded or proposed for funding; or (ii) in entities whose financial interests would reasonably appear to be affected by such activities." The policy applies to Principal PIs/PDs, Co-Principal PIs/PDs, senior project staff, and any other persons who are responsible for the design, conduct, or reporting of the funded or proposed research or educational activity. The Financial Conflict of Interest Form must be updated yearly if a conflict has been disclosed previously or whenever new reportable significant financial interests are acquired that could directly affect the design, conduct, or reporting of sponsored projects or research.

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## 2.0 HOW TO FIND FUNDING

While primarily a teaching institution, Spalding University encourages its faculty to be active and creative within their discipline and apply for external funding to support research, creative work, service, students, and other scholarly activities. External funding includes all grants and subawards, sponsored projects and research, and contractual agreements.

The three most common types of awards are **grants**, **cooperative agreements**, and **contracts**. Members of the Spalding University faculty are most likely to receive grants in which the PI/PD has a fair amount of autonomy within the parameters of the submitted proposal. A cooperative agreement is similar to a grant, in that it is given for a specific purpose; however, it allows the funding agency to provide significant input into the manner in which the work is completed. A contract is an agreement between a funding agency and the university to produce a specific output, and create a particular outcome, for a specified amount of money.

Do not accept an award for which the university will be fiscally responsible without the expressed approval of the university. All agreements and contracts must receive legal review and authorization by the university President.

Please forward all award documentation (including checks, if applicable) to grants staff so that the terms of the award may be reviewed. You should accept an award only after OSPRe and university leadership approve the terms. The terms of agreement for accepting a grant or contract may only be signed by the university President or another authorized organization representative (e.g. the Provost or Chief Financial Officer).

### 2.1 GRANTS STAFF

Grants staff pursue major grants to support institutional priorities and help campus community members find and secure grants to advance mission-driven projects. Grants staff have an open-door policy for those looking to learn more about grants and external funding.

Please contact grants staff early in the grant-seeking process for assistance in researching external funding sources, interpreting grant application guidelines, and outlining project proposals and budgets. For example, grants staff can:

- Discuss and circulate project ideas;
- Suggest funding sources or ways to identify funding sources;
- Demonstrate how to use grant funding search databases;
- Help interpret application or proposal submission guidelines;
- Provide standard institutional data and boilerplate language;
- Advise during the early stages of narrative and budget development;
- Serve as educated general readers of proposal drafts;
- Facilitate the internal review and approval of applications and proposals; and

- Navigate and submit applications via federal online submission platforms.

## **2.2 DEVELOPING YOUR PROJECT TO BEGIN THE FUNDING SEARCH**

### **Where do I start?**

First, begin with an idea for a program or project and then work to refine it. If your idea involves interdisciplinary partners or other organizations, engage them, as well as academic unit chairs, program directors, and university leaders, in planning discussions as early as possible. Contact grants staff in OSPRe for assistance in finding private foundations or government agencies with priorities that match your proposed initiative. Alternatively, find Requests for Proposals (RFPs) published by grant-making agencies and external funding sources; grants staff in Advancement can help you evaluate RFP requirements.

Second, allow yourself enough time. It takes a minimum of six months to find a funding opportunity, draft a proposal, receive a response from the funder, and await the start of the project period as defined by the funder. Often the process is even longer, so it is imperative to budget the time necessary for submitting an excellent proposal and awaiting a response from the funder.

## **2.3 HOW TO IDENTIFY EXTERNAL FUNDING SOURCES**

Ask your colleagues – If a colleague has received funding for a project similar to one you would like to pursue, ask about their funding source, as well as the application process.

Grants.gov – This is the comprehensive, searchable database for all federally funded award programs. Use the search tool located in the upper right-hand corner of the home page to begin your keyword search. Most federal agencies also maintain sites about their funding programs on their specific websites (e.g. [www.nsf.gov](http://www.nsf.gov), [www.ed.gov](http://www.ed.gov), [www.neh.gov](http://www.neh.gov)).

Foundation Directory – This is a comprehensive, searchable database for all privately funded award programs. Contact OSPRe to obtain login information for the full directory.

### **How do I know if a potential funder is a good match?**

Go to their website, research their goals, and review their grant making philosophy. Review their list of recently funded proposals, as this list is usually the best indicator of whether or not the external funding source may find your project appealing. Unless the funding agency or organization has supported projects of a similar size and scope to your own, they may not be a good fit, and this is true even if you are working within an area directly related to the funder's mission.

In accordance with federal guidelines, the university must make an effort to manage, reduce, or eliminate actual or potential conflicts of interest of a financial or familial

nature. PIs/PDs, and other senior personnel, must adhere to the Financial Conflict of Interest Policy found in the Faculty Handbook to protect the credibility and integrity of the university and future research programs.

If you are encouraged by your research into an organization's previous funding history, download or request the funder's proposal guidelines, and carefully note any deadlines. It is important to read and reread these guidelines and to highlight key words and phrases. For grants, determine if the submission requires a Letter of Intent (LOI) or preproposal before the full application.

Some funding opportunities limit the number of applications accepted from a single institution; thus, all submissions from Spalding University must be coordinated to prevent the possibility that any application may be disqualified.

Contact grants staff in OSPRe if a funding organization has a limited submission policy. If more individuals wish to apply than are allowed, the prospective applicants will be required to submit a budget and an executive summary of their proposed project, and an ad hoc committee of academic administrators and faculty will be assigned by the Provost to determine which applicant should be encouraged to submit their proposal (with university approval).

**I have located a foundation or agency that is a good match for my project. Now what?**

Complete the Grant Proposal Form. Notify your academic dean(s), academic unit chair, program director, grants staff in OSPRe to begin discussing your application.

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### 3.0 PROPOSAL DEVELOPMENT

#### 3.1 DRAFTING YOUR PROPOSAL

##### **Beginning Your Proposal**

Read the proposal guidelines, and if applicable, obtain application materials and carefully review the instructions. Create a checklist of everything the agency or funder requires. Consider writing a one- to two-page concept paper that addresses the idea, its academic merit, and any broader impacts:

- What is your idea, and why is it important?
- Who will the project serve? How will it impact Spalding students?
- What will you be doing? What specific activities will you undertake?
- What is the potential for the project to advance knowledge and understanding?
- Will project activities benefit society or advance desired societal outcomes?
- Are proposed activities organized and well-reasoned?
- Does the project incorporate a mechanism to evaluate success?
- Why is now the right time for the project, and what is the project timeline?
- How will you disseminate or share the results of the proposed activities?
- Will the proposed activities or research continue once grant-funding ends?
- How might the proposed activities or research be sustained into the future?

##### **Besides writing and revising, what else should I be doing?**

Develop a realistic timeline by working backwards from the application deadline and contact grants staff in OSPRe to determine if it would make sense to contact a program officer at the foundation or funding agency. Schedule time to work on your grant budget.

Request letters of support or letters of commitment. Ensure recommenders are aware of all deadlines. Share your concept paper with your letter-writers, so that they may write more persuasively on your behalf. Letters of support are different from letters of commitment. Letters of support state the need for the project and attest to the project leader's qualifications to lead the initiative successfully. Letters of commitment clearly state what the author of the letter is committing to the project to ensure its success.

As a courtesy, the PI/PD should give those writing letters a summary of the project or a draft of the proposal, and if the PI/PD believes the effort will be appreciated, they should draft a letter of support or commitment and send it to the "letter writer" for edits. Allow at least two (2) weeks for the letters of support or commitment to be completed.

External funders may require "cost-share" or "matching funds." If a match is required, the university must contribute or raise a portion of the money or provide a contribution of "in-kind" (equipment or other property or services) that is equal to the award according to funding agency guidelines. The Provost, the COO, and OSPRe must approve all cost-sharing agreements and matching fund commitments.

**What proposal format should I use if there are no submission guidelines?**

- A cover letter or letter of institutional support;
- An executive summary with measurable goals and outcomes;
- Background information about the university, program, and/or project;
- A discussion as to why the program or project is important;
- A description of your project methodology;
- A description of what will be done and who will do it;
- The expected program or project results and how they will be evaluated;
- A plan for sharing results and potential for project replication;
- A case for sustainability of the project after grant funds are expended; and
- A program or project timeline, budget, and budget narrative.

**What should I do once I complete a draft of my proposal?**

Ask colleagues to read your proposal. Forward drafts involving grants to staff in OSPRe for additional feedback. Ensure that all costs described in the proposal narrative are reflected in the budget and that all costs listed in the budget are discussed in the proposal narrative. Make revisions and finalize the proposal. Obtain final application approval from your unit chair or program director, as well as final budget approval from the Provost and COO.

**3.2 BUDGET PREPARATION**

The project budget is a critical component of any grant or contract. Please construct yours with equal attention to detail and consideration for guidelines provided by sponsors and university policies. Contact OSPRe for information related to drafting a project budget. The Provost and COO must approve all budgets prior to submission. A draft of the budget must be shared with the Provost and COO at least ten (10) business days prior to the application deadline. Please consider the following when developing a project budget:

**3.2.1 DIRECT AND INDIRECT COSTS**

Direct costs are the costs directly associated with a project (i.e. items cannot be purchased, or events cannot take place without external funding). Direct costs may include personnel, equipment, supplies, participant costs, travel, and other expenses.

Indirect/overhead costs are those goods and services that are needed for a project, but not purchased or secured because of the project. For example, computers, pencils, and the time and effort of the Facilities staff who keep the lights working in our buildings are essential to the work, but not directly attributed to the project, and are thus representative of indirect/overhead costs.

Some funding organizations allow an applicant to recover a certain percentage of indirect/overhead costs; percentages may vary based on the type of funding agency. If a funder allows indirect/overhead costs to be part of the budget, the funder understands that resources beyond those listed in the budget are necessary to complete the work.

The university allocates awarded indirect costs following the 30/30/40 rule: Thirty percent (30%) is allocated to the PI/PD's unit budget; Thirty percent (30%) is allocated to OSPRe to support grant and contract development/administration budget; and Forty percent (40%) is allocated to the general operating costs of the university.

**EXAMPLE:** If the total direct costs for a project total \$50,000, the indirect costs (calculated at 10% of direct costs) equals \$5,000. The total project cost equals \$55,000. Indirect costs will be distributed as follows: \$1,500 to the unit budget (30%); \$1,500 to OSPRe (30%); \$2,000 to the university budget (40%).

Many funders will designate an allowable indirect cost rate (usually between eight percent (8%) and fifteen percent (15%) of a project's direct costs). When an indirect cost rate is not set by the funder, we recommend using a fifteen percent (15%) indirect cost rate for both grants and contracts.

### 3.2.2 COST PRINCIPLES AND ALLOWABLE EXPENSES

Allowable, reasonable, allocable: These are the three basic considerations for whether a cost may be included in a budget. In regards to federal awards, these principles may change depending on the project, but must be used to determine if the costs are appropriate. Cost principles for federal grant expenditures (including subaward pass-throughs and grants-related contractual agreements) are contained in the Office of Management and Budget (OMB) Uniform Guidance for Grants and Agreements (Subpart E — Cost Principles). Consider the following when deciding if a cost is allowable and review proposal solicitations carefully (external funders may have additional restrictions):

#### Allowability of costs (2 CFR §200.403)

- Is the cost reasonable and necessary for the project or program?
- Is the expense in compliance with laws, regulations, and grant terms?
- To what extent is the expense allocable to the grant?
- Is the cost adequately documented?
- Is the cost or expense consistent with university policies and procedures?

#### Reasonable costs (2 CFR §200.404)

- A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.



- Consideration: Do sound business practices support the expenditure?

Allocable costs (2 CFR §200.405)

- Allocable means the good or service can be assigned to an award or cost objective in accordance with the relative benefit achieved.
- If a cost benefits two or more projects, activities, or programs in proportions that can be determined without undue effort or cost, the cost should be allocated to the projects based on the proportional benefit.

Unallowable expenses include (but are not limited to):

- Alcoholic beverages
- Entertainment costs
- Personal expenses or purchases
- Lobbying
- Participant support costs not specifically addressed in your award letter
- International travel costs not specifically addressed in your award letter

All expenditures are processed through the Finance Office and are reviewed to ensure they are allowable under the terms of the award and are made within the allowed time period, properly authorized, and adequately documented. If an invoice does not provide adequate information as to the nature of the charge and how it relates to the sponsored project, the PI/PD must supply other supporting documents or written explanation.

The following policies are available from the Finance Office and provide clear guidance as to what costs constitute appropriate charges in accordance with university policies:

- [University Purchasing Policy](#)
- [Fifth Third Card Program Cardholder Agreement](#)
- [Spalding University Travel Reimbursement Policy](#)

**3.2.3 PROJECT COSTS AND COMMON BUDGET CATEGORIES**

Proposed budgets should include all project or direct (and indirect/overhead), costs allowed within the guidelines provided by the granting agency, or external funding source, and the university. Multi-year budget line items may be adjusted upwards by three percent (3%) per year to allow for inflation and/or cost of living expenses. Common budget categories are listed below; contact grants staff in OSPRe or staff in the Finance Office for assistance in creating a budget.

Personnel – Personnel include the Primary Investigator/Project Director (PI/PD), co- Primary Investigator/Project Director (if applicable), other key personnel who

will make major contributions to the project, and administrative support staff. See Cost Principles ([Section 2.4.2](#)) and the following section on Personnel ([2.4.3.1](#)) for more information; contact Human Resources for guidance.

**Equipment** – Defined as any individual supply costing over \$5,000.

**Travel, Lodging, Meals, and Tips** – See Cost Principles ([Section 2.4.2](#)) for specific information. Include provisions for all necessary personnel. Current standard Spalding mileage rate is 62.5 cents per mile for business travel.

**Participant/Trainee Support Costs** – Costs associated with students or other project participants. For example, scholarships or stipends and student travel costs.

**Other Direct Costs** – All other costs associated with the project. This may include:

*Human Subject Compensation* – Incentives for research participation are generally an allowable expense. All research involving human subjects must receive approval by the Research Ethics Committee (REC).

*Software and Licenses* – Contact Information Technology/Help Desk or the Center for Teaching and Learning (CTL) before purchasing software or licenses to ensure that the desired product is compatible with existing systems.

*Publication Costs* – Copying, binding, and distributing project results are generally an allowable expense.

*Consultants* – Individuals with a particular skill or expertise may be contracted to work with sponsored projects. For projects and contractual agreements funded through federal awards, the university will vet consultants and vendors through the [System for Award Management \(SAM\)](#) prior to entering into a contractual agreement. Spalding employees should not receive payment for consulting on the project of another Spalding employee, as on-campus consultation is generally considered an expectation of collegial behavior.

*Evaluators* – A primary criterion for selecting an evaluator is that he or she must be external to the project. The evaluator may be from on- or off-campus, however, in order to maintain impartiality in findings or results, the evaluator typically is not involved in the implementation of the project.

*Conferences/workshops* – Meeting expenses may include catering, speaker fees, travel, advertising, lodging, room and equipment rental, materials, etc.

### **3.2.3.1 PERSONNEL**

Project personnel are those individuals who conduct award activities, and may include faculty members or researchers, staff members, students, or consultants and evaluators.

The commitment of time and effort by faculty and staff typically represents a significant amount of project cost. Salary allocation is based upon distribution of total full-time effort (FTE), which includes teaching, research activities, and campus community citizenship. Understanding allocation of effort and the corresponding charging of salaries, and/or supplemental pay, to projects is an important component of project management.

For regular exempt employees and faculty paid through the payroll system, pay is remuneration for all work that benefits Spalding. For full-time employees and faculty, this is 100 percent FTE. One-hundred percent FTE does not equate to any set number of hours; it is the totality of all effort compensated by the university.

Institutional Base Salary (IBS) – Paid by Spalding to individuals for time spent on research, teaching, and other activities. It includes regular and supplemental pay; excludes honoraria, vacation accrual, and extra compensation (e.g. tuition reimbursement); excludes income an individual is permitted to earn outside of Spalding responsibilities (e.g. consulting); and may not be increased by replacing Spalding salary with sponsored project funds.

Faculty Effort – No one individual can offer more than 100 percent FTE; the Provost and individual academic units may define unique thresholds for how much FTE faculty members are allowed to reserve for non-sponsored activities.

Administrative Course Release – Administrative course release must be approved by the academic unit chair or program director, academic dean(s), and Provost. Faculty are limited to two total course releases unless otherwise agreed upon and approved by the Provost. See the [Spalding University Faculty Handbook](#) for more information.

Additional information about personnel categories and payments can be found in [Section 4.7.2](#) and in the attached Instructions for Determining Type of Agreement and Employment Status.

### **3.2.3.1.1 COMPENSATION**

#### Faculty Compensation Policy

All grant and contract budgets must follow terms outlined in the [Faculty Compensation Policy](#), found in Section 5.1.1 of this document.

Common Terms Defined:

*Salary* – A salary is a fixed regular payment made to an employee calculated on an annual basis. Contact Human Resources for assistance in determining a reasonable salary for a person with the necessary skill and rank. Multi-year awards should request a three-percent (3%) cost-of-living increase per year for any proposed project period.

*Wages* – Wages are associated with employee compensation based on number of hours worked multiplied by an hourly rate of pay. Contact Human Resources for assistance in determining a reasonable wage for a person of the necessary skill and rank.

*Stipends* – Stipends are usually paid out from an award in one or two lump sums for work on a particular project. If allowed by the granting agency, budgets that include stipends over multiple years may be subject to a three-percent (3%) cost-of-living increase per year under the award. The hourly wage rate is established as part of the university budgeting process, which means that PIs/PDs will need to use an estimated rate in their proposals. Please contact the Finance Office for assistance; if awarded, actual rates will be used during the grant period.

Contact the Financial Aid office to discuss any payments made to students.

**3.2.3.1.2 BENEFITS AND TAXES**

If it is proposed that an individual's salary or wages will be funded entirely or in part through an external award, the application or proposal budget should also request an appropriate percentage of employer-paid benefits and employer-paid taxes, as applicable. Employer-paid benefits include medical insurance, life insurance, long-term disability insurance, worker's compensation, and others. Employer-paid taxes include those mandated by the Federal Insurance Contributions Act (FICA) and Medicare.

Some funders permit fringe benefits to be included in the budget portion of grant applications; however, others may specify in their proposal guidelines that fringe benefit costs are not allowable. Please note that fringe benefit rates may change. For all proposals that include salaries or stipends, there should also be a budgeted line item for benefits.

Fringe benefits for full-time employees are calculated at 20% of their base salary. If a percentage of an employee's salary or additional pay are included in a project budget, benefits should be calculated commiserate with the percentage of salary requested.

See an example of how to calculate salary and benefits in [Section 5.1](#).

Stipends for students and external contractors are not charged benefits.

### **3.2.3.2 OTHER PERSONNEL COSTS**

The following budget items may or may not apply to project personnel as determined by guidance outlined in the contract or proposal solicitation and needs of the project. Contact your supervisor or Human Resources for more information.

Recruiting – Costs associated with announcing and advertising a position and interviewing candidates may be an allowable cost.

Professional development – Faculty and staff sometimes receive funds to support research and their attendance at conferences, workshops, or other professional development activities. Contact your supervisor or Human Resources for more information.

### **3.2.4 COST SHARE, MATCHING GIFTS, AND IN-KIND CONTRIBUTIONS**

Cost share is the portion of project expenses that are not covered by the external funder and may be provided by the university or by other organizations. Funding opportunities that require cost share can specify the amount or percentage of the project that must be supported by other sources, or the value of the cost share could be left vague. Generally, the university does not enter into voluntary or non-required cost-share agreements.

Matching funds represent a commitment by the grantee to provide or raise a portion of project funds in order to gain funding agency support. Generally, these funds must be committed or "in-hand" before the funding agency will release its promised portion. Matches can be 1:1 (each partner contributes the same amount), or any other ratio, such as 2:1 (where the funding agency contributes two dollars for each one that the grantee contributes), or 0.5:1 (where the funding agency contributes half of the dollars that the grantee contributes).

In-kind contributions are non-monetary resources such as time, equipment, and materials that are gifted to a project without compensation. Unless otherwise specified, in-kind gifts may be used to meet cost-share or matching obligations.

In-kind contributions must be assigned a reasonable and justifiable value and that value should be documented accurately in project records.

### **3.3 SUBMITTING THE PROPOSAL**

In most cases, grants staff will submit proposals on your behalf. However, in the case that the PI/PD will submit the proposal, grants staff must review and approve the final application before submission. Make a paper and/or electronic copy of the entire proposal for your records, share a copy with grants staff for university records, and carefully follow the submission guidelines outlined in the proposal solicitation. If the proposal is submitted or delivered via:

- Email – Please copy grants staff to the submission;
- Online form – Create a Microsoft Word document or PDF to keep a record of the application. Save one copy for your records and forward one copy to grants staff.
- U.S. Postal Service – Keep one copy for your records and provide a second copy to grants staff.

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#### 4.0 MANAGING GRANTS AND CONTRACTS (POST-AWARD)

Congratulations! You received notice of an award!

Please contact the Grant and Contract Administrator so that we may assist you in the set-up and administration of external funding. Guidance provided in the following sections will help you gain a more complete understanding of the processes necessary for administering your award effectively.

Summary of essential post-award information. The Office of Management and Budget (OMB) implemented the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, also referred to as the “Uniform Guidance,” in December 2014. This guidance is a government-wide framework for grants management and an authoritative set of rules and requirements for federal awards that supersedes guidance from earlier OMB circulars.

Additional Information:

[Read the full text of the OMB Uniform Guidance.](#)

[Read OMB Uniform Guidance FAQs.](#)

**NOTE:** Spalding University is required to follow the Uniform Guidance for all federal awards, which include grants-related contractual agreements and subawards funded with federal money.

The following sections provide information to aid faculty and staff in conducting proper fiscal management and oversight of both private and federally sponsored projects.

Accounting and reporting (private funding):

- The Finance Office keeps the financial accounts;
- With the assistance of grants staff in Advancement, the PI/PD submits all required reports to the funder, including intermediate and final narrative and financial reports; and
- The PI/PD provides the Provost’s office, the Finance Office, and grants staff with copies of all intermediate and final reports.

Accounting and reporting (federal funding):

- The Finance Office keeps financial accounts and files intermediate financial reports, the yearly independent university audit of financial statements, and final financial reports at the end of grant budget or project periods.
- The PI/PD is responsible for filing research or program reports with the funding agency, as required, with a copy to the Provost’s office and a copy to grants staff in Advancement.

If you have need for budget adjustments – Contact grants accounting staff in the Finance Office to coordinate adjustments according to information provided in the following sections; grants staff in OSPRe are available to provide help as needed.

Staying compliant. Refer to [Section 5.0](#), “Policies and Compliance,” for a listing of common post-award compliance issues to varied topics and federal funding agencies.

#### **4.1 ACCEPTING THE AWARD**

##### **4.1.1 AWARDS MADE TO YOU DIRECTLY (AS AN INDIVIDUAL)**

Even if you are submitting as an individual, you must complete the [Grant Initiation Form](#). Contact OSPRe if you feel like this situation applies to you.

##### **4.1.2 AWARD NOTIFICATION**

If a funding agency notifies you of an institutional award directly, contact OSPRe and forward any checks or documents to grants staff who will ensure that the internal offices relevant to the management of the award are notified.

Award notification directed to the university will be documented and forwarded out by grants staff with the purpose of informing all pertinent parties about the grant award. PIs/PDs will receive a copy of the original submitted application or proposal and the award letter; deadlines, reporting requirements, and any commitments that the university has made toward the project will be noted.

##### **4.1.3 ACKNOWLEDGEMENTS**

OSPRe, or another administrative office, will prepare official acknowledgement of the award from Spalding University. Common practice suggests that Spalding should not write acknowledgements to federal agencies; however, it is courteous for PIs/PDs to send a “Thank you, and I look forward to working with you” message to the assigned federal program officer.

##### **4.1.4 NOTIFYING THE MARKETING AND PUBLIC RELATIONS OFFICE**

OSPRe will contact the Marketing Office to share the news with the broader campus community.

#### **4.2 ACCOUNT SET-UP**

Grants accounting staff will assign identification numbers to the award: A general ledger (GL) account number and a project number. The PI/PD will receive an email from grants accounting staff in the Finance Office containing the GL account number and projects accounting number for the award, as well as other pertinent information regarding award spend-down, proper grant accounting procedures, and instructions for invoicing or requesting reimbursement payments. All future correspondence about your award should reference the project number and title.



### **4.3 PROJECTS ACCOUNTING**

All PI/PD's can access a summary of their project budget and spending to-date using the Projects Accounting online system. The Grant and Contract Administrator is available to assist with accessing and utilizing the Projects Accounting system for first-time users. To access this system:

- 1) Sign in to your Spalding portal page at my.spalding.edu
- 2) Under 'Quick Links' click on 'HR and Finance Apps'
- 3) Click on 'Budget Management'
- 4) Click on 'Financial Management' at the top of the page and select 'Project Accounting.' Here, you will see all of the projects you have access to.
- 5) To view the details of the project, click on the project and use the drop-down tabs to see all project revenue and expenses.

### **4.4 RESPONSIBILITIES OF THE PRINCIPAL INVESTIGATOR/PROJECT DIRECTOR**

#### **4.4.1 AWARD MANAGEMENT**

The PI/PD is responsible for proper fiscal management, implementation, and the success of any grant-funded project, and must:

- Read and understand the grant proposal, budget, and award documents;
- Comply with all terms and conditions imposed by the sponsor and Spalding;
- Ensure that project funds are managed effectively and efficiently;
- Initiate all required approvals for budgetary and programmatic changes;
- Prepare timely submission of technical reports;
- Complete and sign authorization forms/MOA's for employees charged to the grant;
- Sign all payment requests and purchase orders charged to the grant;
- Certify the accuracy of budget reports on a quarterly basis or as required;
- Certify time and effort reports as applied to external funding; and
- Include proper documentation with all payment requests, including original receipts, detailed descriptions of the purchase or expenditure, and any additional information needed to explain the nature of the expenditure.

OSPRe will contact the PI/PD to schedule an award set-up meeting to discuss the grant award, the budget and expenditure reporting requirements, and policies and procedures, as well as to familiarize the PI/PD with available university resources.

The Finance Office assists with the overall financial administration of awarded external funds. This includes the processing of payment requests, purchase orders, and invoicing by following standard accounting practices and adhering to university policy and federal regulations. Grants accounting staff also assist with compliance and maintain budget-to-actual spend-down documentation for sponsored awards using the projects accounting dashboard made accessible to all PIs/PDs.

#### 4.4.2 UNIVERSITY REPORTING

For Spalding University to remain in compliance with its regional accreditor, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), PIs of new and continuing active grants and/or contracts are required to submit an annual, individual report on each grant or contract to the PI's school chair, the director of the PI's academic program, the director of OSPRe, and the director of the Office of Institutional Effectiveness. In most cases, reports required by the grant/contract funding entity will include most, if not all, of the information required for this internal report.

It will be the academic dean, school chair, program director, and/or staff supervisor's responsibility to include these reports as part of their annual report card in partial fulfillment of Spalding's annual self-evaluation assessment process ("report cards") to remain in compliance with SACSCOC.

The required annual report will encompass the time period April 30 - May 1. The report submission due date is May 15; should the 15th fall on a weekend, the report is due the following Monday. The annual report should include the following:

- Name of PI(s)
- Spalding Academic Program/Office affiliation
- The title of the grant/contract and the funding source/entity(ies)
- The identification number of the grant/contract in Spalding's Finance Office system
- Date of award
- Start date and end date of grant/contract funding period.
- All co-PIs, co-Spalding academic programs/offices, and/or co-external entities
- A brief description of the purpose of the grant, i.e., an abstract of no more than 250 words.
- A summary of the grant/contract's financial information, including the total amount awarded; the amount dispersed during the April 30 - May 1 period disaggregated by category of spending (do not list each expenditure, but group expenditures by type) and total amount spent; the planned expense amount planned for the following April 30 - May 1 period disaggregated by category of spending (do not list each expenditure, but group expenditures by type) and total amount planned.
- An assessment of progress on the grant/contract's goals/purpose, with supporting documentation (redacted as appropriate) of activities during the April 30 - May 1 period; an assessment plan that specifically supports the grant/contract goals for the following April 30 - May 1 period
- A summary list of meetings associated with the grant, including meetings with Spalding's Office of Sponsored Programs and Research.
- Name of Academic Dean (faculty only)
- Name of School Chair (if applicable)
- Name of academic program director (faculty) or supervisor (staff)

## **4.5 MANAGING THE BUDGET**

### **4.5.1 ACCESS TO FUNDS**

The PI/PD holds fiscal responsibility for all grant expenditures, and only the PI/PD may request payments from the grant account. The PI/PD is required to authorize all spending from the sponsored award and monitor activity on a monthly basis. Any discrepancies should be communicated immediately to the Finance Office for resolution. PIs/PDs should familiarize themselves with allowable costs and use the approved projects accounting number. Contact grants accounting staff in the Finance Office for more information.

Appropriate university forms should accompany all payment requests, expense reimbursements, and invoices. These materials should be completed by the PI/PD and directed to grants accounting in the Finance Office.

The PI/PD must certify that the expense is necessary to the work sponsored by the award, allowed by the project budget, and that the cost is fair and reasonable. The PI/PD must confirm that any requisition is within the award spending limits and adheres to university policy.

According to the information available from the Finance Office on the day of the request, grants accounting representatives will verify that the account has sufficient funds to cover the expense and will process payment. Grants accounting staff will return a request to the PI/PD if the account has insufficient funds and will copy grants staff in OSPRe to the notification.

### **4.5.2 OVERSPENDING**

The PI/PD is ultimately responsible for the funds awarded on their behalf. If a single line item in an award goes over budget, the PI/PD should contact grants accounting staff in the Finance Office to learn if reallocating funds from another line item is permissible. If reallocating is not possible, or if the entire project goes over budget, spending should stop immediately. All pending requisition requests should be halted and invoices tabulated to ascertain an accurate balance of the account. The PI/PD is responsible for identifying another funding source to cover the deficit and may consider asking their program or department chair, or supervising academic administrator, if university funds are available to cover the overage. If an on-campus source is identified, the PI/PD should initiate a cost transfer. If an on-campus source is not available, the PI/PD, and the co-PIs/PDs, if applicable, may be responsible for the balance.

### **4.5.3 UNDERSPENDING**

Underspending an award can be nearly as frustrating as overspending. It suggests that the PI/PD did not plan or estimate properly, or that the project is not moving forward in a timely manner. The Grant and Contract Administrator will send the PI/PD regular updates regarding the balance of the award. If spending lags behind

schedule, the PI/PD, grants accounting staff, and grants staff in OSPRe should consult to discuss the barriers to timely spending and develop a plan to begin utilizing the funds.

If necessary, a budget reallocation or time extension may be requested from the funding source. The PI/PD should expend the funds on furthering the purpose for which the award was given to the ethical extent practical. However, spending should stop immediately if the project period outlined in the agreement or contract expires. It may not resume until permission to continue is granted by the external funding agency or sponsor.

For PI/PD's with multiple grants and contracts, OSPRe and grants accounting staff may require a monthly Project Accounting meeting to ensure all funds are being spent on time and as outlined by the original budget.

#### **4.6 BUDGET MODIFICATIONS**

You should reach out to the Grant and Contract Administrator to discuss all grant budget modifications. Changes to budgets should be requested prior to incurring expenses that differ from the approved budget. Depending on the funding agency, grants accounting staff can modify some grant budget categories without needing agency approval; however, please note that many agencies and situations will require prior approval. Budget modification requests should be emailed to the Grant and Contract Administrator. Please include your assigned project number, the amount you are requesting to move, and which accounts the funds are being transferred between. Please also include the reason for the requested budget modification. If agency approval is needed, grants staff in Advancement and the PI/PD will prepare the request. Depending on the funding source, OSPRe or grants accounting staff in the Finance Office may send the request to the agency. Remember to include your project number and title in any correspondence related to your award.

Budget Changes in a Federal Grant (2 CFR §200.308). Most funding agencies permit changes in budgets up to a certain level without prior approval. PIs/PDs are expected to understand the budget limitations of their grants and request budget adjustments as needed. Before making a request to move line-item funds, check the terms and conditions of the prime award to determine any established limits/restrictions. Sponsoring agency prior approval may be required if one or more of the following apply:

- A change in the scope or objective(s) of the project/program (even if associated budget revision(s) require written approval).
- Change in a key person specified in the application or the federal award.
- PI/PD disengagement from the project for more than three (3) months, or a 25 percent (25%) reduction in time devoted to the project by the approved PI/PD.

- The inclusion, unless waived by the federal awarding agency, of costs that require prior approval in accordance with Uniform Guidance Subpart E – Cost Principles (UG).
- The transfer of funds budgeted for participant support costs as defined in the UG (2 CFR §200.75, Participant Support Costs) to other categories of expense.
- Unless described in the application or federal award – subawarding, transferring, or contracting out of any work under a federal award; the provision does not apply to other acquisition of supplies, materials, equipment, or general support.
- Changes in the amount of approved cost-sharing or match provided by the non-federal entity. No other prior approval requirements for specific items may be imposed unless a deviation has been approved by the OMB. (See 2 CFR §200.102, Exceptions and 2 CFR §200.407, Prior written approval.)

Budget revisions requiring prior approval must be coordinated with grants staff in OSPRe and grants accounting in the Finance Office. The PI/PD will present the rationale and budget details for the proposed change. Upon approval, the submission will be initiated by the Provost or OSPRe per the awarding agency protocol.

#### **4.6.1 TYPES OF TRANSACTIONS**

##### **4.6.1.1 DIRECT CHARGES**

Direct charges are those that are charged directly to a Spalding University account. Invoices paid by the university, or purchases made using a Spalding University procurement card, are examples of direct charges. Expenses should be charged directly to the award's projects accounting number (e.g. PRJ-00000) whenever possible. Contact grants accounting staff in the Finance Office to initiate direct charges for goods and services.

Any purchases over \$2,000 should be made through the Finance Office. The Primary Investigator should submit invoices and purchase orders to the Finance Office at least 30 days prior to the close of a grant period. All invoice requests above \$2,000 must be approved by the PI/PD, budget manager, and their department chair or supervisor. For larger requests, please consult the University Spending Policy.

##### **4.6.1.2 REIMBURSEMENTS**

If a direct charge is not possible, reimbursements are available in most cases; request reimbursement according to the [Spalding University Travel and Reimbursement Policy](#) and use the appropriate [university form](#). Reimbursement requests or invoices should be made as soon as possible after the expenditure or services are provided and are to be forwarded to the PI/PD for approval.

Once the PI/PD approves the invoice or request for reimbursement, the documentation is forwarded to grants accounting staff in the Finance Office, who will verify that according to the information available on the day of the request, the account has sufficient funds to cover the expense

and payment may be processed. Grants accounting staff will return a request for reimbursement to the PI/PD if the account has insufficient funds and will copy grants staff in Advancement to the notification.

#### **4.6.1.3 COST TRANSFERS**

Mistakes in charges or accounting may be corrected if they are addressed in a timely manner. Acceptable reasons to initiate a cost transfer may include the need to correct a clerical error, the reallocation of shared resource costs, or the reallocation of a salary expense. Cost transfers cannot be initiated for matters of convenience (e.g. to reduce a surplus, to reduce a deficit in another account or line item, or to avoid sanctions by the funding agency). Cost transfers should be made sparingly, as they are considered “red flags” by financial auditors. Cost transfer requests must be made as soon as the need for a transfer is identified. Cost transfer requests are directed to grants accounting staff in the Finance Office, who will verify that sufficient funds are available. The university controller is responsible for final review and approval.

For federal awards. A cost transfer is an after-the-fact journal entry that transfers an expense from a federally funded award that was previously charged to a different account. All costs should be charged to the appropriate federal award when first incurred, however, there may be circumstances when transfers may not be avoided.

PIs/PDs have the primary responsibility for ensuring compliance with federal regulations, as well as monitoring expenditures, the proper allocation of expenses, and the timely detection and correction of errors.

To comply with the Uniform Guidance, the university must be able to explain and justify all charges transferred onto federal awards. Any necessary cost transfers should be completed in a timely manner and include a complete explanation per the Uniform Guidance cost principles.

The following guidelines apply:

- Explanation of cost transfer must be clearly stated and sufficient for an independent federal reviewer to conclude that the cost transfer is appropriate.
- The PI/PD, or another authorized member of the project team, must approve cost transfers.
- Transfer to grant accounts should be requested within 90 days of the expense (inappropriate expenses to a grant can be removed without a deadline).
- Transfer to a grant made over 90 days from the original posting date must include supporting documentation explaining why the charge is allocable, allowable, and reasonable.
- Where effort certification applies, cost transfers involving payroll require a revised time and effort certification form.

- Cost transfers made solely for the purpose of grant spend-down are not allowable.

Procedure for processing cost transfers:

- The PI/PD, or another authorized member of the project team, must submit cost transfers and provide a description and attach supporting documentation.
- Cost transfers are reviewed, approved, and processed by the Finance Office; supporting documentation will be linked to the journal entry.

Although cost transfers cannot always be avoided, the following have been identified as audit red flags:

- An excessive number of cost transfers;
- Transfers made near the end or after the project period has expired resulting in increased expenses;
- Transfers that give the appearance of moving deficits from one federal project to another;
- Transfers made with inadequate supporting documentation; and
- Transfers made more than 90 days after the discovery of an error.

#### **4.6.1.4 PURCHASES MADE NEAR AWARD END**

Significant equipment and supply expenses made near the end of an award period are to be avoided whenever possible, as it is difficult to justify how an expenditure benefits the project if it occurs toward the end of the award period. However, it is appropriate that expenditures related to presenting results or publishing come at the end of the award period.

#### **4.6.1.5 PRE-AWARD SPENDING**

Spalding University does not permit pre-award spending. No financial resources may be committed to a project prior to the receipt of an official award letter from the funding agency. Notification that a funding agency expects to make an award is insufficient documentation to begin spending on any project.

#### **4.6.1.6 MATERIALS PURCHASED USING EXTERNAL FUNDS**

Materials purchased using external funds (grants or contracts) are the property of Spalding University and must be returned to the university when any of the following situations occur:

1. The grant or contract ends or is terminated
2. The PI/PD is no longer a Spalding Employee

Materials must be stored on campus unless chair/supervisor approval is rendered to store them off campus, in which case they shall be stored securely.

#### **4.6.2 PAYING PERSONNEL**

##### **4.6.2.1 SALARIES OR STIPENDS FOR ON-CAMPUS PERSONNEL**

Stipends to on-campus personnel are paid via the supplementary payroll, meaning direct deposit into the person's account at the same time as their regular paycheck.

###### **4.6.2.1.1 PROCEDURES FOR EXISTING PERSONNEL**

If a current Spalding employee will receive additional pay, complete a Memorandum of Agreement (MOA) through Paycom. (instructions located in attached Flow Chart) Through Paycom, you will select the employee to be paid and the MOA will be routed for approval through the department chair and Finance Office.

If an employee's status changes (ex., staff moving from part-time to full-time status, or faculty contract increase from 36-weeks to 40-weeks), complete a Personnel Action Form (PAF).

If faculty course release is included, update employee contract and/or revise Faculty workplan. All course releases must be approved by unit chair and Provost.

###### **4.6.2.1.2 PROCEDURES FOR HIRING NEW PERSONNEL**

Contact Human Resources to begin the hiring process. All job postings for positions paid by external funding should include the following language: "This position is grant/contract funded and is contingent upon funding availability. This position may be shortened or extended based on funding and/or availability of work."

Complete a Personnel Action Form (PAF) upon hiring all new employees. A Memorandum of Agreement may also need to be completed in Paycom.

##### **4.6.2.2 STIPENDS OR TUITION ASSISTANCE FOR STUDENTS**

Notify the Financial Aid Office of any student payments, tuition remission, or other support. If a Graduate Assistant is paid by external funding send details to the Graduate Dean. If students are paid a stipend



by the external funding, the PI should create a [Student Memorandum of Agreement \(MOA\)](#) in Jotform with their payment and scope of work. Students must complete a W9 form and direct deposit set-up. All documents will be automatically submitted to the Finance Office for processing.

In unusual circumstances, Spalding University can fund students from other academic institutions as “visiting students.” This designation requires that no qualified Spalding University student is available for the project. Visiting Students must be actively enrolled in an academic program at an accredited university and the funding agency must allow for or give permission to pay a non-Spalding student in the funding agreement. Visiting students may receive stipends for their work on a Spalding project, upon approval from the Provost. Students must complete a Visiting Student Memorandum of Agreement (MoA) that details the scope of their work, an affirmation that the work is part of the student’s training or degree requirements, effective dates of the agreement, compensation, and disbursement schedule. The MoA must be signed by the visiting student, their home university program director, and the Spalding Project Director. Potential visiting students must also complete a W-9 and direct deposit authorization. No work may begin until all paperwork and subsequent approvals have been submitted to OSPRe. Any changes to the terms of the scope of work or compensation must be requested by the Project Director and approved by the visiting student’s supervisor and Spalding’s Provost.

#### **4.6.2.3 STIPENDS FOR EXTERNAL PERSONNEL**

External contractors and service providers must complete a service agreement and IRS Form W9 to process payment. The PI/PD may create a [Service Agreement](#) in Jotform, which will be automatically submitted to the Finance Office for processing. Once approved, the external personnel should submit invoices for their work.

#### **4.6.2.4 PAYMENTS TO NON-U.S. PERSONS OR ENTITIES**

Regardless of the funding source, the PI/PD must be aware of federal laws such as export controls and fiscal mandates that govern the collaboration with and payment of non-U.S. citizens or agencies. Before you commit funds from an award to a non-U.S. citizen or agency, contact Human Resources and grants accounting staff in the Finance Office.

### **4.7 TIME AND EFFORT REPORTING**

As a recipient of federal funds, Spalding must comply with the OMB Uniform Guidance, which requires that any compensation for personal services be based on the institution’s records and that those records must accurately reflect the work performed.

In other words, per federal guidelines, charges to grant awards involving federal funds for salaries and wages must be based on reporting processes that ensure salary and wages are expended properly and that actual effort is consistent with the budget that was submitted and approved. Time and effort activity reports record the actual percentage distribution of all effort expended including time spent on externally funded projects, as well as other duties. One-hundred percent (100%) of effort or FTE is defined as all effort needed to complete the full set of duties included in Spalding University appointments.

Time and effort documentation is to be completed by all faculty members and Fair Labor Standards Act (FLSA) exempt professional staff involved with federal grants, even if no compensation is received. Completed forms are to be returned to grants accounting staff in the Finance Office according to university policy. Employees who work on a federally funded project as part of cost share are also required to complete these reports.

The reports are not completed by non-exempt staff or students who fill out weekly or bi-weekly timesheets. Timesheets serve as after-the-fact reports of actual effort spent on the grant and fulfill the federal requirements for documentation. PIs/PDs are responsible for verifying that the information provided by all employees working on their grants or federally funded projects or research is accurate.

#### **4.8 MONITORING EXPENDITURES**

PIs/PDs are responsible for monitoring project budgets and grant expenditures using the Ellucian Budget Management Projects Accounting feature. PIs/PDs must check to make sure all expenses are posted correctly, and if an expense has posted incorrectly, it is the responsibility of PIs/PDs to send notification to grants accounting staff so that the Finance Office may correct any inconsistencies in a timely manner.

#### **4.9 FEDERALLY FUNDED EQUIPMENT**

The PI/PD is responsible for purchasing equipment in accordance with federal regulations and [university purchasing policy](#). The university will tag new equipment and is responsible for performing physical inventories. The university is subject to the obligations and conditions set forth in 2 CFR §200.439 title to equipment acquired under a federal award will vest upon acquisition by the non-federal entity.

Per the Uniform Guidance, equipment is defined as tangible personal property (including information technology systems) with a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or \$5,000 (2 CFR §200.33). The equipment may be free standing or composed of several pieces working together.

Follow [Spalding University Purchasing Policy](#) for all equipment purchases. When a competitive bid process is required, documentation needs to be in writing from the vendors and can include screen shots from websites, copies of published price lists, or advertised pricing in established journals or magazines.

Situations may occur involving a sole source provider of equipment – This should be documented and approved. Convenience, “a good deal,” or poor timing are not valid reasons for bypassing the competitive bid process. Computer purchases up to \$5,000 are considered supplies and are not subject to the bid process.

#### **4.10 PURCHASING EQUIPMENT**

Before purchasing equipment with awarded grant funds, you should first contact grants accounting staff in the Finance Office. Technology purchases must be generated through Spalding University's Information Technology department and office supplies should be purchased through the Fusion Center. If the equipment was not listed in your original grant budget, you will need to request permission for budget modification prior to ordering the equipment. Grants accounting staff, or a member of grants staff in OSPRe, will then contact the funder for approval if required. If approved, grants accounting staff in the Finance Office will reallocate funds in your existing budget to allow for the purchase of equipment.

Once equipment is delivered, the invoice, or other documentation, should be approved by the PI/PD and sent to grants accounting staff in the Finance Office for processing.

#### **4.11 EQUIPMENT TRANSFER AND DISPOSAL**

Please contact grants accounting staff in the Finance Office prior to transferring or disposing of any equipment purchased with grant funds. There may be special regulations that must be followed in order to comply with federal guidelines.

#### **4.12 INVENTORY PROCEDURE**

Per federal regulation (2 CFR §200.313), a physical inventory of equipment purchased with federal funds must be completed at least once every two years. The Finance Office also conducts periodic physical inspections of equipment for audit purposes.

#### **4.13 COST SHARING AND MATCH**

Cost sharing or “match” is that portion of project costs that are paid from sources other than the external funds provided by the sponsor. PIs/PDs are responsible for ensuring that cost sharing and match agreements are approved by university leadership.

After external funding is awarded, it is necessary to meet with grants staff in OSPRe to clarify what form the match will take, and the timeline over which it will be provided. If a match is required, you must meet with Advancement and OSPRe staff to develop a funding plan to meet the matching requirements. It is the responsibility of the PI/PD to verify and document that the match has been fulfilled, and documentation should be provided to the Provost, grants staff in Advancement, and grants accounting staff in the Finance Office for review.

The basic cost allowability test for cost sharing or match (non-federal share of expenses) per the Uniform Guidance includes the following:

- Costs are verifiable from the recipient records;
- Costs do not include contributions from any other federal project or program;
- Costs are necessary and reasonable project expenditures;
- Costs are allowable under applicable cost principles;
- Costs are not paid by the federal government under another award except where authorized by federal statute to be used for cost sharing or matching;
- Costs are described in the approved budget as required by the federal awarding agency; and
- Costs conform to other provisions of the Uniform Guidance, as applicable.

Non-federal share of grant expenses must be identified and supported by documentation, which may be obtained from the following:

- Evidence of cash received (records of deposit with sources);
- Evidence of expenses (invoices, payroll, purchase orders, time and effort); and
- Volunteer services (time and effort reports to the extent feasible).

#### **4.14 SUBAWARDS**

A subaward is a portion of the primary award that is given to another person or entity to complete part of the overall scope of work. Subawardees have autonomy in how they will complete their part of the work (while keeping within the proposal parameters), and subawardees are expected to report the results back to the primary award recipient. Subawardees differ from vendors (who are hired to perform a service) and consultants (who advise but do not otherwise perform work on the project).

Complete the [Grant Proposal Processing Form](#) for each application or proposal connected to any type of external grant, fellowship, or other award that may be administered by Spalding University, including subawards.

Spalding treats subawards to any PI/PD as they do other grants, and thus a subaward to a PI/PD is set up as a grant fund with a project number; follow the steps outlined in this document when preparing a subaward proposal. All subaward budgets must be approved by COO, or their designated representative.

##### **4.14.1 SPALDING UNIVERSITY AS PRIMARY AWARDEE**

If your proposal includes a subaward to another institution, the university requires a letter of intent to enter into a subaward agreement from an authorized official at the subawardee institution, a statement of work, a budget, and a budget justification narrative. The President, Provost, and COO must approve the subaward.

- Statement of work – Specify the primary award by name and number, the PI/PD, the subawardee, the proposed start and end dates, and the work that will be performed by the subawardee in support of the project.

- Project budget and justification – Provide a detailed budget for the work to be completed through the subaward. Possible line items in a subaward budget may include stipends to the subaward PI/PD(s) and their research assistants (plus annual increases for a multi-year award), required benefits and taxes, equipment, materials and supplies, travel, or any mandatory cost share.

Letters of commitment – If applicable, the PI/PD should submit a letter of commitment confirming agreement to the statement of work and attesting to their ability to complete the work. An appropriate college official may also need to submit a letter endorsing the subaward proposal.

The PI/PD should work with grants staff in OSPRe to prepare a subaward agreement. The agreement will include a clear scope of work, budget, reporting schedule and guidelines, and contact information. The agreement should have clear instructions for how the subaward will be paid and must be approved by the COO and General Counsel prior to final approval by the university's President.

The primary award's PI/PD must ensure that the contracted work is completed in a timely fashion. The PI/PD should keep in regular contact with the subawardee and be aware of progress on project milestones. At least four weeks prior to the due date of the primary awardee's interim, annual, and final reports, the subawardee should send the primary award PI/PD a narrative and financial report regarding the subawardee's portion of the project. Information from these reports will be incorporated into the primary awardee report. If satisfactory progress is not made on the subawarded project, the primary awardee should consider cancelling the subaward.

#### **4.14.2 SPALDING UNIVERSITY AS SUBAWARDEE**

If Spalding is the subawardee, the primary awardee should prepare a subaward agreement that specifies the scope of work, reporting schedule, budget, and contact information relevant to the performance and management of the proposed work. An authorized university official must sign subaward agreements, and a copy of the award must be on file with OSPRe and the Finance Office. The subaward's PI/PD is responsible for filing timely reports with the primary awardee. If the primary award is federally funded, consult with grants accounting staff in the Finance Office and grants staff in OSPRe to review spending procedures for federal awards and subawards.

The lead institution you are working with may have very specific requirements for you and Spalding University during both pre- and post-award stages. Please be in touch with both grants staff in OSPRe and grants accounting staff in the Finance Office for any special assistance you may need with subawards.

#### **4.15 CHANGES TO PROJECT**

Changes to the original project as approved by the funder should be avoided when possible. When changes to the intent, leadership, or timeline of the project cannot be

avoided, alert grants staff in OSPRe, who will assist you in preparing a request to the funding agency.

#### **4.15.1 CHANGE OF SCOPE**

The scope of the project includes the purpose of the work, the methods to be used, and the expected outcomes. Reasons for a change of scope may include a shift in research interests (e.g. the research focus of a PI/PD may shift in the time between when they applied for an award and the time the award was made); the implementation of testing methods that significantly impact the nature of results; or a need to add or eliminate a phase of the project. If a change of scope is needed, submit a proposal regarding the new work, a budget, and budget justification to grants staff in OSPRe. After review by supervising academic administrators, grants staff will forward the request to the funding agency for approval.

#### **4.15.2 CHANGE OF PRINCIPAL INVESTIGATOR OR PROJECT DIRECTOR**

If a PI/PD is away from campus, but is still employed by the university and is planning to stay active in the externally funded project, no change of PI/PD is needed. However, if the PI/PD will be away for three months or longer without active engagement with the project, then a temporary or permanent PI/PD replacement should be selected. A change of PI/PD proposal should include: The reason(s) for departure, the name of the replacement nominee, the nominee's vita or resume, and a justification explaining why this person is qualified to continue the project.

If a PI/PD is no longer employed by the university, in most cases the grant or contract will pass to a new PI/PD. In rare cases of research-based grants or grants made directly to faculty or staff, these funds and projects will be transferred away from the university and remain with the PI/PD.

#### **4.15.3 TIME EXTENSIONS**

##### **4.15.3.1 NO-COST EXTENSION**

A no-cost extension is a postponement of the award's end date. It is given with the permission of the funder without additional monies. Please note that spending down the awarded funds is not an acceptable reason to request an extension. Frame the justification for an extension in terms of continuing the project or conducting a longer-term evaluation. Requests for no-cost extensions should include a proposed end date, an explanation of why an extension is needed, a description of how the additional time will be used, a revised budget, and a budget justification detailing the proposed use of funds. Grants staff in OSPRe will work with the PI/PD to submit the request to the

funding agency. Time extensions should be made at least ninety days before the original end date of the award.

#### **4.15.3.2 SUPPLEMENTAL EXTENSION**

Some funding agencies allow the PI/PD to request additional time and money to support the originally approved work. Requests for supplemental extensions should be made sparingly and well in advance of the original end date. First, review available materials or contact grants staff in Advancement to learn whether or not the funding agency allows supplemental extension requests. If permitted, the PI/PD will prepare a proposal stating the goals to be accomplished with the supplemental funding and requested amount by justifying the need and proposing a new end date. Grants staff in Advancement will submit the application to the funding agency upon approval by supervising academic administrators.

#### **4.16 GRANT REPORTS AND RESPONSIBILITIES**

Progress Reports – PIs/PDs are responsible for sending non-financial progress reports to funding agencies. The award letter or agency terms and conditions will indicate reporting deadlines. Many federal funders also send out reminder emails when reports are due. The Grant and Contract Administer monitor reporting deadlines and may send out reminders to PIs/PDs when reporting deadlines are approaching. A copy of the Progress Report should be sent to OSPRe for recordkeeping purposes.

Financial Reports – Grants accounting staff in the Finance Office prepare and submit financial reports, manage grant cash balances, and request drawdowns from federal funding agencies according to agency regulations. If you are prompted to submit a financial report by a funding agency, please forward this request to grants accounting staff in the Finance Office with copies to grants staff in OSPRe for recordkeeping purposes.

Invoicing – Grants accounting staff in the Finance Office prepare and submit all invoices. Invoicing is generally used when Spalding University is the subrecipient of a grant that is passed-through the prime recipient. Grants accounting staff in the Finance Office manage grant cash balances, and all checks received for grant invoices should be forwarded to the Finance Office for deposit.

Final Reports – Most funding agencies require final reports at the end of the grant period. The report format and due date will vary depending on the funder. Final financial reports may be prepared by grants accounting staff in the Finance Office. PIs/PDs are responsible for preparing and submitting final non-financial reports. If your performance or narrative report requires a signature from an authorized official, please contact grants staff in OSPRe. Copies of all reports should be forwarded to grants staff in Advancement for recordkeeping.

**4.17 CLOSE-OUT POLICIES**

It is important for Spalding personnel to submit reports and close the award account in a timely manner. Failure to properly complete the reporting and fiscal responsibilities of an award may result in the PI/PD, or the university, being barred from receiving future funding from that agency. An award is considered closed once all of the requirements for final reporting have been fulfilled and accepted by the funding agency, all income has been received and distributed, and all residual funds have been returned or redistributed.

**4.18 RECORD RETENTION**

Unless a longer period is specified by the funding agency, the PI/PD should maintain unaltered copies of all data created by the project and all budget-related documentation for a period of three years following the final close-out of the award. These records must be made available to university officials, auditors, and/or representatives of the funding agency upon request. The Finance Office will retain all financial records of the award for a period of seven years. Grants staff in OSPRe maintain narrative and budget reports as submitted by the PI/PD to the funding agency for at least seven years.

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## 5.0 POLICIES AND COMPLIANCE

### 5.1 OFFICE OF SPONSORED PROGRAMS AND RESEARCH POLICIES

#### 5.1.1 FACULTY COMPENSATION POLICY

For all grants and contracts, faculty cannot exceed a 40-hour workweek nor a 44-week contract. Because faculty are typically issued 36-, 40-, and 44-week contracts, there are opportunities for faculty to increase salary OR request course buyout OR a combination of both as defined below:

- Course buyouts must be approved by Department Chairs or Direct Supervisors, Deans, CFO, and Provost
- Faculty are limited to 2 course buyouts per year
- Each course (undergraduate or graduate) is costed at 12.5% of the faculty member's total salary
- For faculty interested in increased weeks, the cost is 9% of total salary for each 4-week increase (e.g., 36 to 40 weeks would be 9% of full-time salary)
- Fringe rate must be included in the budget and is costed at 20% of the total requested salary
- Faculty are afforded 8 hours of "outside work" with chair approval. This includes all paid and unpaid professional activities.
- Faculty may request both course buyout and additional compensation when the additional work would be in excess of the course buyout time. For the purposes of calculation, a 3-credit course is equivalent to 80 clock hours of work.

By federal statute, for federal grants, unless otherwise specified, faculty compensation cannot exceed their hourly rate of pay. To create consistency, compensation for non-federal grants and contracts will be calculated at the same rate of a faculty member's compensation. Exceptions to this cap may only be approved by the Provost.

Faculty and staff may be required to submit Time and Effort logs when paid na hourly rate for grant or contract-related work.

New faculty positions funded by grants or contracts must include fringe benefits when the total time is in excess of 70% FTE (full-time equivalent) per week. Fringe rate is costed at 20% of total salary.

**EXAMPLE:** Faculty A is currently on a 36-week contract earning \$80,000 per year (for an hourly rate of \$55.55 per hour). Faculty A is applying for a grant to oversee a new project, which they anticipate will require additional time during the year outside of their teaching load.

**HOURLY RATE CALCULATION:** \$80,000/36 weeks per year/40 hours per week = \$55.55 per hour

**Option 1:**

They may (with Chair approval) determine they will spend about 10-15% of their time on this project, and would like to request a course buy-out. The grant budget will appear as follows:

Personnel	Amount	Notes
Faculty A Salary	\$10,000	Grant budget equates to 12.5% of faculty salary. This is a budget-relieving expense
Faculty A Fringe Benefits	\$2,000	20% of requested salary

**Option 2:**

Faculty A may feel they can oversee the project using only approximately 6 hours per week and therefore will not require a course buy-out. This project will count toward their allotted 8 hours of “outside work” with chair approval. The grant budget will appear as follows:

Personnel	Amount	Notes
Faculty A Salary	\$12,000	Grant budget equates to 6 weekly hours of faculty salary. This is additional pay to the faculty member.
Faculty A Fringe Benefits	\$2,400	20% of requested salary

**Option 3:**

The grant-funded project is so involved it would require additional time from the faculty member to undertake. With chair approval, Faculty A will move from a 36-week contract to 40-weeks. The grant budget will appear as follows:

Personnel	Amount	Notes
Faculty A Salary	\$7,200	Grant budget equates to 4 additional weeks (or 9%) of faculty salary. This is additional pay to the faculty member.
Faculty A Fringe Benefits	\$1,440	20% of requested salary

### **5.1.2 INDIRECT EXPENSE ALLOCATION POLICY**

The university allocates awarded indirect costs following the 30/30/40 rule: Thirty percent (30%) is allocated to the PI/PD's unit budget; Thirty percent (30%) is allocated to OSPRe to support grant and contract development/administration; and Forty percent (40%) is allocated to the general operating costs of the university.

When funding is included for a course release, funds shall be used to pay an adjunct professor to cover the intended faculty load. All remaining funds will be split 50/50 between the department and the university.

**EXAMPLE:** A faculty member receives grant-funded payment for a single course release, equaling \$10,000. Grant monies will first be allocated to pay for an adjunct (ex. \$2,600), and the remaining funds (\$7,400) will be distributed to the department's salaries and benefits budget line.

## **5.2 FOR ALL FUNDING**

Regardless of whether a project is sponsored with university funds or external funds, the project must adhere to certain policies and standards. Some of these policies are set forth by the university and others are mandated by the federal government. The following policies govern research conducted on the Spalding campus as well as research conducted by Spalding personnel in other locations.

### **5.2.1 RESEARCH INTEGRITY**

There is an expectation that Spalding University employees, students, and/or affiliates will conduct their research in an honest and professional manner in accordance with the standards of their discipline. If a person suspects that research misconduct (e.g. plagiarism, falsification of data, mistreatment of subjects) has occurred or is occurring, the person should refer to the Spalding University Policy for Responding to Allegations of Research Misconduct located in the [Faculty Handbook](#) and [Spalding University Policy Guide](#). This policy outlines the procedures for reporting suspected research misconduct to the proper university authorities and outlines the investigation process.

### **5.2.2 OTHER UNIVERSITY POLICIES**

Spalding University policies governing intellectual property, research misconduct, and copyrightable materials may have an impact on externally funded awards or the way those awards are executed. You are encouraged to become familiar with Spalding University policies by referring to the [Faculty Handbook](#), [Spalding University Policy Guide](#), and the [University Catalog](#).

### 5.3 **FEDERAL MANDATES APPLICABLE TO ALL SUBJECTS**

In addition to policies set forth by the university, some federal policies apply to projects regardless of the funding source. Individuals interested in policies that require institutional compliance, such as the Americans with Disabilities Act (ADA), should contact Human Resources. In addition to those listed below, contact grants staff in OSPRe and/or grants accounting staff in the Finance Office to learn more about other laws and mandates that may apply to an award.

Animal Welfare Act, as amended – Concerning research, the purpose of the act is to ensure that animals used in research receive humane care and treatment. This act extends to all activities.

Blood Borne Pathogens – This section of the Occupational Safety and Health Act of 1970 aims to eliminate or minimize occupational exposure to blood borne pathogens. To be in compliance, all relevant personnel must complete annual training and comply with other safe practices. This act applies to all activities. If applicable, contact the appropriate Lab Coordinator for more information.

Conflict of Interest – PIs/PDs and senior personnel applying for external funding must disclose all financial interests in the project to the university. University representatives will then evaluate the conflict, if any, and suggest ways to reduce or eliminate said interest. Conflicts of interest must be resolved before the university will accept the award.

Copyright Compliance – The copyright law grants owners of copyright (authors and other creators and publishers) the sole right to do or allow others to do each of the following acts with regard to their copyrighted works: To reproduce all or part of the work; to distribute copies; to prepare new (derivative) versions based on the original work; and to perform and display the work publicly. Copyright protection is available for "original works of authorship fixed in a tangible medium of expression." Refer to the Faculty Handbook for more information.

Export Administration Act of 1979 (Pub. L. 96-72, as amended) and Section 38 of the Arms Export Control Act (Pub. L. 90-629, as amended) – These acts are in place to protect the technological, economic, and military superiority of the United States. Limitations are placed on the access that foreign nationals and foreign governments have to sensitive data, materials, and equipment. These acts may limit your collaboration with non-U.S. citizens regardless of whether the foreign national is currently in the U.S. or abroad. Export and trade regulations do not apply to "fundamental research," defined as "basic and applied research in science and engineering, the results of which ordinarily are published and shared broadly within the scientific community, as distinguished from proprietary research and from industrial development, design, production, and product utilization, the results of which ordinarily are restricted for proprietary or national security reasons." If you are not conducting fundamental research as described above, you must seek exemption or a license to share data, materials, and equipment with foreign nationals (in or outside the United States), or to transport such items to foreign countries.

Human Subjects Protection (56 Fed. Reg. 28004) – All research conducted using human subjects must receive approval or an exemption from a certified Institutional Review Board (IRB) prior to data collection. The Research Ethics Committee (REC) is responsible for ensuring that research involving human subjects complies with federal regulatory guidelines set forth by the Health and Human Services Office for Human Research Protections pertaining to the protection of human subjects (45 CFR §46).

The REC must issue an exemption or approval documentation before project research begins. This policy applies to all research that is conducted by a Spalding University employee or student, on- or off-campus, and to any non-Spalding affiliated PI/PDs conducting research on the Spalding campus, regardless of the funding source. For more information, please visit the [Spalding University Library Research Guide](#) or contact the REC Graduate Assistant at [rec@spalding.edu](mailto:rec@spalding.edu).

Research Misconduct Policy Assurance: (U.S. Department of Health & Human Services (DHHS) Office of Research Integrity (ORI) Assurance Program Institutional Compliance: Certification status expired on 04/30/2014. Spalding's ORI institutional assurance record is deactivated because there are no active Public Health Service (PHS) funded research grants (e.g. NIH awards) listed on the institution's Institution Profile Module (IPF) record (IPF Code: 1197801) in the National Institutes of Health (NIH) eRA Commons. The institutional assurance record will be reactivated upon future PHS research grant awards.

Property – Intellectual property consists of copyrightable material produced from creative and scholarly activity; patentable works; trademarked materials; and trade secrets. In keeping with the view that one of the university's primary benefits to society is the production of original works by its employees and students, in order to encourage such activity, it is the general policy of the university that intellectual property shall be the property of the author or creator. The university may assert ownership rights to intellectual property developed under particular circumstances. Refer to the [Faculty Handbook](#) for more information.

Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 – The purpose of this act is to ensure that research does not result in the introduction or dispersal of nonindigenous aquatic species into the waters of the United States.

Radiation – In accordance with the policies, procedures, standard operating guidelines and regulatory requirements of the Nuclear Regulatory Commission, Occupational Safety and Health Act of 1970, and state guidelines, Spalding strives to protect students, employees, and the community from the negative effects of storing, transporting, or using radioactive materials, including naturally occurring radioactive material and associated equipment.

Recombinant DNA (43 Fed. Reg. 60108, as revised) – The purpose of this regulation is to specify practices for construction and handling of recombinant DNA molecules and organisms and viruses containing recombinant DNA molecules.

#### 5.4 SPECIFIC TO FEDERAL FUNDING

The following is a non-exhaustive list of regulations pertaining only to the use of federal and state funding. Contact grants staff in OSPRe or grants accounting staff in the Finance Office for more information on these and other policies.

Acknowledgment of Federal Grant Support (Defense Appropriations Act of 1986, Stevens Amendment) – “When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with federal money, all grantees... shall clearly state (1) The percentage of the total costs of the program or project which will be financed with federal money, (2) The dollar amount of federal funds for the project or program, and (3) The percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.”

America COMPETES Act (Sections 7008-10) – Applicants to federal agencies who request support for undergraduates, graduate students, and/or postdoctoral researchers must describe the training, mentoring, and oversight these persons will receive in the responsible and ethical conduct of research. Documentation that the researcher has been trained in the responsible conduct of research must be submitted to the appropriate academic dean, grants staff in OSPRe, and the Provost within two weeks of the start of the award period.

Buy American Act – Items valued in excess of \$3,000 must be certified as having been substantially mined, produced, or manufactured in the United States. If a product essential to the project is not produced in the United States, the PI/PD may apply to the federal agency for an exemption.

Davis-Bacon Act, as amended – For awards valued at \$2,000 or more, award recipients are required to pay laborers and mechanics at a rate of no less than a minimum wage specified in a wage determination made by the Secretary of Labor.

Debarment and Suspension (Executive Order 12549 and 12689) – The institution, PIs/PDs, and personnel receiving federal funds must certify that they are not disbarred or suspended from receiving federal dollars. Awardees must also certify that contractors, vendors, and service providers to be used for the project are not disbarred or suspended from receiving federal dollars.

Federal Debt Delinquency (OMB Circular A-129, Budget and Accounting Act of 1921, Debt Collection Act of 1982, and the Deficit Reduction Act of 1984) – To receive new federal dollars, the institution must verify that it and the responsible PI/PD are not delinquent on any federal debt, including student loans.

Fly/Ship America Acts – Awardees must use American flag carriers to transport personnel and property when costs are charged to a federal award. If a flight or passage is shared by multiple carriers, the ticket must be bought from the American carrier.

Intergovernmental Review (Executive Order (E.O.) 12372) – The Commonwealth of Kentucky participates in the Intergovernmental Review of Federal Programs, and if applicable to the published federal Notice of Funding Opportunity (NOFO), all proposals to federal agencies must be approved by Kentucky’s Single Point of Contact (POC).

Nepotism – A PI/PD, or co-PI/PD, who wishes to hire, or offer a contract to, a family member or friend must be prepared to justify, in writing, why that person, or their company, is best suited to complete the work.

Public Access Policy – The public requires access to the published results of federally funded research. Awardees must submit final peer-reviewed journal manuscripts that arise from federal agency funding to appropriate government-sponsored websites.

Time and Effort Reporting (2 CFR §200.430) – All employees that receive salary, wages, and/or benefits from a federal award, or whose salaries are used to match a federal award, must complete a time and effort report every pay period. In case of an audit, the university must provide documentation that federal dollars were used only to support labor for which the funds were given.

Data Sharing and Management (OMB Circular A-110) – Federal awardees must make all data produced through the use of federal funds available to the public through the Freedom of Information Act. The PI/PD should consult with the agency website, or their program officer, to learn how to comply with this mandate.

## 5.5 **OMB UNIFORM GUIDANCE: WHAT YOU NEED TO KNOW**

The OMB Uniform Guidance is a government-wide framework for grants management, and a set of rules and requirements for federal awards that synthesizes and supersedes guidance from earlier OMB circulars. See below for how these guidelines affect faculty and departmental research:

- 1) Federal agencies must post funding opportunities at least 60 days prior to a deadline.
- 2) Voluntary committed cost share is no longer expected (2 CFR §200.306). What this means: Do not add cost share in your proposal unless it is required by the agency.
- 3) The Uniform Guidance requires procurement methods with dollar thresholds (2 CFR §200.320). Purchases under \$3,000 are considered “micro-purchases” and do not require competitive quotes. Purchases between \$3,000 and \$150,000 require quotes from an “adequate” number of qualified sources. Purchases over \$150,000 require sealed bids or competitive proposals. The one exception: If materials are available only from a single source; document the fact of “sole source procurement.” What this means: Purchases over \$3,000 now require at least two competitive quotes from vendors, unless there is documented need for sole source procurement.
- 4) Clerical and administrative salaries can be directly charged if they are integral to a project or activity and are directly allocable. Such costs must be explicitly explained in the budget, or have prior approval from the sponsor (2 CFR §200.413).

- 5) Under personnel compensation, there is now a clarification of the institutional base salary concept at universities. Institutions must establish consistent written policies that apply uniformly to all faculty members, not just those working on federal grants. The requirements for effort reporting now emphasize strong internal controls (2 CFR §200-430).
- 6) Computers and computing devices can be directly charged to grants if they are essential and allocable. Most computing devices fall well below the federal Equipment threshold (\$5,000), and thus are counted in the budget as Supplies. There is no longer a requirement that they be solely used for the project at hand; however, they should be used mostly for the project (2 CFR §200.453). What this means: You may now include computers and computing devices in your Supply budget, but must provide written justification for their purchase.
- 7) Institutions must submit performance reports using OMB-approved government-wide standard information collections. Required information includes a comparison of actual accomplishments to those that were proposed for the reporting period, the reasons why goals were not met (if applicable), and an analysis and explanation of cost overruns (2 CFR §200.328).
- 8) Before issuing an award, the Federal awarding agency will evaluate the risk posed by the institution. The risk assessment will review the institution's financial stability, the reports and findings from its audits, and its history of performance around compliance and report requirements (2 CFR §200.205). What this means: An individual faculty member who routinely misses reporting deadlines will adversely affect the ability of other faculty members to win future grants.

[Electronic Code of Federal Regulations \(e-CFR\) link to the entire UG.](#)

[Frequently asked questions for the OMB's UG at 2 CFR 200 \(Updated: July 2017\).](#)



## 6.0 GLOSSARY AND FORMS

### 6.1 TERMS DEFINED

Grant: A funding agreement designed to provide money to support a public purpose. Grants can be awarded by local, state, or federal government agencies, private foundations, or corporate foundations. A grant project is conceived by the PI/PD and is more flexible as to the scope of work, budget and other changes. It includes annual reporting requirements.

Contract: A contract is a binding agreement between a buyer and a seller to provide goods or services in return for consideration (usually monetary). Contracts can be established between the university and a local, state, or federal government agency, another non-profit organization, or a for-profit organization. The project is generally conceived by the sponsor and is relatively inflexible as to the scope of work, budget, and other changes. It requires frequent reporting.

Cooperative Agreement: A flexible instrument designed to provide money to support a public purpose. Assistance with involvement between the parties. Cooperative agreements can be established between the university and a government agency. The project is generally conceived by the PI, but allows for significant input from the funder. It is typically flexible as to the scope of work, budget, and other changes.

Memorandum of Agreement: A Memorandum of Agreement (MOA) is a document written between parties to cooperatively work together on an agreed upon project or meet an agreed upon objective. It is generally an agreement between the university and another institution and is tied to salary payments.

Fringe: Fringe is tied directly to your salary costs and is based on the amount of salary requested from a grant or contract. This money covers the additional costs of a person's employment beyond their salary. It covers employer-paid benefits and taxes: Employer-paid benefits include medical insurance, life insurance, long-term disability insurance, worker's compensation, and others. Employer-paid taxes include those mandated by the Federal Insurance Contributions Act (FICA) and Medicare. We calculate this cost at 20% of the salary charged to a grant or contract.

Indirect Costs/Overhead: Indirect/overhead costs are those goods and services that are needed for a project, but not purchased or secured because of the project. For example, computers, pencils, and the time and effort of the Facilities staff who keep the lights working in our buildings are essential to the work, but not directly attributed to the project, and are thus representative of indirect/overhead costs.

## 6.2 FORMS

### [Spalding University Grant Proposal Form](#)

(Located Online)

### [Spalding University Contract Initiation Form](#)

(Located Online)

#### **Post-Award Checklist**

##### Primary Investigator/Project Director

- Notify OSPRe team (if award notification goes directly to PI)
- Send any affidavits, contracts, or other legal documents to General Council for review (only for grants – contracts should have already been reviewed) (cc OSPRe)
- Note any reporting deadlines

Hiring current employees, students, or contractors (refer to attached Instructions for Determining Type of Agreement and Employment Status for additional information):

When paying current faculty and staff:

- If employee receives additional pay:
  - Complete a Memorandum of Agreement (MOA) with their payment and scope of work using Paycom; All MOA's must be approved by department Chairs via Paycom
- If an employee's status changes (ex., staff moving from part-time to full-time status, receiving benefits, or faculty contract increase from 36-weeks to 40-weeks):
  - Complete a Personnel Action Form (PAF)
- If faculty course release is included:
  - Update employee contract and/or revise Faculty Workplan (NOTE: all course releases must be approved by unit chair and Provost)

When hiring new faculty and staff:

- Notify HR System Analyst to begin hiring process
- Complete a Personnel Action Form (PAF) upon hiring new employee
- Language for job posting: "This position is grant/contract funded and is contingent upon funding availability. This position may be shortened or extended based on funding and/or availability of work."
- Once new faculty or staff is onboarded, complete a MOA in Paycom

For student payments/support:

- Notify Financial Aid Office of any student payments, tuition remission, or other support
- If a Graduate Assistant is paid by external funding send details to the Graduate Dean
- If students are paid a stipend by the external funding:

- Create a [Memorandum of Agreement \(MOA\)](#) online with their payment and scope of work
- Student must complete a W9 form and direct deposit set-up
- All documents will be automatically submitted to the Finance Office for processing

For contractors/external contributors:

- Complete a [Service Agreement](#) online
- All documents will be automatically submitted to the Finance Office for processing
- The External Contractor should submit invoices to Accounts Payable for all work completed on the externally-funded project

### OSPRe

- Notify PI/PD (if award notification goes to Senior Grants Specialist)
- Notify President, Provost, and COO
- If grant agreement requires signature:
  - Grant agreement/Contract signature from University President
  - Return signed grant agreement to funder and request signed copy from funder
    - Send signed copy to OSPRe (if award goes directly to PI)
- Add reporting deadlines to master calendar
- Update CRM
- Notify Marketing department (OSPRe) (Submit a work request)
- Update OSPRe website to include newly-funded project

### Finance Office

- Create Project Account and send Project Accounting information to PI/PD

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