



**DIVISION OF SPONSORED RESEARCH AND TRAINING**

**PROCEDURE MANUAL**

**March 2005**

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# **SECTION I: SPONSORED RESEARCH AT THE UNIVERSITY OF NORTH FLORIDA**

## **MISSION OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

To support and facilitate University of North Florida (UNF) achievement within the University missions of education, scholarship and service through effective acquisition and use of external grant and contract resources.

## **PURPOSE OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

The Division of Sponsored Research and Training (DSRT) is designated as both the advocate and the administrative oversight office for all externally funded contracts and grants related to the research, training, and public service activities within the University. DSRT provides proposal and funding advice and assistance, award negotiations, post-award administration, accounting services, and financial administration for faculty interested in grants and contracts. Through the programs which it administers, DSRT contributes to professional development of faculty, enhances the educational experiences of students, and facilitates the University's efforts to address critical concerns of the community and region.

## **OBJECTIVES OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

- Ensure University community understanding and knowledge of DSRT services and how external funding can assist them in achieving individual and institutional goals.
- Ensure DSRT knowledge of University programs and faculty interest which can benefit from use of external contract and grant funding.
- Provide effective management of the DSRT Trust Fund to assure required cash flow, meet statutory and legal requirements, and enhance future development of research and training activities at the University.
- Provide services which facilitate and expand access to external funding by the University and enhance our success in acquiring such resources.
- Ensure that the terms and conditions of grants and contracts are met and that productive working relations are maintained with sponsoring agencies.
- Provide timely and highly accurate fund management and accounting services for contract and grant funds.
- Support and assist faculty and staff to effectively carry out the activities supported by grants and contracts within the complex milieu of sponsor rules and requirements and university, state, and federal regulations.
- Ensure continued growth in the capacity of DSRT staff and other University personnel to work effectively to achieve our mission through use of grant and contract resources.
- Contribute to ensuring a university environment which is supportive of research and scholarship and service to the larger community.

## **VALUES OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

In the conduct of its daily activity, DSRT incorporates: a learning approach to ensure effectiveness within a dynamic working environment; a commitment to excellence and

professionalism in its delivery of services; and assurance of integrity in carrying out its responsibilities within a supportive and collaborative working environment.

## **ESTABLISHMENT OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

[Florida Statutes 1004.22](#) and Chapter 6C9-1.003(2)(b)(4), Subsection 8.07 of the [Florida Administrative Code](#) provide for the establishment of a Division of Sponsored Research and Training at any University in the State University System. In 1975, the Board of Trustees, with the concurrence of the Board of Education, established the Division of Sponsored Research and Training at the University of North Florida.

## **THE ROLE OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

The primary mission of a university is to provide a forum for the growth and exchange of ideas. Since ideas develop in the minds of people, communication between scholars and between faculty and students is the first basic function of a university. But without ideas to communicate, teaching can be an exercise in futility. Therefore, the second basic function of a university must be research, characterized by the spirit of free inquiry and the exploration and synthesis of ideas. These two objectives of the university are complementary. A superior educational experience can be provided to students most effectively through dual experience of exposure to both vigorous teaching and equally stimulating research. Extramural resources acquired through DSRT, can facilitate both teaching and research, as well as the application of ideas through public service.

The implementation of sponsored activities is greatly facilitated by a centralized administrative unit supporting project personnel in both pre- and post-award negotiations and procedures. Project managers are more efficiently kept abreast of new agency requirements, changes in contractual and grant regulations, fiscal procedures and reporting requirements, etc. A sponsored research and training unit exercises influence in keeping duplication to a minimum and provides significant help in upgrading proposal quality through consultation with proposal authors and the application of the principles of grantsmanship. Not the least contribution of such a unit is its ability to lessen the problems encountered by faculty when they become immersed in the clerical, budgetary, and other administrative requirements of producing and managing contract and grant proposals and awards. The establishment of DSRT at the University ensures effective support for project managers and personnel as well as adequate supervision of the University's responsibilities in managing funds received.

## **ORGANIZATION OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

DSRT is a component of the Office of Academic Affairs. Research and training implemented through DSRT and supported by monies administrated through the permanent DSRT Trust Fund will be initiated, conducted, and supervised by the faculty of the University. Wherever possible, the utilization of supporting services for sponsored research and training will be through the usual University organization with as little duplication of effort as possible. DSRT is the unit responsible for giving leadership to the planning, organization and administration of the University's grant and contract activities. DSRT is a self-supported unit which pays for its operation through recovered Facilities and Administrative costs realized from contracts or grants received by the University.

## **OPERATION OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

DSRT is an integral part of the University. Its operating policies and procedures conform to those established by the University, the Chancellor's Office, the Board of Trustees, and State Statutes.

### **GENERAL ADMINISTRATION OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

DSRT functions under the authority of the President through the Office of the Provost and Vice President of Academic Affairs with day-to-day management by the Director of the Division.

- The President of the University appoints a Director of DSRT who is the administrative head of the division.
- The President is authorized to develop any additional policies and procedures they deem necessary for the proper conduct of DSRT, provided they are not in conflict with the law. Copies of additional policies and procedures implemented are furnished to the University Board of Trustees.
- DSRT maintains appropriate records and related security measures.
- DSRT prepares budget recommendations, including applicable personnel positions and rates, and manage the permanent DSRT Trust Fund.
- An annual report of the operations and activities of DSRT is prepared and presented by the President to the University Board of Trustees.
- DSRT provides continual review of the administrative operation of the division to insure that it is providing adequate service to the University.

### **OPERATING EXPENSE OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

Operating expenses of DSRT are paid from the permanent DSRT Trust Fund. These expenses include salaries, other personnel services, supplies and expenses, operating capital outlay, and other costs associated with on-going operations and/or special projects or programs which contribute to the continued growth of extramural resources.

### **IMPACT OF GRANTS AND CONTRACTS ON EDUCATION**

Assessment of the impact of research and training contracts, grants, and gifts on the educational program of the University and the welfare of the State is a shared responsibility of the faculty initiating the proposal, the appropriate department, and DSRT.

The Principal Investigator (PI) determines with the department chair and academic dean: (a) a schedule of duties and release time, if any, that provides adequate time to pursue the proposed sponsored program; (b) compatibility of the proposed program with the interests and objectives of the department; and (c) assurances that the facilities of the department are adequate for performance of the proposed sponsored training or research.

The PI also provides copies of the proposed project to their Academic Dean for review for conformance to college objectives and programs. The concurrence of the Academic Dean is required. Proposals are further reviewed by the Director of DSRT to determine if the project is compatible with the role and scope of the University and that the contract or grant is basically sound and in accord with applicable regulations.

## **FUNCTIONS OF THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

DSRT provides advice and assistance to faculty and staff in preparing and submitting proposals requesting funds for research and other sponsored programs. There are four (4) major areas of responsibility and activity through which this is accomplished.

1. **Liaison** – DSRT is the University unit through which local, state, and federal government and other prospective funding agencies and organizations channel their requests for assistance utilizing grants and contracts. In addition, it is the agent through which faculty coordinate their efforts in the development of research and other sponsored programs. DSRT assists faculty in making contracts with government and private foundation officials; works to stimulate the interests of these agencies in appropriate University programs; and, provides a clearinghouse for information on faculty interests and University capabilities.
2. **Information Services** – Through established contacts with governmental agencies, private foundations, professional associations, and special periodicals, DSRT maintains a resource collection of current information about funding sources. Information about sources of program support – both public and private – proposal guidelines, new programs, and funding trends is shared with faculty, staff, administrators, and other persons affiliated with the University or requesting assistance from the University. DSRT supports access to Internet and other databases and sources providing online information on funding sources.
3. **Proposal Preparation and Submission** – In most instances faculty members initiate proposals for specific program interests that require outside funding. The initial faculty interest, along with the department and college support, is important to successful proposal development. In order to facilitate the preparation of the proposals, DSRT:
  - Assists faculty members in identifying specific funding sources;
  - Provides appropriate guidelines and other program information;
  - Reviews proposals for completeness and format;
  - Assists with actual proposal document preparation and submission;
  - Assists with budget preparation, including coordination of institutional cost sharing, required space, faculty release time and other commitments;
  - Coordinates university review procedures, required assurances and certifications, and transmittal to funding source;
  - Determines whether human subjects and animal care protection compliance are necessary and assists in developing adequate procedures;
  - Coordinates conferences and sponsored credit activities with Division of Continuing Education;
  - Monitors the status of pending proposals;
  - Attempts to expedite their review and approval;
  - Negotiates the legal and technical components of research grants and contracts or other agreements on behalf of the institution; and
  - Provides general assistance to the University in the planning and development stages of new programs and facilities whenever outside funding is a consideration.
4. **Award Administration** – Once a grant or contract is awarded to the University, DSRT maintains and coordinates review procedures necessary to insure compliance with

applicable University, State of Florida, and grantor policies and guidelines; provides general administrative services to the PI, including the establishment of accounts and records, general coordination of other fiscal procedures, and general institutional support of the program; provides academic and other administrative units with appropriate reports and current status of all sponsored programs and funded research activities; monitors the compliance with both federal and state regulations; conducts all contract negotiations, including revisions, on behalf of the University; and monitors expenditures to assure compliance with University and funding agency policies.

5. Regulatory Compliance – DSRT is responsible for the administration and facilitation of regulatory compliance efforts associated with research activities at the University. This is accomplished through the coordination and monitoring activities of the Institutional Review Board for the Protection of Human Subjects (IRB) and the Institutional Animal Care and Use Committee (IACUC) as well as tracking and oversight of various compliance issues by DSRT staff. DSRT provides administrative assistance to the IRB and IACUC members. Additionally, DSRT is responsible for the University’s program for education of faculty, staff, and students regarding compliance regulations and responsibilities of human subjects, animal care, and related issues.

## **SERVICES PROVIDED BY THE DIVISION OF SPONSORED RESEARCH AND TRAINING**

DSRT is staffed by a team of professionals who provide the following services:

### **Proposal Development and Award Processing**

- Sponsor identification
- Proposal development
- Networking and team building
- Proposal preparation
- Proposal submission and tracking
- Proposal approval and contract negotiation
- Input, maintenance and reporting of information related to grant/contract submission, award and performance
- Management report development and analyses

### **Fiscal and Program Management**

- Contract negotiation and modification
- Project management assistance
- Preparation and submission of project amendments
- Preparation and monitoring of subcontracts
- Approval of payments to subcontractors
- Monitoring of compliance with federal/state regulations and funding guidelines

### **Grants Accounting Services**

- Internal accounts and budgets establishment within the University’s accounting system
- Invoice preparation to funding agencies

- Fiscal report preparation to funding sources, the Florida Board of Regents and various state and federal agencies

## **Regulatory Compliance**

- Administration and facilitation of compliance associated with research activities at the University
- Administrative support to IRB and IACUC
- Education of faculty, staff, and students regarding compliance issues
- Maintenance of a training certification database
- Monitoring of intellectual property issues related to contracts and grants
- Coordination of copyright and patent application procedures
- Tracking University compliance with various regulatory requirements (such as drug-free workplace, radiation safety, nondiscrimination, etc.)

## **SECTION II: PROPOSAL DEVELOPMENT AND AWARD PROCESSING**

The Division of Sponsored Research and Training (DSRT) is the unit at the University of North Florida (UNF) responsible for planning, organizing, and administering the University's grant and contract activities. When a faculty or staff member is interested in submitting a proposal for external funding, they should contact DSRT to receive proposal preparation assistance, to ensure their proposal is in compliance with agency and University policies, and to secure University approvals prior to submission.

DSRT assists University faculty and staff interested in pursuing external funding for research and training projects in the proposal development process by:

- Identifying funding sources;
- Obtaining funding agency applications and guidelines;
- Reviewing proposals for adherence to University and agency guidelines and clarifying proposal requirements;
- Assisting in the preparation of proposals to include: reviewing proposals for consistency with the funding announcement as well as providing feedback on proposal language, editing assistance, providing standard wording regarding the University and its policies and procedures, and assisting with standard application forms;
- Developing proposal budgets in accordance with University and agency policies by providing data regarding salaries, fringe benefits, facilities and administrative costs, etc.;
- Initiating the internal approval process by preparing the internal approval forms;
- Preparing the proposal package for submission to the funding agency in compliance with the agency's requirements, making copies, and forwarding to the funding agency.

## **SOLICITATION OF CONTRACTS AND GRANTS**

The Director of DSRT or other authorized persons may solicit research and training support, but all requests for support through contracts and grants must conform to the University policy

and must have the approval of the Director of DSRT and other appropriate University officials prior to submission.

## **FUNDING SOURCES AND AGENCY GUIDELINES**

DSRT maintains current data and information on the availability of support for potential sponsored projects and the application packages and guidelines for applying for funding from granting agencies and organizations. DSRT distributes funding announcements to faculty and staff either electronically via e-mail or in printed format. DSRT maintains copies of Requests for Proposals (RFPs), proposal forms, annual reports and other information from federal and state agencies, and private foundations and corporations to aid proposal preparation. DSRT houses a library including proposal writing handbooks and grant management handbooks, along with copies of federal, state, and university regulations.

## **SOLICITATION OF FUNDING RESOURCES**

DSRT maintains subscriptions to several online and print catalogs of funding resources. DSRT performs individualized searches for University faculty and staff for area- or interest-specific funding sources upon request. Faculty and staff can also receive regular funding announcements via e-mail based on key interests.

## **PROPOSAL DEVELOPMENT**

### **Proposal Documents**

DSRT staff members are available to play an active role in development of proposal documents. DSRT reviews proposals and makes comments and suggestions for improvements, provides editing assistance, furnishes information regarding the University for inclusion in proposals, forges collaborative relationships with other faculty on and off campus, and develops proposal budgets. Should a faculty or staff member desire assistance with the document preparation or development of the budget, staff in DSRT must be notified in sufficient time, usually three (3) weeks in advance of the mail due date, in order to make arrangements to provide the assistance requested.

### **Proposal Budgets**

DSRT assists in the development of or, at a minimum, reviews and approves all project proposal budgets prior to submission and acceptance. DSRT provides assistance during the proposal preparation process by helping investigators draft a budget using appropriate calculations for salaries, fringe benefits rates, state travel and equipment rates, and Facilities and Administration (F&A) (indirect cost) rates. DSRT must review all proposal budgets for compliance with funding agency, state and University policies. The review pays particular attention to salaries and fringe benefits, F&A (indirect) costs, cost-sharing requirements, purchase of equipment, and the reasonableness and adequacy of proposed expenses as they relate to the proposal narrative.

## Facilities and Administrative (Indirect) Costs

DSRT recoups the general costs incurred by the University in the course of conducting sponsored programs by charging F&A costs to grant and contract projects. These are real costs of supporting grants and contracts and thus are included in proposal budgets for external funding.

F&A costs, formally known as indirect costs, are defined by the [U.S. Office of Management and Budget \(OMB\) Circular A-21, Cost Principles for Educational Institutions](#), as costs “that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity.”

[F&A cost rates](#) for the University are calculated using the federal cost principles detailed in OMB Circular A-21. The proposed rates are audited by the federal government and negotiated by the University Controller with the government’s representative at the Department of Health and Human Services, the University’s federal cognizant agency. The calculation results in an F&A rate that is applied to a base calculation.

## Commitment of Cost Sharing

UNF is willing to consider cost sharing based upon review of the project. Cost sharing is the portion of the grant or contract cost not borne by the sponsor. Whenever cost sharing is explicitly set forth and committed in a proposal and an award is made based on that proposal or cost sharing is required as a condition of an award, the cost sharing must be [documented](#) in the University’s records and included in the grant file.

## Sources of Cost Sharing

It is the Principal Investigator’s (PI’s) responsibility to secure cost sharing from University chairs, deans, department heads, vice presidents and/or from external sources. Common forms of cost sharing include salary related to faculty and staff effort, matching funds for equipment, or cash or in-kind contributions from external sources. When cost sharing is required and if allowable by the funding agency, the University may contribute the difference between the F&A rate allowed by the agency and its federally negotiated F&A rate, if the agency rate is less, as in-kind cost sharing to the project. When cost sharing is required, and if allowed by the funding agency, the University may calculate the F&A costs on its cash cost-sharing portion of the project and contribute them as in-kind cost sharing.

## Cost Sharing Guidelines

All cost sharing resources must meet the following criteria as outlined in [OMB Circular A-110](#):

- They must be verifiable from the contributor’s accounting records.
- They may not be included as contributions for any other federally assisted project or program in either the current or any prior period.
- They must be necessary and reasonable for proper and efficient accomplishment of project or program objectives.

- They must be allowable under the applicable cost principles ([OMB Circular A-21](#)). This is true even if the asset is derived from a third party contribution. Therefore, a matching contribution must be for something for which the organization or institution could have spent federal funds.
- They may not consist of federal funds. Funds from one federal program may not be used to match or cost share with another.
- They must be provided for in the approved project budget.

## **PROPOSAL SUBMISSION**

### **Proposal Review**

DSRT functions as a central clearinghouse for all outgoing proposals and all incoming grants and contracts. Only those proposals conforming to the University's role and scope and which promote teaching, research, and public service of the highest caliber are transmitted to prospective granting agencies and organizations. Further, University research must be conducted only for purposes that are consistent with the University's principal missions of preservation, pursuit, dissemination, and application of knowledge.

### **Approvals**

All proposals submitted to external agencies involving sponsored research and training activities must be reviewed by DSRT and approved by the Director of DSRT before they are submitted to the funding agency. The President has delegated his authority under [Florida Statutes 1004.22](#) "to negotiate, enter into, and execute research contracts; to solicit and accept research grants and donations" to the Director of DSRT.

*Definition of Sponsored Research and Training:* Sponsored research and training activities are defined by the Florida Administrative Code as "research or training conducted by university employees using any university space, facilities, materials, equipment, or property, and financed by contract payments, grants, or gifts from any source."

### **Collaborations and Cooperative Applications**

The University encourages faculty and staff to collaborate with their colleagues at other institutions. The requirements that apply to internal review of proposals submitted solely by the University also apply to collaborative activities. Internal review is also required when the University is a proposed subcontractor or participant on a proposal submitted through another institution.

### **Internal Approval Process**

Before a proposal may be submitted or a contract executed, a [Request for Proposal Approval and Submission or Contract/Award Acceptance Internal Routing Form](#) must be completed and routed for signature. The Principal Investigator (PI) assumes primary responsibility for its completion. [Required approvals](#), indicated by signature and secured in sequence, must be denoted on the form before certification and submission of the proposal by DSRT. This form

outlines personnel assignments, resource commitments, as well as regulatory compliance and other issues related to the proposal.

Investigators interested in pursuing external funding for a particular project should begin the internal approval process as soon as possible to allow adequate time for review by all individuals involved. Prior to initiation of the internal routing form, all proposals must be reviewed by the Assistant Director for Pre-Award Services in DSRT who has the responsibility of reviewing proposals for compliance with University and agency guidelines.

### **Compliance Certifications**

In addition to its function as the documentation of university approval of a proposal, the [Request for Proposal Approval and Submission or Contract/Award Acceptance Internal Routing Form](#) also documents certification of proposal compliance with various regulations. By signing this document, the PI(s), Chairpersons, Deans, and other administrators certify that the proposal is in compliance with the following internal and external guidelines listed on the document which may include but are not limited to (1) conflict of interest, (2) protection of human subjects/IRB review, (3) animal care and use/IACUC review, (4) biosafety, and (5) radiation safety.

### **Space Requirements**

The [Request for Proposal Approval and Submission or Contract/Award Acceptance Internal Routing Form](#) certifies that adequate space is available for the project prior should it be awarded.

## **AWARD NEGOTIATION**

### **Negotiations and Execution of Sponsored Research and Training Contracts and Grants**

DSRT negotiates the terms and conditions of applicable grants and contracts with granting agencies and organizations. Negotiations of sponsored contracts and grants may be conducted between the agency and DSRT staff and the PI at the University. The Director of DSRT is ultimately responsible for university negotiations in all matters affecting the substance of the project to be conducted and associated fiscal matters with the approval of the PI who, in turn, must have departmental and college concurrence.

### **Legal Aspects of Contracts and Grants**

All potential proposed contracts and grants are examined for appropriateness and legal compliance prior to their execution. Any prospective contract or grant that would unduly obligate the University in any way or which has questionable aspects will be referred to the University Legal Counsel for review, revision, approval, or further referral if necessary.

### **Grant Acceptance**

The President “is authorized to negotiate, enter into, and execute research contracts; to solicit And accept research grants and donations” ([Florida Statutes 1004.22](#)). The President has delegated this authority to the Director of DSRT.

## **AWARD PROCESSING**

### **Notification of Award**

DSRT has the responsibility of reviewing award documents and conditions of award. DSRT staff make recommendations for acceptance to the Director, secure appropriate additional acceptance signatures if required, set up meetings with the PI and their chair and/or dean if it is deemed advisable, and notify other appropriate DSRT staff that the award has been received so that files might be created, a new account established, and other tasks necessary to implement a new award can be completed.

### **Award Notification Packet**

When an award is received by the University, the award letter must be forwarded to DSRT for processing. DSRT reviews the award conditions and establishes an account for the project in the University's accounting system. *[Further information about account establishment is discussed in the following section, [Account Establishment](#).]* When the account has been established, DSRT forwards an Award Notification Packet to the PI. An award notification packet, at a minimum, includes: an announcement of the grant award to campus officials (including News and Publications); a Notification of Account Number form; signature cards; and special instructions applicable to individual awards (such as cost sharing instructions) if necessary.

## **GUIDANCE FOR NEW INVESTIGATORS AND SUPPORT STAFF**

The Assistant Director for Post-Award Services meets with all new PIs to explain the policies and procedures related to the administration of grants and contracts at the University; the responsibilities of the PI and of DSRT in the administration of grants and contracts; the assistance that DSRT provides to the PI in the administration of grants and contracts; and any restrictions and regulations related to a specific grant or contract. It may also be necessary for project support staff to meet with DSRT staff to review procedures for processing travel, hiring personnel, purchasing items for the project, etc.

## **SECTION III: ACCOUNT ESTABLISHMENT AND RECORDS**

Once a grant or contract award has been received and approved, the Division of Sponsored Research and Training (DSRT) establishes an account to maintain and administer the awarded funds based on the terms of the award document and to ensure compliance with all applicable statutes, regulations, and guidelines. Accounts are maintained in accordance with generally accepted accounting principles and cost accounting standards.

### **GRANT AND CONTRACT PROJECT ACCOUNTS**

Funding received from grants and contracts makes up the majority of funds managed through the DSRT Trust Fund.

## **Types of Funding**

1. Funding from grant awards
2. Funding from research and training contracts and agreements

## **Sources of Funding**

1. Federal (direct and flow-through)
2. State
3. Local government
4. Private

## **Account Establishment and Administration**

Once an award document has been received from a sponsor and approved by the University, DSRT establishes an account in an appropriate numeric sequence as determined by the source of funding. DSRT reviews the proposal and/or award or contacts the Principal Investigator (PI) to determine the appropriate budget categories to input a budget in the University's accounting system.

## **Authorization and Expenditure of Funds**

For grants and contracts, in addition to all general state and federal regulations, the authorization and expenditure of funds is determined by the source of funding. These guidelines are generally found in the grant or contract award or other documentation provided by the funding source, such as sponsoring agency policy manuals. PIs are responsible for reviewing applicable guidelines for their particular grant or contract award and ensuring that all expenses are directly related to and necessary for the successful completion of the project. DSRT provides assistance, as requested, to PIs in interpretation and application of all pertinent guidelines.

## **Allowable Expenditures**

Approved categories of expenditures and allocation of funds for each category are determined by the grant or contract award. For expenditures that are not specifically authorized in the award document, the PI must contact DSRT for determination of expenditure allowability or to initiate necessary modifications to the existing award.

Costs must meet the following criteria in order to be charged to the account:

1. Expenditures must be allocable to the project. The cost must have a direct benefit and be directly attributable to the project or activity being performed.
2. Expenditures must be allowable according to university and sponsor policies.
3. Expenditures must be reasonable and necessary for the performance of the project.
4. Expenditures must be charged in accordance with the sponsor's regulations.
5. Transfers of costs from one budget period to the next solely to cover cost overruns generally are not allowable.

## **PRELIMINARY ACCOUNTS**

When the University has received notification that a grant or contract award will be made but an official award document has not been received, an account can be established which authorizes up to ninety (90) days of expenditures prior to the effective date of the award if pre-award costs are allowed by the sponsoring agency.

### **Types of Funding**

1. Funds from grants and contracts for which the University expects receive an award within ninety (90) days of account establishment from sponsors that allow expenditure of funds prior to award
2. Funds from University accounts provided as backup if an award is not received

### **Account Establishment and Administration**

The PI must submit a Preliminary Account Request form to DSRT to initiate establishment of a preliminary account. This form must include the account number that will cover the expenditures incurred against that account if an award is not received. The account is available for ninety (90) days prior to the official award date. Once an official award is received, the account is modified to account for the entire award.

### **Authorization and Expenditure of Funds**

For preliminary accounts, in addition to all general state and federal regulations, the authorization and expenditure of funds is determined by the source of funding of the expected award. These guidelines are generally found in the grant or contract award or other documentation provided by the funding source, such as sponsoring agency policy manuals. PIs are responsible for reviewing applicable guidelines for their particular grant or contract award and ensuring that all expenses are directly related to and necessary for the successful completion of the project. DSRT provides assistance, as requested, to PIs in interpretation and application of all pertinent guidelines.

### **Allowable Expenditures**

Approved categories of expenditures and allocation of funds for each category are determined by the grant or contract award. For expenditures that are not specifically authorized in the award document, the PI must contact DSRT for determination of expenditure allowability or to initiate necessary modifications to the existing award.

All pre-award costs must meet the following criteria in order to be charged to the account:

1. Expenditures must be allocable to the project. The cost must have a direct benefit and be directly attributable to the project or activity being performed.
2. Expenditures must be allowable according to university and sponsor policies.
3. Expenditures must be reasonable and necessary for the performance of the project.
4. Expenditures must be charged in accordance with the sponsor's regulations (including the certification of effort) and the authorized pre-award budget (as requested in the form).

5. Transfers of costs from one budget period to the next solely to cover cost overruns generally are not allowable.
6. Pre-award costs must be incurred within the time frame allowed by the sponsor. For example, most federal agencies allow institutions to approve pre-award costs within ninety (90) days of the award's effective date. Costs in excess of ninety (90) days require sponsoring agency approval.

## **FEES ACCOUNTS**

DSRT is authorized to collect fees related to training or public service programs provided by authorized centers, institutes, faculty members, and activities related to specific sponsored agreements.

### **Types of Funding**

1. Fees generated for training or other services as described above
2. Funding from agreements for consulting services for non-specified amounts

### **Account Establishment and Administration**

The Center or Institute Director or PI shall provide a written request for account establishment with a complete description of the activities that will generate revenue. Copies of schedules and announcements should be provided to DSRT as produced and published.

Agreements for services related to a fees account must be reviewed by DSRT and signed by the University's authorized representative. Agreements for services where the total amount of fees generated is not known at the time the agreement is executed will be handled on a case-by-case basis.

### **Authorization and Expenditure of Funds**

For fees accounts, in addition to all general state and federal regulations, the authorization and expenditure of funds are determined largely by the nature of the project and purpose of the specific expenditure in support of that project by the source of funding. PIs are responsible for reviewing the requirements of the specific events related to the overall account and ensuring that expenses are directly related and necessary to the successful completion of the event and/or project.

### **Allowable Expenditures**

For all expenditures that are not normally allowable within state limitations, the PI must contact DSRT for determination of expenditure allowability or to initiate necessary documentation to substantiate the purchase or fund authorization prior to commencement of the project or event.

## **SALARY REIMBURSEMENT ACCOUNTS**

When an individual is slated to receive payments from multiple funding sources, a salary reimbursement account can be established in DSRT to generate one warrant for the multiple payments.

## **Types of Funding**

1. Funds from project accounts
2. Educational and General (E&G) funds
3. Training and Service Institute/University Foundation funds

## **Account Establishment and Administration**

The PI or requesting party must complete a Salary Reimbursement Authorization form for creation of an account for a DSRT budgeted or position line or OPS position. This form identifies the terms of employment, the desired employee class code, appointment status, pay grade and the desired salary/wage for the anticipated position. The form requires signatures of those individuals authorized to approve expenditures from the accounts identified as financing the position.

All positions that use budgeted DSRT position lines, outside of the specific exceptions listed below, will be specified as "time-limited." All positions will have proper employee notices and/or contractual terminology clearly identifying that these positions are fully contingent on the availability of funds within the grant or contract account to which their position is attached.

Exceptions:

1. Core staff within the Division of Sponsored Research and Training (DSRT)
2. Tenured University faculty positions

DSRT, on a monthly basis, requests salary warrant histories for all DSRT positions which are either reimbursable in nature or that generate salary savings. DSRT then submits invoices or check requests to the appropriate offices to initiate reimbursement actions. Upon receipt of approval of invoices, DSRT initiates either a journal transfer or a check deposit, as appropriate, to complete the reimbursement.

The approving offices have fifteen (15) calendar days after invoicing to approve and return the invoice to DSRT. If no response is received in DSRT in fifteen (15) days, DSRT takes action to transfer the related funds/charges as needed from the related primary and/or alternative sources. By signing the Salary Reimbursement Authorization form, the individuals authorized to approve expenditures from the related accounts delegate this transfer authority to DSRT.

## **Allowable Expenditures**

The only expenditures allowed on this type of account are salaries and associated fringe benefits.

## **DEVELOPMENT ACCOUNTS**

Development Accounts are used to facilitate the growth of research projects and/or faculty professional development.

## **Types of Funding**

1. Residual funds from fixed-price agreements
2. F&A (indirect) cost distribution

## **Types of Accounts**

Centers and Institutes: When an extramural award is received under the aegis of a Center or Institute, the shared F&A costs and/or residual cash balance (cash balance after all direct and F&A costs have been charged and final payment from the sponsor has been received) will be placed in a discrete Center or Institute development account. Any expenditure from this account must directly benefit the development or growth of the Center or Institute. In the event a new director is named for the Center or Institute, the account and its balance will remain with the Center or Institute.

Colleges and Departments: Based on the F&A distribution schedule, colleges and departments may share F&A recovery costs. These costs are deposited into a development account for the college and/or department to which the PI is assigned. Any expenditure from this account will directly benefit the development or growth of research projects within the College or Department. The responsible person(s) for the accounts are the Dean of the College and the Chair of the Department.

Principal Investigators: In cases where an award is received by a PI not associated with a Center or Institute, the shared F&A costs and/or residual cash balance (cash balance after all direct and F&A costs have been charged and final payment from sponsor has been received) will be placed in a discrete, individual account to be utilized by the PI as long as he/she is an employee of the University. [In no case will these funds be utilized to supplant salaries received for regularly assigned work or reassign effort from regularly assigned work.]

## **Account Establishment and Administration**

All development accounts are automatically established by DSRT when appropriate sources of funds have been identified or concurrent with normal distribution of indirect revenues or residuals from regular contract and grant accounts.

## **Authorization and Expenditure of Funds**

The rules related to authorization and expenditure of these funds are generally the same as the rules for all other DSRT-managed funds. However, funds in these accounts are not generally tied to or constrained by external grant or contract stipulations. As these accounts are more closely aligned with "revenue" accounts than with E&G and/or restricted funds within the Contract and Grant (C&G) category, more leeway and flexibility should be applied in the review and approval of transactions throughout the University. While expenditures must remain in compliance with Florida Statutes, they are not subject to the requirement in grant and contract accounts for budget approval by a funding agency for a specific expenditure.

## Allowable Expenditures

Any type of expenditure that is related to the development and administration of research and to the professional development of faculty generally is allowable. Examples of allowable expenses by account category are listed below, but the list should not be considered to be limited only to those shown. Case-by-case review and approval by DSRT may be obtained for other expenditures.

1. Summer salary for faculty
2. Supplemental compensation for faculty for research effort
3. Student or OPS wages
4. Travel related to professional development or research development
5. Food: meals and refreshments for events supporting research or professional development, contingent upon prior approval by the Florida State Comptroller's office
6. Equipment
7. Memberships and subscriptions
8. Supplies

*For College, Departmental, and Center Development Accounts only:*

Reassignment of faculty research and/or instructional time for research purposes or match to grant, contingent upon approval of appropriate administrator, i.e., dean or vice president.

## **GRANT FILES**

DSRT has the responsibility for keeping the official record of grant activity and does so by maintaining a grant file for every account administered through its trust fund. An active grant file, at a minimum, contains the following documents:

1. A complete copy of the proposal
2. The award document and any amendments with original signatures
3. The internal routing form for the proposal with original signatures
4. A copy of the notification of the project account number
5. Accounting/fiscal transactions including budget information, personnel forms, and ledgers
6. A copy of all pertinent correspondence, invoices, and required reports

These files are retained in accordance with federal, state and agency-specific guidelines.

## **SECTION IV: GRANTS MANAGEMENT**

“Grants Management” refers to the conduct and administration of a contract or grant and is comprised of all activities necessary to successfully complete the work of the formal agreement between the two parties named in the award document within the limits of the contractual conditions. This includes remuneration, required products, time constraints, and other legal and procedural requirements of both the funding source and the recipient.

In a university setting, responsibility is most often shared between the faculty or staff member

designated as the Principal Investigator (PI); the department, division, college, or other functional unit to which the PI reports for their normal working assignments; the office responsible for administration of contracts and grants; the academic Vice President; and various offices that support the activities necessary for the work. While the actual program management of a project is always the responsibility of the PI, the University has ultimate responsibility for meeting contract/grant obligations and must provide centralized administrative oversight for both fiscal and programmatic functions. This oversight responsibility has, for the most part, been delegated to the Division of Sponsored Research and Training (DSRT).

## **FISCAL MANAGEMENT**

“Fiscal Management” is an all-encompassing term that includes the actual receipt, expenditure, and accounting of funds, as well as the work necessary to assure that extramural funds are expended and accounted for according to the requirements of both the funding source and the State of Florida. In order to facilitate these actions, [Florida Statutes](#) (Section 1004.22[4]) require that a separate DSRT Trust Fund be established for this purpose. This trust fund is an integral part of the University’s accounting system, and, as such, is bound by the limitations and regulations established for those funds housed within the State Treasury under the supervision of the State Comptroller.

### **Budgeting and Accounting**

The budgeting and accounting of individual contracts and grants conforms with standards and methods established for all state funds.

### **Revenue**

All income accruing to the permanent DSRT Trust Fund, which is not required to pay for direct costs of contracts and grants, is used to pay the cost of operating DSRT and to support other research and training programs in any area of the institution, as provided in the Florida Statutes and the rules and policies of the Board of Education and the Board of Trustees. The cost of operating DSRT includes direct costs and expenses incurred by DSRT but does not normally include use charges on university buildings, custodial and maintenance expenses, utilities expenses, expenses for general administration, or other indirect costs or expenses incurred or paid by the University.

### **Expenditures**

All grant or contract expenditures conform to:

- The terms and requirements under which they are received;
- All University policies;
- All special Legislative policies;
- All DSRT policies; and
- All Board of Trustees policies.

## **Determining and Collecting Fees, Payments, Deposit of Receipts**

Fees, payments, and other collections are made in accordance with existing State, Board of Trustees, and University regulations. The process for handling fees or payments not covered by grant and contract provisions, or charged and/or received by a Board of Trustees-approved Institute or Center is determined by the appropriate University official in consultation with the Director of DSRT and the PI. Receipts are deposited in the permanent DSRT Trust Fund.

## **Management of the Sponsored Research and Training Trust Fund**

Budget recommendations of the permanent DSRT Trust Fund are the responsibility of the Director. Any funds that accrue after payment of all direct costs associated with sponsored research and training programs are used to promote programs of training and research in the University and the acquisition of future contract and grant funds.

DSRT is responsible for providing efficient and effective support of the sponsored research and training programs at the University. Administrative costs of operating the DSRT and of providing necessary supporting services for sponsored research and training programs take first priority for use of the DSRT Trust Fund. After these needs are provided, any remaining funds are used to provide for the development of new research and training programs and the expansion of existing ones. The Director's decisions about which programs are supported are based on an assessment of (a) the merit of the proposed project, (b) the need for support, (c) the pertinence of the project to the program objectives of the University and the needs of the State of Florida, and (d) the availability of other sources of support.

Insofar as possible, funds are used as seed money to provide for the developmental costs of potentially fundable programs for one or two years, rather than providing continuing support for research or training endeavors. The commitment of such expenditures takes into account recommendations of the faculty, administration, and advisory committees.

The following funds and their respective administrative responsibility are housed within the DSRT Trust Fund:

- Funds received from a sponsoring entity to support a grant or contract for research, consultation, technical assistance, and certain training activities;
- All funds received from federal sources, except financial aid monies and certain physical facility grants;
- Fees, when collected in conjunction with a Board of Trustees-approved Type I or Type II Institute or Center activity, unless otherwise agreed to by the DSRT Director; and
- Fees received from certain Sponsored Credit Institutes when the Sponsored Credit Institute is an integral part of a broader contract or grant program.

## **Accounting Standards**

Records of the permanent DSRT Trust Fund are maintained in accordance with generally accepted accounting procedures and meet both state and federal standards. These records are maintained by the University's Controller's Office and by DSRT. Permanent accounting records are maintained by the Controller's Office according to standard University practice. Backup materials and programmatic records are maintained by DSRT.

## **Fiscal Management Functions**

While the Controller's Office retains final responsibility and authority for all funds received by the University, including those housed in the DSRT Trust Fund, actual fiscal management functions for funds and accounts within the DSRT Trust Fund are shared between DSRT and the Controller's Office. The division of labor and fiduciary responsibility is based upon the respective expertise of the two offices and the need to maintain a system of checks and balances. Basic functions and the responsible offices are as follows.

<u>FUNCTION</u>	<u>RESPONSIBLE OFFICE</u>
Request for funds	Varies by source of funds
Receipt and deposit of funds	Controller's Office
Establishment of budgets	DSRT
Assignment of object codes	DSRT
Budget monitoring	DSRT
Expenditure approvals	DSRT
Encumbrance of funds	Varies by type of expenditure
Payment to vendors	Varies by type of expenditure
Budget revisions	DSRT
Budget transfers	DSRT
Budget expenditure reports	DSRT
Grant extension requests	DSRT
Maintenance of cash balances	Both offices
Financial Statements	Controller's Office
Liaison with auditors	Both offices

## **PROGRAM MANAGEMENT**

Program management is normally the primary responsibility of the PI who supervises the project personnel and their activities; makes decisions about expenditures made on behalf of the project; as appropriate, maintains procedures for the protection of both human and animal subjects according to guidelines set by the Department of Health and Human Services and other governing authorities; and assures the integrity of project results. As the agent for the University, DSRT continually monitors the timeliness, propriety, and completeness of program management of all projects to ensure compliance with regulations.

## **Project Director Responsibilities**

Responsibilities of the PI include:

- Initiation of all forms and paperwork associated with personnel actions, including hiring documents, certification of time worked, evaluation of performance according to University procedures, and recommendations for retention, promotion, demotion and salary adjustments and increases.
- Authorization of all project expenditures, assuring that these expenditures are both reasonable and necessary for the project's conduct and allowable under the terms of the award.
- Verification of the accuracy of the project's accounting inputs through a system of ongoing

monitoring of monthly ledgers and verification of goods and services received on behalf of the project.

- Preparation and submission of all required program reports to the funding entity, including final reports. Reports may be submitted through DSRT or sent directly to sponsor with a copy or verification of submission provided to DSRT for the official permanent files.
- Proper care, maintenance and disposition of all equipment purchased with grant/contract funds.
- Approval of travel by all project personnel (except their own) and others traveling on behalf of the project. This approval verifies that the travel is necessary for the project's conduct and is in accordance with the funding agency award. Additionally, the PI is responsible for securing other approvals as necessary; e.g., a department chair's approval for faculty traveling during the period of an academic teaching assignment. Please note that **all** travel is to be approved by DSRT prior to being submitted to the travel office.
- Selection and hiring of consultants for the project. This is to be done in accordance with State of Florida requirements and in a manner to assure that no conflict of interest occurs in any situation.

The PI's Chair and Dean, Director, or other administrative supervisors share the responsibility of assuring academic integrity and compliance with University procedures insofar as they provide oversight of all the activities conducted by employees of the University.

DSRT is responsible for establishing procedures to assure compliance with the University, the State of Florida, and the funding source's rules, guidelines, and regulations. Further, it is responsible for certifying that project activities are in the best interest of the University and enhance its academic mission.

## **PROGRAMMATIC REPORTING**

The PI is responsible for the completion and submission of all required programmatic reports. The PI may submit programmatic reports directly to the sponsoring agency and notify DSRT that this has been accomplished. DSRT does not require a copy of the final report but does require documentation that the report has been submitted (such as a copy of the transmittal letter). If the PI should leave the University prior to the end of the records retention period as outlined in the award document or sponsoring agency policy, a copy of the final report should be forwarded to DSRT.

## **Grant or Contract Modifications and Revisions**

All modifications to the award, whether a change in program, personnel, or expenditure, must have the concurrence of DSRT, the entity responsible for negotiating these changes with the funding source.

## **SUBRECIPIENT AGREEMENTS**

DSRT has the authority to issue subcontracts/subrecipient agreements and contracts for services under prime agreements from sponsoring agencies.

## **Subcontracts/Subrecipient Agreements**

A subcontract is an agreement, written under the authority and consistent with the terms of a prime grant or contract, that transfers a portion of the research or substantive effort to another organization.

Specific prior approval of the sponsor is generally required before an activity on a sponsored project may be subcontracted to a third party. Subcontract arrangements are formalized in a written agreement between the University and the subcontractor.

A subrecipient relationship exists when a third party:

- Performs a substantive portion of the programmatic work, which is defined as project activities that support the primary purpose of the prime award;
- Has responsibility for programmatic decision making;
- Uses the funds provided to carry out a program of the subrecipient as opposed to providing goods or services for a program of the University;
- Is responsible for helping the University meet the requirements of the prime award;
- Determines who is eligible to receive financial assistance under the award;
- Has its performance measured against whether the objectives of the program are met; or
- Has responsibility for adherence to applicable program compliance requirements.

### Subcontracting Procedures

To implement a subcontract or subrecipient agreement, the PI completes a [Request for Contract Document](#) form and submits it to DSRT at least fifteen (15) days prior the proposed effective date of the agreement. DSRT prepares the document and forwards it to the PI for review prior to sending it to the subrecipient for review. Upon review and acceptance of the contract terms the agreement is executed with proper authorized signatures. After the contract is fully executed, DSRT encumbers the funds. The subcontract agreement will state the activities to be performed, time schedule, reports to be delivered, general provisions applicable to the subcontractor (including flow-down provision from the prime sponsor), dollar limitation of the agreement, and any additional policies and procedures applicable to the project.

## **Contract for Services**

A contract for services agreement is used when the University requests an outside firm to produce a product or service that is necessary for the University to perform the work under a grant or contract in a vendor relationship.

A vendor relationship exists when a third party:

- Provides professional services or highly technical advice (such as a consultant) [note: if the consultant is an individual, an [OPS Contract](#) is used];
- Provides goods or services as a part of its normal business operations;
- Provides similar goods or services to many different purchasers;
- Operates in a competitive environment;
- Is responsible only for meeting the requirements of the contractual services contract between the University and the vendor;

- Provides goods or services that are ancillary to the operation of the grant or contract program; or
- Is not subject to compliance requirements of the grant or contract program.

### Contract for Services Procedures

To implement a Contract for Services, the PI submits a [Request for Contract Document](#) form to DSRT at least fifteen (15) days prior the proposed effective date of the agreement. DSRT will develop and execute the contract on behalf of the University. The agreement will state the activities to be performed, the time schedule, the payment amount, and required deliverables.

## **PROCUREMENT OF GOODS AND SERVICES**

### **General Policy**

All purchases on DSRT accounts are made in accordance with policies and procedures of the State of Florida for purchases provided that exceptions may be made to the requirements as provided for in the [Florida Statutes](#) (Section 1004.22[7]). All purchases must also comply with funding agency guidelines and be consistent with the award budget.

### **Purchasing Exemption**

The Director of DSRT certifies to the President that the purchasing exemption statute is invoked when normal bidding requirements prevent the efficient or expeditious prosecution of a research project. The certification or justification providing the purpose and need, the Purchasing Director's recommendation, plus any additional pertinent information are filed as required by law on each individual exemption. Responsibility and utilization of the sponsored research exemption rests with the Director, who submits it to the President or their designee for approval.

### **Signature Cards**

Only those individuals authorized on signature cards for a particular account may sign a purchasing requisition or other purchasing forms.

### **DSRT Approval/Signature Authority**

DSRT must approve and sign the following procurement request documents on grant and contract accounts:

- All requisitions, office supply call records, leases, and blanket purchase order call records totaling over \$500
- All requests for Operating Capital Outlay (OCO) items
- All Other Personal Services (OPS) Contracts
- Conference registrations and all purchases related to travel on a Travel Authorization Form (TAR)
- Memberships and subscriptions
- Requests for items of an unusual nature, e.g. food, meeting room reservations, incentive items, etc.

## **Prior Approval**

Grant and contract funds received by the University are deposited into state organizational accounts and are thus subject to the scrutiny of the State Comptroller. [Comptroller's Memorandum No. 21](#) provides guidance regarding the expenditure of state funds and lists items that may require documentation of legal authority. As the beneficial nature of some items purchased to complete the objectives of a grant or contract may not be readily evident, and to avoid potential problems with voucher payment, PIs should obtain approval from the State Comptroller prior to purchasing such items by completing a [Request to Make Direct Payment to Vendor](#) form. Examples of unusual items that may be questioned include food, T-shirts, gift certificates and other incentive items.

PIs must receive prior approval from the State Comptroller for direct payment of travel expenses such as conference lodging accommodations for attendees as required by the Florida Administrative Code. Prior approval can be obtained by completing a [Request to Make Direct Payment to Vendor](#) form.

## **Unallowable Costs**

Costs associated with any grant or contract conform to the project budget approved by the sponsoring agency, agency general guidelines, and policies of the University and the State of Florida. The following items are generally or expressly unallowable for all grants and contracts: (1) alcoholic beverages, (2) alumni activities, (3) bad debts, (4) commencement and convocation costs, (5) donations, (6) entertainment, and (7) lobbying activities. Guidelines for allocation of costs on federal grants are included in [OMB Circular A-21](#). Costs incurred on a DSRT account that are subsequently determined to be unallowable are primarily the responsibility of the PI.

## **Electronic Requisitions**

In addition to the paper form, requisitions can be submitted to Purchasing electronically via the Electronic Requisition System. Arrangements can be made through DSRT to ensure that appropriate personnel have requisite authority established within the electronic requisitioning system.

## **PERSONNEL ACTIONS**

### **General Policy**

The decision about what personnel work on any grant or contract rests with the PI as authorized by a specific grant or contract. Procedures for the procurement of personnel, with the exception of outside consultant services, are primarily the responsibility of the University's office of Human Resources. (Outside consultant contracts are primarily the responsibility of the University's Purchasing Department.) Management of funds to be utilized from a sponsored contract or grant is primarily the responsibility of DSRT. The following general guidelines are written to reflect these shared responsibilities.

## **Salaries**

Salaries of persons paid in whole or part from DSRT funds are comparable with equivalent positions paid from state funds, and equivalent criteria are applied in the determination of salaries regardless of the source of funds. All salaries for such employees, regardless of source of funds, conform to University, Board of Trustees, and State Division of Personnel Uniform Classification and Pay System policies. Funds for the payment of salaries are paid from the permanent DSRT Trust Fund.

## **Administration of Personnel**

Appointments of all employees to grants and contracts administered by DSRT are made in accordance with standards applicable to comparable employment elsewhere in the University with respect to recruitment and selection; employment contracts, wage and salary levels, and administration of fringe benefits; and other rights, privileges, and constraints. With only limited exceptions, all such appointments are “time-limited” in nature and do not extend beyond the effective dates of the respective grant or contract. All positions (faculty, adjuncts, students, consultants, other OPS) using funds housed within the DSRT Trust Fund must be approved by DSRT before the advertisement for the job is submitted to the Department of Human Resources or Purchasing.

## **DSRT Approval/Signature Authority**

DSRT must approve and sign the following personnel documents on grant and contract accounts:

- Position descriptions for new grant-line positions
- Position vacancy announcements
- Employment request forms
- Faculty, Administrative and Professional (A&P), Adjunct, and summer contracts on grant position lines
- Supplemental compensation forms for faculty and staff
- OPS personnel hired through Human Resources
- OPS consultant contracts processed through Purchasing
- Faculty and A&P utilizing 100% grant funds

## **Supplemental Compensation**

Supplemental compensation for all positions paid from DSRT funds must comply with the [University policy](#) regarding overload payments with the exception that any employee contributing effort to a federal contract or grant is limited to one (1.0) full-time equivalency (FTE) during the term in which effort is contributed to a federal grant.

## **Employment Contracts**

DSRT executes employment contracts for all 100% grant- or contract-funded faculty and A&P employees, as well as nine (9)-month faculty working on grant- or contract-funded summer contracts.

## **Faculty Activity Reports**

UNF faculty contributing effort to a sponsored contract or grant must document the time devoted to the project (effort buyout, cost share or supplemental compensation) on a [Faculty Activity Report](#) (FAR). FARs must be completed in accordance with [University policy](#).

## **Payroll Certification**

PIs are responsible for certifying the effort of project staff compensated through the University personnel system on Payroll Certification Forms. PIs must ensure that appropriate funds are available prior to certification.

## **Accrued Annual Leave**

All personnel hired on sponsored research contract or grant positions are required to use their earned annual leave within the time period of the contract or grant. This does not apply to positions where accrued leave has been approved and funded by the sponsor or other funding arrangements have been established and approved to support on-going positions paid by annual grants or contracts. Exceptions to this policy must be approved by the Office of Academic Affairs.

## **TRAVEL REQUESTS**

### **General Policy**

Travel is normally a line item in sponsored project budgets. Pre-approval of the travel is done at two levels: (1) at the Dean's level, approval is given when the original proposal submission sign-off sheet is completed; and (2) at the funding agency's level, approval may be given when the contract or grant is awarded. In some cases travel must be specifically approved by the sponsor on a case-by-case basis. This is often true of international travel. It is the responsibility of each traveler, not DSRT, to assure that travel does not conflict with scheduled classes or other academic assignments and to secure their immediate supervisor's approval prior to traveling.

### **DSRT Approval/Signature Authority**

In order to maintain compliance with federal and state regulations, DSRT approves all travel charged to a DSRT account. This includes fee and development accounts. Signatures must be secured on University travel forms for these types of travel.

## **COMMUNICATIONS**

### **GENERAL POLICY**

Expenditures for the purchase of telecommunications services or equipment on DSRT accounts must comply with [University policy](#).

## **CELLULAR TELEPHONES**

To secure approval for the purchase of cellular telephones and service on DSRT accounts the purchase and use must be allowable within the terms of the award. The PI must submit a written justification to the Director of DSRT. DSRT will obtain approval from Academic Affairs and Administration and Finance. Once approval has been obtained, the purchasing process may start. A purchase requisition is submitted for the purchase of the telephone and a blanket purchase order for the monthly charges. A check must be issued for personal calls charged along with a verification of reimbursement. If the bill is not in the University's name, a payee invoice needs to be submitted, with check and verification of reimbursement. Please note that the department will need to contact Communication Services regarding the allowable cellular vendors.

### **DSRT Approval/Signature Authority**

In order to maintain compliance with federal and state regulations, DSRT approves all communication requests related to DSRT accounts.

## **PROPERTY**

### **Inventory of Assets**

An inventory of property acquired for or by DSRT is maintained by the University property records department in a manner similar to that employed for other state property. Custodial rights are normally vested in the appropriate University department, not in DSRT. From time-to-time, DSRT may reassign custodial rights when it is necessary to conform with original granting agency rules or it is determined to be in the best interests of the University. PIs are responsible for complying with property/asset requirements of the Sponsor.

### **Insurance**

Custody of property acquired through use of the DSRT Trust Fund is vested in the University. It is the University's responsibility to protect such property with adequate insurance.

### **Financing, Construction, and Use of Physical Facilities**

Whenever construction, remodeling, or purchase of real property is to be financed from DSRT funds and other non-state funds, a request with a statement of justification for the purchase or construction is presented by the President to the Board of Trustees for approval. Title to all real property is vested in the Trustees of the Internal Improvement Trust Fund of Florida.

## **INTERNAL ACCOUNTING**

In order to maintain adequate internal control procedures, it is necessary to maintain segregation of duties in the custody of and access to funds, the maintenance of accounting records, and the authorization of transactions.

The underpinning for this set of policies and procedures is that in no case will a single individual have sole responsibility for the authorization, preparation, and posting of journal

entries; preparation of financial reports and invoices; accounts receivable follow-up; recording of receipt of payments; and disbursement of warrants on a single account. To maintain adequate checks and balances for internal control, the following specific responsibilities are set herein and are to be adhered to as a general guideline.

**Function/Responsibility**

**Type of Transaction**

**Individual Responsible**

Accounting Transactions

Journal Entries  
 Warrant Disbursement  
 Refunds  
 Receipt of Payments:  
     Electronic Transfer  
  
     Actual Warrant

DSRT - Assistant Director, Senior Accountant  
 Controller's Office - Accounts Payable Staff  
 DSRT - Assistant Director, Senior Accountant  
  
 Controller's Office - Cashier  
 Review: DSRT - Assistant Director  
 DSRT - Assistant Director

Financial Reports

Financial Reports  
 Invoice/Billing  
  
 Accounts Receivable Schedule  
     & Follow-up

DSRT - Assistant Director  
 DSRT - Senior Accountant  
 Approval: DSRT - Assistant Director  
  
 DSRT - Senior Accountant

Budgets

University Budget Preparation

DSRT - Senior Accountant  
 Approval: DSRT - Assistant Director

**Accounting Transactions**

Account Establishment

Upon receipt of a grant award, contract, or agreement from the funding agency, an individual account is established with the approval of the Director. DSRT sets up a budget for each account based on the approved budget as awarded by the sponsoring agency. All salaries, OPS wages, fringe benefits, purchase of goods and services, travel expenses, indirect costs and other related expenses in support of the project are posted to this grant account. DSRT processes transactions based on appropriateness and allowability on the funding agency's approved budget, regulations, and guidelines as well as the State of Florida's regulations and guidelines.

Journal Vouchers

A Journal Voucher is an entry posted in the University's financial records system to record financial expenditures and to correct posting errors. A Journal Voucher is processed upon request in writing by the PI or if a posting error occurred on particular account. A request to transfer salaries or other charges from one account to another account is necessary to reflect the actual activities related to the project in reference to the awarded budget, and the rules and regulations stipulated by the funding agency. Journal Vouchers are processed to pay stipends

to students and clients, to refund fees to clients, and to transfer residual balances to the funding agency upon request by the PI and with the authorization of the sponsoring agency. DSRT also processes Journal Vouchers to post monthly workers' compensation and unemployment charges and facilities and administrative costs (indirect costs) to a grant or contract account. Proper documentation is necessary to process all Journal Vouchers.

Prior to processing voucher payment of subcontracts, the PI or departmental staff must submit a signed [Contract Completion Form](#), invoice, progress or project reports, deliverables and/or financial reports as required in the award to DSRT. DSRT reviews and approves the accurateness and completeness of reports and services provided by the subcontractee as agreed upon in the subcontract.

### Warrant Distribution

Warrants for vendors, clients, and students providing goods or services for a grant or contract account are routinely handled by the Controller's Office. After processing, the Controller's Office distributes warrants to the appropriate payee through the mail. If for some reason the PI or department prefers handle delivery of the warrant, they must inform DSRT or the Controller's Office in writing prior to Journal Voucher processing. In such instances, the Controller's Office will contact DSRT when the check is ready, otherwise it will be automatically mailed to the vendor.

### Receipt of Payment from Funding Agencies

Payments from funding agencies are transmitted to the University through Electronic Funds Transfer (EFT), journal transfer, or by check.

Funding from most federal granting agencies is transmitted via EFT and deposited directly into individual grant and contract project accounts. Funds from the National Science Foundation and the U.S. Department of Health and Human Services are sent via EFT and are posted to DSRT Federal Cash Control account on a quarterly basis. DSRT transfers the funds from the Cash Control account to the appropriate grant or contract project account at the end of the grant period. However, each federal grant account is reconciled on a monthly basis.

Funds from various State of Florida agencies are sent via journal transfer to the DSRT Trust Fund account. These funds are posted to the appropriate grant or contract account at the end of each month or upon receipt of journal transfer from the funding agency.

Checks received from various local government and private agencies are usually received by DSRT. Checks that are sent directly to the University's Cashier's Office or to the PI must be forwarded to DSRT for recording of grant or contract account and revenue code on the [Transmittal of Funds](#) form. DSRT forwards the check to the Cashier's Office who deposits it no later than the next working day. Any grant or contract funding received and posted appears in the revenue category on the University's accounting system ledger. The PI must routinely review these funds on the ledger and notify DSRT of any discrepancies.

Monthly reconciliation between the state's ledger and DSRT Trust fund's ledger is processed by the Controller's Office and reviewed by DSRT.

## **Financial Reporting and Invoice/Billing**

Financial reports and invoices are processed on a monthly, quarterly, annual or other periodic basis on or before the due date as required by funding agency. The PI must submit a copy of their project or progress report to DSRT for the award file or send the original project report to DSRT to be mailed with the financial report or invoice, if required by the funding agency. Most of the financial reports or invoices are documented with the appropriate University records, i.e. monthly organizational ledgers, cost sharing reports or documentation, payroll register, etc., depending on the requirements of the funding agency. A copy of the report and/or invoice is kept in the appropriate grant account file in DSRT and another copy is sent to the PI. If for some reason the PI does not receive a copy of financial report or invoice and knows that it is a requirement of the grant, they should contact DSRT immediately. DSRT contacts the funding agency to follow up on the Accounts Receivables (Financial Reports or Invoices) that have not been paid after sixty (60) days or more from the date the receivable was billed and mailed.

## **Account Budgets**

Budgets are set up by object codes and input into the University's accounting system in individual accounts whenever an official grant is received. A copy of the internal budget as outlined on a Budget Input Sheet is sent to the PI with a notification of account number and signature cards in an Award Notification Packet. If a budget is not included as a part of the grant or contract, DSRT contacts the PI for internal budget information so that it can be input into the University's accounting system. Fixed-price contracts from private, local, or state agencies normally do not require budgets as part of the agreement, but an internal budget is required for input into the University's accounting system before the PI is able to process purchasing requisitions, travel requests, personnel actions, and other expenses. The PI should contact DSRT, with any questions or concerns regarding their budget.

## **BUDGET AMENDMENT AND REVISION**

Budget amendments and revisions are required if a project requires reclassification or modification in order to accomplish their program goals and objectives. Budget reclassifications, depending on funding agency guidelines, within ten (10) to twenty-five (25) percent of the total awarded budget, usually do not require approval by the funding agency. However, some funding agencies do not allow certain transactions such as the purchase of equipment or subcontracting in particular grant awards without prior agency approval. Special requirements or instructions are usually spelled out in the award document. The PI must review and comply with the funding agency's guidelines and special requirements. DSRT is willing to meet with PIs and project staff to discuss these terms at the beginning of the project. The PI should contact DSRT if they require further clarification of the grant's requirements. In instances when a formal budget amendment is required to modify the budget, the PI must contact DSRT for assistance in preparing the budget amendment forms or correspondence to the funding agency. The PI cannot purchase or incur any expenses until the budget amendment approval is received from the funding agency. DSRT will revise the budget based on the approved budget amendment. If a formal budget amendment is not required by the funding agency, a budget revision can be requested from DSRT in writing either via e-mail or memorandum from the PI or by completion of a [Budget Amendment Form](#). DSRT reviews the budget revision request and, upon approval, revises the budget in UNF's accounting system. The PI is informed when the budget revision has been processed via an e-mail note and

receives a revised Budget Input Sheet.

## **COMMON BUDGET AMENDMENTS REQUIRING PRIOR APPROVAL FROM FUNDING AGENCY:**

- Addition of personnel staff
- Increase in equipment budget
- Change in objectives and goals
- Change of Principal Investigator's effort of twenty-five percent (25%) or more
- Increase of total budget amount
- Shift of funds to add equipment as new budget item

## **DOCUMENTATION OF COST SHARING**

Cost sharing is the portion of the grant or contract cost not borne by the sponsor. Whenever cost sharing is explicitly set forth and committed in a proposal and an award is made based on that proposal or cost sharing is required as a condition of an award, the cost sharing must be documented in the University's records and included in the grant file. DSRT reports cost sharing to the sponsor according to the sponsor's requirements.

### **Methods of Documentation**

#### Faculty Salaries and Fringe Benefits

Faculty effort committed to a project as cost sharing must be reported on the faculty member's [faculty activity report](#) for each academic term in which effort was contributed.

#### Staff Salaries and Fringe Benefits

Effort of A&P, University Support Personnel System (USPS) and OPS staff committed to a project must be documented by completion of a [UNF Cost Sharing Statement](#) and backup documentation from the payroll register.

#### Equipment and Materials

Expenditures of equipment and materials purchased for a project as part of the University's cost sharing commitment must be documented by completion of a [UNF Cost Sharing Statement](#) and backup documentation from organizational ledgers.

#### Facilities and Administrative Costs (F&A)

Unrecovered F&A is calculated and documented by DSRT.

#### Third-Party Cost Sharing

Matching funds or in-kind contributions provided by parties external to UNF must be certified in writing by an official from the entity authorized to verify the contribution.

## **Cost Sharing Accounts**

In cases where a significant amount of cash contributions for the purchase of several items is required as cost sharing, UNF may require the establishment of a separate account in the DSRT trust fund in which the cost sharing funds will be deposited.

## **MAINTENANCE OF RECORDS**

DSRT maintains permanent grant or contract project files in accordance with funding agency and State of Florida requirements. DSRT maintains all grant files for five (5) years following the end of the fiscal year in which the project was closed. The permanent file consists of a copy of the proposal submitted to the funding agency with the internal approval form, the official award document(s), grant correspondence from the sponsoring agency, Budget Input Sheets, all personnel forms (including Personnel Action Forms [PAFs], OPS Agreements, and FARs), equipment requisitions, financial reports and invoices, documentation of programmatic report submission, organizational ledgers, certain fiscal transactions, and pertinent documents and correspondence.

## **PROJECT CLOSEOUT**

Project closeout requires diligent attention and followthrough to insure that all necessary steps and actions have taken place to comply with the funding agencies' requirements related to final report submission and record maintenance; the auditing agencies' requirements for availability of documentation; and the State of Florida's requirements for record retention, personnel terminations, and equipment disposition.

It is the PI's responsibility to prepare the final program reports and to initiate all paperwork necessary to close out the project including termination of personnel and cancellation of work orders and other expenditure mechanisms associated with the grant or contract. It is DSRT's responsibility to prepare and submit the final accounting and fiscal reports, to determine when the actual grant or contract project account should be closed, and to make decisions and take action necessary to return or distribute all residual funds associated with the project.

DSRT is responsible for insuring all closeout actions are taken in a timely manner, overseeing the necessary actions and for certifying they have taken place. A copy of a signed closeout checklist documenting these actions will be placed in the project's permanent account file.