

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION
POLICY ON THE ADMINISTRATION OF GRANTS AND
CONTRACTS IN SUPPORT OF SPONSORED PROGRAMS

Effective Date: September 30, 2014

Definition	<i>This policy specifies how the components outlined in Executive Order No. 890 are administered at Humboldt State University Sponsored Programs Foundation. In the event that a given Contract or Grant contains terms and conditions that are not in conflict with but are more restrictive than those provided in this policy, the more restrictive terms and conditions of the Contract or Grant shall prevail.</i>
Authority	<i>Executive Order No. 890, issued under the authority of Section 2 of Chapter III of the Standing Order of the Board of Trustees with reference to Division 8 (commencing with Section 89000), Part 55, Chapter 7, Article 1 of the Education Code and Subchapter 6 (commencing with Section 42000) of Chapter 1 of Title 5 of the California Code of Regulations and related policies adopted by the Board of Trustees.</i> <i>Executive Order No. 698 and 1059, issued under the authority of Title 5, Division 5, Article 1, Subchapter 6, (42400 et seq) of the California Code of Regulations.</i>
Scope	<i>This policy and any related procedures apply to all Sponsored Programs applied for, awarded to and/or administered by the Humboldt State University Sponsored Programs Foundation.</i>



Lisa A. Rossbacher, President
Humboldt State University

5.5.16

Approval Date

Article 1. Definition

- 1.1 “Auxiliary”** means an Auxiliary organization as defined in Executive Order no. 698 and 1059. By means of a Master Agreement between Humboldt State University (the University) and the Humboldt State University Sponsored Programs Foundation (the Foundation), it is acknowledged that the Foundation shall act as the Sponsored Program Administrator and financial liaison for all externally funded grants, contracts, and special projects. The Foundation will act as fiscal agent for awards and have responsibility for award financial administration, including determinations regarding overhead, facilities, and administrative costs within the University policy and practice. The management of grants, contracts, and special projects will follow the procedures set by the Foundation.
- 1.2 “Contract”** means an agreement between the Foundation and a Sponsor to provide an economic benefit, generally in the form of services, for compensation. The agreement is binding and creates a *quid pro quo* relationship between the parties.
- 1.3 “Grant”** means a financial contribution to a Recipient (the Foundation) on behalf of the University to carry out an approved project or activity. A Grant generally anticipates no substantial programmatic involvement of the Sponsor with the Recipient during performance of the project or activity, but Sponsors usually request an accounting of the use of funds and of results of the project or activity. The University or Foundation may commit resources or services as a condition of the Grant.
- 1.4 “Principal Investigator”** means the individual (whether referred to in the Contract or Grant as a Principal Investigator, Project Director or other similar term) designated by the Sponsored Program Administrator to be responsible for ensuring compliance with the academic, scientific, technical, and for day-to-day management of the Sponsored Program.
- 1.5 “Recipient”** means the Foundation when awarded a Contract or Grant. The Recipient is the Foundation even if a particular component is designated in the award document, and shall not be an individual, department or other constituent unit.
- 1.6 “Sponsor”** means the party paying for the services or other economic benefit under a Contract or providing the financial contribution for a project or activity under a Grant.
- 1.7 “Sponsored Program(s)”** means all work performed under Grants or Contracts funded by non-CSU funding sources (including non-CSU funded Contracts and Grants that are subsequently subcontracted to another campus).
- 1.8 “Sponsored Program(s) Administrator”** means the Foundation as designated by Humboldt State University to administer the Sponsored Program(s).

- 1.9 “Sponsored Program Records”** include, but are not limited to, accepted proposals and applications; Contracts or Grant agreements; program reports and data; correspondence; budgets and supporting financial documentation; supporting human resources documentation; and other records relating to receipt, review, evaluation, status and monitoring of the Sponsored Program.
- 1.10 “Sponsored Program Work Product”** means any work created in the performance of a Sponsored Program. Unless the Contract or Grant states otherwise, Sponsored Program Work Product does not include journal articles, lectures, images, books or other works that are subject to copyright protection and have been created through independent academic effort and based on the findings of the Sponsored Program.
- 1.11 “University”** means one of the campuses of the California State University or the Office of the Chancellor.

Article 2. General

Sponsored Programs provide significant benefit to the Humboldt State University and further its educational mission by facilitating research, workshops, conferences, institutes, and other projects that enrich the scholarly endeavors of faculty and students and enhance the services provided by the University to the communities. Humboldt State University and Humboldt State University Sponsored Programs Foundation outline the policy and procedures in accordance with the Executive Order No. 890 policy guidelines to ensure that the Foundation maximizes the benefits of Sponsored Programs and supports faculty, students, and administrators in effectively securing and carrying out Sponsored Programs.

2.1 President’s Responsibility

The President of Humboldt State University is responsible for educational effectiveness, academic excellence, and general welfare of the campus. The President shall require that the University and Foundation operate in conformity with applicable law and the policies established when proposing and administering Sponsored Programs. Sound management and administration of Sponsored Programs requires coordination among organizationally separate units and individuals on the campus, and therefore the president shall identify for each area of policy the campus official responsible for implementing that area of policy.

2.2 Written Policy

Humboldt State University has established a written policy on the management of Sponsored Programs that incorporates the components outlined in Executive Order No. 890 that is consistent with policies relating to risk management, environmental health and safety, conflicts of interest, research misconduct, and other applicable University Policies. In the event that a given Contract and Grant contains terms and conditions that are not in conflict with but are more restrictive than those provided in the campus policy, the more restrictive terms and conditions of the Contract or Grant shall prevail.

Article 3. Sponsored Program Administration

3.1 Proposal Submission, Review, and Approval

- 3.1.1 Pre-Award Review and Approval of Proposal Submission.** Proposals for Sponsored Programs shall not be submitted to the Sponsor without prior written approval of the President of the University or the President's designee, the University Chief Financial Officer or the CFO's designee, the Dean for Research, Economic, and Community Development and the Foundation Director. Written approvals shall be obtained on the Foundation's Institutional Routing and Authorization form, once all other appropriate campus reviews and approvals have been secured on the form.
- 3.1.2 Pre-Acceptance Approvals.** Awards of Contracts or Grants shall not be accepted without prior written approval by appropriate officials of the University and Foundation responsible for the following areas, if applicable: (a) academic/programmatic; (b) fiscal; (c) health and safety; (d) human and animal subject research; (e) space; (f) major technical resources and equipment; and (g) risk management.
- 3.1.3 Notice.** The Foundation's Institutional Routing Authorization form shall provide notice to all personnel responsible for the preparation of proposals and applications for Sponsored Programs that, if awarded, the Recipient of the Contract or grant shall be the Foundation and not an individual, department, or other constituent unit.
- 3.1.4 Amendment of Contract or Grant.** Amendments and modifications to Contracts and Grants only require the approval of the Foundation Director unless the amendment involves a significant change in scope, or requires additional commitment, cost or risk to the University. Submission of amendments and modifications, which contain any of the items listed above, must be preceded by the completion of a new Foundation's Institutional Routing Authorization form.

3.2 Performance of Grants and Contracts

- 3.2.1 Administration of Sponsored Programs.** The Foundation shall be the Sponsored Program Administrator on all Contracts and Grants for Sponsored Programs. The Foundation, in collaboration with the Principal Investigator, is legally responsible and accountable to the Sponsor for the use of funds provided and for the performance of the Sponsored Program.

3.2.2 Master Agreement between University and Auxiliary for Administration of Sponsored Programs. A Master Agreement has been executed between the University and the Foundation, designating the Foundation as the Sponsored Program Administrator for the campus. The Foundation agrees, among other things, to:

- a) Indemnify, defend and save harmless the University from all loss, damage, or liability that may be suffered or incurred by the University caused by, arising out of, or in any way connected with the administration of Sponsored Programs by the Foundation; and
- b) Carry adequate insurance in accordance with CSU Executive Order No.1069.

3.2.3 Implementation Plan. The implementation, operational and retention policies and procedures for all Contracts and Grants are detailed on the Foundation's website at:

<http://www2.humboldt.edu/hsuf/compliance/policies.html>

3.3 Human Resources Policy

3.3.1 Principal Investigator(s). The qualifications of a Principal Investigator shall include employment by the University or the Foundation as described in the Foundation's Principal Investigators and Project Directors Policy (located on Foundation's website: <http://www2.humboldt.edu/hsuf/compliance/research-policies.html>). Limited exceptions may be allowed for the appointment of Principal Investigators who are not employees of the University or the Foundation, but who are officially affiliated with the University, such as individuals with research associate status, emeritus status or visiting professors or researchers, as recommended by a dean or director following appropriate consultation, and as approved by the Provost/Vice President for Academic Affairs or the Provost's designee.

In cases where the incumbent Principal Investigator resigns, becomes incapacitated, or fails or refuses to perform the duties adequately, the Principal Investigator's responsibilities may be reassigned by the Provost/Vice president for Academic Affairs or the Provost's designee, in consultation with the Foundation and with the Sponsor's approval.

When projects call for the distribution of responsibilities among Principal Investigators for multi-institutional Sponsored Programs, these responsibilities shall be clearly specified in the Grant or Contract proposal, shall be agreed upon in advance by the Principal Investigators, and approved by the appropriate University and Foundation authorities.

The normal responsibilities of Principal Investigators shall include the responsibility to be knowledgeable and in compliance with relevant policies and procedures established by the University, the awarding agency, and the Foundation; and to seek assistance from staff in the Foundation in preparing proposals and carrying out projects.

Principal Investigators shall effectively train and supervise project personnel. Principal Investigators are responsible for the programmatic conduct and management of the project; for preparation of the required technical reports; and for completing the project in a diligent and professional manner. Jointly with Foundation personnel, Principal Investigators are responsible for assuring that contractual/award terms and conditions are met; that the project stays within its approved budget; and funds are utilized pursuant to awarding agency regulations and prevailing cost principles. (Refer to Foundation's Administrative Desk Procedures Manual, Budget Guidebook, Personnel Manual, and Principal Investigators and Project Directors Policy.)

- 3.3.2 Employer.** The Foundation shall be the employer of the Principal Investigator and other employees with regard to work performed in furtherance of each Sponsored Program. The Foundation shall be responsible for the assignment, evaluation, and termination of Sponsored Program employees and for other employer obligations associated with the performance and payment under the Sponsored Program. This applies regardless of whether the employee is being paid directly by the University or the Foundation or whether the University is being reimbursed by the Foundation for agreeing to reassign an employee from selected University duties in order to work on the Contract or Grant. With respect to the evaluation, termination or other disciplinary action regarding a Principal Investigator who is a faculty or staff member of the University, it is the policy of the Foundation to refer all faculty personnel matters to the Office of Academic Affairs Personnel Services in the Division of Academic Affairs. In such faculty personnel matters, the Foundation shall play a coordinating and facilitating role in reaching a resolution to any such matters.
- 3.3.3 Additional Employment.** Additional employment through Contracts and Grants is subject to the Foundation's Additional Employment and Overload Policies and Procedures and Chancellors Office Coded Memorandum HR 2002-05, which provides a framework within which employees may be appointed for more than full time, and establishes the total amount of employment an individual may have with the California State University (CSU).
- 3.3.4 Misconduct.** The Foundation Policy and Procedure for Responding to Allegations of Research Misconduct, is the campus policy approved by the Office of Research Integrity within the Public Health Service in the U.S. Department of Health and Human Services for processing complaints of research misconduct. This policy is currently under review by the Humboldt State University campus. Employees working on Sponsored Programs who are also CSU employees shall remain subject to consequences for unprofessional behavior, failure or refusal to perform duties adequately, or other misconduct within the administration of the Sponsored Program and to the University's discipline system.
- 3.3.5 Conflict of Interest.** The Foundation Conflict of Interest Policy specifies procedures to ensure that no potential or real conflict of interest adversely affects the administration of

Principal Investigator to review the policy and to signify acceptance of the conflict of interest regulations. The Principal Investigator is required to complete the Disclosure of Financial Interests Related to Projects Sponsored by PHS, NSF, or other Agency Adopting the Federal Requirements or the California form 700U Statement of Economic Interests for Principal Investigators depending on the source of funding.

3.3.6 Nepotism. The Foundation's Personnel Manual governs the issue of nepotism.

The policy states, "The general policy of HSU SPF is to avoid the employment of related persons in positions where they would have a supervisory relationship with each other, where they would have the same immediate supervisor, or where the nature of their working relationship would be such that their employment might hamper the effective discharge of review responsibilities. Such "related persons" include: husband, wife, mother, father, daughter, son, sister, brother, step-relatives or in-laws in the same relationships, or any person residing in the employee's household. However, the employment of such persons is not prohibited and may be approved by HSU SPF management or the Board of Directors. Approval may be granted if the benefits to the project outweigh any potential risk, at the sole discretion of HSU SPF. This policy is consistent with the Chancellor's Nepotism Policy.

(<http://www.calstate.edu/HRAAdm/pdf2004/HR2004-18.pdf>)

3.4 Academic Policy

3.4.1 Conduct of Research. The Provost/Vice President for Academic Affairs or the Provost's designee is responsible for assisting the Foundation by providing oversight of the conduct of research and ensuring progress toward fulfillment of Contract or Grant requirements.

3.4.2 Human Subjects Research. Humboldt State University Policy for the Protection of Human Subjects in Research governs the protection of the rights and welfare of human subjects in research in which Sponsored Programs is engaged. Sponsored Programs is engaged when its employees, students, or other individuals performing institutionally designated activities or exercising institutionally delegated authority or responsibility (i) intervene or interact with living people for research purposes or (ii) obtain individually identifiable private information for research purposes. The University maintains a Federal-wide Assurance approved by the Office of Human Research Protections of the United States Department of Health and Human Services. The campus maintains an Institutional Review Board, appointed by the President or designee, to ensure adequate review of research protocols involving human subjects. The University is responsible for ensuring that these protocols are followed. Campus procedures provide for adequate training of research personnel and for multi-institutional Sponsored Programs engaged in human subjects research. (Refer to Executive Memorandum Policy for the Protection of Human Subjects in Research).

3.4.3 Animal Subjects Research. Humboldt State University maintains policies and procedures for the procurement, housing, care, and use of live non-human vertebrate animals in Sponsored Program research, in instruction and research by employees of the University

Sponsored Program research, in instruction and research by employees of the University or Foundation in the regular course of their employment, in research by students in satisfaction of University requirements, and in research or instruction using any University property of facility. These campus procedures provide for adequate training for research personnel and are consistent with the *Guide for the Care and Use of Laboratory Animals* (Institute for Laboratory Animal Research, Commission on Life Sciences, National Research Council), requirements of the United States Department of Agriculture and regulations implementing the Animal Welfare Act as amended, other applicable laws and regulations, and, as appropriate, provisions of the United States Public Health Policy on Humane Care and Use of Laboratory Animals. The President or designee is authorized to take appropriate action to implement regulations required by funding and regulatory agencies on the care and use of animals in research and instruction. The University maintains an Institutional Animal Care and Use Committee (IACUC), appointed by the President or designee, to ensure adequate review of animal facilities, procedures, and research and teaching protocols, and the University is responsible for ensuring that these protocols are followed. In connection with this policy, the University shall from time to time review the United States Government Principles for the Utilization and Care of Vertebrate Animals Used in Testing, Research, and Training to keep abreast of its latest provision. (Refer to Humboldt State University's Policy for the Use of Animals in Teaching and Research).

3.5 Fiscal Administration

3.5.1 Budget. The Foundation is responsible for final certification of project budgets, pre-award and post-award, and budget procedures (as specified above in 3.1.4). Pre and post award budget procedures are detailed in the Foundation's Budget Guidebook. The Principal Investigator for a Contract or Grant shall be responsible for executing the project in conformance with the approved budget. Pre-award disbursements are allowed, on a case by case basis, if the awarding agency policies and procedures permit and the following steps are completed:

- a) Pre-award disbursement is required for the proper and timely execution of the award objectives, as determined by the Foundation.
- b) Verbal, electronic or written confirmation from the Sponsor of the pending award is obtained by the Foundation for competing applications and proposals. Progress and other required reports have been filed in a timely fashion for non-competing applications and proposals.
- c) The Foundation's Advance Funding Request form is completed.
- d) Disbursement is executed by an authorized signatory on the Contract or Grant and the Foundation. Disbursement must be processed according to the procedures contained in the Foundation's Administrative Desk Procedures Manual.

3.5.2 Account Management. The Foundation is responsible for the timely establishment of accounts pursuant to the guidelines delineated in the Foundation's Administrative Desk Procedures Manual. All expenditures will be according to Foundation,

University and Sponsoring agency guidelines, policies and procedures. All accounting and control of cash receipts from Contract or Grant billings are maintained on a fund accounting basis and are in accordance with Generally Accepted Accounting Principles, prevailing Code of Federal Regulations, Sponsoring Agency terms and conditions, University policies and procedures and Foundation policies and procedures. All Contract and Grant expenditures require the written authorization of the Principal Investigator or designee and the Foundation and must be submitted on appropriate Foundation forms.

Reimbursement for personal expenditures by the Principal Investigator will be approved in accordance with the University and the Foundation “one up” rule.

“One-Up” Signature Cards are to provide required authorization of Department Chairs, Center Directors, or College Deans. These cards are issued as the positions change to the new One-Up signer and are kept in a separate binder within the SPF office. These verify One-Up signing authority on all checks/travel reimbursements requested for the P.I. themselves. This is an additional step to provide oversight on funds spent. Authorization of a designee by the Principal Investigator will be done in writing on the Foundation’s Signature Authority form. The Principal Investigator signature on expenditures certifies program appropriateness and compliance with the approved budget and the Foundation signature certifies availability of funds and compliance with the Sponsoring Agency terms and conditions. The Sponsored Program Administrator shall certify that funding is available prior to issuance of any appointment document. The Foundation is responsible for the accurate and timely financial reporting for each Contract or Grant. The Principal Investigator is primarily responsible for the timely submission of Technical and Project Progress Reports. The Foundation will monitor the submission of Sponsoring Agency required Technical and Project Progress Reports. Detailed policies and procedures are contained in the Administrative Desk Procedures Manual and Personnel Manual.

3.5.3 Fiscal Reporting. The Foundation shall ensure that all fiscal reports (including final reports) and billings are prepared and submitted, on a timely basis, to Sponsors in accordance with the terms and conditions of the Contract or Grant.

3.5.4 Cost Recovery. All appropriate indirect costs and direct costs shall be recovered for Sponsored Programs in accordance with CSU policy, University and Foundation policies and/or other funding agency requirements.

3.5.5 Cost Sharing. The Institutional Routing and Authorization form shall provide the detail of the cost-sharing or matching commitment pursuant to the Sponsor’s requirements. The Foundation in collaboration with the Principal Investigator shall provide the actual costs shared or matching contributions documentation consistent with the University cost allocation plans, Sponsor’s requirements, and in accordance with Code of Federal Regulations for federal Contracts or Grants requirements. (Refer to Administrative Desk Procedures Manual and Budget Guidebook).

3.6 Sponsored Program Work Product and Records

- 3.6.1 Work Product and Records Policy.** All Sponsored Work Products and Sponsored Program Records are the property of the University and the Foundation. Such property will be maintained in a secured fashion and retained for the period specified by the Sponsoring Agency. The Principal Investigator will be notified of the retention requirements at the beginning of the project. This policy is consistent with the University policy pertaining to intellectual property. (Refer to Humboldt State University Intellectual Property Policy).
- 3.6.2 Records Retention.** All records pertaining to a Sponsored Program will be maintained for a minimum period of three years, commencing with the submission and acceptance of the Final Technical and Financial Reports. Should a longer period be required by a Sponsoring Agency, this information will be contained on the Closeout Checklist. All records should be properly disposed of at the conclusion of the retention period unless they have historical value or are the subject of pending audit or intellectual property issues.

4 System Office Role/Responsibility

- 4.1 Legal Advice.** Legal advice concerning Contract or Grant administration that might affect the CSU or the University must be coordinated through the CSU Office of General Council.