



SAM HOUSTON STATE UNIVERSITY

Research and  
Sponsored  
Programs  
Policies & Procedures  
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## **INTRODUCTION**

Faculty and authorized professional staff are encouraged to seek external financial support for specific projects undertaken to further the mission of Sam Houston State University (the University) in teaching, research, institutional development and public service. Sponsored projects enhance and expand the educational opportunities available to undergraduate and graduate students at the University; permit research, scholarly inquiry, and the development of new knowledge; contribute to the academic achievements and stature of the institution; and assist the University in fulfilling its responsibilities to the state and to the nation.

The University highly encourages faculty and staff to pursue sponsored program activities in their areas of expertise. The primary responsibility for the origination, development, and preparation of proposals rests with the Principal Investigator (PI). Although awards for successful projects are made to the University, the PI is responsible for the management, execution, and completion of the project, including submissions of all required reports. Information, assistance, technical support, contract negotiation, and award acceptance are provided to the PI during the pre-award process by the Office of Research and Sponsored Programs (the ORSP) and during the account set up and post-award phase by the Controller's Office.

University policies apply to all sponsored programs, unless the granting agency establishes exceptions. Grant applications that the University approves must clearly identify these exceptions. These exceptions must not conflict with federal or state law or with the Regents' Rules.

## GLOSSARY OF TERMS

*Sponsored Programs* are defined as activities that are sponsored or funded, in whole or in part, by sources external to the University for which there is an expectation of an identified deliverable or outcome. Sponsored programs are generally conducted by faculty, but may be conducted by staff or members of the University's administration. Sponsored programs are awarded through various mechanisms - grants, contracts, non-teaching consulting services, and cooperative agreements or other legally binding means of transfer.

Sponsored Programs may support instruction, research, or public service activities. They are identifiable by the following characteristics (a program does not need to include all elements to be characterized as "sponsored"):

- Inclusion/allowance of Indirect Costs/Administrative Costs
- Percentage of faculty time on project (may or may not be compensated by the sponsor)
- Expectation of performance or outcome by the sponsor
- Statement or expectation of a "quid pro quo" relationship between the University and the sponsor
- Specific description of the activity or work to be conducted (proposal or contract) sometimes known as a *Scope of Work*
- A line item budget is involved
- A financial report is required, and the budget/performance is subject to audit
- All government funds, exclusive of financial aid
- Private, foundation or corporate research contracts, subcontracts or agreements
- Defined time period for the work to be conducted
- Definition of how the funds may be spent and what conditions may apply to residual funds
- Use of University resources such as equipment, space, and students mandate processing through the ORSP to determine classification (i.e., does the activity qualify as a sponsored program and who must approve the use of these resources?)

**Grant**—a type of financial assistance awarded to an organization for the conduct of research or other program as specified in an approved proposal. The proposal typically defines a scope of work or performance. The sponsor makes an award, which is usually based upon a competitive review and establishes terms and conditions for performance. These terms may be generally stated, as in many federal awards, or they may specifically describe allowable and unallowable activities and costs. Unless prohibited by sponsor regulations, performance under grant awards may be modified to adjust to project conditions. Such modifications must be approved internally by the University and may require sponsor authorization. The ORSP is responsible for all modifications to existing awards. Grants may be awarded through simple contractual agreements, letters of authorization, payments of fees, or other similar mechanism. They are governed by specific rules and regulations pre-established by the sponsor, and they provide for some flexibility in the conduct of the activity.

**Contract**—a legally binding arrangement or performance agreement for carrying out a specific service or procuring a product that entails specific obligations for both sponsor and recipient. Contracts are more restrictive for securing services than grants, and they may specify penalties for non-performance.

**Fixed Cost or Fee for Service Agreement** is one in which one party pays the other party a predetermined price, regardless of actual costs, for services rendered.

A **Cost- Reimbursement Agreement** is one in which the sponsor pays for the full costs incurred in the conduct of the work up to an agreed-upon amount, and it is for which invoices containing back-up information of costs incurred are generally required.

A **Percent Completion Contract** is one in which the sponsor contracts for completion of specific tasks, and payment is made upon receipt and approval of a report or other deliverable.

Contracts may be awarded for research, assessment, specific work performance, instruction, training or public services. Generally, contracts will define specific details of the legal relationship between the participating entities and will incorporate the description and cost of the work to be performed either as a legally binding attachment or embedded in the contract document. A purchase order may be a form of contract.

**Matching Funds (also referred to as cost sharing) Grant**—some sponsors require the applicant to demonstrate commitment to the proposed activity by providing funds in support of the overall project costs. Matching funds may be derived from institutional resources, either in-kind (donated time, space, equipment use, etc.) or cash, or they may be generated from other entities (i.e., third party). The ORSP discourages the PI from including matching or cost sharing, unless required by the sponsor. Most federal agencies do not allow the inclusion of matching funds to enhance chances of being funded. During the budget development phase, the ORSP will discuss appropriate language to support voluntary cost sharing activities.

Cost-sharing activities that are included in grant applications require tracking and documentation. This topic has become a major issue in federal awards. Recently, the federal government issued specific guidance on matching funds and the responsibilities of recipients in accounting for these funds. Failure to comply may result in loss of revenue associated with the specifically funded project, or it may result in sanctions against the institution. The following are the three types of cost-sharing:

- **Mandatory**—required by the sponsor and specifically referenced in the proposal, budget, or other submitted document and must be accounted for in the institution's accounting system.
- **Voluntary Committed**—committed by the institution in the proposal, budget, or other submitted document to enhance possibility of funding but NOT required by the sponsor; this must be accounted for in the institution's accounting system (NOTE: if a proposal is submitted with voluntary cost-sharing and is subsequently awarded, the status of the cost-sharing converts to Mandatory)
- **Voluntary Uncommitted**—after the award is received, the University/PI provides more cost sharing than is promised or required; for example, a PI spends more time on the project than originally projected; this must be tracked and verified, but it IS NOT entered into the institution's cost-sharing system

Funds promised or provided by third parties to a sponsored program must meet the same reporting requirements imposed on the institution. These funds must also be committed in writing prior to proposal submission. The University is responsible for acquiring and maintaining third party matching documentation

**Challenge Grant**—a grant that provides funds in response to monies from other sources, usually according to a formula. A challenge grant may, for example, offer two dollars for every one that is obtained from a fund drive. The grant usually has a fixed upper limit, and it may have a challenge minimum below which no grant will be made. This form of grant is fairly common in the arts, humanities, and some other fields, but it is less common in the sciences. A challenge grant differs from a matching grant in at least one important respect: The amount of money that the recipient organization realizes from a challenge grant may vary widely, depending upon how successful that organization is in meeting the challenge. Matching grants usually award a clearly defined amount and require that a specified sum be obtained before any award is made.

**Cooperative Agreement**—an award similar to a grant, but the sponsor’s staff may be actively involved in proposal preparation and anticipates having substantial involvement in research activities once the award has been made.

**Non-teaching Consulting Services**—consulting as an agent of the University is defined as additional activity beyond duties assigned by the institution, professional in nature and based in the appropriate discipline for which the individual receives additional compensation during the contract year. Consultancy services include addressing the technical and professional needs of communities, groups, agencies, businesses, and other entities outside the University. Consulting services are NOT sponsored programs unless the University is the direct recipient of funds, and liable for the conduct of the activity performed by the University employee. In this instance, it is essential that these contracts are managed as sponsored programs, in that they involve coordination of faculty time and effort reporting.

**Training/Workshops/Non-Credit Teaching**—proposals for conducting training, workshops, and non-credit teaching functions are considered to be “sponsored programs” if they meet any of the above-stated criteria.

**Gift**—a flexible, irrevocable award of money, equipment, or other property provided by a donor with few or no conditions specified. Gifts may be provided to establish an endowment or to provide direct support for existing programs. Frequently, gifts are used to support developing programs for which other funding is not available. Gifts meet the determination of having no “quid pro quo” relationship with the University, and as such are handled by University Advancement.

A gift to an organization implies no responsibility to provide the donor a product, service, technical or scientific report or intellectual property rights. The donor may specify the use of the funds (as in to a specific scholarship fund) or the gift may be unrestricted for use in meeting the needs identified by the recipient organization.

**Research gift**—a gift for research generally must meet the following conditions:

- Funds are awarded irrevocably
- The donor does not impose restrictive contractual obligations
- There is no commitment of direct project personnel effort to accomplish the research
- The funds are designated for scholarly endeavors

A research gift may be considered a sponsored project pending discussions with University Advancement.

**Endowment**—a fund usually in the form of an income-generating investment, established to provide long-term support for faculty or research positions (e.g., Endowed Chair). Endowments are not considered to be “sponsored activity.”

**Internships/Fellowships**—an externally supported opportunity for an individual (student or faculty member) to engage in an extended learning activity. If the University is the recipient of internship/fellowship funds and the funding mechanism contains specific details concerning the obligation of the institution or the intern, the activity is treated as a sponsored program and must be internally approved and submitted as such.

**Congressional/Legislative Allocations**— federal or state governing bodies may directly appropriate funds to the University for specific purposes. It is important that the purpose of these funds represents the intent of the funding entity. For most federal and state appropriations, the most common conveyance mechanism is to attach these funds to an existing agency program, and to request a proposal describing how the University will utilize these in keeping with the general intent of that specific program’s mandate. An award is then made to the University by the agency with the federal or state regulations and restrictions applied to all recipients of funds under that agency program. For this reason, proposals

requesting support under direct appropriations become sponsored programs so that they may be accounted for and managed properly.

***Principal Investigators or Co-Principal Investigators***—when the University accepts a grant or contract from an external sponsor, the University assumes responsibility for the proper performance of the stated project, for the fiscal management of the funds received, and for accountability to the sponsor. Because the institutional responsibility for meeting these obligations is vested in the PI, only individuals in the categories shown below are authorized to be PIs or Co-PIs for sponsored projects:

- Tenure or tenure-track faculty (Professor, Associate Professor, and Assistant Professor)
- Research Faculty
- Directors, Research Scientists, Research Associates, and certain Research Staff
- Individuals who have been authorized by written permission of the Associate Vice President
- In rare instances others may be authorized but only with the prior written approval of the ORSP

## **RESEARCH INTEGRITY**

Scholars and research personnel of the University are expected to adhere to the highest ethical standards for all research and scholarly work. It is the responsibility of every research investigator to maintain the integrity of research projects by keeping accurate, permanent, and auditable records of all experimental protocols, data, and findings. Misconduct in science and other scholarly activities is absolutely incompatible with the standards of the University, and all allegations of such behavior will be handled promptly. See the University's Academic Policy Statement 920808, Ethical Conduct in Academic Research.

## **RESEARCH OBJECTIVITY**

This policy is established to comply with Federal regulations and the responsibility of the University to promote objectivity in research. It requires that any employee of the University who submits a proposal for sponsored research funding from any entity, ensures that there is no reasonable expectation that the design, conduct, and reporting of the research will be biased by any significant financial interest of an investigator. All university faculty or who submit a proposal for external funding must submit a conflict of interest statement to the ORSP each time he or she submits an external proposal. This requirement also applies to co-investigators. See SHSU Academic Policy Statement 950809, Conflict of Interest Policy.

## **OFFICE OF RESEARCH AND SPONSORED PROGRAMS (ORSP)**

The ORSP serves as the coordinating office for externally funded project proposals submitted by the University. The goal of the ORSP is to assist faculty and staff in their efforts to secure external funding.

The ORSP staff provide technical assistance to PIs during proposal preparation, such as, but not limited to, budget, guidelines review, electronic submission, special instructions and serves as an information source for University and sponsor policies related to compliance. The ORSP is also responsible for negotiating awards and will coordinate with the Controller's Office to establish an account for the PI. The ORSP maintains an electronic home page with website information on potential research sponsors and their programs, policies, and guidelines <http://www.shsu.edu/orsp> and will assist PIs in the following areas:

- Proposal strategy
- Identification of potential collaborators
- Proposal development (all phases)
- Collaboration
- Application kits, material, program, and proposal submission guidelines
- Research opportunity announcements and potential sponsor directories
- For PIs who have Intellectual Property (IP) questions, the ORSP will provide guidance for handling Non-Disclosure Agreements with collaborators; other relevant IP issues such as Disclosure Agreements protecting the IP, patent reviews, patent applications, copyright applications, etc. can also be discussed with the ORSP

- Submissions to sponsored programs such as:
  - National Science Foundation programs (NSF)
  - U.S. Department of Education programs (DoEd)
  - National Institutes of Health (NIH)
  - U.S. Department of Justice programs (DOJ, NIJ, BJA and others)
  - U.S. Department of Defense Programs (DOD)
  - Advanced Research Program (ARP)—Texas Higher Education Coordinating Board program
  - Advanced Technology Program (ATP)—also a THECB program
  - Private and Public Foundations

## **RESOURCES AVAILABLE**

- Electronic databases of funding opportunities
- Daily e-mail notification of new funding sources from PIVOT database based on individual faculty profiles
- University internal proposal routing and approval forms and other required certifications
- Information about and interpretation of special procedures or policies related to sponsor requirements
- Faculty Liaisons for Animal Welfare, Human Subjects, Bio hazardous Materials and Radioactive Isotopes, and Recombinant DNA requirements
- Cover letters and special sponsor-required Letters of Support, Assurance, and Certifications

In order to successfully access proposal development, review and submission resources from ORSP, there are specific procedures that need to be followed. By far, the most prevalent, but easily avoidable, proposal failures result from a lack of adequate time to write and process proposals. Adequate time is critical; sponsor guidelines for a specific proposal are often unclear, complicated and can exceed 150 pages. Additionally, the ORSP staff are typically working on 10- to 20 proposals at any given time.

Although there is no specific amount of lead time that is appropriate for all proposals, the ORSP suggests a lead-time of approximately 30 days to fully process a typical proposal. Additional time is needed for proposals that involve items such as:

- More than a 3 year project period
- External partners, collaborators or subcontracts
- High dollar amounts or extensive procurement needs
- Matching Funds/Cost Share
- Sponsors that ORSP has not worked with previously (guidelines from private entities vary widely and can be difficult to interpret)
- Export Controls (e.g. transfer of information, travel, personnel, etc. involving foreign countries)

## **PROPOSAL NOTIFICATION FORM (PNF)**

After a PI determines that he/she plans to respond to a sponsor's program opportunity (e.g. a Request for Proposal (RFP), Requests for Applications (RFA), Broad Agency Announcements (BAA), etc.) the first step is to complete and submit a Proposal Notification Form. A properly completed PNF provides essential information that enables ORSP to begin processing the proposal and allows efficient scheduling of time. Although ORSP staff may have formal and/or informal discussions with PIs, the PNF is required to be submitted before the proposal will be placed in ORSP's work queue.

Instructions and the form are available on the ORSP webpage or from ORSP staff.



## PROPOSAL PREPARATION

### PROPOSAL FORMAT

Many agencies have prescribed very specific formats for proposal preparation, including the required forms for text, margins, biographical data and budget. Many agencies also have page and type size and character per inch (cpi) limitations for the body (text) of the proposal.

For agencies that do not have specific formats, the ORSP suggests that the PI organize the proposal as follows:

- Transmittal Letter
- Title Page
- Technical Abstract
- Table of Contents
- Statement of the Proposed Research Project
- Review of Relevant Literature
- Brief Description of Proposed Activities or Objectives
- Project Design or Procedures
- Project Evaluation
- Project Management
- Personnel Resources
- Institutional Equipment and Facilities
- Project Budget
- Budget Justification
- Curricula Vitae
- References (literature cited)
- Appendices



### PROPOSAL DOCUMENT CHECKLIST

The following is a checklist of information the PI shall provide to the ORSP when submitting a proposal for University administrative review and approval:

*(The documents below should NOT be stapled).*

- Original proposal that includes all sections required by the program guidelines
- Proposal routing form—Part 1
- Conflict of Interest Statement (**separate** documents for PI and each Co-PI)—Part 2
- Budget and Budget Justification Narrative
- F/A Indirect Costs Waiver (if applicable)
- Matching funds/cost share commitment (if applicable—Part 3)
- Animal Welfare (IACUC) documentation (if applicable)
- Human Subjects (IRB) documentation (if applicable)
- Recombinant DNA/Bio-hazardous Materials documentation (if applicable)
- Subcontracts/Sub-recipient Agreements documentation (if applicable)

## **PREPARING THE BUDGET AND BUDGET JUSTIFICATION NARRATIVE**

Preparation of the budget is often the most difficult section of the proposal. Two budget spreadsheets are normally required; initially, the budget will be developed in the SHSU internal format, but will inevitably need to be transferred (after it has been finalized) into a sponsor-specified format.

It is important that the budget section of the proposal reflect, as accurately as possible, the funding needed to carry out the proposed research. The investigator should neither overestimate the funds required, nor underestimate budgetary needs. Either of these strategies may lead to proposal rejection. A budget, accurately detailing the funds necessary to carry out the technical statement of the work, can strengthen the total proposal and increase the likelihood of funding. Furthermore, a carefully prepared budget can often identify weak areas in the proposal narrative and result in improvement of the technical proposal. The ORSP will develop the budget with the PI in order to assure compliance with all institutional policies.

The budget justification narrative is an important part of the grant application and can be a critical component in the overall competitiveness of a proposal. The budget justification narrative allows the applicant to explain fully the raw budget numbers by category. It will guide the program officers and reviewers in understanding the overall scope of the budget request and its relationship to the proposed scope of work over the performance period. Moreover, the budget justification gives the applicant an additional opportunity to explain how the various funding categories support the overall research objectives. The ORSP staff can provide expertise in completing a budget request for direct costs and applicable indirect cost rates, documenting subcontracts/sub-recipient agreements, matching funds, and cost sharing. In the case of more complicated proposal requirements, the ORSP will complete sponsor assurances and certifications and will assist the investigator in interpreting RFP guidelines.

As needed, ORSP staff will assist with all aspects of budget development, including additional guidance in the following areas:

### **DIRECT COSTS**

#### Salaries and Wages

To calculate the amount of salary requested, use the following formula: [% of effort] X [# months] X [base monthly salary]. If different levels of effort apply (e.g., 100% summer and 25% for academic months), detail must be specified for each period.

The total level of effort for all projects and job duties should not exceed 100%.

Sponsored activities may not result in any employees receiving compensation at a rate in excess of their authorized salary or academic rate. For multiple-year projects, the budget should estimate an annual 3-5% increase, effective September 1 of each year.

Due to revisions of OMB A-21, minimal administrative support costs should not be billed as direct costs; it is expected that small amounts of administrative salary will be covered by the F&A/Indirect Costs received. Administrative costs may be charged directly to a grant if it is a significant/major part of the project and /or in some projects in which the IDC rate has been reduced.

#### Fringe Benefits

Fringe benefits are a direct cost to a sponsored project, are budgeted as a % of salaries and wages (this includes students as well), and are shown as a separate entry in the budget. Actual costs will vary among job types. After an award is received, actual costs are billed to the grant. ALL forms of wages/salary provided to any university employed person must include fringe benefits.

#### Capital Equipment

The value of equipment (per federal guidelines) must have a unit cost greater than \$5,000 and have at least a one-year useful life. Components used to fabricate an item of capital equipment may be considered as capital equipment for budgeting purposes and should be identified for inventory purposes. These rules vary by granting agencies and costs may also include shipping, training, and installation.

### Consumable Equipment and Supplies

Expendable supplies such as lab items, teaching aids, computer software, and office supplies. All items must have a unit cost of less than \$5,000. Rules vary by granting agencies; be sure to check with the agency you are applying to. The amount must be based on quantity and unit costs by item, but when indirect costs at SHSU's negotiated federal rate are allowed, small, incidental costs of materials should NOT be charged as direct costs.

Faculty who anticipate the use of a large number of research animals or animals requiring special care should include sufficient funds to cover all costs associated with the use of these animals.

### Publication Costs

Budget the anticipated cost of publishing results of the research, Cost estimates should be based on page charges and/or reprint costs.

### Travel

In general, travel budget amounts are based on the same approach as any other SHSU-paid travel. The lesser of actual costs or allowable federal rates for the location will be charged. If foreign travel is anticipated, it must be specified. Travel costs expected to exceed institutional guidelines must be specified. Federal funds cannot be used to make trips to secure new or additional research support or funds. For travel rates outside the state of Texas, refer to the current Other State per diem rate website at <http://www.gsa.gov>

### Computer Time

Computer time costs should be included as requested funds or as University matching funds in proposals that require a substantial amount of the University's computer processor time. Please contact the ORSP for help in determining and documenting University computer usage costs.

### Subcontracts/Sub-recipient Agreements

To be included as a subcontract/sub-recipient, SHSU must receive (1) Sub-recipient commitment form (available from the ORSP); (2) the subcontractor's statement of work; (3) detailed budget, and (4) a budget justification narrative; (5) Biosketch/Vita, and (6) Other Documents as required by the sponsor. Submission of these documents should be coordinated through the sub-recipient's Office of Research.

### Other Direct Costs

As appropriate, consider costs for extensive copying or, postage, reference books and materials, and tuition and required fees for participating graduate students, equipment maintenance, and contracted services. Due to federal regulations, regarding office supplies, most common office expenses are generally covered by the indirect costs received from the sponsor. As the name "Other" implies, many types of cost are included in this section.

### Consultants

It is customary for consultants to be paid a consulting fee plus travel. However, there may be limits to such payments by the sponsor agency. If in doubt as to the support of consultants or rates paid to consultants, refer to the sponsor's program literature or contact the ORSP. Whenever possible, identify the proposed consultant by name, indicate the number of days of work and hourly rate, and provide a curriculum vitae for the consultant in the proposal.

The use of paid consultants must be discussed with the ORSP during budget development. Normally, university employees may not be used as consultants on a project. Any requests for an exception must be submitted to the ORSP in advance for approval.

## ALLOWABLE AND UNALLOWABLE BUDGET COSTS

The federal government has established what costs may typically be charged as direct costs and what costs are considered included in the facilities & administration cost that is charged. Indirect costs are charged as a percentage of Modified Total Direct Costs.

*All Direct Costs for federal grants must follow federal guidelines according to the Federal OMB. See the quick reference table below for allowable and un-allowed budget costs.*

*While State agencies have their own guidelines, they typically follow principles that are similar to those established in the federal guidelines. If the State guidelines do allow for costs that are normally treated as indirect costs to be charged as direct costs, it is necessary to provide documentation that the grant funds are solely from state money, and not from a federal source.*

DIRECT COSTS (ALLOWABLE)	F&A ( INDIRECT COSTS) UNALLOWED
<b>SALARIES, WAGES &amp; FRINGE BENEFITS:</b> Faculty members acting as Principal Investigators and Co-PIs, graduate & undergraduate students, post doc associates, research associates, and other key professionals who will conduct work and directly related to the program	<b>SALARIES, WAGES &amp; FRINGE BENEFITS:</b> Clerical and administrative assistants, fiscal managers, secretarial staff members and/or individuals not directly associated with the research
<b>MATERIALS &amp; SUPPLIES:</b> Project related research and scientific supplies. Any equipment or software that does not qualify as capital equipment. Large volume office materials; special purpose supplies	<b>MATERIALS &amp; SUPPLIES:</b> General office material and supplies are usually covered by IDC
<b>EQUIPMENT:</b> Equipment used for scientific, technical and research purposes that cost greater than \$5,000 and has a useful life of at least one year	<b>EQUIPMENT:</b> General office equipment such as copiers, printers, computers, and fax machines, not specifically dedicated the proposed project
<b>FACILITIES:</b> Project specific space rental for office-campus facilities from a third party	<b>FACILITIES:</b> Utilities, building use, grounds maintenance, renovations, and alterations of University Property whether on or off campus
<b>TRAVEL:</b> Transportation, lodging, subsistence, and related items incurred to carry out all tasks of the project	<b>TRAVEL:</b> Cost of entertainment, including amusement diversion, and social activities and any costs directly associated with such cost (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities)
<b>MAINTENANCE &amp; REPAIRS:</b> Requires justification that expenditures are required and directly related to the specific award (i.e. less expensive than buying new)	<b>MAINTENANCE &amp; REPAIRS:</b> Maintenance and repairs to general purpose equipment, buildings, and grounds
<b>ADVERTISING:</b> Recruitment of research subjects or for job openings approved for a specific project	<b>ADVERTISING:</b> Public relations to promote unit/department/college
<b>PUBLICATIONS:</b> Project specific and research related	<b>PUBLICATIONS:</b> General printing and copying
<b>MEMBERSHIPS, SUBSCRIPTIONS AND PROFESSIONAL ACTIVITY:</b> Membership and subscriptions in business, technical and professional organizations; must be related to and supportive of the project	<b>MEMBERSHIPS, SUBSCRIPTIONS AND PROFESSIONAL ACTIVITY:</b> Membership in any civic or community organization. Membership in any country club or social/dining club or organization

<b>FREIGHT/EXPRESS DELIVERIES, AND POSTAGE:</b> Justification required that cost was needed to transport project material in a timely manner	<b>FREIGHT/EXPRESS DELIVERIES, AND POSTAGE:</b> Routine or internal courier
<b>CONSULTING:</b> Project specific research (i.e. evaluators)	<b>CONSULTING:</b> General, management, or financial
<b>MISCELLAENEOUS COSTS:</b> Subcontract costs and training costs	<b>MISCELLAENEOUS COSTS:</b> Computer network charges and utilities

*These are general guidelines; please read the sponsor's guidelines carefully as they may allow some costs that federal grants typically would not allow on federal grants. Please note that if the sponsor is using federal funds received from a federal agency (such as when SHSU receives a subcontract), this is known as Federal Flow Through). The grant is subject to the federal guidelines regardless of the sponsor's policies.*

**INDIRECT COSTS (also known as Facility & Administrative cost)**

Indirect Costs (IDC) are costs that have been determined to be ACTUAL facility and administrative overhead costs and have been approved for reimbursement at SHSU's federally approved rate. In order to recover these expenses, IDC must be included using the University's federally negotiated rate, unless the sponsor has a written policy applicable to all potential proposals that deviates from these rates. All deviations must receive University approval. Written sponsor guidelines that indicate the requirement of limiting indirect costs must be provided with your proposal and a Waiver of Indirect Costs form must also be completed and included in the PIs proposal routing/approval package.

**MATCHING FUNDS/COST SHARING**

Voluntary Matching or Cost Sharing is generally prohibited for several reasons, including: federal agencies are usually prohibited from considering cost share when evaluating proposals; it uses up valuable university resources; and requires extensive accounting/auditing time and resources. If sponsor guidelines require cost sharing or matching funds the PI must provide appropriate documentation, to include commitment from any third party source for cost sharing. All internal matching funds commitments must be identified by Banner account number, approved in advance by the PI's department chair and dean, and be approved by the provost of Academic Affairs. Third Party Contributions must be documented in writing.

**ADMINISTRATIVE REVIEW AND APPROVAL OF PROPOSAL**

Routing/approval of a completed project should generally begin 10 days prior to the proposal due date. Proposal approval is required prior to proposal submission. Under certain circumstances (e.g. a Co-PI is out of the country), an ORSP proposal administrator may submit or authorize the submission of a proposal prior to receipt of all required approvals. This type of submission is contingent on ORSP's receipt of the required documents within a reasonable time period, generally three working days. If the required approvals are not received, the proposal submission will be withdrawn.

Before transmittal to the sponsor, the proposal must be approved sequentially by the following the University's administrative levels:

- Department Chair (or Unit Director)
- Dean of College
- Associate Vice President for Research and Sponsored Programs
- Vice President for Academic Affairs (if over \$750,000 or matching funds are to be provided at the College Level)
- President (if total amount exceeds \$750,000)

The Contract/Proposal Routing and Approval Form, Faculty/Staff Conflict of Interest Disclosure Statement, proposal narrative or statement of work, budget and budget narrative/justification are required for all proposals,

The Indirect Cost Waiver, Matching/In-Kind Form and Third Party Documentation are required if these items are included in the proposal. The summary information contained on the completed form facilitates administrative review and approval, and thus helps to expedite processing. These forms can be obtained from the ORSP or downloaded from their home page.

After the proposal is complete and properly approved, ORSP will formally submit, or authorize the PI to submit, the proposal on behalf of the University and the PI. ALL federal proposals must be submitted by ORSP.

#### **NOTIFICATION OF AWARD**

A PI is not authorized to sign or accept any award on behalf of SHSU.

If notification is sent directly to the PI, please forward the correspondence to ORSP. Following notification of an award, ORSP will handle the contract negotiation and coordinate with the Controller's Office for post-award administration of the project. Completing all the required proposal items and documentation requested during the proposal process will greatly reduce any unnecessary delays in account establishment and financial administration and make for a more efficient process.

#### **NOTIFICATION OF EVALUATION RESULTS**

If notification from a sponsor is sent directly to the PI, the PI should forward all correspondence to ORSP. ORSP will document the "not funded" results and file any evaluation reviews for future reference.

#### **BUDGET NEGOTIATIONS WITH THE SPONSOR**

A PI shall not conduct negotiations with a sponsor without ORSP approval. If formal budget negotiations are required, ORSP will conduct the negotiations.

After an award notification has been received, the sponsor agency may request the budget to be amended or reduced. Preliminary budget negotiations should be conducted between the PI, the ORSP and the technical contact for the sponsor in order to determine an appropriate level of funding for the project.

The PI shall not revise a previously submitted budget without collaborating with ORSP. The PI also shall not negotiate any rates (particularly for indirect costs or fringe benefits) that are different from the approved rates for the University, nor should it be implied that a reduction in the approved rates would be acceptable to the University. Indirect costs represent substantial, real expenditures incurred by the institution to support each research program, and if these costs are not fully paid by each sponsor, the University must subsidize them from other institutional resources. In the event that a sponsor indicates to the PI that it does not wish to pay these costs in full, the ORSP should be contacted so that the University may negotiate this issue further.

## RESEARCH AND SPONSORED PROGRAMS CONTACT INFORMATION

**Jerry Cook, Ph.D.**  
*Associate Vice President*  
*Research and Sponsored Programs*  
[jcook@shsu.edu](mailto:jcook@shsu.edu)  
 (936) 294-3620

**Delia Gallinaro, MPA**  
*Executive Director*  
[dgallinaro@shsu.edu](mailto:dgallinaro@shsu.edu)  
 (936) 294-3760

Cayuse Assistance <b>Dee Myall</b> (936) 294-4032 <a href="mailto:dee@shsu.edu">dee@shsu.edu</a> <b>Maegan McKerrow</b> (936) 294-3621 <a href="mailto:mnm002@shsu.edu">mnm002@shsu.edu</a>	Faculty Research Council (FRC) liaison <b>Peggy Ellenberger</b> (936) 294-4634 <a href="mailto:ellenberger@shsu.edu">ellenberger@shsu.edu</a>
Routing Process & Institutional Approvals <b>Dee Myall</b> (936) 294-4032 <a href="mailto:dee@shsu.edu">dee@shsu.edu</a> <b>Maegan McKerrow</b> (936) 294-3621 <a href="mailto:mnm002@shsu.edu">mnm002@shsu.edu</a>	Internal Grants Program <b>Peggy Ellenberger</b> (936) 294-4634 <a href="mailto:ellenberger@shsu.edu">ellenberger@shsu.edu</a>
Review/Budget Preparation/Proposal Submission <b>Dee Myall</b> (936) 294-4032 <a href="mailto:dee@shsu.edu">dee@shsu.edu</a> <b>Maegan McKerrow</b> (936) 294-3621 <a href="mailto:mnm002@shsu.edu">mnm002@shsu.edu</a>	CITI Coordinator <b>Sharla Miles</b> (936) 294-4875 <a href="mailto:sharla_miles@shsu.edu">sharla_miles@shsu.edu</a>
Innovative Collaborative Opportunities <b>Jack Hill, Ph.D.</b> (936) 294-3876 <a href="mailto:jmh050@shsu.edu">jmh050@shsu.edu</a>	Institutional Review Board (IRB) <b>Sharla Miles</b> (936) 294-4875 <a href="mailto:irb@shsu.edu">irb@shsu.edu</a>
Patents, Copyrights, & Technical Development <b>Dan Davis, CPA</b> (936) 294-2515 <a href="mailto:dgd003@shsu.edu">dgd003@shsu.edu</a>	Institutional Animal Care and Use Committee (IACUC) <b>Sharla Miles, M.Ed.</b> (936) 294-4875 <a href="mailto:iacuc@shsu.edu">iacuc@shsu.edu</a>
TRIES Admin Support <b>Kathy Allen</b> (936) 294-4634 <a href="mailto:KathyAllen@shsu.edu">KathyAllen@shsu.edu</a>	Contract Administration <b>Bob Effinger</b> (936) 294-4993 <a href="mailto:rte003@shsu.edu">rte003@shsu.edu</a>

## **PUBLICATIONS**

Publication of new knowledge developed under sponsored projects is a fundamental responsibility of the University. The University retains the right to publish all work done under sponsored projects, and PIs are encouraged to use all appropriate channels to disseminate the results of their work.

## **COST OF RESEARCH**

The University expects external sponsors to pay the actual costs of conducting the sponsored project. These costs include both the direct and the indirect cost obligations incurred by the University in the conduct of a project. The direct costs, those costs that are clearly identified with and benefit a specific research project, include salaries, fringe benefits (this includes undergraduate students), equipment, supplies, travel, and other expenses. The indirect costs are those institutional research infrastructure costs that cannot be readily attributed to an individual project and include facilities and administrative costs such as building and equipment use, operations, maintenance and utilities, general, departmental and sponsored projects administration, library, and capital improvements. Each sponsored project is expected to pay a proportional share of these research infrastructure costs. This payment is based on the indirect cost rate (IDC) that is negotiated between the University and the U.S. Department of Health and Human Services. Since the IDC is based on the level of existing indirect costs associated with the research, the indirect cost income received by the University (and all other institutions of higher education) is a reimbursement for actual costs incurred. All research project budgets should include indirect costs as determined by this federally negotiated IDC. Exceptions to this policy are not generally considered unless the sponsoring agency has an established, written policy applicable to all potential proposals that deviates from these rates.

## **INTELLECTUAL PROPERTY**

The development, ownership, management, use, and marketing of intellectual property developed at the University are governed by *The Intellectual Property Policy APC 090130, Copyright and Patent Policies* of the Texas State University System (TSUS).

Intellectual property is any invention, creation, discovery, scientific or technological development, computer software, or other forms of expression of an idea arising from the activities of personnel covered by System policy. The System policy does not apply to faculty-authored written or visual work (except computer software) produced in the author's professional field, and the creator owns such faculty-authored work.

When intellectual property results from work at the University that the creator believes may be of value, the creator must disclose such intellectual property using the University's Intellectual Property Disclosure Form. Additional information regarding the process of invention disclosure is available through the ORSP. The ORSP handles technology licensing and other technology transfer issues in coordination with the appropriate TSUS officials.

## **RESEARCH COMPLIANCE**

Projects involving any of the issues listed below are subject to approvals and reviews by the appropriate committee to assure compliance with federal, state, and/or the University and to ensure the health and safety of those involved in the project. During the preparation of the proposal, the PI shall notify the ORSP if the research will involve the following compliance areas prior to proposal submissions: Human Subjects, Animal Welfare, Bio-hazardous Materials, Radioactive Isotopes and Recombinant DNA. Compliance issues for PIs on collaborative proposals may require special evaluation.



### **Human Subjects in Research:**

University faculty, staff, students, or employees who propose to engage in any research demonstration, development, or other activity involving the use of human subjects must have prior review and approval of that activity by their departmental review committee (if applicable) and the Institutional Review Board (IRB) before any funds will be released for the proposed research. It is the University's policy that all protocols involving the use of human subjects be reviewed by the IRB. The IRB is responsible for safeguarding the rights and welfare of subjects who may be at risk through participation in such activities. These requirements apply to both funded and non-funded research.

At the time your proposal is processed by the ORSP, please indicate on the proposal Routing and Approval Form whether or not human subjects are involved. *If so, the Chair of the IRB should be contacted concerning any questions the PI may have and all necessary forms should be submitted to the IRB at least two weeks prior to submission of the RFP. Information about the review process, required forms, agenda deadlines and meeting dates are available from the IRB liaison in the ORSP.*

A useful tool to assist researchers in completing a successful IRB application submission is the [IRB Training Video](#) (completed by the IRB Coordinator in this office in summer 2014). The ORSP strongly encourages utilizing this helpful resource prior to a researcher's IRB submission.

There are now [Standard Operating Procedures \(SOPs\)](#) posted to the IRB portion of the ORSP website. The SOPs are based on federal regulation and should be followed accordingly for all IRB submissions. The SOPs were unanimously approved by the SHSU IRB on April 30, 2014.

### **Animal Welfare:**

The University has the responsibility to ensure that experimentation with all animals conducted under its auspices (warm/cold-blooded and vertebrates/invertebrates), except human subjects, follows the regulations and guidelines as established by the Animal Welfare Act, P.L. 89-544 and its amendments, and NIH Publication 85-23. *The Chair of the Institutional Animal Care and Use Committee (IACUC) should be contacted prior to preparing and submitting any proposal in which animals will be used as part of the research.*

Proposals involving the use of animals must be reviewed and given preliminary approval for submission for funding before the proposal will be submitted to the funding agency. These requirements apply to both funded and non-funded research.

The policies for research involving Animal Subjects were approved in July 2014. The IACUC Academic Policy Statements are posted on the [ORSP website](#) and on the [IACUC website](#). All Animal Use Protocol reviews and other IACUC-related procedures will be followed according to these policies.

### **Recombinant DNA:**

Projects involving the use of recombinant DNA molecules require initial and subsequent annual review. Questions about the review process should be directed to the ORSP.

### **Bio-Hazardous Materials and Radioactive Isotopes:**

Researchers who are planning projects involving bio-hazardous materials that will result in the generation of bio-hazardous waste should contact the ORSP and the University Safety Office. The University Safety Office is responsible for picking up and disposing of bio-hazardous waste and will assist researchers in developing proper disposal and inventory records, posting requirements, and will work with PIs to develop and implement waste minimization procedures. These requirements apply to both funded and non-funded research.

If your research involves radioactive isotopes, contact the ORSP. The ORSP will put you in contact with the appropriate radiation safety officer for the University. These requirements apply to both funded and non-funded research.

## **EXPORT CONTROLS**

Before starting any research project, the PI must determine whether the federal government export controls laws and regulations apply. If issues are identified, the PI must notify the Export Compliance Officer or an equivalent. After the project has begun, the PI must notify the Export Compliance Officer of any changes to the research, such as scope of work or the addition of new staff.

Most research carried out at SHSU meets the fundamental research test of publications and sharing among the scientific community and are not subject to export control regulations. Publication restrictions (excepting limited reviews for patent protection or removal of proprietary information) or limitations on the access or dissemination of research results that remove the information from the public domain can invalidate the fundamental research exclusion. You should be aware that in certain circumstances the export of technology, including particular technical and scientific data, that is not fundamental research, is prohibited or requires a license. Such controlled technologies require an export license unless the research is shown to be available in the public domain.

Contact ORSP if you have any questions about Export Control regulations and your research. There are frequently asked questions (FAQs) listed on ORSP's website that may assist you.

## **POST-AWARD ADMINISTRATION (ORA)**

The PI should not respond to any sponsor regarding any communication received about a previously submitted proposal, until after consulting with ORSP. All such communication should be immediately forwarded to ORSP. All revisions must be approved by the ORSP before being sent to a sponsor.

### **SUBMITTING A REVISED BUDGET**

When requested, if reasonable and allowable, the PI and ORSP will work together to revise budgets and/or proposal components.

### **BUSINESS NEGOTIATIONS**

The ORSP reviews the terms and conditions of every award received. Terms and Conditions are negotiated in accordance with University policies and *The Intellectual Property Policy Revisions* of the Texas State University System.

### **FEDERAL AWARDS**

Terms and Conditions are usually predetermined; however, negotiations may be required.

### **NON-FEDERAL AWARDS**

Many grants require negotiations, especially those agreements with industrial sponsors. Such topics as inventions, publication rights, liability, and ownership of research results are usually the subject of negotiation. The negotiations are coordinated between the ORSP personnel, the sponsor, the PI and, as appropriate, the Texas State University System office and the Controller's Office.

## **THE AWARD PROCESS**

### **AWARD ACCEPTANCE AND POST-AWARD ADMINISTRATION**

Award documents take many forms depending upon the type of sponsor and project. These documents require review and signature by the official institutional representative authorized to sign on behalf of the institution. The ORSP is responsible for award document processing. The PIs are notified of each new award and its terms and conditions and is asked to accept the award and responsibility for complying with all award requirements.

A fully executed award is defined as signed by at least two parties of an agreement/contract, the grantor/contractor/collaborator and the recipient. Once the PI receives notification of the fund number from the Office of Research Administration (ORA), funds may be encumbered or expended against the project.

The ORA manages all financial issues regarding compliance and budgetary spending. The ORA also prepares and submits all financial reports, and manages compliance with deliverables including technical reports. PIs will be responsible for submission of all required technical reports in a timely fashion.

If the award documentation is delayed, procedures are available for the University to provide advance spending. Contact the ORA with a request for fund set up. After a representative of the sponsoring agency with the authority to commit funds verifies the award information, pre award spending approval may be given. Many federal agencies allow pre-award costs up to 90 days prior to the start date of a grant. If pre-award costs are required, the above procedures for verification will be followed and pre-award costs may be approved.

#### **SUBCONTRACT/SUB-RECIPIENT AGREEMENT AWARD DEVELOPMENT**

The ORSP has the overall responsibility for issuing and monitoring subcontracts/sub-recipient agreements under sponsored project awards and will maintain documentation relative to subcontract/sub-recipient agreement placement and any modification thereof. The accounting and payment function is performed by the ORA

Any subcontract/sub-recipient agreement issued will be negotiated using standard business practice, including completion of a negotiation memorandum as described in FAR 52.244-2, and will conform to applicable requirements (i.e., OMB Circulars A-21, A-110, and A-128).

These agreements will comply with all standard and special provisions of individual awards.

#### **INTERNAL EQUIPMENT SCREENING AND INVENTORY PROCEDURES**

Federal regulations require that universities adopt and utilize a formal internal equipment screening and inventory system. The objective of the system is to ensure maximum use of available, existing research equipment prior to acquiring additional research equipment with Federal funds. When equipment is acquired for use in federally funded projects, these Federal regulations require the University to demonstrate that an auditable means of determining the non-availability of the required equipment has been employed.

The PI is responsible for conducting equipment screening for all proposed equipment acquisitions with a unit cost of \$10,000 or more that are fully or partially funded from Federal funds. Equipment with a unit cost of less than \$10,000 is exempt from these screening requirements. These procedures are to be completed prior to submitting a purchase order for the desired equipment. The University Property Office has the responsibility for maintaining an inventory of all capital equipment purchased with State, federal or private funds.

#### **FEDERAL/STATE EXCESS PROPERTY PROGRAMS**

The University Property Office also manages the Federal Excess Property Program (as stated in National Science Foundation regulations) and the Texas Surplus Property Program, and obtains equipment from these external sources in support of other Federal agency contracts and grants. The procurement process consists of Federal Excess Property storage facilities, initiating and processing all necessary documentation, and coordinating pick up and shipment of acquired equipment with PIs and Federal agencies. PIs interested in exploring these sources of research equipment should contact the University Property Office at extension 4-1908.