

**BLUEFIELD STATE COLLEGE
BOARD OF GOVERNORS
POLICY NO: 53**

TITLE: EXTRAMURAL GRANTS AND CONTRACTS ADMINISTRATION

SECTION 1. GENERAL

- 1.1 Scope: Policy regarding extramural grants and contracts
- 1.2 Replaces BSC Policy Number A.400; Supersedes BSC Policy number O.L. 202.11
- 1.3 Filing Date: February 16, 2012
- 1.4 Effective Date: April 19, 2012

SECTION 2. POLICY STATEMENT

- 2.1 Projects for research, training, and service undertaken by College employees through Bluefield State College, Bluefield State College Research and Development Corporation (BSC R&D) and Bluefield State College Foundation (the Foundation), using College resources and funded by external sources must be processed through and approved by the Office of Research and Sponsored Programs (RASP). Faculty and staff are not authorized to commit the College through proposal submission or contract or grant acceptance.

SECTION 3. GENERAL RESPONSIBILITIES OF RASP

- 3.1 RASP is charged with providing guidance and support to the College community in its research, training and service efforts by creating an administrative environment that ensures that the College's financial and contractual obligations are protected. The services provided by RASP include but are not limited to:
 - Identification of funding sources and monitoring of funding announcements across federal, state and private sectors and the wholesale (web-based) and targeted distribution of this information to potential Project Initiators, including faculty, staff and administration.
 - Assistance in the preparation of the proposal budget, the summary of current awards and pending proposals and other Institutional data; proofreading and editing of the final proposal; and timely submission of approved proposals.
 - Post-award services related to project administration, compliance monitoring and the timely submission of progress reports.
- 3.2 It is the additional responsibility of RASP in providing these services to make documents available electronically through the internet as appropriate.

SECTION 4. PRE-AWARD RESPONSIBILITIES OF THE PROJECT INITIATOR

- 4.1 Notification of Intent: Any BSC employee planning to submit a proposal (Project Initiator) must complete a Notification of Intent to Solicit External Funds on Behalf of Bluefield State College, subsequently referred to as a Notification of Intent. The Notification of Intent form can be obtained online or from RASP and requires the Project Initiator to prepare a summary of the program announcement or request for proposal for which the application is being prepared, an evaluation of the College resources required to fulfill the terms of the award, and an assessment of the need to conduct project reviews with regard to the special issues in sponsored programs identified in Section 11 of this policy. Once the Notice of Intent is filed with RASP, RASP will open a Program Portfolio for the project.
- 4.2 Development of the Proposal: The Project Initiator is responsible for writing the proposal narrative and for assembly of the bibliography, relevant vitae, and appendix materials. The Project Initiator is also responsible for obtaining cost share commitment documentation and required sub-recipient proposal information.
- 4.3 Proposal Budget: The sponsored project budget should reflect a realistic estimate of the total cost of the project. All costs included in proposals to federal funding sources must be allowable and allocable as required by OMB Circular A-21.

4.3.1 *Personnel*: Whenever a sponsored program will require that BSC employees be released from a percentage of their salaried duties, (e.g. through course-release time), it is expected that the sponsored program buy the employees' time from the College. In accordance with OMB Circular A-21, salaries charged to federal grants cannot exceed 100% of a 12-month salary or 133% of a 9-month salary. Salaries are to be budgeted using actual salary rates with estimated increased increments for future years' funding. Budgeted salaries are estimates. Fringe benefit rates are to be determined by the VPFAA and will be available through RASP. This policy is not intended to prevent a faculty member or other BSC employee from receiving compensation greater than their annual base salary. Particularly, if the cost to the College in contracting and administering replacement services is substantially less than the cost of the buyout, employees may negotiate with the Provost and VPFAA to receive a percentage of the buyout. Buyout agreements must be documented prior to the submission of the grant proposal. Note: The hiring of all new employees for positions on sponsored projects is subject to the policies and procedures established by Bluefield State College Board of Governors' Policy Number 42 – Hiring Policy. Inclusion of the name of a person in a proposal budget or in a proposal narrative does not guarantee that the named individual will be hired.

4.3.2 *Equipment*: All proposed technology equipment purchases must be reviewed and approved as part of the budget preparation process.

4.3.3 *Subcontracts*: All cost proposals that include an anticipated award of a subcontract to another entity must include a proposal from the sub-recipient. Such a proposal will

include a budget signed by the sub-recipient's authorized institutional official, a statement of work, and, if applicable, a written statement supporting any cost share commitments.

4.3.4 Facilities and Administrative (F&A) Costs: F&A Cost Rates are determined periodically from actual cost records through a detailed accounting procedure specified by federal cost principles. The rates are audited and approved by the federal government. Separate F&A cost rates are calculated for research, instruction and training and other, with on- and off-campus components for each. The "off-campus" rate is applicable only in those cases where greater than fifty percent of the effort on the project will be conducted off the campus of Bluefield State College. For the purposes of F&A costs, "on campus" is defined as any property owned or leased by BSC. If space is to be rented for the project, then the off-campus rate will be applied and rental costs will be budgeted as a direct cost.

Grants, contracts and other agreements that designate Bluefield State College, BSC R&D or the Foundation as the Grantee Institution/Contractor are expected to include full recovery of both direct and F&A costs. In the case that a funding opportunity specifically restricts F&A cost recovery, preliminary approval must be obtained through the Notification of Intent process.

4.3.5 Internal Distribution of F&A Cost Recovery: F&A costs recovered from sponsored projects are distributed as follows:

30% BSC General Fund

30% RASP

5% Matching Funds

15% Academic School/Non-Academic Department

20% Fiscal Agency

Any deviation from the normal split must be agreed upon in writing by the persons involved, faculty, department chairs, deans and directors through the Notification of Intent process.

Note: Projects in operation on the effective date of this policy are exempt from this distribution of F&A cost recovery funds until project termination or renewal.

4.3.6 F&A Cost Recovery Disbursement: F&A cost recovery allocations are distributed in accordance with procedures set by the VPFAA.

4.3.7 Cost Sharing: As a general rule, all project costs should be represented in the project budget. Such costs shall be identified and budgeted separately as cost sharing. Preliminary approval must be obtained through the Notification of Intent process.

- 4.4 Final Approval: The Project Initiator must submit the completed proposal with Proposal Summary Form to RASP a minimum of ten (10) business days before the application deadline for review. RASP will take no longer than five (5) business days to review the proposal and develop a Proposal Approval Routing Sheet identifying the individuals who must approve the proposal by signature. It is the responsibility of the Project Initiator to acquire the necessary signatures and submit them to RASP no fewer than three (3)

business days before the submission deadline. Proposal submission is contingent upon the Project Initiator meeting these deadlines.

- 4.5 **Withdrawal:** Occasionally circumstances require that a proposal be withdrawn after it has been submitted to a sponsor. In such a case, the Project Initiator must inform RASP in writing that the application is to be withdrawn and must work with RASP to ensure a formal written withdrawal can be provided to the sponsor.

SECTION 5. PRE-AWARD RESPONSIBILITIES OF RASP

- 5.1 **Identification of Funding Sources:** RASP provides access to searchable research funding source databases to assist faculty and staff in identifying potential funding sources.
- 5.2 **Proposal Preparation:** Upon submission of the Notification of Intent and the opening of a Project Portfolio, RASP will work with the Project Initiator to develop a timeline for proposal preparation. RASP will then assist in the preparation of the proposal budget and provide proofreading and editing services to the final proposal. Proposal preparation assistance and submission is contingent upon the Project Initiator meeting the deadlines of the agreed-upon timeline.
- 5.3 **Proposal Review:** Prior to submission to the sponsor, all proposals must be reviewed by RASP to verify that the final proposal is in compliance with the terms of the Notification of Intent prior to submission to the sponsor.
- 5.4 **Submission of the Proposal:** All proposals submitted under the College name, BSC R&D and the Foundation must be formally submitted by RASP. This includes all proposal elements such as draft budgets, cost estimates, and preliminary proposals.
- 5.5 **Withdrawal:** The BSC administration reserves the right to withdraw the proposal at any time and/or reject any award made on the proposal if any issues of non-compliance or other adverse circumstances are discovered.

SECTION 6. AWARD

- 6.1 **Types of Awards:** The College will accept grants, cooperative agreements and most contract types. The College also accepts a variety of unfunded agreements, such as Non-disclosure Agreements, Teaming Agreements, and Memorandums of Understanding, related to externally sponsored activities.
- 6.2 **Negotiation and Acceptance:** Award agreements are negotiated by RASP and are accepted by the Director of RASP and the VPFAA for all projects. Both the Director of RASP and the VPFAA are delegated signature authority for externally sponsored projects. In the absence of the Director of RASP and the VPFAA, the President may delegate a senior administrator officer to have signature authority.

- 6.3 Notification of Project Initiator: Upon acceptance of an award, RASP will notify the Project Initiator of the award and coordinate with the accounting services of the fiscal agency to establish a sponsored project account (called a fund) for the project.

SECTION 7. POST-AWARD

- 7.1 Pre-Award Costs: Some sponsors will allow the Institution to incur costs prior to the effective date of the award. In these cases, Principal Investigator/Project Director (PI/PD) is to receive written approval for pre-award expenditure from the VPFAA and submit it to the fiscal agency and RASP.
- 7.2 Fund Establishment: Coordinated through accounting services, RASP establishes sponsored project funds to be used for all project expenditures. Project Initiators are notified by RASP of the fund number and of other pertinent information necessary for the administration of the project.

SECTION 8. PROJECT ADMINISTRATION

- 8.1 Expenditures: All expenditures on federally sponsored projects are governed by the cost principles detailed in the Federal Office of Management and Budget (OMB) Circular A-21, "Cost Principles for Institutions of Higher Education." Costs must be allocable (incurred on behalf of the project), allowable (allowed by the terms of A-21), and reasonable. In addition, State and institutional policies governing cost must be consistently applied to all College funds - i.e., Education and General funds, auxiliary funds, all sponsored program funds, etc. PI/PD are responsible for monitoring the costs on their projects on a regular basis and are held responsible for remaining on budget and payment of cost overruns. All expenditures in excess of \$2,000 that are to be charged against a grant/contract account must be approved for allowability, allocability, and consistency by RASP and the VPFAA. All mandated and voluntary committed cost shared expenditures must be identified by activity code and tracked in the College's financial management system.
- 8.2 Project Management: All federal grants shall be administered in compliance with OMB Circular A-110 and specific funding agency policies. Circular A-110 includes, but is not limited to, cost sharing or matching, program income, financial reporting and retention and access requirement for records. The College shall ensure that appropriate policies and procedures are in place to meet audit standards implemented under OMB Circular A-133.
- 8.3 Subcontracts: RASP will prepare and negotiate a subcontract with the sub-recipient organization(s) included in the original proposal. The project's PI/PD is responsible for monitoring the work of the subcontractor organizations. RASP will monitor the allocability of cost and ensure compliance with sub-recipient monitoring policies and procedures.
- 8.4 Cost Transfers: A cost transfer or expenditure adjustment is defined as any cost/expenditure transfer transaction. All requests for cost transfers must be in

compliance with OMB Circular A-21 and approved by RASP in consultation with VPFAA to avoid cost disallowances.

- 8.5 Changes to the Project: While some changes may be made to a project without the approval of the sponsoring agency, many require approval. Whenever a change in time period, deliverable schedules, scope of work, budget or personnel is contemplated, RASP should be contacted to initiate formal communication with the sponsor and update the Project Portfolio.

SECTION 9. PROJECT REPORTING

- 9.1 Technical Reports: The PI/PD is responsible for submitting technical reports as specified within the grant, cooperative agreement or contract. When this requirement is not met, the sponsoring agency may take action against the PI/PD or the entire College by withholding further awards, payment of invoices, or take legal action.
- 9.2 Financial Reports: The PI/PD and fiscal agency will prepare financial reports. In collaboration with accounting offices, all financial reports to the sponsoring agency must be submitted via RASP.
- 9.3 Certification of Time (Effort Reporting): OMB Circular A-21, "Cost Principles for Educational Institutions" requires that faculty certify to the effort which they devote to sponsored projects. The BSC system to certify sponsored project effort uses a budgeted estimate of activities to make payroll charges and then documents, after the fact, the actual distribution of effort among activities among each sponsored agreement (plan confirmation). If there are changes from the earlier budgeted estimate, a labor distribution adjustment must be initiated by the PI/PD. The certification to effort by a faculty member is a legal certification and must in all cases be defensible on audit.

SECTION 10. PROJECT CLOSE OUT

- 10.1 Beginning three months prior to the end of the sponsored agreement, RASP notifies the PI/PD regarding the financial status of the funds and requests prompt clearing of all obligations.

SECTION 11. SPECIAL ISSUES IN SPONSORED PROGRAMS

- 11.1 Human Subjects: All extramurally-funded research activities involving human subjects (as defined in 45 CFR 46) that are directed by a BSC faculty member, staff member, or student must be submitted to the College's Institutional Review Board (IRB) of record for review and approval. RASP will assist by coordinating this process.
- 11.2 Research with Animals: All research with animals at BSC must be carried out under the supervision of a BSC faculty member qualified and experienced in the type of work being conducted, who assumes responsibility for the legal and ethical conduct of the work. All research involving vertebrate animals must be submitted to the Institutional

Animal Care and Use Committee for approval by completing the application form entitled "Application for Care and Use of Laboratory Animals at Bluefield State College," which is available as part of Bluefield State College Assurance A4521-01, Animal Welfare Assurance.

- 11.3 **Laboratory Safety Compliance:** All instructional and research projects involving laboratory hazards, including but not limited to hazardous materials, recombinant DNA, biologically-derived toxins sources of ionizing radiation and x-ray producing devices must comply with federal guidelines, as well as Bluefield State College Board of Governors' Policy Number 46 - Chemical Hygiene Policy and other applicable BSC policies and procedures.
- 11.4 **Research & Scholarship Misconduct:** Federal regulations stipulate that the College must comply with federal policy guiding misconduct. In its effort to prevent research fraud and ensure the proper conduct of research BSC has established the Policy on Misconduct in Research and Scholarship which details both the policy and procedures for dealing with an allegation of misconduct.
- 11.5 **Conflict of Interest:** BSC and its employees are bound by West Virginia Governmental Ethics Act (WV Code Chapter 6b).
- 11.6 Additionally, depending on the source of funding, federal conflict of interest rules and regulations may apply. Refer to sponsor award document for funding agency specific requirements.
- 11.7 **Copyrights and Patents:**

11.7.1 *Inventions made in the course of sponsored agreements:* An invention made by any person in the course of research at Bluefield State College sponsored by a Federal agency, industry, or any other entity is owned by the College, except when

11.7.1.1 The sponsorship agreement may provide otherwise; or

11.7.1.2 Copyrightable and patentable software are distributed under an open source license.

11.7.2 *Other inventions:* Ownership of an invention not made in the course of sponsored College research is determined as follows:

11.7.2.1 *Inventions by College employees:* An invention made by an employee of the College in the course of fulfilling his or her employment responsibilities or with substantial use of significant College resources is generally owned by the College.

11.7.2.2 *Inventions by students who are not College employees:* An invention made by a student who is not engaged in fulfilling his or her responsibilities as a

College employee is owned by the student unless the invention if it is made with substantial use of significant College resources, in which case it is generally owned by the College.

11.7.2.3 *Internships with outside employers.* Ownership of inventions made by a student in the course of outside employment that is a part of his or her academic work may be specified in an agreement between the College and the employer.

11.7.2.4 *Substantial use of significant College resources.* The College owns the invention if it is made with substantial use of significant College resources and has considerable potential commercial value, except that the College makes no claim of ownership to an invention that is made pursuant to an agreement between the inventor and a third party for the making of the invention. Substantial use of significant College resources occurs when an invention is made with the substantial use of significant College equipment or facilities, the use of special financial assistance from the College, or the significant assistance of College employees. The use of a College computer or servers or of incidental supplies, or the occasional use of College administrative employees or shared facilities, would typically not be a basis for College ownership.

11.7.2.5 *Open source software.* The College makes no claim of ownership of copyrightable and patentable software if (1) the College does not hold copyright in the work, and (2) all known creators and inventors of the software agree to make it available under an open source license that meets the requirements of The Open Source Definition of the Open Source Initiative.

SECTION 12. REPORTING RESPONSIBILITIES

- 12.1 RASP, the only official source of information regarding sponsored programs at BSC, maintains a database on all sponsored programs at BSC. A monthly report of proposal submissions and grant contract awards is made available to chairs, deans, and administrative staff.

SECTION 13. COMPLIANCE

- 13.1 The College President and the Vice President for Academic Affairs (VPAA) have the authority to oversee the compliance review process and specific authority to impose penalties or other remedies when noncompliance occurs.