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Grants and Contracts Awarded to USD’s Foundation

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I. REASON FOR THIS POLICY

This policy establishes roles and responsibilities for grants and contracts awarded to the USD Foundation when The University of South Dakota is not an eligible recipient.

II. STATEMENT OF POLICY

This policy defines the roles and responsibilities of The University of South Dakota (USD) and the USD Foundation when a USD proposal for a grant or contract is submitted through the USD Foundation because only 501(c) (3) organizations are eligible recipients.

III. DEFINITIONS

ABBREVIATIONS:

- Institutional Animal Care and Use Committee (IACUC)
- Institutional Review Board (IRB)
- Institutional Biosafety Committee (IBC)
- Radiation Safety Officer (RSO)

IV. PROCEDURES

The Office of Research and Sponsored Programs (ORSP) at USD assists faculty and staff in identifying sponsors for projects, facilitates proposal submission, and negotiates the receipt of grants and contracts. The staff assists project directors in submission of technical (progress or narrative) reports. ORSP also oversees compliance with regulations on animal welfare, human subjects, environmental health & safety related to research, export controls, intellectual property, conflicts of interest, and misconduct. The USD Grants Accounting Office is responsible for establishing accounts for awards, processing expenditures, monitoring cost-share, time & effort reporting, and financial reporting.

The USD Foundation is an independent, not-for-profit, South Dakota corporation, organized solely for the benefit of USD in securing, investing and managing private gifts to the University.

While the vast majority of grants and contracts are processed through USD, there are occasions when sponsors, typically charities and foundations, limit the institutions eligible to apply for funding to those entities with 501(c) (3) status. While USD is a tax-exempt educational institution, it does not have the 501(c) (3) designation. Thus, this policy addresses an arrangement between USD and USD Foundation that will allow USD to benefit from funding opportunities for which the USD Foundation but not the university may apply.

Overview of USD and USD Foundation Responsibilities

USD will review and approve proposals before they are submitted, in close communication with the USD Foundation. USD will provide and manage personnel (including time and effort reporting and performance evaluations) and facilities for projects, as well as provide cost-sharing, compliance services (detailed below), and technical reports and other pertinent information required by the sponsor. USD will determine who is authorized to expend funds, and regularly account for grant budget, revenue, and expenditures internally to project directors, externally to sponsors, and to the USD Foundation. USD will own any equipment purchased with grant and contract funds. The USD Foundation will be the submitting organization for proposals prepared by USD, and will negotiate terms and conditions if an award is made. It will establish an account and work with USD on invoicing logistics.

Responsible Positions

USD Foundation.....Chief Financial Officer

ORSP.....Director of Sponsored Programs

Grants Accounting.....Grants Administrator

Details of Responsibilities of USD

1. Proposal Submission

- a. The ORSP will assist project directors with the identification of funding opportunities, budget development, and preparation of a compliant proposal. A rough draft of the proposal will be shared with USD Foundation staff as soon as possible during the initial planning process. The applicant organization on the proposal will be the USD Foundation.

- b. For each proposal, an internal routing form will be completed and approval signatures obtained, including signature of the USD Authorized Institutional Official and any committee or officer approvals (e.g. IACUC, IRB, IBC, RSO).
- c. A copy of the proposal and completed routing form will be sent to the USD Foundation at least 3 days prior to submission to the sponsor, for approval to submit. In some cases, to meet the 3-day window, the proposal may be a polished, but not final draft.

2. Award Receipt

- a. When an award document is received, copies of the award will be maintained in the ORSP and the USD Foundation. ORSP will send notice of award for informational purposes to Grants Accounting.
- b. USD Grants Accounting will assign a Grant Number and a Fund number and set up the budget in Banner.
- c. USD will determine the project personnel with authority to expend funds.

3. Project Performance-facilities and administration

- a. USD will provide services for the protection of animal welfare (IACUC), human subjects (IRB), environmental health & safety related to research (IBC, radiation safety, chemical hygiene); and policies and procedures for conflict of interest, misconduct, intellectual property, export controls, and other oversight of responsible conduct of research.
- b. USD will execute typical assurances, such as debarment and suspension, lobbying, drug-free workplace, non-discrimination, ect.
- c. USD will provide the space and facilities and administration (F&A) rate will be the basis for indirect charges and USD policies on variances from the negotiated rate will hold for grants and contracts awarded to the USD Foundation on behalf of USD.

4. Project Performance-personnel

- a. USD will assign or hire personnel for the project. Each month USD will invoice the USD Foundation for a percentage (up to 100%) of salary and benefits based on the employee's usual rate of pay and benefits. Summer salary (and benefits) for 9, 10, or 11 month employees may be charged, but compensation beyond 12 months of salary will not be allowed, including "overload" compensation during the academic year.
- b. USD will maintain timesheets (in SNAP) on grant/contract funded personnel.
- c. USD will conduct time and effort reporting on grant/contract funded personnel.
- d. USD will handle personnel issues such as misconduct and non-performance.

5. Project Performance-operating expenses

- a. USD will invoice the USD Foundation monthly for expenditures for which USD has provided the funds upfront.

- b. USD will make travel arrangements, including permission for out-of-state travel, and invoice the USD Foundation for expenses.
- c. USD will be the purchasing authority and conduct any required bid process for major purchases, including equipment, and invoice the USD Foundation monthly. Major equipment will be defined consistently with that used by USD e.g., costing more than \$5000 and having a useful life of more than 1 year.
- d. USD will follow federal procurement standards when applicable.

6. Project Performance-reporting

- a. USD will monitor cost-share commitments, if any.
- b. USD will provide technical (progress, narrative) reports from the project directors in a timely fashion and as needed for the USD Foundation to transmit directly to sponsors.
- c. USD will provide detailed financial accounting for the USD Foundation, including required financial reports that the USD Foundation will transmit directly to the sponsors.
- d. USD will promptly inform the USD Foundation of any credible allegation of misconduct or conflict of interest; lapse in approval for use of animals, human subjects, biohazards, radionuclides, or other regulated materials; inventions (if disclosure is required by the sponsor); or other situations that a reasonable individual may consider a deficiency in the responsible conduct of research.
- e. USD will promptly inform USD Foundation if there is a material change in project personnel, scope of work, timeline, or project costs; and will assist the USD Foundation in communications with the sponsor.

Details of Responsibilities of USD Foundation

1. Proposal Submission

- a. USD Foundation will promptly review proposals for acceptability, and will not unnecessarily withhold approval for proposal submission. Any concerns will be brought to the attention of the ORSP staff as soon as possible, to ensure that, if a resolution is possible, revisions may be effected and the proposal submitted on time.
- b. The authorized Foundation official will sign the proposal as needed.
- c. If required, the USD Foundation will register with the appropriate agency for electronic submission of proposals.
- d. ORSP will be advised when the proposal has been submitted.

2. Award Receipt

- a. When the award document is received, a complete copy will be sent to the ORSP.

- b. USD Foundation will establish an account to pay approved invoices from USD for the project.

3. Project Performance

- a. USD Foundation will provide for the expenditure of funds for project costs when invoices monthly by USD.
- b. USD Foundation will notify USD of financial and technical reports requires by the sponsor, and other sponsor communications as applicable.
- c. USD Foundation will forward reports received from USD to the sponsors in a timely manner.

V. RELATED DOCUMENTS, FORMS AND TOOLS

Not Applicable