

## INTRODUCTION

Sponsored programs, which normally take the form of grants and contracts, are initiated and implemented primarily by faculty and staff. Sponsored programs further the University's educational mission by facilitating research, workshops, conferences, institutes and other projects that enrich the scholarly endeavors of faculty and students. They also allow the University to provide services to the community that could not otherwise be provided.

Governmental regulations, CSU Executive Orders, and the guidelines of numerous sources require careful review and approval of grants and contracts. To meet these requirements, the University has developed the policy, procedures and related information set forth herein to govern the administration of sponsored programs. They conform to federal and state laws and regulations as well as applicable CSU regulations, University and Auxiliary policies. 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 shall prevail.

## I. DEFINITIONS

- A. "Additional Employment" refers to any CSU employment that is in addition to the employee's primary appointment. Additional employment limitations are based on time-base, not salary.
- B. "Authorized Official" is the position designated by the campus President in consultation with the Provost to sign proposal applications and to accept awards on behalf of the Recipient.
- C. "Auxiliary" means an auxiliary organization as defined in CSU Executive Order No. 698 and centers or institutes affiliated with the University regardless of 501(c) 3 status.
- D. "Contract" means an agreement between a Recipient 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. Contract activity shall include research, public service, and educationally related proposals and awards, whether solicited or unsolicited, which are either submitted to or received from federal, state, municipal, or county agencies; public or private corporations; and private foundations or individuals.

E. "Cost sharing" (sometimes referred to as "match") is the portion of total project costs not borne by the sponsor agency. Cost sharing can be contributed by the Sponsored Program Administrator and/or a third party. The costs must be allowable costs, and they must be documented. Cost sharing can be in the form of cash or in-kind. Cash cost sharing includes actual dollars to be spent by the Sponsored Program Administrator toward necessary grant/contract expenses. In-kind cost sharing includes non-cash expenses (e.g. unrecovered partial salary buyout, unrecovered indirect costs, volunteered labor when integral to project completion, and other items that can equate to a dollar amount using fair market value, etc.).

F. "CSU employment" means any employment compensated through the CSU payroll, regardless of funding source (e.g. general fund, extension, lottery, and CSU employment reimbursed by an auxiliary or other source.) When determining additional employment, all CSU employment and all CSU foundation and other CSU auxiliary employment are considered together.

G. "Foundation" means California State University, Fresno Foundation.

- H. "Grant" means a financial award to a recipient 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 Recipient may commit resources or services as a condition of the grant. Grant activity shall include research, public service, and educationally related project proposals and awards, whether solicited or unsolicited, which are either submitted to or received from federal, state, municipal, or county agencies, public or private corporations, and private foundations or individuals.
- I. "ORSP" means Office of Research and Sponsored Programs.
- J. "Overload" refers to CSU additional employment of up to twenty-five percent (25%) of a full-time position in excess of a full-time (100%) time-base. Overload limitations and calculations are based on workload or time-base, not salary. Deleted: of
- K. "PIF" means Project Information Form, the primary internal document that includes key information about a proposal along with signatures from all appropriate University or Foundation officials approving submission.
- L. "Principal Investigator" (PI) means the individual (whether referred to in the contract or grant as a Principal Investigator, Project Director or other similar term) designated by the Recipient to be responsible for ensuring compliance with the academic, scientific, technical, financial and administrative aspects and for day-to-day management of the sponsored program.
- M. "Recipient" means the legal entity awarded a contract or grant. At California State University, Fresno, the Recipient is either the University or one of its recognized auxiliary organizations and shall not be an individual, department or other constituent unit.
- N. "Sponsor" means the party paying for the services or other economic benefit under a contract or providing the financial award for a project or activity under a grant.
- O. "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.
- P. "Sponsored Program Administrator" (SPA) means the entity (university or auxiliary) designated by the recipient to administer the sponsored program.
- Q. "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, award, evaluation, status and monitoring of the sponsored program.
- R. "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.
- S. "University" means California State University, Fresno.

## II. ADVISORY BOARD FOR RESEARCH AND SPONSORED PROGRAMS

- A. An advisory board appointed by the President shall advise the Provost and Vice President for Academic Affairs (Provost) on policy and procedures related to grants, contracts and research including, but not necessarily limited to: the annual budget for grants administration; policies on the recovery, use and distribution of indirect costs; reporting structure, and related matters. The name of the board shall be Grants and Research Advisory Board (GRAB).

B. The Board shall consist of

1. The Provost, who shall be the Chair;
2. Vice President for Administration/CFO or designee;
3. Dean of Graduate Studies;
4. Two (2) academic deans selected by the Provost on the recommendation of the Council of Deans;
5. Two faculty members active as principal investigators or project directors of grants or contracts recommended by Academic Senate;
6. Two faculty or project directors of grants or contracts recommended by the Provost;
7. Associate Vice President for Research and Sponsored Programs (non-voting);
8. Executive Director of Auxiliary Services (non-voting); and
9. One representative from Student Affairs;
10. One at-large member.

C. The Provost shall convene the board at least twice annually.

### III. RESPONSIBILITY FOR SPONSORED PROGRAM ADMINISTRATION

A. The President and Provost have delegated responsibility for the administration of sponsored programs to the Associate Vice President for Research and Sponsored Programs (AVPRSP).

B. The responsibilities of the AVPRSP include but are not limited to:

1. Reviewing and approving proposal submissions or funding requests for sponsored programs to federal or state agencies, public or private corporations, private foundations or individuals.
2. Reviewing and approving grant or contract awards in consultation with the University's Chief Financial Officer or designee and/or appropriate officials of the Recipient.
3. Coordinating proposal routing to assist the principal investigator in complying with applicable policies prior to the proposal being submitted to the sponsoring organization.
4. Advising the academic community of grant and contract opportunities.
5. Assisting individuals in the development of proposals including, but not limited to, planning and delivering workshops, editing of proposal narratives, preparing proposed budgets, completing required agency forms, and otherwise assisting applicants to complete and submit grant and contract proposals in a timely manner.
6. Serving as the liaison with Sponsors to provide assurances such as drug-free workplace, lobbying, vendor debarment, equal opportunity, and other related documents required by sponsors following award.
7. Designating either the university or an eligible auxiliary as Sponsored Program Administrator.
8. Approving certification of project budgets and budget change review procedures before an account is established or amended.
9. Providing general oversight for the conduct of sponsored research and, in concert with the campus Chief Financial Officer or designee of the Recipient, providing specific oversight and monitoring, and review of all project activities, budgets, personnel assignments, and expenditures.
10. Discussing the scope of all audits of grants and contracts with the campus Chief Financial Officer or designee and/or appropriate officials of the recipient organization prior to the commencing of an audit, and reviewing all audit findings.

C. The responsibilities of the University's Chief Financial Officer or designee and/or appropriate officials of the recipient organization, working in concert with the AVPRSP include but are not limited to:

1. Providing the timely establishment of accounts in accordance with the terms and conditions of the grant or contract;

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2. Providing contractual, procurement, and fiscal services including disbursement, billing and reporting;
3. Ensuring 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 grant or contract;
4. Scheduling and overseeing audits of grants and contracts, including, but not limited to, discussions with the internal and external auditors on the scopes of the audits and reviewing all audit findings;
5. Training principal investigators on managing budgets, handling personnel, and reviewing the scope of work involved with the activity; and
6. Providing web access for clearly described procedures and forms.

**IV. PROPOSAL SUBMISSION REQUIREMENTS**

A. Proposals for sponsored programs shall not be submitted to a potential sponsor on behalf of the University without prior written approval of the President or AVPRSP and of the University’s Chief Financial Officer or designee. Proposals shall not be submitted to a potential sponsor on behalf of an auxiliary organization without the prior written approval of the AVPRSP and the auxiliary organization’s Chief Financial Officer or designee. Signatures by these officials will be the final signatures on proposals after the Principal Investigator (PI) obtains other approvals as set forth below and by means of a completed Project Information Form (PIF) provided by the Office of Research and Sponsored Programs (ORSP).

Review and approval by the President or AVPRSP will include but is not necessarily limited to proposal quality, academic and personnel policies, procedures, mission of the university, facilities, equipment, cost sharing or allocation of funds normally budgeted for the academic programs of the university.

Review and approval by the university’s Chief Financial Officer or designee and/or appropriate representative of the foundation will be consistent with their administrative responsibilities in effecting the fiscal policies of the university and/or its foundation and will be consistent with CSU Executive Order 890.

Review and approval by the appropriate chair, unit director, and dean will certify that the proposed project falls under the mission of the department and college and that all aspects of the proposal, including, but not limited to, the institutional budget, commitments to cost share, personnel assignments, and other budget, personnel meet departmental and college policies, and the proposed project is eligible to be approved in the event a proposal is funded.

Approvals by the officials cited above shall apply to all aspects of a proposal, including: academic and programmatic; fiscal; health and safety; human subjects research; animal subjects research; space; major technical resources and equipment; and risk management.

B. All proposals and applications for grants or contracts shall specify the recipient of the grant or contract as the University or Foundation and not an individual, department, or other constituent unit.

**V. ACCEPTANCE OF AWARDS**

A. Prior to acceptance of an award, the AVPRSP shall assign the Recipient to serve as the Sponsored Program Administrator (SPA). The SPA is legally responsible and accountable to the sponsor for the use of the funds provided and the performance of the sponsored program.

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B. All grant and contract financial negotiations must have final approval of the President or designee (AVPRSP) and the Recipient’s Chief Financial Officer. Acceptance can only be done by these authorized individuals and not by the PI.

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C. The ORSP, in collaboration with the PI, shall be responsible for negotiating any terms and conditions

that differ substantially from those initially proposed. Emphasis shall be given to recover all costs, both direct and indirect, for each grant and contract.

- D. All offers of award, and subsequent to final financial negotiations and approval, are to be accepted in the name of the University only by the President or designee, or the AVPRSP and the appropriate recipient representative where the recipient is not the University.
- E. Upon acceptance of an award, the recipient shall contact individuals and organizational units affected by the award.

## VI. PRINCIPAL INVESTIGATOR

### A. QUALIFICATIONS

In most cases individuals who serve as PIs shall be full-time faculty, MPP (management personnel plan) or staff employees at the University who are responsible for a funded project. Faculty participants in the Faculty Early Retirement Program (FERP) may apply for or serve as sole principal investigators on grants only where the grant can be accomplished during the period of active employment under FERP. Other individuals shall seek authorization from the AVPRSP. Such individuals shall not receive an appointment to a faculty classification.

### B. RESPONSIBILITIES

The responsibility for the successful completion of the grant belongs to the PI. In general, these responsibilities, beyond those that may be imposed by the sponsor, include but are not limited to:

1. Meeting project goals and objectives according to the approved timeline;
2. Complying with federal, state and university/recipient laws and policies;
3. Preparing and submitting all narrative reports when due, including completion of all final reports within sixty (60) calendar days after the completion of the project period or within the time period specified by the sponsor;
4. Submission and approval of all necessary documentation to the sponsor in order for the SPA to receive final payment of the contract;
5. Maintaining an effective working relationship with the manager assigned to manage the grant funds;
6. Adhering to the responsibilities described in the section entitled "Fiscal Administration," below.

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### C. REASSIGNMENT

In the event that the PI is incapacitated, resigns, fails or refuses to perform the normal and reasonable duties of the position or engages in unprofessional conduct, the Provost, after consultation with appropriate officials, may relieve the individual of the grant or contract, terminate the agreement, assign it to another individual, or take other appropriate action.

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### D. DISTRIBUTION OF RESPONSIBILITIES AMONG PRINCIPAL INVESTIGATORS FOR MULTI-INSTITUTIONAL SPONSORED PROGRAMS

Some grant and contract activities require the participation of more than one institution. In such cases, the responsibilities of all participating institutions and principle investigators shall be defined in written agreements signed by the institutions' respective authorized agents. Representative examples of acceptable agreement instruments include subcontracts, memorandums of understanding and joint powers agreements approved, as appropriate, by Auxiliary Staff Counsel, and in compliance with the Auxiliary's policy on sub-recipient monitoring. All such agreements shall stipulate that all parties adhere to appropriate institutional policies governing grant and contract administration.

## VII. EMPLOYMENT REGULATIONS

## A. EMPLOYMENT

1. University employees engaged in sponsored programs are considered employees of the SPA with regard to work performed in furtherance of each sponsored program
2. The SPA 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, all in accordance with campus policy for the administration of contracts and grants. This applies regardless of whether the employee is being paid directly by the university or auxiliary or whether the university is being reimbursed by the auxiliary for agreeing to reassign an employee from selected university duties in order to work on the contract or grant.
3. All employees working on grants and contracts are subject to all university policies.
4. PIs, consultants, or project staff members shall not be hired on any project until the terms and conditions of employment, particularly salary, have been computed, agreed to, and confirmed in writing between individuals and the University administration and the SPA.
5. All recruitment and appointment activities shall adhere to CSU and campus policies and procedures or auxiliary policies and procedures, as applicable.
6. Salaries and fringe benefits shall comply either with the appropriate CSU unit bargaining agreement or, in the case of administrators or students, shall meet CSU policies and conform to the sponsor's guidelines or auxiliary policies and procedures, as applicable.

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## B. ADDITIONAL EMPLOYMENT

### 1. GENERAL

- a. The salary rate for additional employment may be the same as the rate for the primary appointment; however, a different salary rate is permitted if appropriate for the work performed and if allowed by the funding source (e.g., private corporation or foundation contract).
- b. In the case of a federal grant or contract, the rate of pay for the additional employment must be the same as the CSU base rate of pay for the primary assignment.
- c. Additional employment appointments in excess of full time do not increase retirement credits or benefits payments.

### 2. FACULTY

- a. Article 36 of the Unit 3 Collective Bargaining Agreement limits CSU employment (i.e. employment compensated through the CSU payroll) to the equivalent of one full-time position in a primary or normal work assignment and for additional employment of up to twenty-five percent (25%) of a full-time position if the additional employment:
  - i. Consists of employment of a substantially different nature from the primary or normal work assignment; or
  - ii. Is funded from non-general fund sources; or
  - iii. Is the result of part-time employment on more than one campus.
- b. Consistent with CSU policy federal state and other applicable regulations, a faculty member paid 100% from federal grant funds may not work more than 100% time.
- c. In the case of a federal grant or contract, the rate of pay for the additional employment must be the same as the CSU base rate of pay for the primary assignment.

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- d. When applying the limitations of the additional employment policy, the applicable time period for an employee in a twelve month assignment is a calendar year.
- e. When applying the limitations of the additional employment policy, the applicable period for ten-month and academic year employees is the campus' academic year.
- f. Additional employment and overload limits are calculated and applied independently during vacation, holiday periods or other academic breaks.
- g. Work on a grant or contract shall not interfere with satisfactory performance of all other responsibilities as a faculty member, especially classroom instruction.

3. OTHER EXEMPT EMPLOYEES

Represented or non-represented employees, including those in the Management Personnel Plan, who are in positions exempt from the overtime provisions of the Fair Labor Standards Act (FLSA), do not receive additional compensation for work considered part of their primary work assignments. However, an exempt employee may be assigned additional employment equivalent to twenty-five percent (25%) above a 1.0 full-time time-base if the additional assignment is unrelated to the primary work assignment.

4. NON-EXEMPT EMPLOYEES

- a. Non-exempt employees are employees who are subject to the regulations of the FLSA, which requires payment of overtime at time and one-half the regular pay rate for hours worked over forty (40) in a workweek.
- b. If an employee holds a non-exempt position and an exempt position, the employee must be considered non-exempt for pay purposes.
- c. It is anticipated that additional employment for employees in non-exempt positions will be infrequent.
- d. In the event the President or designee is considering the approval of an additional employment opportunity for a non-exempt employee, the following options are available:
  - i. Exclude the non-exempt employee from the additional employment appointment; or
  - ii. Reduce the time-base of the primary position so the primary and additional appointments in total do not exceed a 100% time-base; or
  - iii. Pay the employee appropriate over-time in accordance with FLSA and the respective collective bargaining agreement or employment policy.

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- 5. The University shall monitor additional employment in cooperation with the Office of State Controller in order to assure compliance with the limits established by the CSU Additional Employment Policy.

C. CONFLICT OF INTEREST

Refer to the Policy on Conflict of Interest in Grants and Contracts for Principal Investigators. D. NEPOTISM

Refer to Policy on Nepotism.

E. MISCONDUCT

- 1. All employees involved in grant and contract work are subject to the campus Policy on Scientific Misconduct.

**Deleted:** Principal Investigator's and employees of grants and contracts have a primary responsibility to avoid conflicts of interest. A conflict of interest exists if certain outside business, personal or other interest could adversely affect decision-making or judgments related to the performance of responsibilities in the administration of the grant. The test for determining a potential or actual conflict of interest includes not only whether there is a direct conflict of interest, but also whether there is the appearance of a conflict. The mere appearance of a conflict of interest raises serious and legitimate concerns. PIs and employees are responsible for conforming to the campus Policy on Conflict of Interest for Principal Investigators and the campus Guidelines on Incompatible Activities and Conflicts of Interest. ¶

**Deleted:** No individual involved in grants or contracts may hire, cause to be hired, supervise, or make a financial decision and/or provide any other resources which benefit

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2. All employees shall be subject to appropriate sanctions for unprofessional behavior, failure or refusal to perform duties adequately, or other misconduct pursuant to the appropriate Collective Bargaining Agreement and/or university policies.

#### F. FISCAL ADMINISTRATION

1. It is the responsibility of the PI to adhere to the fiscal terms and conditions of the contract or grant and to comply with university and auxiliary policies and procedures.

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2. The PI shall be responsible for executing the project in conformance with the approved budget.

3. The PI is responsible for ensuring that all expenditures are made in compliance with the approved budget, the contract or grant and policies of the SPA.

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4. Each accepted grant/contract must have an approved project budget that includes direct and indirect costs as well as cost-sharing costs, if applicable. Changes in budget must go through SPA approval processes and, when required, Sponsor approval if any of the following changes are made to the budget during the approval process and/or during the funded project period:

- a. Reduction/addition of funds by sponsor;
- b. Change in scope of work;
- c. Change in proposed released time/overload pay for faculty/staff;
- d. Change in remuneration of personnel;
- e. Request for new equipment purchase.

5. All Sponsor-required cost sharing must be accounted for and documented in the same detailed manner as Sponsor-funded costs.

6. Travel and reimbursement for travel that is authorized and funded by a sponsored project shall follow SPA travel policies and procedures.

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7. Disbursements shall not be processed on any account unless both parties have executed a contract or unless all approvals have been obtained and the grant has been accepted.

8. In cases when the Sponsor allows the SPA to incur pre-award costs, the SPA may allow pre-award spending in accordance with the Sponsor and SPA guidelines.

9. All appropriate indirect and direct costs shall be recovered for sponsored programs in accordance with CSU and university policies and/or sponsor requirements.

10. In some cases, the SPA may share or match costs associated with a sponsored program instead of recovering full or partial indirect and direct costs. When there is cost sharing or matching in connection with a sponsored program, the SPA, in conjunction with the PI, shall document actual costs shared or matching contributions in a manner consistent with the campus cost allocation plans, sponsor requirements, and in the case of federal grants or contracts requirements as stated in OMB Circular A-110.

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11. The appropriate CFO or designee of the SPA must authorize disbursement of payments involving personal expenditures by the PI.

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12. The appropriate CFO of the SPA must certify that funding is available prior to issuance of any personnel action forms.

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#### VIII. RECORDS RETENTION AND STORAGE

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- A. All necessary records and reports pertaining to a grant or contract shall be maintained by the SPA while the project is ongoing. Such records include, but are not limited to, the original proposal and

proposed budget, the original PIF, grant award letters, signed contracts, memoranda of understanding, correspondence with funding agency, budget revisions and approvals, accounting information, personnel information, narrative and financial reports, and related documents. The PI may keep duplicate copies and other materials in separate files as required to fulfill the PI's grant obligations in carrying out the sponsored program activities.

- B. A copy of all formal reports to the sponsoring agency by the PI shall be forwarded to the SPA at the time of submission to become a permanent record. Such reports shall be submitted in accordance with the Sponsor's specifications and the policies and procedures of the SPA.
- C. On the completion of the project, all records and reports not already on file in the office of the SPA, including records of correspondence related to the grant or contract, shall be boxed by the PI and turned over to the SPA for storage.
- D. The SPA shall store the records for a time period in accordance with the Sponsor's record retention requirements, if any, but for no less than five (5) years.
- E. Normally, at the end of the time period for storing records, the SPA shall destroy the records.

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