

CHAPTER NINE

PART II: GRANTS AND SPONSORED RESEARCH

I. OFFICE OF UNIVERSITY RESEARCH SERVICES

The Office of University Research Services (OURS) is the liaison between any external funding agency and the University. It is responsible for disseminating information regarding funding opportunities to faculty and staff, reviewing proposals before submission to agencies, negotiating grants and contracts for sponsored projects on behalf of the University, reviewing all sponsored project award documents for consideration by the president, and providing non-fiscal, post-award management for all such awards. Working with the College of Graduate Studies and Research (CGSR), OURS provides fiscal management of awards. Additionally, OURS is responsible for identifying any changes in federal and state regulations or USM policies regarding sponsored projects and for notifying the appropriate academic and administrative personnel of such changes. The OURS is the central repository for all original documentation regarding grants and contracts. Proposals that are submitted to external funding agencies and award documents received from such agencies must be reviewed by OURS, which ensures that the terms and conditions are acceptable to the University and comply with state, federal, sponsor-specific, and University regulations and policies and that the appropriate administrative approvals are obtained.

A. External Funding Sources

External funding sources are identified for faculty through three computerized searching systems, the Community of Science, Sponsored Programs Information Network (SPIN), and the Illinois Researcher Information System (IRIS), agency announcements, and targeted email messages sent to appropriate faculty and staff members. All three computerized search engines are available to all faculty and staff members with University usernames. An office library of program announcements, applications, and commercially produced publications supplements SPIN and IRIS.

B. Proposal Development Assistance

Proposal Development Assistance is provided to faculty and staff. Assistance includes interpretation of funding agency guidelines and requirements, budget development, proposal development (including writing of non-scientific portions of proposals and budget justifications), review and editing of proposals, completion of all required agency forms, and assembly and delivery of final proposals. The OURS offers workshops on agency programs and proposal development and writing periodically throughout the academic year. Any faculty member or staff member who wishes to submit a proposal on behalf of the University should contact OURS.

C. Liaison Between Potential Funding Agencies and the University

Liaison between potential funding agencies and the University includes contacting

and visiting funding agencies, personnel, and program officers, with interested faculty and staff members, as appropriate.

D. Grants Management Services

Grants management services are provided through coordination of University review and approval of grant proposals, fellowship applications, contracts, subcontracts, and agreements entered into by the University for research or other scholarly projects. The OURS negotiates budgets, grant agreements, and contracts with sponsors, and subcontracts with entities to be funded under awards to Towson University. The OURS reviews and manages grants in a manner consistent with University, University System of Maryland, state, federal and sponsor-specific regulations.

II. IV-2.00 USM POLICY ON SOLICITATION AND ACCEPTANCE OF SPONSORED PROJECTS

- A. The University System of Maryland engages in a wide variety of activities sponsored by non-System entities. These activities include research, training and public service projects, which are consistent with the missions of the System and the institution. Such activities are encouraged as a means to further the objectives of the System and the institution, to strengthen ties with government, industry, the community, and other academic institutions, and to expand and enhance the instructional environment.
- B. All proposals for specific sponsored projects shall be reviewed by the institution personnel for consistency with all University System and institutional policies, for appropriateness to the mission of the institution, and for liability assessment. Each institution has primary responsibility for the solicitation and negotiation of proposals and administration of awards.
- C. Applications may be submitted and awards accepted directly by the designated officer on each campus.
- D. In the course of soliciting, negotiating and executing agreements with sponsors, a constituent institution may encounter conditions for performance, which are not standard System practice. Upon discovery of such a condition, the chief executive officer shall immediately notify the Chancellor. Such unusual practices include, but are not limited to, the following examples:
- abridgement of publication rights
 - necessity for legislation in order to conduct the program of work
 - assumption of liability for a third party
 - creation of an unfunded liability
 - exceptional contribution of state monies to the project

The Chancellor may, in consultation with the chief executive officer, require withdrawal of the proposal or non-acceptance of the award.

- E. Constituent institutions, on an annual basis, are required to submit to the Chancellor a summary of sponsored project activity. The content and format of the report shall be determined by the System office and shall include at a minimum, the number of awards, and their dollar value.

Approved by the Board of Regents, January 11, 1990; Amended February 21, 2003

III. TOWSON UNIVERSITY POLICIES AND PROCEDURES FOR SPONSORED PROJECTS

A. Proposal Submission

Any sponsored project funded by an external agency is subject to the University policies for intellectual property confidentiality agreements, conflict of interest statements, the use, possession, or sale of drugs, the protection of human subjects, the protection of animal subjects, scientific misconduct, and sponsored projects as listed below. Sponsored projects agreements must be negotiated by the Office of University Research Services (OURS). Any proposals to external funding agencies must be submitted by the OURS. Proposals will be submitted to a funding agency after the normal internal University proposal review and approval procedure has been followed and all of the necessary signatures and approvals are obtained.

1. Salaries

Salaries for all scientific, professional, and technical personnel who will be involved in the sponsored project should be included as direct costs in the proposal budget. Administrative and clerical salaries, per Office of Management and Budget (OMB) Circular A-21, are covered under the facilities and administrative (F&A, formerly "indirect") costs and should not, under most conditions, be included as direct costs. Any questions regarding this should be directed to the OURS; under certain conditions, these salaries may be budgeted as direct costs, with careful justification.

Faculty members who are on 10-month academic year appointments may budget compensation based on a 12-month calendar year service period if they have administrative or teaching responsibilities at the University. The salary for the two summer months should be calculated at $2/10 \times$ base salary for the fiscal year. A portion of the salary may also be underwritten by a grant or a contract during the academic year. If the faculty member has received 3 hours of assigned time (out of a total teaching load of 12 hours) to work on the research, then the percentage would be calculated at 25% of the base salary. If the assigned time were for 6 hours then the percentage would be calculated at 50% of the base salary. The cost of hiring a replacement to handle the course load of the faculty given assigned time will be paid from the salary line item of the research grant. In no case can funds be requested or used to augment salaries of any faculty or staff beyond University-approved rates. Professional research staff, technicians, and other personnel may be compensated for the time that their services are required for the project. This may be included as a percentage of their time under the "Salaries" category. When identified at the time of proposal submission, names of all employees to work on a sponsored project should be included in the budget. If individuals to work on sponsored projects are not identified at the time of proposal submission, those individuals must be competitively recruited in keeping with normal University policies and procedures.

2. Fringe benefits

Fringe benefits include the University's contributions to social security, retirement programs, health insurance, and unemployment compensation. If faculty or staff members are hired solely to perform work pursuant to a contract or grant, they are entitled only to those benefits paid for by the external agency. The sponsored project award should, whenever possible, cover full fringe benefits for its salaried personnel. The full amount provided by the funding agency for fringe benefits should be charged to the research project for each salaried person involved in the project during the academic year. During the summer, the project should only be charged workman's compensation and unemployment compensation benefits. Fringe benefit rates are established on a yearly basis. For the current rate please contact the OURS.

3. Facilities and administrative costs

Facilities and administrative ("F&A," formerly indirect) costs are actual costs incurred by the University for the use of facilities and services, which apply to the grant and to all other grants and/or contracts. They include general administration, physical plant, maintenance, operations, and utilities, library, and research administration expenses. Facilities and administrative costs are negotiated with the federal government so actual costs incurred for a sponsored project may be accounted for and the University reimbursed for such expenditures. The University negotiates a facilities and administrative cost rate with the United States Department of Health and Human Services. This rate should be accepted by all federal agencies. Many foundations, corporations, state, and other funding agencies will not pay facilities and administrative costs incurred on a grant; however, the full amount allowable should be requested. For Towson University, the facilities and administrative cost is calculated on the total salaries and fringe benefits budgeted. The facilities and administrative cost recovery should return to the University in its entirety. An amount equal to 25% of the facilities and administrative cost recovery will be given to the principal investigator's department or center to be used and 25% to his or her college for cost sharing or other types of research support. These transfers will occur monthly as the F&A costs are recovered.

B. Acceptance of Grant/Contract

1. Institutional acceptance

An award to the University from a sponsoring agency serves as a legal document. An award may be in the form of a letter issued by an authorized agent of the sponsor or it may consist of a complete contractual document. In some cases formal acceptance by the University (and then by the agency) is required before the award becomes effective. The president of the University or his/her designee will accept such awards. The OURS should receive all original award documentation, which will be maintained in the office files. The OURS will consult with a principal investigator if the award differs from the submitted proposal, so that the award may be accepted, modified, or rejected. Negotiation of all sponsored project contracts and/or grants should be conducted by the OURS in collaboration with the principal investigator. No changes in the scope of work or the budget will be made without consultation with the principal investigator.

2. Grant/contract account

Once the award document has been received, the OURS will ask Financial Services to set up an account for the grant/contract. All invoices to be paid from such accounts must be submitted to the CGSR Finance Office for review and approval before payment. Such approval will be based on compliance with the grant award document.

It is recognized that sometimes an informal approval for an award is received before the actual documentation; in these cases, the lack of an official award document may seriously impede or jeopardize the course of the project. An advance account may be established if an account is identified to cover expenditures against the advance account should the actual award document not be forthcoming. The OURS will approve when it has confirmed with the sponsor the start date and the amount of award. The person responsible for the account to serve as the "back up" account must confirm, in writing, that any expenses charged to the new account will be covered should the sponsored project award not be forthcoming.

C. Project Administration

1. Personnel

Personnel assigned to sponsored projects, like all other personnel, must be recruited, appointed and compensated in accordance with state and University personnel policies and regulations. Federal government regulations require that the University maintain records that will substantiate the effort of each individual whose salary, in whole or part, is charged to a sponsored project (OMB Circular A-21). It is therefore essential that time records be carefully maintained. The principal investigator is responsible for notifying the OURS in writing if there is a significant change in the amount of time devoted to the sponsored project by salaried personnel such that the amount allocated in the approved budget under "Salaries" would be affected.

2. Consultants

Consultants may be required to work on a sponsored project. Standard University procedures for requesting the services of and paying consultants must be followed. Care should be taken that this is an approved expense for the particular project.

If faculty members would like to be research consultants to an organization outside of TU, they should consult with the OURS regarding conflict of interest issues and the negotiation of a contract.

If someone or some entity outside of Towson University is to provide a service, facilities, or conduct work which will be paid from a sponsored project account, this activity must be known at the time the proposal is submitted and included in the proposal to the agency. The principal investigator should contact the OURS for the negotiation of a subcontract.

3. Equipment

The sponsored project may purchase equipment which is included in the budget. Depending upon the type of grant/contract and its conditions, title to the equipment may either remain with the university or with the agency. All equipment must be purchased in accordance with all applicable procurement regulations. The principal investigator has the responsibility for 1) assuring that the equipment is not already available on campus, 2) determining the proper specifications in issuing the purchase requisition for the equipment, 3) assuring that all necessary approvals are obtained for the purchases, and 4) assuring proper receipt, inventory identification, and functioning of the equipment prior to authorizing payment by the University.

It should be noted that any equipment that is to be purchased which has not been specifically included in the proposal budget must have prior written approval by the funding agency. Requests for such equipment should be submitted to the OURS for negotiation with the funding agency.

If there is a cost-share requirement on the part of Towson University, the cost-share monies will be transferred into the research award account.

Approved by the President's Staff, May 13, 1992; modified by College of Graduate Studies and Research, July, 2003

IV. TOWSON UNIVERSITY GUIDELINES FOR CONTRACTS BETWEEN EXTERNAL AGENCIES AND FACULTY OR ACADEMIC DEPARTMENTS

Procedures for developing formal contracts with external agencies, including the specific requirement of the granting agencies (are handled by the departmental, college, and University Grants Coordinators), are described below. The procedures described here are not applicable to contracts involving either educational or training services. All such formal, informal, and workshop type courses should be coordinated through the College of Graduate Studies and Research.

A. When Contracts are Necessary

The following describes situations in which a formal contract between an external agency and the University should be considered.

1. Faculty consulting

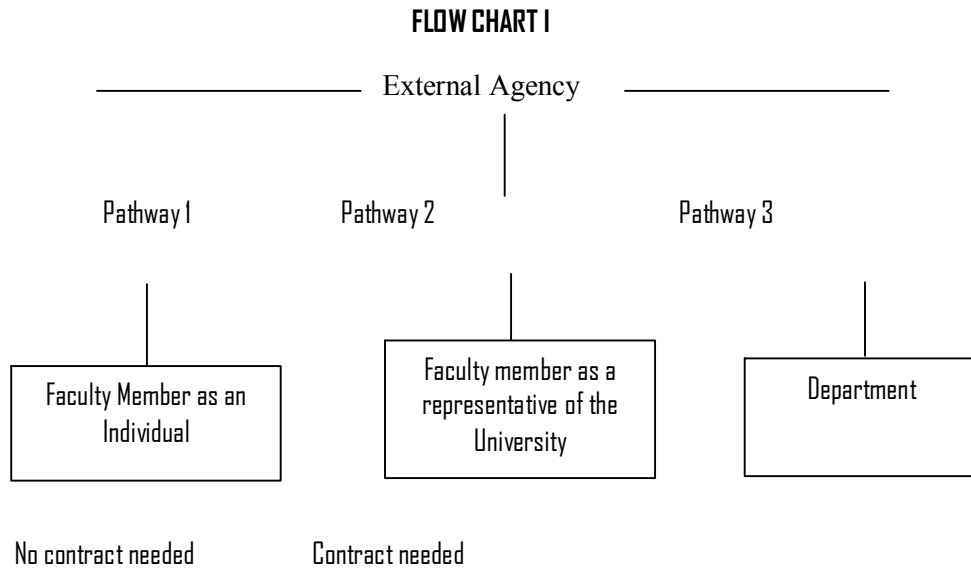
Faculty consulting with an external agency will fall into two categories.

- a. Faculty who in their consulting neither act as agents of the University nor use any substantial University facilities (see Pathway 1 of Flow Chart I, page 9-15): Under these circumstances the matter is solely between the faculty member and the external agency. No contract with the University is necessary.
- b. Faculty who in their consulting use the University name, substantial University facilities, or both (see Pathway 2 of Flow Chart I, page 9-15): This situation requires the development of a formal contract between the

University and the external agency (see contract approval procedures).

2. Contracts with departments

When a department is contacted or makes contact with an external agency in which University facilities are proposed to be used, then a formal contract is required between the external agency and the University (see Pathway 3 of Flow Chart I, below).



3. Contract development and approval procedure

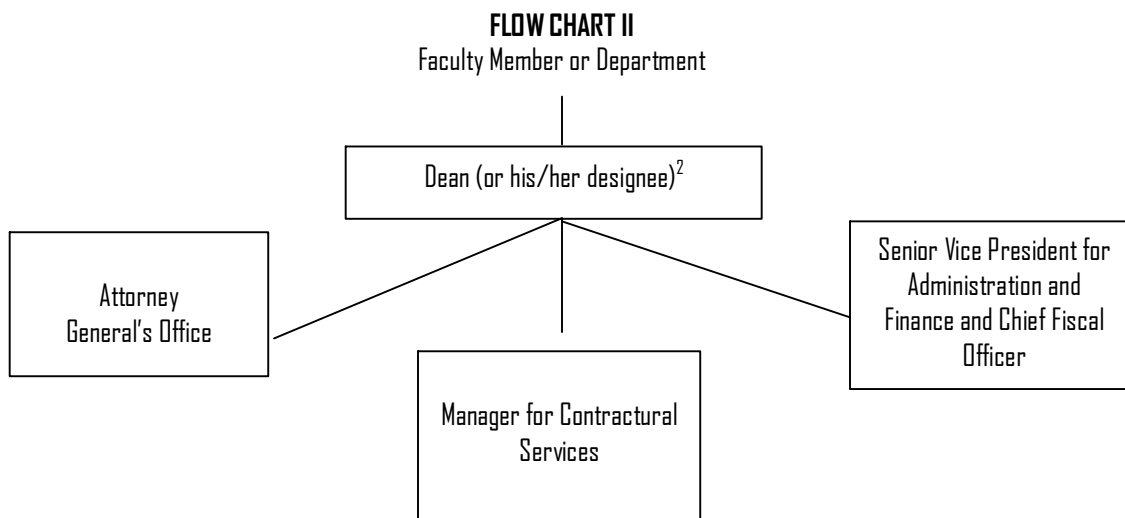
Contracts between the University and an external agency may be developed in two ways: the external agency may present a contract to the faculty member or department for approval by the University; the faculty member or department may present a contract to the external agency. In either case, negotiation between the agency and the University is always possible and should include the University Counsel office.

B. Internally Generated Contracts

Individual faculty members or departments in generating contracts to be presented to external agencies should follow the following procedures.

1. The dean is to be contacted. The Dean will, in consultation with faculty or the department, develop the outlines of a contract.
2. The dean will send the proposed outline of a contract to the Director of Procurement.
3. The Director of Procurement will, in consultation with the dean, develop a formal contract.

4. The Director of Procurement may, at his/her discretion, submit the proposed contract to the University Counsel office.



5. All contracts in which University facilities or the University name is used must be signed by the Senior Vice President for Administration and Finance and Chief Fiscal Officer or his/her designee. Contracts not so signed are not legally binding on the University.
6. University generated contracts will be submitted to the external agency for signature. After being signed by the external agency they will be returned to the Director of Procurement who will obtain the signature of the Senior Vice President for Administration and Finance and Chief Fiscal Officer. Signed copies of the contract will be mailed to all parties of the contract. If the external agency requests changes in the contract it will be considered as though the contract was developed by the agency [External Contract Generation (see below)] and the procedures for such a contract followed.

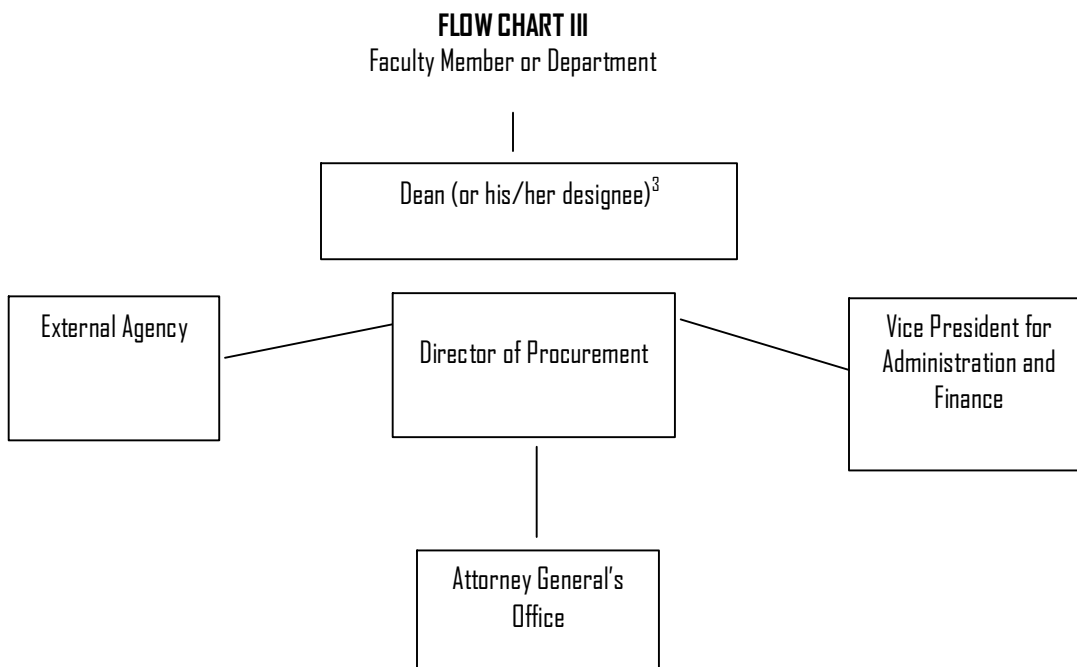
C. Externally Generated and Approval Procedures Contracts

Contracts generated by outside agencies or University contracts modified by outside agencies on receipt by either a faculty member or an academic department will use the following procedure for approval

1. The faculty member or department will submit the contract to the dean.
2. The dean will send the contract to the Director of Procurement.
3. The Director of Procurement will handle the contract in one of the following ways:
 - a. If acceptable, it will be returned to the external agency for signature(s).

²The Dean of the college may designate a representative to act in this capacity.

- b. If unacceptable, it will be returned with suggested modifications to the external agency.
 - c. The Director of Procurement may, at his/her discretion, submit the proposed contract to the University Counsel Office.
4. When acceptable to both parties, the contract will be signed by the external agency and returned to the Director of Procurement to obtain the signature of the Senior Vice President for Administration and Finance and Chief Fiscal Officer. Copies of the signed contract will be mailed to all parties of the contract.



The University Procurement Office has developed a standard addendum, which provides much of the material that must be included when contracting with external agencies. A copy of the addendum may be obtained by phoning the Director of Procurement.

Approved by the University Senate, April 7, 1986

³The Dean of the college may designate a representative to act in this capacity.