

Stephen F. Austin State University Grants and Contracts Procedures Manual (GCPM)

Adopted by SFA policy 8.3

PART 1 - General Information

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A. General Information

1. Overview of ORSP Services

The principal responsibility of Stephen F. Austin State University to sponsoring agencies or entities is to ensure that sponsored projects are conducted and expenditures adhere to the award terms and

conditions, to applicable state and federal regulations and guidelines, and to university policies and procedures.

To facilitate these processes and to help ensure successful project outcomes, the Office of Research and Sponsored Programs (ORSP) provides the following services and activities:

- Pre-award technical assistance
 - Non-financial post-award technical assistance
 - Data collection and reporting
 - Regulations and compliance
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2. Role of University Offices in Sponsored Projects

- Office of the President - Delegates responsibilities of the authorized certifying official (organizational representative) to approve applications and accept external awards; signs all contracts; approves applications before submission.
 - Office of the Provost/Vice President for Academic Affairs - Reviews and approves contracts and applications before submission.
 - Office of the General Counsel - Reviews all grant-related contracts and modifications; legal consultations and opinions.
 - Office of Development - Consultation and review of proposals to private sponsors; submits grants from the SFA Foundation, Inc.; accepts and processes gifts.
 - Controller's Office - Banner fund set-up; project invoicing; financial monitoring and reporting; and maintenance of financial records.
 - Human Resources - Employment and benefits, including management of Electronic Personnel Action Forms (EPAFs) and additional compensation.
 - Internal Auditor - Coordination of internal and external audits.
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3. ORSP and Grant-related Procedures

The following are procedural categories related to the processing of grants, contracts, and other types of external awards with the relevant ORSP staff. Each is linked to the appropriate indexed section(s) of this manual.

1. Proposal Processing and Submission Procedures
Primary ORSP contact: [Beverly Morehouse](#)

2. Contracts to and from SFA
Primary ORSP contacts: [Jennifer Hanlon](#)
 3. Award Process: Request a fund and award orientation
Primary ORSP contacts: [Jennifer Hanlon](#)
 4. Project and Budget Amendments
Primary ORSP contacts: [Jennifer Hanlon](#)
 5. Subawards, Participant Agreements, and Contracts for Services
Primary ORSP contacts: [Jennifer Hanlon](#)
 6. Budget Management
Primary Controller contact: [Letitia Hamilton](#); Primary ORSP contact: [Jennifer Hanlon](#)
 7. Effort Certification and Training
Primary ORSP contacts: [Jennifer Hanlon](#)
 8. Internal Grants (Faculty Research Grants and minigrants)
Primary ORSP contact: [Sherry Tucker](#) or [Jennifer Hanlon](#)
 9. Federal Compliance (IRB, IACUC, BSC, RCR, FCOI, export control)
Primary ORSP contact: [Amanda Romig](#) or [Dr. Pauline Sampson](#)
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4. Definitions

a. Types of Sponsored Projects - The term "sponsored projects" includes all externally funded projects whether research, scholarly, or public service in nature. Awards result from proposals submitted by SFA or the SFA Foundation, from contracts offered to SFA, and various other funding mechanisms. SFA works with all types of sponsors - federal, state, local, or foreign unit of government; foundation; commercial entity; nonprofit agency; and individuals.

Per university policy and procedure, all types of sponsored projects must be routed through and submitted by ORSP or the SFA Foundation, Inc. if sponsor requires a 501(c)(3) applicant.

Sponsored projects are consistent with and enhance the teaching, research, and public service mission of our university. Projects usually include a defined scope of work or set of objectives. Sponsors typically require technical and/or financial reports. Sponsored project award agreements vary and usually follow one of the formats described below:

- **Grants:** principal purpose of the award is to "accomplish a specified public purpose, or support or stimulate initiatives authorized by federal or state statute" (grants from state and federal governmental entities). Grants are also used by local governments, foundations, associations, corporations, and other private entities. Most federal grant award documents are in the form of a Notice of Grant Award (NOGA), and grant terms and conditions usually consist of sponsor or

program regulations that are referred to but not necessarily included in the grant document itself. Some grant awards take the form of contracts.

- **Subawards and subcontracts:** pass-through awards from an entity using funds it received from a prime sponsor rather than its own funds. Subawards are subject to the same terms and conditions the prime award requires of the pass-through entity, plus any additional terms and conditions the pass-through entity adds to ensure effective administration of the subaward.
- **Cooperative agreements:** same principal purpose as a grant but this award instrument includes substantial sponsor participation in the conduct of the work (thus "cooperative arrangement").
- **Contracts:** constitute a vendor relationship. includes purchase orders (when the principal purpose is procurement - acquisition of property or services for the direct benefit of the sponsor). As noted above, contracts may be used to outline the terms of a grant award. Contracts usually detail specific deliverables, and terms and conditions are incorporated directly into the contract document and/or incorporated by reference.
- **Interagency and interlocal agreements:** establish terms and conditions between two state agencies (interagency) or between a state entity and a local government entity (interlocal). These agreements include legal language specific for these two types of contractual relationships.
- **Fixed Amount Awards (fixed-price agreements):** agreement to perform work or deliver a product within a specified period at a price agreed to in advance that is payable in full regardless of actual costs incurred. These awards usually take the form of a contract.
- **Scholarships:** if the scholarship require a formal grant application and are: (1) received as all or part of a sponsored project and awarded to eligible students selected by the sponsor; or (2) received as all or part of a sponsored project when the sponsor imposes terms and conditions for which the university is responsible for compliance, then they are considered sponsored projects and are covered under sponsored project policies.

b. Research and Development means all research activities, both basic and applied, and all development activities that are supported at the University.

Applied vs. Basic (Fundamental) Research

According to [2 CFR 200.87](#):

- "Research" is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied.
- "Development" is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes.

- The term "research" also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function.

Curriculum development projects *may be* considered "R&D" for restricted research when the primary purpose of the project is developing and testing an instructional model through appropriate research methodologies (i.e., data collection, evaluation, dissemination, and publication). ([Standards and Accounting Methods](#), Texas Higher Education Coordinating Board, September 2015).

A project is classified as "restricted research" if:

The use of the funds is restricted - Restricted funds means the sponsor has restricted how the funds can be spent. When a federal agency provides a grant for a specific purpose, the grant would be considered restricted. A contract from a private sector company would typically be considered restricted. When a donor provides a gift for a specific purpose or for creation or addition to an endowment fund (the income from which is for a specific purpose), the funds expended would be considered restricted funds. ([Standards and Accounting Methods](#), Texas Higher Education Coordinating Board, September 2015).

The purpose is primarily research - The primary purpose is normally demonstrated by the sponsor's statement of purpose or other documented evidence, such as the funding announcement or CFDA purpose. For projects with multiple goals, this may be demonstrated by more than half of the funds (equal to or greater than 50-%) budgeted for research. ([Standards and Accounting Methods](#), Texas Higher Education Coordinating Board, September 2015).

c. **CFDA** is the acronym for the 'Catalog of Federal Domestic Assistance' which is a collection of federally funded programs. The federal funding agency assigns CFDAs. The relevant CFDA is required for federally funded projects and federal pass-through projects on the Proposal Clearance Form (PCF) and is used for grant applications and reporting purposes.

d. **Restricted Gifts** are targeted contributions made to the university for which the donor receives no direct benefit and provides the support with minimal requirements (i.e., limited terms or conditions, no obligations, no authorized signature required, no financial or programmatic reports required, and no intellectual property, confidentiality, or publication conditions). Gifts do not require specific deliverables.

Gift letters and checks are forwarded to The Office of Development for processing. Unrestricted gift funds are generally placed in "various donors" gift accounts. ORSP should be notified of all gifts designated for research purposes to aid in accurate reporting of research expenditures and to obtain required compliance certifications. (See Research Gift Notification Form)

*****Do not disclose confidential donor information to ORSP.**

If you are not certain if an award is a gift, contact ORSP. Some "gift" awards must be processed internally as grants.

5. Tax Exempt Status and the SFA Foundation, Inc.

SFA is a public, state-supported institution of higher education and is considered a state agency although it is not part of the state government. SFA is a tax-exempt, non-profit institution; however, SFA does not have IRS 501(c)(3) status.

The Stephen F. Austin State University Foundation, Inc., is a 501(c)(3) organization that functions solely for the benefit of SFA. Proposals that require submission by a 501(c)(3) organization must be submitted by the SFA Foundation rather than ORSP. These applications also require a Proposal Clearance Form (PCF) that is routed by the SFA Foundation.

If you are seeking a **gift**, contact the Office of Development. Gifts are defined as:

- cash gifts designated for generic research (no specific statement of work) or general program support;
- donations of equipment and other non-cash items; and
- assistance with solicitation of philanthropic gifts from foundations and individuals.

The table below provides guidance regarding "gifts vs. grants."

If one or more of the following apply:	Process through:	
	ORSP	Development
A specific program of work or research is proposed to, or required by, the sponsor.	 Proposal Clearance Form Request to Establish Grant Fund	
The sponsor requires an authorized institutional signature.	 Proposal Clearance Form Request to Establish Grant Fund	

<p>The sponsor requires or expects one or more progress reports, a final report, financial reports, and/or formal accounting of how the funds were expended, and/or a return of any unexpended balance.</p>	<p style="text-align: center;"> Proposal Clearance Form Request to Establish Grant Fund</p>	
<p>There are intellectual property, confidentiality and/or publication conditions associated with the receipt of funds.</p>	<p style="text-align: center;"> Proposal Clearance Form Request to Establish Grant Fund</p>	
<p>Grant proposals are submitted through the SFA Foundation [501(c)(3)].</p>	<p style="text-align: center;"> Request to Establish Grant Fund</p>	<p style="text-align: center;"> Proposal Clearance Form</p>
<p>If none of the above apply:</p>	Process through:	
	ORSP	Development
<p>Cash gifts are designated for research activities or</p>	<p>Research Gift Notice Form*</p>	<p style="text-align: center;"></p>

endowed chairs.		
Unrestricted or other cash gifts		
Donations of equipment and other non-cash items		
Not sure? Contact ORSP or call ext. 6606		
*To ensure that ORSP accurately completes a Current Year Award Checklist to capture all research expenditures for reporting purposes (to ensure maximum Research Development Funds from the state).		

Gift or Grant? Brochure

Research Gift Notification and Compliance Information Form

B. Description and Purpose of Grant Forms

ORSP Forms Page

1. Proposal Clearance and Compliance Forms (PCF) includes the **REQUIRED PI/PD and co-PI/co-PD Disclosures and Certifications, as well as lobbying status certifications for Federal awards** - REQUIRED to route pre-proposals, proposals, collaborative grant applications, and contracts from external sponsors for administrative signature approvals submitted by SFA and the SFA Foundation, Inc. All applications for funding and contracts from SFA and the SFA Foundation (regardless of the source of funds) should be approved in advance of submission by the appropriate chair(s), dean(s), vice president(s), and president.

PCFs are considered official documents. If substantive changes are made to a proposal after the PCF is routed for signatures, a new PCF must be routed with the revised documents.

Deans and academic chairs/directors are responsible for reviewing grant proposals and contracts and for assuring that the proposed commitments are feasible and support the mission of the university. This includes confirming that the following are appropriate, as applicable: (1) faculty and/or staff time commitments; (2) cost-share or matching commitments; (3) use of university facilities; (4) required facility modification or remodeling; (5) overall cost of equipment to be purchased, including shipping, set-up, and maintenance; and (6) new program or course development.

ORSP reviews, routes, and submits all grant applications except those that require submission by a 501(c)(3) tax exempt entity which are reviewed, routed, and submitted by the SFA Foundation, Inc.

To ensure that all required signatures can be obtained before the proposal deadline, the completed PCF and completed grant materials should be submitted to ORSP (or the SFA Foundation, as applicable) for review and routing **at least five working days** before the submission deadline. Note that for application packages requiring an in-depth review by ORSP or the SFA Foundation, completed grant application materials are needed a minimum of 10 working days prior to the submission deadline.

As soon as you have a grant idea or specific grant competition identified, please contact ORSP. We will advise you concerning submission materials required from both the sponsor and the university in addition to giving you a specific internal deadline. ORSP cannot guarantee submission of any proposal received after our internal deadline.

Neither ORSP or the SFA Foundation can guarantee submission of a proposal that does not adhere to this time line.

The completed PCF should routing with the following documents:

- a final budget (subject to ORSP and SFA Foundation approval);
- a final or final draft of the pre-proposal, proposal, SFA's portion of a collaborative application, or contract (all required sections must be submitted);
- a cost-share detail form and/or F&A/indirect cost reduction request form, as applicable;
- a copy of sponsor guidelines with documentation of sponsor-imposed limits on F&A rates, if applicable; and
- disclosures and certifications with appropriate signatures.

The Proposal Clearance and Compliance Forms document the following:

- Disclosure of involvement of human subjects, vertebrate animals, biohazards, or recombinant DNA in research, and any foreign involvement triggering export control monitoring;
- Disclosure of significant financial interests or family relationships of the principal investigator (PI), project director (PD), and any co-PIs/PDs, and termination of public transactions by cause or default;
- Certification that the PI/PD, and any co-PIs/PDs, have read and understood the SFA policy on conflicts of interest in sponsored projects, has made the required financial disclosures, and will work to manage, reduce, or eliminate potential conflicts of interest;
- Certifications that for federal applications the PI/PD, and any co-PIs/PDs, are not delinquent on any federal debt, including student loans, and are not presently debarred or suspended or voluntarily excluded from federal transactions;
- Assurance that no federal funds have been or will be paid to influence the granting of the award (lobbying);

- Assurance that the PI/PD, or any co-PIs/PDs, are not delinquent in submitting final project reports to sponsors for previous awards;
- Certification that the PI/PD, and any co-PIs/PDs, will assume full responsibility for ensuring project compliance with sponsor requirements and stipulations;
- Approval of the PI/PD, and any co-PIs/PDs, the chair(s), and dean(s) of the of cost-sharing or matching commitments listed in the proposal and permission to transfer cost-shared funds to a grant-specific FOP (see B, below); and
- Additional items listed on form Section 3 (Safety, Compliance and Restrictions) and Section 4 (Prior Institution Approvals).

Only the president has the authority to make commitments for the university and its employees. Only the CEO of the SFA Foundation has the authority to make commitments for the Foundation. No proposals will be submitted or contracts executed without the approval and/or signature of the president or delegated authority (or the CEO of the Foundation or delegated authority, as applicable).

2. Cost-share Budget Detail Form (CSB) - Required to provide detailed information on cost-shared, matched, and/or in-kind contributions to a sponsored project. The form provides the specific source of funds to be used to account for the cost-share commitment. Completed CSB forms should be submitted to ORSP with the PCF.

Upon award, Electronic Personnel Action Forms (EPAFs) for cost-shared salaries must be completed for all individuals who are cost-sharing salary (using the cost-share FOP).

For more information on cost-sharing and matching, see Part 4.

3. Subawardee Certification for Federal Projects Form (SUB) - Used at pre-award to obtain standard proposal information and to pre-certify potential subrecipients for federal and federal pass-through. This ensures that the subawardee listed in an SFA grant application has provided information required for federal awards, including federal assurances, program compliance, and requirements in 2 CFR 200.330-331. Pre-certification streamlines development and execution of subawards (or subcontracts for contract awards).

4. Request for Indirect Cost Reduction Form (ICR) - Used to request a reduction of the sponsor-allowed indirect cost (IDC) rate applied to a proposal or contract. SFA accepts all sponsor-limited rates when specified in the RFA, RFP, or other written sponsor guidelines. The ICR form is used when the

reduction is voluntary, rather than the result of a sponsor-imposed limitation. The principal investigator (PI) or project director (PD) must justify the request and the resulting loss in IDC revenue to the university.

IDC reduction requests must be pre-approved by the provost/VPAA before the PCF is routed.

ICR forms are not required if sponsor guidelines limit IDC. Attach a copy of the sponsor's IDC guidelines in lieu of this form.

If an IDC reduction is granted for a fixed amount award, the amount of reduced/waived IDC will be deducted from any balance remaining at the end of the project period based on university policy 8.12.

5. Additional Compensation Eligibility Verification Form (ACV) - Used to confirm that requests for SFA employees to receive payments in excess of their base salary meet the terms of the sponsor and university policies and guidelines. The request must contain the specific duties and payment terms that match the sponsor approved proposal/award (or in subsequent documents from the sponsor contracting official), and provide sufficient detail to confirm sponsor approval of extra pay for specific activities performed by SFA employees.

Federal and state sponsors have strict regulations concerning additional compensation.

For awards received prior to 12/26/14: refer to Federal OMB Circular [OMB A-21](#), Section J.10.a.&d.

For awards received after 12/26/2014: refer to **2 CFR 200.430 (a), (h)**; and the State of Texas Uniform Grant Management Standards ([UGMS](#)), Attachment A, Section A.3.

For more information, refer to SFA policy 12.1, *Compensation from Grants, Contracts, and Other Sponsored Agreements* and SFA policy 12.16, *Salary Supplements, Stipends, and Additional Compensation*.

6. Request to Establish Banner Fund Form (REF) for grants and contracts - Required to set up a Banner fund. After receiving notice of award and/or receipt of funds, the PI/PD submits an REF to ORSP for routing through the Controller's Office. ORSP must have a copy of the award notice, grant terms and conditions, and a detailed budget (either agency approved or internal for fixed-price awards) before the REF will be processed.

The REF also serves as a vehicle for the PI/PD to acknowledge and accept responsibility for the programmatic and fiscal management of the grant or contract. These are outlined in Section V.C., Responsibilities of the PI or PD.

As soon as the PI/PD completes a new award orientation session with ORSP staff (as needed) and receives the grant FOP number, funds may be expended within the grant period and according to the

sponsor and SFA-approved budget. The PI/PD will receive a copy of the completed form after all signatures have been acquired.

7. Program Income Notification Form (PIN) - Used to notify ORSP that program income is reasonably expected from a sponsored project, and to document the types of income expected and the rate schedule to be used. ORSP then determines the type of fund that needs to be established to record, track, and facilitate reporting of sponsored project income. For more information on program income, refer to section IX.I. For federal program income requirements, see **2 CFR 200.307**.

8. Budget Set-up and Revision Form (BUD) - Used in two instances: 1) to set up an initial project budget using SFA account codes; and 2) to request a budget revision during the grant period. The form aids in translating the budgets submitted to the sponsor into SFA budget categories. They also detail budget revision requests and accompany a Revision Clearance Form (RCF) for any budget changes. For more information, refer to Budget Management.

9. Expenditure (Cost) Transfer Request Form (CTR) - Used to request the transfer of allowable and allocable charges between funds (one grant to a university fund or one grant to another grant). Not all transfer requests are appropriate or allowable. Incomplete forms or forms with inadequate justification or documentation will be returned to the PI/PD or other fund manager. For more information including acceptable transfer reasons, refer to Budget Management.

10. Revision Clearance Form (RCF) - Used to obtain ORSP review and approval of project and budget revisions or amendments that require internal review and/or sponsor approval. ORSP must review all amendments that require sponsor approval or that will require budget modifications. If you are not sure if sponsor approval is required, please contact ORSP.

Refer to Project and Budget Amendments for details on the types of revisions that must be reviewed by ORSP, require sponsor approval, and for detailed instructions.

For budget changes, ORSP must receive the revised budget as approved by the sponsor so that the changes can be entered into the Banner accounting system and coordinated with grant accountants.

11. Research Gift Notification and Statement of Compliance Form (RGN) - Used to notify ORSP that a gift designated for research purposes has been received by the Office of Development. This notification helps to ensure that SFA is accurately recording and reporting research expenditures, which in turn increases state research funding to the university from the State of Texas Research Development Fund. The form is also used to inform gift recipients of potential compliance requirements associated with research conducted using a gift award.

*****Do not provide confidential donor information to ORSP.**

All gifts must be coordinated through the Office of Development.

12. Contract Request Form (CRF) - Used to request assistance from ORSP to develop a grant-related subaward or contract. This optional form requests standard information that is needed to complete an SFA contract template. Alternately, a PI/PD may develop a contract using one of the approved ORSP contract templates found on our Forms page. Regardless of who develops the contract, ALL contracts must be reviewed and routed to the university's general counsel by ORSP. (*Refer to Part 4. Developing Subawards and Subcontracts.*)

13. PI/PD Transfer of Project Responsibility Form (PTR) - Used to acknowledge the transfer of responsibilities for a sponsored project from one PI/PD to another and includes required federal disclosures. Must accompany a Revision Clearance Form (RCF) and a Financial Conflict of Interest (FCOI) disclosure form (for all federal and federal pass-through awards).

The PTR form does not substitute for formal requests or notifications required by a sponsor for any change in PI/PD. Contact ORSP to confirm appropriate procedures for a specific award/sponsor). ORSP will review award terms and contact sponsors for approval, as required.

14. Fixed-price Agreement Close-out and Certification Form (FPR) - Used to facilitate compliance with SFA policy 8.12 (Fixed Amount Awards), for the proper distribution of any unspent funds.

15. Change in Conflict of Interest Status Form (FCOI) - Used after the application stage as needed to update any potential financial conflicts of interest with grant applications, including family relationships, so that they can be managed appropriately. See **2 CFR 200.112**.

16. Report Approval Form (RAF) - Required for reports to external sponsors that require university certification (programmatic and/or fiscal reports) and/or ORSP submission. Should be used for all financial reports not prepared by the Controller's Office. Ensures compliance with [2 CFR 200.415 \(a\)](#).
