

## **Receipt and Administration of External Funds: Defining Sponsored Projects and Charitable Giving**

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### 1.0 PURPOSE

As state funding becomes less predictable, College of Charleston faculty and administrators are seeking increased extramural support for research, training, and service activities. At the same time, the College of Charleston Foundation is expanding its fund raising efforts to ensure the adequacy of resources for a number of institutional priorities. These concurrent activities within the two organizations necessitate a policy on proposal submission and administrative and fiscal responsibility for funds received. Although unique situations are expected to occasionally arise, the following general policy will ensure efficient receipt and administration of these external funds by the most appropriate organization.

### 2.0 RESPONSIBILITY FOR PROPOSAL PREPARATION AND SUBMISSION

#### 2.1 Office of Research & Grants Administration

The Office of Research & Grants Administration (ORGA), acting on behalf of the College of Charleston, has responsibility for proposal preparation and submission, award acceptance, and post-award administration for grants, contracts, cooperative agreements, consortium agreements, subgrants, and subcontracts from all governmental and many non-governmental funding entities. The Office of the Controller provides fiscal management of these awards. Awards administered by ORGA and financially managed by the Controller's Office are commonly referred to as "sponsored projects."

#### 2.2 Institutional Advancement

Institutional Advancement (IA), on behalf of the College of Charleston Foundation, solicits, receives, and administers charitable contributions, in-kind donations, and certain types of grants from individuals and non-governmental funding entities.

#### 2.3 Coordination of Efforts

2.3.1 Faculty members and administrators who contact the Office of Research & Grants Administration to request assistance in identifying and approaching potential funding entities for proposed projects will be assisted in identifying both governmental and non-governmental sources. When a particular non-governmental funding entity is identified, ORGA will determine if the proposed project should be submitted by the College or if it should be pursued through Institutional Advancement in accordance with Sections 3.0 and 4.0 of this policy. If the proposed project clearly falls within the purview of IA, the faculty member or administrator will be referred to IA for assistance in proposal preparation and submission.

2.3.2 Faculty members and administrators who contact IA to request assistance in identifying and approaching potential funding entities for proposed projects will be assisted in identifying non-governmental funding entities. When a particular funding entity is identified, IA will determine if the proposed project should be submitted by the College of Charleston Foundation or if it should be pursued through the Office of Research & Grants Administration in accordance with Sections 3.0 and 4.0 of this policy. If the proposed project clearly falls within the purview of ORGA, the faculty member or administrator will be referred to ORGA for assistance in proposal preparation and submission.

2.3.3 In all cases, ORGA and IA will make best efforts to identify the most appropriate funding sources for specific projects developed by faculty and administrators and to assist in proposal preparation as appropriate, regardless of which office ultimately will have responsibility for proposal submission and award administration.

### 3.0 TYPES OF AWARDS ACCEPTED AND ADMINISTERED BY THE OFFICE OF RESEARCH & Grants ADMINISTRATION ON BEHALF OF THE COLLEGE OF CHARLESTON

Proposed projects that will result in awards that can be described by any of the following criteria should be submitted to the funding entity through, and accepted and administered by, the Office of Research & Grants Administration:

3.1.1 The funding entity is a federal, state, or local government agency, a quasi-governmental agency, or a non-profit organization which receives a majority of its funding from federal, state, or local general revenues;

3.1.2 The funding entity refers to the award as a contract, cooperative agreement, consortium agreement, subgrant, subcontract, subagreement, master agreement, task order, or purchase order;

3.1.3 The funds are awarded following a competitive application or bid process (i.e., a call or request for proposals or applications that specifies the nature of project to be funded and imposes a proposal submission deadline);

3.1.4 The award requires delivery of a product, service, or other deliverable or outcome within a specified period of time and/or provides penalties

for failure to meet these terms;

3.1.5 The funding entity identifies a technical monitor for the purpose of monitoring performance and providing liaison between the funding entity and the award recipient;

3.1.6 The funding entity imposes publication restrictions and/or requires conveyance of rights to tangible property (equipment, records, technical reports, theses, or dissertations) or intangible property (rights in data, copyrights, or inventions) resulting from the funded project;

3.1.7 The project or activity involves the use of human research participants, animals, radiation hazards, biohazards, or recombinant DNA;

3.1.8 The funding entity requires detailed line item invoices and/or financial reports that document expenditures for the specific scope of work or set of activities performed;

3.1.9 Funds are received on a cost-reimbursement basis (except for challenge grant funds that may be drawn down periodically as matching funds are obtained); or

3.1.10 The funding entity stipulates other terms and conditions of award dealing with such topics as compliance with federal or state regulations, allowable and unallowable costs, subcontracting, insurance, warranties, indemnification or hold harmless requirements, protection of proprietary or confidential information, modifications, penalties, remedies, termination, applicable governing law, and/or assignment.

#### 4.0 TYPES OF AWARDS ACCEPTED AND ADMINISTERED BY INSTITUTIONAL ADVANCEMENT ON BEHALF OF THE COLLEGE OF CHARLESTON FOUNDATION

Proposed projects that will result in awards that can be described by any of the following criteria should be submitted through and accepted by Institutional Advancement on behalf of the College of Charleston Foundation:

4.1.1 Charitable contributions (the funding entity refers to the funds as a gift, bequest, donation, or contribution);

4.1.2 In-kind donations (the funding entity provides goods and/or services of value);

4.1.3 Grants from individuals and non-governmental funding entities that are given irrevocably and are intended for endowment, capital projects, student financial assistance (i.e., scholarships and fellowships), equipment, or for unrestricted support of an academic unit or program ; and

4.1.4 Grants from individuals and non-governmental entities that are not described by any of the criteria listed in Section 3.0 of this policy.

#### 5.0 TRANSFER OF ADMINISTRATIVE AND FINANCIAL RESPONSIBILITY FOR GRANT FUNDS

5.1 All grant funds received by the Foundation that are intended to pay for faculty, staff, or students for time and effort (compensation) expended on the project must be disbursed to these individuals through the College of Charleston payroll system. The Foundation may administer the grant funds and shall expect to receive an invoice from the College of Charleston for the amount of compensation, including applicable fringe benefits, paid on behalf of grant funded positions.

5.2 Because of specific terms and conditions of the award and/or rigorous financial or technical management and reporting requirements, some other grant funds received by the Foundation may be more effectively managed through the College's personnel, accounting, and procurement systems. IA staff, in consultation with ORGA staff as required, will review the award document and will consider if any of the following situations exist that may suggest that the funds should be transferred to ORGA for management:

5.2.1 The funding entity imposes complex and/or frequent management and reporting requirements that may be more easily met through the College's established post-award administration and grants and contracts accounting systems;

5.2.2 The funding entity requires the return of unexpended funds at the conclusion of the project;

5.2.3 The funding entity specifies an independent or governmental financial audit of the project after completion;

5.2.4 The project will involve frequent small purchases that can be most efficiently accomplished using a College-issued credit card;

5.2.5 The project will involve acquisition of equipment or durable goods that should be titled to the College and carried on the College's property management system for depreciation and insurance purposes;

5.2.6 The award presents potential conflicts of interest, including provision of support to a faculty member or administrator who has a financial interest in the funding entity; and

5.2.7 The funding entity requests or expects access to and/or authorization to utilize College of Charleston facilities and/or other College resources as a condition of award.

5.3 The College and the Foundation will maintain a Memorandum of Understanding (MOU) specifying the general provisions for the transfer of funds, including invoicing and payment terms and reporting requirements. Funds for individual projects will be transferred under the MOU via letter, which will include a brief description of activities to be undertaken ("scope of work"); the project timeline; the amount of funds to be transferred; a line item budget; any project-specific invoicing, payment, or reporting terms that deviate from the general terms of the MOU; and any other project-specific terms and conditions that must flow down from the funding entity's award to the Foundation.

5.4 If the funding entity provides funds to the Foundation for indirect costs (e.g., "facilities and administration costs" or "overhead") or administrative fees, the Foundation will transfer the proportionate share of those funds to the College based on the sponsor's formula.

5.5 Funds transferred from the Foundation to ORGA will be administered as sponsored projects in accordance with ORGA's policies and procedures.

## 6.0 DATA REPORTING

6.1 The Office of Research & Grants Administration maintains a database of sponsored projects. Grant funds transferred from the Foundation, will be included in this database, with the Foundation recorded as the "sponsor" for these projects.

6.2 In order to minimize duplicate reporting of external funding by ORGA and the Foundation, only those funds that are transferred from the Foundation to ORGA will be included in both organizations' reports.

## 7.0 RESOLUTION OF SPECIAL CASES

Staff of the Office of Research & Grants Administration and the Office of Institutional Advancement shall have responsibility for identifying any projects that cannot be addressed under the above general policy. In such cases, the Director of Research & Grants Administration (or his/her designee), the Senior Vice President for Institutional Advancement (or his/her designee), and the faculty or administrator directing the project will, in consultation with both organizations' fiscal managers as necessary, determine the most appropriate means of receiving and administering the funds. Unresolved cases will be referred to the President for final decision.

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