POLICY MEMORANDUM

UMKC
School of Medicine

Policy No. 12   **Grants and Contracts Administration**

August 28, 2012

The purpose of this memorandum is to reiterate the School of Medicine's policies and procedures regarding the administration of grants within the School of Medicine.

1. Roles and Responsibilities

a.) Dean

The Dean is the academic leader who has programmatic, managerial and fiscal responsibilities for the School of Medicine. Additionally, the Dean has responsibility for ensuring the ethical conduct of research and for establishing and maintaining a culture of compliance and integrity among faculty, staff and students.

b.) Department Chair

The Department Chair is the academic leader with program, managerial and fiscal responsibilities for his/her department. The Department Chair reports to the Dean and is responsible for establishing and promoting a culture of compliance and integrity within the department.

c.) Associate Dean for Research

The Associate Dean of Research or Designee (by the Dean) coordinates with the Principal Investigators and Office of Research Services to provide support for sponsored projects. Responsibilities include:
Approval of pre-award proposals and post-award modifications, i.e., no-cost extensions, re-budgeting of funds, carryover of funds from one budget period to another.

d.) UMKC Office of Research Services (ORS)

ORS reviews, approves, and provides the institutional signature for proposals, awards, project financial reports and all contracts, and is responsible for the dissemination and monitoring of Federal regulations and University policies and procedures regarding the management of sponsored programs and administers internal funding opportunities. ORS also functions as a liaison between sponsors and University investigators in matters of policy, procedures, and regulations. ORS provides communication, education, and training on proposals, awards, and contracts to the University-wide research community.

e.) School of Medicine Office of Research Administration (Research Administration)

The Office of Research Administration prepares institutional system signature pages for proposals, disseminates and collects semiannual effort verification reports for School of Medicine research faculty, and provides monthly expense reports for grant and designated non-grant research accounts. Research Administration functions as a liaison between ORS and School of Medicine investigators in matters of policy, procedures, and regulations. Research Administration monitors and maintains the accounting structure involved with purchasing, accounts payable, accounts receivable, and asset management transactions so expenses are properly stated in the University's financial statements.

f.) Principal Investigator

The Principal Investigator (PI) is responsible for all enterprises related to the ethical design, conduct and reporting of research. Additionally, the PI is responsible for the direction, oversight, conduct, financial management, successful completion, and reporting of the sponsored project, and for managing any collaborative relationships. The PI coordinates with Departments, School of Medicine, Research Administration, and ORS to conduct research in compliance with Federal regulations, sponsoring agency

policies and regulations, and University policies and procedures when making critical financial decisions related to expenditures on a research grant, cooperative agreement, training project, contract or other sponsored agreement. The PI reports to a department head or other designated official. Principal Investigator responsibilities include:

1. Preparation of Scientific Proposal
   a. Coordinate with Department and Research Administration to obtain internal approvals required by University policy and sponsoring agency guidelines prior to submitting proposal to sponsoring agency.
   b. Prepares scientific proposal in accordance with applicable Federal regulations and University and sponsoring agency policies and procedures.
   c. Designs the budget scope for proposals.
   d. Makes key budgetary decisions regarding preparation of categorized budget; verifies budget costs for accuracy and completeness.
   e. Develops budget justification in accordance with all applicable Federal regulations and University and sponsoring agency policies and procedures.

2. Conduct of Research
   a. Prepares and submits protocols to University compliance committees [i.e., Institutional Review Board, Institutional Animal Use and Care Committee, Institutional Biosafety Committee, etc.,] to support the research, ensures compliance with these protocols, and submits amendments or addendums when necessary.
   b. Reviews and signs award agreement, when required; complies with and implements award terms and conditions and subcontract Scope of Work [if applicable].
   c. Ensures ethical conduct and compliance with all University policies and UM Collected Rules and Regulations in all aspects of the research process, including but not limited to data acquisition, management, sharing and ownership; mentor/trainee responsibilities; publication practices and responsible authorship, peer review; and collaborative science.
   d. Obtains, maintains, and safeguards property used to conduct research in accordance with all applicable Federal regulations and University and sponsoring agency policies and procedures.

3. Project Reporting
   a. Prepares and submits accurate and timely technical/progress reports as specified in accordance with University regulatory and/or funding agency policies and procedures.
   b. Partners with the ORS to submit accurate and timely closeout documents to the sponsoring agency in accordance with agency policies and procedures.
   c. Supervises and approves the timely, applicable and complete posting of project expenses to the fund in accordance with University and sponsoring agency policies and procedures.

4. Financial Management
   a. Identifies and authorizes administration of sponsored funds, and coordinates with ORS to verify allowable project charges in accordance with applicable Federal regulations and University and sponsoring agency policies and procedures.
   b. Verifies the authenticity and accuracy of expended funds.
   c. Identifies and authorizes all cost sharing obligations, as appropriate.
   d. Reviews and approves appropriate Cost Transfer Requests in a timely manner.
   e. Coordinates with department and school administration to initiate resolution of any cost overruns.
   f. Coordinates with the School of Medicine Business Office on Personnel matters related to the Grant [see 3c, below].

5. Effort Reporting
   a. Reviews, adjusts, and by their signature, legally certifies the accuracy of their A-21 Effort Report.
   b. Certifies [if the employee is not available] A-21 Effort Reports for appropriate personnel within deadlines and according to Federal regulations and University and sponsoring agency policies and procedures.
   c. Returns signed A-21 Effort Reports to the School of Medicine Office of Research Administration in accordance with established policy.

g.) School of Medicine Business Office

The School of Medicine Business Office will provide Human Resource support and approve and administer correcting entries on project/program expenses. They will notify Research Administration when there is a change in the status of research key personnel.

2. Administrative Procedures

a.) Documentation

Careful and clear documentation of actions is proof of the investigator's conscientious exercise of the fiduciary responsibility inherent in the expenditure of public funds. Scientific and administrative activities are equally important in the successful conduct of a funded project. Moreover, all documentation is an important element in facilitating the annual Circular A-133 audit, program specific audits or Inspector General audits. Proper documentation for charges or cost transfers to a grant should pass the "stand alone" test. An interested party, without additional explanation, must easily understand the paper audit trail for a charge or transfer. For example, the documentation for a payroll cost transfer should explain the reason for the transfer. An explanation that merely states "to correct an error" is not sufficient and will not be processed.

b.) Management of Project Funds

1. The PI is responsible for all expenditures and the review of expenditures for accuracy. As such, the following procedures will apply:
   a. Research Administration will provide a monthly listing of expenditures to the PI for review. The PI shall return a signed copy of the statement, or a reply email approving the transactions, to Research Administration within 30 days of receiving the document.
   b. If the PI identifies any appropriate changes of expenditures following their review, and must notify Research Administration within 60 days of the transaction posting date. The School of Medicine Business Office will review the request of the change and correct if deemed appropriate. All expenditures/transactions should comply with the individual grant or contract agreement and OMB Circular A-133 regulations.
   c. Any corrections or changes to transactions must be requested, in writing, by the PI in charge of the grant.

c.) Salary Costs

1. The PI must notify Research Administration in a timely manner of receiving an award, of the salary and benefits of any and all personnel to be paid from the awarded grant or contract funds not identified in the new proposal submission.

2. To hire new personnel funded by a grant, the PI should provide Research Administration with the following information 60 days prior to the position need date:
   - Position Title
   - Funding Source
   - Salary & Benefits
   - Anticipated start and end date

   The above information will be reviewed, and if it meets the grant's requirements and the necessary funding is available the request to hire will be forwarded to the School of Medicine Business Office and Research Administration for processing. No offer of employment may be made to any individual without prior approval for the hiring of that individual from the Business Office. In the event funding is not available, the Business Office will notify the PI and the request to hire will not be processed.

3. To transfer salary from one funding source to another, the PI must notify Research Administration within 30 days of the payroll posting date.

4. If salary funding should end due to termination or resignation of the employee notify the Business Office immediately. If the employee is resigning the resignation letter must be sent to the Business Office.

d.) Grant or Contract Expiration

1. If a PI needs a No Cost Time Extension, assistance with an extension or modification, he/she must contact Research Administration 90 days prior to the grant ending date.

2. If the grant is ending the PI must provide Research Administration with the following information 60 days prior to the grant ending date:
   - Salary changes [what new funding source will grant personnel be paid]
   - All invoices and expected expenditures [subcontract payments or supply purchases]
   - Copies of all final technical and or progress reports due to the sponsor

3. Grant employees will be terminated effective with the grant expiration date lacking a resolution of a new funding source prior to the expiration date.

e.) A-21 Effort Verification Reports

1. Federal regulations require that the University maintain a system which distributes salary charges among direct activities [i.e.,. sponsored research, instruction, and clinical activity] and indirect activities [i.e., administration].

2. A reasonable estimate of the categories of work performed is expected. A-21 Effort Verification Reports are considered legal documents which attest to the honesty and reasonableness of such estimates.

3. Effort is determined as the total activity or work for which an individual is compensated by the University, regardless of the number of hours worked.

4. Individual project personnel are responsible for keeping records as necessary to support their effort expenditures.

5. Every person paid from a sponsored project, cost share on a sponsored project, work study, or federal appropriation must certify/verify how they spent their effort as described in University Policies, OMB Circular A-21, and in sponsored agreements.
   In compliance with this requirement, UM System will send each campus, thru the Office of Research Services, Effort Verification Reports. These reports are the "official reports" and must be reviewed, signed and returned to Research Administration to be forwarded to ORS within a specific timeframe determined by UM System.

6. University Effort Verification Report policies and guidelines, see the following link:
   http://ors.umkc.edu/post-award/reporting-invoicing/effort-reports

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