

# Policy 201 Grants Versus Gifts

---

## **Definition**

**Grant (or contract):** a written agreement representing the voluntary transfer of money or other assets by the sponsor in exchange for the (specifically enumerated) performance of services. This agreement often includes: proprietary rights to and provisions of work products often derived from this performance and some formal financial and/or technical reporting by the recipient. The agreement is enforceable by law, and performance is usually to be accomplished under time and other constraints, with the transfer of support revocable for cause.

**Gift (or donation):** a voluntary and irrevocable transfer of money, property, or other assets made by a donor without any expectation of, or receipt of, direct economic benefit or any other tangible compensation (i.e., goods and services). A gift or donation may, however, be restricted for a limited use.

## **Policy**

It is the Policy of the IUP Research Institute to mirror and enforce IUP's Policy Statement for the Classification of Gifts, Grants, and Contracts. This Policy is to clarify the roles of the various offices in the matter of the solicitation and administration of gifts and grants that originate from private corporations and foundations and to provide guidance and a review process for those cases that may seem unclear.

This Policy addresses gifts, grants, and contractual activities, including all aspects of those efforts which relate to identification, coordination, fund solicitation, acceptance, and administrative procedures. Areas of overlapping interest exist among private agencies, professional organizations, private foundations, corporate foundations, and corporations. These entities can sometimes be perceived as either donors or sponsors, depending on the circumstances of the solicitation and the specifics of the award document.

In cases where a donor/sponsor uses the terms gift and grant interchangeably or the definitions of either contradict those in this Policy, the definitions and procedures in this document will apply and supersede the award document.

Awards determined to be grants or contracts by definition will be the responsibility of the IUP Research Institute to submit and administer. Awards determined to be gifts will be the responsibility of University Relations to submit and administer. When an opportunity exists to leverage a gift with a grant or a grant with a gift, the IUP Research Institute and University Relations will work collaboratively for the good of the institution. The School of Graduate Studies and Research will be the conduit between the offices as needed.

Potential, but not all inclusive, characteristics of grants and gifts include:

**Grants:**

- a. The project commits the University to a specific line of scholarly or scientific inquiry, typically documented by a research plan or statement of work;
- b. A specific commitment is made regarding the level of personnel effort, deliverables, or milestones;
- c. Project activities are budgeted, and the award notice includes conditions for specific formal fiscal reports/audits and or invoicing;
- d. The project requires that unexpended funds be returned to the sponsor at the end of the project period;
- e. The agreement provides for the disposition of either tangible property (e.g., equipment, records, technical reports, theses or dissertations) or intangible property (e.g., inventions, copyrights, or rights in data) which may result from the project.

**Gifts:**

- a. There are no contractual requirements imposed. However, the gift may be accompanied by an agreement that restricts the use of the funds to a particular purpose;
- b. The donor expects nothing of value in return other than recognition and adherence to any restrictions;
- c. The award is typically irrevocable, with or without an expectation by the donor of the timing of expenditures. There is no formal required fiscal accountability (e.g. audit) beyond periodic progress reports and reports of expenditures. These reports may be thought of as a requirement for good stewardship, rather than as a contractual obligation.
- d. There is a request or expectation of a charitable gift receipt.

## Policy 202. Allowable Costs

---

### Definitions

**Allowable Costs** are costs that can be included as direct costs of a sponsored project or as indirect costs that can be included in the calculation of the indirect cost rate in accordance with the applicable Federal statutes, regulations and the terms and conditions of the award.

**Allocable Costs** are defined as costs that are chargeable or assignable to a sponsored project in reasonable proportion to the benefit provided or other equitable relationship.

### Policy

It is the Policy of the IUP Research Institute to monitor all expenses charged to sponsored agreements executed by the IUP Research Institute. Expenses incurred by a subcontracting agency (including IUP) are subject to audit at the request of the IUP Research Institute. A request for reimbursement or payment of invoices will be denied if expenses are considered unallowable by the OMB Uniform Guidance.

To be allowable under an award, costs must be allowable, reasonable and meet the following general criteria:

1. Be reasonable for the performance of the award and be allocable thereto under the principles outlined in the OMB Uniform Guidance.
2. Conform to any limitations or exclusions set forth in the principles of the OMB Uniform Guidance or in the award as to types or amount of cost items.
3. Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the organization.
4. Be accorded consistent treatment.
5. Be determined in accordance with Generally Accepted Accounting Principles (GAAP).
6. Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.
7. Be adequately documented.

A cost is allocable to a particular cost objective, such as a grant, contract, project, service or other activity in accordance with the relative benefits received. A cost is allocable to an award if it is treated consistently with other costs incurred for the same purpose in like circumstances and if it:

1. Is incurred specifically for the award
2. Benefits both the award and other work and can be distributed in reasonable proportion to the benefits received, or

3. Is necessary to the overall operation of the organization, although a direct relationship to any particular cost objective cannot be shown

A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a reasonable person under the circumstances prevailing at the time the decision was made to incur costs. In determining the reasonableness of a given cost, consideration shall be given to:

1. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or the performance of the award.
2. The restraints or requirements imposed by such factors as generally accepted sound business practices, arm's length bargaining, Federal and State laws and regulations, and terms and conditions of the award.
3. Whether the individuals concerned acted reasonably in the circumstances, considering their responsibilities to the organization, its members, employees, and clients, the public at large, and the Federal Government.
4. Significant deviations from the established practices of the organization which may unjustifiably increase the award costs.

The following expenses are generally considered unallowable. This list is NOT considered all-inclusive. The award document supersedes if there are any questions regarding an expense. The IUP Research Institute Grant and Contract Specialist should be contacted for clarification.

1. Advertising
2. Alcohol
3. Costs associated with fund-raising events
4. Event tickets
5. Faculty/Staff recognition or gifts
6. Fines/penalties
7. First class travel
8. Flowers
9. Gifts for visiting officials
10. Goods or services for personal use (rent, mortgage, maintenance, utilities, etc.)
11. Holiday decorations/events
12. Interest
13. Investment Management (such as investment counsel)
14. Lobbying
15. Losses on other sponsored projects
16. Parking & parking fines
17. Pre agreement costs
18. Public relations, selling, marketing
19. Social or recreational memberships (Country Club, etc)
20. Tuxedo/gown rental

It is the Purchaser's responsibility to understand and adhere to the Research Institute's Policies and Procedures and the funding agency's requirements related to purchasing when making purchases on behalf of the Research Institute or for a sponsored award that is managed by the Research Institute. The purchaser may be held responsible for the purchase if it is not allowed for the sponsored award or if the cost of the purchase is not covered by the approved budget for the award.

**Applicable Documents/Forms**

None

## Policy 203. Authorized Contracting & Negotiating

---

### Definitions

For the purpose of this document, **Contracting & Negotiating** is defined as discussions with a funding agency (or potential funding agency) regarding budget estimates, guarantees, allocation of costs, contracts or agreements and/or signing or committing to any contract, agreement, or document on behalf of IUP and/or the IUP Research Institute.

### Policy

It is the Policy of the IUP Research Institute that IUP faculty and staff are not authorized to conduct Contracting & Negotiating on behalf of IUP or the IUP Research Institute. All negotiations with the funding agency, budget preparation and submission, and dispute resolution are to be carried out by the IUP Research Institute staff. Neither IUP nor the IUP Research Institute is bound to honor agreements (verbal or written) made outside the cognizance of an authorized IUP Research Institute Grant & Contract Specialist. Awards made to IUP (per Policy 202- Proposal Submission) will be authorized and accepted by the designated IUP personnel as stated in the Presidential Signatory Authorization Letter. Awards made to the IUP Research Institute will be authorized and accepted by the designated IUP Research Institute personnel.

It is encouraged that Project Directors converse with funding agencies regarding the scope of project activities. This type of interaction is essential to the success of current projects and to securing future projects. However, it is imperative to the overall success and in preparation for audit, that the Grant & Contract Specialist is involved in any and all discussions relative to changing the scope of work, financial discussions, negotiations and commitments and expectations.

The IUP Research Institute is not bound to the use of rates or other budget figures negotiated with a funding agency by anyone other than authorized IUP Research Institute Grant & Contract Specialists. This includes rates used in preparation of fixed-price contracts. IUP Research Institute Grant & Contract Specialists will, when applicable, consult with IUP Budget Office for appropriate rates and budget figures and apply rates as established.

The IUP Research Institute reserves the right to deny, withdraw or refuse awards submitted outside the cognizance of the IUP Research Institute Grant & Contract Specialists. The IUP Research Institute Executive Director will, when applicable, consult with the IUP Dean of the School of Graduate Studies and Research and/or the Provost before denying, withdrawing or refusing awards.

## **Applicable Documents/Forms**

Policy 202. Proposal Development and Submission

## **Project Director Procedures**

1. Under NO CIRCUMSTANCES should a Project Director negotiate or sign to accept an award. Doing so could result in personal financial responsibility by the Project Director. Only personnel designated by IUP and/or the IUP Research Institute are authorized to accept a sponsored project award.
2. Project Directors should contact the IUP Research Institute immediately if they receive award documentation or requests for modifications to a pending proposal.

## **IUP RI Operating Procedures**

1. Upon receipt of award notification, the Grant & Contract Specialist will review award documents and forward to Project Director for review.
  - a. IP Checklist?
2. The Grant & Contract Specialist will seek fiscal, legal and SGSR review as needed.
  - b. When seeking IUP legal review, all requests must be routed through the Dean of SGSR.
3. The Grant & Contract Specialist is responsible for all agency negotiations.
4. The Grant & Contract Specialist is responsible for obtaining all required award signatures and submitting to contracting agency.

## Policy 204. Purchasing (Procurement)

---

**\*Note: The IUP Research Institute is taking advantage of the grace period in the Uniform Guidance for Procurement and will implement and utilize the new standards as stated in Section 45 CFR 74.327 effective July 1, 2017\***

### Definitions

For the purpose of this document, **Purchasing** is defined as the expensing or commitment of funds. **Capital equipment** (asset) is defined as an item with an acquisition cost of \$5,000 or more and has an extended lifetime of over one year. The **acquisition cost** of equipment includes installation charges and freight.

### Policy

It is the policy of the IUP Research Institute to monitor and require verification of all purchases of goods and services incurred on behalf of the IUP Research Institute.

All purchases of goods and services must be made within the following guidelines:

1. All purchases of goods and services must comply with Policy 404: Conflict of Interest.
2. All purchases must be expressly for IUP Research Institute business and not personal use.
3. This policy applies to ALL purchases regardless of the method of payment (i.e., invoice, cash, credit card or online transactions).
4. Purchases must be for legal goods and services. In addition, purchases of goods and services for use on sponsored projects must be allowable, allocable and reasonable as defined in the OMB Uniform Guidance, and these purchases must adhere to the guidelines established by the OMB Uniform Guidance.
5. The IUP Research Institute is not subject to PA sales tax when it purchases goods or services. It is the purchaser's responsibility to provide vendors with the IUP Research Institute's PA Sales Tax Exemption Certificate prior to any sales transaction (any sales tax paid that is not reimbursable from the funding agency is the responsibility of the purchaser). Contact the IUP Research Institute for the most recent Certificate.
6. All documentation resulting from the purchase (i.e., sales invoice, receipts, packing slips, etc.) must be promptly remitted to the IUP Research Institute .
7. It is the purchaser's responsibility to understand and adhere to the IUP Research Institute's Policies and Procedures and the funding agency's requirements related to purchasing when making purchases on behalf of the IUP Research Institute or for a sponsored award that is managed by the Research Institute. If a purchase is made for a sponsored award without prior approval by a member of the IUP Research Institute's staff who is authorized to approve such purchases, then the purchaser may be held responsible for the purchase if it is not allowed for the sponsored award or if



the cost of the purchase is not covered by the approved budget for the award.

**Applicable Documents/Forms**

IUP Research Institute Purchase Requisition Form

Policy 303: Unallowable Costs to Sponsored Agreements

Policy 404: Conflict of Interest

# Policy 205. Travel

---

## Definitions

**Common Carrier:** Private-sector supplier of air, rail or bus transportation.

**Coach-Class Fare:** The price of a coach fare available to the general public on a scheduled common carrier between the day that the travel was planned and the day the travel occurred.

**Per Diem Allowance:** A daily payment instead of a reimbursement for actual expenses for meals and related incidental expenses. The per diem allowance is separate from transportation and other miscellaneous expenses. The per diem allowance covers all charges including taxes and service charges for the following items:

- a. Meals
- b. Incidental expenses (per General Services Administration (GSA) schedule)  
<http://www.gsa.gov/portal/content/101518>

**Lodging:** The cost of hotel accommodations

**Privately Owned Vehicle (POV):** Any vehicle such as a car, light truck or motorcycle that is owned, leased or rented by the employee for personal use.

**Travel Advance:** Prepayment of estimated travel expenses.

**Fly America Act:** GSA 49 U.S.C. 41102 – covers rules for travel when airfare is financed by U.S. Government funds.

**Export Control Regulations:** Export control regulations are federal laws that prohibit the unlicensed export of certain commodities or information for reasons of national security or protections of trade.

## Policy

The IUP Research Institute follows the federal GSA schedule in payment for travel. Travel related expenses will be paid according to this schedule.

It is the Policy of the IUP Research Institute to monitor and require verification of all travel expenses incurred by IUP Research Institute employees while engaging in IUP Research Institute business. All expenses incurred and submitted for reimbursement must be **reasonable** in amount and for expenses incurred while engaged in IUP Research Institute business. Prior to making travel arrangements, the traveler should complete a Travel Authorization Form and have it reviewed and approved by the appropriate Grant

& Contract Specialist (GCS). Failure to complete the Travel Authorization Form may result in travel expenses not being approved for reimbursement.

Upon completion of approved travel, the traveler must submit the **Travel Expense Form** along with corresponding receipts to the IUP Research Institute for reimbursement of travel-related expenses. Failure to submit the expense form within thirty (30) business days following the last day of travel may result in denial of reimbursement.

Sponsored projects are also subject to the travel terms and conditions specified within the award agreement. If in conflict with this Policy, the terms of the award agreement govern.

**Allowable** travel expenses include, but are not necessarily limited to:

1. **Transportation expenses:** which include air fares, vehicle rental fees, mileage (POV only) and other expenses related to transportation. Air travel outside the United States that is funded by the Federal Government is regulated by the Fly America Act. The Fly America Act contains many specific rules for federally-funded international travel, e.g. coach-class air travel is required. Employees are expected to research and utilize the most cost effective or efficient travel as possible.
2. **Per Diem expenses:** include meals and incidental expenses. Expenses incurred for meals and incidentals are subject to and limited by the applicable rates established in the GSA's Domestic Per Diem Rate Schedule. Per Diem rates can be found at <http://www.gsa.gov/portal/category/21287>.
3. **Lodging:** will be reimbursed on the basis of receipts. Any overage above the single room rate, which is a result of non-official travelers utilizing the accommodations, will be the personal financial responsibility of the traveler. The traveler is responsible to insure that the room rate is reasonable. .

Travel expenses may be charged to the corporate credit card account. Refer to the Policy \_\_\_ on the use of Corporate Credit Cards for guidelines and restrictions.

**Unallowable** travel expenses include, but are not necessarily limited to:

1. Personal expenses incurred, even while traveling on agency business i.e., meals, lodging and incidentals for non-employees accompanying an employee engaged in business travel.
2. Lodging and other expenses for an employee who wishes to stay at the business location prior to the start of, or after completion of, agency business. Such expenses are the financial responsibility of the employee.

It is the traveler's responsibility to understand and adhere to the Research Institute's Policies and Procedures and the funding agency's requirements related to allowable travel expenses when traveling on behalf of the Research Institute or for a sponsored award that is managed by the Research Institute. If travel expenses are incurred for a sponsored award without prior approval by a member of the Research Institute's staff

who is authorized to approve such expenses, then the traveler may be held responsible for the travel expenses if they are not allowed for the sponsored award or if the expenses are not covered by the approved budget for the award.

### **Fly America Act**

It is required that all air travel conducted in conjunction with sponsored awards is compliant with GSA 49 U.S.C. 41102, the Fly America Act. The Fly America Act is applicable to all travel funded by [United States federal government](#) funds and requires the use of "U.S. flag" airlines (not to be confused with [flag carriers](#)) with a few exceptions. These individuals include U.S. federal government employees, their [dependents](#), consultants, contractors, grantees, and others. A summary of the Fly America Act is attached to this policy document. It is the traveler's responsibility to be compliant with the Fly America Act and all subsequent updates to the Act.

### **Export Control Regulations**

Export control regulations are federal laws that prohibit the unlicensed export of certain commodities or information for reasons of national security or protections of trade. An export license may be required before a controlled item or material may be exported. Please refer to Policy XXX. Export Control for information on additional regulations that may affect sponsored awards that include international travel and/or involve non-U.S. citizens.

### **Applicable Documents**

Fly America Act  
Travel Expense Form  
Travel Authorization Form

## Policy 206. Use of Corporate Credit Accounts

---

**Definition:** None Apply

### **Policy**

It is the policy of the IUP Research Institute to permit administrative employees to use the IUP Research Institute Corporate Credit Account (the “Account”) to make reasonable business-related purchases. Project employees may, upon approval from the Executive Director and an approved budget, be provided a pre-paid credit cards for project related expenses.

1. All purchases must comply with Policy 301: Purchasing and are not used to purchase items prohibited by law, rule, or regulation. Use of the Account is for IUP Research Institute business only.
2. Purchases made on a sponsored project must be allowable, allocable, and reasonable as defined in the OMB Uniform Guidance and must follow the specific award notification guidelines.
3. Amounts charged to the Account for travel related expenses must adhere to the Policy 506: Travel.
4. Itemized receipts and other documents must be promptly submitted to the IUP Research Institute for all Account purchases.
5. The employee must inform vendors of the IUP Research Institute’s PA tax-exempt status and obtain tax exemption for purchases where legally permissible.
6. The employee must resolve erroneous charges with vendors or the Credit Card Company, including any tax incorrectly charged.
7. The employee is responsible for safeguarding his/her Account Card.
8. The employee must report lost or stolen cards immediately to the Executive Director.
9. The employee must return the Account Card to the IUP Research Institute upon cessation of employment with the IUP Research Institute or at the request of the Executive Director.

An employee will be responsible for the cost of and be asked to make reimbursement for any expense charged to an Account card which does not meet the requirements of this Policy, or is not otherwise a legitimate business expense as solely determined by the IUP Research Institute’s

Executive Director.

**Applicable Documents/Forms**

Credit Card Agreement Form

## Policy 207. Time and Effort Reporting

---

### Definitions

**Effort**- the amount of personnel time spent on any work activity expressed as a percentage of time spent on total work activities by the employee.

**Effort reporting** - a process required by the federal government to verify that salary and wages charged to sponsored projects are allowable, accurate, timely, and reflect actual work performed.

### Policy

As a recipient of federal funding, the IUP Research Institute is required to comply with the OMB Uniform Guidance as well as other federal requirements for certifying effort expended on sponsored awards. If the funding agency has more stringent requirements, then the funding agency guidelines will be followed.

Full time, exempt, salaried employees whose time is committed to a sponsored project will complete a time and effort certification at least semi-annually in accordance with procedures to be established by the IUP Research Institute. This includes all time worked on sponsored projects and non-sponsored activity. It does not include work for which the employee receives compensation directly from another employer.

Effort is not calculated on a 40-hour workweek. The total effort reported by the employee must account for all the work performed by the employee and cannot exceed 100%. The percentage worked is calculated by dividing the project activity hours worked by the total hours worked during the reporting period.

The IUP Research Institute uses an “after-the-fact” reporting system to ensure that individuals confirm their effort expended on funded activities. The distribution of salaries and wages to sponsored projects must be supported by time and effort reports signed by the employee and the Principal Investigator or supervisor that has knowledge of hours worked. Committed cost sharing, either voluntary or mandatory, must also have supporting time and effort reports.

## Policy 208. Subrecipient

---

### **Definition:**

For the purpose of this policy, subrecipient is defined as a non-federal entity that receives a subaward from a pass-through entity to carry out part of grant award; but does not include an individual that is a beneficiary of such programs (200.93). A contractor is defined as an entity that receives a contract, i.e., a legal instrument by which a non-federal entity purchases property or services needed to carry out the project or program (200.23).

### **Policy:**

The IUP RI is responsible for monitoring the programmatic and financial activities of its subrecipients in order ensure proper stewardship of sponsor funds. This policy addresses institutional responsibilities and assists Project Directors and staff to ensure that, in addition to achieving performance goals, subrecipients comply with Federal laws and regulations and with the provisions of any prime agreements that govern the award.

OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) (“Uniform Guidance”), specifically sections 200.330 and 200.331, requires prime recipients of federal funds to monitor subawards and to ensure subrecipients meet the audit requirements in Subpart F and use funds in accordance with applicable laws, regulations and terms of the award. This Subrecipient Monitoring Policy applies to all subawards issued under sponsored programs made to IUP and the IUP Research Institute, without regard to the primary source of funding.

IUP RI will inform all subrecipients of all applicable laws and regulations and all appropriate flow-down provisions from the prime agreement

### **Applicable Documents/Forms:**

- Subrecipient or vendor determination checklist
- Subrecipient introduction, profile, and commitment forms
- Subaward modification request form
- Subaward release of claims form
- Subrecipient risk analysis template



## Policy 209. Cost Transfers

---

### Definitions

**Cost Transfers** are defined as reallocation or redistribution of a previously charged expenditure to another fund/org/account.

**Date of Occurrence** is defined as the date when the expense is initially posted in the financial system.

### Policy

It is the Policy of the IUP Research Institute that cost transfers on Sponsored Awards are generally not permitted. It is the responsibility of the Principal Investigator when dealing with federal and other sponsored projects to comply with all government and sponsor rules and regulations and follow established standards. Costs should be charged to the appropriate fund/org/account when first incurred.

**Auditors and sponsors will typically be suspicious of cost transfers with the following characteristics:**

- Costs transferred long after the original charges were recorded;
- Transfers supported by inadequate documentation or justification; and
- Transfers made at the end of a project that relieve cost overruns or spend out a project.

**Examples of circumstances where cost transfers are typically allowable:**

- Transfer of pre-award costs;
- Correction of a clerical error (often involving transposed or mistyped characters);
- Reallocate effort to reflect actuals; and
- Reallocate costs when originally charged to a central administrative purpose.

**Examples of circumstances where cost transfers may not be allowed:**

- Reallocation of expenses because the grant has unexpended funds;
- Transfer of costs after the end date of a project onto an active project;
- Transfers without explanation as to why the error occurred and how the expense is appropriate to the project to which it is being moved;
- Transfer of an expense that was previously transferred;
- Charges to another grant to expedite an order;
- A transfer that is late because the Principal Investigator was out of town;
- A transfer that is late because the department was understaffed.

Allowable cost transfers for expenditures being ***added to*** sponsored awards such as retroactive payroll expense transfers and non-payroll expenditure transfers should be made promptly after the error occurs, but no later than 90 days following the date initially recorded unless a longer period is approved in advance by the sponsor's Program Manager. Reallocation or redistribution of a previously charged expenditure ***detected*** later than 90 days after the expense was initially recorded may not be processed ***except*** for situations which lead to an inappropriate overpayment to the IUP Research Institute or if approved in advance by the sponsor's Program Manager. Cost transfers for expenditures being removed from a sponsored award and moved to a non-award related account due to clerical or bookkeeping errors should occur as soon as the error is detected..

Cost transfers requested within the final 90 days of the period of performance of a sponsored award will be given additional scrutiny as this practice is discouraged by most federal agencies. Under no circumstances may funds from one project be used to cover cost overruns for another project, even if both projects are managed by the same Project Director. Accounts for externally funded projects are subject to strict adherence to the terms and conditions of the agreement between the funding agency and the IUP Research Institute.

All cost transfers of expenditures onto sponsored awards should be approved by the Principal Investigator and the Grant & Contract Specialist and must include a Cost Transfer Form that provides the following details:

- Description of the occurrence
- How the expense benefits the receiving award
- Verification that the cost is allowable and allocable to the receiving award
- Explanation as to what steps will be taken to prevent such occurrences in the future

It is the Purchaser's responsibility to understand and adhere to the Research Institute's Policies and Procedures and the funding agency's requirements related to purchasing when making purchases on behalf of the Research Institute or for a sponsored award that is managed by the Research Institute. The purchaser may be held responsible for the purchase if it is not allowed for the sponsored award or if the cost of the purchase is not covered by the approved budget for the award.

### **Applicable Documents/Forms**

Cost Transfer Authorization Form

## **Policy 210. Cash Advancements**

---

### **Definitions**

For the purpose of this document, **Cash Advance** is defined as an outlay or disbursement of cash for an identified planned expense prior to incurring the expense.

### **Policy**

It is the Policy of the IUP Research Institute to generally not authorize a cash advance for expenses. Only in very limited situations will a cash advance be approved. The IUP Research Institute reserves the right to deny reimbursement of expenses made without prior authorization.

### **Applicable Documents/Forms**

Cash Advance Form

## **Policy 211. Accounts Receivable**

---

### **Definition**

Accounts Receivable (A/R) is the amount of funds owed to the IUP Research Institute.

### **Policy**

All appropriate and cost-effective actions to collect accounts receivable will be taken by the IUP Research Institute with the objective of proper management of IUP Research Institute accounts receivable. Accounts receivable will be billed according to the award agreement. A concerted effort will be made to collect outstanding invoices, including the current amount due, or applicable installment payments.

An account is generally considered delinquent if it is at least 60+ days past due, and no arrangements have been made by the debtor to satisfy the obligation. Accounts receivable that are over 180 days past due must be reported by the fiscal department of IUP Research Institute to the Executive Director. The IUP Research Institute Finance Committee will be notified by the Executive Director of all accounts receivable with delinquencies over 1 year. Legal counsel will be consulted to discuss the appropriate legal action.

## Policy 301. Human Subjects

---

### **Definition**

None Apply

### **Policy**

It is the Policy of the IUP Research Institute for the Protection of Human Subjects (IRB) to comply with all applicable federal regulations for the protection of human subjects.

Approval by the IRB committee or the submission date of the Protocol Form must be documented on the Proposal Authorization form and provided to the IUP-RI Grant & Contract Specialist prior to proposal submission.

The IUP Institutional Review Board must have reviewed all research protocols before the project begins. Certain projects require continuing review and continuation funding may be affected if procedures are not followed. For more information, contact the School of Graduate Studies and Research at 724-357-7730.

To access IUP Policy go to <http://www.iup.edu/irb>

*Note that additional proposal development processing time may be required to assure compliance with federal regulations.*

### **Applicable Documents/Forms**

IRB Protocol Form (*See Appendix A – Forms*)

## Policy 213. Document Retention

---

### Definitions

None Apply

### Policy

- All sponsored project files will be retained by the IUP Research Institute for three (3) years following the close out of the award. The following exceptions apply to this rule:
  1. If any litigation, claim or audit has started before the expiration of the three year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved and final action taken.
  2. Record for real property and equipment acquired with federal funds shall be retained for three (3) years after final disposition.
  3. If the sponsor requires a longer retention period than established, the IUP Research Institute will comply.
  
- All fiscal documents will be retained by IUP Research Institute according to a schedule established by the IUP Research Institute. This schedule will adhere to agency regulations and to standards accepted by the accounting industry for Fiscal Document Retention.
  - If the sponsor requires a longer retention period than established, the IUP Research Institute will comply.

## Policy 214. Residual

---

### Definitions

The IUP Research Institute will close-out an award when it determines that all applicable administrative actions and all required work of the award in accordance with the award requirements have been completed and final payment has been received.

For the purpose of this document, a **Residual** is defined as monies remaining from firm-fixed price contracts after all expenses, including full facilities & administrative costs have been recovered.

For the purpose of this Policy, a **Revolving Account** is defined as an internal account that will be maintained by the IUP Research Institute in accordance with this Policy.

### Policy

It is the policy of the IUP Research Institute to establish Revolving Accounts and authorize expenditures from these accounts in accordance with all federal, state and organizational regulations and policies. This Policy applies to all projects that the IUP Research Institute manages on behalf of IUP. Revolving Accounts may be established with residual funds and/or other funds. A separate Revolving Account will be established upon receipt and approval by the IUP Research Institute of an applicable Application Form.

After the close-out of an award, the initial residual amount up to a maximum of under \$100.00 will be put into a designated fund by the RI with the approval of the Executive Director for general use by the IUP Research Institute in furtherance of its mission. However, if the Principal Investigator is part of a Center or Institute, the \$100.00 will not be so applied.

The Principal Investigator will receive the full amount of residual funds between \$100.00 and \$1,000.00.

The following distribution will be utilized on all residual funds in excess of \$1,000.00:

- 60%        Principal Investigator
- 20%        Department
- 20%        College

If the Principal Investigator does not fall under a Department, the distribution will be 80% Principal Investigator and 20% College.

If the Principal Investigator is part of a Center or Institute, all residual funds will revert to the Center or Institute's Revolving Account instead of the Principal Investigator.

If an F&A waiver or reduction was granted to the project, a redistribution of F&A will occur to allow full recovery of F&A expenses permissible under the current F&A agreement.

Those who cease to be employees of IUP shall cease to have any further rights or control on any funds remaining in Revolving Accounts. The initial funds in each such Revolving Account up to a maximum of \$1,000.00 will revert to the IUP Research Institute to be used to support faculty. Funds over \$1,000.00 will revert to the College's Revolving Account.

For each Revolving Accounts an annual 2.0% administrative fee will be deducted by the IUP Research Institute on the available amount.

Revolving Accounts will be established and maintained at the IUP Research Institute and any expenses will be in accordance with Policy 301; Purchasing. Purchases will be processed in compliance with all applicable legal and auditable requirements and must be in support of research, in furtherance of the research agenda, and/or in furtherance of a legitimate purpose related to the mission of the applicable unit (i.e., College, Department, and Center/Institute).



## Policy 301. Human Subjects

---

### **Definition**

None Apply

### **Policy**

It is the Policy of the IUP Research Institute for the Protection of Human Subjects (IRB) to comply with all applicable federal regulations for the protection of human subjects.

Approval by the IRB committee or the submission date of the Protocol Form must be documented on the Proposal Authorization form and provided to the IUP-RI Grant & Contract Specialist prior to proposal submission.

The IUP Institutional Review Board must have reviewed all research protocols before the project begins. Certain projects require continuing review and continuation funding may be affected if procedures are not followed. For more information, contact the School of Graduate Studies and Research at 724-357-7730.

To access IUP Policy go to <http://www.iup.edu/irb>

*Note that additional proposal development processing time may be required to assure compliance with federal regulations.*

### **Applicable Documents/Forms**

IRB Protocol Form (*See Appendix A – Forms*)

## Policy 302. Animal Care & Usage (IACUC)

---

### Definitions

None Apply

### Policy

It is the Policy of the IUP Research Institute to comply with applicable federal regulations and with IUP policies for the protection of vertebrate animals.

All research and teaching involving the use of vertebrate animals must be reviewed and approved by the Institutional Animal Care and Use Committee (IACUC) prior to the procurement or use of the animals. Certain projects require continuing review and continuation funding could be affected. The IUP established Institutional Animal Care and Use Committee (IACUC) will be utilized for IUP and IUP Research Institute sponsored projects involving vertebrate animals.

Approval by the IACUC committee or the submission date of the Protocol Form must be documented on the Proposal Authorization form and provided to the IUP Research Institute Pre-Award Grant & Contract Specialist prior to proposal submission.

To access the protocol form and for additional guidelines go to <http://www.iup.edu/page.aspx?id=6561>

*Note that additional proposal development processing time may be required to assure compliance with federal regulations.*

**Applicable Documents/Forms:** IACUC Review Protocol Form (*See Appendix A – Forms*)

**Project Director Procedures:** See guidelines accompanying the Protocol Form (*See Appendix A – Forms*)

**IUP RI Operating Procedures:** IUP Research Institute staff will direct the Project Director to work collaboratively with appropriate committees and representatives of IUP to ensure compliance with the Animal Care & Usage (IACUC) Policy.



## Policy 303. Biosafety/Biohazards

---

### Definitions

For the purpose of this document, **Hazardous Waste** is defined as waste with properties that make it dangerous or potentially harmful to human health or the environment (Environmental Protection Agency).

For the purpose of this document, **Biohazardous material** is defined as all infectious agents or biologically derived infectious materials that present either a risk or a potential risk to the health of humans or animals, either directly through infection or indirectly through damage to the environment.

### Policy

It is the Policy of the IUP Research Institute to comply with applicable federal regulations and with IUP policies for the handling and disposal of hazardous and biohazardous materials. The University Hygienist is charged with implementation and enforcement of federal regulations and IUP Policy and it is the responsibility of the Project Director to make arrangements for a review by the University Hygienist.

Federal law mandates that universities ensure the proper handling and disposal of chemicals, hazardous wastes and other biohazardous materials. For more information, contact the University Hygienist at 724-357-5705

*Note that additional proposal development processing time may be required to assure compliance with federal regulations.*

**Applicable Documents/Forms:** None

### **Project Director Procedures:**

1. Contact the University Hygienist at 724-357-5705 during the proposal development phase if any hazardous wastes or biohazardous material will be included in the project.

### **IUP RI Operating Procedures**

IUP Research Institute staff will direct the Project Director to work collaboratively with appropriate committees and representatives of IUP to ensure compliance with the Biosafety/Biohazards Policy.

## **Policy 304. Scientific Misconduct/Integrity in Research**

---

### **Definitions:**

For the purpose of this document, **Scientific Misconduct** is defined as fabrication, falsification, plagiarism, or other practices that seriously deviate from those that are commonly accepted within the scientific community for proposing, conducting, or reporting research. It does not include honest errors or honest differences in interpretations or judgments of data.

### **Policy:**

It is the Policy of the IUP Research Institute to foster a research environment that encourages ethical conduct in all research and that supports the policies of IUP regarding integrity in research. In collaboration with the IUP policy on Research Misconduct, as well as the faculty side letter (and all associated definitions and time frames), the IUP Research Institute will deal promptly and thoroughly with reports of possible scientific misconduct associated with research. It is the policy of the IUP Research Institute not to tolerate scientific misconduct.

The IUP Research Institute Executive Director will report possible scientific misconduct in connection with sponsored projects of IUP personnel to the Dean of the School of Graduate Studies and Research and/or the Provost. The RI Executive Director will report possible scientific misconduct by IUP Research Institute employees to the IUP Research Institute Board of Directors.

### **Applicable Documents/Forms:**

None

### **Project Director Procedures:**

Not Applicable

### **IUP RI Operating Procedures**

IUP Research Institute staff will work collaboratively with the Assistant Dean for Research from the School of Graduate Studies and Research to ensure compliance with the Scientific Misconduct/Integrity in Research Policy.

## Policy 305: Export Control

---

### **Definitions**

**Export** – taking or sending out of the United States in any manner any articles controlled under the export regulations. This includes video and audio disclosures as well as transfers and disclosures of controlled items and technology in this country (deemed exports) to a foreign person. The term also applies to re-exports or retransfers of controlled items for a use, end user, or destination not previously authorized.

**Deemed Export** – Items or information provided to a foreign individual in this country who is not a "U.S. Person" as defined below are considered a "deemed export" to that individual's country of citizenship.

**U.S. Person** – a lawful permanent resident or citizen of the United States or other protected individual, corporations, businesses, partnerships or other entities incorporated to do business in the United States as well as all governmental agencies (federal, state or local).

**Foreign Person** – Any person or entity that does not meet the definition of a U.S. Person

### **Policy**

It is the IUP Research Institute policy to comply with U.S. export control laws. Export control laws restrict certain types of information, technologies and commodities that can be transmitted overseas to entities and individuals, including U.S. citizens, or made available to foreign nationals on U.S. soil.

In addition, economic sanctions laws and regulations restrict providing certain goods or services to sanctioned or embargoed countries or to entities or individuals identified on any Restricted Parties screening lists including those on the List of Specially Designated Nationals and Blocked Persons (SDN List).

Governing agencies include:

- The Department of State, through the International Traffic in Arms Regulations (ITAR), regulates the export of defense articles, defense services and related technical data as defined in the ITAR.
- The Department of Commerce, Bureau of Industry and Security (BIS) implements the Export Administration Regulations (EAR) which governs export of certain dual-use technologies, information and software - material not specifically designed for use in a military setting that can be used in either a civil or military

setting. U.S. export controls also apply to re-export of items, software and technology subject to U.S. law from one foreign country to another.

- The Department of Treasury, through its Office of Foreign Assets Control (OFAC), maintains comprehensive and targeted economic sanctions programs that restrict or prohibit a wide range of export and other transactions that may include educational services involving designated countries, entities and individuals.

## Policy 306. Intellectual Property

---

### Definitions

For the purpose of this document **Intellectual Property** as defined allows people to own their creativity and innovation in the same way that they can own physical property. The owner of IP can control and be rewarded for its use, and this encourages further innovation and imagination to the benefit of us all. This includes property that derives from the work of the mind or intellect, specifically, an idea, invention, trade secret, process, program, data, formula, patent, copyright, or trademark or application, right, or registration.

### Policy

It is the Policy of the IUP Research Institute to comply with and facilitate university and relative Collective Bargaining Agreement provisions. The intellectual property rights related to each sponsored project must be independently evaluated and determined on a case-by case basis. More information is available in the APSCUF Collective Bargaining Agreement (Article 39: Intellectual Property); the PASSHE Technology Transfer Policy or from the IUP School of Graduate Studies and Research.

**Applicable Documents/Forms:** None



## Policy 307. Financial Conflict of Interest

---

### Definition

For the purpose of this document, **Conflict of Interest** is defined as situations in which employees, project directors, and/or anyone possessing influence over project activities are in a position to gain a financial advantage or personal benefit (broadly construed).

For the purpose of this document, **financial advantage** is defined as anything of monetary value, including, but not limited to:

- salary or other payments for services (e.g., consulting fees, honoraria, gifts, or employment with an outside organization) that is related to the grant/contract;
- equity interests (e.g., stocks, stock options or other ownership interests);
- intellectual property rights (e.g., patents, copyrights and royalties from such rights); and
- membership on a governing board.

The term does not include:

- (1) Salary, royalties, or other remuneration from IUP;
- (2) Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
- (3) Income from service on advisory committees or review panels for public or nonprofit entities;
- (4) An equity interest that when aggregated for the investigator and the investigator's spouse and dependent children, meets both of the following tests: does not exceed \$10,000 in value as determined through reference to contemporary published prices or other reasonable measures of fair market value, or, does not constitute more than a five percent ownership interest in any single entity; or
- (5) Salary, royalties or other payments that when aggregated for the investigator and the investigator's spouse and dependent children over the next twelve months, are not expected to exceed \$10,000.

The exclusions in items (1), (4), and (5) shall not apply if the compensation or transfer of an equity interest is conditioned upon a particular outcome in a sponsored project.

## **Policy**

It is the Policy of the IUP Research Institute to ensure that even the appearance of conflicts of interest have been addressed and acted upon. It is a requirement that individuals who may have opportunity to be in a position for potential influence on fiscal and/or contractual aspects of sponsored awards managed by the IUP Research Institute have an obligation to report actual, potential, or perceived ethical, legal, financial, or other conflicts of interest to the IUP Research Institute Executive Director or the IUP Dean, School of Graduate Studies and Research.

At any stage in the proposal or award cycle, individuals as noted above are required to disclose any financial interests they or their immediate family hold. In the event a potential conflict of interest is identified, the responsible party(ies) must disclose the potential Conflict of Interest in writing to the IUP Research Institute Executive Director. All state employees disclosing a potential conflict of interest must also complete the State Ethics Commission disclosure form (SEC-1). The disclosures will be evaluated by the IUP Research Institute Executive Director in consult with an IUP designee. The Executive Director will respond, in writing, with either approval to proceed or recommendations to modify or remove the Conflict. Potential conflicts will be disclosed in writing to the funding agency either through the identified processes or the program officer. When a disclosure has been approved, follow-up reports must be submitted whenever circumstances surrounding the activity or relationship changes significantly. Approval may be withdrawn or modified if it is determined that a responsible party misrepresented the nature of his or her interest in an entity, or if circumstances change in such a way as to create an unacceptable conflict of interest.

Approval will not be granted in cases that would:

- o give improper advantage to the entity with whom the responsible party(ies) has a relationship;
- o lead to misuse of institution(s) students or employees for the benefit of such entities;
- o otherwise interfere with the duties and responsibilities of the official, faculty member, or other responsible party maintaining a relationship;
- o be so influential as to impair impartiality in conducting research, interpreting research results, or determining research or other professional and employment priorities;
- o present an unacceptable conflict of interest; or
- o otherwise constitute a harmful interest or violate federal, state, or institutional policies or procedures.

This policy extends to anyone who is designating time on the project or has influence on project activities, including subcontractors. Such individuals must either complete the SEC-1 form and/or provide certification from their home institutions that they are in compliance with Federal disclosure policies and that their portion of the project is in compliance with their institutional policies.

For guidance and additional information on IUP's Conflict of Interest Policy, please access <http://www.iup.edu/page.aspx?id=80051>.

**Applicable Documents/Forms**

SEC-1 Form (*See Appendix A – Forms*)

## **Policy 308. Internal Control Policy**

---

### **Definition**

None Apply

### **Policy**

IUP Research Institute Board of Directors has directed management to establish controls to insure that:

1. All transactions are properly recorded in accordance with generally accepted accounting principles.
2. All accounting estimates are reasonably made in accordance with current circumstances.
3. Periodic financial statements will be prepared from records derived from the established accounting system.
4. All assets of the company are properly protected from unauthorized use and theft.

IUP Research Institute management is responsible for the proper establishment, implementation, and discipline related to this Policy.

### **RI Procedures**

Not applicable



## **Policy 309. Code of Ethics**

---

### **Definition**

None Apply

### **Policy**

IUP Research Institute financial professionals will:

1. Engage in and promote honest and ethical conduct, acting with integrity and exercising at all times their best independent judgment.
2. Avoid actual or apparent conflicts of interest between personal and professional relationships and disclose to the Board of Directors any material transaction or relationship that reasonably could be expected to give rise to such a conflict.
3. Produce full, fair, accurate, timely and understandable disclosure in reports and documents that are made public or to the Board of Directors.
4. Comply with applicable governmental laws, rules, and regulations.
5. Promptly report any possible violation of this Code of Ethics to the Chairman of the IUP Research Institute Board of Directors.
6. All financial professionals are prohibited from directly or indirectly taking any actions to coerce, manipulate, mislead, or fraudulently influence the IUP Research Institute auditor in their performance of their duties.

All financial professionals will be held accountable for their adherence to this Code of Ethics. Failure to observe the terms of this Code of Ethics may result in disciplinary action, up to and including termination of employment. Violation of this Code of Ethics may also constitute violations of law, and may result in civil or criminal penalties for the individual, his or her supervisor, and the IUP Research Institute.



## Policy 310. Lobbying

---

### Definitions

For the purpose of this document, **Lobbying** is defined as any activity designed to influence a Member of Congress to favor or oppose any legislation (including appropriation), whether before or after the introduction of any bill or resolution proposing such legislation.

### Policy

It is the Policy of the IUP Research Institute to comply with all applicable provisions of Section 1352, Title 31, U.S. Code that prohibits recipients of federal funds--whether grants, contracts, operative agreements--from using those funds to lobby to obtain, extend, or modify a federal award. The regulation is intended to prevent the use of federal funds for lobbying, and to monitor the lobbying expenditures of federal funds recipients. Even though the recipient of federal funds is legally the institution, individuals who are employed by the institution are specifically included in the regulation.

Items of the law which apply to Project Directors, Co-Project Directors, IUP administration and personnel of the IUP Research Institute may include the following:

1. Federal funds may not be used to influence or attempt to influence any member of the Executive or Legislative branches of government (including any agency employee) for the purpose of securing a grant, contract, or cooperative agreement or an extension, renewal, or modification. Charging travel expenses to a federal award or drawing salary from a federal award while attempting to influence the award of federal funds for a specific program is defined as lobbying, and is prohibited. You may not make such expenditures personally nor hire someone to do so on your behalf.
1. If the proposed award exceeds \$100,000, the IUP Research Institute must certify at the time of proposal submission that IUP and IUP Research Institute will abide by the regulations in (1) above. If lobbying has occurred using non-federal funds, a report of such lobbying activities must be submitted.
2. Fines of \$10,000 to \$100,000 along with other remedies may be imposed for each violation of these lobbying regulations.

In connection with each proposal, the IUP Research Institute routinely submits a Certification that we have not lobbied at the time of proposal submission or prior to receipt of the award. If you or your staff is aware of any facts that make this Certification inaccurate, please let us know immediately.



No one may, while paid with federal funds or using grant funds for travel expenses, urge an agency to support a specific proposal. It is acceptable to ask "when will a decision be made on my proposal?" It is not acceptable to describe why your proposal should be funded rather than a competitor.

It is not the intent of the regulation to prohibit the normal interchange between a faculty member and a program officer at an agency. However, there is no clear line marking where optimistic discussion of research progress ends and discussion of a new or renewal award begins. Federal program officers have received training on this matter and should know when to cut off discussion, but the responsibility is a joint one. If you are unsure, ask your federal program officer or the IUP Research Institute staff.

**Applicable Documents/Forms**

None

# Policy 311. Investments

---

## **Definition**

None Apply

## **Introduction**

The purpose of this Policy is to provide the basis for the IUP Research Institute to manage responsibly the funds in its custody in accordance with the investment objectives agreed upon by the IUP Research Institute Board of Directors and IUP under the general terms of the Pennsylvania State System of Higher Education POLICY 1986-02-A INVESTMENT (Adopted: January 12, 1986 and Amended: January 19, 1988; October 19, 1989; October 18, 1990; October 21, 1993; October 19, 1995; and October 9, 1997).

## **Investment Philosophy**

In keeping with its legal status as a State Board of Governor's approved affiliate of Indiana University of Pennsylvania, IUP Research Institute recognizes a fiduciary responsibility to invest all funds prudently in accordance with ethical and prevailing legal standards. Investments will seek to minimize exogenous risks while maintaining or expanding the financial standing of the Research Institute. Adequate liquidity of the IUP Research Institute will be maintained so that assets may be held to maturity without interfering with operations or objectives established by IUP Research Institute management.

## **Procedure**

Investments will generally mean short-term (i.e., less than 12 months cast (FDIC or other insured) investments. Investments other than short-term cash investing will require approvals from the Executive Director and the RI Board of Directors with advisement from the RI Board of Directors designated Finance Committee.

All short-term investments will be communicated in a timely manner to members of the Finance Committee, the Executive Director and the Research Institute Board Chairperson. More sophisticated, long-term investment strategies or short-term instruments other than cash instruments will be discussed and approvals prior to their establishment.



## **Policy 312. Complaint Resolution**

---

### **Definitions**

None Apply

### **Policy**

It is the Policy of the IUP Research Institute to provide a mechanism for the resolution of complaints, problems or suggestions presented by the IUP community, faculty, staff, or other IUP Research Institute customers in a manner consistent with resolutions contained in IUP's Research Misconduct Policy and the faculty side letter

Adherence to this Policy will further the effective operations of the IUP Research Institute and the resolution of such issues.

It is the goal of the IUP Research Institute to encourage and provide complaint resolution methods that are both effective and fair. If the issue is particularly sensitive or there exist other extenuating circumstances and the complainant is uncomfortable following this Complaint Policy and Procedure, it is permissible to contact the individual you feel most appropriate.

### **Applicable Documents/Forms**

None

### **Project Director Procedures**

In all circumstances, the complainant should first attempt to resolve the issue at the lowest possible level with the applicable IUP Research Institute employee most appropriate to handle the issue. In the event the issue cannot be resolved at the lowest possible level, the Executive Director should be contacted to resolve the issue.

The Dean of the Graduate School and Research and IUP Research Institute Executive Director should work to resolve the issue. If a suitable resolution can not be found, the Chairperson of IUP Research Board of Directors and the Provost will work together until a suitable resolution is determined.