SUMMARY:

It is the policy of Coastal Carolina University to solicit and accept sponsored support of research, institutes, special investigations, equipment or facilities acquisition, training, demonstrations, and other projects or activities closely related to the University's mission, normal programs, and approved objectives of the teaching, research, and public service functions of the University.

POLICY:

I. ACCEPTANCE OF GRANTS, CONTRACTS AND OTHER AGREEMENTS

It is the policy of Coastal Carolina University to solicit and accept sponsored support of research, institutes, special investigations, equipment or facilities acquisition, training, demonstrations, and other projects or activities closely related to the University's mission, normal programs, and approved objectives of the teaching, research, and public service functions of the University. This policy ensures the endorsement and support of acceptable proposals prepared by individual (or groups of) Faculty, Students, and/or Staff members for contracts, grants and other sponsored programs. Such external support must be integrated with the instruction, research, and public service functions of the University. By accepting grants, contracts, or other sponsored programs, the University commits itself to indirect costs and/or other expenses for support services, cost or expenses which must be borne either by the sponsor or by the University. In the latter case, because such activities, programs, or projects are in direct competition for limited funds for other programs of the University, the University must give careful administrative evaluation and consideration to accepting programs that provide less than full cost recovery.

II. GRANTS, CONTRACTS AND OTHER AGREEMENTS TO BE IN THE NAME OF COASTAL CAROLINA UNIVERSITY

A. All grants, contracts and agreements must be made in the name of Coastal Carolina University. The delegation of responsibility and authority is to the University President and its Executive Vice President, the two positions authorized to execute contracts and accept grants for Coastal Carolina University.
B. Grants, contracts and other agreements are awarded to Coastal Carolina University-not to the individual(s) responsible for the conduct of the program(s). Although such support is often awarded to the University because of special competence, reputation, or expertise of Faculty and/or Staff members, Coastal Carolina University assumes full legal responsibility for the program(s) and for fulfilling sponsor requirements. It is therefore essential that the University mandate sound management practices and prudent fiscal policies in administering such resources.

III. PUBLICITY

A. The Office of Research Services will provide the University’s Office of Public Information with basic information concerning the award of a grant or contract, i.e., amount of the award, general nature of the research to be done, service to be provided or the purpose of the contractual agreement, grantors’ requirements, terms of matching funds, etc.

B. All publicity concerning a grant or contract must be submitted through the Office of Public Information for release by that Office. If the Principal Investigator/Project Director has an opportunity or need for additional publicity, he or she must clear its release with The Office of Research Services and the Office of Public Information.

IV. TYPES OF PROPOSALS OR REQUESTS FOR SUPPORT AND OTHER PROPOSAL ACTIONS

A. Requests to prospective grantors or contractors may be of two types: informal requests and formal proposals.

1. Informal Proposals

   An informal proposal may be initiated through preliminary discussions or correspondence by faculty and/or staff members with representatives of a prospective sponsor without formal internal review or approval. The purpose of such an informal proposal is primarily to determine (1) the eligibility of the program for support, and (2) the likelihood of the proposal receiving serious consideration if offered as a formal request of support. Any preliminary inquiry or proposal will contain no more than a single, lump sum cost estimate, clearly identified as such. Further, no cost sharing statement nor any faculty or other official University signature will be given. The University will not authorize any commitment based on the sponsor's acceptance of a preliminary proposal.

2. Formal Proposals

   Proposals to be submitted as official University requests to prospective grantors or contractors must have appropriate review and approval of the following administrative levels:

   a. Department/Unit Head or Chair,
   b. Dean or Director,
   c. Office of Research Services,
d. Provost or his or her designee,
e. Executive Vice President or designee, and
f. University President, if required.

B. The Office of Research Services is responsible for establishing and publishing appropriate campus procedures for the review of proposals, including the designation of the office to maintain official records of proposals. After review and approval of all program (academic) administrators listed as (a), (b), (c) and (d) above, the proposal will be forwarded to the Office of the Executive Vice President or designee. The Executive Vice President or designee and/or the Grants/Contracts Accountant in his or her administrative area will review the proposal for all business, finance, and other administrative matters that fall within the Vice President's jurisdiction and will, by signature, certify (with or without qualification) that the proposal is ready to be transmitted to the Grantor or Contracting Agency and/or signed by the President, if required. Subsequently the approved proposal will be returned to the Office of Research Services for submission.

C. Withdrawal of Formal Proposal

Under certain circumstances before an award, a Principal Investigator/Project Director, with the concurrence of The Office of Research Services, may decide that a proposal should be withdrawn from the intended sponsor's review. The Office of Research Services must notify the sponsor through the same approval or review offices required for submission of the proposal.

D. Negotiations

The Office of Research Services will negotiate any business, administrative, or finance (fiscal affairs) matters concerning either the formal proposal and/or the grant or contract to be awarded. The Principal Investigator/Project Director and/or The Office of Research Services, with the approval of all program administrators, may negotiate issues that do not affect business, administrative, and finance (fiscal affairs) matters.

V. RESPONSIBILITIES OF PROGRAM AND/OR ACADEMIC STAFF

The academic or program staff is responsible for the preparation and review of all the technical or program aspects of the proposal, the performance of the work, preparation of technical reports and all responsibilities of the Principal Investigator/Project Director as specified in the grant or contract instrument, in rules and regulations of the sponsoring organization and in University policies, procedures, rules and regulations.

VI. CONTROLS AND/OR REQUIREMENTS FOR EXPENDITURES OF GRANTS AND CONTRACTS FUNDS

A. University and Sponsor Controls and Requirements

The Principal Investigator/Project Director must spend grant or contract funds according to University policies and procedures governing the expenditure of general
funds of the University. Whenever grant and contract funds are subject to additional controls and requirements of the sponsor the University requires strict compliance.

B. Expenditures Prior to Award, Acceptance and Execution

The Principal Investigator/Project Director must not make any commitments or expenditures until the grant is officially awarded and accepted or the contract has been fully executed.

C. Expenditures after Completion Date of Project

Without a sponsor approved request for project extension, the Principal Investigator/Project Director must not make any commitments or expenditures after the completion date of the project.

VII. AUTHORITY, RESPONSIBILITIES AND DUTIES OF THE EXECUTIVE VICE PRESIDENT AND THE OFFICE OF FINANCIAL SERVICES/GRANTS ACCOUNTANT OFFICE

A. The Office of the Executive Vice President, and the Office of Financial Services/Grants Accountant are responsible for advising appropriate University officials on matters relating to Federal and State laws (including Act 651 of the federal code), as well as University rules, regulations, policies, and procedures pertaining to the fiscal management of contracts, grants, or other agreements. The Office is responsible for ensuring that the business interests of the University are protected in the terms and operations of proposed agreements. The Office is also responsible for determining that the University complies with all fiscal provisions of contracts, grants, or agreements with individuals, companies or agencies external to the University. The Office of Research Services has the responsibility for ensuring compliance with non-fiscal matters.

B. The Office of the Executive Vice President proposes and negotiates, through the Division of Grants of the Governor’s Office, the University Facilities and Administrative Costs (Indirect Costs) rates to be used on all grants, contracts, or other agreements. The Office of the Executive Vice President or designee is responsible for ensuring that auditable records are maintained in support of direct and indirect charges to grants, contracts, or agreements, as well as for preparing and filing all fiscal reports and statements required by sponsors of grants, contracts and other agreements.

C. In the Office of the Executive Vice President, the Office of Financial Services/Grants Accountant is responsible for ensuring that timely billings are prepared on cost reimbursement contracts, and for requesting funds for grants or contracts funded by Letter of Credit. The Office must process all correspondence regarding business, financial and/or administrative matters requiring negotiations with sponsors.

VIII. LIMITATIONS

Compliance with all Sponsor Requirements and State and University Requirements

In accepting a grant or contract from a Federal agency, private corporation, or other awarding agency, the University agrees to perform the specified project under the terms and
conditions of the grant, contract, or agreement and to expend the funds following the specifications of the granting agency. The University cannot accept any grant or contract or enter into any agreement contrary to State of South Carolina law, or University rules and regulations.

IX. PERSONAL SERVICES

Compensation for personal services concerning duties performed under terms of a grant or contract must be according to State and Federal regulations and the policies and procedures of the Office of Human Resources and Equal Opportunity.

A. Travel Costs

The University travel regulations must be followed for reimbursing travel costs of individuals traveling as part of the work performed under a grant, contract, or agreement.

X. PROCUREMENT

All purchasing under grants, contracts, or agreements must follow State of South Carolina purchasing regulations, and University policies and procedures. Expenditures for obligations incurred under grants, contracts, or agreements can be made only for purposes for which State funds could be expended and those stipulated by the grant or contract conditions. With approvals from The Office of Research Services and/or the Controller, certain expenditures not otherwise allowable from State funds may be allowed from grant or contract funds, i.e., certain conference expenses such as banquets, entertainment, NESA grant for lobbying, etc.

XI. FACILITIES AND ADMINISTRATIVE COSTS (INDIRECT COSTS) RECOVERY

A. General

1. Facilities and Administrative Costs (Indirect Costs) are those costs of the University that are incurred for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular project, an instructional activity, or any other institutional activity, but are nevertheless necessary to the general operation of the University and to the conduct of each activity.

2. Facilities and Administrative Costs (Indirect Costs) are broad categories of costs. The term “facilities” is defined as depreciation and use allowances, interest on debt associated with certain buildings, equipment and capital improvements, operation and maintenance expenses, and library expenses. “Administration” is defined as general administration and general expenses, departmental administration, sponsored projects administration, student administration and services, and all other types of expenditures not listed specifically under one of the subcategories of Facilities (including cross allocations from other pools).

3. Unless the University is reimbursed for the Facilities and Administrative Costs (Indirect Costs) proportionately assigned to sponsored activities, resources provided for other educational objectives must be diverted for this purpose. This fact is generally recognized and accepted by representatives of the major agencies.
which sponsor activities at colleges and universities, and unless such agencies are otherwise prohibited or limited, they expect to pay their full share of project costs, both direct and indirect.

4. Facilities and Administrative (Indirect) Costs rates are determined by cost principles established in Office of Management & Budget Circular A-21 "Cost Principles for Educational Institutions." They are negotiated and approved by a Federal agency designated as the “cognizant agency” for Coastal Carolina University on behalf of all Federal agencies. The Office of the Executive Vice President or designee will supply current rates to the Office of Research Services which will provide this and other pertinent information to individuals involved with grants and contracts.

5. Inclusion of Allowable Facilities and Administrative Costs (Indirect Costs) It is general policy of the University that provision for allowable Facilities and Administrative Costs (Indirect Costs) be included in all proposal submitted to prospective sponsors. Except as described below, a waiver, in whole or in part, of full Facilities and Administrative Costs (Indirect Costs) recovery must be justified to and authorized by the Provost and the Executive Vice President or designee. Authorized exceptions to this general policy occur:

a. Whenever legislation establishing the program and/or the appropriation act providing the funding prohibits or limits reimbursement for Facilities and Administrative Costs (Indirect Costs);

b. Whenever it is the established policy of the prospective sponsor, typically a foundation, not to award Facilities and Administrative Costs (Indirect Costs) or to limit the award because it requires the University to share to this extent in the total project costs;

c. Whenever reimbursement for Facilities and Administrative Costs (Indirect Costs) is provided by other methods, such as "cost of instruction" or Department/Unit allowances; or

d. Whenever substitution of an alternate rate or base results in a more equitable allocation and recovery.

NOTE: If one of the above situations applies to a proposal, either the preparer of the proposal, The Office of Research Services or the Office of the Executive Vice President or designee, as appropriate, must make specific reference to the applicable exception, along with appropriate supportive information. This reference and supportive information may be included on the proposal document, the routing information cover sheet, or in a letter of transmittal accompanying the proposal.

When approved by the awarding agency, any unrecovered Facilities and Administrative Costs (Indirect Costs) may be used by the University as required matching contributions.
B. Fixed Rates for the Life of the Sponsored Agreement

Federal agencies will use the negotiated rates for Facilities and Administrative Costs (Indirect Costs) in effect at the time of the initial award throughout the life of the sponsored agreement. “Life” for this purpose means each competitive section of a project (contract, grant or agreement). A competitive segment is a period of years approved by the Federal funding agency at the time of the award. If negotiated rate agreements do not extend through the life of the sponsored agreement at the time of the initial award, then the negotiated rate for the last year of the sponsored agreement will be extended through the end of the life of the sponsored agreement. Award levels for sponsored agreements may not be adjusted in future years as a result of changes in negotiated rates.

If a circumstance should occur when the University has not reached agreement with the cognizant Federal agency and, therefore, does not have a negotiated rate in effect, the provisional rate used at the time of the award will be adjusted once the rate is negotiated and approved by the cognizant agency.

C. Changes in Negotiated Rates

When the University negotiates a change in its indirect cost rate with the cognizant Federal agency, all proposals, including renewals and continuations having a new “life of the sponsored agreement,” submitted after the effective date of the rate change will reflect the new Facilities and Administrative Costs (Indirect Costs) rate as soon as the University has been notified of the approved new rate.

D. Application of Facilities and Administrative Costs (Indirect Costs) on Non-Federal Programs

Unless the Facilities and Administrative Costs (Indirect Costs) rate for a non federal grant, contract or other agreement is approved to be negotiated as part of the award, proposals must use the Facilities and Administrative Costs (Indirect Costs) rate for federal programs, in effect at the time of submission, for determining that portion of the non-federal program's budget. This rate will be applied as a fixed rate for the duration of the life of the project once the program is accepted and supported by the sponsoring agency. Proposals for supplemental funding, however, should use the most recently negotiated rate in effect at the time of submission.

E. Amendment of Facilities and Administrative Costs (Indirect Costs) Requested and/or Approved for non-federal Sponsors

If the amount of Facilities and Administrative Costs (Indirect Costs) to be charged a non-federal sponsored project changes from that amount included in the proposal and/or grant or contract award, the following guidelines apply to all types of agreements, whether cost-reimbursement or fixed price.

F. Fixed Facilities and Administrative Costs (Indirect Costs) Rates on Non-Federal Programs

G. In general, a Facilities and Administrative Costs (Indirect Costs) rate used in the award of a non-federal program grant, contract or other sponsored program instrument is fixed
for the entire life of the award. If any award provides terms and condition to the contrary, the following usually apply:

1. In case of an increase in the Facilities and Administrative Costs (Indirect Costs) rate during the project period, the budget for Facilities and Administrative Costs (Indirect Costs) will be adjusted upwards only if the contract or grant provides for an increase during the term of the project, and if the sponsoring agency provides additional funds for the increase. This means that direct costs funding will not be reduced to fund an increase in Facilities and Administrative Costs (Indirect Costs) because of a rate increase.

2. If the Facilities and Administrative Costs (Indirect Costs) rate is decreased, the Facilities and Administrative Costs (Indirect Costs) budget will be amended accordingly if required by the term of the grant or contract. Depending on the policies of the sponsor, the Facilities and Administrative Costs (Indirect Costs) funds released may be available for direct costs.

H. Change in Base Amount Computation of Facilities and Administrative Costs (Indirect Costs)

An increase in the base amount to which a Facilities and Administrative (Indirect Costs) rate is applied must be authorized through the same Administrative Offices that approved the original budget, and/or the sponsor according to the terms of the grant or contract. If the approved revision results in an increase in the allowable Facilities and Administrative Costs (Indirect Costs) recovery, the budget for Facilities and Administrative Costs (Indirect Costs) will be adjusted accordingly. A decrease in the base does not require an amendment to budgeted Facilities and Administrative Costs (Indirect Costs) unless the sponsoring agency, upon request by the University, authorizes the budgeting of funds from Facilities and Administrative Costs (Indirect Costs) to direct costs’ categories.

XII. COST SHARING

A. General

The University recognizes that often work performed as the result of grants and contracts serves the objectives of the University and the sponsor, and that through the University's cost participation in such projects the concept of mutual benefit is reflected. The United States Office of Management and Budget Circular No. A-110 mandates cost sharing by the institution for Federal grants and contracts awarded because of unsolicited proposals. Costs are allowable to meet cost sharing requirements if they:

1. Are verifiable from institutional records;
2. Are necessary and reasonable to obtain project objectives;
3. Are allowable under OMB A-21, "Cost Principles for Educational Institutions"; and
4. Are not charged either directly or indirectly to any other project supported by the same sponsor (all Federal agencies are considered a single sponsor).
B. Degree of Cost Sharing

Cost sharing required by Federal agencies must represent more than a token amount (normally defined as 1 per cent or less of total project cost). Proposals showing cost sharing at a significant level (greater than 5 per cent of total project costs) must be adequately justified, and approved by both the University Provost and the Executive Vice President or designee. When not required by the sponsor, the University will not approve a proposed commitment to defray a part of the project's total costs unless adequate justification in writing is presented to and subsequently approved by these two executive officers of the University.

C. Cost Sharing on Department of Health and Human Services-Sponsored Programs

The University is permitted to maintain an Institutional Cost Sharing Agreement that predetermines the University's cost sharing requirement for all DHHS grants or contracts awarded. If the volume of DHHS grants or contracts warrant, the Executive Vice President or designee will negotiate the level of cost sharing for an Institutional Cost sharing Agreement for all DHHS projects.

D. Cost Sharing on National Science Foundation-Sponsored Programs

According to NSF’s GPM, Section 333.4, institutions are no longer required to reflect cost sharing within individual proposal budgets unless required by a specific program. The requirements, however, stipulate that records must be maintained to substantiate cost sharing on an aggregate basis equal to or greater than one (1) per cent of NSF funding, or in such amount required by a specific program whenever mandated by that program.

E. Cost Sharing Records

The Grants/Contracts Accountant of the Office of Controller, through coordination with academic departments receiving DHHS/NSF support, will obtain and maintain files of Department/Unit cost sharing records on a fiscal year and/or project term basis.

F. Methods of Cost Sharing

Any one or a combination of the methods below may be listed as proposed partial support of project costs:

1. Reduction of allowable Facilities and Administrative Costs (Indirect Costs) on research grants, if approved by the Provost and the Executive Vice President;
2. Reassignment of other departmental/unit or general University funds;
3. Statement of support (cash or in kind) from an agency external to the University, actual cash received by the University from an agency in support of the project and/or purchase of materials; and
4. Revenue generated from project activity, such as registration fees.
G. Unrecovered Facilities and Administrative Costs (Indirect Costs) Used as Matching Contributions

When approved by the Federal awarding agency, any unrecovered Facilities and Administrative Costs (Indirect Costs) may be used by the University as required matching contributions.

XIII. BUDGET ALLOCATIONS BASED ON OR RELATED TO THE REIMBURSEMENT OF FACILITIES AND ADMINISTRATIVE (INDIRECT) COSTS

Facilities and Administrative (Indirect) Costs are real costs to the University associated with providing buildings and other facilities, equipment, utilities, the operation and maintenance of the physical facilities, administrative management and operations, and other types of institutional support functions. The federal contracting and granting agencies, as well as state and private sector entities that sponsor research and other projects at institutions of higher education, have long recognized that allocations of proportionate and reasonable amounts of these costs are appropriate costs chargeable to grants and contracts. Thus, the federal agencies have agreed to certain cost allocation procedures described and defined in the Bureau of the Budget Circular A-21 whereby grants and contracts may be charged approved amounts of Facilities and Administrative (Indirect) Costs as reimbursement to the institution for their share of these costs to the institution. Generally, this reimbursement process is accomplished by including in the grant’s or contract’s proposal an approved (audited) percentage of either Salaries and Wages or of Total Direct costs of the project. The reimbursement of these actual costs to the institution by the granting or contracting entity is accurately categorized and treated as Miscellaneous Educational and General Income. The funds of these reimbursements are combined with Student Fees, State Appropriations and other Educational and General Income to fund the budgets of all departments and functions of the institution.

In South Carolina, there are certain types of grants and/or contracts whose reimbursement for Facilities and Administrative (Indirect) Costs must be returned to the State. The basis for this requirement is that funds that are used to finance the Facilities and Administrative (indirect) functions at the State-assisted institution are provided, in part, from allocations of State Appropriations and thus for certain types of sponsored programs, should be returned to the State whenever they are reimbursed. Over the years some institutions, including Coastal Carolina University, have implemented the practice of making budget allocations to Principal Investigators, Project Leaders, Departments and/or others involved in obtaining grants and contract funds, based on the amount of Facilities and Administrative (Indirect) Costs generated by a grant or contract and reimbursed to the institution. This practice recognizes and/or rewards the individuals and areas that put forth the effort and expertise to obtain funding for these research projects or other sponsored programs, and provides incentive to obtain more such funding.

Continued budget allocations “tied to” Facilities and Administrative (Indirect) Costs reimbursement are not without control nor are they to be considered as “guaranteed” indefinitely. From time to time the University President and other University officials will review these policies and procedures and amend them as the then current situations dictate.
In most cases the accounts for these budget allocations will be assigned to Fund Group 16 or 17.

Budget Allocation of Funds Equal to Amounts of the Reimbursement for Facilities and Administrative (Indirect) Costs

An amount equal to the reimbursement for Facilities and Administrative (indirect) Costs received as the result of a grant or contract for research or other approved sponsored programs generally will be budgeted as follows:

Seventy percent (70%) to one or more accounts under the jurisdiction of the Dean of the College to which the Department and the Principal Investigator/Project Leader, responsible for the research or other sponsored program, reports. This seventy percent (70%) will be allocated further in accordance with policies and procedures below.

Thirty percent (30%) to one or more accounts for use University-wide as approved by the President and the Provost in accordance with policies and procedures below.

NOTE: In special situations where percentages other than seventy (70) and thirty (30) existed prior to the effective date of this Manual Change Notice and currently still exist for grants/contracts approved for these different percentages, the other rates may continue until grants/contracts terminate or are reestablished with new funding.

A. Further Allocation of the Seventy Percent (70%)

The seventy percent (70%) allocated for use by the Dean generally will be further allocated as follows:

Forty percent (40%) will be allocated for use by the Principal Investigator/Project Leader of the sponsored program to which the Facilities and Administrative (Indirect) Costs is associated. The Principal Investigator may designate this allowance to be a source of “cash match,” if needed.

Thirty percent (30%) will be allocated for use by the Dean of the College in which the sponsored program is located.

NOTE: If two or more Principal Investigators/Project Leaders are involved in a grant or contract, the special allocations will be divided on a pro rata basis and allocated accordingly.

B. Further Allocation of the Thirty Percent (30%)

1. The thirty percent (30%) allocated to one or more accounts for use University-wide as approved by the President and the Provost generally will be allocated as follows:

2. Twenty percent (20%) will be allocated for use as a Research Incentive Fund under the jurisdiction of the Provost and managed by the Office of Research Services.

3. Ten percent (10%) will be allocated for use as a broad category to include Research and Faculty Needs or other special needs as determined by the University President. Any use of this allocation of funds must have the approval of the President. Whenever an allocation is made from these funds, a Transfer of Funds will be made to the appropriate research or instruction account.
4. The expenditure of funds from any of these special allocations must be made in accordance with Procurement policies and procedures, Human Resources and Equal Opportunity policies and procedures and other applicable administrative and business policies and procedures included elsewhere in this Manual. The expenditure of funds from these allocations is subject to the standard administrative approvals as for regular departmental budgets.

5. In cases where a grant or contract requires matching funds (also referred to as cost sharing), the forty percent (40%) Facilities and Administrative (Indirect) Cost Recovery funds allocated for use by the Principal Investigator will be available for that purpose. If more is required, the Principal Investigator should petition for more support from the Dean and/or the Provost. If a commitment is made by a Dean or the Provost to “front” funds for the match, to be repaid by subsequent collection of Facilities and Administrative (Indirect) Cost Recovery funds, repayment through a transfer of funds will be requested by the appropriate administrative office making the commitment.

6. A separate grant companion Fund Group 16 account will be established to receive this cash match budget allocation and to record expenditures designated as matching funds. The last four digits in the 16-xxxx account describing the specific “activity” will be the same four digits in the 3x-xxxx grant account.

7. Fund Group 10 funds may not be committed for use as “cash match.” However, when a “match in kind” is appropriate and where an individual is already paid from Fund Group 10 funds, his or her time may be used as a match. Equipment paid from Fund Group 10 funds may be considered as a match, provided regulations pertaining to Equipment Use Allowance as a part of the Facilities and Administrative (Indirect) Cost Rate are not violated.

C. Plans for the Use of Budget Allocations

At the time a proposal for a project is initially submitted (or, in no case, later than the announcement of the award) or whenever an extension or renewal is proposed, a Budget Allocation Plan detailing the use of these budget allocations must be submitted by the Principal Investigator/Project Leader, Department Head and Dean of the College involved in the use of funds from these allocations. Administrative approval of the Budget Allocation Plan will be subject to the same approval process as the proposal and regular departmental budget requests. Once approved the Budget Allocation Plans must be followed. If changes are needed, requests for amendments will be requested for approval before expenditures are made or funds committed that are not in accordance with the previously approved Budget Allocation Plan.

D. Separate Accounts for Non-Match Allocations for Use by Principal Investigators/Project Leaders

Allocations for use by the Principal Investigators/Project Leaders will be deposited in a separate account for each Principal Investigator/Project Leader in Fund Group 17. They should not be commingled with regular departmental accounts or accounts of the Dean of the College.
E. Budget Changes of the Grant or Contract Affecting the Amount of Facilities and Administrative (Indirect) Costs Recovered

At any time budget changes are requested and approved for the grant or contract applicable to the budget allocations, and if such changes reduce the amount of Facilities and Administrative (Indirect) Costs to be reimbursed, a budget reduction will be processed to appropriately reduce the budget allocation accounts. In cases where the Facilities and Administrative (Indirect) Costs of a grant or contract are not recovered in full as budgeted, the respective budgets for these allocations (seventy percent, forty percent, thirty percent, twenty percent, ten percent) will be reduced proportionately.

F. Expenditures or Commitments in Excess of Budgeted Funds

Neither expenditures nor commitments of funds will be made that exceed the budgeted allocations of the Dean’s, Department Head’s or Principal Investigator’s accounts. If such occurs, the Principal Investigator/Project Leader, the Department Head and/or the Dean involved must adjust expenditures or commitments to another appropriate account for which the responsible official has authority to commit. No additional allocations will be made to cover overdrafts.

G. Expiration of Budget Allocations Related to Facilities and Administrative (Indirect) Costs Reimbursement

Normally, administrators of these allocations are expected to use the funds within two (2) years of their approval and allocation. Further, the allocations must be used and the accounts closed out within two (2) years after the termination of the grant or contract. Funds not used by this time will be transferred to the General Funds of the University for other uses.

PROCEDURES

XIV. PREPARATION AND SUBMISSION OF PROPOSALS

A. Guidance and Assistance Available

A University Faculty or Staff member wishing to initiate a proposal for a grant or contract should first seek, from The Office of Research Services, guidance on the selection of the appropriate program or project. This Office will aid in the selection of programs and projects consistent with the general aims and interests of the University, and will provide assistance and direction in the preparation of specific proposals.

B. Procedural Responsibilities

Administrators and Staff members at various levels have certain responsibilities and obligations in the preparation and submission of proposals (including preliminary documents) and supplemental funding requests.
C. Principal Investigator/Project Director

The Principal Investigator/Project Director prepares and submits the grant or contract proposal and is assigned responsibility for carrying out scientific or technical efforts as defined in the proposal. In addition, the Principal Investigator/Project Director must administer the project according to the terms of the grant or contract and applicable regulations and approve all direct cost expenses.

D. Department/Unit Head or Chair

The Department/Unit Head or Chair is responsible for approving the project's scope as it conforms to the objectives of that Department/Unit. Approval signifies that facilities and personnel under the Head's jurisdiction are available and can be committed as proposed to accomplish the project.

E. Dean or Director

The appropriate Dean or Director must ensure that the proposed sponsored project is consonant with the total objectives of the University and that it will not involve the University in unethical, illegal programs, or programs that may embarrass or adversely affect the University. The Dean or Director also confirms the certifications of the Department/Unit Head and the Principal Investigator/Project Director. The Dean or Director must ensure that the quality of the proposal is a credit to the University. Where proposals are otherwise acceptable but involve entry into new or questionable fields of effort or require a substantial increase in funding, personnel, equipment, or space allocations, the appropriate Dean or Director must ensure that such proposals have been discussed with and approved by the Provost before being transmitted to the Office of Research Services and/or the Executive Vice President.

F. Office of the Executive Vice President

The Office of the Executive Vice President or designee will examine each proposal and review the contractual and legal requirements, the budget, and other business related matters.

G. Office of Facilities Management

Any proposal involving the purchase of equipment, facilities renovations, a capital project, or materials and supplies that could involve facilities modifications or other considerations, i.e., building structure load requirements, sidewalk or street load or access requirements, water requirements, HVAC requirements, etc. must be routed through the Office of the Director of Facilities Management.

H. Direct Costs Allowable

The direct charges shown in a proposal must be allowable following standard accounting practices of the University and allowable by the sponsor. Direct costs allowable for grants, contracts, or agreements may include, but are not limited to, the following:

1. Direct salaries and wages, including holiday, vacation and sick pay;
2. Employer costs for fringe benefits computed in the proposal as a percentage of direct salaries and wages. (This factor will be provided by the Grants/Contracts Accountant of Office of the Controller to Research Services, who, in turn, will provide to those preparing proposals);

3. Materials, supplies, services, and special tooling costs required specifically for project performance;

4. Equipment, apparatus, and other articles used on a specified project or contract, including the rental of such needed equipment, apparatus or article, as approved by the Contracting Officer of the awarding agency (equipment items must be itemized in the proposal budget. Estimates and/or price quotations should be secured through the University Procurement Office);

5. Shipping costs;

6. Long distance telephone calls;

7. Travel expenses of personnel engaged in the performance of the sponsored project;

8. Costs of outside consultant services, and services rendered by other individuals, institutions or agencies;

9. Subcontracted costs (a copy of the subcontractor's proposal--work statement and budget-- must be included);

10. Computer Services Costs; and

11. Rearrangement and restoration of the University's property to the extent approved by the awarding Contracting Officer.

Such charges are obviously not all-inclusive. Any questions related to the classification of costs between direct and indirect should be referred to the Office of the Controller.

I. Proposals Not Approved

Proposals not receiving approval at any level of review will be returned, with appropriate explanation(s) to the Principal Investigator or person in charge of the project for revision and, if applicable, subsequent re-submission. Under no circumstances should a proposal be approved at a higher review level without having been approved at all preceding levels.

J. Submission of Proposals

Only proposals approved at each review level (Department/Unit, Dean, Office of the Research Services, Provost, etc.) and executed by the Executive Vice President or designee, and the President (if required) will be considered eligible for submission to a sponsor. The Office of Research Services is responsible for obtaining approvals and/or signatures from the various administrative offices and with providing complete copies of the proposal to those offices, including the Office of the Executive Vice President or designee.

If the sponsor fails to accept the proposal within a year, normally it will be removed from the files. Should a notice of rejection be received within that one year period, such notice will be coordinated with the Principal Investigator/Project Director, the Office of...
Research Services and the Office of the Controller, and the proposal will be removed from the files, as appropriate.

K. Review Channels for Supplemental Funding Requests

Submissions of supplemental funding requests must follow the same review channels specified for new proposals. Requests for no-cost extensions, when approved by the necessary administrative officers, will be forwarded to the Office of Research Services who, as appropriate, will provide file copies to, notify and/or seek approval of the appropriate staff of the Office of the Executive Vice President.

L. Checklist for Reviews

Before approval at a review level, items to be considered should include:

1. Eligibility of the Principal Investigator/Project Director
   In accordance with customary and usual practices of the University is the individual initiating the proposal eligible to direct the program?

2. Contribution to Instruction, Research or Public Service Functions
   Will the program contribute to either or all as part of the general mission of the University?

3. Percentage of Effort
   Is the amount of effort committed by the participating personnel realistic and consistent with other duties?

4. Human Subjects
   If the proposed research involves the use of human subjects, has it been reviewed and approved by the University's Institutional Review Board?

5. Care of Laboratory Animals
   If warm-blooded animals are to be used in the conduct of the research, have provisions been made to ensure adequate and humane care following prescribed standards of the University's Institution Animal Care in Use Committee (IACUC)?

6. Budgets
   Is the budget sufficiently detailed and consistent with the accounting procedures and systems to be used to determine actual costs?
   Have all potential cost items been covered in the estimated budget?

7. Staff Benefits and Facilities and Administrative Costs (Indirect Cost) Rates
   Have the University's Staff Benefits and Facilities and Administrative Costs (Indirect Costs) rates been included and properly applied in the proposed budget?

8. Title to Equipment
   Does the sponsor allow for equipment title to vest in the University? Does the proposal contain a petition for vestment of title?

9. Patents, Copyrights and Rights in Data
   Have the sponsor's terms for these subjects been considered? Are they acceptable?
10. New Staff
   Will the proposed activity require new staff?
   Would such expansion be consistent with University plans?

11. Space and Equipment
   Can the project be accommodated within existing space? Is it adequately equipped?
   If not, are requirements for additional space and equipment consistent with the University's plans?

12. Cost Sharing
   Is any cost-sharing commitment made in the proposal accurate and consistent with the University's policy and budgets?

13. Security and Confidentiality
   If there is a security restriction, or a statement requiring the protecting of confidential information, does it conflict with University policy?

14. Long-term Commitments
   Does the proposal commit the University to continue the proposed activity beyond the period of sponsor funding? If so, do budgeting and planning appropriately support such commitments?

15. Hazardous Materials
   Have provisions been made to ensure compliance with appropriate University and OSHA guidelines?

XV. ASSIGNMENT OF ACCOUNTS

The University will be informed of the acceptance of a proposal by an award notice from the sponsor. The original (or copy) of this award notice must be received by the Office of the University Controller before any accounts (expenditure, budget, revenue, etc.) can be assigned. In addition, all approved matching funds must be identified and budget details clearly specified before an account is assigned. When a sponsored project award or executed contract has been received, The Office of Research Services must contact the Office of Financial Services/Grants Accountant for the assignment of the appropriate account(s), and must provide this information to the Principal Investigator/Project Director before any funds are committed. The effective start date of the program will coincide with the establishment of the account number assignment. Costs may not be incurred prior to the sponsored-approved start date.

In certain unusual cases, with the concurrent approval of the Office of the Executive Vice President or designee and The Office of Research Services, an account designated as “Risk Account” may be assigned for specifically approved expenditures. This temporary, exception procedure may be used only when the University has received bonafide notice from the awarding agency that the award document is in process, but may not arrive at the University until after the effective start date, or else, that the awarding agency approves pre-award expenditures that are defined in the approval notice.
The Office of Research Services is responsible for obtaining the official notice that approves the University’s making expenditures before receiving the actual award notice and/or the University’s making pre-award expenditures. This Office is also responsible for notifying the Principal Investigator/Project Director, and other administrators affected, of the additional responsibilities and liabilities involved, for ensuring that all account references for this “Risk Account” are clearly identified as such, for making notations in all files whether or not pre-award costs are allowable, and for notifying the Grants/Contracts Accountant and/or the Controller of all such actions, including when to remove the “Risk Account” identification from the account.

XVI. BUDGETS

A. Upon receipt of an award The Office of Research Services will forward the Notice of Award, a copy of the budget as awarded by the sponsor, and an itemized budget in the University’s prescribed format, presented according to the University’s line item cost codes, to the Office of Financial Services/Grants Accountant. The Office of Financial Services/Grants Accountant in the Office of the Executive Vice President will prepare a budget amendment for entry into the accounting system. Such amendments may include the re-budgeting of Department/Unit funds into cost sharing accounts as proposed and approved. All budgets to the project account and other accounts affected by the project will be prepared to conform to the budget as proposed (or negotiated) and subsequently awarded by the sponsor.

B. Budget Adjustment and Transfer of Funds

The Principal Investigator/Project Director is responsible for establishing a project's operating budget and maintaining it within the limits set by the sponsor for the period(s) of the project. The Office of Research Services is responsible for maintaining budget files on sponsored projects and for monitoring the budgets to further ensure full compliance.

Limitations on the re-budgeting of project funds, and requirements to be met in re-budgeting such funds, vary markedly among sponsoring agencies. Consequently, general guidelines and specific procedures are omitted from this Manual. At the beginning of a project, The Office of Research Services is responsible for determining the sponsor’s policies regarding this subject and for assisting the Principal Investigator/Project Director in compliance.

Requests for major budget revisions (10 per cent or more of a specific budget level without guidelines from the sponsor) must be processed through the prescribed review and approving authorities to The Office of Research Services which, if required, will forward the request to the sponsor for action. When approval/disapproval authority has been delegated to the University administration by the sponsoring agency, The Office of Research Services will act on the request to re-budget.
XVII. PROCEDURE FOR PROCESSING REQUESTS FOR PURCHASE, VOUCHERS AND OTHER EXPENDITURE DOCUMENTS

Direct charges to grants and contracts accounts will be handled in the same manner as for other University accounts. Payment of supply and material purchases may be accomplished by distributing an invoice cost among several Department/Unit accounts. When grant or contract accounts are involved in this procedure, it is recommended that the rationale for the cost distribution be documented and forwarded to the Grants/Contracts Accountant. Because the Principal Investigator/Project Director initially approves all expenditures of a sponsored project, he or she is responsible for determining whether the sponsor will allow an item of direct cost, before the expenditure document is processed. To verify authorizing the assignment of specific items of direct costs, the Principal Investigator/Project Director must sign or initial all cost documents concerning the project account. Concerning questions of allowability of costs of specific items, he or she should contact the Office of Research Services or the Grants/Contracts Accountant, as applicable.

A. Prior Approvals Required by Sponsors

Many federal and some non-federal agreements require that the sponsoring agencies give their approval prior to a variety of actions. Such prior approval is intended to ensure that: (1) the sponsor is kept aware of, and agrees with, the current status of the project costs, quantity and quality of effort expended, and the anticipated project results; and/or (2) that certain costs meet the requirements of Federal appropriations from which the project is funded. The following list includes some instances that would usually require prior approval by the sponsor:

1. Change in approved scope of work;
2. Increase or decrease in level of effort greater than 10%;
3. Absence or change of Principal Investigator/Project Director;
4. Major changes in budget categories, e.g., travel or equipment costs more than 125% of budgeted amounts;
5. Purchase of equipment items costing $1,000 or more; F. Building construction or alteration;
6. Subcontracting of work effort; H. Foreign travel; and

The Office of Research Services should be contacted to assist in obtaining the necessary approvals for these items.

B. Reports to Sponsors

The Office of Financial Services/Grants Accountant of the Office of the Executive Vice President will prepare and submit fiscal reports, statements and other administrative documents required for grants and contracts projects. Non fiscal reports, statements, etc. will be prepared and submitted by the Office of Research Services and/or the Principal Investigator/Program Director as applicable. Whenever the nature of specific reports or documents requires their preparation at the Department/Unit level where the project performance is assigned, the Office of the Executive Vice President or designee retains responsibility for the contents of fiscal
information submitted and The Office of Research Services retains responsibility for the contents of other program and technical information.

The following is a representative list of the type of documents that may be prepared by staff of the Office of the Executive Vice President or designee as procedures, regulations and/or applicable contract provisions require: Periodic and Final Billings, Expenditure Reports, and Grant/Contract Closing Reports.

The Principal Investigator/Project Director is responsible for preparing and submitting, through The Office of Research Services, technical reports, progress reports, program performance reports, manuscripts, and program manuals. He or she should forward through The Office of Research Services to the Grants/Contracts Accountant copies of transmitting letters for such reports for inclusion in the official University file for the project. This is essential in order that auditors may find all pertinent documents in the official University file for a project.

C. Personnel Activity Reports

The federal government’s Office of Management and Budget Circular Number A-21: Cost Principles for Educational Institutions has provided guidelines for the distribution of payroll costs associated with federally sponsored agreements and/or indirect cost activities. The specific requirements concerning Personnel Activity Reporting may be found in section J.6.d. of that circular. Coastal Carolina University maintains a budget and payroll distribution support system designed to meet these requirements. Offices reporting to the Executive Vice President are responsible for the system for payroll distribution of costs associated with federally sponsored agreements, indirect cost activities, and/or Personnel Activity Reporting (if required). The Office of Research Services is responsible for notifying the Principal Investigator/Project Director of the specific requirements and for ensuring submission of the accurate payroll distributions and/or reports in a timely manner.

D. Reassigned Time

The Principal Investigator/Project Director must arrange with the Department/Unit Head and the Dean for released time required in the proposed project. Final approval of released time for Faculty members rests with the Provost.

E. Project Management

Administering a grant, contract, or other agreements consists of all actions necessary for managing an award, from the initial authority to expend monies, through the fiscal closeout and final report of an expired grant.

Principal Investigators/Project Directors are responsible for strict compliance with all regulations governing their sponsored projects. Thus, it is imperative that they become completely familiar with the regulations, policies, procedures, etc. of the University and sponsor.

F. Acceptance of Awards

The President of the University must formally accept all sponsored projects’ awards. Award notices are normally directed to the President, with a copy to the Principal
Investigator/Project Director. Should a Principal Investigator/Project Director receive an award notice not addressed to the President, he or she should immediately forward it to The Office of Research Services to send to the President for acknowledgment and/or acceptance.

G. Establishing University Accounts

When a sponsored project award or executed contract has been received, the Office of Research Services must contact the Grants Accountant for the assignment of the appropriate account(s), and must provide this information to the Principal Investigator/Project Director before any funds are committed.

H. Management and Documentation

Concerning expenditures matters, there must be coordinated efforts throughout the project involving the Principal Investigator/Project Director, the Office of Research Services, and the Office of Financial Services/Grants Accountant. The Office of Research Services and the staff of the Executive Vice President (Controller, Grants Accountant, etc.) can assist and advise on any matter concerning sponsor and/or University policies, procedures, and regulations on appropriate, documented expenditures, and budgets.

The Principal Investigator/Project Director must consult with Procurement concerning any matters involving procurement. Despite the funding source of any sponsored project, all procurement and expenditures must comply with the requirements of the sponsor and existing University and State policies, procedures, regulations, and laws. Any anticipated variances with this requirement must be discussed with and approved in advance by both the Executive Vice President (or his or her designee) and the Provost (or his or her designee).

I. Responsibilities of the Principal Investigator/Project Director

Each Principal Investigator/Project Director is primarily responsible for ensuring that the research effort or other program is performed in a manner commensurate with the expectations of the grantor and with the highest ideals of professional inquiry. Although the Principal Investigator/Project Director is primarily responsible, the normal supervisory relationship with the University is not changed. The University is ultimately accountable for any sponsored project.

Support of the various Administrative Units of the University is always available to the Principal Investigator/Project Director during the entire project period. During the execution of the project or program, he or she must not bypass or ignore these administrative levels (Department/Unit Head, Dean, Office of Research Services, Office of the Controller, Office of Procurement, Office of the Provost and the Executive Vice President or designee).

Explanation of procedures and general support are available from the Director of Human Resources (including hiring personnel), from the Director of Procurement (including procurement), from Plant Operations (including work order jobs, moving, and motor pool); from Information Technology Services (including telephone
equipment); and from the Grants/Contracts Accountant (including budgets, budget reports, expenditure reports, and indirect cost rates).

Throughout the life of the project, the Principal Investigator/Project Director must place high priority on documentation and completeness of reports required by the sponsor.

J. Responsibilities of the Grants/Contracts Accountant

The Office of Financial Services/Grants Accountant will provide assistance to the Principal Investigator/Project Director in fulfilling the reporting requirements of the sponsor, provide information and assistance concerning all fiscal affairs matters for the project or program, and maintain file copies of all project/program reports as resources to be used in other reports of the University to the same or similar sponsor.

K. Helpful Suggestions for the Principal Investigator/Project Director

The Principal Investigator/Project Director should:

1. Incur obligations under new or renewed projects only after authority to expend has been received and an appropriate account number has been assigned;
2. Always seek budget negotiation coordination from the Office of Research Services;
3. Read the award guidelines and budget carefully to ensure proper management of the award;
4. Avoid the purchase of equipment during the last three months of a Federal grant. (The auditor may disallow the cost of the equipment purchased near the end of a grant);
5. Avoid, under ordinary circumstances, ordering supplies during the last month of a grant;
6. Consult with The Office of Research Services who, in turn, may contact the appropriate staff of the Executive Vice President to verify any questionable charges to the grant before such financial commitments are made (common budget items and recurring expenses, such as salaries, may be discussed and their classification, method of payment, etc. verified when the account is established.);
7. Process all budgetary adjustments through the Office of Research Services to the Office of Financial Services/Grants Accountant, to avoid audit disallowance;
8. Monitor, each month, the grant expenses and encumbrances as a check on the remaining funds;
9. Avoid making expenditures on a terminated grant account to be subsequently transferred to a new account number for a renewal grant (generally disallowed by auditors);
10. Decline to incur obligations if he or she has any doubts as to their being allowed; Submit required periodic and final reports on time; and
11. Remember that the Office of Executive Vice President or designee has fiscal responsibility for ensuring that the award is administered according to the regulations of the sponsor and the University.

L. Defining Sponsored Projects and Charitable Giving

Coastal Carolina University faculty and administrators continually seek more creative ways to secure external support for research, training, and service activities. At the same time, the Coastal Educational Foundation engages in fund raising campaigns to ensure the adequacy of resources for a number of institutional priorities. These concurrent and anticipated similar future activities within the two organizations necessitate a policy regarding assignment of administrative and fiscal responsibility for funds received from external sources. Although unique situations are expected to arise occasionally, the following general policy will ensure efficient receipt and administration of funds for various purposes from various external sponsors.

M. Coordination of Efforts

Faculty members and administrators who contact the Office of Research Services requesting help in identifying potential sponsors for proposed projects will be assisted in identifying both governmental and private (i.e., nonprofit, corporate, and foundation) sources. If funding from governmental sources appears unlikely, the Office of Research Services may contact officials of Coastal Educational Foundation to request assistance in identifying, approaching, and cultivating potential foundation, corporate, and/or nonprofit sponsors or individuals who may have an interest in funding the proposed project. If The Office of Research Services identifies a potential corporate or foundation sponsor, the Foundation will be notified before any contact is made so that duplication can be avoided in case that sponsor is being actively cultivated by the Foundation for a regular or special fund-raising campaign. If there is no conflict, the faculty member/administrator and/or the Office of Research Services will proceed with the contact. The Foundation staff will note this action in the campaign prospect management system so that the potential sponsor is not simultaneously contacted regarding campaign participation.

N. Definition of Sponsored Projects

The offices of The Office of Research Services, will have the responsibility for receiving and, in conjunction with the Business Office, for administering funds for sponsored projects. Awards are considered sponsored projects when one or more of the following criteria are met:

1. The sponsor is a federal, state, or local government agency, a quasi-governmental agency, or a nonprofit organization which receives a majority of its funding from a federal, state, or local general revenues;

2. The sponsoring organization is a foundation, corporation, or nonprofit organization and refers to the award as a grant to be used for purposes other than endowment, professorships, fellowships, scholarships, building construction/renovation, and equipment;
3. The sponsoring agency/organization refers to the award as a contract, cooperative agreement, consortium agreement, sub-grant, subcontract, or purchase order;

4. The funds are awarded by the agency, organization, or individual following a competitive application or bid process;

5. The funds are awarded as matching funds for a project funded by a governmental agency, a quasi-governmental agency, or a nonprofit organization which receives a majority of its funding from federal, state, or local general revenues;

6. The sponsoring agency/organization specifies that the funds are to be used for research, a model project, program development and/or operation, curriculum development, training, community service, planning, or some other specific activity and identifies a specific scope of work;

7. The funds are provided by the sponsoring agency/organization to cover the cost of performance of a specified scope of work or set of activities or to provide a specific product, service, or other deliverable or outcome within a specified period of time;

8. The sponsoring agency/organization identifies a technical monitor for the purpose of monitoring performance and providing liaison between the sponsor and the University;

9. The sponsoring agency/organization 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;

10. The project or activity funded by the sponsoring agency/organization involves the use of humans or animals in research, radiation hazards, bio hazards, or recombinant DNA;

11. The sponsoring agency/organization indicates that the funds are for support of the work of a particular faculty member or administrator when that faculty member or administrator or an immediate family member or business partner of that faculty member or administrator has a financial interest in the sponsoring agency/organization;

12. The sponsoring agency/organization will have access to and authorization to utilize Coastal Carolina University facilities and/or other College resources;

13. The sponsoring agency/organization specifies how funds will be used or includes a line item budget that identifies expenses by activity, function, or project period;

14. Conduct of the funded activity requires regular payment of Coastal Carolina University employees for a specific scope of work or set of activities through its payroll system;

15. The sponsoring agency/organization pays full indirect costs based on the University's federally negotiated indirect cost rate;
16. The sponsoring agency/organization requires detailed line-item financial reports and/or invoices which document expenditures for the specific scope of work or set of activities performed;

17. Funds are collected from the sponsoring agency/organization on a cost reimbursement basis contingent upon programmatic and fiscal reporting unless they are challenge gift funds which are drawn down periodically as matching funds are obtained;

18. The sponsoring agency/organization requires the return of unexpended funds at the conclusion of the funded project;

19. The sponsoring agency/organization specifies audit requirements as a condition of the award; and/or

20. The sponsoring agency/organization 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 assignment.

M. Definition of Charitable Giving

The Coastal Carolina University Foundation receives and administers gifts, bequests, donations, and contributions from organizations and individuals. The Foundation will also receive and administer grants from foundations, corporations, and nonprofit organizations when the funds are specified for endowment, general support of academic programs or departments, professorships, fellowships, scholarships, building construction/renovation, and equipment. Very small externally funded projects which would otherwise be defined as a sponsored project but fall below a "threshold" dollar value established jointly by The Office of Research Services and the Coastal Educational Foundation may also be administered by the Foundation at its discretion. Funds which are received and administered by the Coastal Educational Foundation will meet the following criteria:

1. The contributing organization/individual donor refers to the funds as a gift, bequest, donation, or contribution to the Coastal Educational Foundation;

2. The funds are contributed for an unrestricted purpose or for supporting such activities as endowments (eminent scholars, endowed chairs, professorships, etc.), capital projects (construction or renovation, equipment, etc.), or general student financial assistance (fellowships and scholarships);

3. The contributing organization/individual imposes no contractual requirements, written or oral;

4. Reporting to the contributing organization/individual is required only in the form of a general statement of how funds were used;

5. Funds are awarded irrevocably; and
6. Funds are provided for a sponsored project but do not exceed the threshold dollar value established jointly by the Office of Research Services and the Coastal Educational Foundation for any annual period.

XVIII. PROCEDURES FOR DUAL ADMINISTRATION OF FUNDS

In some instances, increased flexibility in utilization of external funds may be realized by suspending the above policy so that funds which would normally be accepted through the Office of Research Services may instead be accepted through the Coastal Educational Foundation. In other cases, there may be advantages to the Coastal Educational Foundation’s accepting the funds from the sponsoring agency/organization and then sub-granting or subcontracting a portion or all of the funds to the Coastal Carolina University. These projects will be administered according to the following procedures:

A. On a case-by-case basis, Research Services, the Vice President for Institutional Advancement (or his or her designee), and the Executive Vice President (or his or her designee) will reach agreement regarding the most advantageous means for receiving and administering the funds. The decision will be communicated to the sponsoring agency/organization prior to award. An implementation strategy will also be developed.

B. Upon receipt of the award and establishment of a Foundation account, the Coastal Educational Foundation will issue a sub-grant or subcontract to Coastal Carolina University. The Office of Research Services will provide technical assistance as necessary to the Foundation in development of the sub-grant/subcontract agreement.

C. The principal investigator/project director, through the Office of Research Services, will receive assistance from the Office of the Executive Vice President in establishing a Coastal Carolina University-sponsored programs account.

D. The Office of Research Services will obtain from the principal investigator/project director a brief scope of work, a project budget, and other information and/or documents, as appropriate. The Coastal Educational Foundation will be identified as the primary sponsor.

E. The Office of Research Services will request that the Office of Financial Services/Grants Accountant open a grant account. The principal investigator/project director may then charge expenditures against this account.

F. Prior to opening the University grant account, representatives from the Coastal Educational Foundation and the Vice President for Finance and Administration will negotiate terms for reimbursement from the Foundation. The Office of Financial Services/Grants Accountant will then invoice the Foundation for reimbursements as agreed. Reimbursements will be made promptly and in full.

G. If the sponsoring agency/organization reimburses indirect costs or administrative fees, the Coastal Educational Foundation will likewise reimburse Coastal Carolina University for these costs based on the sponsor's reimbursement formula.
H. Staff of The Office of Research Services and the Coastal Educational Foundation will have responsibility for identifying any projects which cannot be managed under the above general policy. In such cases, a representative of the Office of Research Services, a representative of the Coastal Educational Foundation, a representative of the Executive Vice President’s Office and the principal investigator/project director will meet to determine the most appropriate means of receiving and administering the external funds in question. If this group cannot reach a resolution, the matter will be referred to the President for final disposition.

XIX. DATA REPORTING

A. The Office of Research Services maintains a database of sponsored program activities. All grant and contract funds administered by Coastal Carolina University, including those which may be sub-granted or subcontracted from the Coastal Educational Foundation, will be included in this database.

B. In order to minimize duplicate reporting of external funding by the Office of the Research Services and the Coastal Educational Foundation, only those funds which flow through the Foundation to the University should be included in both organizations' reports. Funds for projects relating to the Foundation's campaign goals that are received and administered directly by the Office of Research Services will be reported to the Foundation on no less than an annual basis coinciding with the close of each University fiscal year. If these funds are reported in campaign or other Foundation documents, they will be clearly identified as funds that were granted directly to the Coastal Carolina University through its Office of Research Services.

C. Regardless of efforts expended on campaign-related projects by its personnel, the Office of Research Services will not include any gifts, bequests, donations, or contributions received directly and administered solely by the Foundation in any of its official reports.

Funds that are sub-granted or subcontracted to the University by the Foundation will be included in Office of Research Services reports, with the Foundation identified as the sponsor of such projects.