**Sponsored Programs – Post Award UPPS No. 02.02.02**

 **Issue No. 7
 Effective Date: 08/28/2019
 Next Review Date: 07/01/2024 (E5Y)**

 **Sr. Reviewer: Director, Post Award Support Services**

**01. POLICY STATEMENT**

* 1. The purpose of this policy is to provide general guidelines for the administration of sponsored programs. Post Award Support Services has the authority and responsibility for promulgating policies and procedures related to post-award activities for sponsored programs.

**02. DEFINITIONS**

02.01 Sponsored Programs – externally funded grants and contracts as defined within this policy.

02.02 Externally Funded Contract – an agreement between Texas State University and another entity or sponsor to provide an economic benefit for which compensation is paid to the university. Both the university and sponsor receive benefit from the contractual relationship. There is a written agreement, often negotiated, between the university and sponsor, which is enforceable by law, and creates a quid pro quo relationship.

02.03 Grant – funding awarded to the university as an additional resource to support instruction, research, or public service. Grants are usually given to accomplish a specific purpose.

02.04 Sub-Award and Subcontract – a contractual agreement with an individual or entity outside of the university to perform a significant portion of the scope of work of the award. To qualify as a sub-awardee or subcontractor, the work done by the sub-awardee or subcontractor must be integral to the completion of the scope of work of the award (made to the university).

02.05 Sponsor – the governmental agency, commercial, or non-profit organization that makes an award directly to the university.

02.06 Award Document – the agreement processed by the sponsor and sent to the university specifying the terms under which the program will be conducted.

02.07 Principal Investigator (PI) – the individual responsible for the research or other activity described in the proposal for a sponsored program.

02.08 Acceptance of Awards – written approval from Post Award or other university-authorized contracting official constitutes acceptance of awards. Generally, this takes the form of a written contract.

**03. PROCUREMENT PROCEDURES**

03.01 Refer to [UPPS No. 05.02.02](https://policies.txstate.edu/university-policies/05-02-02.html), Texas State Purchasing Policy, for purchasing guidelines.

03.02 Refer to [UPPS No. 03.04.01](https://policies.txstate.edu/university-policies/03-04-01.html), Contracted Services, Including Consultants, Speakers, and Other Services, for general guidelines in obtaining the services of consultants or lecturers.

03.03 Procurement Cards (P-Cards) – The use of P-cards is for incidental supply purchases only. The amount budgeted for supplies and materials in the sponsor-approved budget will determine the limits established on the P-cards. Refer to university P-card policies and procedures, available [online](https://www.txst.edu/procurement/howtopurchase/procurementcard.htm).

03.04 Contracts for the purchase of goods or services are to be processed in accordance with [UPPS No. 03.04.04](https://policies.txstate.edu/university-policies/03-04-04.html), Processing, Approving and Executing Contracts, Purchases, and Agreements, and [UPPS No. 03.04.02](https://policies.txstate.edu/university-policies/03-04-02.html), Contracting Authority.

03.05 Interagency cooperation contracts for the purchase of goods or services from another state agency are to be processed in accordance with [UPPS No. 03.04.07](https://policies.txstate.edu/university-policies/03-04-07.html), Interagency or Interlocal Cooperation Contracts or Agreements.

03.06 The establishment of off-campus leases for space are to be in accordance with [UPPS No. 08.01.16](https://policies.txstate.edu/university-policies/08-01-16.html), Facilities Leases.

**04. TRAVEL PROCEDURE**

04.01 Refer to the [Texas State Travel Office website](http://www.txstate.edu/gao/ap/travel/) for university guidelines regarding travel.

**05. PROCEDURES FOR ACCEPTANCE OF THE AWARD**

05.01 Application or Award Acceptance – A sponsored program is not operational until the university has officially accepted it. PIs are generally not authorized to enter into any agreements on behalf of the university (see [UPPS No. 03.04.02](https://policies.txstate.edu/university-policies/03-04-02.html), Contracting Authority and [UPPS No. 03.04.04](https://policies.txstate.edu/university-policies/03-04-04.html), Processing, Approving, and Executing Contracts, Purchases, and Agreements).

05.02 A PI should not spend funds from a program until he or she establishes a university account. Funds expended without authorization may result in personal liability for the PI.

05.03 An account number may be established, on a provisional basis, prior to written confirmation of the award if Post Award deems that an award is imminent. A written confirmation from the PI, their department chair, school director, or dean identifying another account to be used if funding is not available must be received by Post Award prior to establishment of the account.

05.04 Other Approvals – Post Award will not establish an account for expenditure purposes for any sponsored program that has pending Institutional Review Board or Institutional Animal Care and Use Committee protocol approvals. In addition, accounts will not be established for sponsored programs that have intellectual property agreements or conflict of interest disclosures that require prior approval by the associate vice president for Research, or his or her designee.

**06. SUB-AWARD AND SUBCONTRACT PROCEDURES**

06.01 A documented contractual agreement is required for sub-awards and sub-contracts when an individual or entity outside the university is to perform a significant portion of the scope of the work under a sponsored program agreement awarded to the university.

06.02 Post Award prepares and executes the contractual agreements for all sub-awards and subcontracts. The PI is responsible for consulting with Post Award to initiate and renew such agreements.

06.03 There are certain monitoring controls the PI must undertake to ensure subcontractor compliance with agreement terms and conditions. The [Post Award webpage](http://www.txstate.edu/research/osp/index.php) contains more information on subcontractor monitoring requirements.

**07. BUDGETARY CONTROLS**

07.01 The PI will work with Post Award and will follow program guidelines and commitments. Budget revisions will be made consistent with guidelines from the sponsor. Budget revisions are subject to university approval.

07.02 If a sponsored program account is over-expended or costs are disallowed, the PI has primary responsibility for taking corrective action. The PI has ten days from date of notification by the sponsor or Post Award to take corrective action. If the PI does not respond to Post Award in writing within that timeframe, Post Award will identify an account for reimbursement and process the necessary transfer. Such accounts may include earned facilities and administration (indirect cost) accounts in the following order: PI, chair, director, dean, and vice president.

07.03 It shall be the responsibility of the PI to ensure that all Personnel Change Request (PCR) appointments to a sponsored program account are maintained within date and budget limitations. If a sponsored program account is paying salary, and no PCR is processed by the department causing the individual’s salary to post to the salary clearing fund (8999999999) for any reason (date exceeded, budget exceeded, etc.), Post Award will notify the PI and administrator of record (as found in SAP master data) of the issue. The PI shall have three business days from the date of the written notice to create a correcting PCR and submit to Post Award for processing. If the PI fails to take this action, Post Award shall have the authority to move expenses to the earned indirect cost accounts in the following order: PI, chair or school director, dean, or vice president.

**08. HUMAN RESOURCES PROCEDURES**

08.01 All part- and full-time staff positions on sponsored agreements are subject to the same hiring procedures as all other university positions. Refer to [UPPS No. 04.04.03](https://policies.txstate.edu/university-policies/04-04-03.html), Staff Employment for procedures on hiring personnel.

08.02 Costs of personnel are allowable on research agreements to the extent supported by actual effort performed on the project and approved in the award budget.

08.03 Staff and graduate students are appointed through the Human Resources Office and paid by PCR. The PI, account manager, or their staff is responsible for the generation of the PCR and acquiring the appropriate approvals. Post Award reviews all PCRs on sponsored programs.

08.04 Refer to [UPPS No. 04.04.12](https://policies.txstate.edu/university-policies/04-04-12.html), Pay Above Base Annual Salary for Staff, regarding compensation in excess of base salary.

08.05 Refer to [UPPS No. 04.04.11](https://policies.txstate.edu/university-policies/04-04-11.html), University Classification and Compensation, for guidelines for salary adjustments. The sponsor must fund salary adjustments for personnel being paid either part- or full-time from a research contract. Therefore, the PI should include estimated annual salary increases in the sponsored program proposal or application.

 Review requested salary increases for consistency with those for other university personnel. Salary guidelines proposed by the sponsored agreement will be allowed only to the extent that compliance is maintained with the current [University Pay Plan](https://www.hr.txstate.edu/compensation/universitypayplan.html). The same rate of increase will be available for employees paid from sponsored program accounts as for other university employees.

08.06 Retroactive Salary Transfers – From time to time, a PI, account manager, or their staff may retroactively transfer salary from one grant or university account to a different grant or university account. Transfers of retroactive salary shall be processed via PCR as soon as it is determined a change is needed. Salary transfers should not be processed after 90 days have passed, since the pay was recorded in the university’s administrative accounting system.

**09. REPORTING PROCEDURES**

09.01 Technical, Program, and Financial Reporting – Terms of the sponsored program generally require the submission of a written final technical, financial, or progress report to the sponsor within a specified period of time. The sponsor may require more frequent or other types of reporting. The PI is responsible for the preparation and submission of technical reports and other required deliverables. The PI must comply with all of the terms and conditions imposed by the sponsor.

**10. RESPONSIBILITIES**

10.01 Post Award is dedicated to providing administrative support to project managers of externally-funded programs, while maintaining the fiscal integrity of the university. The primary responsibilities of the office include:

a. review and sign contracts for sponsored agreements (refer to [UPPS No. 03.04.02](https://policies.txstate.edu/university-policies/03-04-02.html), Contracting Authority);

b. establish, maintain, and close sponsored program accounts;

c. interpret and enforce sponsor, university, and other administrative policies;

d. monitor expenditures for compliance with sponsor and university policies and procedures, including timely review of operating reports;

e. prepare and monitor sub-award agreements and subcontracts;

f. work with faculty and staff to provide accurate and timely financial information;

g. prepare financial reports to sponsors;

h. carry out cash management responsibilities associated with the funding of certain sponsored projects (the General Accounting Office maintains responsibility for all others);

i. act as a liaison with other university administrative support units, sponsors, and auditors;

j. advise on pre- and post-award business and financial matters;

k. review and submit invoice to sponsors;

l. approve changes in contractual obligations under the sponsored program agreement; and

m. report non-compliance matters to university management for action and possible discipline.

10.02 The PI has a fiduciary responsibility for the proper fiscal management and conduct of the project. The responsibilities of the PI include:

a. serve as the account manager of the sponsored program (refer to [UPPS No. 03.01.09](https://policies.txstate.edu/university-policies/03-01-09.html), Fiscal Responsibilities of Account Managers at Texas State, [UPPS No. 03.01.05](https://policies.txstate.edu/university-policies/03-01-05.html), University Income Recognition and Associated Cash-Handling Procedures, and [UPPS No. 02.02.01](https://policies.txstate.edu/university-policies/02-02-01.html), Applying for Sponsored Programs);

b.  assure compliance with all the terms and conditions imposed by the sponsor;

c. ensure that project funds are managed efficiently and effectively within approved budgets;

d. prepare and submit technical reports and any other required deliverables by sponsor deadlines;

e. ensure all expenditures submitted to a sponsored program account are reasonable, allocable, and allowable. Record and document expenditures made for any matching (cost share) commitments included in the project agreement. Also, the PI must assure that matching funds comply with sponsor guidelines;

f. notify Post Award of any needed program changes, including contract amendments, so that Post Award can obtain sponsor approval; and

g. consult with Post Award to initiate or revise sub-awards and subcontracts.

10.03 Department chairs, school directors, deans, and vice presidents are responsible for monitoring the work performed under sponsored programs to assure compliance. This includes performing adequate reviews to assure that Post Award and the PIs perform their duties (per Sections 10.01 and 10.02).

10.04 All administrators in the chain of command for a PI share the responsibility for helping to ensure overall sponsored program compliance. The university is ultimately legally and financially responsible and accountable to the sponsor for the performance of the activity funded and the proper use of funds. The full cooperation and vigilance of the PI is essential to assure that the university accomplishes its stewardship role.

**11. REVIEWERS OF THIS UPPS**

11.01 Reviewers of this UPPS include the following:

Position Date

Director, Post Award Support Services July 1 E5Y

Associate Vice President for July 1 E5Y

Financial Services

Associate Vice President for Research July 1 E5Y

and Director of Federal Relations

**12. CERTIFICATION STATEMENT**

This UPPS has been approved by the following individuals in their official capacities and represents Texas State policy and procedure from the date of this document until superseded.

Director, Post Award Support Services; senior reviewer of this UPPS

Associate Vice President for Research and Director of Federal Relations

Provost and Vice President for Academic Affairs

President