

Davenport University

Sponsored Programs and Grant Development

Policies and Procedures

The Office of Sponsored Programs and Grant Development has written and put into place policies and procedures by which Davenport and its employees are to prepare and submit (pre-award) and implement, manage, report on, and closeout (post-award and compliance) all federal and private grants awarded to employees of the University and, as such, to the University. All policies and procedures were written to ensure compliance with applicable federal, state, and local laws as well as sponsor and program regulation. Please refer to the following as applicable, for pre-award, post-award, and compliance resources.

I. IDENTIFYING FUNDING/APPROVAL to PURSUE FUNDING

a. Identifying Funding and Obtaining Initial Approval:

To align faculty and staff needs with external funders, the Office of Sponsored Programs and Grant Development will maintain a database of faculty and staff interests, projects, research, programs and academic support needs. These needs will be matched with upcoming funding opportunities that come to the Office of Sponsored Programs and Grant Development through notifications (usually in the form of Requests for Proposals (RFPs)) and grant matching websites. Faculty and staff are encouraged to keep the Executive Director of Sponsored Programs and Grant Development (SP) up-to-date on their interests and needs so as to not miss out on funding opportunities. As the Executive Director identifies alignments with projects, etc. and funding opportunities, the SP will notify the Dean and Chair of the appropriate College of the potential match. Upon approval of the Dean and Chair, the notification will be sent to the faculty/staff for final determination of whether or not to submit a proposal for the identified funding opportunity.

In some circumstances, faculty/staff may become aware of funding opportunities through their networking systems. In that case, the faculty/staff should contact the Dean, Chair and SP for approval to move forward with the funding. Approval is critical for two major reasons: first of all, it will assure that multiple proposals are not going to the same funder who might have a limit on how many proposals an institution can submit or receive; and secondly, it will assure that funding is not sought for projects/research that are not approved by administration.

Synopsis:

If funding opportunity is identified by Office of Sponsored Programs and Grant Development:

1. Office of Sponsored Programs and Grant Development identifies a match between faculty/staff funding interests/needs and external funding opportunities.
2. SP notifies Dean and Chair of faculty/staff's department for approval to move forward with that funding opportunity.
3. Upon approval of Dean/Chair, SP notifies faculty/staff of funding opportunity.
4. Faculty/Staff review the opportunity and decide whether or not to pursue funding.
5. Faculty/Staff submit "Intent to Submit Proposal" form (see attachment A).

Or,

If funding opportunity is identified by faculty or staff:

1. Faculty/staff identify a funding opportunity that aligns with their interests/needs.
2. Faculty/staff fill out an "Intention to Submit Proposal" form briefly detailing the project description, amount of request and how it aligns with the Balanced Scorecard.
3. Faculty/staff notifies Dean, Chair and SP of desire to pursue this funding opportunity through "Intention to Submit Proposal" form. Signatures must be obtained before funding can be pursued.
4. If there are no conflicts due to limited submissions/funding, etc., Dean and Chair approve faculty/staff ability to move forward with pursuing funding. But, ...

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5. If there is a conflict due to limited submissions/funding, etc., then the “Intention to Submit Proposal” form will be forwarded through the processes described in the section below, *Conflict with Grant Submission*, for approval.

b. Multiple Grant Submissions:

When a conflict arises from more than one faculty/project wishing to submit to the same funder, all interested faculty/teams will fill out and submit to SP an “Intention to Submit Proposal” form (as mentioned above). These forms will be sent to the decision-makers identified according to the following scenarios, which will determine which projects move forward:

First, a discussion will determine if the faculty could work together to combine the projects. Collaborations are always more easily funded than are smaller projects. Collaborations bring diversity to the project as interdisciplinary views/comparisons are brought to the table, providing a more holistic approach. If the projects cannot be combined, the following will be considered:

- When funding IS NOT limited by either number of proposals allowed per institution per year/submission or number of awards granted to institutions, the following will occur, dependent upon which scenario best fits the case:
 - If projects are from the same College/area—the decision is left to the Dean/Shared Supervisor as to whether or not all projects can be submitted, knowing that they will compete with each other.
 - If projects are from different Colleges/areas—in other words, they do not share the same Supervisor—the decision as to whether all projects move forward, or if not all, which project will move forward, will be decided by either the Provost (if solely academic), by the EVP of the area (if non-academic and only under one EVP), or by Senior Leadership (if more than one area).
- When funding IS limited to either 1) number of proposals allowed per institution per year/submission or 2) number of awards granted to the institution, the following will occur, in this order:
 - If the funding has been identified as a Presidential/DU priority, the Provost’s Office in conjunction with the Office of Sponsored Programs and Grant Development will decide if the other project(s) may proceed as well.
 - If submission of the identified projects will reach/exceed the maximum number allowed and the projects are from the same College/area—the decision is left to the Dean/Shared Supervisor as to which one can be submitted.
 - If submission of the identified projects will reach/exceed the maximum number allowed/awarded and the projects are from different areas/Colleges—the decision is left to the Provost (if solely academic), the EVP of the area (if non-academic and only under one EVP), or by Senior Leadership (if more than one area).

In cases where a project is not allowed to move forward because of funder restrictions, the SP of Grant Development will make every effort to find a compatible funding opportunity for which the faculty/staff can pursue funding.

II. PREPARING the PROPOSAL

a. Assigning the writing of the proposal:

Once approval has been obtained, SP will provide the project team (all persons involved in the proposal process) with the guidelines for proposal submission. These guidelines are set by the funders themselves and are critical to making the first cut of any funder’s grant review team. Guidelines can include a

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funder's funding priorities, what they do not/do fund, eligibility requirements and formatting requirements for the submission.

At the Proposal Kickoff Meeting (either in person, via phone, or email), the SP and project team will work together to assign sections of the proposal to different members of the team. Specific deadlines and a proposal writing timeline will also be assigned for each section to assure that the proposal writing process runs smoothly and allows for any mistakes or omissions to be corrected.

b. Budget:

Budget work is to be assigned with the following guidelines:

1. Budgets are due to Sponsored Programs and Finance/Accounting (also see Deadlines section below for more detail/clarity) as follows:
 - Foundation and Corporation Grants - budgets should be completed at least 10 business days before submission.
 - Government Grants – budgets should be completed at least 15 business days before submission.
 - ** Any Grants with Subawards - an exception occurs when the budget includes outside partnerships who will share in the funding awarded. In these cases, Subaward Contracts must be obtained to assure that, if funded, the project can proceed as written. Subawards require an ADDITIONAL 5 days for completion and approval as more than one entity is involved in the process. (See section Subaward Contracts.)
 - See Section IV for Allowable Direct Costs.
2. Form:
 - When a template/form is specified by funder, use their form.
 - When no template/form is provided by the funder, the “Master Proposal Budget” form (see Attachment B) should be used to complete budget.
3. Details:
 - Be as detailed as possible when adding line items.
 - For internal purposes, include DU accounting codes to delineate expected costs (e.g., 101-702-70001-77 for \$1,000 could be one line-item).
 - Cost-sharing must be line-itemed in detail as well (see Cost-sharing below).
4. Salary:
 - Unless otherwise specified by the funder, any salary funded in a grant must also include full benefits allotted for that particular employee at the same rate of effort. For example, if a PI receives time and effort for a grant for one person month, then the benefits (payroll taxes, retirement, and medical benefits package) equivalent to that one person month will also be charged to the grant.
 - Student Researchers funded through grants can be included to collect and analyze data. Most funders like funding Student Researchers as they are a great pipeline for developing future academia/researchers. When allowable by funders, funding should include the tuition of that Student Researcher for the time-period in which the student will be engaged in the project.
 - See section V for further detail about Personnel Expenses.
5. Indirect Costs (sometimes known as Facilities and Administrative (F&A)):
 - When Indirect Costs (IDCs) are allowed by funders, the budget must include indirect costs at the full rate allowed up to Davenport's de minimis amount of 10% unless the funding entity requires a lower IDC be charged to the grant. When no IDCs are allowed by funders, the budget will be developed without Indirect Costs. If IDCs are allowed, but no rate is given, then Davenport uses the de minimis rate of 10% of Modified Total Direct Costs (MTDC), as outlined by OMB CFR uniform guidance (§ 200.68). MTDC includes: direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward

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(regardless of the period of performance of the subawards under the award). MTDC does **not** include: equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000.

c. Writing Process:

All assigned drafted sections from each proposal team member are to be emailed to the SP, who will reconstruct the proposal in whole for editing and review. While working on the sections initially, informal reviews/edits will occur between the SP and Project Team as needed. If an evaluative piece is required for grant compliance, Institutional Research will be able to assist in putting together a solid, strong evaluation plan that is measurable. Please include them early in the writing process.

d. Subawards:

If a portion of your grant award will go to a partner outside of Davenport University, a Subaward Contract must be acquired BEFORE the proposal is submitted for approval. A Subaward Contract must involve the Office of Sponsored Programs and Grant Development and Finance/Accounting, who will obtain a contract from the partner(s) and approve the expenses. Part of this process includes obtaining W9s and identifying payment/invoicing procedures. In most cases, DU's "Subaward Contract Form" can be used (see attachment C). There will be times that more lengthy contracts, such as Memorandums of Understanding will be required. The Office of Sponsored Programs and Grant Development and Finance/Accounting will facilitate the accrument of the appropriate forms with the partner(s).

As noted in the Budget section above, when involving Subaward Contracts, allow an ADDITIONAL 5 days for approval.

e. Deadlines:

An important factor when determining the funder's date for deadlines is the method for grant submission: is the proposal going to be submitted electronically, submitted by mail or submitted by FedEx (this can be determined via reading the funder's guidelines). If electronically, the deadline is the date listed. If by FedEx, the due date would actually be the day before it is due since it would have to be FedExed the night before. If by postal mail, then at least two days are to be added to the deadline. The Office of Sponsored Programs and Grant Development will help identify under which deadlines we will be working at the time of the "Proposal Assignment Meeting" for clarity and mutual understanding.

f. Potential Line-Item Budget Requests in Proposals:

1. Faculty Release Time: Funders often expect to fund faculty salary and equivalent benefits for Faculty Release Time to ensure that faculty have the time required to do the intended research. Faculty Release Time should be discussed and calculated with the appropriate Department Chair before including it in the proposal/budget.

2. Cost Sharing Agreements: Sometimes, agencies and foundations expect a commitment from the institution for cost-sharing, either in terms of direct costs (e.g., 25% of total costs) or "in kind" contributions (e.g., faculty effort, release time, Graduate Assistant/Researcher or tuition support). Please discuss with the appropriate Chair/Dean any cost shares that will be included in the budget. These are real costs that must be incurred by the department. In many cases, they include salary, benefits and equipment that are already part of the department's budget. But sometimes, it can include salary and benefits for student researchers, etc., which would require additional funding from the department.

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g. Research Approval:

When conducting research that involves human subjects, animals, environmental hazards, recombinant DNA, etc., federal and state laws govern how the research must be conducted. Davenport University's Institutional Review Board is a committee mandated by Federal laws to protect the rights and welfare of the human subjects participating in research activities. Compliance is monitored by the Office of Human Research Protection of the U.S. Department of Health and Human Services. DU's IRB must review and approve all proposed academic research at DU or by DU faculty, staff or students that involve certain criteria to ensure that the research meets these governmental standards for the safety and protection of any human subjects involved in the research. Research includes surveys and evaluations of those surveys, especially if they contain sensitive information. DU's IRB will determine through a pre-assessment if IRB approval is required.

For research that lies involves Human Subjects, the following steps are required BEFORE research can begin: Approval may be required from DU IRB any time humans are part of a research project. Seek approval from the IRB team, led by Lonnie Decker and Kathy Aboufadel, BEFORE submitting a proposal to assure that what is being proposed 1) does or does not require an IRB application and 2) is in compliance with government laws. If IRB approval is required, i.e., you must complete an IRB application, this step will not be required (in most cases) until after funding has been acquired, but BEFORE the actual research has taken place. In some rare instances, funders may ask for a timeline by which IRB approval will be sought and require documented proof that the approval has been obtained before releasing funds. See <http://www.davenport.edu/academics/institutional-review-board-irb/forms-procedures> for full details. Research **cannot** be approved at this time for: Animals, Environmental Hazards, or DNA.

All PIs/co-PIs of a grant involving research must undergo Collaborative Institutional Training Initiative (CITI Program) certification training and provide a copy of their certificate of successful completion to both Davenport's IRB (for all research) as well as Sponsored Programs (if seeking federal funding).

h. Approval Process:

A "Proposal Approval Routing Form" (see Attachment D) is required before a proposal is allowed to be submitted. Once a final review is ready, the full proposal will need to be routed for approval at least 5 working days prior to the deadline. (See Deadlines section to determine what date is to be used as the drop-dead deadline date.) All documents, other than standard organizational documents, such as the 501(c)(3), 990s, etc., must be included for approval. Note, when more than one unit/department is involved as part of the Project Team, a Chair/Director and Dean/EVP will need to approve from each unit/department. Approvals will occur in the following order:

- Project Team
- Office of Sponsored Programs and Grant Development
- Institutional Research (if applicable, see Research Approval below)
- Finance/Accounting (unless a budget is not included)
- Chair/Director/Top Supervisor
- Dean/EVP
- **For subawards, written contract/approval must be obtained from partners involved (see Subawards section)

III. ALLOWABLE COSTS

As a recipient of federal funds, Davenport is required to adopt costing policies in conformance with Federal rules and regulations. The University's cost accounting practices are declared in the required filing of its Disclosure Statement (called the DS-2) to the audit agency of the US Department of Health

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and Human Services. The DS-2 defines costs that can be directly charged to sponsored projects as being allowable, allocable, reasonable, and consistently applied. Costs that support sponsored projects on an indirect basis are also defined. Additional applicable Federal guidance in this area is provided by OMB Uniform Guidance (UG) 2 CFR 220, “Cost Principles for Educational Institutions;” OMB UG 2 CFR 215, “Uniform Administrative Requirements for Grants and Agreements;” and OMB Circular A-133, “Auditing Requirements.”

With all sponsored projects, there are two sets of costs that are incurred while implementing and performing the funded project: direct costs and indirect costs. Direct costs are directly related to the funded project and are generally allowably charged to the federal funder. Indirect costs are indirectly related to the funded project, usually as administrative and facilities costs, and are not allowed to be charged to the federal funder.

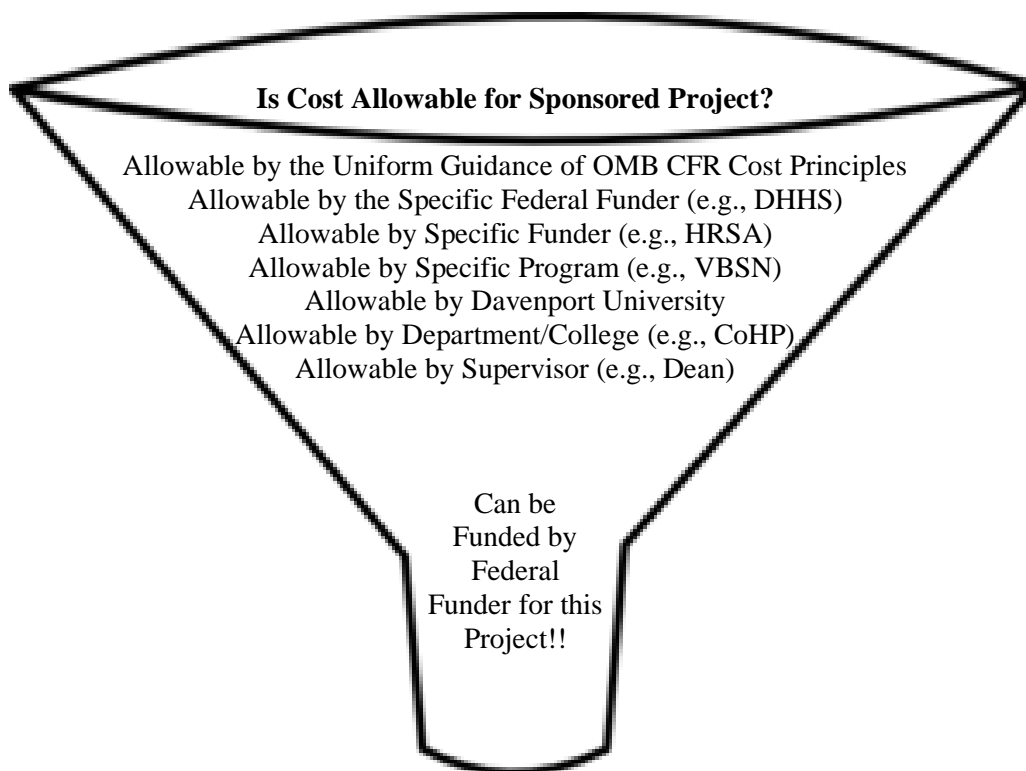
	DIRECT COSTS	INDIRECT COSTS
Salaries/Wages and Fringe Benefits	<ul style="list-style-type: none"> • Faculty, researchers, assistants, student research/program assistants, and other technical and programmatic personnel necessary to meet project goals. • Benefits of payroll taxes, retirement, and medical benefits package equivalent to time and effort paid by grant. 	Administrative and clerical positions (e.g., secretaries, accountants, office personnel), purchasing agents and buyers, or any time-effort for performing administrative activities.
Travel	Travel required to reach objectives of sponsored agreement.	Travel related to administrative activities.
Supplies	<ul style="list-style-type: none"> • Lab and scientific supplies • Field supplies • Software • Program supplies specific to funded project 	<ul style="list-style-type: none"> • Office supplies • Custodial supplies • Repair/maintenance parts and supplies • Paper • Books and reference materials
Information and Communication	<ul style="list-style-type: none"> • Printing or photocopying specific to meet requirements of the sponsored project scope if it clearly indicates a need for a volume beyond routine. • Postage specific to meet requirements of the sponsored project scope if it clearly indicates a need for a volume beyond routine. • Advertisements relating to recruitment of personnel or subjects approved for the sponsored project • Photography 	<ul style="list-style-type: none"> • Printing and photocopy copies except as directly applicable to project scope, as detailed to the left. • Telephone - basic service, installation, repair, and line charges • Cellular • Postage except as directly applicable to project scope, as detailed to the left. • Public relations • General advertising • Dues/memberships • professional, and technical organizations • Subscriptions • IT or telecommunications manufactured or sold by Huawei Technologies Company or ZTE
Repairs, Maintenance, and Operations	<ul style="list-style-type: none"> • Repairs and maintenance related to scientific and technical equipment • Lease/rental of vehicles and other equipment • Lease/rental of off-campus facilities 	<ul style="list-style-type: none"> • Repairs and maintenance related to facilities and general purpose equipment • Utilities

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Miscellaneous	<ul style="list-style-type: none"> • Participant/trainee expenses • Subject Payments • Subawards • Consultant's fees • Publication/dissemination of project findings 	<ul style="list-style-type: none"> • Legal and financial services • Insurance • Fines and penalties • Meals
Equipment	<ul style="list-style-type: none"> • Lab and scientific non-capital equipment • Technical and scientific capital equipment 	<ul style="list-style-type: none"> • General purpose non-capital equipment (e.g., computers, electronic devices) • General purpose capital equipment • Equipment from foreign countries where an American product can be purchased <p>Absolutely no equipment from countries listed in 2 CFR part 183 in the “Never Contract with Enemies” section (§ 200.216).</p>
Evaluation	<ul style="list-style-type: none"> • Time and effort or consultant fees for evaluator to assess performance of grant program • Data collection and analysis 	<ul style="list-style-type: none"> •

Direct Costs

Expenditures on sponsored projects go through a two-fold approval procedure, including normal departmental approval and approval by the Office of Sponsored Programs and Grant Development. All expenses charged to a sponsored project must be reasonable, allowable, allocable and necessary (as outlined in Davenport policies and procedures, OMB Title 2 CFR 200 – Cost Principles ([OMB CFRs](#)), and the specific federal funder’s policies) for the conduct of the sponsored project. An expenditure that would not be allowable with university funds would not be allowable on a sponsored project. Furthermore, some funders impose greater restrictions than University policy on how sponsored project funds may be spent. Federal cost principles apply to grants, contracts and cooperative agreements. To determine if costs are able to be sponsored by a federal funder, apply the cost to the following Cost Filter:



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When there are inconsistencies, the most restrictive regulations of federal, state, university or agency must be followed. **For** budgeting/direct costs of a sponsored project are appropriate, the cost must:

- Be **reasonable**, i.e., the cost is generally recognized as necessary for the performance of the project and is one that a prudent person would consider reasonable given the same set of circumstances;
- Be **allocable** to the sponsored project, i.e., the cost is incurred for the benefit of only one project, or the item can be easily assigned to multiple benefiting projects. A specific project may only be charged that portion of the cost that represents the direct benefit to that project
- Be **treated consistently** with other similar costs incurred in like circumstances in accordance with generally accepted accounting principles; and
- **Conform to any limitations/exclusions** stated in generally accepted accounting principles or in the sponsored agreement, i.e., the cost must be **allowable** and not designated as **unallowable** by regulation or sponsored project specific award conditions.

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost should be allocated to the projects based on the proportional benefit. However, this allocation cannot be used to eliminate cost overruns.

Allowable Direct Costs

Salaries, Wages and Fringe Benefits – Salaries, wages, and fringe benefits of personnel working directly on the sponsored project, such as faculty, student research assistants, and other staff, are allowable as are the related fringe benefits (payroll taxes, retirement, and medical benefits package equivalent to time and effort paid by grant funds. Current employees assigned to the sponsored project activity need to have revisions made in their appointments to reflect their effort on the sponsored project. When new employees are hired for the sponsored project, the PI, working through the department and the Office of Sponsored Programs and Grant Development, must comply with Human Resources policy and procedures. As a standard rule, secretarial and clerical personnel are not allowable costs as they are included in the indirect cost rate calculation. Only when such positions have been requested and justified in the proposal budget and approved in the award can they be charged to a sponsored project.

Supplies/Services – Purchases that are necessary for performing the sponsored project's scope of work and are allowable are charged directly to the sponsored project fund/index whenever possible. Receipts for purchases that appear on monthly purchasing statements are retained by the department for audit purposes. Copies of receipts are also maintained by the PI and the department.

Travel – Travel costs for Davenport employees are reimbursed to the traveler and charged to the sponsored project fund using the on-line Reimbursement Expense Statement. All travel must conform to Davenport travel regulations and be submitted for reimbursement upon completion of travel. Expense statements submitted for reimbursement must specify how the travel directly benefitted the sponsored project and include original receipts for anything over \$25.00 (or less if required by the sponsoring agency). An official conference document that indicates the lodging rate for that site must also be included. Reimbursement for lodging, meals, and mileage are in accordance with Davenport policy. Travel by air is at the lowest fare possible and must follow the Fly America Act (49 U.S.C. 40118).

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The Fly America Act requires that all air travel and cargo transportation services funded by the federal government must use a "U.S. flag" air carrier service. You can find a complete list of certified U.S. flag air carriers on [transportation.gov](https://www.transportation.gov). This requirement applies to:

- Federal government employees and their dependents;
- Consultants, contractors, and grantees; and
- Other travelers whose travel is paid for by the federal government.
- You cannot cross the U.S. border to use a foreign airline to avoid being subject to the Fly America Act. If travel does not comply with the Fly America Act, the government will not reimburse your airline ticket!

Consultants /Independent Contractors – Services of consultants may be required to accomplish some of the project work. The consultant may be a member of a profession or a person possessing special skills who is not a Davenport employee. A consultant may not be a university employee. An Independent Contractor Agreement must be completed outlining the services to be performed. The consultant will submit an invoice when the services are provided. Prepayment for a service is not allowable. To pay the consultant the following must be submitted to Accounts Payable:

1. Check Request form signed by PI, Department Chair, and Office of Sponsored Programs and Grant Development.
2. Copy of approval for the Independent Contractor Determination
3. Invoice from Consultant

Equipment – Equipment is defined in accordance with University policy as property having a useful life of more than one year and a minimum acquisition cost of \$500. When equipment is specified in the proposal budget, further approval is required by IT to ensure that it can be supported by our IT department. Documentation of the approval must be provided to the Office of Sponsored Programs and Grant Development with the Grant Proposal Approval Routing Form. In accordance with University policy acquisition of special purpose equipment costing in excess of \$50,000 must be in compliance with the bidding process.

Equipment is used only for specific research, medical, scientific, or other technical activities and is an allowable cost to a funded project. General purpose equipment cannot be charged to a sponsored project fund. Examples of general purpose equipment would be computers, office machines, furniture, air conditioners, and vehicles. (In some circumstances, computers can be charged to a sponsored program if it is found to be necessary for attaining the objectives of the sponsored program and it will be used only for the purposes of the sponsored program. Pre-approval from the federal funder is required for purchase.)

Note: As of November 2020, to meet statutory requirements, OMB added part 183 to 2 CFR to implement Never Contract with the Enemy, consistent with the fact that the law applies to only a small number of grants and cooperative agreements. Never Contract with the Enemy applies only to grants and cooperative agreements that exceed \$50,000, are performed outside the United States, including U.S. territories, to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

To implement Never Contract with the Enemy and to reflect current practice, OMB requires Federal awarding agencies to utilize the System for Award Management (SAM) Exclusions and the FAPIIS to ensure compliance before awarding a grant or cooperative agreement. Federal awarding agencies are prohibited from making awards to persons or entities listed in SAM Exclusions (NDAA 2017) pursuant to Never Contract with the Enemy and are required to list in FAPIIS any grant or cooperative agreement

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terminated due to Never Contract with the Enemy as a Termination for Material Failure to Comply. The revisions also require agencies to insert terms and conditions in grants and cooperative agreements regarding non-Federal entities' responsibilities to ensure no Federal award funds are provided directly or indirectly to the enemy, to terminate subawards in violation of Never Contract with the Enemy, and to allow the Federal Government access to records to ensure that no Federal award funds are provided to the enemy.

The law allows Federal awarding agencies to terminate, in whole or in part any grant, cooperative agreement, or contract that provides funds to the enemy, as defined in the NDAA for FY 2015 (NDAA 2015). This statute applies to procurement as well as to grants and cooperative agreements. OMB coordinated with the procurement community as appropriate before issuing this final guidance, including the roles and responsibilities of the covered combatant command and Federal awarding agencies.

Never contract with the enemy: Federal awarding agencies and recipients are subject to the regulations implementing Never Contract with the Enemy in 2 CFR part 183. The regulations in 2 CFR part 183 affect covered contracts, grants and cooperative agreements that are expected to exceed \$50,000 within the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

§ 200.216

Prohibition on certain telecommunications and video surveillance services or equipment.

(a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

(1) Procure or obtain;

(2) Extend or renew a contract to procure or obtain; or

(3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

(b) In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

(c) See Public Law 115-232, section 889 for additional information.

(d) See also § 200.471.

Infrastructure/Construction/Broadband - The Build America Buy America Act (BABAA), which is a component of the Infrastructure Investment and Jobs Act signed into law by President Biden on November 15, 2021, focuses on, MAXIMIZING, CREATING, and HELPING: It seeks to maximize the

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federal government's use of services, goods, products, and materials produced and offered in the United States. It seeks to create demand for domestically produced goods. It seeks to help sustain and grow domestic manufacturing and the millions of jobs it supports throughout product supply chains. Buy America Sourcing Requirements for Federal financial assistance infrastructure projects require that

- All iron and steel used in the project are produced in the United States;
- Manufactured products used in the project are produced in the United States; and
- Construction materials used in the project are produced in the United States.

BABAA applies to formula and discretionary grants. At ED, it applies to construction, remodeling, and broadband infrastructure, and only to those grant projects or activities that focus on infrastructure. Other non-infrastructure projects and activities within a grant are not subject to BABAA.

The BABAA Buy America Sourcing Requirement, or Domestic Content Procurement Preference as established in section 70912(2) of BABAA, <https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf>. BABAA section 70914 requires implementation effective no later than May 14, 2022.

In addition, for Department of Education grants, BABAA policy:

- Applies to new, non-competing continuation, and supplemental grants awarded by ED on or after October 1, 2022 (not before)
- Applies to Formula and Discretionary Grants
- Applies to infrastructure related to construction remodeling, and broadband infrastructure
- Only applies to those activities in each grant project related to infrastructure

Evaluation – As program/grant evaluation is a critical part of grant funding, program evaluation is considered a direct cost as it pertains to relating the progress and success of the grant-funded program, research, and/or services. Evaluation costs include time and effort and/or consultant fees for an evaluator to assess the progress toward goals and objectives as set forth in the awarded grant by both the federal entity and Davenport's grant team as well as data collection and analysis.

Other costs - Other costs that are typically allowable include subawards, fees and services, copying services and postage services used in the performance of the project, service/maintenance agreements on capital equipment approved by the sponsor.

Examples of Non-Allowable Direct Costs

Unallowable costs are outlined in OMB Title 2 CFR 200 – Subpart E. Selected unallowable costs are listed below. Some costs may be allowable dependent upon the specific objectives of the sponsored project:

- **Advertising** costs are unallowable unless for recruitment of grant personnel or subjects for research
- **Alcoholic beverages**
- **Alumni activity**
- **Bad debts/over expenditures on other sponsored agreements**
- **Commencement**
- **Contingency provisions**
- **Depreciation reserves**
- **Donations or contributions**
- **Entertainment costs**, unless specifically allowed by program regulations
- **Food** unless on travel status
- **Gifts**

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- **Goods and services** for personal use
- **Housing and personal living expenses**, unless on travel status
- **Insurance and Indemnification**
- **Interest**
- **Lobbying**
- **Losses/over expenditures on other sponsored agreements**
- **Memberships, subscriptions, and professional activity costs**, unless specifically required by the federal funder
- **Postage/Copying** –Routine mailings and copying to sponsored projects.
- **Pre-agreement costs** - Costs incurred prior to effective date of sponsored agreement
- **Public relations**
- **Salaries** of individuals engaged in routine departmental or administrative work that benefits all activities of the department (instruction, research, training, public service, etc.), i.e., there is no direct relationship to a specific sponsored project's scope of work
- **Selling and marketing costs**
- **Severance costs** in excess of Davenport's normal severance pay policy
- **Student activity** costs unless specifically approved in program regulations
- **Supplies and materials** - Office supplies that are normally used in the general administrative support of a project may not be charged to the award. Because many types of office supplies are used for both general administrative support and project-specific activities, it is important that these items, when included in the budget, be justified in terms of their relevance to the methods used in conducting the project. Supplies and materials for routine departmental or administrative activities that benefit all activities of the department (instruction, research, training, public service, etc.), i.e., there is no direct relationship to a specific sponsored project's scope of work, are not allowable.
- **Telephone** – Basic telephone or cell phone service
- **Other costs** such as travel, repairs, fees, and services, local telephone expenses, copying and postage that are for routine departmental or administrative use, and do not have a direct relationship to a specific sponsored project's scope of work.

During post-award, the Financial Grant Administrator (FGA) will request that the PI provide clarification of charges that appear unreasonable, unallocable, unallowable, or unclear. In addition, FGA may request detailed support for selected charges. For any costs determined to be unallowable, FGA must notify SP, the PI, and the PI's supervisor of the disallowance and request an immediate journal entry to transfer the disallowed expenses to the PI's departmental budget. Any questions regarding these changes are to be asked of the FGA.

IV. SUBMITTING the PROPOSAL

a. Method of Submission:

All proposals will be submitted by the Office of Sponsored Programs and Grant Development. The guidelines of the funder will dictate which method is used (electronic, FedEx or postal mail) for submission.

When electronic submission is either not available or not allowed, DU will FedEx the proposals. FedExing the proposals provides a means to receive a receipt that it has been delivered, and it guarantees delivery by a certain date. Only when a funder states that something must be mailed via U.S. Postal Services, will we submit through postal mail.

b. Proposal Contact Information for Submission:

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Most funders realize that a different person is responsible for submitting the proposal than the project director/researcher requesting funds. Most proposals ask for at least two contacts: the proposal contact and the project contact. The proposal contact will be the SP of Grant Development and the principal project faculty/researcher will be the project contact. When only one contact is allowed, the contact will be the Office of Sponsored Programs and Grant Development, with the faculty/researcher mentioned within the narrative as the project contact. All Grant Agreements and contact between the funder and DU for payment and contractual purposes will flow through the Office of Sponsored Programs and Grant Development. Additionally, checks are to be sent by the funder to the Office of Sponsored Programs and Grant Development to ensure that funds are processed quickly and efficiently to allow project directors/researchers to access the money as soon as possible.

c. Financial Conflict of Interest:

For compliance with the regulatory requirements provided in the Financial Conflict of Interest (FCOI) regulation at [42 CFR Part 50, Subpart F](#), Promoting Objectivity in Research, applicable to Public Health Service (PHS) (e.g., NIH) grants and cooperative agreements, Davenport University has made the decision to require the following policies and procedures for ALL federally-sponsored Principle PI/co-PIs (PI) and co-Principle PI/co-PIs (co-PI) regardless of funder agency or type of funded project to be completed before submitting, after accepting, and each new year of a grant-funded position/project throughout the funding period. This will take place starting Fall 2023. Davenport's FCOI policy is also posted on our publicly accessible web site as required by the NIH Grants Policy Statement, [Section 4.1.10](#).

TRAINING

To establish a process to inform each PI/co-PI of Davenport's policies, disclosure responsibilities, and federal regulations, each new Davenport employee who is funded by a Federally-funded grant, must attend FCOI training as follows:

- Prior to engaging in Federally funded research (Grant kick-off training and/or onboard training for a newly hired PI/co-PI: once award is received or PI/co-PI is onboarding);
- Every year of Federally funded research (Refresher training: Start of each grant-funded year);
- When a PI/co-PI is found to be not in compliance with FCOI policies of management plans (Refresher training with warnings: as needed); and
- When changes have been implemented to FCOI policies (Update training: as needed).

Training will include what constitutes a significant financial interest (SFI), the processes for determining if an FCOI exists, and the process for managing the SFI and FCOI in a Federally funded grant award.

DISCLOSURE, REVIEW, and MONITORING

Disclosure:

As a PI/co-PI prepares a proposal for submission to a Federal funder, the PI/co-PI will be asked to disclose any Significant Financial Interest (SFI) that they or their spouse or dependent children

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may have related to the PI's/co-PI's responsibilities on the Federally funded project that meets or exceeds regulator definitions of SFI (See definitions at the end of this policy).

All significant financial interest disclosures must be forwarded to the Executive Director of Sponsored Programs, as Signing Officer (SO) for grants, to determine if a significant FCOI has occurred and, thus, require a FCOI form to be filled out and reported. This will occur: before submitting any proposal for Federal funding as well as any time during the grant period. The disclosure must be emailed to the SO within 30 days of the conflict and include the following information:

For remuneration or financial affiliations:

- Name of PI/co-PI;
- Name of the company/organization;
- Role/relationship with entity;
- Amount received, or if non-monetary, value of service/product(s) received; and
- Dates/duration of transaction/service.

For Trips:

- Name of PI/co-PI;
- Purpose of the trip;
- Name of the sponsor/organization;
- Amount received for travel;
- Destination; and
- Dates/duration of the trip.

Review:

Davenport is providing these guidelines to be compliant and consistent with 42 CFR Subpart F so that the designated SO can have the processes in place to determine if a PI/co-PI's significant financial interest (SFI) is related to Federally funded research and, if it is related, if the significant financial interest is a FCOI. A PI/co-PI's SFI is related to Federally funded research when Davenport, through its SO, reasonably determines that the SFI: could be affected by the Federally funded research or is in an entity whose financial interest could be affected by the research; or, conversely, could affect the Federally funded research or is in an entity whose financial interest could affect the research. Davenport may involve the PI/co-PI in the SO's determination of whether an SFI is related to the Federally funded research. A FCOI (FCOI) exists when Davenport, through its SO reasonably determines that the SFI could directly and significantly affect the design, conduct, or reporting of the Federally funded research.

A review will be conducted (1) prior to Davenport's expenditure of any funds under a Federally funded research project, (2) when a PI/co-PI is new to participating in the research project, (3) when an existing PI/co-PI discloses a new SFI, or (4) when Davenport identifies an SFI that was not disclosed timely by a PI/co-PI or, for whatever reason, was not previously reviewed by Davenport during an ongoing Federally funded research project (e.g., was not timely reviewed or reported by a subrecipient). The review, in compliance and consistent with §50.604(f), will be conducted within 60 days by SP and include:

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- Review all PI/co-PI disclosures of SFI;
- Determine if any SFIs relate to Federally funded research;
- Determine if an FCOI exists; and
- Develop and implement a management plan for if an SFI/FCOI exists so as to specify the actions that have been, and will be, taken to manage the FCOTI.

Note: Depending on the nature of the SFI, Davenport may determine that additional interim measures are necessary with regard to the PI/co-PI's participation in the Federally funded research project between the date of disclosure and the completion of Davenport's review.

Examples of conditions or restrictions that might be imposed to manage a FCOI include, but are not limited to:

- Public disclosure of FCOI (e.g., when presenting, publishing, reporting the research);
- Disclosure of FCOI directly to participants for research projects involving human subjects research;
- Appointment of an independent monitor to take measures to protect the design, conduct, and reporting of the research against bias resulting from the FCOI;
- Modification of the research plan;
- Change of personnel or personnel responsibilities, or disqualification of personnel from participation in all or a portion of the research;
- Reduction or elimination of the financial interest (e.g., sale of an equity interest); or
- Severance of relationships that create financial conflicts.

When an FCOI is not identified or managed in a timely manner, including failure by the PI/co-PI to disclose an SFI that is determined by Davenport to be an FCOI; failure by Davenport to review or manage the FCOI; or failure by Davenport to comply with a FCOI management plan, Davenport will, within 120 days of the University's determination of noncompliance, complete a retrospective review of the PI/co-PI's activities and the Federally funded research project to determine whether any Federally funded research, or portion thereof, conducted during the time period of the noncompliance, was biased in the design, conduct, or reporting of such research.

Davenport is required by 42 CFR 50.605(a)(3)(ii)(a) to document the retrospective review and to include, but not necessarily be limited to, all of the following key elements:

- Project number;
- Project title;
- PI or contact PI if a multiple PI model is used;
- Name of the PI/co-PI with the FCOI;
- Name of the entity with which the PI/co-PI has a FCOI;
- Reason(s) for the retrospective review;
- Detailed methodology used for the retrospective review (e.g., methodology of the review process, composition of the review panel, documents reviewed);
- Findings of the review; and
- Conclusions of the review.

Monitoring:

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Based on the results of the retrospective review, if appropriate, Davenport will update the previously submitted FCOI report, specifying the actions that will be taken to manage the FCOI going forward. If bias is found, Davenport is required to notify the Federal awarding Component promptly and submit a mitigation report to the Federal awarding Component. The mitigation report must include, at a minimum, the key elements documented in the retrospective review above and a description of the impact of the bias on the research project and Davenport's plan of action or actions taken to eliminate or mitigate the effect of the bias (e.g., impact on the research project; extent of harm done, including any qualitative and quantitative data to support any actual or future harm; analysis of whether the research project is salvageable). Thereafter, Davenport will submit FCOI reports annually, as specified in 42 CFR Subpart F. Depending on the nature of the FCOI, Davenport may determine that additional interim measures are necessary with regard to the PI's/co-PI's participation in the Federally funded research project between the date that the FCOI or the PI's/co-PI's noncompliance is determined and the completion of Davenport's retrospective review.

Management:

Davenport will take such actions as necessary to manage FCOIs, including any financial conflicts of a subrecipient PI/co-PI pursuant to 42 CFR 50.604 (c). Management of an identified FCOI requires development and implementation of a management plan and, if necessary, a retrospective review and mitigation report pursuant to §50.605(a). Davenport will also provide initial and ongoing FCOI reports to the THE FEDERAL FUNDER as required pursuant to §50.605(b).

Davenport will maintain records relating to all PI/co-PI disclosures of financial interests and Davenport's review of, and response to, such disclosures (whether or not a disclosure resulted in Davenport's determination of a FCOI) and all actions under Davenport's policy or retrospective review, if applicable, for at least three years from the date the final expenditures report is submitted to THE FEDERAL FUNDER or, where applicable, from other dates specified in 42 CFR 75.361 for different situations.

Davenport will establish adequate enforcement mechanisms and provide for employee sanctions or other administrative actions to ensure PI/co-PI compliance as appropriate.

As a PI/co-PI prepares to submit a proposal for Federal funding, Davenport's SO will certify, in each application for funding to which 42 CFR Subpart F applies, that Davenport:

- Has in effect at Davenport an up-to-date, written, and enforced administrative process to identify and manage FCOI with respect to all research projects for which funding is sought or received from THE FEDERAL FUNDER;
- Will promote and enforce PI/co-PI compliance, including those pertaining to disclosure of significant financial interests;
- Will manage FCOIs and provide initial and ongoing FCOI reports to the Federal awarding Component consistent;
- Agrees to make information available promptly upon request to HHS relating to any PI/co-PI disclosure of financial interests and Davenport's review of, and response to, such disclosure, whether or not the disclosure resulted in Davenport's determination of a FCOI; and

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- Will fully comply with the requirements of this 42 CFR Subpart F.

Davenport will implement a management plan pursuant to 42 CFR Subpart F, and will monitor PI/co-PI compliance with the management plan on an ongoing basis until the completion of the Federally funded research project.

REPORTING REQUIREMENTS to NIH

Reporting FCOI:

Davenport will send initial, annual, ongoing, and revised FCOI reports, including all reporting elements required by 42 CFR Subpart F to NIH for Davenport and its subrecipients, as applicable, as required by the abovementioned regulations.

As part of Davenport's management plan pursuant to 42 CFR Subpart F, and will monitor PI/co-PI compliance with the management plan on an ongoing basis until the completion of the Federally funded research project. As follows:

- Prior to the expenditure of funds;
- Within 60 days of identification for a PI/co-PI who is newly participating in the project;
- Within 60 days for new, or newly identified, FCOIs for existing PI/co-PI;
- At least annually (at the same time as when Davenport is required to submit the annual progress report, multi-year progress report, if applicable, or at time of extension) to provide the status of the FCOI and any changes to the management plan, if applicable, until completion of the project; and
- Following a retrospective review to update a previously submitted report, if appropriate.

Prior to Davenport's expenditure of any funds under a Federally funded research project, Davenport will provide to the Federal awarding Component an FCOI report regarding any PI's/co-PI's SFI found by Davenport to be conflicting and ensure that Davenport has implemented a management plan in accordance with 42 CFR Subpart F. In cases in which Davenport identifies an FCOI and eliminates it prior to the expenditure of THE FEDERAL FUNDER-awarded funds, Davenport will not submit an FCOI report to the Federal awarding Component.

For any SFI that Davenport identifies as conflicting subsequent to Davenport's initial FCOI report during an ongoing Federally funded research project (e.g., upon the participation of a PI/co-PI who is new to the research project), Davenport will provide to the Federal awarding Component, within 60 days, an FCOI report regarding the FCOI and ensure that Davenport has implemented a management plan in accordance with 42 CFR Subpart F. Pursuant to paragraph 42 CFR 50.605(a)(3)(ii), where such FCOI report involves an SFI that was not disclosed timely by an PI/co-PI or, for whatever reason, was not previously reviewed or managed by Davenport (e.g., was not timely reviewed or reported by a subrecipient), Davenport also will complete a retrospective review to determine whether any Federally funded research, or portion thereof, conducted prior to the identification and management of the FCOI was biased in the design, conduct, or reporting of such research. Additionally, pursuant to paragraph 42 CFR 50.605(a)(3)(iii), if bias is found, Davenport will notify the Federal awarding Component promptly and submit a mitigation report to the Federal awarding Component.

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Any FCOI report required under paragraph 42 CFR 50.605(b)(1) or (b)(2) will include sufficient information to enable the Federal awarding Component to understand the nature and extent of the financial conflict, and to assess the appropriateness of Davenport's management plan. Elements of the FCOI report will include, but are not necessarily limited to the following:

- Project number;
- PD/PI or Contact PD/PI if a multiple PD/PI model is used;
- Name of PI/co-PI with the FCOI;
- Name of the entity with which the PI/co-PI has a FCOI;
- Nature of the financial interest (e.g., equity, consulting fee, travel reimbursement, honorarium);
- Value of the financial interest (dollar ranges are permissible, or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value);
- A description of how the financial interest relates to the Federally funded research and the basis for Davenport's determination that the financial interest conflicts with such research; and
- A description of the key elements of Davenport's management plan, including:
 - Role and principal duties of the conflicted PI/co-PI in the research project;
 - Conditions of the management plan;
 - How management plan is designed to safeguard objectivity in the research project;
 - Confirmation of the PI's/co-PI's agreement to the management plan;
 - How the management plan will be monitored to ensure PI/co-PI compliance; and
 - Other information as needed.

For any FCOI previously reported by Davenport with regard to an ongoing Federally funded research project, Davenport will provide to the Federal awarding Component an annual FCOI report that addresses the status of the FCOI and any changes to the management plan for duration of the Federally funded research project. The annual FCOI report will specify whether the FCOI is still being managed or explain why the FCOI no longer exists. Davenport will provide annual FCOI reports to the Federal awarding Component for duration of the project period (including extensions with or without funds) in time and manner specified by the Federal awarding Component.

Prior to Davenport's expenditure of any funds under a Federally funded research project, the University will ensure public accessibility, via a written response to any requestor within five business days of a request, of information concerning any significant financial interest disclosed to Davenport that meets the following three criteria:

- SFI was disclosed and is still held by the PI/co-PI as defined by 42 CFR Subpart F;
- Davenport determines that the SFI is related to the Federally funded research; and
- Davenport determines that the SFI is an FCOI.

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The information that Davenport makes available via a publicly accessible Web site or written response to any requestor within five business days of a request, will include, at a minimum, the following:

- PI's/co-PI's name;
- PI's/co-PI's title and role with respect to the research project;
- Name of the entity in which the significant financial interest is held;
- Nature of the SFI; and
- Approximate dollar value of the SFI or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value.

Davenport will update this information at least annually. In addition, Davenport will update within 60 days of the University's receipt or identification of information concerning any additional SFI of the PI/co-PI for the Federally funded research project that was not previously disclosed, or upon the disclosure of an SFI of PI/co-PI new to the Federally funded research project, if Davenport determines that the SFI is related to the Federally funded research and is an FCOI. Responses to written requests for the purposes of this subsection will note that the information provided is current as of the date of the correspondence and is subject to updates, on at least an annual basis and within 60 days of Davenport's identification of a new FCOI, which should be requested subsequently by the requestor.

Information concerning the SFI of an individual subject to paragraph 42 CFR 50.65(a)(5) will remain available, for responses to written requests by Davenport for at least three years from the date that the information was most recently updated.

Reporting Bias:

Davenport will, during the course of the review, notify NIH promptly if bias is found with the design, conduct, or reporting of NIH-funded research and submit a mitigation report in accordance with 42 CFR 50.605 (a)(3)(iii). The mitigation report must include, at a minimum, the following:

- Project number;
- Project title;
- PI or contact PI if a multiple PI model is used;
- Name of the PI/co-PI with the FCOI;
- Name of the entity with which the PI/co-PI has a FCOI;
- Reason(s) for the retrospective review;
- Detailed methodology used for the retrospective review (e.g., methodology of the review process, composition of the review panel, documents reviewed);
- Findings of the review;
- Conclusions of the review;
- Description of the impact of the bias on the research project; and
- Davenport's plan of action or actions taken to eliminate or mitigate the effect of the bias (e.g., impact on the research project; extent of harm done, including any qualitative and quantitative data to support any actual or future harm; analysis of whether the research project is salvageable).

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Thereafter, Davenport will submit FCOI reports annually. Depending on the nature of the FCOI, Davenport may determine that additional interim measures are necessary with regard to the PI's/co-PI's participation in the Federally funded research project between the date the FCOI or PI's/co-PI's noncompliance is determined and completion of Davenport's retrospective review.

Davenport will notify NIH promptly if a PI/co-PI fails to comply with the University's FCOI policy or if an FCOI management plan appears to have bias toward the design, conduct, or reporting of the NIH-funded research.

Reporting Failure of PI/co-PI Compliance:

If Davenport finds that a PI/co-PI fails to comply with the University's FCOI or an FCOI management plan appears to have biased the design, conduct, or reporting of the Federally funded research, Davenport will promptly notify the Federal awarding Component of the corrective action taken or to be taken. The Federal awarding Component will consider the situation and, as necessary, take appropriate action, or refer the matter to Davenport for further action, which may include directions to the University on how to maintain appropriate objectivity in the Federally funded research project. THE FEDERAL FUNDER may, for example, require Davenport, as the employer of the PI/co-PI, to enforce any applicable corrective actions prior to any THE FEDERAL FUNDER award or when the transfer of a THE FEDERAL FUNDER grant(s) involves that same PI/co-PI.

The Federal awarding Component and/or HHS may inquire at any time before, during, or after award into any PI/co-PI FCOI and Davenport's review (including any retrospective review) of, and response to, such disclosure, regardless of whether the disclosure resulted in Davenport's determination of an FCOI. Davenport is required to submit, or permit on site review of, all records pertinent to compliance. To the extent permitted by law, HHS will maintain the confidentiality of all records of financial interests. On the basis of its review of records or other information that may be available, the Federal awarding Component may decide that a particular FCOI will bias the objectivity of the Federally funded research to such an extent that further corrective action is needed or that Davenport has not managed the FCOI in accordance with 42 CFR Subpart F. The Federal awarding Component may determine that imposition of specific award conditions under 42 CFR 75.207, or suspension of funding or other enforcement action under 42 CFR 75.371, is necessary until the matter is resolved.

MAINTENANCE of RECORDS:

Davenport will maintain records relating to all PI/co-PI disclosures of financial interests and Davenport's review of, and response to, such disclosures (whether or not a disclosure resulted in Davenport's determination of a FCOI) and all actions under Davenport's policy or retrospective review, if applicable, for at least three years from the date the final expenditures report is submitted to THE FEDERAL FUNDER or, where applicable, from other dates specified in 42 CFR 75.361 for different situations.

ENFORCEMENT MECHANISMS for REMEDIES and NONCOMPLIANCE

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Davenport will enforce PI/co-PI compliance through thorough the abovementioned reporting and monitoring processes. When an FCOI is not identified or managed in a timely manner, including failure by the PI/co-PI to disclose an SFI that is determined by Davenport to be an FCOI; failure by Davenport to review or manage the FCOI; or failure by Davenport to comply with a FCOI management plan, Davenport will, within 120 days of the University's determination of noncompliance, complete a retrospective review of the PI/co-PI's activities and the Federally funded research project to determine whether any Federally funded research, or portion thereof, conducted during the time period of the noncompliance, was biased in the design, conduct, or reporting of such research.

Davenport is required by 42 CFR 50.605(a)(3)(ii)(a) to document the retrospective review and to include, but not necessarily be limited to, all of the following key elements:

- Project number;
- Project title;
- PI or contact PI if a multiple PI model is used;
- Name of the PI/co-PI with the FCOI;
- Name of the entity with which the PI/co-PI has a FCOI;
- Reason(s) for the retrospective review;
- Detailed methodology used for the retrospective review (e.g., methodology of the review process, composition of the review panel, documents reviewed);
- Findings of the review; and
- Conclusions of the review.

Davenport does not conduct clinical research and, therefore, does not have any current written policies adherent to 42 CFR 50.606(c). If Davenport does move into the realm of clinical research, Davenport will include policies for this section.

SUBRECIPIENT REQUIREMENTS

When Davenport carries out Federally funded research through a subrecipient (e.g., subcontractors or consortium members), Davenport (awardee Institution) will take reasonable steps to ensure that any subrecipient PI/co-PI complies with 42 CFR Subpart F by:

- Incorporating as part of a written agreement with the subrecipient terms that establish the FCOI policy of Davenport by which the subrecipient will apply to the subrecipient's PIs/co-PIs.
 - All subrecipient's PIs/co-PIs must comply with the subrecipient's FCOI policy and must certify as part of the agreement referenced above that its policy complies with 42 CFR Subpart F. If the subrecipient cannot provide such certification, the agreement will state that subrecipient PIs/co-PIs are subject to the FCOI policy of Davenport for disclosing SFIs that are directly related to the subrecipient's work for Davenport;
 - The written agreement referenced above will specify time period(s) for the subrecipient to report all identified FCOI to Davenport. Such time period(s) will be sufficient to enable Davenport to provide timely FCOI reports, as necessary, to THE FEDERAL FUNDER as required by 42 CFR Subpart F;

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- Alternatively, if the subrecipient's PIs/co-PIs must comply with Davenport's FCOI policy, the agreement referenced above will specify time period(s) for the subrecipient to submit all PI/co-PI disclosures of SFIs to Davenport. Such time period(s) will be sufficient to enable Davenport to comply timely with its review, management, and reporting obligations under 42 CFR Subpart F.
- Providing FCOI reports to the Federal awarding Component regarding all FCOI of all subrecipient PIs/co-PIs consistent with 42 CFR Subpart F, i.e., prior to the expenditure of funds and within 60 days of any subsequently identified FCOI.

G. PUBLIC ACCESSIBILITY REQUIREMENTS

Davenport will maintain an up-to-date, written, enforced policy on FCOIs that complies with 42 CFR Subpart Ft, and make policy available via a publicly accessible Web site.

Prior to Davenport's expenditure of any funds under a Federally funded research project, the University will ensure public accessibility, via a written response to any requestor within five business days of a request, of information concerning any significant financial interest disclosed to Davenport that meets the following three criteria:

- SFI was disclosed and is still held by the PI/co-PI as defined by 42 CFR Subpart F;
- Davenport determines that the SFI is related to the Federally funded research; and
- Davenport determines that the SFI is an FCOI.

The information that Davenport makes available via a publicly accessible Web site or written response to any requestor within five business days of a request, will include, at a minimum, the following:

- PI's/co-PI's name;
- PI's/co-PI's title and role with respect to the research project;
- Name of the entity in which the significant financial interest is held;
- Nature of the SFI; and
- Approximate dollar value of the SFI or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value.

Davenport will update this information at least annually. In addition, Davenport will update within 60 days of the University's receipt or identification of information concerning any additional SFI of the PI/co-PI for the Federally funded research project that was not previously disclosed, or upon the disclosure of an SFI of PI/co-PI new to the Federally funded research project, if Davenport determines that the SFI is related to the Federally funded research and is an FCOI. Responses to written requests for the purposes of this subsection will note that the information provided is current as of the date of the correspondence and is subject to updates, on at least an annual basis and within 60 days of Davenport's identification of a new FCOI, which should be requested subsequently by the requestor.

Information concerning the SFI of an individual subject to paragraph 42 CFR 50.65(a)(5) will remain available, for responses to written requests by Davenport for at least three years from the date that the information was most recently updated.

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DEFINITIONS for 42 CFR SUBPART F: FINANCIAL CONFLICT of INTEREST

- **Disclosure of significant financial interests** – a PI/co-PI's disclosure of significant financial interests to Davenport.
- **Financial conflict of interest (FCOI)** - a significant financial interest that could directly and significantly affect the design, conduct, or reporting of Federally funded research.
- **FCOI report** - Davenport's report of an FCOI to a Federal awarding Component.
- **Financial interest** - anything of monetary value, whether or not the value is readily ascertainable.
- **HHS** - United States Department of Health and Human Services, and any components of the Department to which the authority involved may be delegated.
- **Institution** - any domestic or foreign, public or private, entity or organization (excluding a Federal agency) that is applying for, or that receives, THE FEDERAL FUNDER research funding.
- **Institutional/Davenport responsibilities** - a PI's/co-PI's professional responsibilities on behalf of Davenport, and as defined by Davenport in its policy on financial conflicts of interest, which may include for example: activities such as research, research consultation, teaching, professional practice, institutional committee memberships, and service on panels such as Institutional Review Boards or Data and Safety Monitoring Boards.
- **PI/co-PI** - the project director or principal PI/co-PI or co-principal PI/co-PI and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research funded by the THE FEDERAL FUNDER, or proposed for such funding, which may include, for example, collaborators or consultants. The PD/PI is included in the definitions of senior/key personnel and PI/co-PI under 42 CFR Subpart F.
- **Manage** - taking action to address a financial conflict of interest, which can include reducing or eliminating the financial conflict of interest, to ensure, to the extent possible, that the design, conduct, and reporting of research will be free from bias.
- **THE FEDERAL FUNDER** - Public Health Service of U.S. Department of Health and Human Services, and any components of the THE FEDERAL FUNDER to which the authority involved may be delegated, including the National Institutes of Health (NIH).
- **Federal awarding Component** - organizational unit of THE FEDERAL FUNDER that funds the research that is subject to 42 CFR Subpart F.
- **Public Health Service Act or THE FEDERAL FUNDER Act** - statute codified at 42 U.S.C. 201 et seq.
- **Research** - systematic investigation, study or experiment designed to develop or contribute to generalizable knowledge relating broadly to public health, including behavioral and social-sciences research. It encompasses basic and applied research (e.g., a published article, book or book chapter) and product development (e.g., a diagnostic test or drug). As used in 42 CFR Subpart F, the term includes any such activity for which research funding is available from a Federal awarding Component through a grant or cooperative agreement, whether authorized under the THE FEDERAL FUNDER Act or other statutory authority, such as a research grant, career development award, center grant, individual fellowship award, infrastructure award, institutional training grant, program project, or research resources award.

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- **Senior/key personnel** –PI/co-PI and any other person identified as senior/key personnel by Davenport in the grant application, progress report, or any other report submitted to the THE FEDERAL FUNDER by Davenport under 42 CFR Subpart F.
- **Significant financial interest (SFI):**
 - A financial interest consisting of one or more of the following interests of the PI/co-PI (and those of the PI/co-PI's spouse and dependent children) that reasonably appears to be related to the PI/co-PI's institutional responsibilities:
 - Ownership of or affiliation with publicly traded entities, companies, or organizations with value or remuneration in excess of \$5,000 received from the entity in the 12 months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure. Remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes stock, stock option, or other ownership interest, as determined through public prices or other reasonable measures of fair market value.
 - Ownership of or affiliation with any non-publicly traded entity, companies, or organizations with value or remuneration in excess of \$5,000 received from the entity in 12 months preceding disclosure they hold any equity interest (e.g., stock, stock option, or other ownership interest).
 - Ownership of or affiliation with Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests that meet the following criteria:
 - Reimbursed or sponsored travel (i.e., money paid on behalf of the PI/co-PI but not reimbursed to the PI/co-PI) when related to their Davenport responsibilities. Note: this disclosure requirement does not apply to travel that is reimbursed or sponsored by a Federal, state, or local government agency or by Davenport.
 - Note: Significant financial interest does not include the following types of financial interests:
 - Salary, royalties, or other remuneration paid by Davenport to the PI/co-PI if they are currently employed or otherwise appointed by Davenport, including intellectual property rights assigned to Davenport and agreements to share in royalties related to such rights;
 - Any ownership interest in Davenport held by PI/co-PI, if Davenport is a commercial or for-profit organization;
 - Income from investment vehicles, such as mutual funds and retirement accounts, as long as PI/co-PI does not directly control the investment decisions made in these vehicles; and
 - Income from seminars, lectures, or teaching engagements sponsored by a Federal, state, or local government agency, an Davenport affiliated with Davenport or income from service on advisory committees or review panels for a Federal, state, or local government agency, or an Davenport that is affiliated with Davenport.
- **Small Business Innovation Research (SBIR) Program** - extramural research program for small businesses that is established by the Awarding Components of the Public Health

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Service and certain other Federal agencies under Public Law 97-219, the Small Business Innovation Development Act, as amended. For purposes of 42 CFR Subpart F, the term SBIR Program also includes the Small Business Technology Transfer (STTR) Program, which was established by Public Law 102-564.

V. FUNDING OBLIGATIONS

a. Grant Agreements/Contracts:

Most funders provide a Grant Agreement that stipulates that the project/research will be carried out as defined within the submitted proposal. It will then require signatures binding Davenport University and the funder to those stipulations. Because this document is legally binding, it must be signed by the Executive Director of Grant Development, and most likely, an authorized official within Finance/Accounting as well. The Project Director/Researcher cannot sign the document(s). In most cases, the documents will go straight to the Office of Sponsored Programs and Grant Development from the funder. But, on occasion, the funder may send it to the faculty Project Director/Researcher. If so, the documents are to be forwarded immediately to the Office of Sponsored Programs and Grant Development for quick processing. These documents are usually time sensitive, especially since funders normally do not release the funds until after they have received all requested signed documents.

b. Check Processing/Spending the Funds:

All monetary awards must be accepted by the Office of Sponsored Programs and Grant Development for processing. As is the case with Grant Agreements, most monetary awards will be sent directly to the Office of Sponsored Programs and Grant Development. In rare cases, the funder may send them to the faculty Project Director/Researcher. If so, please forward immediately to the Office of Sponsored Programs and Grant Development.

The funds will be set up as an individual account to allow accountability for financial reporting. 100% of the funds MUST be allocated as proposed within the submitted budget. (Note: there are two exceptions 1) is if the changes a) do not require a change in scope of the awarded proposal and b) if the entire amount of rebudgeting is less than the threshold set by the Sponsor Funder and/or Sponsor Funder program; and, 2) when the Sponsor funder approves changes through a Prior Approval Process (see section Vc below for details). To audit grant spending, at minimum, two Purchase Order (PO) Approvers will be assigned to the grant account: one from the college and one from either the Office of Sponsored Programs and Grant Development or Finance/Accounting or both (for more intricate funding). Funders can request that funds be returned if they are not spent according to the agreement.

Reimbursement for Expenditures of federal grants: The federal government can charge interest to a federal funds recipient if money is drawn down by a grantee more than three days prior to use. So as not to owe funds back to Sponsored Agencies, Davenport's grant funding invoicing policy dictates that funds must be invoiced only as reimbursement for funds already spent instead of as pre-payment for funds not yet spent.

Methods of Procurement: Davenport federal grantees follow Davenport procurement policies and procedures AS WELL AS the standards set forth by § 200.320, §§ 200.317, 200.318, and 200.319 of Title 2 CFR, including:

(a) Informal procurement methods. When the value of the procurement for property or services under a Federal award does not exceed the simplified acquisition threshold (SAT), as defined in § 200.1, or a lower threshold established by Davenport, formal procurement methods are not required. Davenport may use informal procurement methods to expedite the completion of its transactions and minimize the

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associated administrative burden and cost. The informal methods used for procurement of property or services at or below the SAT include:

(1) Micro-purchases –For FY23, Davenport’s micro-purchase threshold (MPT) is self-certified to be \$50,000. This may change each year as the CFO, Controller, and ED of SP meet to review the new audit and receive instruction from our auditors. Each PI of a federally sponsored program will need to check with the ED of SP annually in September to determine if the MPT has changed.

(i) Distribution. The acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$50,000. To the maximum extent practicable, Davenport should distribute micro-purchases equitably among qualified suppliers.

(ii) Micro-purchase awards. Micro-purchases may be awarded without soliciting competitive price or rate quotations if Davenport considers the price to be reasonable based on research, experience, purchase history or other information and documents it files accordingly. Purchase cards can be used for micro-purchases if procedures are documented and pre-approved by Davenport.

(b) Semi-formal procurement methods. When the value of the procurement or services are higher than the MPT of \$50,000 but under the SAT of \$250,000, the following will be required:

(1) Survey Contractors. Conduct a survey of a minimum of 3 contractors that may fulfill the need; OR

(2) Review Price Lists. Review at least 3 contractor price lists; OR

(3) Request quotations for minimum of 3 contractors.

(c) Formal procurement methods. When the value of the procurement for property or services under a Federal financial assistance award exceeds the SAT (currently \$250,000 for FY23, previous \$125,000, per FAR subpart 13.5), Formal procurement methods require the following documented procedures.

Formal procurement methods also require public advertising unless a non-competitive procurement can be used in accordance with § 200.319 or paragraph (c) of this section. The following formal methods of procurement are used for procurement of property or services above the simplified acquisition threshold or a value below the simplified acquisition threshold Davenport determines to be appropriate:

(1) Sealed bids. A procurement method in which bids are publicly solicited and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bids method is the preferred method for procuring construction, if the conditions.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

(A) Bids must be solicited from an adequate number of qualified sources, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;

(B) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(C) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(D) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

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(2) Proposals. A procurement method in which either a fixed price or cost-reimbursement type contract is awarded. Proposals are generally used when conditions are not appropriate for the use of sealed bids.

They are awarded in accordance with the following requirements:

- (i) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Proposals must be solicited from an adequate number of qualified offerors. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- (ii) Davenport must have a written method for conducting technical evaluations of the proposals received and making selections;
- (iii) Contracts must be awarded to the responsible offeror whose proposal is most advantageous to Davenport, with price and other factors considered; and
- (iv) Davenport may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby offeror's qualifications are evaluated and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms that are a potential source to perform the proposed effort.

(c) Noncompetitive procurement. There are specific circumstances in which noncompetitive procurement can be used. Noncompetitive procurement can only be awarded if one or more of the following circumstances apply:

- (1) The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (see paragraph (a)(1) of this section);
- (2) The item is available only from a single source;
- (3) The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;
- (4) The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from Davenport; or
- (5) After solicitation of a number of sources, competition is determined inadequate.

For assistance with purchases over \$50,000, the PI must work with Sponsored Programs and the FGA to ensure compliance of process required for micro-purchases, simplified acquisition thresholds, and purchases that exceed these levels.

c. Budget Adjustments:

From time to time, budgets that were set during the submission process must be revised during the implementation process. Reasons for revisions could include unexpected price changes in equipment/supplies (increases and decreases), a key faculty member leaves DU and must be replaced by another faculty member (different salaries, faculty effort, etc.), or mid-research, a new process is determined to be more effective, etc. Any budgetary changes that do not exceed (in total) the max amount set by the federal agency as allowable without prior approval (e.g., 25% of the budget) only need the approval of the Principal Investigator (PI), the Dean, Sponsored Programs (SP), and the Financial Grant Administrator (FGA). For grant budgetary changes that exceed the federally accepted rates of change per agency/program, and hence need prior approval, the approval of the Provost is also needed.

Note: For grants with Participant Costs, all PI/co-PIs and grant teams are made aware that the allowable percent of budget changes does NOT include changing participant costs into non-participant costs as this is not allowed by any federal grants. Revised budgets and narrative explanations for the revision request are to be submitted to the Office of Sponsored Programs and Grant Development for submission to the funder. The revised budget will not take effect until the Office of Sponsored Programs and Grant Development has acquired written confirmation from the funder that the revised budget is approved.

d. Grant Reports:

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Stewardship of grants is extremely important. It could mean the difference between first time funding or only-time funding. Most funders will outline the reporting requirements and dates within the confines of the Grant Agreement. These are to be strictly enforced. Financial reports will be prepared by Finance/Accounting and the Office of Sponsored Programs and Grant Development. Narrative Reports will be prepared by the Principal faculty or staff for the funded project and the Office of Sponsored Programs and Grant Development. The Office of Sponsored Programs and Grant Development will coordinate gathering the reports and submitting them to the funder. If a funder does not lay out the specifics of reporting within the Grant Agreement, then the Office of Sponsored Programs and Grant Development will determine dates by which reports will be sent to the funder.

For Sponsored Projects, closeout is critical. Per §200.344 Closeout:

- (a) The recipient must submit, no later than 120 calendar days after the end date of the period of performance, all financial, performance, and other reports, or earlier per each federal agency as required by the terms and conditions of the federal award. A subrecipient must submit to the pass-through entity, no later than 90 calendar days (or an earlier date as agreed upon by the pass-through entity and subrecipient) after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the federal award. The federal awarding agency or pass-through entity may approve extensions when requested and justified by Davenport, as applicable.
- (d) Davenport must promptly refund any balances of unobligated cash that the federal awarding agency or pass-through entity paid in advance or paid and that are not authorized to be retained by Davenport for use in other projects. See OMB Circular A-129 and see §200.346, for requirements regarding unreturned amounts that become delinquent debts.
- (i) If Davenport does not submit all reports in accordance with this section within one year of the period of performance end date, the federal awarding agency must report Davenport's material failure to comply with the terms and conditions of the award with the OMB-designated integrity and performance system (currently FAPIIS). Federal awarding agencies may also pursue other enforcement actions per §200.339.

VI. DOCUMENTATION of PERSONNEL EXPENSES

As a recipient of federal funds, Davenport University must comply with the Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”) as well as other federal requirements for certifying effort expended on sponsored awards. Davenport requires all individuals who receive federal sponsored funding to comply with institutional policies and sponsoring agency regulations regarding the proposing, charging, and reporting of effort on those awards.

Davenport faculty and staff are expected to charge their time to sponsored awards commensurate with the committed effort expended on all activities they perform. All individuals who receive any compensation from a federal award or a non-federal award where the non-federal sponsor requires effort reporting (“Sponsored Projects”) are required to certify their effort. This process ensures that salaries and wages are properly expended and that actual effort is consistent with the committed and budgeted effort.

Subpart E 200.430 of the Uniform Guidance includes the federal regulatory requirements for compensation for personal services. This includes but is not limited to the specified Standards for Documentation for Personnel Expenses. Davenport’s Effort Reporting policy and procedures are intended to meet these requirements. Davenport’s Effort Reporting Policy and Procedures include:

1. Time and effort reports must reasonably reflect the percentage distribution of effort expended by Davenport employees involved in Sponsored Projects. The Time and Effort report must represent,

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in percentages totaling 100%, a reasonable estimate of an employee's effort for the period being reported. These reports must reasonably reflect the activity for which the employee is compensated and must encompass all activities on an integrated basis. "Effort" includes all research, teaching, administration, service, and any other activity for which an individual received compensation from the University. Note: Section 200.430(c) states, "It is recognized that teaching, research, service, and administration are often inextricably intermingled in an academic setting. When recording salaries and wages charged to Federal awards for IHEs [Institutions of Higher Education], a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected."

2. Davenport may contribute certain "Cost Sharing" resources in sponsored proposals when appropriate. All Cost Sharing must be pre-approved. These resources may include but are not limited to matching funds, facilities, and/or faculty or staff time. When Cost Sharing resources are committed and budgeted for in a proposal or sponsored agreement, external sponsors consider the proposed cost sharing to be institutional commitments if such proposals are funded. As such, any voluntary cost sharing commitment should only be made when there are perceived advantages to the institution in receiving the award.
3. Each employee whose time is partially or fully committed to a federally Sponsored Project must complete Time and Effort reports as required. Reporting is required regardless of whether such time is paid by the sponsor, or is an unpaid contribution, i.e. cost share match. Committed cost sharing must be included in effort reports.
4. Davenport uses an "after-the-fact" effort reporting system to certify that salaries charged or cost-shared to Sponsored Projects are reasonable and consistent with the work performed. This indicates that the distribution of salaries and wages will be supported by activity reports signed by the employee and certified by a responsible person with suitable means of verification that the work was performed, generally the Principal Investigator (PI), at the end of the specified reporting periods. Time and Effort reports must be incorporated into the records of the University and retained in accordance with the sponsor regulations and/or the University's Records Retention schedule.
5. The federal government can impose severe penalties and funding disallowances as a result of missing, inaccurate, incomplete, or untimely effort reporting. Davenport expects that PIs will complete time and effort reports completely and in a timely manner. Consequences to not doing so may include, at the discretion of the administration, withholding submission of a new grant proposal and/or withholding compensation on effort expended. Davenport University also reserves the right to charge cost disallowances on Sponsored Projects resulting from the PI's failure to submit appropriate time and effort reports to the departmental operating account.

In addition, for any employee who is paid hourly instead of through salary, and who also receives any compensation from a federal award or a non-federal award where the non-federal sponsor requires effort reporting ("Sponsored Projects"), timesheets are required for reporting their time toward the Sponsored Project. Employees fill out timesheets electronically through e-time as they clock in and clock out for work each day. Every two weeks, at the end of a pay period, their Principle Investigator will approve the timesheets of their hourly grant staff. At the end of each grant program year, hourly staff who receive compensation from a federal award also follow the guidelines above for Davenport's Effort Reporting policy and procedures.

VII. PARTICIPANT SUPPORT

Funds identified as "participant support costs" are those direct costs paid to (or on behalf of) participants or trainees in grant-funded training programs, such as degree programs, support-services programs, etc., if

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allowed in the award budget. Participant support costs are intended to support students and other trainees. Participant support costs may not be paid to individuals providing administrative or logistical support, to Program or Project Directors (PDs) or to Principal Investigators. Per the Uniform Guidance,

"Participant support costs means direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects" (2 CFR 200.75).

Participant support costs are allowable with the prior approval of the Federal awarding agency (2 CFR 200.456).

Participant support costs are excluded from MTDC (2 CFR 200.68), thus Indirect Costs (IDCs) are **not** assessed on participant support costs.

The federal government also expects participant support costs to be accounted for separately and used with the corresponding grant org (an 800 number specific to the grant award). Accounting codes for Participant and Trainee Costs are as follows:

- 60605: Grant-Internship Stipend
- 74001: Grant-Living Allowance
- 74002: Grant-Tuition and Fees
- 74003: Grant-Books
- 74004: Grant-Professional Development
- 74005: Grant-Travel
- 74006: Grant-Equipment

According to the Uniform Guidance, grantees must request the Federal awarding agency's prior approval before transferring funds budgeted for participant support costs to other categories of expense (2 CFR 200.308(c)(5)). As a result, unused participant support costs are not allowed to be spent on other budget line-items.

Additional guidance for Participant Costs will be found in each Notice of Funding Opportunity for the grant program for which the Principal Investigator is seeking funding.

Policy and Procedures:

Applicants and awardees must receive prior approval from the sponsor to include Participant Support in a project. Participant Support Costs are granted for specific projects, and agencies may restrict their use to specific programs. Indirect costs (F&A) are not provided on participant support costs, and must be excluded when calculating the Modified Total Direct Cost (MTDC) base on a federal sponsored project.

If a federal sponsor awards such Participant Support Costs, the following apply:

- The sponsor will not allow rebudgeting from the participant support cost category into other expense categories without prior approval.
- Any additional categories of Participant Support Costs other than those described in the Uniform Guidance 2 CFR Part 200.75 must be justified in the budget justification, and such costs will be closely examined for adherence to sponsor requirements.
- Davenport University must return any unexpended participant support costs to the sponsor.

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When a sponsored project includes Participant Support Costs, the principal investigator and administrative support personnel are required to be familiar with the specific requirements as set forth by the sponsor, and to ensure compliance with those requirements. Evidence of attendance of participants in the form of daily logs or similar documentation must be maintained within the project's records.

When participant support has been awarded as part of a grant award, Sponsored Programs will notify the Financial Grant Administrator in Finance and Accounting, who will use separate account numbers specific to Participant and Trainee costs that will be used with the corresponding grant org (an 800 number specific to the grant award) to specify the budgeted participant and trainee costs, including the budgeted amounts awarded by the Sponsored Agreement. These budgets and accounting codes will reside in and be accounted for in Banner by Ellucian. Accounting codes for Participant and Trainee Costs are as follows:

- 60605: Grant-Internship Stipend
- 74001: Grant-Living Allowance
- 74002: Grant-Tuition and Fees
- 74003: Grant-Books
- 74004: Grant-Professional Development
- 74005: Grant-Travel
- 74006: Grant-Equipment

As participant costs are expended, they will be accounted for against the Sponsored Agreement approved costs pre-entered into Banner by Ellucian for accountability and compliance, with approvals required by the Financial Grant Administrator and PI for compliance and accuracy.

VIII. SUBAWARD MONITORING POLICIES and SUBAWARD AGREEMENT

Federal Financial Assistance Award - The legal instrument issued by a Federal awarding agency to provide financial assistance to a Davenport in support of a public purpose. See Uniform Guidance 2 CFR 200.51 (Grant agreement), 2 CFR 200.24 (Cooperative agreement), and 2 CFR 200.40 (Federal financial assistance).

Federal Contract - The legal instrument issued by a Federal awarding agency under the Federal Acquisition Regulation to enter into a procurement relationship with a Davenport. See FAR Subpart 1.1 (Purpose, Authority, Issuance).

Subaward - The legal instrument issued to a lower-tier collaborator under a Federal Financial Assistance Award. The recipient of a subaward is called a Subrecipient.

Subcontract - The legal instrument issued to a third party under a Federal Contract to perform a portion of the programmatic effort. The recipient of a subcontract is also called a Subrecipient.

Policy and Procedures:

When a portion of any grant award will go to a partner outside of Davenport University, a Subaward Contract must be acquired either before the proposal is submitted for approval or immediately after funding. A Subaward Contract must involve the Office of Sponsored Programs and Grant Development and Finance/Accounting, who will obtain a contract from the partner(s) and approve the expenses. Part of this process includes obtaining W9s and identifying payment/invoicing procedures. In most cases, DU's "Subagreement Form" can be used, adding the specifics of the grant award (itemized budget and justification, statement of work to be performed, expected outcomes and metrics, etc.). There will be

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times that more lengthy contracts, such as Memorandums of Understanding will be required. The Office of Sponsored Programs and Grant Development and Finance/Accounting will facilitate the accrual of the appropriate forms with the partner(s). **These must be signed by an authorized institutional official who may negotiate on behalf of that entity.** Subagreements may also require the prior written approval of the sponsor's Office of Sponsored Programs and Grant Development, which will be indicated in the Notice of Funding Opportunity for the grant award being sought.

It is the policy of Davenport University to administer subawards consistent with the requirements of Office of Management and Budget (OMB) federal regulation 2 CFR part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," and in accordance with University policies, the applicable sponsor regulations, and the terms and conditions of the Prime Award. As the Prime Recipient, the University remains responsible for the management of funds and meeting performance goals when issuing Subawards.

Reason for Policy:

As a recipient of federal sponsored awards, Davenport University must comply with the Office of Management and Budget federal regulation 2 CFR part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" and any future applicable circulars. In addition, Davenport University must comply with the Subrecipient monitoring requirements specifically contained in the following:

1. 31 USC 7502(f)(2)(B) (Single Audit Act Amendments of 1996 (Pub. L. No. 104-156)), which directs that each Prime Recipient is responsible for monitoring its Subrecipient's use of federal funds;
2. 2 CFR part 200 which dictates sanctions on entities which do not comply with Single Audit requirements, requires Prime Recipients to provide CFDA numbers and titles to Subrecipients, and requires Prime Recipients to advise Subrecipients of the award requirements and monitor the activities of the Subrecipient;
3. 2 CFR part 200, which requires that Prime Recipients monitor Subawards for auditing requirements;
4. program legislation;
5. 2 CFR parts 25 and 170, which requires Subrecipient to obtain a DUNS and SAM registration, and requires Prime Recipient to complete FFATA reporting for Subawards over \$30,000, which will include publicly report all federal awards that equal or exceed the micro-purchase threshold and publish the required information on a public-facing, OMB designated government website and follow OMB guidance to support Transparency Act Implementation (§170.200).;
6. 48 CFR parts 4, 42, and 52, which set forth the FAR contracting requirements;
7. Federal awarding agency regulations; and
8. The terms and conditions of the award.

Monitoring Policy and Procedures:

As a condition of award acceptance, the University monitors the work of Subrecipients, through meetings with the Subrecipient, analyzing and confirming the following:

1. That the Subrecipient's Scope of Work is completed in a timely and satisfactory manner;
2. That sufficient progress is accomplished in the Subrecipient's Scope of Work in relation to the invoices submitted;

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3. That costs included in the Subrecipient's invoices are reasonable, allowable, allocable, and properly documented;
4. That Subrecipient invoices are submitted in a timely manner and that invoices are accurate.

In addition, the University must ensure that Subrecipients meet the audit requirements in CFR part 200 and use funds in accordance with applicable laws, regulations and terms of the award. This will also include a pre-subaward and annual, thereafter, check of SAM.gov to determine if subrecipients and vendors are debarred or suspended from doing business with the federal government.

Department and Principal Investigator Responsibilities:

1. The PI must review technical performance reports or other specified deliverables in a timely manner. Any issues must be documented, investigated, resolved, and the documentation retained in the Department's files.
2. The PI and/or Financial Grant Administrator must ensure that the final technical report and final invoice from the Subaward is received within the timeframe specified in the Subaward.
3. The PI must verify for each invoice that the work is completed in a satisfactory manner and there is adequate progress compared to costs incurred.
4. The Financial Grant Administrator must review each Subrecipient invoice for the following and retain documentation of this review in the Department's files:
 - a. Costs are reasonable, accurate, allowable, allocable, and properly documented.
 - b. Costs on a cost-reimbursable project have been charged based upon actual expenses, rather than an allocation of the budget. (For example, billing exactly 1/12 of the budget per month is usually not allowable.)
 - c. F&A costs have been calculated correctly.
 - d. Cost-sharing requirements are being met and reported regularly throughout the life of the Subaward.
 - e. Cost-reimbursable invoices identify current period and cumulative expenses.
 - f. Fixed price invoices identify deliverables/tasks which are being billed, award amount for each deliverables/tasks, and timeline/due dates (if any) for the deliverables/tasks.
5. Financial Grant Administrator must request the Subrecipient to provide clarification of charges that appear unreasonable, unallocable, unallowable, or unclear. In addition, Financial Grant Administrator may request detailed support for selected invoiced charges from the Subrecipient. Examples of detailed justifications or documentation that may be requested are: payroll records, copies of paid invoices, description of services rendered by consultant that are paid by Subrecipient, and details of incurred travel charges. For any costs determined to be unallowable, Financial Grant Administrator must notify the Subrecipient of the disallowance and request a revised invoice with the disallowed expenses removed. Financial Grant Administrator must also notify Office of Sponsored Programs and Grant Development staff of the disallowance.
6. If the Financial Grant Administrator or PI become aware of any issues of noncompliance with respect to the Subaward terms or if they become aware of an audit of the Subrecipient, they will immediately notify Office of Sponsored Programs and Grant Development staff of the noncompliance and/or audit to take appropriate action.
7. High-risk Subrecipients may be contractually obligated to provide detailed documentation of charges. The PI and Financial Grant Administrator must review all required additional documentation prior to invoice approval. All high-risk Subrecipients will require additional monitoring from the PI and Financial Grant Administrator.
8. Discretionary Audits of Subrecipients is an acceptable monitoring procedure under federal regulations; however, Departments should contact the Office of Sponsored Programs and Office

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of Sponsored Programs and Grant Development before initiating discretionary audits. Formal audits of a Subrecipient are typically initiated outside of the university.

9. In the event that the Sponsor requires an audit of a Subaward provided by Davenport University, the department is responsible for the cost of this audit. If allowable or required by the Sponsor, the cost of the Subrecipient audit can be included in the budget.

Sponsored Programs Responsibilities:

1. Prior to issuing a federal or federal pass-through Subaward, the Office of Sponsored Programs and Grant Development will be responsible for the following:
 - a. Office of Sponsored Programs and Grant Development shall complete Davenport University's Subrecipient Risk Review to determine any measures necessary to appropriately monitor the Subrecipient. These may include additional monitoring procedures, additional contract language or inclusion of special terms and conditions.
 - b. Office of Sponsored Programs and Grant Development shall verify whether the Subrecipient has completed a Single Audit when a risk assessment is completed.
 - c. Office of Sponsored Programs and Grant Development shall confirm that Subrecipient has a DUNS number.
2. Office of Sponsored Programs and Grant Development will include in the Subaward the necessary terms and conditions from the Prime Award, and will also include the CFDA Number and title for any federal or federal pass-through Subaward. Other identifying information will be included when the CFDA information is unavailable.
3. Office of Sponsored Programs and Grant Development will inform the Principal Investigator and Financial Grant Administrator of the additional terms and conditions included in the Subaward or other appropriate actions for high-risk Subrecipients.
4. Office of Sponsored Programs and Grant Development will provide the PI and Financial Grant Administrator a copy of the fully executed Subaward.
5. Office of Sponsored Programs and Grant Development will maintain documentation regarding ongoing risk analysis of Subrecipients.

Subaward Close-out:

A subaward is closed out when its period of performance comes to an end, regardless of whether Davenport's research project is ending or continuing. When feasible, Davenport will assign a subaward's period of performance to be slightly shorter than that of Davenport's to allow sufficient time for collection and review of the Subrecipient's final reports, verification of subrecipient data, and incorporation of the Subrecipient's research results into Davenport's final technical report to the sponsor. PIs will work with Davenport's Sponsored Programs to obtain final technical reports from their subrecipients, and retaining a copy in their project file. PIs are encouraged to remind subrecipients of this need well in advance of the due date for such reports.

Other final reports, including property reports, patent reports, small disadvantaged business reports, Assignment and Release forms, and other documents as required by the Sponsor may be required.

In order for Davenport to comply with its financial report requirements, subrecipients are required to submit a final invoice, clearly marked Final, to Davenport no later than the date specified in the Subaward. In the event a Final invoice is not received within the required timeframe, Davenport may treat the Subrecipient's last invoice as its final invoice. Late Final invoices submitted to Davenport may not be paid.

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For questions, please contact Michele R. Davis, Executive Director of Sponsored Programs Grant Development, at mdavis130@davenport.edu or 616-233-3414.

Addendum 1: Effort Report Form

Federal regulations require certifications for all employees whose salaries are charged to federally sponsored programs. In order for the Organization to comply with this “time and effort reporting” requirement, each employee working on a federal or state grant or contract needs to complete this form annually.

NAME:	
POSITION/TITLE:	
COLLEGE:	
DEPARTMENT:	
DATES OF COVERAGE:	

Provide a breakdown of your responsibilities for the time period. **The total must equal 100%.** Please use additional sheets as necessary.

GRANT ACCOUNT/FUND #	AMOUNT CHARGED	ACTUAL EFFORT (%)	START DATE	END DATE

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UNIVERSITY ACCOUNT/FUND #	AMOUNT CHARGED	ACTUAL EFFORT (%)	START DATE	END DATE

Total effort must equal 100%.

I certify that the information provided is correct.

Employee Signature: _____ Date: _____

Supervisor Signature: _____ Date: _____

Project Title	Name of Key Faculty/Staff*	Responsibility with Sponsored Project
Principal Investigator	<Name>	<Responsibility>

APPROVALS:

Approved	Declined		If declined, please detail amendments that are needed:
		Narrative	<div style="border: 1px solid black; height: 40px; width: 100%;"></div>
		Budget	

PI Approver: PI _____
Name/Title

Approved	Declined		If declined, please detail amendments that are needed:
N/A	N/A	Narrative	<div style="border: 1px solid black; height: 40px; width: 100%;"></div>
		Budget	

Finance: Financial Grant Administrator _____
Name/Title

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Approved	Declined		If declined, please detail amendments that are needed:
		Narrative	
		Budget	

Supervisor: Chair, Dean (academic); ED or VP (Non-academic)
 Name/Title

Approved	Declined		If declined, please detail amendments that are needed:
		Narrative	
		Budget	

Top Supervisor: Dean (academic); ED or VP (Non-academic)
 Name/Title

Approved	Declined		If declined, please detail amendments that are needed:
		Narrative	
		Budget	

Final Approval: Provost (academic); EVP (Non-academic)
 Name/Title

- All Approvers have approved proposal (Yes, acquire signatures/No, reroute after fixing problems for re-approval)

Signatures for APPROVAL to Submit Proposal (Only sign if you completely approve the entire proposal, with no required amendments):

Principal Investigator: _____ Date: _____

PI's Supervisor: _____ Date: _____

Top Supervisor: _____ Date: _____

Financial Grant Administrator: _____ Date: _____

Provost or EVP: _____ Date: _____

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