

Policy 6 - Responsibility for Sponsored Projects

Promptness

Upon acceptance of a sponsored project, the University is responsible for promptly pursuing the research, training or public service called for by the agreement.

Compliance with Agency, State and University Regulations

Project directors and principal investigators have primary responsibility for conducting the sponsored effort in accordance with award terms and conditions and within the funds allocated for such effort. They also are responsible for the programmatic direction of the research project and for initial authorization of all expenditures charged to the award budget. The principal investigator is ultimately responsible for expending funds in compliance with all agency, State, and University regulations.

Deans, directors, and department heads have a corollary responsibility for assuring that all sponsored programs conducted within their jurisdiction are consistent with agency, State and University policies and available funds.

Grants and Contracts Accounting is responsible for acting as a liaison between the project directors and principal investigators and the agency regarding fiscal matters. This includes financial reporting and financial compliance monitoring.

Financial Information and Financial Compliance Monitoring

Grants and Contracts Accounting has the primary responsibility to provide the principal investigator with financial information necessary to effectively manage a sponsored effort and to assure that all parties comply with the financial terms of the agreement.

It is the Principal Investigator's responsibility to make prudent use of funds awarded for a sponsored project, to assure that expenditures are appropriate and directly relate to the budget and intent of the award, and comply with applicable University, State, Federal, and agency directives.

Grants and Contracts Accounting monitors expenditures to insure compliance with applicable rules, regulations and directives. Expenditures related to sponsored projects are handled in the same manner as expenditures for other fund sources and are subject to the same routine processing, reviews, approvals and other controls.

Non-reimbursement by Contract or Grant Agency

The financial responsibility for any non-reimbursement or requirement to return funds by the granting agency of expenditures made by the PI rests with the University unit, e.g., cost center having primary responsibility for the project.

In the event of such non-reimbursement, the PI and the cost center with primary responsibility for the grant/contract will be accountable for partial or full reimbursement to the University for these expenditures.

Questions or Problems Concerning Financial Aspects of Projects

Grants and Contracts Accounting is available to assist with questions or problems encountered by the principal investigator in connection with any phase of the financial management of his or her project. We highly encourage that the principal investigator contact Grants and Contracts Accounting about an actual or potential financial problem prior to contacting a sponsoring agency.

Delegations of Authority

In accordance with federal Office of Management and Budget Circulars, revisions of program plans and budgets may be required to be approved by the federal funding agency. Following are the examples of situations requiring approval by the funding agency.

- Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).
- Change in a key person specified in the application or award document.
- The absence for more than three months or a 25 percent reduction in time devoted to the project, by the approved principal investigator.
- The need for additional Federal funding.
- The transfer of amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa.
- The inclusion of costs that normally require agency prior approval, e.g., equipment not included in the original proposal.
- The transfer of funds allotted for training allowances (direct payment to trainees) to other categories of expense.
- Unless described in the application and funded in the approved awards, the subaward, transfer or contracting out of any work under an award.

Regulatory requirements can vary contingent on the federal sponsor, or federal program. In some instances for some agencies, Missouri State University has been granted authority to revise program plans and budgets. However, there is inconsistency among the federal agencies and programs as to what requires agency approval versus the authority delegated to Missouri State University. Accordingly, Grants and Contracts Accounting should be consulted to determine if Institutional or Agency approval is required on fiscal matters. The Office of Sponsored Research and Programs should be consulted on all non-fiscal matters that may require agency prior approval. In either case, proper documentation is needed for audit review. Specific information will need to be provided by the principal investigator via email or through written correspondence to the appropriate Office. The following questions are relevant to changes in fiscal commitments in the grant/contract.

- Why funds are being redirected?
- Why funds will not be needed as originally planned?
- And, in cases where the funds are normally considered administrative/overhead type costs, what is the direct research-related purpose of the item(s) under consideration?

Once the application for grant, contract or cooperative agreement is funded by the sponsoring agency, Missouri State University is required to provide the stated resources listed as cost sharing and the same fiduciary responsibilities in expending these funds as is done for the funds from the sponsoring agency. The principal investigator is responsible for tracking and providing matching information to Grants and Contracts Accounting.

Closeout of Agreements

In order to comply with federal regulations addressing project closeout (OMB A-21 and A-110), a formal project closeout process was established. This process consists of the following steps:

- Grants and Contracts Accounting, in order to lay out the actions to be taken, will contact the principal investigator within 30-60 days prior to the end of the project.
- The principal investigator is responsible for initiating any requests for extensions by the funding agency via the Office of Sponsored Research and Programs. Prior to requesting the extension, an assessment of the budget status and the timeframe in which to complete the expenditures should be addressed with Grants and Contracts Accounting. This will help assure that all fiscal matters, including matching, are appropriately considered in the request for extension.
- Accounts will be frozen after the project termination date so that transactions after that time can only be charged to the account after review and approval of Grants and Contracts Accounting.
- The principal investigator will work with Grants and Contracts Accounting to ensure that all transactions are completed and charged to the accounts within the prescribed sponsor deadline. At most this could be a 90-day period following the end of the grant.