

Abilene Christian University
Office of Research and Sponsored
Programs
Handbook of Policies and Procedures

Version 10/2025

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MISSION OF THE OFFICE OF RESEARCH AND SPONSORED PROGRAMS

The mission of the Office of Research and Sponsored Programs is to promote scholarly activity among the faculty and students of Abilene Christian University, particularly inquiry informed by a Christian perspective.

The Office of Research and Sponsored Programs (ORSP) exists to support a culture of intellectual curiosity and scholarly activity on the ACU campus. The ORSP encourages and supports scholarship by providing **internal** research funding through competitive Math/Science grants and similar Cullen grants designed to help faculty members launch research projects. Moreover, the ORSP aids both faculty and staff in applying for **external** funding by providing technical help with grant applications.

The ORSP serves as the clearinghouse for **all** academic and student services externally funded projects (grants, contracts, or cooperative agreements), **whether or not they relate to research**. The office also monitors areas of regulatory compliance including but not limited to cost principles, ethical review boards for human subjects and animal research, and providing a process for reporting research misconduct.

INTERNAL GRANTS: PROGRAMS AND POLICIES

POLICY STATEMENT & PURPOSE

Abilene Christian University's Internal Grants Programs include the Math-Science, Cullen, Undergraduate Research, and SEED Awards. These awards were established to provide a source of internal research support for any qualified faculty member at ACU and, when appropriate, undergraduate students involved in supported research.

Cullen and Math-Science Awards: The intent of the program is to provide time for faculty scholarship during a summer term in lieu of teaching. In some instances, the grants may be used to buy a course-load reduction in a long semester. Grant funds may also support other necessary costs of scholarship, including materials and supplies.

SEED Award: This is a highly competitive grant designed to fund an investigator over 2 years, for a total of \$20,000 (\$10,000 each fiscal year), in the conduct of studies aimed at providing preliminary data for an external funding application.

This policy outlines who can apply, allowable expenses, and other expectations for each program. While the Undergraduate Research awards use the same internal grants application process, these awards are managed through the Undergraduate Research Office and, therefore, not outlined in this policy.

APPLICABILITY OF THE POLICY

This policy applies to all faculty who are eligible to apply for the awards outlined herein.

PROCEDURAL GUIDELINES

Math-Science and Cullen Awards

Who Can Apply

Full-time faculty members at the rank of instructor or above are eligible to apply. Applications may be for quantitative research studies, qualitative research studies, technological innovations, and developmental and innovative research activity related to musical compositions or artistic production (Cullen).

Cullen funds are generated by an endowment from the Cullen Foundation and support research projects in all academic areas, with the exception of Agriculture and Environmental Sciences, Biology, Chemistry, Computer Science, Engineering and Physics, and Mathematics.

Math-Science funds support research projects in the following academic areas: Agriculture and Environmental Sciences, Biology, Chemistry, Computer Science, Engineering and Physics, Mathematics

All applicants must be in good standing with the Internal Grants programs, having met all obligations with previous awards.

Application Procedures

Proposals in Cayuse are due by 5pm on the second Friday of February are funded in the next fiscal year (after June 1). Applicants should submit the Common Internal Grants Application Form and the Internal Grants Budget Form via Cayuse by the deadline. Evidence of completion of Responsible Conduct of Research (RCR) training must also be submitted by the time of the review meeting to be considered for funding. RCR training must be completed once every 4 years.

Funding Decisions

Decisions for the Math-Science and Cullen Awards are made by the Research Council. Funds are awarded to proposals that demonstrate potential for serious research and creative activity. The Research Council especially encourages those faculty members who are interested in doing research for the first time to apply. The Research Council considers the proposals submitted by the faculty and approves those judged best according to the following criteria: Worth and value to the discipline, researcher, or the university; Clear goals, objectives, and outcomes; Use of sound, clearly explained methodology and procedures; Clear writing that is precise, detailed, and understandable to a lay audience; Expected outcome of project (e.g., a book, article, paper, presentation, video); Likelihood of successful completion in a reasonable time.

Outcomes and Requirements

Projects should be completed during a single fiscal year and must produce a tangible, scholarly product. Examples of acceptable outcomes include completion of a book, an article submitted for publication in a peer reviewed journal, presentation at a professional conference, etc.

A final report further detailing the progress made and the scholarly product completed is due by April 30th of the awarded fiscal year. Reports must be submitted in order to remain in good standing.

Faculty who have received a Cullen award 3 times for the same project/program must submit an application for extramural funding. Faculty who have received a Math/Science award 3 times (total) must submit an application for extramural funding. Faculty will be ineligible for further funding until this outcome has been met.

SEED Award

Who Can Apply

Full-time tenure-track faculty members at the rank of assistant or above are eligible to apply. All applicants must be in good standing with the Internal Grants programs, having met all obligations with previous awards.

Application Procedures

Applications for this internal grant will be due in Cayuse the third Monday of October, allowing faculty to use potential Cullen or Math/Science-supported work toward their application. Awards will be announced in November, with sufficient time for those not receiving an award to prepare an application for other internal grant mechanisms in January. The awarded project period will then begin the following fiscal

year, June 1. Applicants should submit the SEED Application Form and the SEED Budget Form (available on the ORSP website) by the deadline. Evidence of completion of Responsible Conduct of Research training must also be submitted by the time of the review meeting to be considered for funding. RCR training must be completed once every 4 years. Once applications are received, the Executive Director of ORSP will submit a request for approval and commitment to the applicant's department Chair and Dean.

Funding Decisions

Decisions for the SEED Awards are made by the Research Council. Funds are awarded to the one proposal each year that demonstrates the greatest potential for success at applying for and obtaining external funding. The Research Council considers the proposals submitted by the faculty and approves the one judged best according to the following criteria: Worth and value to the discipline, researcher, or the

university; Clear goals, objectives, and outcomes; Use of sound, clearly explained methodology and procedures; Clear writing that is precise, detailed, and understandable to a lay audience; Likelihood of successful completion during the 2 year project period; Identification of potential external funding sources with a clear plan for how to prepare a submission; Competitiveness for external award. External funding applications must be submitted within 9 months following the end of the internal project period, and must be for amounts larger than \$20,000 and allow for indirect cost collection.

Outcomes and Requirements

Projects should be completed during the 2 year project period and must produce an external funding application submission within 9 months following the end of the project period. Failure to submit the application will result in ineligibility for ACU internal grants for 3 years.

An interim report detailing the progress made toward goals is due by the end of the first year, and a final report further detailing the progress made and the application submitted/planned for submission is due at the end of the second year. If the application has not yet been submitted at the time of the final report, a memo should be provided at the time of its submission documenting completion of the grant requirements. The PI is not required to receive the external award, as this is largely out of our control and external funding is highly competitive.

Budgets & Allowable Costs

Every grantee is assigned a budget for expenses if any are awarded. Salaries are paid through the Office of Research and Sponsored Programs. All budgets must be cleared and accounted for by the April 1 after the summer for which the grant was awarded. Grantees without proper accounting forms are liable for the expenses incurred.

- (1) Summer Stipend Request. This amount can be paid in lieu of teaching summer courses and thus is commensurate with university summer pay schedules as the equivalent of two summer classes for Cullen & Math-Science or one summer class for SEED, based upon faculty rank. In some cases, the amount of funding may be reduced due to limited funds or because a project may be judged as less ambitious than others receiving funding.
- (2) Long semester adjunct costs: This amount may be paid to the department to cover the costs of an adjunct needed for course release. Any changes to the faculty member's workload is an agreement between the faculty person and the department chair. Once the chair and dean have signed off on a

budget for release time, this needs to be met or the faculty person/department will not receive the funds budgeted for time/salary.

- (3) Expenses related to the research. This amount is limited to essential and necessary materials or support directly connected with the research project. Ineligible expenses include clerical work, office supplies, telephone, computer equipment, and travel that is not essential to the conduct of the research, as these support services usually can be obtained from Departmental or College resources.
- (4) Requests for travel that is necessary to the conduct of the research (e.g., travel to a data collection site) should be justified in the budget narrative.
- (5) Partnership with externally funded research support. In certain cases, applications can be made to provide matching funds for an externally funded project. The amount of funding is limited to the equivalent of teaching two summer terms.
- (6) Payments given to consultants or participants must follow the Finance Office policies on such payments, including filing a W-9 with Accounts Payable. A contract should be on file for all consultants prior to providing services and issuing payment.
- (7) Gift cards or cash given as payment or incentive to participants is not allowable except under very limited circumstances. Please see “Gift Cards” in the IRB section for further information.
- (8) The SEED grant requires the use of a Proposal Developer (though the extent of the services may vary depending on the investigator’s needs). Investigators should work with the Developer to set up a timeline that allows the successful submission of an external application. Funds for the Developer are \$3000 over the course of the grant. ACU will contract with a Proposal Developer for the job, unless the PI requests that we contract with a specific individual identified by the PI. The PI will need to justify the alternate developer.

Teaching Loads

The intent of the Cullen/Math-Science program is to provide time for faculty scholarship during a summer term in lieu of teaching. It is strongly advised that recipients do not teach during the summer if you receive a summer stipend. However, you may not teach more than one course during this time. SEED recipients should communicate with their department to determine the appropriate time needed to complete the award requirements.

Holding Multiple Grants

Recipients cannot hold a Cullen/Math-Science award and a Curriculum Development Stipend concurrently, nor can SEED recipients hold both.

EXTERNAL AWARDS: ROLES & RESPONSIBILITIES

POLICY STATEMENT & PURPOSE

Abilene Christian University (ACU) encourages faculty to engage in scholarly activity that is funded by external sources. ACU provides support for obtaining such funding, as well as managing the requirements of external funders through the Office of Research and Sponsored Programs (ORSP).

ORSP provides support in finding and applying for external sources of funding. In addition, ORSP monitors expenses on all scholarly activities funded by external sources, in compliance with federal requirements. However, investigators have certain roles and responsibilities in executing an externally funded project. The procedures herein outline the roles & responsibilities for the investigator, ORSP, and other ACU offices in the management of such projects.

APPLICABILITY OF THE POLICY

This policy applies to all personnell who are listed as principal investigator/project directors on externally funded projects. In addition, this policy outlines the roles & responsibilities for the ORSP office, as well as other ACU offices in the management of external awards.

PROCEDURAL GUIDELINES

The tables below outline the roles and responsibilities for the PI, PI's department and college, the Office of Research and Sponsored Programs, and other offices that may be involved in research and grants management, including but not limited to Finance, General Counsel, Provost Office, Risk Management, and Advancement.

Pre-Award

Roles and Responsibilities	PI	Department	College	ORSP	Other (Finance, GC, Provost)
Generates Idea	X				
Search for Funding Opportunities	X			X	
Provide Guidance on Opportunities		X	X	X	
The PI is primarily responsible for searching for funding opportunities that best match the project idea. However, ORSP may provide substantial assistance in finding potential matches when requested. ORSP will also share funding opportunities that match known interests when appropriate.					
Roles and Responsibilities	PI	Department	College	ORSP	Other (Finance, GC, Provost)

Writes technical narrative for the proposal	X				
Develops budget and writes budget narrative	X	X			
Provides budget guidance and reviews budget for cost allowability, F&A, fringe, etc.				X	
The PI is primarily responsible for developing the budget in line with project needs and in collaboration with departmental administration to ensure resources and time needs are available. The PI is also primarily responsible for ensuring costs are allowable according to the sponsoring agency and ACU policies. ORSP will review the budget items for allowability and ensure that the correct fringe and F&A rates are listed.					
Completes Cayuse proposal and route for internal review and approval	X				
Reviews completed and submitted proposals		X	X	X	X
The PI is primarily responsible for completing a proposal in Cayuse. The proposal will be routed for approval from Finance, General Counsel, Provost Office, the Institutional Compliance and Risk Management and Advancement (when appropriate).					
Identify subcontractors, when appropriate, and request budget and scope of work	X	X		X	
When cost share is required, identify source, obtain support and approval	X	X	X	X	X
Cost share should only be committed when required and only to the extent required. Cost share sources must be identified and approved by the Provost Office. Please discuss any cost share requirements with ORSP before proceeding with the application process.					
Submits proposal	X			X	
Signs assurances, certifications, contracts				X	X
ORSP will facilitate the PI to ensure timely submission for external grants/sub-award grants. The sooner the documents are submitted, the more thorough review ORSP can provide. Proposals that require approvals must be signed by either ORSP or the VP for Research, depending on the nature of the agreement. Contractual obligations are typically signed by the VP for Research, and so should be submitted to ORSP well in advance of the due date to ensure timely completion.					
Roles and Responsibilities	PI	Department	College	ORSP	Other (Finance, GC, Provost)
Completes compliance training and forms: e.g., Responsible Conduct of Research, Research Conflict of Interest Disclosure, Biohazard training, IRB/IACUC training and applications	X				
Reviews and endorses compliance forms, as necessary		X	X	X	X

Institutional oversight of compliance issues				X	X
The PI is responsible for ensuring that all compliance issues are met. ORSP will communicate compliance requirements, revise requirements as necessary to ensure continued compliance, and monitor completion of requirements. ORSP will partner with other offices, such as Finance and Risk Management, to ensure that compliance is being met.					

RECEIVING & ACCEPTING AWARD

Roles and Responsibilities	PI	Department	College	ORSP	Other
Accept sponsor notification of grant or contract award				X	X (General Counsel, Research Security)
Review and negotiate terms and conditions for Grants, Contracts, Cooperative Agreements, incoming MTA's, Equipment Loan Agreements, and other agreements associated with award				X	X (General Counsel, Research Security)
Provide feedback on non-standard terms and conditions when applicable	X	X	X	X	X (General Counsel, Research Security)
Execute award on behalf of ACU				X	X
ORSP is primarily responsible for receiving and negotiating award offers. PIs must not accept an award or sign any award documents on behalf of ACU. When appropriate, ORSP will partner with other institutional offices to review and negotiate terms. In addition, when an award involves non-standard contractual obligations, the Provost Office will sign on behalf of ACU according to the signature authority policy in this handbook.					
Roles and Responsibilities	PI	Department	College	ORSP	Other
Award Set-up: review all compliance requirements, review budget, set up accounts				X	X
ORSP will review compliance requirements at the time of award receipt and request any necessary documents from the PI. ORSP will set up a folder in Google Drive for the storage of all award documents, expense documentation, compliance forms, and other relevant materials. Finance will review budget and set up accounts.					

Post-Award

Roles and Responsibilities	PI	Department	College	ORSP	Other
Prepare financial transactions	X			X	

Review and approve financial transactions		X		X	X
Initiate re-budgeting or no-cost extensions as needed	X				
Review and submit re-budgeting or no-cost extension requests				X	
Ensure that cost sharing is documented	X				X
Ensure that participant support costs are documented and not re-budgeted without agency approval	X				X
Use financial reports to monitor and oversee expenditures	X				X
Audit expenditures				X	X
<p>The PI is primarily responsible for managing expenses on their award. The PI should initiate purchases and payments, track expenses against the budget, and ensure that all expenses are properly documented in a manner that would stand up to an audit. The PI is also responsible for monitoring and documenting cost-sharing and participant support expenses. ORSP post-award personnel will work with the PI to ensure compliance with the regulatory and policy requirements of the sponsoring agency, ensuring that spending aligns with these rules. ORSP Post-Award/ Grant Accountant are responsible for monitoring and approving transactions related to the award. They ensure that cost-sharing and participant support costs are properly documented, review financial reports, and conduct internal audits as needed. The PI must ensure that Finance and ORSP Post-Award review and approve all financial reports submitted to the sponsor. ORSP post-award/ grant accountant, in coordination with Finance, are responsible for invoicing or drawing down funds from the sponsor.</p>					
Roles and Responsibilities	PI	Department	College	ORSP	Other
Initiate requests for prior approvals from agency and submit requests to agency	X			X	
<p>PIs should communicate with ORSP to discuss needed approvals. Typically, ORSP will submit the requests to the agency. All requests for approvals should be documented in writing from the agency and stored in the award folder.</p>					
Monitor subrecipient activities, when appropriate	X				X

Review and approve subrecipient invoices	X			X	X
Monitor subrecipient for regulatory compliance	X			X	X
The PI is primarily responsible for ensuring that any subrecipients under a subaward complete the terms of the award and comply with any regulatory requirements of the contract and the funding agency. ORSP and Finance will also assist in monitoring and communicating with the subrecipient administrative offices, as necessary. ORSP, in coordination with Finance, will review subrecipient invoices and ensure payment within the terms of the contract.					
Complete all technical and financial reports	X				
Review and approve financial reports					X
Submit reports	X			X (when required)	
The PI is responsible for completing all reports required by the funding agency. Financial reports must be reviewed and approved by Finance prior to submission. The PI is responsible for submitting all reports, unless the funding agency requires otherwise. A copy of all reports should be placed in the Grant Repository folder or sent to ORSP for filing.					
Ensures that continuing requirements for compliance are met, including Conflict of Interest Disclosures, Time & Effort Reports, IRB/IACUC continuing reviews, etc.	X			X	
Ensures that Time & Effort documentation is accurate and, when necessary, adjust salary payments to reflect actual effort	X	X		X	X
The PI is primarily responsible for ensuring that compliance is met by all research team members. The PI should ensure that effort is appropriate to the award commitment and pay received. ORSP and Finance will review these compliance issues and make adjustments when required.					
Close-Out Roles & Responsibilities are defined in the applicable section in this Handbook.					

EXTERNAL AWARDS: PRE-APPROVAL, SUBMISSION, AND AWARD ACCEPTANCE

POLICY STATEMENT & PURPOSE

Abilene Christian University (ACU) encourages faculty to engage in scholarly activity that is funded by external sources. ACU provides support for obtaining such funding, as well as managing the requirements of external funders through the Office of Research and Sponsored Programs (ORSP).

The procedures outlined herein ensure that the various offices on campus collaborate to support external funding submissions, meet award obligations, and ensure that project plans and budget expenditures comply with regulatory and ACU requirements.

Failure to obtain institutional approvals and properly submit a proposal could result in a delay in accepting an award or inability to accept the award.

APPLICABILITY OF THE POLICY

This policy applies to all ACU employees listed as Principal Investigators or Program Directors on an external award, who are responsible for preparing and submitting proposals. This policy also applies to all offices that handle pre-approvals and submissions, including but not limited to ORSP, Finance Office, General Counsel, Risk Management, and Provost Office.

PROCEDURAL GUIDELINES

Proposal Pre-Approval

Prior to submitting a grant proposal to or entering into a contract or cooperative agreement with any external agency, the proposed funding request must be approved by the University.

What is Reviewed

- (1) ORSP reviews the Request For Proposals, compliance issues, training requirements, and budget items. ORSP ensures that the package meets regulatory and ACU policies. ORSP also assists in ensuring the package is complete for review by other offices.
- (2) General Counsel (GC) reviews all relevant Certifications and Assurances or other contractual obligations. GC ensures that any such obligations are able to be met by ACU.
- (3) The Finance Office also reviews the budget to ensure that proposed costs are within ACU and regulatory policies.
- (4) The Provost's Office reviews any institutional commitments that may be required if the award were accepted, including, but not limited to, space and resource requirements, time and effort commitments, cost-share obligations, and other contractual obligations.
- (5) Risk Management reviews export control and institutional biosafety considerations to ensure compliance with federal regulations and ACU policies.
- (6) When the funding agency is a private agency, the Advancement Office reviews the request to ensure that it does not conflict with any other Development plans.

External Review Process

- (1) As soon as a definite decision is made to apply for external funding, contact ORSP.
- (2) Complete a proposal in Cayuse. Complete all of the fields and submit all required supporting documents.
- (3) The Cayuse proposal should be completed and submitted for approval at least 2 weeks prior to the deadline for grant submission and prior to signing any contracts or agreements. However, the legal review of certifications and assurances can be conducted well in advance of submission. This will ensure that there is enough time to conduct an adequate legal review.
- (4) Once all required parties have reviewed the package and approved, your application will be submitted to the external grant agency.

Letters of Intent

If a funding agency requires the submission of a Letter of Intent (LOI) as a first step, you do not have to complete the full External Approval Form unless you are invited to submit a full proposal. However, the ORSP and, in some cases, the Advancement Office need to be aware of, approve, and track all LOIs, as many funding agencies limit the number and frequency of LOI submissions from a single institution. Please complete the LOI in Cayuse at least 2 weeks prior to your submission date.

Submission Responsibilities

The ORSP office submits applications on a case-by-case basis, unless otherwise required by the agency. Please be sure to communicate with ORSP in advance of your submission date to ensure availability.

All applications that require a signature from an Authorized Official, Institutional Representative, or other such title should be signed by either the Vice President for Research, Director of ORSP or the VP for Research (or designee). PIs must not sign any documents that obligate ACU to any terms, conditions, assurances, or certifications (see below). Any applications that commit ACU to provide resources must be pre-reviewed by the VP for Research. Please include these commitments in your Cayuse proposal packet.

Failure to comply with the above submission requirements may result in delays or, in extreme cases, ACU being unable to accept the award if granted.

Signature Authority for Submissions & Award Acceptance

The Office of General Counsel has established a Contract Signature Policy that applies to all contractual obligations made on ACU's behalf. However, it is recognized that grants, contracts, and cooperative agreements for research and other scholarly activities often carry certain additional obligations that are monitored by the Office of Research and Sponsored Programs. For that purpose, the general contract policy states, "Documents regarding grants awarded by government agencies and private organizations are generally not within the scope of this Policy but are subject to the review process managed by the Office of Research and Sponsored Programs." The process for determining signature authority is outlined below.

- (1) All proposals for external funding shall be submitted, negotiated, and accepted through the Office of Research and Sponsored Programs.
- (2) ORSP shall review the signature requirements for the award and determine who is able and appropriate to sign on behalf of the institution
- (3) Any application or award letter that contains any assurances, certifications, or contractual obligations by ACU shall be signed by an authorized representative of the institution.

The Executive Director of Research is authorized to sign the following documents:

1. Standard Federal submissions, certifications, and assurances.
2. Documents in which the Research Director is enrolled as the Authorized Organizational Representative (and other similar titles).
3. Award/acceptance letters with no legal obligations.
4. Federal award letters with standard federal obligations and assurances.
5. Other reports and documents are typically prepared by ORSP.

The VP for Research or authorized designee:

1. Shall review any grants/contracts with Cost Share obligations or other required institutional commitments
2. Shall sign Contracts & Agreements with legal institutional obligations that do not otherwise meet the criteria above.

General Counsel shall review any Contracts & Agreements with legal institutional obligations that fall outside of the scope of standard Federal award requirements.

The Finance Office shall review and sign all official financial reports to the sponsor.

It is at the discretion of the ORSP office to send a document for review and/or signature to one or more of the above offices, as appropriate.

Once an award is accepted by the institution, ORSP will initiate a fund request for the award. Any checks that are received by a funding agency should be delivered to ORSP to initiate the fund and deposit. No spending should occur on a sponsored project until the PI receives confirmation from ORSP that the account is established and ready for spending (see Pre-award/Advance spending policy in the “Costs” section for exceptions).

EXTERNAL AWARDS: FINANCIAL CONFLICT OF INTEREST IN RESEARCH

POLICY STATEMENT & PURPOSE

Abilene Christian University (ACU) monitors and documents significant financial interests that may conflict or be perceived to conflict with research funded by external sources, in compliance with federal requirements. This policy requires investigators (faculty, staff, students, administrators) participating in externally sponsored projects to annually disclose and manage conflicts of interest that could create or potential conflicts of interest.

The purpose of this Policy is to promote objectivity in the conduct of sponsored projects by ensuring the disclosure of significant financial interests and the appropriate management of COIs on externally sponsored projects in accordance with federal, state, and institutional regulations and policies. The Uniform Guidance (2 CFR 200) states in section 112 that “The Federal awarding agency must establish conflict of interest policies for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.” The policy herein is established to satisfy the requirements for reporting and managing COIs related to federally-funded activities, as well as any COI requirements for projects funded by other non-federal sources.

APPLICABILITY OF THE POLICY

This policy applies to all ACU employees (including faculty, staff, and student workers), trainees, interns, subgrantees, contractors, consortium participants, collaborators, and consultants who have a significant role in the design, conduct, or reporting of research and educational programs funded by external sponsors. This also includes your immediate family members (spouse and dependent children). Subgrantees, contractors, consortium participants, collaborators, and/or consultants may follow their home institution’s policy and procedure in lieu of this policy, provided that their home institution has a written and enforced policy that meets the federal and state requirements for disclosure of significant financial interests.

PROCEDURAL GUIDELINES

Definitions

Investigator includes the principal investigator (PI), project director (PD), co-principal investigators (co-PIs), and any other person who has a significant role in the design, conduct, or reporting of research or educational activities funded or proposed for funding by an external agency. For the purposes of the requirements of this policy relating to financial interests, “Investigator” also includes the investigator’s spouse and dependent relatives or household members, when applicable.

Manage means to take action to address a financial conflict of interest. This can include reducing or eliminating the financial conflict of interest to ensure, to the extent possible, that the design, conduct, and reporting of research or educational activities will be free from bias.

Significant financial interest means anything of monetary value including, but not limited to,

- Salary or other payments for services (e.g., consulting fees or honoraria)
- Equity interests (e.g., stocks, stock options, or other ownership interests)
- Intellectual property rights (e.g., patents, copyrights, and royalties from such rights)
- Venture or other capital financing

The term does not include:

- Salary, royalties, or other compensation or remuneration from Abilene Christian University
- Royalties and honoraria for published scholarly or creative works
- Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities
- Income from service on advisory committees or review panels for public or nonprofit entities
- An equity interest that, when aggregated for the investigator and the investigator's spouse and dependent relatives or household members, meets BOTH of the following tests: (1) Does not exceed \$5,000 in value, as determined through reference to public prices or other reasonable measures of fair market value; and (2) Does not represent any ownership interest in any single entity
- Salary, royalties, or other payments that, when aggregated for the investigator and the investigator's spouse and dependent relatives or household members, are not expected to exceed \$5,000 from any single entity during the next 12-month period.

Unit head means the dean of a college, or in the case of departments that do not report to a dean, a vice president.

Designated official means the Senior Vice President for Operations or his/her designee.

Procedure

Annual Disclosure

All employees who intend to serve as investigators must submit or update their disclosure of significant financial interests via Cayuse, including those of their spouses, dependent relatives, and household members, before submitting any sponsored project application. If the project is funded, this disclosure must be updated annually. Disclosures should be routed to the Unit Head, designated officials, and VP for Research:

- (1) Any significant financial interest that would reasonably appear to be affected by the research or educational activities funded, or proposed for funding, by an external sponsor; or
- (2) Any significant financial interest in an entity whose financial interest would reasonably appear to be affected by the research or educational activities funded, or proposed for funding, by an external sponsor.

Employees planning to act as investigators who have no significant financial interests as described above shall submit a certification to that effect.

The Significant Financial Interest Disclosure Statement will be used for either certification of no significant financial interests or disclosure of significant financial interests. Employees with significant

financial interests or financial interests that may appear to be significant should complete and sign Supplemental Disclosure Form for each entity in which they have a significant financial interest.

If there is a change in the reported information during the year, the employee will submit an updated form within thirty (30) days of discovering or acquiring a new financial interest.

Regardless of the above minimum requirements, an employee may choose to disclose any other financial or related interest that could present an actual conflict of interest or be perceived to present a conflict of interest. Disclosure is a crucial factor in protecting one's reputation and career from potentially damaging or embarrassing allegations of misconduct.

Certification at the Time of Proposal Submission

Prior to submitting a proposal for funding to any external agency, each investigator shall certify that he/she has disclosed any significant financial interests in Cayuse, including those of a spouse and dependent relatives or household members, that would reasonably appear to be affected by the project for which funding is sought. The unit head shall certify that, based on the investigator's disclosure, either: (1) no conflicts of interest exist, or (2) existing conflicts will be managed prior to the expenditure of funds under the award.

Review of Disclosures

The unit head shall initially determine whether (1) no conflicts of interest exist or (2) conflicts of interest exist or may exist. In making this determination, the unit head shall act in accordance with the guidelines provided in this policy. The unit head shall submit this determination, along with the employee's disclosure form, to the ORSP. When conflicts exist or may exist, ORSP will forward the report to the designated official.

The designated official shall review the disclosure and the determination of the unit head. If the designated official determines that no conflict of interest exists, they shall make the appropriate notation on the form. If the designated official determines that a conflict of interest exists, the official shall take the necessary actions to ensure that such conflicting interests are managed. In making this determination, the designated official may choose to seek the advice of a committee appointed by the designated official, of the Office of the General Counsel, or of other university administrators. The designated official, in concert with the investigator and his/her dean, will prepare a resolution plan for managing the conflict. This document will be signed by the investigator, the designated official, and the VP for Research.

If, 30 days following the determination of whether a conflict exists, the designated official and the investigator have not agreed upon a resolution plan, the investigator or the designated official may seek the intervention of the VP for Research or their designee.

The designated official shall forward all records to ORSP, which shall maintain records of all financial disclosures and all actions taken with respect to each conflicting interest for three years after the termination or completion of the award to which they relate or the resolution of any government action involving those records, whichever is longer.

The unit head, designated official, VP for Research, and any other individuals involved in determining and/or managing COI shall maintain, insofar as possible, the confidentiality of disclosures and resolution plans.

External Reporting

The ORSP shall be responsible for all reporting requirements to external agencies. These include the following:

- (1) Signing or obtaining signatures for institutional certifications required in proposals.
- (2) Ensuring that reports of the existence of a conflict and its management plan are forwarded to the VP for Research.
- (3) Notifying the sponsoring agency in the event that an employee has failed to comply with university policy.
- (4) Notifying the sponsoring agency in the event that ACU is unable to manage a conflict of interest satisfactorily.
- (5) In the event that a conflict of interest is identified after the expenditure of funds under an award, the ORSP will, within 60 days of identifying the conflict (less time if required by the sponsoring agency), notify the agency when required of the existence of the conflict and ensure that the conflict has been managed.
- (6) Upon request from any sponsoring agency or other authorized government entity, the Director of ORSP will provide information regarding all conflicting interests identified by ACU and describe how those interests have been managed.
- (7) In the event that an investigator fails to comply with the university's conflict of interest policy and has biased the design, conduct, or reporting of an externally funded project, the ORSP will notify the agency of corrective action taken by the VP for Research.

Additional Guidelines

A conflict of interest exists when the designated official reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, or reporting of externally funded research, service, or educational activities.

Significant financial interests in companies submitting proposals to Small Business Innovation Research Programs and Small Business Technology Transfer Programs are specifically excluded from the federal definition of conflict of interest.

- (1) Examples of manageable conflicts of interest include, but are not limited to, the following:
 - (a) Situations in which the outside activity will conflict with previously established responsibilities to the university;
 - (b) Situations that might allow a university employee to influence the university's dealings with an outside organization such that personal gain for the employee or improper advantage for anyone is the result; and
 - (c) Supervision of student research activities when research in that area might lead to financial or personal gain for the faculty member.
- (2) Examples of unacceptable conflicts of interest include, but are not limited to, the following:
 - (a) Use for personal profit of unpublished information originating from university research or other confidential university sources;
 - (b) Consulting under arrangements that impose obligations that conflict with the university's intellectual property policy or with the university's obligations to research sponsors or that inhibit the publication of research results obtained within the university; and

- (c) Circumstances in which a substantial body of research that could and ordinarily would be carried on within the university is conducted elsewhere to the disadvantage of the university and its legitimate interests.
- (3) Examples of conditions or restrictions that might be imposed to manage conflicts of interest include, but are not limited to:
 - (a) Public disclosure of significant financial interests;
 - (b) Review of research protocol by independent reviewers;
 - (c) Monitoring of research by independent reviewers;
 - (d) Modification of the research plan;
 - (e) Disqualification from participation in the portion of the externally funded research that would be affected by the significant financial interests;
 - (f) Divestiture of significant financial interests; or
 - (g) Severance of relationships that create conflicts.

In some cases, the reviewer(s) may determine that imposing conditions or restrictions would be either ineffective or inequitable and that the potential negative impacts that may arise from a significant financial interest are outweighed by interests of scientific progress, technology transfer, or the public health and welfare. In such cases, the reviewer(s) may allow the research to go forward without imposing such conditions or restrictions. These cases should be reported to the funding agency.

Compliance

No proposals will be submitted without the required certifications. If a conflict is identified, the proposal may be submitted before the resolution plan is implemented if the designated official determines that the conflict can be managed or eliminated prior to the award of funds. No awarded funds will be spent until the conflict is resolved.

If breaches of the policy occur, actions will be taken. Breaches include, but are not limited to: failure to file; intentionally filing an incomplete, erroneous, or misleading disclosure form; failing to provide additional information as required by the unit head or designated official; or violation of terms outlined in the resolution plan.

If actions are necessary, they will be imposed in accordance with the university's operating policies and procedures (e.g., Performance Improvement, Misconduct in Research, Faculty Handbook Termination Proceedings). The potential actions may include, but are not limited to, the following: Letter of warning; Ineligibility of the employee for grant applications or supervision of graduate students; Suspension; Non-renewal of appointment; and/or Dismissal. Impending actions may be appealed by the employee to the university in accordance with procedures outlined in Policy No. 530 Complaint Procedures.

EXTERNAL AWARDS: COSTS

POLICY STATEMENT & PURPOSE

Abilene Christian University (ACU) receives funds to complete projects and research from external sources, including the federal government. The U.S. government has developed grant accounting policies (2 CFR 200, “The Uniform Guidance”) that outline the costs that are allowable or not allowable, define direct and indirect costs, and establish requirements for procurement and procurement monitoring. ACU is committed to following these regulations for all Federal awards. In addition, non-federal funders may have different or additional requirements. ACU is committed to ensuring financial compliance with all funders.

The procedural guidelines herein address cost allowability, expense approval, indirect cost requirements, procurement, and salary and fringe allowability. These procedures are designed to satisfy the Uniform Guidance requirements for federal awards. Non-federal awards may have different requirements that must be addressed. However, in many instances, the Uniform Guidance sets limits based on institutional policy that is applied uniformly to federal and non-federal funds alike. Therefore, the procedures herein may be applied uniformly to all external funds. Exceptions will be handled on a case-by-case basis, based on ACU policy and interpretations of the Uniform Guidance's applicability.

Failure to comply with this policy may result in unallowable expenses requiring repayment, damage to ACU’s reputation as a grant recipient, and an inability to receive such funds in the future.

APPLICABILITY OF THE POLICY

This policy applies to all ACU employees listed as Principal Investigators or Program Directors on an external award, who are responsible for budgeting and cost allocation. This policy also applies to all offices that handle grant accounting, including ORSP and the Finance Office. The salary policy applies to any ACU faculty, staff, and students who receive pay from an externally funded project, whether federal or non-federal in source.

PROCEDURAL GUIDELINES

Allowability and Expense Approval

The PI on the grant is responsible for ensuring the allowability of costs. Federal awards generally follow the Uniform Guidance (2 CFR 200) cost principles, though some agencies/awards may have additional restrictions or special allowances. Non-federal entities may still follow the Uniform Guidance or have their own guidelines. Please consult with the Director of ORSP, the Grant Accountant, and/or the grants Program Director if questions arise.

ORSP is responsible for monitoring cost allowance and has the final approval on costs charged to external awards. Approval is dependent upon meeting federal and agency requirements, as well as ACU policy.

Costs that violate ACU policy cannot be approved without written permission from the department responsible for the policy and approval from ORSP. Costs that violate federal or agency requirements cannot be approved without written permission from the agency.

The Uniform Guidance establishes several conditions to determine the allowability of costs on federal awards:

- (1) The cost must be necessary and reasonable for the project's performance, adhere to the Uniform Guidance and any other agency requirements, and be applied **consistently** by ACU regardless of the funding source.
- (2) The cost must be **reasonable**. Reasonable is defined as a cost that “in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.”
- (3) The cost must be **allocable** to the award. Allocable is defined as “if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received.”
- (4) In some cases, the Uniform Guidance explicitly requires prior written approval for a cost, or the allowability of a cost as defined above is unclear, and so prior written approval may be sought. In such cases, ORSP will typically contact the Program Director for the award to obtain procedures for approval.
- (5) Costs that are determined to be unallowable must be returned to the agency, and interest may be required.

The Uniform Guidance Subpart E outlines classes of costs, their allowability and limitations. Some costs are generally not allowable, some are generally allowable, and some are only sometimes allowable in certain circumstances (See Appendix List). The PI of a federal award should become familiar with this Subpart and the cost categories outlined therein. ORSP may provide tools and guidance to assist PIs in determining allowability. The PI should also become familiar with the specific award program's requirements, as there may be allowances or restrictions not generally included in the Uniform Guidance.

Charges should be distributed according to the appropriate allocation. If a cost is incurred solely for the purpose of the sponsored award, it may be fully allocated to the award. However, if the product or service also benefits other activities (sponsored or ACU), then the cost should be distributed in a manner proportionate to the allocation.

All charges on a grant must be clearly documented to the extent that:

- (1) The purpose of the charge can be determined
- (2) The allowability of the charge can be assessed, including how the charge benefits the program and whether it is allocable to the program and to what degree (i.e., does it benefit only the program or does it benefit other activities and therefore the charge should be distributed).

Documentation should include at a minimum, an itemized receipt or invoice and a description of the service/product. Additional documentation that helps support a cost may include:

- (1) An explanation for how the cost serves/benefits the sponsored project
- (2) An explanation of/justification for the allocation method
- (3) Written documentation of sponsor approval
- (4) Any explanation/justification for unusual costs

Documentation should stand alone. In the case of an audit situation, documentation stored in the grant Google Drive folder should be sufficient to meet audit standards in the absence of the PI. ORSP has documentation tools that the PI can use to ensure this standard is met.

PIs should be aware that expenses incurred at the end of an award may receive additional scrutiny. Capitalized equipment should not be purchased in the final 90 days of an award. Large supply purchases should not be made in the final 30 days of an award unless justification can be provided showing that the supplies will be used for the specified project within the award period.

Funds that are used for unallowable costs (determined at the time the charge is incurred or at a later date, such as during the audit) must be reallocated or repaid to the funding agency. If the unallowable charges are determined to be due to violations of known procedures by the PI or other project personnel, then it is the responsibility of the grantee to repay the funds using those available at the Program/Departmental level. Indirect costs or other funds from the University, ORSP, or College level will not be used in such instances. If the unallowable charge occurred due to other circumstances, then a discussion between the PI, Department, College, ORSP, and other relevant administrators will occur to determine the most appropriate mechanism of returning funds.

Institutional and Agency Approvals

Certain costs or budget changes must be approved by the institution and/or the agency. Those conditions are outlined below. In all instances, the PI should make the request through ORSP first before moving forward.

- (1) Pre-award spending (see section below)
- (2) Budget costs in which the allowability is unclear, the agency or regulations require sponsor approval, or costs that are typically unallowable but fall into a special category must receive prior approval before moving forward. PIs should contact ORSP for guidance. In some cases, ORSP may approve the cost with proper documentation. In other cases, ORSP will contact the Program Manager to determine steps for agency approval.
- (3) Rebudgeting. Not all rebudgeting requires approval; however, certain conditions do require ORSP and/or agency approval: (a) Any cost that the agency or regulations state requires agency pre-approval must receive such approval prior to rebudgeting; (b) Equipment valued at \$5,000 or more; (c) Moving participant expenses out of the participant category; (d) Adding trainees to the participant category
- (4) Budget increases
- (5) Carry forward of unobligated balances at the end of a budget period
- (6) No-cost extension at the end of the award

- (7) Other changes that require agency approval or notification include: change in key personnel, a reduction in key personnel effort of 25% or an extended absence, and major changes in the scope of the project

Pre-award/Advance Spending

In general, spending on a sponsored project is not permissible until the award notice has been received and funds delivered/released. However, the institution recognizes that there may be times when pre-award/advance spending is necessary. Pre-award/Advance spending **MAY** be approved when:

- (1) It is permitted by the funding agency
- (2) ORSP has received confirmation from the sponsor that the award is forthcoming
- (3) The spending is necessary to the conduct of the project
- (4) An alternative funding account is provided as a guarantee should any expenses be determined to be unallowable or should the award be denied

All Pre-award/Advance spending involves some level of financial risk to the institution. It is the responsibility of the PI and the PI's department to incur this risk. As such, the Department Chair (or appropriate Director) must confirm support of the spending and provide a source of funds as a guarantee. These funds will be encumbered by the finance office in the case that charges cannot be made to the sponsored award for any reason (deemed unallowable, funds are not awarded, budget is reduced, etc.).

It is the responsibility of the PI to request approval for pre-award/advance spending (Please see the Appendix List). The PI should justify the need and outline the expected costs for the advance period. Generally, these costs should not exceed 25% of the first-year costs for 90 days. Costs exceeding this threshold may be approved at a greater risk to the department and require approval from the VP for Research.

If a single fund is not available as a guarantee, the department may provide multiple fund numbers as an alternative. All requested funds will be encumbered as a guarantee.

If approved, the PI is responsible for monitoring the spending to ensure it remains within the limits. Once the limit is reached, the PI is responsible for halting any additional spending or requesting further advance spending by submitting a subsequent request.

ORSP will be responsible for reviewing the request, including:

- (1) Confirming the allowability of pre-award/advance spending (if not otherwise stated in agency policy) and the allowable period of spending
- (2) Confirming that the award is forthcoming
- (3) Determining the expected start date and arrival of funds
- (4) Reviewing the allowability of the costs, any compliance terms, and any other award requirements, terms, and conditions
- (5) Communicating any concerns that may exist regarding potential negotiation of terms and how that may affect acceptance of the award
- (6) Approving the allowability of the request, given the above information

- (7) Submit the fund request once all approvals are obtained

The ORSP Grant Accountant will be responsible for setting up the advance fund and encumbering the guarantee fund/s. The ORSP Grant Accountant will monitor the spending account to ensure it remains within the approved limits and notify the PI when spending approaches those limits.

The VP for Research will review and approve/deny requests in which: the request is for costs above 25% of the first year, over 90 days, a follow-up request for additional advance spending, or for projects in which confirmation that award is forthcoming is not received (in which case, the risk should be assessed, including the impact of the use of the guarantee funds to cover expenses).

Upon receipt of the award, ORSP will notify the Finance Office to release the guarantee funds.

In the case that expenses cannot be charged to the award or the award is not received, the expenses will be charged to the guarantee fund/s. This may occur in the following instances:

- (1) Certain costs are deemed unallowable.
- (2) The start date is delayed beyond the period allowed by the sponsor for pre-award/advance spending (usually 90 days), thus, costs incurred prior to the 90 day period cannot be charged.
- (3) The award amount is significantly reduced.
- (4) The award is not received or cannot be accepted by the institution due to contractual disagreements.

It is at the discretion of the Department Chair, ORSP, Finance Office, and/or VP for Research to deny requests for pre-award/advance spending based on the assessment of risk, availability of guarantee funds, and allowability by the sponsoring agency. Requests will generally be denied in the following cases:

- (1) Projects sponsored by for-profit companies as the risk is much greater than that of other funders.
- (2) Projects with agencies with a known history of denying pre-award expenditures (some or all)
- (3) Projects in which the application has not been reviewed, is pending review, or has not otherwise received a recommendation for funding.

Indirect/F&A Costs

The federal government and many non-federal agencies recognize that institutions incur certain costs in support of sponsored projects. These costs are referred to as Facilities and Administration (F&A) costs or “indirect” costs. These are the costs that ACU incurs, which may not be easily identified and allocated to specific awards, including but not limited to buildings, general equipment, operations and maintenance, general administration and supplies, and library services. F&A charges are considered reimbursements to the institution for such expenses.

Costs that are included in F&A calculations should not be charged as direct costs on sponsored awards.

ACU requires that PIs include Indirect/F&A costs in their budgets to the maximum extent allowable by the agency. ACU has a negotiated rate with federal agencies. This rate should always be used for federal awards, unless the agency explicitly requires a different rate.

When applying to non-federal agencies, PIs should use the rate allowable by the institution. When no rate is published:

- (1) PIs or ORSP should contact the agency to determine if F&A is an allowable cost and what rate they allow
- (2) If the agency does not set limits on the F&A rate, PIs should include either our federal negotiated rate of direct salaries only (including paid absences). PIs should consult with ORSP to determine the appropriate rate for their proposal.
- (3) Modified total direct costs include salaries and wages, fringe, materials and supplies, services, and travel. It excludes equipment, capital, rental, tuition remission, scholarships, fellowships, and participant support.

Procurement of Property and Services

The following federal definitions apply to this section:

- (1) *Property* means real property or personal property. *Real property* means land, including land improvements, structures, and appurtenances thereto, but excludes movable machinery and equipment. *Personal property* means property other than real property. It may be tangible, having physical existence, or intangible.
- (2) *Supplies* means all tangible personal property other than that described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life.
- (3) *Computing devices* means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information.
- (4) *Contract* means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part, does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward
- (5) *Equipment* means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

All purchases of property or establishment of service contracts should follow the procurement/purchasing policies outlined in ACU’s Procurement Handbook and Employee Policies in Section 900. In addition, Federal procurement standards outlined in the Uniform Guidance (2 CFR 200 Subpart D) must be followed for Federal awards. Those requirements are highlighted below. When purchasing any product or service over the micro-purchase threshold, please contact ORSP for guidance on federal requirements.

Federal Thresholds

Small Purchase Procedures—Small purchase procedures are those designed to simplify the purchasing process. Small purchase procedures do not require a competition of sealed bids or competitive proposals.

Micro-purchase threshold: Purchases at or below the micro-purchase threshold (\$10,000) do not require quotes or documentation of vendor selection. The PI should document the allowability and allocability of the purchase (the expense documentation template in the Appendix List may be used). The PI should conduct some measure of cost/price analysis. The PI should select a vendor that offers the best combination of price, quality, and service to meet the need.

Simplified Acquisition: For purchases of \$10,001 to \$250,000, a minimum of 2 rates or quotes is required. A Vendor Selection Form and all documentation must be submitted to ORSP and Finance before ordering.

For purchases exceeding \$250,000, a minimum of three formal quotes (confirmed in writing, via fax, or as an email attachment) is required. Quotes/bids may be collected by sealed bid or competitive proposals as outlined in 200.320. The Vendor Selection Form and all documentation must be submitted to ORSP and Finance before ordering.

Sole Source Allowance: To make a purchase of \$10,001 or more from a specific vendor without soliciting quotes, a Sole Source allowance should be documented on the Vendor Selection Form. Such allowances may be made in conditions including, but not limited to: specialized services or products that can only be purchased by a single vendor, situations that represent a public health emergency in which there isn't sufficient time to solicit quotes/bids, the federal agency has approved in writing the selection of a sole source, and/or competitive bidding was determined to be inadequate.

The Vendor Selection Form serves to satisfy the requirement that the institution maintains records sufficient to detail the history of procurement, which includes the rationale for the method of procurement, the selection of contract type, the contractor's selection or rejection, and the basis for the contract price. When quotes are required, these must be submitted with the Vendor Selection Form as auditable documentation.

General Considerations and Requirements for procurement on federal awards (200.318-323)

- (1) In reviewing requests for payment, the PI and institution should ensure that the purchase doesn't unnecessarily duplicate resources.
- (2) For purchases exceeding the micro-purchase threshold, the PI should consider whether leased options are available and evaluate alternatives to determine the most economical approach.
- (3) Contracts (Appendix List) must be established between ACU and any outside professional service that will be charged to a federal award. Contracts must include the provisions of Appendix II of 2 CFR 200, as required in 200.326

- (4) When selecting a contractor/vendor, PIs should consider such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Selection should be without imposed state, local, or tribal geographical preferences, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference
- (5) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of 200.319
- (6) Solicitations should: (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features that unduly restrict competition. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and (2) identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- (7) If prequalified lists of persons, firms, or products are used, the PI should ensure that such lists are current and include enough qualified sources to ensure maximum open and free competition.
- (8) The PI should consider all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible, according to 220.321
- (9) The PI must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold (\$250,000), including contract modifications. The PI/institution must make independent estimates before receiving bids or proposals.
- (10) The institution must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.
- (11) The institution must ensure that contractors and vendors are not debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities

Procurement of Goods and Services Involving State Appropriations

The purpose of this section is to establish procedures to be followed when procuring goods or services that involve use or reimbursement from appropriations from the State of Texas. When state-appropriated funds are used, ACU will comply with Texas Education Code § 51.9335 to acquire goods or services by the method that provides the best value to the institution.

Competitive solicitations must be obtained on all procurements of goods or services above \$50,000 unless an exception (such as proprietary procurement, emergency procurement, or exempt procurement) can be justified. Written justification for any exception must be provided to

ORSP prior to requesting reimbursement from state-appropriated funds or initiating a procurement using such funds.

These requirements apply only to expenditures involving state-appropriated funds. All other procurements follow the federal, institutional, and ORSP procurement requirements outlined elsewhere in this Handbook.

Conflict of Interest in Procurement

An ACU employee may not participate in the selection, award, or administration of a contract supported by a federal award if he/she has a real or apparent conflict of interest. Employees also may not accept gratuities, favors, or anything of monetary values from contractors.

If there is a potential (real or perceived) conflict of interest with the payee, regardless of dollar amount, the PI must submit the COI in Procurement Form (Appendix List), documenting how the conflict will be managed, and obtain approval by ORSP.

When a potential COI in procurement involves values in excess of this, COIs must also be reported to the institution using the COI form (Appendix List) and managed according to the COI policy.

Non-compliance will be managed according to the general COI policy.

Equipment and Capital Assets Management

Capital expenditures for special-purpose equipment with a unit cost of \$5,000 or more must have the prior written approval of the Federal awarding agency or pass-through entity and follow the requirements outlined in this section.

Equipment purchased with federal funds must be used for the project's purposes during the project period or until it is no longer needed for the project. The asset must be used and disposed of in accordance with 200.313. These requirements are detailed below:

Use. (1) Equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority: (i) Activities under a Federal award from the Federal awarding agency that funded the original program or project, then (ii) Activities under Federal awards from other Federal awarding agencies.

Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place, will, as a minimum, meet the following requirements:

Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the federal award identification number), who holds title, the acquisition date, and cost of the property, percentage

of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property. Upon purchase of capital equipment, the PI must submit a Capital Asset Memo (Appendix List) and submit a copy to ACU's Controller in the Finance Office and to ORSP to satisfy this record requirement.

Principal Investigators acquiring federally sponsored or institutionally funded capitalized equipment must complete an Equipment Agreement form (see Appendix List). This form documents compliance with federal regulations (2 CFR 200.313) and Abilene Christian University policies regarding equipment use, maintenance, transfer, and disposition.

The agreement must be signed by the Principal Investigator, Department Chair, and Controller, and submitted to the Office of Research and Sponsored Programs (ORSP) and the Finance Office at the time of acquisition. PIs and departments are responsible for maintaining equipment in good working condition, notifying ORSP and Finance prior to relocation, transfer, trade, or sale, and ensuring that records remain current throughout the equipment's useful life.

A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. The PI should ensure that the equipment is appropriately secured to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. The PI should ensure that adequate maintenance is in place to keep the property in good condition.

If the property is sold, ACU and the PI should use sales procedures that ensure the highest possible return, following procedures outlined in the Finance Operations: Property and Equipment Memo.

Fabricated Equipment. When a PI plans to fabricate equipment using sponsored funds, the PI should notify the Finance Office **before** any purchases are made for the fabrication. All components must be identified to allow monitoring of total cost calculations. If the fabricated equipment total cost will exceed \$5K, then the equipment will be capitalized upon completion and tracked as described above. Individual components that meet the definition of "equipment" should be itemized and tracked, as well, though they may be included under the property record of the primary piece of fabricated equipment when it is a permanent installment.

Disposition. When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, the PI should request disposition instructions from the Federal awarding agency. 2 CFR 200 disposition requirements are as follows:

Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency. At ACU, depreciation will be managed, monitored, and calculated by Financial Operations.

Except as provided in §200.312 Federally-owned and exempt property, or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment

with a current per-unit fair-market value in excess of \$5,000 may be retained or sold. In such cases, the federal awarding agency may be entitled to a share of the sales proceeds, according to calculations set in 200.313.

ACU may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, ACU is entitled to compensation for its attributable percentage of the current fair market value of the property.

Supplies

At the completion of the project, the PI should determine the value of any residual, unused supplies. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, ACU must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share. The amount of compensation must be computed in the same manner as for equipment, as detailed in 200.313.

Research Security

ACU is committed to maintaining the integrity, transparency, and security of its research enterprise. Research Security protects federally funded research and sensitive information from theft, misuse, or unauthorized foreign influence while ensuring compliance with federal regulations such as NSPM-33 and the CHIPS and Science Act of 2022.

Federal guidance identifies four core components of research security:

Disclosure and Transparency: Researchers must accurately disclose all professional appointments, affiliations, and external support—domestic and foreign—as required by federal sponsors and University policies.

Cybersecurity: Research data, including Controlled Unclassified Information (CUI) and sponsor-provided materials, must be safeguarded using approved systems that comply with University and federal security standards.

Foreign Travel Security: Faculty, staff, and students traveling abroad for research should coordinate with Risk Management and IT Security before departure. This includes guidance on protecting data, equipment, and devices, especially when traveling to high-risk destinations.

Export Control Compliance: Export Controls are a vital element of Research Security. Federal laws restrict the transfer of certain technologies, software, materials, and technical data to foreign countries or foreign persons. Regulations are enforced through: Export Administration Regulations (EAR) – U.S. Department of Commerce; International Traffic in Arms Regulations (ITAR) – U.S. Department of State; and the Office of Foreign Assets Control (OFAC) – U.S. Department of the Treasury. Export control concerns may arise in collaborations with foreign partners, hosting visiting scholars or students from sanctioned nations, travel with research materials, or remote sharing of controlled information. Before engaging in any international collaboration or data exchange, Principal Investigators (PIs) must contact the Office of Institutional Compliance and Risk Management for review and guidance. The Export Control

Officer assists with screening foreign entities, determining whether licenses are needed, and advising on compliance obligations.

Training Requirements

Research Security training is required only when mandated by a sponsoring federal agency as a condition of award (e.g., NSF, DOE, DOD). When required, PIs and key personnel must complete agency-specific Research Security training. All other researchers are strongly encouraged to stay informed about research security principles and export control responsibilities through available University resources and optional training.

Fly America

The Federal Government sets certain restrictions on the types of airlines that can be used for federally-funded travel. If the PI or another individual on the grant is planning to fly to a foreign country, please notify ORSP **before** plane tickets are purchased or any travel occurs. For reference, the NSF Fly America policy (from the NSF Proposal and Award Policies and Procedure Guide) is available in the Appendix List. ORSP, in collaboration with Risk Management and the International Office, will guide PIs through export control and Fly America concerns and processes.

Salary, Wages, and Fringe

Salary and wages are allowable on external awards for personnel who are essential to the conduct of the project. Their role must be clearly allocable to the award either through hours worked or percent of total effort. This section outlines what is and is not allowable and how salary/wages should be charged to a grant. It is the responsibility of the PI to ensure that salaries/wages are properly established, paid in a fashion that corresponds with effort expended, and is documented in a manner that satisfies federal regulations for effort documentation. It is also the responsibility of the PI to ensure that effort allocated is appropriate to the award commitment and pay received. Time & Effort is further outlined in the respective policy.

General Pay Principles

In general, external awards will pay the salaries/wages of personnel who are essential to the conduct of the project. The pay allowable is the proportionate **share** of the salaries/wages for the employee's effort on the sponsored project. Sponsors view the employee's entire work effort as a whole when determining these proportions, regardless of number of hours worked or when the work is done. In other words, sponsoring agencies do not consider work done on "personal time" as excluded from this whole. Thus, all work done that contributes to the employee's role at ACU and on the sponsored project contributes to 100% of their work effort. The sponsoring agency will pay the proportion of the employee's base salary or wages that represents the proportion of the effort dedicated to the sponsored project.

For employees on a 12 month contract, they should apportion their effort between ACU and sponsored activities and allocate their salary/wages accordingly. This should be calculated on a semester by semester basis and adjusted as appropriate. Faculty on 9 month contracts should see the sections below for academic year salary versus summer salary.

Employees should develop a mechanism for tracking their effort allocation. PIs are responsible for ensuring that all employees are tracking their effort and for storing this documentation to make available upon request. Non-exempt employees naturally track their effort through payroll reports of hours worked. Exempt employees may use the T&E calculator tool available on the ORSP website.

Federal regulations generally allow a 5% margin of error for effort relative to % salary paid. Deviations from this should be adjusted, particularly when the sponsor contributed a greater proportion of the salary than allowable. Significant reductions in effort (25% or 3 months leave or greater) by key personnel must be reported to the agency.

For hourly employees, PAFs should be submitted for the new position and fund. For exempt employees, the PI should meet with ORSP and Finance to establish a mechanism of payment.

Academic Year Salary

For faculty on a 9 month appointment, salary allocation should follow the policy above. Faculty should determine the amount of their total effort that is/will be dedicated to the sponsored project and apportion that percentage of their base salary to the award. This should be done on a semester basis, as effort may vary from one semester to the next.

For Federal awards, course release and/or adjunct costs should not be charged to the award as a direct cost. Course release and adjunct costs are generally considered departmental administrative decisions and are not allocable to a federal award. Salary share is an allocable cost and will create salary relief for the department to grant course release and hire adjuncts. Course release is a decision to be made between the faculty person and their department.

Though course release cannot be directly charged, effort may assist in determining the need for course release. In general, for a faculty person with a 4/4 load, a single course is considered 20% effort. Course load, then, represents approximately 80% of total effort, with the remaining 20% consisting of other activities such as research/scholarship, service, leadership, committee responsibilities, etc. Therefore, if a faculty person is working on a sponsored award for more than 10-20% of their time, a course release may be necessary.

Some non-federal sponsors do not pay salary, but may allow small stipends, course release costs or adjunct pay. In such cases, the applicant should follow the guidelines of the sponsor.

Summer Salary

Federal regulations allow summer salary for 9 month faculty. Summer pay for 9 month faculty may not exceed 3/9 of the IBS (effectively annualizing the salary), when effort is 100% for 1 FTE and time is not committed elsewhere (including ACU activities and vacation). Because of these other commitments, it is recommended that summer pay not exceed 2-2.5/9 of IBS.

Summer salary must be based on the faculty person's IBS. External summer salary does not change the faculty person's contractual IBS. Summer salary is also not eligible for retirement contributions, leave accrual, or salary incentive payments.

Summer salary should be calculated based on # of months worked, FTE worked, and % effort. For example, summer salary should be calculated as $IBS \times 1/9 \times \text{\#months} \times FTE \times \% \text{ effort}$.

Institutional Base Salary Limits

Institutional Base Salary (IBS) refers to an employee's contracted salary rate. For 9 month faculty, this is the salary provided in their appointment letter for the 9 month academic year. For other employees, it consists of the salary paid over 12 months. IBS generally does include any additional pay received for appointments including but not limited to Chair, Director, and Dean. IBS does NOT include one-time supplemental payments for activities outside of the employee's job description, course overload, incentives and bonuses, and other stipend payments.

The base salary of any employee **shall not be increased by virtue of funding from a grant or contract, federal or non-federal**. Increases on grant-funded employee salaries must be reported to and approved by the VPR.

Some funding agencies limit the amount of IBS that can be used to calculate grant pay. In such cases, ORSP will work with the PI to determine the salary cap and the amount of salary that may be charged to the grant.

Examples of Pay Allocation

EXAMPLE 1

PI is on a 9 month contract with an IBS of \$60,000. PI commits to 25% effort for 4 months in the fall, 10% effort for 4 months in the spring, and 0.5FTE at 100% effort for 2 months in the summer.

Fall salary allocated to grant is \$6667 ($IBS \times 1/9 \times 4 \times 0.25$)

Spring salary allocated to grant is \$2667 ($IBS \times 1/9 \times 4 \times 0.1$)

ACU pays the remaining \$50,666

Additional summer salary that may be charged is \$6667 ($IBS \times 1/9 \times 2 \times 0.5$)

EXAMPLE 2

PI is on a 9 month contract with an IBS of \$60,000. PI commits to 25% effort for 2 months in the fall and then works for 4 more months in the spring at 25% effort. During the summer, the PI works for 2 months @ 1FTE, dedicating 75% effort to the project and 25% effort to other teaching and research responsibilities.

Fall salary allocated to grant is \$3333 ($IBS \times 1/9 \times 2 \times 0.25$)

Spring salary allocated to grant is \$6667 ($IBS \times 1/9 \times 4 \times 0.25$)

ACU pays the remaining \$50,000

Additional summer salary that may be charged to the grant is \$10,000 ($IBS \times 1/9 \times 2 \times 0.75$)

Fringe Rates & Benefits

Fringe rates represent the percentage of employee salary that accounts for the cost of benefits provided by the University, such as health insurance, retirement contributions, FICA, workers' compensation, and other employment-related expenses. These rates are established annually and approved through the institution's budgeting or finance office to ensure compliance with federal cost principles (2 CFR 200, Uniform Guidance). When preparing sponsored project budgets, investigators must apply the current approved fringe benefit rates based on employee classification (e.g., faculty, staff, student, temporary). Fringe benefits are charged proportionally to all funding sources that support an employee's salary. Updated fringe rates are available through ORSP or HR.

Extra Service Pay

Extra service pay is allowable only when it is outside of the employee's regularly work duties and meets the HR policy for Supplemental Payments.

Extra Service Pay must be approved by the employee's supervisor, ORSP, and the Provost Office as meeting the requirements for agency and ACU policy. This should be done at the proposal stage and clearly documented in the proposal budget, but certainly before the work begins. It is at the discretion of ACU to determine if the standards are met. Otherwise, pay must be allocated as part of the IBS during standard appointments and/or summer salary for 9 month appointments. Regardless, Extra Service Pay must be paid at a rate commensurate with the employee's IBS and/or existing University pay structures.

The Federal Uniform Guidance (2 CFR 200) allows for Extra Service Pay only under the following conditions (from 200.430(h)(4)).

- "Extra Service Pay normally represents overload compensation, subject to institutional compensation policies for services above and beyond IBS. It is allowable if all of the following conditions are met:
- The non-Federal entity [ACU] establishes consistent written policies which apply uniformly to all faculty members, not just those working on Federal awards.
- The non-Federal entity establishes a consistent written definition of work covered by IBS which is specific enough to determine conclusively when work beyond that level has occurred.
- The supplementation amount to be paid is commensurate with the IBS rate of pay and the amount of additional work performed.
- The salaries, as supplemented, fall within the salary structure and pay ranges established by and documented in writing or otherwise applicable to the non-Federal entity."

ACU's policy on supplemental pay is outlined in the Employee Handbook. In general, supplemental payments are intended to be for sporadic activities outside of one's home department. ("Work that is occasional or intermittent and performed on a part-time basis. Assignments must be infrequent, irregular, or occurring in scattered instances [assignments may not be regular or recurring]. Additional nonexempt duties performed by exempt employees for more than 10% of their work time will not be considered sporadic.") In all cases, the employee's immediate supervisor must give permission for the activities, and ORSP and the Provost Office must confirm that the activity meets the ACU and Federal policies summarized herein.

It should be noted that for non-exempt employees, supplemental activities for hours worked affect the base calculation for overtime (see below). The activities should be discussed with the employee's primary supervisor and HR to determine how it will affect hours worked and any overtime incurred.

Exempt employees who are engaging in an activity on a regular basis should not request supplemental/Extra Service Pay. Please consult with ORSP and HR.

Extra Service Pay must be approved before payment can be issued, preferably at the point of grant submission. In order to obtain approval, please complete the Extra Service Pay Approval

Form (Appendix List). This form must be signed by the employee's supervisor, ORSP, and the Provost, confirming that the requirements of this policy are met.

Overtime

Grants should only be charged for overtime pay when it meets the requirements set forth in [Employee Handbook](#) and there is justification that the overtime was necessary to the conduct of the grant, and the charge is allocated to each pay fund proportionately. Employees and Supervisor may complete the Overtime Pre-approval Form (Appendix List) to document the need and pre-approval.

Emeritus Faculty

Emeritus faculty may be PIs/PDs, Co-PIs or other research personnel on a sponsored award. If the individual is no longer on a paid capacity with the university, their research salary should be calculated based on the last employed base salary, escalated at 2% per year. If the previous salary was a 9 month salary and the emeritus faculty person is working on the project in a 12 month capacity, the salary may be annualized. The amount charged to the sponsored award should be based on FTE, just as other sponsored salaries.

EXTERNAL AWARDS: TIME AND EFFORT REPORTING

POLICY STATEMENT & PURPOSE

ACU receives funds to complete projects and research from external sources, including the federal government. The U.S. government has developed grant accounting policies (2 CFR 200, “The Uniform Guidance”), which are often followed by other funding sources. These policies require that personnel costs be documented in a manner that shows they are accurate, allowable, and properly allocable to the grant. In addition, documentation must reflect all activities for which the employee is compensated, and total compensation cannot exceed 100% of the institutional base salary for each employee. Failure to comply with these standards could have significant impact on ACU. Non-compliance can result in disallowed salary and benefits expenditures, associated decreases in the recovery of facilities and administration costs, penalties, fines and other legal action, damage to ACU’s reputation, and impairment of ability to act as a subcontractor on awards held by other institutions.

Abilene Christian University (ACU) monitors and documents efforts expended on externally funded projects, whether federal or non-federal in source, in compliance with “The Uniform Guidance” (2 CFR 200) requirements. All project directors and principal investigators for such projects (“PD/PIs”) are required to certify both their effort and that of other persons active on such projects led or supervised by PD/PIs, unless the PD/PIs delegate this task to another individual with sufficient knowledge of the project activities and a reliable means of verifying work performed. Delegation of this certification is only acceptable in rare circumstances, such as extended severe illness or lengthy travel outside the country, and must have received written approval from the chair or head of the applicable department and the Office of Research and Sponsored Programs (ORSP).

All ACU effort reporting shall be completed after-the-fact and as a percentage of an employee’s total compensated activity in accordance with 2 CFR 200.430. The effort commitment from the project proposal and award document, the reported effort and the employee’s ACU salary and wages (e.g., annual or academic year salary, and additional summer salary as applicable,) will serve as the basis for calculation and verification. Adjustments in compensation will be made, as necessary, in compliance with the federal regulations.

Effort reporting is required for all externally funded projects, whether federal or non-federal in source, following each academic semester (fall, spring, and summer). Reports will be distributed by ORSP following the end of the reporting period and must be signed and returned to ORSP. Reporting periods run from the start of the pay period of a semester to the end of the last pay period irrespective of holidays, vacations, and weekends. Time & Effort certification should be completed within 120 days of the end of the reporting period.

Thank you to Lipscomb University for generously sharing their Time and Effort Reporting Policy for use and adaptation by Abilene Christian University.

APPLICABILITY OF THE POLICY

This policy applies to any ACU faculty, staff, students and organizations that work on an externally funded project, whether federal or non-federal in source, on behalf of ACU.

PROCEDURAL GUIDELINES

ACU effort reporting will occur following each academic semester.

All ACU faculty and staff that have worked on one or more externally funded projects, whether federal or non-federal in source, are to certify their total percent effort at the end of each academic semester. ORSP will distribute the Time & Effort Certification Form (Appendix List) to all PIs following the semester to be certified. PIs should then distribute the form to all exempt personnel who need to certify effort. Non-exempt personnel do not need to certify time, as their payroll records satisfy this requirement. Trainees receiving a participant stipend, likewise, do not need to certify time as their role is educational and does not constitute an agreement for work.

“Total Effort” is considered all activities that constitute part of one’s job duties, irrespective of total number of hours worked or activities conducted on “personal time.” Thus, total effort of ACU and sponsored activities should always equal 100%.

In rare instances, Extra Service Pay is allowable. Extra Service Pay can only be for activities outside of the job description for the specified employee, as defined in the Faculty or Employee Handbook and applicable appointment/hiring letters. Pay must be consistent with ACU policies on supplemental pay and consistent with the pay structure for the specified employee. Extra Service Pay should be approved prior to initiating the work (Appendix List) and reports must be supported by documentation that the work meets these requirements. Extra Service Pay should be documented separately and include justification. Please see the previous “Costs” section for further detail.

As a guide, ACU generally considers a faculty assignment with a 4/4 teaching load to include 20% effort per course/per semester, leaving 20% effort per semester for scholarship, service, and other duties. Faculty with course releases to work on sponsored projects may use this as a guide to determine the amount of effort that should be committed to the sponsored project.

Effort Calculations

Effort on a given sponsored project may be calculated as the number of hours committed to that project relative to the Total Effort number of hours (which may be more or less than 40 hrs/week). Though exempt employees are not required to log hours with payroll, those paid on sponsored projects should develop some system for determining allocation of time.

For 9 month faculty who do not have other ACU duties during summer months, summer effort should be reported only for the time period worked. Pay should be distributed relative to the summer FTE according to the salary policy in the previous section.

Adjustments

If the actual effort dedicated to the project is more than 5% less than that committed (and pay received), then adjustments are required. Funds must be re-allocated for the affected period to accurately reflect the actual effort given to the sponsored project. Short-term fluctuations in time commitment may occur from

semester to semester and will not be a cause for concern as long as the annual effort commitment reflects that which was proposed for the project. The employee should include an explanation of the fluctuation with their report, including how they intend to make up the difference. If reduced effort is expected in the long-term, then pay distribution should be adjusted by notifying ORSP and the Finance Office.

PIs or other key personnel who expect more than 25% reduction in effort must report this to the sponsoring agency. Please notify ORSP as soon as you become aware of such circumstances.

If the actual effort dedicated to the project is above the amount committed and paid, you may record this as voluntary uncommitted cost share. Such commitments should be approved and supported by the employee's department.

PD/PI Responsibilities in Effort Reporting

Faculty and staff who serve as a PD/PI on an externally funded project, whether federal or non-federal in source, accept responsibility to the sponsor and ACU for stewardship of the project and associated resources. This responsibility includes, but is not limited to:

- Reviewing the award documents upon receipt to confirm that the levels of effort and compensation have been properly represented;
- Directing and monitoring activity on the project in a manner that includes awareness of the time commitments by the project personnel;
- Completing an effort reporting form following each academic semester in which work was done and/or pay was received;
- Certifying effort of grant project personnel by signing the applicable effort reporting forms;
- Seeing that all effort reporting is completed and submitted to the appropriate ACU offices by the deadlines listed in the Policy Statement; and
- Identifying when and where effort committed to projects should be adjusted and working with ACU personnel to make the necessary modifications.

Department Level Responsibilities

Department personnel will manage the effort reporting process within the department that oversees or works on an externally funded project in a manner consistent with ACU's policies and guidelines, including the following:

- Addressing challenges and irregularities in respect to effort reporting with the appropriate offices at ACU;
- Facilitating information gathering and reporting in respect to modifications in effort reported, adjustment of time commitment to projects, personnel changes, grant transfers, or any other alteration to the funded project and its implementation; and
- Approving appropriate designees of a PD/PI in effort reporting, should the need arise, including drafting the memorandum or other form describing the substitution and its necessity.

Office of Research and Sponsored Programs and Accounting Office Responsibilities

The Office of Research and Sponsored Programs and the Accounting Office will collaborate to verify, report on, and store effort-reporting materials.

The Office of Research and Sponsored Programs will be responsible for:

- Distributing and collecting effort reporting forms for all persons working on externally funded projects;
- Maintaining this policy on effort reporting in compliance with federal regulations and informing ACU personnel of the same;
- Answering questions regarding policies, procedures and funder regulations;
- Facilitating timely and accurate effort reporting;
- Reviewing any appropriate documents and forms;
- Facilitating conversations with representatives of funding agencies;
- Approving appropriate designees of a PD/PI in effort reporting, should the need arise, by signing the substitution memorandum from the appropriate department.
- Reviewing effort reporting documentation for completion, accuracy, and compliance with funder regulations;
- Maintaining the records that verify and reports that certify effort on externally funded projects;
- Responding to requests for effort reporting information;
- Modifying effort reporting records and informing funders of changes as necessary

The Accounting Office will be responsible for:

- Working with ORSP to provide any accounting records required, including but not limited to budgetary information, invoices, receipting, and payroll reports.
- Assisting in the reallocation of effort and compensation, as needed.

EXTERNAL AWARDS: GRANT SALARY SAVINGS PROGRAM

POLICY STATEMENT & PURPOSE

Abilene Christian University (ACU) receives funds to complete projects and research from external sources, including the federal government. When an ACU employee works on a sponsored project during the academic year and receives salary support from the sponsor, budget relief may be created for ACU. In an effort to encourage ACU employees to seek and obtain academic year support on sponsored projects, we offer the Salary Savings Program described herein.

Institutional Base Salary (IBS) refers to an employee's contracted salary rate. For 9 month faculty, this is the salary provided in their appointment letter for the 9 month academic year. For other employees, it consists of the salary paid over 12 months. IBS does include any additional pay received for appointments including but not limited to Chair, Director, and Dean. IBS does NOT include one-time supplemental payments for activities outside of the employee's job description, such as course overload, and other stipend payments.

APPLICABILITY OF THE POLICY

This policy applies to all sponsored projects in which salary is charged to the grant for employees who are otherwise regularly paid by ACU. The policy does not apply to employees whose positions are fully grant-funded or to supplemental salaries, such as summer salary for 9-month academic appointments.

PROCEDURAL GUIDELINES

As outlined in the Cost section of this Handbook, salaries are allowable on external awards for personnel who are essential to the conduct of the project. The pay allowable is the proportionate share of the salaries for the employee's effort on the sponsored project. The sponsoring agency will pay the proportion of the employee's base salary that represents the proportion of the effort dedicated to the sponsored project. Salary share is an allocable cost and creates salary relief for the university. In an effort to encourage employees to seek salary support for sponsored projects, we offer the following Salary Savings Program.

The Principal Investigator of a project that creates salary savings may request that a portion of these funds be used for the following standard purposes: 1) Unmet research expenses, 2) Project cost share, or 3) Employee bonuses/incentives. Non-standard requests will be reviewed on a case-by-case basis. The salary savings may be accessed at a sliding rate based on the percent of effort being released, up to and including 80% effort. This sliding scale allows for increasing departmental support and teaching replacement costs as replacement loads increase, while recognizing that releases over 80% often require full staffing replacement. Should the savings generated not be enough to cover teaching replacements after shares

have been distributed, then the college and department would be responsible for finding the additional supporting funds.

Calculations for Eligible Funds

Eligible savings are calculated on a semester basis per researcher and deposited into a dedicated account for the PI to access for approved uses (See Appendix List_Calculator for Grant Salary Savings). Savings include the salary + fringe savings. Eligible savings rates are as follows:

% Effort charged to grant in a semester	% of salary savings available to PI
Up to 20%	20%
21-40%	20% of 1 st 20% effort 10% on next 20% effort
More than 40% up to 80%	20% of 1 st 20% effort 10% on next 20% effort 5% on any additional effort between 40-80%
Above 80%	20% of 1 st 20% effort 10% on next 20% effort 5% on any additional effort between 40-80% No additional returns on effort above 80%

EXAMPLE 1: a 9 month PI's IBS is \$60,000. In the fall semester, they receive one course release and allocate 25% of their salary and fringe to an external award, resulting in a gross salary savings of \$10,125 (\$7,500 salary and \$2,625 fringe). The PI is then eligible to access 20% of the first 20% effort (20% of \$8100= \$1620) and 10% of the next 5% effort (10% of \$2025= \$202.50) for a total of \$1822.50.

EXAMPLE 2: a 9 month PI's IBS is \$90,000. In the fall semester, they allocate 60% of their salary and fringe to an external award, resulting in a gross salary savings of \$36,450 (\$27,000 salary and \$9,450 fringe). The PI is then eligible to access 20% of the first 20% effort (20% of \$12,150= \$2,430), 10% of the next 20% effort (10% of \$12,150= \$1,215), and 5% of the last 20% effort (5% of \$12,150= \$607.50) for a total of \$4,252.50.

Bonuses/Incentives

PIs may use the eligible salary savings to provide bonus payments to those employees creating the salary savings, consistent with the following guidelines:

- 1) The employee must charge at least 10% effort for one semester (excluding summer for 9 month faculty). Externally-supported summer salary for a 9 month employee is already annualized beyond the 9 month IBS and does not result in institutional savings, therefore, this effort is not eligible for incentive pay. Any other pay that is not charged to the award and, thus, does not produce salary savings is not eligible for incentive pay.
- 2) The PI must apply for the incentive during the eligible semester (Appendix List_Salary Incentive Payment Approval Form), and may issue payments at the end of the eligible semester. If approved, a request for one-time payment should be **completed** through Payroll by August 15, November 15, and April 15 to be paid on or about September 1 (summer term for 12 month employees),

December 1 (fall term), and May 1 (spring term), respectively. The account from which the payment is charged MUST be an institutional account. These payments cannot be paid from external awards.

- 3) Payments must include the required 8% fringe for supplemental pay.
- 4) The request must be approved by the eligible employee's chair, dean, ORSP, and the Finance Office. If the eligible person is the Chair of his/her department, then the request will be reviewed by the Assistant or Vice Provost. Deans and above must have approvals from the Provost and the President. Non-faculty should gain approvals from their supervisor and the head of their unit.
- 5) The eligible employee must be employed by the University at the time of the payout. Employees who leave the university before incentive pay date will become ineligible.
- 6) Any incentive payout received is considered a one-time payment. It is NOT to be considered as part of the eligible employee's IBS, for retirement contributions, or for leave accrual.
- 7) Faculty on renewal leave are not eligible for incentive payments during the semester of leave.
- 8) The award to which salary is charged should pay all direct costs and maximum F&A (indirect costs) unless the program states in writing that only less than full F&A is allowable. The award should not include voluntary cost sharing or in-kind matching or this may reduce the available eligible funds.
- 9) The eligible employee must have a satisfactory annual review and be fully compliant with fiscal and administrative management of the award. They must meet award deadlines in a timely fashion.
- 10) The award must have undergone appropriate institutional routing and approval processes at the time of submission.

Voluntariness

Participation is voluntary by both parties. Salary savings are not an entitlement but made available when beneficial to both parties and funding is available. Program may be modified or terminated by ACU at any time.

EXTERNAL FUNDING: STUDENTS AND TRAINEES

POLICY STATEMENT & PURPOSE

The Uniform Guidance limits the circumstances under which a student can be classified as fellows, scholars, trainees, or interns to awards where the purpose is training and the charge is approved by the agency. Many agencies explicitly disallow stipend payments, and others only allow them if the training is laid out in the statement of work and approved by the agency. This policy outlines the conditions under which a student should be classified as an employee versus a trainee/intern.

APPLICABILITY OF THE POLICY

This policy applies to all students who receive wages or training stipends on external awards.

PROCEDURAL GUIDELINES

Trainees/Interns

Student internships involve training with no expected work effort and are designed to contribute to the educational experience of the student.

If the student's effort is to directly benefit the PI's research, and is not otherwise approved as training in the grant proposal, the student must be classified as an employee and paid wages as such (see Student Employees below).

Trainee stipends should be budgeted in Participant Support: Stipends. The proposal should include a training component in the scope of work/proposal with defined learning outcomes, and the activities should clearly constitute training and not employment based on university and federal policies. The training role should be clearly stated in the grant proposal and budget such that agency approval can be given.

Funds approved for Participant Support must be used in this category. Any rebudgeting must be approved by the agency, so the PI should ensure that the trainee is enrolled as an intern with the university and paid a living support stipend through Accounts Payable.

To enroll an intern, the PI should complete the internship paperwork (Appendix List) and submit this to ORSP with the Request for Payment, W-9, and proof of RCR training (see Responsible Conduct of Research section).

Please note that if a student is listed as an employee (Research Assistant, Student Worker, etc) in the grant budget, they must be paid wages as such (described below).

Student Employees

If a student is **not** identified as a trainee/intern in the grant proposal as defined above, then they must be classified as an employee. Students can be classified in two ways:

Student Employees: Students must be enrolled full time in the fall/spring or half time in the summer for student employee classification. They should be budgeted in salaries and wages, paid an hourly wage according to university policies on student employment (e.g., capped at 25 hrs/week), and budgeting 0% fringe rate for the student classification.

Non-student Employees: Students would be classified as “non-student employees” if they do not meet the enrollment requirements stated above for classification as student employee. This condition is most likely to occur during the summer if students are not enrolled at least half time to be classified as student employees. Non-student employees should be budgeted in salaries and wages and paid an hourly wage according to university policies on standard employment. For part-time employment, budget 8% fringe. For full-time employment, budget 24% fringe and offer benefits. This classification requires an FTE be approved for the position.

If a PI wishes to hire a student for full time hours (even if briefly): 1) the student may **not** be enrolled full time, and 2) ACU must offer benefits (and the appropriate fringe rate will need to be charged to the grant). This applies to all semesters including summer, and overtime wages must apply.

EXTERNAL AWARDS: SUBAWARDS

POLICY PURPOSE

ACU issues subawards to collaborating institutions to carry out portions of sponsored projects. As a pass-through entity, ACU is responsible for ensuring that subrecipients comply with federal and sponsor requirements under 2 CFR 200 (Uniform Guidance).

APPLICABILITY OF THE POLICY

This policy applies to all ACU employees who are listed as Investigators or Program Directors on an external award with a subaward to another institution. This policy also applies to all offices who handle subaward management, including ORSP and Finance Office.

KEY PRINCIPLES

Uniform Guidance Compliance: All federally funded subawards must follow 2 CFR 200 requirements, including risk assessment, monitoring, and documentation.

- Flow-Down Requirements: Federal award terms and conditions apply to subrecipients unless specifically exempted by regulation or sponsor approval.
- Non-Federal Awards: Sponsors may have unique or stricter requirements. These will be incorporated into subaward agreements as applicable.

SUBRECIPIENT VS. CONTRACTOR

Before issuing an agreement, ACU must determine if the partner is a subrecipient or a contractor:

- Subrecipient: Carries out part of the project's programmatic work, makes program decisions, and is accountable for compliance.
- Contractor: Provides goods or services to ACU for its own use, not for program delivery.

SUBRECIPIENT MONITORING REQUIREMENTS (2 CFR 200.331)

- Conduct a risk assessment of each subrecipient before issuing a subaward.
- Clearly identify all required federal elements in the agreement (FAIN, CFDA/Assistance Listing number, award amount, period of performance, etc.).

- Monitor subrecipient performance and compliance, which may include reviewing reports, performing site visits, and addressing audit findings.
- Verify that subrecipients who spend \geq \$750,000 in federal funds annually have a Single Audit as required under Subpart F.
- Take enforcement actions if noncompliance occurs, such as withholding payments or terminating the subaward.

Subaward Procedures

In order to meet the requirements in the policies above, the following procedures should be followed when a subaward is planned and/or implemented.

When a PI is preparing a proposal with a planned subaward, they should contact ORSP as soon as possible to begin the required risk assessment and management. At the proposal stage, all proposed subrecipients must complete the Subrecipient Commitment Form (Appendix List) and submit this form to ORSP along with the proposed statement of work, budget and budget justification, F&A rate agreement, fringe rate or documentation of proposed rate, and any other required documentation (e.g., NSF biosketch, explanation of audit findings, etc). ORSP will determine if the subaward is allowable based on the information provided by the subrecipient and the terms of the proposed award.

If the proposal is awarded, the PI should notify ORSP and submit a Subaward Request Form (Appendix List) as soon as possible to begin the subaward procedures. At this time, each subrecipient should complete Subaward Attachment 3B pg 1 and, as appropriate, pg 2 (Appendix List). ORSP will conduct a risk assessment (FDP Risk Assessment Questionnaire) to determine the level of monitoring required and will prepare the subaward agreement for review by legal counsel and negotiation with the subrecipients. PIs shall not engage in any subaward negotiations or execution with the subrecipients.

PI and Finance 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 grant files.
2. The PI is responsible for formally requesting subaward agreements and amendments by completing and sending the Subaward Request Form to ORSP. Anytime an action needs to be made on a subaward, a Subaward Request Form will need to be submitted.
3. The PI and/or Grant Accountant must ensure that the final technical report and final invoice from the subaward is received within the timeframe specified in the subaward.
4. 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.
5. The Grant Accountant must review each subrecipient invoice for the following and retain documentation of this review (Subrecipient Invoice Checklist) in the grant'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.
6. If the Grant Accountant 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 ORSP 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 Grant Accountant must review all required additional documentation prior to invoice approval. All high-risk subrecipients will require additional monitoring from the PI, Grant Accountant, and/or ORSP.
 8. ACU's PI should communicate with the subrecipient 90 days before closeout of the award to ensure that the scope of work is complete and final invoicing is due. ACU's PI should review final invoices, ensure deliverables are met, and collect any final reports due by the subrecipient. All final documents should be submitted to ORSP along with the requested close-out documents.

ORSP Responsibilities

1. Prior to issuing a federal or federal pass-through subaward, ORSP will be responsible for the following:
 - a. ORSP shall complete a 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. ORSP shall verify whether the subrecipient has completed a single audit when a risk assessment is completed.
 - c. ORSP shall confirm that subrecipient has a DUNS/UEI number and is registered on SAM.
2. ORSP 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. ORSP will inform the PI and Grant Accountant of the additional terms and conditions included in the subaward or other appropriate actions for high-risk subrecipients.
4. ORSP will provide the PI and Grant Accountant a copy of the fully executed subaward.
5. ORSP will maintain documentation regarding ongoing risk analysis of subrecipients.
6. ORSP must request the subrecipient provide clarification of charges that appear unreasonable, unallocable, unallowable, or unclear. In addition, ORSP or the Grant Accountant 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, ORSP must notify the subrecipient of the disallowance and request a revised invoice with the disallowed expenses removed.

Subawards above Low Risk

Subawards to recipients who are assessed to be more than low risk will require additional approvals and monitoring, depending on the reasons for the increased risk. This may include, but is not limited to: senior level and legal approvals to enter into the agreement, more detailed invoices, more frequent invoicing, submission of all expense documentation, periodic internal audits, submission of conflict of interest reports.

EXTERNAL AWARDS: FACULTY PARTICIPATION AS SUBCONTRACTORS OR INDEPENDENT CONTRACTORS

PURPOSE

This section clarifies when Abilene Christian University (ACU) faculty participation in externally funded projects must be processed as a university subaward versus when a faculty member may serve as an independent contractor outside the university. It also outlines the associated compliance, routing, and contracting requirements for each scenario.

POLICY OVERVIEW

When an external organization (e.g., another university, school district, or nonprofit) receives a sponsored award and invites ACU faculty to participate, the contracting mechanism determines whether the engagement falls under ACU's Office of Research and Sponsored Programs (ORSP) oversight.

- If ACU is the subrecipient: The work is performed on behalf of ACU, using university resources, staff time, or facilities. In this case, ACU is responsible for ensuring compliance with all sponsor, institutional, and federal regulations (Uniform Guidance 2 CFR 200).
- If the individual is hired directly: The faculty member is personally engaged by the external entity as an independent contractor or consultant. The work is performed outside the university's contractual framework and is not considered an ACU-sponsored activity.

A. Faculty Participation Through ACU (Subrecipient Arrangement)

When ACU faculty perform work as part of a subaward issued to the university, the following requirements apply:

1. Proposal Routing: A Cayuse proposal must be created and routed for institutional approval prior to submission. ORSP, Finance, and other relevant offices review the budget, compliance documentation, and agreement terms.
2. Authorized Signatures: Only the Vice President for Research or designated Authorized Organizational Representative (AOR) may sign proposals or subaward agreements on behalf of ACU. Faculty may not sign on behalf of the university.
3. Compliance Requirements: All Conflict of Interest (COI), Responsible Conduct of Research (RCR), and Human/Animal Subjects (IRB/IACUC) requirements apply. Faculty and staff must adhere to federal cost principles for allowability, allocability, and reasonableness of expenditures.
4. Use of University Resources: Faculty working under a subaward may use university personnel, space, and equipment in accordance with project needs and ACU policy.
5. Oversight: ORSP and Finance jointly manage post-award monitoring, invoicing, and reporting.

B. Faculty Participation as Independent Contractors (Direct Engagement)

If a faculty member is engaged directly by the external organization rather than through ACU, the following conditions apply:

1. **No University Routing Required:** A Cayuse proposal or ORSP routing is not required. The engagement is managed entirely between the individual and the external entity.
2. **Contracting and Payment:** The faculty member will enter into a personal services or consulting agreement directly with the external organization. Payment is made directly to the individual, and the individual is responsible for all tax reporting obligations (e.g., IRS Form 1099).
3. **Use of University Resources:** Faculty acting as independent contractors may not use ACU resources, including facilities, personnel, equipment, or institutional time allocations, to perform the contracted work. Such work must be performed outside of regular ACU duties and without the support of the university.
4. **Conflict of Interest and Commitment:** Faculty must ensure that personal consulting activities do not create a conflict of interest or commitment with their ACU responsibilities. All such engagements must comply with the Faculty Consulting and Outside Employment Policy and the Conflict of Interest Policy. Faculty should disclose any potential overlap through ACU's COI disclosure system (via Cayuse).
5. **Institutional Representation:** Faculty serving as independent contractors may not represent ACU in their external work, nor may they imply institutional sponsorship or endorsement.

C. Determining the Appropriate Mechanism

ORSP is available to assist faculty and departments in determining whether an external engagement constitutes a subaward to ACU or an independent personal consulting agreement. The determination is made based on the nature of the work, funding flow, and use of university resources, consistent with Uniform Guidance §200.331.

EXTERNAL FUNDING: RESPONSIBLE CONDUCT OF RESEARCH

POLICY STATEMENT & PURPOSE

Abilene Christian University (ACU) encourages all students and faculty to complete Responsible Conduct of Research (RCR) training; however, the following policy will apply to all undergraduate and graduate students (and post-doctoral employees/trainees, as applicable) receiving support from federal funding agencies, including National Science Foundation (NSF), National Institutes of Health (NIH), or U.S. Department of Agriculture (USDA) support.

NSF requires that all undergraduate, graduate, and post-doctoral trainees/students who receive support on an NSF grant, whether through stipends or wages, receive RCR training. NSF requires that the Institution have a policy in place at the time of proposal submission to provide the requisite training. It further requires that the Institution verify and certify that training has been met according to Institutional policy. The following resources provide information on the NSF requirement and its FAQ.

[NSF RCR Requirement](#)

[NSF RCR FAQ](#)

[NIH RCR Requirement](#)

[USDA NIFA Page](#)

APPLICABILITY OF THE POLICY

This policy applies to any ACU faculty, staff, and students that work on an NSF funded project in which undergraduate, graduate, and post-doctoral trainees/students receive support.

PROCEDURES

- (1) All students/trainees receiving federal funding support at ACU shall complete RCR training as follows:
 - (a) Completion of institutionally approved RCR Modules. ACU offers online Responsible Conduct of Research (RCR) training through the Collaborative Institutional Training Initiative ([CITI](#)).
 - (b) Formal and/or informal instruction guided by the Faculty mentor, as written in a submitted training plan. The training plan must include the activities to be completed and the dates of expected completion, and must be signed by the mentor and the mentee. Once training activities are complete, they should be documented and signed off by both individuals.
 - (c) For research involving human or animal subjects, any training activities required by the ACU IRB or IACUC, respectively.
- (2) The RCR Modules and Training Plan should be submitted to ORSP prior to any payment/stipend support being provided to the student. When possible, these should be submitted at the time of PAF submission, but no later than during the first pay period.

- (3) Once the activities in the training plan are complete, the documentation should be submitted to ORSP immediately. The mentor is responsible for ensuring these activities are completed on schedule and documentation is submitted to ORSP.
- (4) ACU students and trainees receiving federal funding support should complete the RCR Modules upon hire/start of program and prior to receiving grant support.
- (5) Hands-on RCR training from the research mentor may be through formal and informal meetings, as well as coursework. ACU allows mentor and departmental discretion in formulating these plans, as needs can vary depending on the discipline and the student's background. The mentor and mentee should collaborate to develop this plan and establish targeted completion dates.

If the research involves human or animal subjects, the mentor/mentee should contact ORSP for IRB or IACUC training requirements, respectively.

PD/PI Responsibilities

Faculty and staff who serve as a PD/PI on a federally funded project, in which undergraduate, graduate, and/or post-doctoral trainees/students receive support, accept responsibility to the sponsor and ACU for ensuring that students/trainees are aware of and fulfill the RCR training requirement. This responsibility includes, but is not limited to:

- Ensuring the student/trainee completes approved RCR modules and submits the completion certificate to ORSP prior to receiving support;
- Working with the student/trainee to develop a mentored training plan and ensuring student/trainee submits this plan to ORSP prior to receiving support;
- Ensuring the activities outlined in the training plan are completed, documented, and documentation is submitted to ORSP;
- When human or animal research subjects are involved, ensure that the student complies with all IRB or IACUC requirements, respectively.

EXTERNAL AWARDS: CLOSE OUT PROCEDURES

POLICY STATEMENT & PURPOSE

Abilene Christian University (ACU) monitors and documents close-out procedures for all scholarly activities funded by external sources, in compliance with federal requirements. All investigators are required to complete close-out activities with the Office of Research and Sponsored Programs (ORSP) and the Office of Finance.

These procedures ensure that the various offices on campus work together to determine that award obligations are met, accounting is complete and accurate, and reports are submitted in a timely and accurate fashion. The Principal Investigator/Project Director should initiate close-out procedures 90 days before the expiration of the award.

Failure to properly close out an award could result in financial obligations to the agency, difficulty in obtaining repeat funding from the agency, and/or complete disbarment from funding from the agency and/or the federal government.

APPLICABILITY OF THE POLICY

This policy applies to all ACU employees listed as Principal Investigators or Program Directors on an external award, who are responsible for the design, conduct, or reporting of research and educational programs funded by external sponsors. This policy also applies to all applicable offices that handle close-out procedures, including but not limited to ORSP and the Finance Office.

PROCEDURAL GUIDELINES

Procedure

Time Table

ORSP sends reminder of Close Out and Close Out documents, requirements, and timelines	90 days before expiration
PI initiates the Close Out process by submitting the Close-Out form (Appendix List) and other requested documents	90 days before expiration
PI notifies ORSP and Finance Office of any intention to buy equipment in final days of award. Discussion and justification are required	90 days before expiration
ORSP sends a reminder and documents progress and/or requests the status of progress	60 days before expiration

ORSP sends a reminder and documents progress and/or requests the status of progress	30 days before expiration
PI notifies ORSP and Finance Office of any intention to buy significant supplies in the final 30 days of award. Discussion and justification is required.	30 days before expiration
Award accounts are finalized, cleared, and closed	Within 30 days after expiration
PI completes final reports and submits to agency (or ORSP submits when required)	30-90 days after expiration, depending on award requirements**
PI and ORSP ensure that <u>ALL</u> necessary documentation is loaded into the study Google Drive. Documentation should be sufficient to allow a successful audit in the PI's absence.	90 days after expiration

**While most federal awards allow 90 days for submission of final reports, some agencies have a shorter time window. In such cases, the time line above will be sped-up to ensure compliance with the agency's required timeline.

Roles and Responsibilities

Roles and Responsibilities	PI	Department	College	ORSP	Other (Finance, GC, Provost)
Ensure all appropriate expenditures have been posted to accounts	X	X			X
The PI and his/her department should work with the Finance Office to ensure that all charges have been posted to the award account and that the PI's financial report aligns with the General Ledger. The PI should review the General Ledger provided at the start of Close Out to ensure that no mistakes have been made, no charges are missing or mis-assigned, and that any errors are corrected before Close Out. The PI should note any charges that are pending or expected to occur in the final 90 days (such as salary payments, etc.).					
Resolve issues related to unreconciled accounts	X	X			X
The PI and his/her department should work with the Finance Office to correct any errors or other issues identified in the above step.					
Ensure that all financial reports have been submitted to sponsor	X			X	X
The PI is primarily responsible for ensuring that reports are submitted and accepted on time. The PI must ensure that the financial report is reviewed and approved by the Finance Office prior to submission. ORSP will communicate with the PI and monitor agency submission portals as necessary to ensure successful submission of reports.					
Monitor submission of Final Technical Reports to sponsor	X			X	
The PI is primarily responsible for ensuring that reports are submitted and accepted on time. ORSP will communicate with the PI and monitor agency submission portals as necessary to ensure successful submission of reports.					

Monitor submission of Final Invention reports to sponsor, when required	X			X	X
The PI is primarily responsible for ensuring that reports are submitted and accepted on time. ORSP will communicate with the PI and monitor agency submission portals as necessary to ensure successful submission of reports. The Office of General Counsel will provide assistance with IP concerns, as necessary.					
Monitor submission of Patent reports to sponsor, when required	X			X	X
The PI is primarily responsible for ensuring that reports are submitted and accepted on time. ORSP will communicate with the PI and monitor agency submission portals as necessary to ensure successful submission of reports. The Office of General Counsel will provide assistance with IP concerns, as necessary.					
Inactivate award account(s) in financial accounting system					X
The Finance Office, in communication with the PI, should ensure that all award accounts are cleared at the completion of the project. The Finance Office should ensure that any monies due to be reimbursed to the agency are transferred in a timely manner, as required by the agency.					
Maintain official project closeout documents for sponsored projects	X	X		X	X
The PI and his/her department, as well as the ORSP will maintain all required documentation for at least 3 years following submission of final report, or the length of time required by the agency, whichever is longer . All documentation should be loaded into the study Google Drive for long-term storage and access by ACU officials in the case of an audit. All documentation should stand alone such that a successful audit could be accomplished in the PI's absence. Should a PI leave ACU during the record storage period, the PI's department should ensure that a copy of all documentation is on file at ACU. The Finance Office will maintain financial records as required by their record storage policies.					

Assessing expenditures

- (1) The PI should examine the general ledger provided at Close Out initiation for any incorrect or missing charges. Errors or changes should be coordinated with the Finance Office.
- (2) The PI should identify any pending or expected charges in the final 90 days, such as any pending p-card charges, salaries, and F&A.
- (3) Major equipment purchases should not be made in the final 90 days and major supply purchases should not be made in the final 30 days. If such purchases are necessary and planned during the close out period, these should be discussed with ORSP and the Finance Office and justified and documented.
- (4) Personnel and tangibles

Externally-funded personnel – If the award supports an employee, the PI should determine if the position will be transferred to another account or if the position will end with the award. Human Resources (HR) should be notified when the employee's pay should cease or begin to be drawn from another account. The employee should be notified in writing of any changes to his/her employment status prior to the end of the award period. Please seek guidance from HR for proper termination proceedings.

Equipment – Determine who owns equipment purchased with award funds. If the University has ownership, then the equipment should be inventoried. The ORSP should place a copy of the inventory record in the award file in case of an audit. Equipment must be used, sold, or disposed of according to Uniform Guidance or agency requirements.

Inventions – Inventions and patent issues must be managed according to ACU's intellectual property rights policy and any agency agreements. The PI should file any required reports regarding whether or not any inventions resulted from the award.

Supplies – Federal regulations require institutions receiving federal funds to reimburse the federal government for any inventory of **unused** supplies in excess of \$5,000. The PI should inventory any remaining supplies, in sum, and report this to ORSP. Please seek guidance from ORSP on how supply values should be calculated and how reimbursements should be made.

- (5) Cost Share – If the award called for cost share, the University must document that the appropriate amount of cost share was achieved. Cost share documents should be added to the report and/or award file.
- (6) Sub-awardees – If the award has sub-awards, the sub-awardees should be notified that the award is ending. The sub-awardees should be given a deadline by which to make expenditures, pay invoices, and to make appropriate reports to the awardee. Please coordinate this communication with ORSP and the Finance Office.
- (7) Extension – If there are significant funds unencumbered in the award, the PI should consider requesting an extension from the funding agency. Please discuss this option with ORSP.

Closing the award account.

- (1) The fund will remain active until 1 month after the end of the award, at which time all charges should have posted. At this point, the fund will enter termination status, which allows the Finance Office to finalize expenditures while limiting any further charges to the account.
- (2) Once an account is terminated, the FOAP number should be removed from P-Card and Travel card allocations to avoid further charges to the award account.
- (3) The account will be permanently deactivated 180 days after the end of the award.
- (4) The Finance Office should review indirect costs to ensure they were properly calculated and charged.
- (5) In the case of fixed price awards, determine what is to be done with any leftover funds, if applicable. Review award terms to determine what is required/allowed.
- (6) Invoices that come in after funds have been returned/redistributed are to be handled on a case by case basis. The PI should initially discuss this with ORSP and their department Chair.

Reporting and record keeping

- (1) All required reports and documents must be submitted to the funding agency on or before the due date.
- (2) In the event a PI fails to submit reports on time, the University may impose stricter monitoring requirements on future external awards.
- (3) Records must be stored for at least 3 years following the submission of the final report or the length required by the funding agency, whichever is **longer**. The ORSP Office maintains a Grant Repository on Google Drive for storage of all necessary award-related documentation. PIs are required to store all necessary documentation in the Google Drive Repository. Remember, documentation should stand

alone. The institution should be able to successfully complete an audit based solely on the documentation in the Google Drive folder. These documents should be uploaded throughout the life of the award; however, it is the PIs responsibility to ensure that all documentation is stored in the folder upon close-out.

- (4) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
- (5) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

Thank you to the CLASP group for providing their Close Out template for development of our own policies and procedures, and to University of Maryland for sharing their Roles & Responsibilities tables.

POLICY STATEMENT & PURPOSE

The policy herein is established to ensure that adequate internal controls exist to maintain compliance with financial requirements in the Uniform Guidance (2 CFR 200) and with 34 CFR Sections 80.20 and 71.21 which states, “must provide for accurate current, and complete disclosure of the financial results of each grant project. Fiscal controls and accounting procedures must be sufficient to permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.”

Failure to comply with this policy could result in unallowable expenses requiring repayment, impairment in ACU’s reputation as a grant recipient, and inability to receive such funds in the future.

APPLICABILITY OF THE POLICY

This policy applies to all ACU employees who are listed as Principal Investigators or Program Directors on an external award and are responsible for budgeting and cost allocation. This policy also applies to all offices who handle grant accounting, including ORSP and Finance Office.

PROCEDURAL GUIDELINES

Record storage

An award will be set up in Cayuse – SP for PIs and administrative personnel to deposit all documents and documentation related to external awards. This includes, but is not limited to, reports, invoices, receipts, student intern forms, and time and effort reports. PIs are responsible for ensuring that all grant-related documents are stored in the grant’s Google drive and/or Cayuse.

Please remember that documentation should stand alone. The documents necessary to complete a successful audit should be stored in the Google drive at all times.

Financial Reports

To ensure that all financial reports align with the general ledger and financial office accounting, and to ensure that all costs charged to the account are allowable, all financial reports to the sponsor must be reviewed and approved by the Finance Office prior to submission.

Reports should be submitted to the Senior Accountant in the Finance Office with sufficient time to review the report and compare to the general ledger for the grant account. The PI is responsible for communicating with the Finance Officer well in advance of the report due date to establish review times needed.

Internal Review and Audits

All awards are subject to internal review and audit procedures as deemed necessary. Reviews may be initiated based on specific concerns, compliance requirements, or at the discretion of the Office of Sponsored Programs. During such reviews, grant-related records may be examined for completeness, allowability, and consistency with the general ledger.

Principal Investigators (PIs) are expected to cooperate fully with any internal review or audit. If documents are not available in the designated Cayuse Award/Google Drive folder or if clarification is needed, PIs should respond promptly to requests for information.

External Audits

Roles & Responsibilities

- (1) PIs must cooperate with any external audits by the funding agency. Documents must be provided as requested and in a timely manner.
- (2) The Executive Director of ORSP will communicate with the auditor, determining what documents are needed and coordinating the request with the relevant offices.
- (3) The Grant Accountant and the Finance Office will supply the requested general ledger documents and attach the respective receipts and affiliated documentation.
- (4) Management Response decisions will be a collaborative effort between ORSP, Finance, and the VP for Research. The Executive Director of ORSP will compose the Management Response, to be signed by the Provost and VP of Finance.
- (5) Any revision of policy required by the Management Response will be managed by the ORSP Office in coordination with the relevant, affected offices/divisions.

Repayment

In the event that an audit finds that ACU must repay grant funds, a meeting will be held between the Executive Director of ORSP, the VP for Research, and the Dean of the college that received the award.

Repayment responsibility will be determined based on the following factors: the grant principle that was violated, the University policies that were in place at the time of the violation, any institutional internal controls that were in place at the time, and the knowledge of the parties involved.

The committee will try to reach a fair and balanced consensus of where responsibility for the violation lies and how repayment should be divided among responsible parties. The committee may determine that the individual, the department, the college, ORSP, and/or the University are singly responsible or that shared responsibility exists.

RESEARCH MISCONDUCT POLICY

POLICY STATEMENT & PURPOSE

Abilene Christian University (ACU) strives to create a climate that promotes faithful adherence to the highest ethical standards in the conduct of research, scholarship, and creative activities while supporting the productivity and creativity of the academic community.

This policy is written to comply with the Public Health Service (PHS) Policies on Research Misconduct, codified at 42 CFR Part 93 (2024), which govern allegations of research misconduct in federally funded research. The purpose of this policy is to outline ACU's procedures for reviewing allegations, protecting the integrity of the research record, safeguarding participants, and ensuring compliance with federal requirements.

APPLICABILITY OF THE POLICY

This policy applies to any person paid by, under the control of, or affiliated with ACU, including but not limited to faculty members, staff, students, trainees, fellows, technicians, guest researchers, and collaborators. It covers all research conducted under ACU's auspices, whether federally funded, non-federally funded, or unfunded.

Allegations of research misconduct received on or after January 1, 2026 will be governed by this updated policy. Allegations received prior to that date may be reviewed under prior policies unless both ACU and the respondent agree to follow this updated version.

Definitions

Research Misconduct: Fabrication, falsification, or plagiarism in proposing, performing, reviewing, or reporting research.

- Fabrication: Making up data or results and recording or reporting them.
- Falsification: Manipulating materials, equipment, processes, or data such that the research record is misrepresented.
- Plagiarism: Appropriation of another's ideas, processes, results, or words without giving appropriate credit.

Exclusions: Honest error or differences of opinion are not considered research misconduct.

Finding of Research Misconduct requires that:

1. There be a significant departure from accepted practices of the relevant research community;
2. The misconduct be committed intentionally, knowingly, or recklessly; and
3. The allegation be proven by a preponderance of the evidence.

Research Record: Includes data, results, and all documentation that embody facts from inquiry, including but not limited to proposals, laboratory records, progress reports, theses, abstracts, oral presentations, and published or unpublished manuscripts.

Other Terms:

- Allegation: A written or oral statement indicating possible research misconduct.
- Complainant: An individual who makes an allegation of misconduct.
- Respondent: The person against whom an allegation is directed.
- Inquiry: Preliminary information gathering and fact-finding to determine if an investigation is warranted.
- Investigation: The formal process of developing a factual record and determining whether research misconduct occurred.
- Retaliation: Any adverse action taken against an individual for making a good faith allegation or for cooperating in an inquiry or investigation.

Institutional Responsibilities

In accordance with 42 CFR Part 93, ACU will:

1. Maintain written procedures consistent with federal regulations.
2. Promptly assess allegations to determine if an inquiry is warranted.
3. Secure all research records immediately upon receiving an allegation.
4. Complete inquiries within 60 days and investigations within 120 days, unless extended by the U.S. Office of Research Integrity (ORI).
5. Ensure committees are free of conflicts of interest and have appropriate expertise.
6. Provide confidentiality to the extent possible and protect participants from retaliation.
7. Report to ORI at required stages: initiation of inquiry, initiation of investigation, final institutional findings, and outcomes.
8. Retain all records related to allegations and proceedings for at least 7 years after the case is closed.

Procedure

A. Initial Allegations

- Allegations, whether oral, written, or anonymous, must be reported to the Assistant Provost for Curriculum and Assessment (“Assistant Provost”).
- If federally funded research is involved, the Assistant Provost must notify the Executive Director of Research, who will advise on sponsor-specific requirements.
- The Assistant Provost will conduct an informal review to determine if the allegation warrants an inquiry.

B. Inquiry

- If warranted, the Assistant Provost will appoint a qualified Fact Finder free of conflict of interest.
- The Fact Finder will review evidence and testimony to determine whether a full investigation is warranted.
- A written inquiry report will summarize the process, evidence, and findings.
- The respondent has 10 days to review and respond in writing.
- If sufficient evidence exists, an investigation is initiated.

C. Investigation

- The Assistant Provost will appoint an Investigation Committee of no fewer than three qualified individuals without conflicts of interest.
- The Committee will review all records, interview relevant individuals, and prepare a full written report.
- The respondent has 10 days to review and respond in writing.
- The investigation must be completed within 120 days unless ORI approves an extension.

D. Adjudication

- The Provost reviews the investigation report and issues ACU's final decision.
- Actions may include:
 1. Withdrawal or correction of publications.
 2. Notification to sponsors, journals, and collaborators.
 3. Restitution of funds if appropriate.
 4. Disciplinary actions, which may range from a letter of warning to dismissal.
- If no misconduct is found, efforts will be made to restore the respondent's reputation.

E. Appeals

The respondent may appeal findings and actions through ACU's established complaint and grievance procedures.

Confidentiality & Protections

- The identities of complainants, respondents, and witnesses will be protected to the extent possible and disclosed only to those with a legitimate need to know.
- ACU prohibits retaliation against individuals who, in good faith, make allegations of research misconduct or cooperate in an inquiry or investigation.
- If allegations are not substantiated, ACU will take steps to restore reputations that may have been harmed.

Record Retention

The Assistant Provost will maintain all records related to allegations, inquiries, investigations, adjudications, and appeals for seven years after case closure or longer if required by federal sponsors, consistent with 42 CFR §93.317.

Effective Date

This policy is effective January 1, 2026 and supersedes all prior versions of ACU's Research Misconduct Policy.

The mission of Research Compliance is to foster a culture of compliance at ACU by promoting the highest standards of ethics and integrity in workforce and student research through education, awareness, monitoring, oversight, and effective response to violations.

Scope and Oversight

Research Compliance oversees institutional programs that ensure adherence to laws and ethical standards governing research, including:

- Human Subjects Protection (IRB)
- Animal Care and Use (IACUC)
- Biosafety and Biosecurity (IBC)
- Research Security and Export Controls
- Responsible Conduct of Research (RCR)

Each compliance program functions under federal and institutional mandates to safeguard people, animals, and the environment while facilitating high-quality research.

Institutional Animal Care and Use Committee (IACUC)

The Institutional Animal Care and Use Committee (IACUC) is dedicated to ensuring the humane care and ethical use of laboratory animals. It oversees all animal-related activities in research, testing, and teaching at ACU, ensuring full compliance with applicable federal, state, and institutional laws, policies, and guidelines, including those enforced by the Office of Laboratory Animal Welfare.

The committee is composed of faculty representatives from academic departments that conduct animal research, a consulting veterinarian, a community member, and a representative from the Office of Research and Sponsored Programs (ORSP). The IACUC reviews and approves research protocols involving animals, conducts regular inspections of animal care facilities, and advises university leadership on necessary improvements to maintain the highest standards of animal welfare.

Institutional Review Board (IRB)

The IRB is tasked with protecting human subjects in all research conducted by the university. The IRB office facilitates the review of protocols in accordance with federal, state and local regulations, university policies, and ethical standards.

The IRB committee is composed of faculty members from various departments. The IRB has authority to review and approve or disapprove research activities involving human subjects

conducted by faculty, staff or students. Protocols can be submitted electronically through [Cayuse – Human Ethics](#).
Institutional Biosafety Committee (IBC)

The Institutional Biosafety Committee (IBC) oversees research involving biohazardous materials, including recombinant or synthetic nucleic acids, infectious agents, and biological toxins, ensuring compliance with the NIH Guidelines for Research Involving Recombinant or Synthetic Nucleic Acid Molecules and other applicable biosafety regulations.

- Reviews and approves research involving recombinant DNA, select agents, or biohazardous materials;
- Ensures that research facilities, personnel training, and containment practices meet biosafety standards;
- Advises on appropriate biosafety levels (BSL) and emergency response procedures;
- Coordinates with Environmental Health and Safety (EHS) to maintain a safe research environment.

Committee membership includes faculty researchers, biosafety professionals, community representatives, and institutional officials as required by NIH Guidelines.