

# DEPAUL UNIVERSITY

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## Administration of Externally Funded Grants and Contracts

**Category:** Academic Affairs - Operational

**Responsible Department:** Office of Research Services

**Responsible Officer:** Provost

**Effective Date:** 09/19/2018

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### Policy Summary

This policy facilitates the effective management of grant and contract proposals and awards at DePaul University by clearly delineating the roles and responsibilities of DePaul faculty, staff, and administrators involved in the management process.

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### Scope

This policy affects the following groups of the University:

- Executive Offices
- Assoc. / Assist Vice Presidents
- Full-Time Staff
- Part-Time Staff
- Full-Time Faculty
- Part-Time Faculty
- Vice Presidents
- Deans
- Directors/Department Chairs

This policy affects:

- All personnel submitting grant or contract proposals for external funding
- All personnel involved in the review and approval of proposal submissions
- All personnel receiving or managing externally funded grant or contract awards

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# Policy

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## DePaul University General Policy on Administration of Externally Funded Grants and Contracts Roles and Responsibilities

### Definition, General Responsibilities and Communication

For the purposes of this policy, externally funded grants and contracts are defined as involving a reciprocal exchange or as specifying projects, services, and/or deliverables which must be performed or carried out by the university. (Private funding for scholarships, capital gifts and unrestricted operational/academic support is excluded from this definition.)

For accounting purposes, the Office of Research Services (ORS), Development, Restricted Accounting and the Office of Compliance & Risk Management will collaboratively resolve any questions concerning the classification of grants and contracts versus gifts.

Because grants and contracts for external funds raise compliance and business issues that require special handling and approvals, all such grants and contracts are processed through ORS and jointly managed by ORS, Restricted Accounting, and the Principal Investigator (PI).

In addition, Development has responsibility to participate with PIs, ORS, and Restricted Accounting to manage all privately funded grants. As part of this process, Development:

- provides clearance to formally cultivate and solicit private funders
- approves proposals to private funders
- coordinates communication with private funders at key points in the process, in the interest of donor relations
- tracks proposal and award activity with the private sector
- receives and acknowledges payments from private funders

### Identification of Funding Opportunities and Proposal Preparation

Both ORS and Development are responsible for assisting with the identification of funding opportunities that support research projects and other programs initiated by PIs, as well as institution-wide initiatives, and for supporting proposal preparation, as indicated in the Matrix of Roles and Responsibilities for Administration of Externally Funded Grants and Contracts (see Appendices).

### Initial Clearance

Apart from the rare cases described below, ORS' responsibilities do not include initial clearance. However, Development is responsible for providing clearance to DePaul faculty and staff to formally cultivate and solicit private funders. Development generally responds to clearance requests within a reasonable period of time (five working days) following the necessary administrative

approval by the PI's Dean or VP. Development must provide clearance before a university employee may formally cultivate and solicit a private funding source.

Regardless of the funding source, the PI is responsible for providing early notification to ORS in those rare cases where an externally funded project will involve exceptional levels of reputational, financial, or personal safety risks that are not addressed by existing mechanisms for risk management such as DePaul's IRB (for example, a project that, if funded, would be carried out in a region experiencing armed conflict). In such a case, ORS is responsible for providing an initial response to the PI's notification within two business days, and for expeditiously coordinating an institutional review process aimed at providing early definition and mitigation (to the fullest extent possible) of the exceptional risks involved. The Provost is responsible for identifying the appropriate parties to be involved in this process, which always includes the PI, and for determining--together with the President, as needed--whether the exceptional risks involved have been adequately addressed.

### **Proposal Review and Approval**

Using a web-based process, ORS coordinates the proposal review and approval for all grant and contract proposals, regardless of their funding source. This includes working with the appropriate DePaul departments to ensure that:

- the proposal complies with all applicable external laws and regulations related to external grant and contract funding
- the proposal complies with all internal DePaul policies and procedures and accounting methods
- the proposal does not put the institution at financial risk
- all internal DePaul departments are properly informed of proposal submission processes and proposal status
- the proposal requests the maximum level of indirect costs allowable by the sponsor unless a lower rate has been approved by both the responsible Dean/VP and the Provost.

In addition, for privately funded grants, Development participates in the proposal review process to ensure that the proposal is consistent with the known or stated interests of the private funder.

After this initial review process, externally funded grant and contract proposals require, at a minimum, formal approval from:

- *The appropriate Dean or VP*

*and*

- *The Provost or their authorized designees (including the SVP for Advancement specifically for all grants and contracts submitted through Advancement) as indicated through a delegation memo.*

ORS coordinates the process for obtaining these approvals. In the case of privately funded grants, Development will ensure that any additional approval requirements are met.

As part of this process, DePaul's lead investigators are required to complete and sign a certification page that includes a conflict of interest certification.

### **Award Negotiations, Acceptance, Contract Execution and Setup**

Upon receipt of a grant or contract award, ORS or Development notifies the PI and relevant offices. PIs who receive award notifications and/or checks are responsible for bringing them to Development or ORS, depending upon where the proposal originated. ORS is responsible for coordinating with the appropriate DePaul departments the award review, negotiation, acceptance, contract execution and setup process, which includes, but is not limited to:

- coordinating a review of the award agreement, with involvement of the Office of the General Counsel (OGC) as needed or required by university policy (see *Contract Requirements and Procedures* policy)
- negotiating terms and conditions with the sponsor in consultation with the PI
- ensuring the contracts are prepared and executed
- confirming Institutional Review Board (IRB), Institutional Animal Care and Use Committee (IACUC), or Institutional Biosafety Committee (IBC) approval, as needed, at the point of award setup
- establishing a restricted account in cooperation with Restricted Accounting

Development handles award negotiations and acceptance for privately sponsored grant agreements received by that office. This process involves submitting grant agreements for the OGC review, as required by university policy; negotiating changes with the sponsor, as needed, in consultation with the PI; and obtaining an AOR signature. The signed agreement is then forwarded to ORS along with the results of the OGC review (if such a review was required).

### **Award Maintenance**

The PI, ORS and Restricted Accounting are jointly responsible for award maintenance, as indicated in the Matrix of Roles and Responsibilities. As part of award maintenance, ORS is responsible for approving personnel actions, foreign travel and major purchases (\$2,500 or more), rebudgeting requests, and personnel redistributions. In instances where the sponsor provides funding on a reimbursement basis, the VP of Finance or his/her designee is responsible for establishing, in consultation with the Provost or his/her designee, a limit on DePaul funds that will be advanced to the project prior to reimbursement by the funder.

### **Invoicing and Accounts Receivable Management**

Restricted Accounting is responsible for invoicing and for accounts receivable management, including the deposit of all cash receipts. This includes creating, approving and tracking the submission of invoices, as well as managing payments, producing letter of credit draw requests, monitoring payment collection, and pursuing collection of overdue payments from sponsors. In addition, Restricted Accounting responds to faculty inquiries regarding the status of accounts receivable and other related financial matters.

## **Financial Status Reports and Programmatic/Technical Reports**

In coordination with the PI or Development, Restricted Accounting is responsible for the preparation and release of all financial status reports. The PI is responsible for the preparation of all programmatic/technical reports. ORS coordinates with the PI and Restricted Accounting the submission of financial and programmatic/technical reports according to the funder guidelines. As needed, Development may choose to mail or hand deliver approved financial reports and programmatic/technical reports to private funders in the interest of donor relations.

## **Account Closeout**

ORS, Restricted Accounting and the PI share responsibility for the closeout of grant and contract accounts. As the budget manager, the PI is responsible for accurately tracking and projecting spending to avoid over or under spending the account; for initiating the termination of recurring charges to the project; and for preparing final technical/programmatic reports required by the funder. ORS notifies the PI of an approaching closeout, instructing the PI regarding closeout procedures, and initiating personnel changes as needed. Restricted Accounting prepares final financial reports as needed, confirming them with the PI; inactivates grant and contract accounts; and coordinates retention of all award documents and records for the time period required by DePaul policy and by funder requirements.

## **Ongoing Compliance and A-133 Audit**

The PI, ORS and Restricted Accounting bear joint responsibility for compliance, which includes complying with federal guidelines, other applicable rules and regulations, sponsor conditions, and any internally imposed restrictions on all award transactions. PIs are also responsible for following the research compliance processes coordinated by the Associate VP for Research, which include IRB, IACUC, and IBC approval, as needed. ORS confirms that these processes have been followed before setting up grant or contract accounts, and at other key points as identified by the funder. Restricted Accounting is responsible for coordinating the A-133 audit for the entire university.

## **Further Policy and Procedure Development**

Further policies on external funding will be developed in accordance with the [Establishing a University Policy](#) policy.

## **Ongoing Training**

ORS, Development, and Restricted Accounting are responsible for providing training in grants administration to PIs and others in the university community. PIs are required to attend annual budget manager training provided by the Office of Compliance and Risk Management. To be eligible to manage a newly funded sponsored project, PIs and Co-PIs must have completed DePaul's grant management training program within the past three years.

## Reporting on Proposals and Awards Involving Private Funders

ORS and Restricted Accounting are responsible for developing, in coordination with Development, a process for the periodic reporting or uploading of information on grant and contract proposals and awards involving private funders.

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### Procedures

Detailed procedures will be developed and communicated to the university community as part of policy implementation. For procedural questions, contact the parties below.

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### Divisional Collaborations

Office of Research Services  
Office of Development  
Restricted Accounting

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### Contact Information

#### Office of Research Services

[ors@depaul.edu](mailto:ors@depaul.edu)

#### Office of Development

Senior Director, Corporate and Foundation Relations, Office of Development

#### Restricted Accounting

Director, Restricted Accounting

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### Appendices

[Matrix of Roles and Responsibilities for Administration of Externally Funded Grants and Contracts](#)

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### History/Revisions

Origination Date: 12/22/2004

Last Amended Date: 09/19/2018

Next Review Date: N/A