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Topic
Contracts & Grants [1]

Policy Number
400-10

Reviewed Date
July 2, 2012

Responsible Office

- Office of the Executive Vice Chancellor and Provost [2]

Purpose

To ensure appropriate scientific and financial management of research, training, and other extramurally funded projects, the solicitation, acceptance, and administration of funds for the support of such projects are subject to academic, legal, and financial policies.

Definitions

Contract

A binding agreement between two or more parties that is enforceable at law. In the context of research, a contract is generally an agreement under which a sponsor provides funding for a proposed program in return for some product, such as services, report, or other deliverables. A fixed-price contract arises when the sponsor and University agree in advance on the price of the work to be done. A cost reimbursement contract requires the sponsor to reimburse the University for the cost of conducting the research.

Copyright

The exclusive legal right to copy, print, publish, perform, film, or record literary, artistic, or musical material, and to authorize others to do the same. Copyright is limited to the expression and arrangement of a work, and does not extend to the ideas that work embodies.

Direct Costs

Costs that can be identified specifically with a particular sponsored activity (research, instruction or other sponsored activity) or that can be directly assigned with a high degree of accuracy. These costs include, but are not limited to: salaries and wages, employee benefits, consultants, animal care and use, radioisotope use and disposal, supplies and expenses, travel, equipment, patient care, publication costs, and off-campus rent.
Facilities & Administrative (F&A) Costs

(formerly Indirect Costs) Costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project. These include costs of supporting activities such as maintenance and operation of the physical plant, depreciation allowance for buildings and equipment, central, departmental, and sponsored projects administration and expenses, and library and student services. F&A cost rates are predetermined and listed on the Office of Research website.

Grant

An award of financial or direct assistance to an eligible investigator in support of proposed research, training, or other activity. The sponsor generally does not require a predetermined product at the completion of the work, although it may require financial and/or technical reports.

Indirect Costs

See Facilities and Administrative (F & A) Costs.

Instruction

Training of UCSF students, UCSF personnel, or prospective UCSF employees in research, or in the techniques or practices pertinent to the particular area of concern.

Other Sponsored Activities

An award for an activity other than research or instruction. These include, but are not limited to, public service, clinical trials, other clinical service, conference, equipment and travel awards, and other types of awards that do not clearly fit into other categories of extramurally funded activities, such as evaluation awards.

Patent
A grant by a sovereign nation to an inventor, giving the inventor the right to exclude others from making, using, and/or selling the invention for a period of time.

Principal Investigator (PI)

The individual ultimately responsible for the appropriate scientific and financial conduct of a sponsored research project. On occasion, co-principal investigators who share responsibility for a project.

Project Administrator

The coordinator of a program involving more than one project.

Project Administrator or Project Director

The head of a training or public service project.

Research

Investigation or experimentation aimed at the discovery of generalizable new knowledge, the interpretation of facts, and/or the revision of accepted theories in the light of new facts; or the testing of such new or revised theories.

Sponsor

An entity that provides funds to the University to support the conduct of a specific research project, instruction project, or other sponsored activity.

Policy

A. Scope

This policy applies to all sponsored and extramurally funded projects, regardless of funding source. This includes, but is not limited to, industry sponsored contracts, government contracts, private grants, federal grants and state grants.
B. Academic

1. General

To accomplish its aims of providing higher education, advancing knowledge, and contributing to the welfare of the state, the University accepts funds and enters into agreements only when:

1. such undertakings provide its faculty members with the opportunity to gain experience and knowledge of value to their teaching and research;
2. the projects involve suitable research through which the individual faculty member may make worthy contributions to knowledge; or
3. appropriate public service is performed.

2. Leadership of a sponsored project

Sponsored projects are headed by one or more Principal Investigator(s). Principal Investigators who propose to head an extramurally supported research, training, or public service project must personally participate in all aspects of the project to a significant degree. It is contrary to University policy to list as head of a project an individual who will contribute only a nominal portion of time and effort to the furtherance of the work.

3. Limitation on leadership of a sponsored project

Principal Investigator eligibility is limited to certain members of the faculty, including members of the Academic Senate, and other salaried employees approved for an exception to the limitation. (see Administrative Policy 400-11 [3], Eligibility to Submit Proposals for Extramural Funds).

4. Rights to results of extramural projects (publication and copyrights)

1. General

The right of publication is reserved by the University. The University may itself publish the material or may authorize, in any specific case, a member or members of the faculty to publish it through some recognized scientific or professional medium of publication. A report detailing the essential data and presenting the final results must be filed with the University. Notebooks and other original records of the research are the property of the University.

2. Unacceptable limitations on freedom to disseminate results

Normally, a contract or grant is unacceptable if it limits the freedom of the author to publish without restriction. Examples of impermissible limitations a sponsor may attempt to impose are:

1. assigning ownership of results to the sponsor;
2. assigning the final decision as to what may be published to the sponsor; or
3. placing an unreasonably long or unlimited delay period on the publication or dissemination of the information resulting from the work under the project.

3. Exceptions to unacceptable limitations
The Chancellor may make exceptions to the policy stated above, or recommend exceptions in cases where contract or grant authority has not been delegated to the Chancellor, when one or more of the following conditions have been met:

1. security considerations in the national interest are involved (security consideration exceptions must be approved by the Office of the President);
2. the sponsor reserves first right of publication, but only if there is a provision surrendering this right to the University after a reasonable interval of time, in the event the sponsor has not published within that time; or
3. when other special or extraordinary circumstances prevail which do not involve censorship of the results of the project. These should be judged on their merits with respect to the reasons given for any restriction on publication.

C. Legal

1. General

The Regents are empowered by law to accept contracts and grants on behalf of the University. Therefore, contracts or grants for sponsored projects or programs are awarded to the corporation (i.e., The Regents), and commitments made under agreements are of the corporation. University policies govern the administration of all actions under these grants or contracts unless the provisions impose other more restrictive requirements.

2. Sponsored Contract requirements

All sponsored projects must have a fully executed contract, agreement, or approved fund advance in place prior to commencement of work on the project.

3. Authority to solicit contracts and grants

The authority to solicit and accept or execute contracts and grants is granted to the President by the Regents. This authority has been delegated to the Chancellor, who has re-delegated it to designated officials in the Office of Research. (see 400-12, Authority to Solicit and Accept or Execute Contracts and Grants).

4. Policy on the award and acceptance of contracts and grants

   1. It is the policy of The Regents that awards of contracts and grants for research done by University employees will be made to The Regents, not to the principal investigator.
   2. Occasionally, a sponsor may offer a grant to an individual faculty member. Consistent with considerations of conflict of interest, faculty members are free to make agreements concerning that portion of their time and effort which is not committed to the University and which does not involve use of University space and facilities for non-University purposes.
   3. An award to an individual made payable to the University cannot be accepted unless there is compliance with applicable University policies such as the recovery of employee fringe benefits.

5. Rights to Intellectual Property arising from sponsored research

   1. Copyright
Ownership of copyrights to sponsored works shall be with the University unless the sponsored agreement states otherwise. Any sponsored work agreement which provides for ownership by other than the University generally shall provide the University with a free-of-cost, nonexclusive, world-wide license to use and reproduce the copyrighted work for education and research purposes. (see 100-26 Copyrights).

2. Patent

For the purpose of contracts and grants, patent rights and assignments are treated the same as they are under the general patent policies of UCSF. (see 100-27 Patents).

D. Financial

It is the policy of The Regents that extramurally funded projects are conducted at no cost to the University. All direct and indirect costs for extramurally funded projects must be recovered from the sponsor(s). Proposals for multi-year projects must include projected increases for range adjustments, salary and employee benefits, inflation, and anticipated changes in indirect cost rates. All costs must be accurate and supportable.

1. Salaries and Wages

All individuals to be directly supported on the proposed project should be listed by name and title in the proposed budget. Salary information must be current and should reflect anticipated merit increases and/or range adjustments applicable during the total proposed performance period. Individual salary support requested should be no greater than the proportion of effort to be devoted to the project. Under no circumstances may the rate of salary and wage charges to a sponsored project exceed the employee’s regular rate of pay.

2. Employee Benefits

A proportionate share of employee benefits must be charged to the source of salary support. Current benefit rates are published by the Office of Research Administration. Proposals for programs to be funded by agencies whose policies do not allow for the University’s required provisions for retirement and other fringe benefits, or for indirect costs, must be approved by the Office of the President upon recommendation of the Executive Vice Chancellor.

3. Non-Salary Expenditures

All non-salary budget expenditures must also be accounted for and follow all applicable rules and regulations.

4. Facilities and Administrative Costs

Facilities and Administrative (F&A) cost rates for all projects financed through private and public grants and contracts are negotiated periodically with the Department of Health and Human Services. All proposals must include the University’s negotiated F&A
cost rate, including IRB fees, for the type of project involved. Any variances from the approved rates must be approved by the duly authorized University official. Current Facilities and Administrative cost rates are published by the Office of Research. Negotiations with prospective sponsors must include discussion of the University's applicable F&A costs.

Responsibilities

- Principal Investigators
- Research Services Coordinators
- Industry Contracts Officers
- Office of Research

Procedures

The following procedures are procedures which are directly related to the subject matter of this policy. Additional policies and procedures must also be followed for sponsored research, which are listed in section V.

1. General Sponsored Research Procedures and Guidance
   1. Proposal Submission
      2. Responsible Conduct of Research [5]
      5. Proposal and Remittance Addresses and Codes [8]
   2. Research Investigator Handbook [9] (Chapter 5, Being Responsible)
   3. Budget Development References [10]

2. Procedures and Guidance Applicable to Government and Non-profit Contracts and Grants
   1. Outgoing Subawards [12]
   2. Facilities and Administrative Cost Waiver
      1. Research Management Services [13]

3. Procedures and Guidance Applicable to Industry Sponsored contracts
   3. Agreements Executed by the Industry Contracts Division [17]

Related Policies

- 100-25 - Patents [18]
- 100-29 - Integrity of Research [19]
- 150-10 - Conflict of Interest [20]
- 300-19 - Expenditures of Extramural Funds [21]
- 400-11 - Eligibility to Submit Proposals for Extramural Funds (PI Status) [22]
- 400-12 - Contract and Grant Solicitation and Acceptance or Execution [23]
References

- UCSF Code of Conduct [24]
- Contract and Grant Manual [25], Office of the President
- Academic Personnel Manual 020 Special Services to Individuals and Organizations [26]
- UCSF Office of Research Website [27]
- University of California Accounting Manual [28], Office of the President
- University of California Faculty Handbook [29], Office of the President

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Links:
[2] mailto:ExecutiveViceChancellor@ucsf.edu
[9] http://www.research.ucsf.edu/QG/orQgOnline.asp
[16] http://accelerate.ucsf.edu/research/industry-faq
[22] http://policies.ucsf.edu/policy/400-11
[23] http://policies.ucsf.edu/policy/400-12
[27] http://research.ucsf.edu/