



SAN JOSÉ STATE
UNIVERSITY

RESEARCH FOUNDATION

SJSU Research Foundation Project Administration Guide

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About This Guide

The administration of sponsored projects is a collaborative effort between principal investigators (PIs) and the administrators and staff of San José State University and the San José State University Research Foundation. The purpose of this guide is to outline general responsibilities, present an overview of project management, and provide PIs and their staff with the policies, documentation, and forms needed to successfully manage their externally funded projects and programs.

To preserve the ability to meet its needs under changing conditions, the San José State University Research Foundation may modify, augment, delete, or revoke any and all policies at any time. Such changes shall be in writing and effective immediately upon approval by the Research Foundation's Board and/ or the chief operating officer.

This Project Administration Guide supersedes any and all other project administration guides of the San José State University Research Foundation.

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Introduction

For years, San José State University faculty have successfully competed for research funding from major federal, state, county, and local sponsors, as well as private industry and non-profit foundations. The SJSU Research Foundation provides the administrative infrastructure necessary to support and facilitate research and other education-related work of SJSU faculty and other project directors from within the campus community. During the fiscal year ending June 30, 2010, the SJSU Research Foundation received over \$65 million in awards on behalf of university faculty and Research Foundation project managers.

Engaging in externally-funded research and other education-related projects can be professionally rewarding and personally satisfying. At the same time, directing a program is a serious management responsibility that requires time and careful execution. The Research Foundation has developed this Project Administration Guide to provide information necessary to assist principal investigators and other project directors and administrators in successfully meeting programmatic goals and fulfilling important administrative requirements.

The Research Foundation's central administrative staff strives to serve and support the work of principal investigators, while simultaneously ensuring that, as a non-profit corporation and SJSU auxiliary, the Research Foundation employs sound business practices and complies with California State University, state, federal, and other external sponsor requirements. In the following pages you will find information on how to identify, apply for and receive funds, and manage budgets awarded for your work. As part of that activity, you are provided with guidelines on the full range of project activities, including recruitment, hiring, time reporting, procurement, travel, contracting for consulting services and other project needs. We hope the information provided is clear and concise; however when in doubt, a sponsored program manager and a sponsored program analyst are assigned to assist you with any questions you may have on your grant or contract management. A complete staff directory can be found at:

<http://www.sjsufoundation.org/html/sjsuf-faculty-resources/institutional.htm>

We welcome any comments or questions you might have to help us improve this guide or the distribution of this information.

*Mary Sidney
Chief Operating Officer
San Jose State University Research Foundation*

I. SAN JOSE STATE UNIVERSITY RESEARCH FOUNDATION

As an integral member of the San Jose State University community, the San Jose State University Research Foundation provides an entrepreneurial framework through which local, state and federal agencies, businesses and private foundations engage SJSU faculty and students in sponsored research, public service and community projects, consulting and other specialized educational activities in support of the University's mission. Delivering specialized business services to support a diverse range of externally-funded activities, the San Jose State University Research Foundation fosters the University's quest for excellence by:

• **Supporting Faculty Success**

1. Promote, develop and manage sponsored programs involving scholarship (including research related to enhancement of teaching), scholarship, creative activity, public service, education, and training.
2. Support the full development of intellectual property by acting as the university's exclusive agent for technology commercialization.
3. Develop unique strategies to secure support for interdisciplinary programs related to the role of SJSU as a "metropolitan university."

• **Expanding Student Horizons**

1. Promote student involvement in sponsored programs.
2. Develop unique opportunities for student research with faculty mentors.
3. Seek student internships in local business, industry, professional organizations, and public agencies, art museums, historical societies, and other appropriate venues.

• **Delivering Specialized Business Services**

1. Administer funds for campus programs.
2. Seek opportunities to manage monies for other CSU/ campus auxiliaries and/or public agencies.
3. Maintain a diversified investment portfolio using targeted investment advisors.

• **Developing Partnerships with the Community**

1. Establish and/or support business incubators consistent with the role of SJSU as a "metropolitan university."
2. Provide the legal and administrative structures for new ventures with business, industry, and community organizations, including acquisition and management of real property.

About San Jose State University Research Foundation

San José State University Research Foundation is one of the oldest of the nonprofit corporations in the California State University system. Incorporated in 1932 as “the San Jose State College Corporation,” the Research Foundation’s name changed in 1932 to “The San Jose State College Foundation and, in 1975, to “The San José State University Foundation.” In February 2007 “Research” was added to the name to underscore the important dimension of faculty scholarship, productivity, and contribution to the university’s teaching mission and to distinguish the Research Foundation from the newly established Tower Foundation, with its focus on philanthropy.

The sixteen-member Board of Directors – consisting of four university administrators, six university faculty members, one member of the student body, and five individuals from the community – governs the Research Foundation. Please refer to <http://www.sjsufoundation.org/html/about-sjsu-foundation/board.htm> for a listing of the current Research Foundation Board of Directors. As a SJSU auxiliary the Research Foundation resides organizationally with the university’s Academic Affairs Division under the direction of the provost.

The general purpose of the Research Foundation, as set out in its articles of incorporation, is to advance the welfare of the university through assistance in research, education, and community service. The Research Foundation's primary responsibility as an auxiliary of the university is the development and business administration of sponsored projects and of separate departmental and college “self support” accounts.

II. PRE-AWARD SERVICES AND PROPOSAL SUBMISSION

Applying for Funding

The Research Foundation is the designated sponsored programs administrator for extramural funding awards that support SJSU research, training, and other sponsored projects. In accordance with the Chancellor's Office Executive Order 890 all proposals for such funding must be developed and processed and submitted through the Research Foundation.

Office of Sponsored Programs (OSP)

Within the Research Foundation, the Office of Sponsored Programs (OSP) is responsible for the pre-award project development and proposal submission of San José State University's sponsored projects. The OSP staff assists SJSU faculty in all aspects of proposal preparation and submission. The three pre-award areas within OSP area are:

Office of Sponsored Programs Managers

The initial contacts for proposal development are the Office of Sponsored Program Managers who work with Principal Investigators and project teams by providing assistance with contract and grant activities such as

- defining research goals,
- locating funding opportunities,
- creating and editing proposal documents,
- developing and ensuring accurate project budgets,
- initiating and monitoring on-campus review (routing) processes,
- ensuring adherence to institutional, sponsor, and governmental guidelines,
- submitting proposals in accordance with guidelines, and
- negotiating awards and contracts.

Proposal Processing

The Proposal Processing team supports the OSP Managers and faculty by coordinating the on-campus proposal routing activities, maintaining pending proposal files, and assisting in the submission of proposals to sponsors via online systems, U.S. post, courier mail service, or direct delivery.

Information Services

Information Services manages the faculty keyword database and funding alert system, the OSP web pages, compiles and distributes funding alerts, and generates the [OSP Bulletin](#).

Who Can Apply for Funding?

With certain exceptions, the principal investigator of a funding application must be a faculty member with a tenure-track appointment who holds the rank of professor, associate professor or assistant professor. (Academic Senate Policy S94-8) Persons with appointments carrying other instructional titles, including those in a visiting or adjunct grade, may act as co-principal investigators or co-project directors. They may not, however, serve as the sole principal investigator or project director without the special recommendation of the department chair,

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college dean, and then approval by the associate vice president (AVP) for Graduate Studies and Research.

How to Get Started

Contact the OSP Manager assigned to the involved academic college. A staff directory can be found at: <http://www.sjsufoundation.org/html/sjsuf-faculty-resources/grant.htm>. The [SJSU Research Foundation website](#) also provides access to searchable databases, grant writing guidelines, tips, forms, policies, and procedures.

When to Get Started - Project Deadlines

Allowing sufficient time in the proposal process is critical. In addition to the funding agency's deadline, which is absolute, all funding applications must go through a number of on-campus institutional reviews before receiving final authorization for submission to the targeted funding agency. The on-campus institutional review (routing) process of the **completed** proposal, including narrative, budget, and forms, should begin no later than seven days prior to the funding agency's deadline.

Institutional On-Campus Reviews and Authorization to Submit Proposals

The Sponsored Programs Proposal Routing Form (formerly referred to as the "Green Sheet") indicates the signatures necessary in the review process and final authorization to submit funding proposals. In summary, each proposal for funding must be reviewed and signed by all of the following signatories. For proposals that involved more than one department or college, the appropriate signatures from all academic units must be obtained prior to submitting a proposal.

- Principal Investigator (s)
- Department Chair
- College Dean
- OSP Manager
- Deputy Chief Operating Officer and Director of OSP
- Campus Chief Financial Officer/Vice President of Administration and Finance
- AVP for Graduate Studies and Research (president's designee)

The Proposal Routing Form (PRF) summarizes important information such as the project abstract, budget, the authorization to use animal or human subjects from the appropriate review boards, and the use of hazardous materials or recombinant DNA. For more information on the use of animal or human subjects or any other research related policies, please refer to Section VII of this guide, Academic Senate Policies Related to Research.

The Proposal Routing Form is available in MS Excel Format and Adobe Acrobat pdf format:

[Proposal Routing Form PRF 12 2009.xls](#)

[PDF: GREENSHEET](#)

III. POST-AWARD SERVICES AND PROJECT ADMINISTRATION

A. RESPONSIBILITIES

Responsibilities of the Principal Investigator

The administrative and fiscal responsibility for management of a sponsored project resides with the **principal investigator(s)** (“PI”) named in the award. In the eyes of the funding agency, the individual who is primarily responsible for the *overall conduct of a project* is the PI. Several agencies refer to this individual as the project director (“PD”). Most funding agencies use these terms interchangeably; however, Research Foundation uses “PI,” consistently. When more than one individual is responsible for the conduct of a project, each one is usually called a **co-principal investigator** or simply a **Co-PI**.

A principal investigator is required to:

- Ensure that all the information in the proposal is presented in a manner that is complete, accurate, and developed according to the practices commonly accepted within the scientific community,
- Ensure that all required university forms and certifications are completed in a timely manner,
- Conduct the work on the project according to the research protocol or statement of work that was submitted with the original proposal or as subsequently modified by the sponsor in agreement with the principal investigator and the university,
- Ensure that all work meets the highest ethical standards and is conducted without real or apparent conflicts of interest,
- Ensure that all work performed is conducted in compliance with applicable federal, state, and local laws and with SJSU policies,
- Submit reports on the research in a timely manner and according to the sponsor's requirements,
- Abide by the terms and conditions of the sponsored project award,
- Manage the project's budget so that funds are spent correctly, taking into account any restrictions imposed by the sponsor to avoid overspending, and
- Manage project personnel in compliance with federal and state laws and Research Foundation policy.
- The Principal Investigator is responsible for ensuring that all expenditures are made in compliance with the approved budget, the Contract or Grant and the Sponsored Program Administrator's policies

Compliance with federal assurances is extremely important for PI's, especially those regulations for:

- Protection of Human Subjects,
- Care and Use of Animals,

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- Conflict Of Interest, and
- Scientific Misconduct.

Please refer to Section VII of this guide, Academic Senate and SJSU Policies Related to Research, for more information on compliance issues.

Responsibilities of the Post-Award Analyst

At the beginning of a project or when an account is established, a PI will be assigned to a Research Foundation sponsored programs analyst who will provide the PI with administrative support. Typically, one analyst will manage all of the funds associated with a particular PI. Should more than one analyst be involved (for example, when the PI has two different types of accounts such as sponsored programs or self support accounts) both analysts will work closely to ensure the PI has an overall picture of all available financial resources.

Upon receipt of an award, the sponsored programs analyst establishes an account and monitors those funds, informs and instructs the PI of sponsor regulations and reporting requirements for each award, and monitors expenditures to ensure compliance with sponsor, university, and Research Foundation policies and procedures. The sponsored programs analyst will act as a primary point of administrative contact for the sponsor agency, and will forward all official correspondence such as progress or technical reports, requests for budget revisions or requests for time extensions to the sponsor agency.

B. ACCOUNT DEFINITIONS

Sponsored Program Account

The following elements determine whether external funding falls within the definition of a sponsored program.

Commitment from an External Sponsor

A written commitment from the sponsor that follows receipt and acceptance of a proposal. That commitment may take various forms such as a grant agreement, contract, purchase order or a letter of award. All federal funds, including funds passing through other sponsors, must be administered as sponsored programs with the exception of student financial aid or general construction grants. Funds may also come from state or local government, business and industry, or not-for-profit organizations, including associations, foundations, and other universities. Under no circumstances may work proceed without a firm commitment from an external sponsor or internal authorization to proceed established through a pre-award spending agreement between the SJSU Research Foundation and the academic unit (department and college).

Restricted Activities and Use of Funds

Restrictions on the use of funds by an external sponsor will trigger a sponsored programs account. Please refer to the proposal guidelines for limitations and fund restrictions.

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Faculty or Staff Leadership

Each program involves a faculty or staff member qualified to serve as a principal investigator of project director, who provides leadership in determining, proposing, and completing the activities of the project.

Compliance

The terms and conditions of any award documents must be reviewed before acceptance and must comply with the university's and sponsor's policies and regulations, and applicable law. In some instances, sponsors have the authority to audit activities of a sponsored program regarding fiscal and program compliance.

Work Products - Final Reports, Products or Other Deliverables

The end work products of a sponsored program are usually one or more deliverables. Deliverables may include anything to which both parties have agreed in advance. Some deliverable may be specific, while others more general. Deliverables may take the form of tangible products, written documents or financial information. Examples include:

- Videos, DVDs
- Software,
- Material formulations,
- Curricular materials,
- Reports of results or surveys,
- Manuscripts,
- Works of art, and
- Documentation of completed instructional or service commitments.

These and other forms of intellectual property may be subject to patent, copyright or other statutory protection and are subject to Academic Senate Policy F98-3 on Intellectual and Creative Property.

Any Contract or Grant that provides for ownership or license of Work Product or Sponsored Program Records to any person or entity other than the University, shall provide the University with a free-of-cost, nonexclusive license to use the Sponsored Program Work Product and the right to access and use the Sponsored Program Records for purposes consistent with the educational mission of the University.

Period of Performance

Each program or contract has its own longevity, with specific starting and ending dates. It is critically important to note that work may not proceed prior to a starting date or go beyond an ending date without the specific authority established via a pre-award spending agreement or a no-cost extension. Such authority rests entirely between the SJSU Research Foundation, external sponsor and academic unit (department chair and college dean).

ACCOUNT NUMBERS

All accounts within the Research Foundation contain ten numbers (xx-xxxx-xxxx). The first two numbers represent a specific accounting fund. The second set of numbers identify the academic department with which the account is associated. The third set of numbers are randomly assigned to distinguish one account from another. The table below describes account prefixes and types and all sponsored program account numbers will begin with one of the following fund numbers:

<u>Account Prefix</u>	<u>Account Types</u>
21	Federal funds
22	State funds
23	Private industry funds
24	Private foundation funds
25	Local government funds
26	Cost-share funds
27	ARRA funds
34, 35, 37	Self-Supported Program accounts

C. ESTABLISHING NEW ACCOUNTS

Self-Supported Accounts

The first step in establishing a new account for a self-supported project requires a meeting between the project director and the self-support program analyst or director to discuss the project purpose and goals and the proposed revenue sources. The information provided will allow Research Foundation staff to do a determination to ensure that the source of funds are those that the Research Foundation has the authority to administer, a preliminary risk assessment of the project requirements, including the need for special or off-site facilities, major contracting, construction/renovation or other special requirements. The PI will then be advised of the Research Foundation estimated fee structure and any additional charges based on project requirements.

Once the project requirements and estimated fee structure are established, the PI will be issued a New Account Request Form. When signed, this form will be the basis of a contract between the PI, his or her affiliated department chair, dean or vice president, and the Research Foundation. The PI will obtain authorizing signatures from his or her affiliated department chair and dean/vice president, then return the form to the enterprise programs analyst. Upon completion of this form, the analyst will forward the form to his or her department director for authorization and final signature.

Upon receipt of the fully signed New Account Form (Account Authorization Form), the analyst will initiate opening the account using the Bi-Tech system, which tracks Research Foundation pending proposals and awards. The analyst will follow the Bi-Tech new account procedure and input the necessary information from the Account Authorization Form. The analyst will add the

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new account number to the form and forward to the records retention staff. The records retention staff will open a new account folder and file the Account Authorization Form in the folder.

Upon completion of account set up, the analyst will issue a New Account Memo to the PI, noting the account number, authorized signers, and report distribution information.

Endowment Accounts, Scholarships, and Donations

Donors who wish to establish endowment accounts or scholarships or make any type of donation to support the university should contact University Advancement, directly. University Advancement and the Tower Foundation are responsible for accepting and processing all such gifts.

D. PROJECT BUDGETS

Direct Costs

A direct cost is a cost that can be identified with a specific sponsored project or that can be directly assigned to project activities relatively easily and with a high degree of accuracy. Examples of direct costs include salaries of technical staff, fringe benefits, equipment, travel, participant costs, supplies and services, subcontracts, telecommunications, publication costs, animals, and animal care costs.

Indirect or Facilities and Administrative Costs

Facilities and Administrative ("F&A") costs, also referred to as indirect costs or overhead, are those Research Foundation general operating expenses that are not readily identified with a particular project, account or transaction. F&A costs include expenses related to campus research and other facilities, utilities or libraries that are reimbursed annually to the university. F&A costs also include general administrative services such as proposal and contract management, financial accounting, payroll, procurement, human resource administration, legal, and other operating expenses associated with the management of externally-funded sponsored research, training, and education-related projects managed by SJSU faculty or academic units.

The Research Foundation receives no state funding for its operations and is totally self-supported. It covers the cost of its general operation, in part, through the assessment of F&A charges to applicable projects administered through the Research Foundation. If annual F&A revenues are sufficient and if authorized the Research Foundation Board of Directors, some portion of F&A revenues may be rebated back to the academic units of the respective projects in order to support current research and scholarship projects or seed future externally-funded work. These rebates, also called "indirect cost allocations," are made directly to specific Research Foundation discretionary accounts that are held for the deans, chairs, and principal investigators and associated with the externally-funded projects that generated the F&A revenue.

The term "indirect costs" was coined many years ago by the federal government's Office of Management and Budget. As a result of recent changes, the new name for these expenses is "Facilities and Administrative costs" or F&A costs. F&A costs are incurred every time a grant or contract dollar is spent on research, public service or instructional projects, whether or not the funds are spent through the Research Foundation.

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F&A costs are built into a project budget as an integral part of the proposal and not "taken off the top" of an award. As expenditures are made in the process of conducting a project, the correct amount of money is concomitantly deducted for F&A. Similarly, if not all of the direct costs are incurred during the life of a project the Research Foundation will not expend all of the F&A allowed in the budget.

What Are Indirect Costs or Facilities and Administrative Costs?

Please note that Facilities and Administrative Costs (F&A) is the new federal term for what was previously referred to as indirect costs. The term "indirect costs" is being phased out.

F&A costs are those expenses associated with maintaining the infrastructure of universities, such as library services, building and equipment depreciation, utilities, janitorial services, sponsored projects administration, human resource administration, accounting and finance services, legal and audit costs. F&A costs should be considered as an integral part of the proposal budget and should not be considered as "taken off the top" of an award or easily waived.

The F&A funds recovered through contracts and grant awards support research, instruction/training, and public service projects that are paid with external funds.

Why does the Research Foundation Charge F&A Costs on Grants and Contracts?

The operation of any enterprise, whether it is non-profit or for-profit, involves costs. To fully pay SJSU for the costs of its sponsored research and educational activities, F&A costs must be reimbursed by funding agencies. If these costs are not reimbursed, the university would have to pay for them, resulting in an adverse impact on department budgets, student fees, and university resources. Sponsors recognize this fact and, with few exceptions, are willing to pay F&A costs. The Research Foundation is directed by the California State University Office of the Chancellor (Executive Order 890) to include the proper F&A costs in proposal budgets and to collect those funds on behalf of SJSU.

F&A Costs Include:

- Building use,
- Library use,
- Improvement use,
- Equipment use,
- Operations and maintenance,
- General and departmental administration (e.g., accounting, human resources, procurement, insurance, and legal), and
- Sponsored projects administration (e.g., proposal and grant/contract management, information services).

F&A Costs are Not:

- A tax or "transaction costs," such as the cost of cutting a check.
- All kept by the Research Foundation, but are used to reimburse the university,

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- Taken out of a grant or contract - they are built into it or
- Discretionary or arbitrary.

How are F&A Rates Determined?

The procedure for calculating F&A costs is prescribed for all universities by the Federal Government's Office of Management and Budget (OMB). SJSU and the Research Foundation work together to determine what the university's F&A costs are and present the documentation to the government for review and audit.

The U.S. Department of Health and Human Services (DHHS) is the federal agency (referred to as cognizant agency) that audits this process for SJSU. It is with that agency that the Research Foundation signs the Colleges and Universities Rate Agreement, which specifies the applicable F&A rates to be used to determine budgets.

Definitions:

- An On-Campus program is one in which the majority of activities utilize facilities in which space-related costs (e.g., rent, utilities and maintenance) are paid for by the university or its affiliates, and not charged directly to the project budget.
- An Off-Campus program is one in which the majority of activities are conducted in: (1) leased facilities where space-related costs (e.g., rent, utilities, maintenance) are charged directly to the project budget or (2) facilities made available at no cost to the project by a non-university organization.

Certain projects do not require a "facility" as all work, up through analysis, is done in the field and usually over an uninterrupted period of time. Such projects would be considered off-campus. Projects where the majority of work is in the field without the use of university or university affiliate-owned facilities (e.g., buildings, trailers, vessels) would also be considered off-campus.

- "Research" means all research and development activities that are sponsored by federal and non-federal agencies and organizations. This term includes the training of individuals in research techniques (commonly called research training) where training takes place in the same facilities as other research and development activities and when such activities are not included in the instruction/training function of the university.
- "Instruction" means specific instructional or training activity established by grant, contract, or cooperative agreement. This term does not include the training of individuals in research techniques, commonly referred to as research training.
- "Other" means sponsored programs and projects financed by federal and non-federal agencies and organizations that involve the performance of work *other than* instruction/training and organized research. Examples of such programs and projects are health service projects and community service programs.

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- “MTDC” refers to Modified Total Direct Costs. Full F&A costs are applied on a MTDC basis, which means that certain categories of direct costs are excluded when calculating F&A for a project.

What Items are Excluded From F&A?

The following cost categories are excluded from a Modified Total Direct Cost base:

- Capital expenditures (buildings, equipment costing more than \$5,000 and with a useful life of more than one year, alterations and renovations),
- The portion of subawards over \$25,000,
- Patient care costs, and
- Participant support costs for workshops and conferences, and student support costs such as stipends, scholarships, and fellowships. Please Note: these cost reimbursements are generally made directly to the participants or students and are identified as such in the budget.

Will Adding F&A Costs Hurt the Chances of My Project Being Funded?

A well-planned budget includes F&A. As long as all direct costs are realistic, F&A will not affect a proposal’s competitiveness. This is true for two reasons. First, other applicants will also include F&A costs in their budgets. Second, funding agencies recognize that F&A is a necessary part a budget and do not discriminate against institutions that include F&A. The substance and content of a proposal, including its objectives, methodology, and care of preparation is far more important than F&A in determining whether or not a project gets funded.

How Do SJSU’s F&A Costs Compare to Other Major Universities?

SJSU’s F&A rates are average when compared to similar institutions across the nation. Variations in F&A rates from university to university are common. Some institutions have rates above 70 percent; others charge as little as 35 percent. When calculating F&A, some institutions use a Modified Total Direct Cost base (MTDC), while others use a Salaries, Wages, Benefits (SWB) or a Total Direct Cost (TDC) base. There are dozens of factors that account for differences in F&A rates, including the costs of heating and cooling, age of buildings, amount of administrative activity devoted to research management, need for replacement of research equipment, and the "balance" between research and instruction on campus.

I’m Applying to the Same Program as a Colleague. Her institution will Charge Less Than Their Full F&A Rate. Why Can’t SJSU Do the Same?

Some institutions choose to bear a greater share of research costs than others. The reasons why usually correspond to the institution’s prescribed research agenda and its ability to absorb those F&A costs. For the most part, those institutions have a budget that absorbs some of those costs. A lower F&A rate does not usually mean the research costs are less at one institution than another. More likely, it suggests that the costs are being shifted to the university or the state’s taxpayers, and not charged to the sponsor.

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IV. Reference

Please consult the Office of Management and Budget Circular A-21, which can be located at http://www.whitehouse.gov/omb/circulars_a021_2004/...

Circular A-21 establishes the principles for determining costs applicable to grants, contracts, and other agreements with educational institutions. The principles are designed to provide that the

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Federal Government bear its fair share of total costs determined in accordance with generally accepted accounting principles except where restricted or prohibited by law.

What Are SJSU's Current F&A Rates?

As with most universities, SJSU has several F&A rates. The following rates are for the main campus (Moss Landing Marine Laboratories has their own set of rates due to their specialized operations) and are in effect until June 30, 2012. As a general rule, a project is determined to be either "on-campus" or "off- campus" based on the location of the majority of project activities (i.e., the location of the preponderance of effort). The current Rate Agreement for San Jose State University can be found at :

<http://www.sjsufoundation.org/html/sjsuf-faculty-resources/attachments/F&A%20Agreement%20to%202012.pdf>

Research On-Campus:	43.4% MTDC (Modified Total Direct Costs)
Research Off-Campus:	26% MTDC
Instruction On-Campus:	54.2% MTDC
Instruction Off-Campus:	26% MTDC
Other Activities On-Campus	43.6% MTDC
Other Activities Off-Campus	26% MTDC

"Other Activities" refers to projects that are neither research nor instruction. Examples can include filmmaking, editing a journal, and conferences.

E. MONTHLY STATUS REPORTS

After the close of each month, the Research Foundation prepares and provides a financial report to principal investigators for their account(s). The report is processed and printed during the first week of the month and reflects transaction details of the previous month. Principal investigators can expect to receive the report via intercampus or electronic mail during the second week of the month. The report has three sections:

- A cumulative summary of the account,
- Transaction details for the month, and
- Outstanding encumbrances.

The cumulative summary of the account provides the budget, current month's expenses, cumulative expenses, outstanding commitments, and available balance.

The transaction detail page provides the transaction dates, references, descriptions, and amounts of all transactions that occurred during the previous month.

The outstanding encumbrance page provides detailed information about encumbered purchase orders.

If a principal investigator finds an error, has a question about any transaction or notices that something is missing, he or she can contact the appropriate individual at the Research

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Foundation, listed below. If the Research Foundation staff is made aware of the needed corrections before the last week of the month, the correction will be made in the current month's report.

- 21-27 accounts – Sponsored Programs Analyst(s)
- 34, 35 & 37 accounts – Ricky Yoneda (408)924-1441 and
– Steve Constantine (408) 924-2170

F. EXPENDING PROJECT BUDGETS

Allowability, Allocability, Reasonableness, Consistency and Availability

All project expenditures must adhere to the principles of allowability, allocability, reasonableness, and availability as prescribed in:

2 CFR Part 215, Section C (formerly OMB Circular A-110)

<http://www.whitehouse.gov/omb/assets/omb/circulars/a110/2cfr215-0.pdf>

2 CFR Part 220 (formerly OMB Circular A-21)

http://www.whitehouse.gov/omb/assets/omb/fedreg/2005/083105_a21.pdf

An **allowable** cost is one that complies with the requirements of the funding agency based on a determination of whether or not costs can be charged to a sponsored project as direct or F&A costs. For example, the federal government will not reimburse a sponsored project for entertainment costs or alcohol, therefore, such costs are unallowable.

A cost is **allocable** to a particular sponsored project, if the goods or services involved are chargeable or assignable in accordance with relative benefits received or other equitable relationship. An allocable cost means the cost has been incurred to support that project and is consistent with the scope of work contained in the proposal and resulting award. An example of an unallocable cost would be the cost of foreign travel on an award meant to cover a local training project for which no foreign travel is necessary.

All costs must be evaluated for **reasonableness**. A cost is reasonable if the nature of the goods or services acquired or applied, and the amount involved therefore, reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made. In addition to considering whether or not the cost is necessary for the performance of the project, the nature and level of costs of the goods or services purchased should be consistent with criteria that establish common business sense.

Consistency. A cost is considered to be treated consistently when the expense is treated as either a direct or F&A cost under like circumstances.

Availability means that funds are available prior to incurrence and expenditure. When uncertainty exists regarding specific expenses, PIs are encouraged to contact their assigned sponsored programs analyst before making any commitment to funding or actual expenditures.

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Purchase requisitions or other instruments of project spending such as effort reports and personnel time certifications must be signed by the individual who has signature authority for a particular project account. This is typically, the PI who is responsible for complying with the financial and administrative policies and procedures of each award. Signature authority may not be assigned to project staff unless a staff member occupies a managerial position within the administration of the project. In that case, a written request from the PI to assign alternative signature authority will be considered by the Research Foundation on a case-by-case basis.

In order for costs to be reimbursed directly to a PI, any request for reimbursement must be signed by a person who would be considered to hold a supervisory capacity to the PI, such as the department chair or dean. This is commonly referred to as a “one-up” signature and is applicable to any kind of reimbursement made directly to the PI (e.g., supplies, travel, personnel, etc.). If department chair or dean signatures are not available then a one-up signature may be obtained through certain designated senior management positions (Associate Director of Post Award up through the COO) within the SJSU Research Foundation.

Reclassification of Charges/Cost Transfer

Cost transfers and journal vouchers are transactions that move expenditures previously recorded from one fund to another or between line items within a fund. Some examples are:

- Correction of clerical or input error,
- Transfer of pre-award costs from department holding accounts,
- Reallocation efforts to reflect actual costs,
- Activity to clear overdrafts from federally-sponsored project to unrestricted funds,
- Routine allocations of shared services.

Documentation: In compliance with the cost allowability and allocability requirements of OMB Circular A-21, it is important to obtain a full explanation and justification that addresses why the cost transfer is necessary. That explanation should address the following questions:

- Why was the expense originally charged to the fund from which it is now being transferred?
- Why should the expense be transferred to the proposed fund?
- If the transfer being requested is more than 90 days after the expense was initially charged, what is the reason for the delay?

Typically, cost transfer requests more than 60-90 days after the end date of the federal funding shall be considered unallowable, particularly when the final invoice or final fiscal report was already submitted to the sponsor. Extenuating circumstances will be reviewed on a case-by-case basis by the Research Foundation and must be clearly and substantially documented.

Approvals: A cost transfer (Journal Voucher) must have the approval signature of the project director (or consent sent by e-mail), the sponsored programs analyst and assistant controller.

Journal Vouchers (JV): The journal voucher submitted to Research Foundation’s Finance and Accounting Office for approval and posting must include the following:

- A written request and justification for the cost transfer from the PI,

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- Back-up documentation, such as expenditure transaction reports showing the original charge to the fund and later transfer to the other.

Budget Revisions

Most sponsor agencies make provisions for reasonable budget revisions that are not subject to prior approval from the sponsor agency. Many budget changes, however, do require prior approval. It is critical that the PI work closely with the sponsored programs analyst to determine budget flexibility before incurring expenses that differ from the proposed and sponsor approved budget. All changes to a sponsor approved budget must be approved by the Research Foundation.

Effort Reporting

Educational institutions conducting research, instruction, and/or other sponsored work under grants, contracts, and other agreements with the Federal government are required to comply with the costing principles described in OMB Circular 2 CFR PART 220. Section J.10 of Circular 2 CFR PART 220 describes the principles, criteria, and examples of how employee compensation for personal services rendered under sponsored agreements should be charged and subsequently documented.

Effort reporting is required to verify, via certification by the individual performing the work, that the effort distribution in the HR/Payroll system is a reasonable reflection of how the individual's effort was actually performed on the federally funded project. The report reflects activity applicable to each sponsored agreement, general operations and other indirect activities including academic units and the total equals to 100%.

Procedural Steps:

A. Time and Effort Certification

- Faculty /university employee certifies Time and Effort Report following each period on the San Jose State University academic calendar as follows: Fall semester, Intersession, Spring semester, Summer intersession.
- Salaries and hourly employees/staff certify their effort each pay period via timesheets prior to receiving payment for the work performed.
- Cost Share labor: Costs share labor should be included in the Time and Effort report.

B. Preparation

The Time and Effort Report includes the percentage of direct pay, reimburse time, university assigned time and cost share if applicable.

The Time and Effort Report is prepared manually by analyzing and compiling data from the following sources:

- Direct pay: Foundation payroll salary report and timesheets are used

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- Reimburse time: GL expense report and reimburse time logs that record and track all faculty release time by semester is used.
- The University faculty salary schedule that lists the percentage of assignment for the faculty is used.
- Costs share report if applicable.

C. Distribution

- At the end of each period of the academic calendar, the OSP Analyst prepares Time and Effort Reports for all individuals who are required to certify time and effort at SJSURF. The following table provides the estimated distribution schedule for each certification period.

Time & Effort Period	Period Ending Date	Distribution Time *	Collection Time **
Fall Semester	End of December	Early – Mid February	End February-March
Intersession	Late January (base on academic calendar)	Mid – End February	Mid – End March
Spring Semester	End of May	Mid - End July	Mid – End August
Summer	Late August (base on academic calendar)	Mid - End Sept	Mid – End October

* Time and Effort Reports should be distributed approximately 45 days following each period

** Time and Effort Reports should be collected within 30-45 days following distribution.

*** Time and Effort Reports should be dated and recorded when receive from the faculty

D. Analyst Responsibilities

- Prepares and distributes all Time and Effort Report Forms to Faculty who worked and received compensate from the Federal funding source.
- Contacts faculty to follow up with Time and Effort Report forms that are not returned in a timely manner.
- Reviews Time and Effort Report forms when received from the faculty for signature accuracy, date, and identify any necessary follow up.
- Files the completed Time and Effort Report form in each account award folder, under Time and Effort section.

D. Employee Responsibilities

- The recipient of an Effort Report is required to certify that the distribution of effort indicated is a reasonable estimate of all work performed during the period covered by the report.

G. PROJECT DELIVERABLES

Progress and Technical Reports

The PI is responsible for the preparation of any progress or technical reports required by the sponsor agency. These reports must be submitted by the sponsor's required deadlines. Failure to submit reports in a timely manner may jeopardize future funding or payment of invoices by the sponsor agency for future SJSU sponsored projects, including the projects of other PIs. A copy of the report may be sent to the Research Foundation for submission to the sponsor. The PI may submit the report directly, but must provide a copy of the report along with the transmittal letter to the Research Foundation to establish an official record of compliance.

Financial Reports

The Research Foundation sponsored programs analysts prepare all interim and final financial reports required by the sponsors. Most sponsors require a final financial report 60-90 days after the project termination date. Therefore, it is critical that PIs submit all final expenditures to the sponsored programs analyst within 30 days of the project end date to ensure that all costs are reimbursed and that financial reports are accurate.

Tasks, Milestones, or Specific Deliverables

Some projects, usually those governed by a contract rather than a grant, require the completion of tasks, milestones or specific deliverables, such as a report or product. The completion of tasks, milestones, and specific deliverables must be evidenced by a report or a copy of the deliverable itself, if appropriate, to the Research Foundation to establish an official record of compliance.

H. PURCHASING AND ACCOUNTS PAYABLE

The Research Foundation maintains standard operating purchasing procedures designed to:

- Provide faculty, staff and students with needed supplies, equipment and services,
- Establish a cost-effective procurement process,
- Offer fair and competitive bidding,
- Provide quality service to Research Foundation users, and
- Support the SJSU educational mission.

Purpose

The purpose of the Research Foundation Purchasing Policy is to provide a process to procure supplies, equipment, and services in a manner that is expeditious and in accordance with the policies of the State Administrative Manual, the Education Code (Title V) and all other applicable federal, state, and independent contract rules and regulations.

Federal grant purchase requests will be administered in accordance with *OMB Circular A-110*, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations." Circular A-110 does not apply to contracts.

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The mission of the Research Foundation Purchasing Unit is to:

- Provide quality service,
- Maintain satisfactory relations with external suppliers,
- Maintain satisfactory relations with SJSU faculty, administrator, and project directors, and
- Comply with the National Association of Educational Procurement (NAEP) Code of Ethics.

Code of Ethics

- Give first consideration to the objectives and policies of San Jose State University and the Research Foundation.
- Obtain the maximum value for each dollar expended.
- Demand honesty in sales representation whether offered through oral or written statements, advertising, or product samples.
- Grant all competitive bidders equal consideration and regard each transaction on its own merit.
- Decline personal gifts or gratuities.
- Accord a prompt and courteous reception to all who call on legitimate business missions.
- Use only by consent, original ideas and designs devised by one vendor for competitive purchasing purposes.
- The purchasing power of the Research Foundation shall not be used for personal acquisitions for faculty, staff or students.

Purchasing Agent

The Research Foundation's function as a purchasing agent is delegated to individual projects. Each PI acts as the project's purchasing agent and shall abide by the Research Foundation's Purchasing Policy and Code of Ethics. Any individual acting as a purchasing agent shall, at all times, ensure integrity in purchasing practices to protect the Research Foundation from possible charges of conflict of interest.

Vendor Selection

Vendor selection should be made from companies that do NOT provide an economic interest to Research Foundation employees or project staff. This policy ensures that integrity is maintained in all purchasing transactions. In addition, all vendors must not appear on the U.S. Government debarment list.

Bidding

It is the policy of the Research Foundation to obtain at least three competitive quotations for the purchase of equipment with a per unit cost of \$5,000.00 (Five Thousand Dollars) or more for federal contracts and grants (Foundation accounts 21-26). Research Foundation self-supported program accounts require at least three competitive bids for equipment having a per unit cost of \$10,000 or more.

Equipment, as defined in the Property Accounting Policies and Procedures Manual, is non-expendable property that meets the following requirements:

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1. The per unit acquisition cost is at least \$5,000.00. Cost includes the purchase price plus all expenses to acquire, install, and prepare equipment for its intended use. For example, four items at \$2,000.00 each, for a total of \$8,000, would not meet the minimum cost requirement unless the four items were components of a piece of equipment and the total combined value of the equipment and components equaled at least \$5,000.00.
2. The item must be used to conduct Research Foundation business.
3. The item's normal useful life is at least two years.

The project or department is responsible for acquiring the required three bids, which are to be submitted for processing with the requisition form.

Sole Source

Required bidding may be circumvented with a justifiable sole source or unique statement, as defined below:

Sole Source - When the item must match existing equipment to maintain standardization or when continuity of service is required.

Unique - When the item or service requested is unique or has unique features that make it the only one that will meet the requirements.

Sole Source equipment shall be justified in writing. The justification must discuss features that are essential for the item's intended use and explain why the item cannot be obtained from other manufacturers that produce like-products. Exterior size will only be used as criteria if there is a limitation on available space. A preference for one vendor product or service does render it a sole source.

Resale

Resale purchases from individuals shall be certified as to their competitive value by the department head and approved by the appropriate dean.

I. PURCHASING PROCEDURES

Requisition

To prepare a requisition, PIs are to follow the directions on the back of the requisition form. The requisition form shall be signed by a designated authorized signer on file.

Requisition forms may be obtained online:

In Word format:

<http://www.sjsufoundation.org/word/requisition.doc>

In Pdf:

<http://www.sjsufoundation.org/pdf/requisition.pdf>

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For equipment purchases of \$5,000.00 or more for use in account types 21-26, or for \$10,000 or more for account types 34, 35 or 37, attach three bids or a sole source justification to the requisition form.

Hazardous and toxic substances, as defined by the U.S. Department of Labor, Occupational Safety and Health Administration (OSHA), are chemicals present in the workplace that are capable of causing harm. Those chemicals include dusts, mixtures, and common materials such as paints, fuels, and solvents. OSHA currently regulates exposure to approximately 400 substances. The OSHA Chemical Sampling Information file contains listings for approximately 1,500 substances. The U.S. Environmental Protection Agency's (EPA) Toxic Substances Control Act, Chemical Substances Inventory lists information on more than 62,000 chemical or chemical substances. It is not possible to address the hazards associated with each of these chemicals. The intent of this page is to provide general information about hazardous and toxic substances, and then to provide access to more specific information sources.

The list can be found at the following web page: <http://www.dir.ca.gov/title8/339.html>

The Research Foundation will provide a copy of requisitions and the purchase orders for the purchase of hazardous substances included in the above-mentioned list to the San Jose State University Environmental Health & Occupation Safety Department

The Purchasing Department at the Research Foundation shall maintain a Material Safety Data Sheets (MSDS) log and copies of all such logs. The Research Foundation will provide a copy of the MSDS to the department that purchased the materials and to the university's Environmental Health & Occupation Safety Department.

Purchase Orders for Radioactive Materials

All requisitions for the purchase of radioactive materials and radiation devices must be approved by the campus radiation safety officer before submitting the purchase order requisition to the Research Foundation. Items purchased will be screened and handled as radioactive material if they contain the following key words, mass numbers or radiation measurement units:

Key Words

isotope	nuclide	radiation	activation
radioisotope	radionuclide	x-ray	active/labeled
tritium	irradiator	irradiated	generator
tritiated			

or have a mass number specified as:

c-14	carbon-14	^{22}Na	^{24}Na
^{14}C	h-3	^3H	thyroxine [I-125]
^{125}I iodine-labelled thyroxine		I-125	P-32

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³² P	sodium-22	Pu-239	S-35
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or contain radiation measurement units, such as:

millicurie	mCi	megabecquerel	Mbq
Millirems	mrem	roentgens	R
Microcurie	uCi	Kilobecquerel	kBq

Requisitions for Purchase Order Procedures

1. The Research Foundation receives a requisition form for a purchase order (P.O.). The requisition is date stamped and forwarded to the Accounts Payable (A/P) Department for processing.
2. If the requisition is from a sponsored programs account, it is forwarded to the Office of Sponsored Programs for approval of the expense and coding. The sponsored programs analyst will then return the requisition to the Research Foundation's accounts payable specialist for issuance of a P.O.
3. If the requisition is from a self-supported program or any non-OSP account, it will be forwarded to the A/P specialist in charge of purchase orders. The A/P specialist will review the requisition for allowability, funding, and valid signature authority.
4. The P.O. is printed and compared to requisition form to ensure the information on the P.O. is correct. The requisition form is then stamped "obligated" and attached to the P.O. This package is submitted to the A/P lead for audit. If there are any discrepancies, all paperwork is returned to the A/P specialist for correction.
5. The P.O. is given to business service manager for final approval and signature.
6. The approved P.O. is then returned to A/P specialist, who mails a copy to the campus department.

ACCOUNTS PAYABLE

The Research Foundation will maintain and implement accounts payable policies and procedures designed to provide accurate and timely disbursement of project funds. All expenditures must conform to the state control procedures set forth in the "Expenditure of Funds Policy for CSU Auxiliary Organizations."

Review of Requests to Disburse Funds

The Research Foundation's Accounts Payable Department is responsible for analyzing all funds disbursements to ensure proper signature, availability of funds, allowability of expenses, and proper documentation. All disallowable or unusual expenditures will be reviewed by the associate director and/or the director of finance and accounting. The chief operating officer may also review the expenditure, if necessary.

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Requisition Procedure

Requests for disbursement of funds must be submitted to the Research Foundation on a requisition form (<http://www.sjsufoundation.org/pdf/requisition.pdf>). The requisition form must be signed by the project's authorized signer. In the event the requisition is for a disbursement of funds to the account authorized signer and payment of funds is from a sponsored program account, the associate director, post award shall have the authority to approve expenses. By signing the requisition form the signer certifies that:

- The expenditure is appropriate to the account,
- The expenditure is in compliance with the university's educational mission and the Research Foundation's policies and procedures,
- The expenditure is within the restrictions imposed by the source of funding, and
- No other source or reimbursement will be claimed.

Instructions on the requisition form guide users in determining whether an expenditure falls within the SJSU educational mission. The bottom portion of the requisition form is completed by the authorized signer if there is any doubt whether the expenditure supports the SJSU mission.

This form shall be used for all types of expenditures except independent contractors, travel advances, travel expense claims or mileage reimbursements. The Research Foundation no longer provides invoice forms. Independent contractors and vendors should submit their own invoices for payment processing. There are sample invoices and check requests at: <http://www.sjsufoundation.org/pdf/discontinuedinvoice.pdf>

Travel and mileage claims require a separate form. Please see the travel policy guidelines.

Sales and Use Tax

Sales tax is imposed on the retailer for the privilege of selling tangible personal property at retail. This tax applies to purchases made in the State of California. Use tax applies to sales made by an out-of-state vendor to a California consumer.

If a vendor does not charge sales tax or charges incorrect sales tax on the invoice, the Research Foundation will adjust the amount on the invoice and pay the sales tax either to the vendor if located in California or to the State Board of Equalization for out-of-state vendors.

The Accounts Payable department will notify the PI of the additional expense by returning a copy of the requisition with the adjusted total. The additional sales tax will appear on the project's monthly *Account Status Report* detail. Questions regarding sales tax should be directed to the Accounts Payable department.

Sales Exempt for Sales and Use Tax

The U.S. Government and U.S. Government agencies are exempt from sales and use tax. Purchases made by federal government projects where the title of such purchases is held by the U.S. Government are exempt from sales tax.

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ACCOUNTS PAYABLE – CHECKS

Research Foundation Accounts Payable checks are generated every Tuesday and Thursday and are ready for release on Wednesday and Friday afternoons, respectively. This schedule may be adjusted due to month or year-end processing and holidays. Completed paperwork must be received five to seven working days prior to the day checks are to be issued.

Distribution

The requisition form gives the user several routing options. Checks that have been designated as "hold for pick up" must have a contact phone number and will be available for pick up from the Research Foundation's front desk. The front desk will contact the department when the check is ready for pick up. If the requisition is not specifically marked with distribution instructions, it will be mailed.

Voided Checks

A check that is incorrectly written or is not needed should be returned to the Research Foundation Accounts Payable department promptly with a note explaining why the check is not needed. The word "void" should be written on the check and the signature cut out for security. The check will be voided and credit given to the project account.

Notify Accounts Payable if the voided check must be reissued. If the check must be reissued for a different amount an authorized signature is required on the notification. If a check to a different vendor is required another requisition with authorized signature and proper documentation must be submitted.

Lost or Stolen Checks

The Research Foundation Accounts Payable department must be notified immediately by telephone when a check is lost or stolen. The A/P specialist will require information, such as check date, amount, and vendor name.

The Research Foundation will place a stop payment with the bank for the lost or stolen check. It takes ten to fifteen working days for the bank to process and verify stop payment requests. A new check will be issued after verification of the stop payment is received.

ACCOUNTS PAYABLE – PAYMENTS

Invoices Related to Purchase Order

The Research Foundation issues a purchase order in accordance with the Research Foundation Purchasing Policy. The A/P department receives two copies of the P.O. The goldenrod copy is retained by the department. The pink copy is signed and returned to the Research Foundation, certifying that the goods or services were satisfactorily received or rendered and serves as approval for payment. The purchase order instructs the vendor to submit invoices directly to the Research Foundation.

Vendors should send all invoices to:

San Jose State University Research Foundation
Attn: Accounts Payable

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P.O. Box 720130
San Jose, CA 95172-0130

Upon receipt, the invoices are matched with the pink copy of the P.O. and the original requisition. This document set is the support for payment of invoices against a Research Foundation P.O. If the P.O. pink copy is not returned by the department authorizing payment of invoices, accounts payable will call the project director and request approval.

A purchase order should be used for all equipment and restricted purchases such as chemicals and laboratory animals. The Research Foundation assumes financial obligation on behalf of the project for allowable purchases processed through the purchasing system. Invoices for non-allowable purchases will be denied payment.

V. TRAVEL

IMPORTANT: Academic Division employees must follow the pre-approval guidelines for travel as issued by the Provost's Office. Please see the following link.

<http://www.sjsu.edu/provost/forms/#travel>

It is the policy of the Research Foundation Board of Directors to reimburse employees and non-employees for necessary and reasonable travel expenses incurred for properly authorized, official Research Foundation business in accordance with Research Foundation procedures. Employees traveling on official business should exercise the same care in incurring expenses as they would on personal travel. Travelers are responsible for complying with Research Foundation travel policy. This policy applies to all travel expenses paid by the Research Foundation regardless of the source of funds. Where travel costs are to be charged to a sponsored project, the terms of the applicable contract or grant will take precedence if at variance with Research Foundation policy. At their discretion, schools, departments, and institutes may impose stricter guidelines for budgetary or control reasons by lowering reimbursements cited in this policy, but may not exceed guidelines. Reimbursement for unsubstantiated travel expenses will be reported as additional individual income in accordance with Internal Revenue Service (IRS) regulations.

The Research Foundation shall reimburse a traveler for supportable expense by one of three methods:

1. Federal per diem,
2. Actual lodging expense plus federal per diem for food and incidentals or
3. Actual expense with receipts.

A traveler may choose one of the three methods and the selected method of reimbursement must be used for the entire trip. A consultant may be reimbursed only through actual expense with receipts.

Travel Request Procedures

Travel Authorization and Requisition of Funds Form

The Research Foundation Travel Authorization form serves as a requisition for a travel advance and as the expense claim form used to reconcile the advance. This form is also used to request

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additional reimbursements over the advance amount or to refund unused funds to the Research Foundation.

Travel Authorization and Requisition of Funds form is a three-part form and the purposes and procedures attendant to each is described below:

- Pink copy Submit to Accounts Payable department
 Travel Authorization
 Request Travel Advance
- White Original Submit to Accounts Payable department with original receipts
 To reconcile travel advance
 Request additional reimbursement over advance amount
 To request reimbursement for travel - no advance
- Yellow Copy Traveler copy

A Travel Authorization and Requisition of Funds form (hereinafter “requisition form”) must be submitted for any trip that requires the absence of a university or Research Foundation employee from the campus or normal work site for four hours or more. That form can be located at:

http://www.sjsufoundation.org/word/travel_authorization.doc

A travel request for academic personnel must be on file with the appropriate supervisor signatures (department chair or college dean and traveler) prior to issuance of any travel advance or reimbursement from a Research Foundation account. Research Foundation employees who are not academic personnel need only obtain the PI’s signature on the travel authorization. In the PI’s absence, the department chair may sign authorization.

Blanket Travel Request

A Blanket Travel Approval is a request covering several short term trips that involve reimbursement for mileage and allowable per diem (e.g., for trips of more than four hours but less than one day). One of these forms should be completed for each person who claims mileage reimbursements on a Research Foundation account. All longer trips involving reimbursement (e.g., air travel, hotel, per diem) must have a separate request for each trip. Please Note: travelers seeking mileage reimbursement must have on file at the Research Foundation the required "Foundation Certification for Use of Private Autos" form prior to reimbursement. Please request and complete that form when seeking a blanket travel approval for mileage.

Travel Advance

Request For A Cash Travel Advance

A cash advance is requested from the Research Foundation on a Travel Authorization and Request of Funds form and must be submitted fully signed to the Research Foundation Accounts Payable department. Please Note: a travel advance can be denied to anyone with an outstanding delinquent travel balance. Each individual receiving a travel advance will be provided with a copy of the "Summary of Foundation Travel Policy." All travel arrangements and reservations are to be made by the traveler.

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Prepaid Expenses

When it is necessary to prepay travel agencies, hotel deposits, conference/registration fees or other expenses, travelers should request checks on a Research Foundation Requisition form [<http://www.sjsufoundation.org/word/requisition.doc>] payable to the vendor. The traveler may also receive an advance to cover the estimated amount of the travel. In either case, all receipts must be submitted to reconcile advance payment.

Estimated Amount of Advance

Travel advances may only be requested for expenses incurred on behalf of the Research Foundation or when representing the Research Foundation at a function for which the claimant will not be reimbursed by another agency. The amount advanced should not exceed the estimated cash needs. A good guideline is the per diem rate times the number of travel days.

Unused Funds

Travelers are personally responsible for Research Foundation funds advanced to them until they submit an approved expense report for funds used, and must return any unused funds. When an authorized trip is canceled or postponed for more than two weeks, the advance should be refunded to the Research Foundation, immediately.

Travel Reconciliation

Travel reconciliation and requests for additional reimbursement should be submitted with the white copy of the Travel Authorization and Requisition of Funds form and accompanied by relevant receipts. The specifics of the Research Foundation travel policy follow:

Lodging/Subsistence Expenses

The Research Foundation shall reimburse a traveler for supportable expenses according to one of three methods:

1. Travel per diem by location. The traveler should log onto the following web sites for the most current rates. For domestic United States travel, including Alaska and Hawaii: <http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/travel.htm>; for foreign and international travel: <http://www.state.gov/m/a/als/prdm/>.
2. Actual lodging expense plus per diem subsistence.
3. Actual expenses with receipts. Original receipts for all expenses must be submitted to claim reimbursement using this method.

The traveler may choose only one of the above methods and that method must be used to reconcile the entire trip.

Consultants may use only the actual expenses with receipt rate unless they have negotiated a different method with the Research Foundation prior to travel.

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The Research Foundation will reimburse federal per diem for foreign travel and a single standard per diem rate for domestic. Please see the explanation of methods, below.

Computation of Allowances

In computing the allowances for continuous travel of more than 24 hours, one full per diem allowance will be paid for each 24 hour period beginning with the traveler's time of departure. For travel extending beyond a 24 hour period, additional meal(s) may be claimed if the travel ends after the scheduled meal time. The following guidelines apply for reimbursable meal expenses: For travel ending after 9:00 a.m., breakfast may be claimed; after 2:00 p.m., lunch may be claimed; after 6:00 p.m., dinner may be claimed. Incidental expenses are included when the traveler is entitled to two or more meals.

In-State Travel Under 24 Hours

Employees on travel status for less than 24 hours and who are more than 24 miles from headquarters may claim subsistence expenses incurred before or after the regularly scheduled work day. Lunches on one-day trips are, therefore, not reimbursable. The employee may claim breakfast and/or dinner expenses and must depart one hour prior to or return one hour after their regularly scheduled work day.

Personal Expenses

Expenses not directly related to and required for official Research Foundation travel and incurred for personal use or the convenience of the traveler (e.g., personal phone calls, entertainment, magazines), will not be reimbursed.

Transportation Expense

Policy

To be fully reimbursed by the Research Foundation the traveler must use the most economical mode of transportation available consistent with the authorized purpose of the trip. Reimbursement will be made at the rate charged for the most direct or frequently traveled route. Airfare will only be reimbursed at coach rates or less. When mileage reimbursement between two points of travel is claimed and airfare would be cheaper (e.g., San Jose to Los Angeles) the traveler will be reimbursed the amount of airfare, only.

Payment of Fare

The traveler's expense claim must be accompanied by the flight coupon when airfare is being claimed. If a credit card was used for payment, the receipt must also be submitted. If no flight coupon was issued, as may be the case with chartered or private aircraft, a formal receipt must be submitted.

Commercial Automobile Rental

Reimbursement will be made for car rental when a voucher substantiating the necessity for business travel is included with the claim form. The Research Foundation does not carry collision or primary liability insurance on private or rental automobiles. It is recommended,

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therefore, that the insurance offered by the rental company be purchased. Rental car collision insurance is a reimbursable expense.

Private Vehicles

Reimbursement for use of a private automobile use will be allowed for the owner of the vehicle only, so long as the travel was necessary for business purposes. The Research Foundation office must have a completed "Foundation Certification for Use of Private Autos" on file prior to reimbursement as proof that the claimant is in possession of the collision/liability insurance required by law. Mileage may be claimed at .50 cents per mile if the above requirements are met.

Travel Expense Report

Expense Claim

No Travel Expenses Shall be Reimbursed Unless Submitted on a Travel Authorization and Requisition of Funds form. All expenses incurred must be properly itemized on the expense claim form and be accompanied by appropriate receipts and vouchers. Forms must be signed by both the traveler and by the project director who must approve the expenditures against the Research Foundation account. Properly completed and approved requisition forms must be sent to the Research Foundation within 15 working days after the completion of each trip.

Purpose - The requisition form must include a statement of the trip's purpose if one has not already been stated on travel approval form. The purpose should show the direct relationship of the travel to an official Research Foundation function, including the performance of a contract or grant for which the Research Foundation has responsibility.

Dates - All days from the date (day and hour) of departure to the date (day and hour) of return must be set forth on the requisition form. Days for personal use must also be referenced as such.

Expenses - Costs of transportation, meals, lodging, and miscellaneous expenses must be listed by date and location. Expenses that are prepaid or invoiced should be shown. Unpaid invoices must be noted under "Remarks" so that they are not overlooked

Balance Due - Advanced funds not used for travel expenses must be returned together with the expense report within 15 working days after trip completion. A balance due to the claimant will be paid as soon as the requisition form is processed, which typically takes seven to ten working days after submission of a properly completed requisition form.

Signatures - The requisition form should be signed by the person who incurred expenses and must be approved and signed by the authorized signer on the Research Foundation account from which the claim is to be reimbursed or reconciled. When the traveler is the authorized signer, the travel must be approved by that individual's direct supervisor.

PLEASE NOTE: The PI's signature on the requisition form approves expenses over those originally estimated for the travel advance or the travel approval form. If expenses over the originally estimated amount are not approved by the PI, they must be noted on the signed requisition form. Claimants must sign their own names; they cannot have others sign for them. The requisition form will be processed with the authorized approval signature, alone, if the

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signature of the traveler cannot be obtained and if the reason for not obtaining the traveler's signature is given on the requisition form.

Improperly Completed Forms - If the check request or requisition form is not completed properly, it will be returned to the originator, thereby delaying reimbursement and reconciliation.

Explanation of Travel Expenses and Arrangements

Written explanations (vouchers) for the following must be submitted with the requisition form:

1. The traveler must report whether the expenses for any part of the trip were or will be reimbursed by any source other than the Research Foundation and include pertinent details. The source name, address, and amount must be included on the requisition form.
2. Expenses that are not expressly allowed must be fully explained in writing on either the requisition form or an attached note to support a claim for reimbursement (e.g., car rental expense).
3. If the cost of first-class air transportation, travel by private automobile or travel by a spouse is claimed an explanation on the requisition form is required. Approval of full reimbursement is contingent upon meeting the guidelines and limitations established for those expenses.
4. If reported expenses include entertainment, meals, lodging or transportation provided for others, an explanation must be submitted and reference any other expense reports, where applicable.
5. An explanation should be given for any telephone and telegraph charges. Business calls must be noted as such or they will not be reimbursed.

Original Receipts

Dated original receipts or invoices for expenses must be submitted with a properly completed requisition form. Receipts should be attached chronologically and numbered consecutively as referenced on the form. Lodging and car rental expenses should be substantiated by an appropriate itemized receipt. Copies of credit card payments are not considered itemized receipts. When expenses are being shared with external organizations, the traveler should submit either: (1) a copy of the receipts and a copy of the expense report used to reconcile travel with the other organization or (2) a common expense report showing all expenses being charged to the Research Foundation and the other organization.

Transportation tickets. Copies of air, rail, boat, helicopter, and non-local bus tickets must accompany the requisition form. Reimbursement will not be made without appropriate receipts.

Car Rentals. Car rental agreements or invoices must be submitted with the travel expense report. The traveler should correct the invoice if personal use of the vehicle is involved.

Meal/Lodging Bills. Originals bills and invoices must be submitted unless a per diem allowance is being claimed for the duration of the trip.

Expenses. Any expense item of \$25.00 or more, must be substantiated.

Record Requirements

Travelers who keep accurate daily records, obtain the required receipts, and submit approved requisition forms to the Research Foundation are relieved of the IRS requirements to report and substantiate expense information on their own personal income tax returns.

Travel Expense as Income

Reimbursement for unsubstantiated travel expenses will be reported as additional income to the individual in accordance with Internal Revenue Service (IRS) requirements.

VI. HUMAN RESOURCES

Please contact Cheree Aguilar-Suarez, 408-924-1505 or email Cheree.Aguilar.sjsu.edu

VII. ACADEMIC SENATE AND SJSU POLICIES RELATED TO RESEARCH

Many university policies affect the development of proposals and the administration of funded awards. It is important that faculty members pursuing extramural support be fully aware of these policies that have been developed to protect their interests and those of the university.

Questions related to a specific policy may be addressed to the deputy chief operating officer and director of sponsored programs, associate director of pre-awards or the assigned sponsored programs manager.

This page summarizes selected university policies. Visit the Academic Senate website (<http://www.sjsu.edu/senate/>) for the full text of all university policies.

- Policy on Research, Scholarship and Creative Activity ([S94-8](#))
- Academic Freedom and Professional Responsibility ([S99-8](#))
- Scientific Misconduct ([S99-10](#))
- Conflict of Interest ([S99-11](#))
- Intellectual/Creative Property ([F98-3](#))
- Organized Research and Training Units ([S96-1](#))
- Human Subjects ([S08-7](#))
- Animal Subjects ([F06-4](#))

- Classified Research and Academic Freedom ([F69-12](#))
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Policy on Research, Scholarship and Creative Activity (S94-8)

San Jose State University encourages faculty involvement in research and training projects, scholarship, and other creative activities. Policy S94-8 covers the following topics.

- Sources of research funds at SJSU,
- Overview of sponsored research,
- Role of the Research Foundation,
- Faculty eligibility to serve as principal investigator,
- Classified and proprietary research, and
- Release time and overload.

See attached full text of [S94-8](#)

Academic Freedom and Professional Responsibility (S99-8)

San Jose State University has a responsibility to society to defend and to maintain academic and intellectual freedom. To ensure that those engaged in academic pursuits can effectively execute their responsibilities, SJSU faculty must remain free of the forces of special interests and political interference if they are to fulfill society's expectations and their educational responsibilities. Through their responsible professional conduct, the faculty promote and protect academic freedom.

See attached full text of [S99-8](#)

Scientific Misconduct (S99-10)

As stated in S99-8 all members of the San José State University community are expected to perform their scholarly and scientific activities with the highest ethical standards, honesty, and integrity. Instances of misconduct in science, while rare in occurrence, threaten the academic commitment to truth. San José State University will not tolerate misconduct in any aspect of research or scholarly endeavor and will vigorously investigate allegations of misconduct, taking all reasonable steps to protect the rights and interests of individuals whose work or performance is questioned.

See attached full text of [S99-10](#)

Conflict of Interest Policy (S99-11)

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An increased risk in conflict of interest may occur when faculty are funded by industry or by a sponsor which supports an industry related project. The conflict of interest policy regulates potential risk in order to protect funded research from bias.

Investigators must disclose significant financial interests at the time of proposal submission and update this information annually or as new interests are obtained during the life of the award.

The associate vice president for graduate studies and research (AVP) will review disclosures, assess their potential for conflicts of interest, and develop resolution strategies with the investigator to manage, reduce or eliminate such conflicts.

Conflict of interest [form](#).

See attached full text of [S99-11](#)

Intellectual/Creative Property (F98-3)

Patent Policy

Research and other sponsored projects may result in the development of inventions by faculty, students, or staff. These inventions are often developed using university resources and facilities. SJSU's patent policy stipulates that all such inventions belong to the university.

When a discovery is made which may be patentable, a disclosure describing the invention is prepared and forwarded to the AVP for Graduate Studies and Research or the Research Foundation. The university reviews the disclosure to determine its patentability and marketability. If the university accepts the invention, an agreement concerning rights will be reached between the university and the inventor. If determined that the invention is not likely to lead to a marketable product, it is returned to the inventor who then has full ownership of the invention.

SJSU's patent policy details the procedures of filing a disclosure, pursuing a patent, ownership of a patent, and division of any proceeds.

Copyright Policy

Copyright is the ownership and control of intellectual property in original works of authorship. SJSU's copyright policy provides that all rights in copyright shall remain with the creator unless the material is prepared pursuant to a specific university or CSU assignment, or an externally funded project. Terms of ownership must be negotiated in advance of full execution of any agreement.

The copyright policy outlines the type of work subject to copyright laws as well as how this policy administers these works.

See attached full text of [F98-3](#)

Organized Research and Training Units (S96-1)

Separate research and training units may be organized within the University when there is a clear indication that they will aid the research, teaching, and public service of participating faculty and will continue on a reasonably permanent basis.

The creation of such units must be proposed to AVP for Graduate Studies and Research, via the appropriate college dean. Final recommendation and approval is provided by the Research Committee of the Academic Senate and President. The policy for Organized Research and Training Units outlines proposal procedures and rules of administration.

See attached full text of [S96-1](#)

Human Subjects (S08-7)

Administrative responsibility for the protection of human subjects at SJSU rests with the AVP for Graduate Studies and Research and the Institutional Review Board Human Subjects. This committee reviews proposed research involving human subjects in order to ensure full protection of their rights. Human subject involvement is constituted by physical participation in an activity, tissue donation, or other provision of information directly, indirectly or through a third party.

Protocols should be received by the AVP for Graduate Studies and Research at least 30 days before the funding agency's deadline for submission. If a sponsor funds the project before approval is obtained, work may not commence until approval is received.

See attached full text of [S08-7](#)

Animal Subjects (F06-4)

The university complies with all federal, state, university, and other regulatory requirements related to the acquisition, care, use, and treatment of animals in the performance of instruction and research. The campus veterinarian, in association with the Institutional Animal Care and Use Committee (IACUC) and the dean of the college of science (or other person as designated by the university president), is responsible for oversight and review of all issues related to animal care, facilities and procedures.

The faculty researcher must submit the animal protocol for review to the Manager of the Animal Care Facility, College of Science, who will have it reviewed and approved by members of IACUC. If a sponsor funds the project before approval is obtained work may not commence until approval is received.

See attached full text of [F06-4](#)

Classified/Proprietary Research and Publishing Research Findings (F69-12)

The university cannot accept any grant or contract that involves classified research, as stated by Academic Senate Policy F69-12. The university will accept no external support for research that restrains the freedom of the university or the project director from disclosing the existence of a grant or contract, the nature of the inquiry or identify of the sponsor.

Results of all research approved by the university must be freely publishable. In special circumstances the AVP for Graduate Studies and Research may negotiate in advance to delay publication and/or presentation for a modest period-not to exceed 180 days.

University personnel may sign confidentiality agreements allowing access to privileged material critical to a sponsored research project. They must be free however to report on the general results of the research project within a reasonable time period. See attached full text of [F69-12](#)