

# Ferris State University

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## BUSINESS POLICY

TO: All Members of the University Community

2012:05

DATE: October 2011

### **Grant Policy and Procedures**

(Supersedes some of 2000:17)

#### **I. Purpose**

This policy applies to grant activities at Ferris State University. Grants are best defined by their detailed and structured application process, and in most cases are competitive awards. Grants have detailed regulations and are supported by state, federal or private foundation funds with the possibility of a match required. Grants are typically regulated by a specific timeframe for submission, approval and completion.

The following distinction is made between a contract and grant. Contracts involve private and public sources of funding by business, industry or governmental units seeking services and do not typically require an application process. The customer and provider, without outside regulations, define the activities controlled by a contract.

The Board of Trustees Contracting Policy and Purchasing Policy describe the process to enter into contracts and should be consulted for additional information.

#### **II. Procedures to apply for a grant (pre-award)**

- a. Individuals or groups considering grant opportunities will work in cooperation with their respective Dean or Unit Manager\*(see description below) to decide whether to pursue the grant. The Dean or Unit Manager\* will have final authority to determine whether to pursue the grant.
- b. The individual or group will complete and send a notice of intent to apply form to the V.P. for Administration and Finance and the Grants Office in Academic Affairs.
- c. The Grants Office will forward private foundation notice of intent forms to University Advancement & Marketing.
- d. A grant proposal and a grant approval form will be routed to the Dean or Unit Manager for approval.
- e. The approval form, the grant proposal and the agency guidelines will be sent to the Provost, the respective V.P (including KCAD/CPTS locations), and the V.P. of Administration & Finance for approval.
- f. Grants must be approved prior to submitting to the agency or corporation. Federal grants require a review by Governmental Relations and General Counsel to determine whether federal lobbying activities have occurred on the grant.

#### **III. Policies and procedures to accept a grant award (post award)**

- a. A formal approval process is required to accept a grant award. The principal investigator in cooperation with their Dean or Unit Manager\* will have the overall responsibility of managing the activities of the grant according to the terms and conditions of the grant proposal, award letter and University policies and procedures.

- b. The Dean or respective Unit Manager\* must approve the acceptance of the grant. A grant award approval form will be used to initiate the approval process.
- c. The approval form once signed must be sent, with a copy of the award notice in the following manner:
  - If the grant award is \$250,000 and above, the grant proposal, agency guidelines, award notice and approval form, must be sent to Governmental Relations and General Counsel Office for legal review. Any grant proposal could be sent for general counsel review as deemed appropriate.
  - All grants must be approved by the Provost or respective V.P (including KCAD/CPTS locations) and the V.P. for Administration & Finance, by submitting the approval form and award notice.
  - Grant awards of \$500,000 and above require Board of Trustee approval prior to official acceptance by the University. Grants requiring formal approval will be sent to the respective V.P.'s Office for approval by the Board.
  - Grant awards requiring a match of over \$150,000 require Board of Trustee approval prior to official acceptance by the University. Grants requiring formal approval will be sent to the respective V.P.'s Office for approval by the Board.
- d. All grant contractual agreements will be approved by the V.P. for Administration & Finance.
- e. Human Resource Department will be notified through the hiring process of any federal grant funded positions.

**IV. Allocation of Indirect Costs**

- a. Grants eligible for the recovery of indirect costs will have a portion allocated to the grant writer (Principal Investigator) and respective department and dean's office. The following guidelines will apply in the allocation of indirect costs:

Principal Investigator – through Department Account	30%
Department	15%
College-(Respective V.P Office)	10%
Academic Affairs (Grant Support)	30%
Grant Accounting – (Post Award)	<u>15%</u>
Totals	100%

- b. The use of indirect funds must comply with Federal and State regulations. The portion of indirect paid to the principal investigator; department or college is not paid to an individual, but used to provide income for program development, educational opportunities for professional development, departmental equipment or in the performance of the grant activities. To the extent that grants call for administrative charges in lieu of indirect costs, such charges will be considered indirect for allocation purposes.

\*Unit Manager – Associate Vice President or administrative level below Vice President, or designated individual assigned by the Vice President for this purpose.

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Contact: Investments and Grants Officer