



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

TAB C

July 15, 2021

Revision of Policy R532, *Acceptance and Approval of Contracts and Grants*

As part of the ongoing process to review and update Board policies, the Commissioner's Office recommends amendments to Policy R532, *Acceptance and Approval of Contracts and Grants*, including:

- Updating references, definitions, and policy to reflect changes in statute and to improve readability
- Increasing the delegation limits for USHE institutions to report contracts and grant approvals to the Board of Higher Education:
 - From \$1,000,000 to \$2,000,000 for the doctoral/research universities
 - From \$500,000 to \$1,000,000 for regional universities
 - From \$200,000 to \$500,000 for comprehensive community colleges
- Establishing a delegation limit for USHE technical colleges of \$500,000
- Eliminating a monthly report of contracts and grants

A redline and clean version of the amended policy are included in the attachments.

Commissioner's Recommendation

The Commissioner recommends the Board adopt changes to Policy R532, *Acceptance and Approval of Contracts and Grants*, effective immediately.

Attachments



R532, Approval and Reporting of Contracts and Grants

R532-1 Purpose: To provide for the acceptance of research and training grants by System institutions.

R532-2 References

2.1 [Utah Code 53B-7-103](#) (Federal Contracts and Aid – Individual Research Grants)

2.2 [Board Policy R535, Reimbursed Overhead](#)

R532-3 Definitions

3.1, Reimbursed Overhead Revenue: recovery from contracts or grants designated to reimburse the institution for associated overhead expenses.

R532-4 Approval of Contracts and Grants.

4.1 Contracts and Grants Reimbursed Overhead: Contracts or grants that bear no reimbursed overhead revenue or are approved for less than the finalized reimbursed overhead rate shall be justified in writing on the basis of educational value and approved by a responsible officer of the institution or a committee designated by the president for such purpose. Acceptance of research contracts, training grants, or contracts for other sponsored programs shall be in conformity with this policy.

4.2 Criteria for Educational Value: Criteria are to be established and outlined by each institution for determining educational value of the proposed research or training grant. Some suggested areas of such criteria are: (1) How many students will be involved? (2) Are the students to be involved working toward a degree? (3) Is the contract funding a post-doctoral program? (4) How much faculty and other personnel released time will be required to accomplish the proposed project? (5) What would the formula be for such released time and compensation? (6) Of what educational value is the contract project to the institution as contrasted with the principal investigator? (7) Will existing assigned space be utilized? (8) Will new personnel be added producing pressures for more space? (9) Will the grant cover costs of all equipment and services required, including computer services, without obligating other institutional funds?

4.3 Training Grants: Training grants for less than fully funded costs shall be justified for educational value. Student credit hours produced on fully funded training grant programs will be reported separately from the student credit hours produced by state funds.

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- Commented [RPA2]: These don't seem like definitions – just requirements that are already listed in the sections below. I think we should delete them.
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- 2.2 Utah Code 63-40-4 (Federal Assistance Management Program – Report to Legislature)¶
- Deleted: Institution Annual Report: Includes summary totals by college or unit for the number and dollar amounts of all funded projects for the fiscal year July 1 through June 30
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- Deleted: 3.2 Institution Monthly Report: Lists all proposals submitted by the institution during the month and also includes awards received during the month.¶
- 3.3 Consent Calendar Report: Submits for consent calendar consideration as part of the meetings of the Board of Higher Education all proposals which exceed the relevant trigger amount established in paragraph 5.6.¶
- R532-4 Approval of Institutional Training Grant Proposals¶
- 4.1 Factual Background: Utah Code 63-40-4 provides that all training grant applications for federal assistance must be approved by the Governor prior to submission to the outside agencies, which approval by the Governor is to be based on any requirements for matching state funds. The volume of proposals is extremely high and individual ... [1]
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4.4 Board of Higher Education Standards for Waiver of Full Recovery: Nothing in the institution's criteria for waiver of full recovery shall supersede the Board of Higher Education policy R535, *Reimbursed Overhead*, or institutional responsibilities under state law.

4.5 Delegation of Authority: The Board delegates to the presidents, with the approval of their respective Board of Trustees, power to enter into contracts for maintenance, research grants, and continuing programs of the institution involving amounts less than \$2,000,000 for the doctoral/research universities; less than \$1,000,000 for regional universities; and less than \$500,000 for comprehensive community and technical colleges based on the total funded amount of the award.

4.6. Board Approval: For proposals exceeding the amounts specified in section 3.6, the institution will provide a description of the project to the Board in a regular consent calendar report and request approval at that time. In those cases where applications or proposals cannot be approved by the Board before submittal for reasons which are deemed justifiable by the president, the president may sign them and authorize their submittal. The institution will then report the action at the next Board meeting with a description of the project and a request for approval on that meeting's consent calendar. It is understood that a proposal can be withdrawn at any time before an award is made if the Board should not approve the project retroactively.

R532-5 Reporting

5.1 Annual Reports: Each institution shall submit an annual report to the Board by September 30 summarizing the number and dollar amounts of awards received during the previous fiscal year beginning July 1 and ending June 30. The report shall include summary totals by college or unit of all awards received.

5.2 Criteria for Reporting: The following criteria are to be used in determining reportability. Only the amount of the annual award should be reported, not the amount of the entire award.

5.2.1 Type of Award: Contracts, grants, and cooperative agreements are reportable. Financial aid, appropriated funds, and gifts are not to be reported.

5.2.2 Agency/Source of Award: Awards made by federal, state, and local municipal governments; and by private partnerships, individuals, foundations, trusts, and corporations are all reportable.

If both 5.10.1, Type of Award, and 5.10.2, Agency/Source of Award, are reportable, a report must be submitted. If either or both is not reportable, the item should not be included in the report.

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5.2.3. Function and Purpose: If there is a question as to whether the award must be included in a report, the function and purpose are to be considered. If this criterion is affirmative, the award shall be included in the report. Awards for research, training and public service (extension, clinical testing, clinics, or other projects for the benefit of the public) are reportable. Charitable activities, business sales, auxiliary enterprise activities, and scholarships/student financial aid need not be reported.

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5.2.4. Development: Development activities are not reported to the Board of Higher Education.

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5.2.5. Subcontracts: Subcontracts, subawards, and sub-agreements made between USHE institutions are not reported to the Board.

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Approved June 30, 1969; amended October 27, 1970, October 19, 1971, September 15, 1995, October 31, 2003, and July 16, 2021.

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