

Office of Sponsored Programs**Procedure 30003 Virginia Tech Foundation Funds Handling**Revision Date: 09/30/2015

TABLE OF CONTENTS

1.	INTRODUCTION	1
2.	SCOPE	1
3.	PROCEDURE STATEMENT	1
4.	REASON FOR THE PROCEDURE	2
5.	DEFINITIONS	2
6.	FACULTY MEMBER OR CAMPUS ORGANIZATION REQUESTS A SPONSORED FUND.....	2
7.	SPONSORED FUND IS ESTABLISHED AT REQUEST OF VTF	3
8.	REFERENCES.....	3
9.	CONTACTS	4
10.	ROLES AND RESPONSIBILITIES	4
11.	DISSEMINATION	4
12.	APPROVAL AND REVISIONS	5

1. Introduction**Responsible Officials:** Senior Director of Post Award**Effective Date:** May 28, 2003**Revision Date:** September 30, 2015

IMPORTANT: For federal awards/subawards issued to Virginia Tech with a start date prior to December 26, 2014, 2 CFR Part 215 (OMB Circular A-110) and 2 CFR, Part 220 (OMB Circular A-21) apply. For all new funds (new awards and new monies, such as continuation awards, supplements, etc. received for existing awards) with a start date on or after December 26, 2014, these new funds are subject to 2 CFR Part 200 (commonly referred to as Uniform Guidance—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) but hereinafter referred to as “2 CFR Part 200”).

Due to the change in federal regulations the language in this procedure specific to the new regulations, 2 CFR Part 200, is highlighted in red font below.

2. Scope

This procedure outlines the requirements necessary to establish and maintain sponsored awards funded through the Virginia Tech Foundation (VTF). The procedure applies to all university departments and offices that are involved in the administration or use of sponsored award funds that receive crossover funds from VTF into Virginia Tech.

3. Procedure Statement

The Office of Sponsored Programs (OSP) functions as the steward of Virginia Tech’s research portfolio and is responsible for ensuring that all research proposals and projects comply with university, federal, and sponsor regulations, policies, and procedures. From time-to-time it is desirable that funds received by VTF be expended through a university sponsored program.

4. Reason for the Procedure

The purpose of this procedure is to inform the community of the requirements associated with receipt of VTF funds. A sponsored fund number may be established at the request of a faculty member or campus organization having money on deposit with VTF. At other times a sponsored fund may be established to meet the needs of the university or VTF.

5. Definitions

Account Holder—The individual controlling an account within VTF. Similar to a Principal Investigator as referred to in OSP or Fund Manager in the Banner Finance System.

Attachment A—The form provides the necessary information to VTF to transfer monies to the university as an OSP award. This information must be included on the Attachment A:

- Foundation fund number and fund title that is being used to support the sponsored award.
- Indicate if a new sponsored program fund number is needed or if an amendment is being made to an existing Sponsored Programs VTF fund number.
- Name of faculty member conducting the research (principal investigator) and brief description of research/program to be conducted.
- Funding amounts and duration of program with complete budget details.
- Authorized signatures as indicated on the form.

Sponsored Programs will assign a proposal number for new funds. If the Attachment A is an amendment, the proposal number must be indicated in the designated area on the form.

Questions regarding the form can be addressed to the Foundation Accounting Office at 540.231.2858 or the Office of Sponsored Programs. [Downloadable version of Attachment A.](#)

6. Faculty Member or Campus Organization Requests a Sponsored Fund

- A. When a sponsored fund number is established for a faculty member (account holder) or campus organization:
- 1) The requesting individual (faculty member or account holder) or organization will prepare an [Attachment A](#) to transfer funds to the university. This transfer form must be approved by the appropriate departmental authority and forwarded to VTF.
 - 2) VTF will forward a copy of the approved Attachment A transfer form to OSP. Along with the approved form, VTF will forward full payment of the award. Partial payments may be requested by VTF if the amount of the approved award exceeds \$10,000 and the period of performance exceeds twelve months. If VTF account holder elects to utilize this partial funding method, the account holder must periodically request additional transfers to the sponsored fund, up to the amount of the Attachment A, in order to maintain the OSP fund with a positive balance.
 - 3) Whether single or multiple payments are involved, it will be the VTF account holder's responsibility to monitor the sponsored program fund and:
 - i. Process an Attachment A in the event additional funds need to be transferred

- ii. Provide the OSP Post Award Associate with written notice, including a copy to VTF, whenever the account holder desires to extend the period of performance of a sponsored project award without providing supplemental funding.

Supplemental funds and time extensions provided in accordance with this paragraph will be added to the already existing sponsored award. However, if the award has been closed, due to either a negative or zero funding balance, or an expiration of the period of performance, a new project fund number will normally be assigned in accordance with the instructions of this procedure.

- 4) Occasionally it may be necessary to bill VTF for cost incurred on a VTF sponsored award. The funds will be billed periodically, but no more frequently than monthly.
- 5) The OSP Post Award Associate will review a listing of these VTF funded awards at the first of each month. Any award that has exceeded either the monetary limit or time period is subject to termination. The Post Award Associate will then contact the responsible party to resolve the negative funding balance or time period limit.

7. Sponsored Fund is Established at Request of VTF

Typically the fund set up as an unrestricted fund or a restricted fund such as Pratt, or Horton. The following steps are associated with establishing a fund requested or initiated by VTF:

- A. An [Attachment A](#) and a budget for the award will be initiated and signed on behalf VTF by an appropriate officer or official of VTF.
- B. The Attachment A and budget will be forwarded to OSP. The Post Award Associate will advise VTF of the Banner fund number assigned to the award.
- C. All funds established at the request of VTF will be billed on a periodic cost reimbursement basis with the exception of the funds that are automatically paid. VTF will accept an invoice covering all such projects. Payment will be by bank draft from VTF to the university.
- D. If VTF wishes to extend a sponsored award including either time or funds, VTF shall prepare an amending Attachment A. This action should be taken prior to the time the authorized amount or time period of the existing fund is exceeded. Funds and time extensions provided in accordance with this paragraph will be added to the already existing sponsored award unless VTF directs otherwise.
- E. When the Post Award Associate prepares and submits required invoices for these programs, the invoices will be handled and accounted for as any other accounts receivable.
- F. Any award that exceeds the monetary amount or the time period authorized in the most current Attachment A shall be subject to termination. The Post Award Associate will contact VTF to resolve the situation.
- G. VTF shall be considered the sponsor on any award they request. VTF has established a policy of not paying indirect cost on any funding provided in support of a sponsored award.

8. References

- [2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(Uniform Guidance\)](#)

- [Policy 3630](#): Definition and Deposit of Private Funds
 - [Attachment A](#)
-

9. Contacts

- **Senior Director of Post Award**
Office of Sponsored Programs
North End Center, Suite 4200
300 Turner Street NW
Blacksburg, VA 24061
540.231.9372
 - **Assistant Vice President for Sponsored Programs**
540.231.5281
-

10. Roles and Responsibilities

- **Principal Investigators—Account Holder/Faculty Member/Campus Organization (PI):**
 - Prepare and request funding in accordance with Attachment A.
 - Monitor fund activity and request time or funding extensions as appropriate.
 - Should the fund be improperly overspent or time exceeded assist OSP in error resolution which may include assisting with transfer of unallowable costs to a departmental fund.
 - **Department Administrator/Business Support Center:**
 - Assist PI in preparation of Attachment A.
 - Assure necessary signatures are obtained on Attachment A.
 - Should the fund be improperly overspent or time exceeded assist PI and/or OSP in error resolution which may include assisting with transfer of unallowable costs to a departmental fund.
 - **Office of Sponsored Programs**
 - Assist with error resolution should the funds be overspent to time exceeded working both with the PI and VTF.
 - Assign Banner Fund Numbers, receive, deposit and post payments from VTF, and load budgets as appropriate.
 - As necessary, extend timing or adjust budgets as appropriate.
 - Notify VTF of assigned Banner fund numbers supporting VTF funding from an approved Attachment A.
-

11. Dissemination

This procedure may be posted on a Virginia Tech internet accessible site. No public restrictions are noted.

12. Approval and Revisions

This procedure was coordinated with the Controller's Office, and the Virginia Tech Foundation. This procedure was revised and approved by the Director, Office of Sponsored Programs on May 28, 2003. This procedure was formerly numbered OSP-14-03.

Procedure updates were approved December 4, 2015 by the Assistant Vice President for Sponsored Programs. This major revision updates the formatting of the procedure and other edits for title changes and clarity.

The official version of this information will only be maintained in an on-line web format.

Any and all printed copies of this material are dated as of the print date.

Please make certain to review the material on-line prior to placing reliance on a dated printed version.
