

Faculty Senate Agenda
October 6, 2008
3:30 p.m.

Call to order

Approval of Minutes

September 15, 2008 Minutes

President's Report: Senator Whitlock

New Business:

- Sponsored Programs Policies
 - 4.4.10 (time sensitive)
 - 4.4.3
 - 4.4.4
 - 4.4.5
 - 4.4.6
 - 4.4.7
 - 4.4.8 (time sensitive)
 - 4.4.9
- Policy on Faculty Qualifications
- Suspension of Summer Graduation (discussion)

Report Overview & Questions:

Executive Committee Chair: Senator Ware

Faculty Regent: Senator Frisbie

COSFL Representative: Senator McKenney

Provost: Senator Piercey

Student Government Association: Alex Combs

Standing Committees:

Budget Committee: Keith Johnson, Chair

Rules Committee: Nancy McKenney, Chair

Rights and Responsibilities Committee: TBA, Chair

Committee on Committees: TBA, Chair

Elections Committee: TBA, Chair

Welfare Committee: Senator Foote, Chair

For the Good of the Order:

- What can we do with our advising system to improve student retention

Adjournment

FACULTY SENATE MINUTES

September 15, 2008

The Faculty Senate of Eastern Kentucky University met on Monday, September 15, 2008, in the South Room of the Keen Johnson Building. Senator Ware called the first meeting of the academic year to order at approximately 3:30 p.m.

The following members were absent:

C. Blades, M. Hesse*, R. Sales*, B. Wesley

*Indicates prior notification to the Senate Secretary

Visitors to the Senate: Gary Barksdale, Human Resources; Sue Cain, Transition & University Services; Alex, Combs, SGA; Jim Conneely, Student Affairs; Linda Frost, Honors Program; Gary Kuhnhenh, Enrollment Management; Sandra Moore, Diversity; Deborah Newsom, Financial Affairs; Jerry Pogatshnik, Graduate School; Barry Poynter, Financial Affairs; Jaleh Rezaie, Graduate School; Matt Schumacher, Advising & Retention; Benton Shirey, Advising & Retention; John Wade, Arts & Sciences; and Marc Whitt, Public Relations & Marketing

ANNOUNCEMENTS:

Senator Ware thanked Senator Whitlock for agreeing to provide refreshments for the Senate meetings this year.

Senator Ware thanked Marc Whitt and Benton Shirey for providing the "Power of Maroon" wrist bands for all senators.

Senator Ware expressed her appreciation to President Whitlock's office and to Facilities Services for providing extra extension outlets to aid those using laptops at the meeting.

Parliamentarian Bob Miller provided some reminders for Senators to follow throughout the academic year.

From the Senate's special rules of order:

1. Please stand to be recognized, and once recognized state name and remain standing while speaking.
2. Each senator may speak two times to a motion until it is clear to the chair that everyone has had a chance to speak. The chair may call on senators to speak a third time if a filibuster is not underway. If someone makes an amendment to the main motion, senators may speak two more times to the amendment, but not to the main motion.
3. When speaking, address the chair, do not directly address any other senator or a distinguished visitor. However the senator may request the chair to call on someone to address a certain issue.
4. Items submitted for inclusion on the Senate agenda shall reach the chair or a member of the Executive Committee at the Senate at least two weeks before a scheduled meeting of the Senate. A substantive matter not so submitted but presented on the floor of the Senate shall be placed on the agenda for action at the next Senate meeting. The chair will rule, subject to the senators' approval, on what is and is not substantive.

From Robert's Rules of Order:

1. With rare exceptions, motions that come before the Senate require a second. Discussion does not begin until a motion has been seconded. In making a motion during meetings, if not previously sent to the Executive Committee, please have it written out in advance, if that is appropriate. This makes it possible to then state it and then send it up to the chair, so that it can be restated before the vote.
2. Sometimes one motion may contain several issues. If it should be divided into two or more motions, a senator should say "I move to divide the motion in the following way" and then state what the division should be.
3. Motions are often discussed at length and found to have either unresolved issues on the matter that needs to be taken back to the departments. The appropriate action is to move to postpone the motion to a definite time, usually the next meeting. Don't move to table the motion; that's a parliamentary ploy essentially to kill the motion.

4. If a senator should judge that the chair or another member of the Senate is not following proper procedure or is in violation of a rule, call for a point of order . The Chair will ask what the violation is, and the Chair will rule with or without consulting the Parliamentarian. If the ruling is not considered satisfactory, the Senate must vote on it.

APPROVAL OF MINUTES:

The May 5, 2008 regular and organizational minutes were approved as written.

PRESIDENT'S REPORT: Senator Whitlock

Senator Whitlock reported that there seems to be a modest increase in enrollment. While enrollment is down slightly in first-time freshmen, the numbers have increased for transfers and graduate students. Additionally, online enrollment has increased significantly. Minority enrollment, specifically African/American enrollment, has increased by 15 to 16 percent. While data is not currently available to support the theory, the fact that freshmen enrollment is down and minority enrollment suggests that retention efforts are starting to show results.

In the convocation address, Senator Whitlock talked about the need to focus as an institution on student success, regional stewardship and QEP. Senator Whitlock thanked Benton Shirey, Director of Academic Advising and Retention, for presenting the "Power of Maroon" slogan which appears to be getting some traction and starting some conversations around the campus.

In the regional stewardship vein, next week on the 24th Wayne Andrews from Morehead State, Gary Cox from the Association of Independent Colleges and Universities in Kentucky, all of the Presidents of community colleges and private institutions in Morehead's and Eastern's combined service regions, and the regional stewardship advisory committees will be on campus to meet and discuss ways to partner and leverage.

At one of the Senate meetings last year in response to a motion that Senator May made, a fairly broad-based committee was formed to review the institutional policies in grants and contracts. The committee has submitted a report and a set of draft policies to Senator Whitlock for his consideration. Senator Whitlock requested the senators to review policy 4.4.10 on Facilities and Administrative (F&A) Cost Recovery and Distribution and to consider for action at the October meeting. Since it didn't seem fair to ask everybody to wait while this was being deliberated, an allocation of those funds will be made tomorrow based on the formula in this policy. However, if there are changes made to the formula, adjustments will be made subsequent to that.

Senator Whitlock announced in the convocation that he planned to broaden the Administrative Council to include the Chair of the Faculty Senate, the Chair of the Staff Council, and the Executive Vice President of the SGA. That plan has been carried out.

The process to move the health care plans to a calendar year basis has gone fairly smoothly. Unfortunately it means that two open enrollment periods have to be held within a six month period. So an open enrollment for health insurance and other benefits will be held in the first week of October. At the Benefits Committee's suggestion, ECU will provide on a group basis through Liberty Mutual the opportunity for faculty and staff members to participate in paying automobile and home insurance on a payroll deduction basis.

For those participating in the section 125 Flexible Spending Account for medical and other qualifying expenses, the Benny card will now be provided free of charge.

Regarding the health insurance plans, in January the premiums for the high PPO plan will remain the same. In addition, the premiums for the other two plans will decrease by 10 percent. The optional dental plans, however, will increase approximately 6.5 percent.

Per the Senate's suggestion last year, the maximum lifetime benefit for health insurance will increase from \$1 million to \$5 million which places ECU more in line with sister institutions.

Flu shots will be provided free of charge to full time faculty and staff beginning October 13th at the Health Center.

Dr. Conneely, Senator Piercey and Senator Whitlock have met to discuss the possibility of restructuring support services aimed at student retention. The individuals in those areas will be asked to share ideas for the re-structure. This is a unique opportunity and no one should feel threatened by this process. At that same time, a national search will be conducted for an Associate Vice President for Enrollment Management.

The new Manchester Center is scheduled to open sometime after the first of the year. Senator Whitlock encouraged everyone to tour the facilities.

Funds are not available to completely fund the Business and Technology Phase II, so it was decided that the additional instructional space and the Performing Arts Center will be funded. The conferencing facilities will be on hold until additional funding becomes available.

Funding for the new Science building is approximately \$15 million short on the bids for the building as designed. The current plan is hopefully get all the departments save one covered under Phase I and then add the last department into Phase II. Even at that it is going to require about \$5.3 million more than allotted for in state funds provided for the project. Given the fact that the unallocated fund balance is going to grow more this year than was originally anticipated, and that there is some one time funds available which could be used to backfill those dollars, completion of Phase I can be achieved, then efforts to get Phase II funded will need to be re--doubled.

The Council on Postsecondary Education has a search underway for a new President of that body. That process should be completed before the end of the year. Institutions seem to have a more substantial role in the process than at any other time. Gary Ransdell, the President at Western Kentucky University, is a member of the search committee. Richard Crofts is currently serving as the Interim President.

Senator Whitlock reported that the Board of Regents will be conducting the presidential evaluation during the spring semester, and that he indicated to the Board that the faculty should have a substantive role in that process.

The Commencement Committee has recommended suspending summer graduation. Senator Whitlock encouraged the senators to discuss this issue at the October Senate meeting in order to provide an opportunity for faculty feedback.

Senator Whitlock reported that he will be in Japan when the Senate meets in October. While there Senator Whitlock will attend an alumni meeting with approximately 25 former EKV graduates from Tokyo and the surrounding area on Saturday, October 11th. Senator Whitlock expressed his appreciation to former graduate Michiko Kwak for organizing that group.

Senator Whitlock announced that Stephen Konkel, who was on a Fulbright last year to Ireland, has been invited back to the University of Dublin for one additional year.

In addition, Bankole Thompson, who has been serving as a special judge in a court based in Sierra Leone, has been asked to continue to serve for another six months in that capacity.

This past Saturday, the Eastern Kentucky University National Alumni Association voted to change its name to the Eastern Kentucky University International Alumni Association.

NEW BUSINESS:

Executive Committee Replacement (1 vacancy). Senator Bentley nominated Senator Wray. Senator Taylor moved to close nominations and accept by acclamation. Motion carried.

Committee on Committees Replacement (1 vacancy). Senator Taylor nominated Senator Staddon. Senator Taylor moved to closed nominations and accept by acclamation, seconded by Senator Randles. Motion carried.

Volunteers for University Committees. The following members volunteered to serve on University Committees: Senator Litzelfelner, University Residency Appeals Committee; Senator Schmelzer, University Withdrawals Committee; Senator Flanagan, Arlington Board; and Senator Noblitt, General Education Committee.

Report from Council on Academic Affairs. - Janna Vice

1. Subsequent degrees policy clarification - Informational Item
2. Master of Arts in Education – Elementary Education - Program Revision - separate degree codes for all four options
3. MAED in Secondary Education – Program Revision - 4) Rename the option in Mathematics: Mathematics, Statistics and Computer Science to Mathematics Education to the Mathematics Education option & 6) Drop the option in Mathematics: Computer Science
4. Master of Arts in Teaching – Program Revision - Add Theatre as a certification option in the Master of Arts in Teaching Program
5. Applied Computing M.S. - Program Revision
6. Geosciences M.S. - Program Suspension
7. Entrepreneurship Minor for Non-Business Majors – New Program
8. Admissions policies

Item #1 was presented for informational purposes only.

Senator Resor moved approval of Item #2, seconded by Senator Taylor. Motion carried.

Senator Resor moved approval of Item #3, seconded by Senator Taylor. Motion carried.

Senator Robles moved approval of Item #4, seconded by Senator Resor. Motion carried.

Senator Styer moved approval of Item #5, seconded by Senator Taylor. Motion carried.

Senator Robles moved approval of Item #6, seconded by Senator Kristofik. Motion carried.

Senator Case moved approval of Item #7, seconded by Senator Robles. Motion carried.

Dr. Vice indicated that Item #8 (Admission Policies) went before the Board prior to coming before the Senate because of the time frame for beginning the 2009-2010 recruiting season. The Board approved the Admission Policies contingent on the Senate's approval. Senator Frisbie moved approval of Item #8, seconded by Senator Taylor. Motion carried.

Senator Taylor moved to establish an ad hoc committee in liaison with the Associate Provost's office to investigate the possibility of establishing a community college of Eastern Kentucky University, seconded by Senator Phillips. Motion carried. Volunteers to serve on the committee include: Senators Halcomb, Taylor and Shoredike. Senator Whitlock suggested that Dr. Kenneth Clawson and Dr. Jack Luy would be valuable resources for the committee.

GENERAL & STANDING COMMITTEE REPORTS

EXECUTIVE COMMITTEE REPORT: Senator Ware

Following is a brief summary of the written report submitted by Senator Ware.

On August 13th the Faculty-at-Large approved the creation of the New Senator Orientation Standing Committee.

Senator Ware has formed an ad hoc committee to work with Dr. Sherry Robinson to review the proposed Faculty Qualifications Policy prior to submission to the Senate. The members of the committee include: Senators Collins, Kristofik, and Taylor.

Senator Ware reported that there are several items still on-going from the Student Government. An updated dead week policy draft will be reviewed at the September 22nd Executive Committee. The Bulletin Board and Posting Guidelines policies will be brought back to the Executive Committee after the Counsel has finished reviewing them.

Dr. Janna Vice has decided to appoint a task force comprised of interested faculty to review the syllabus policy before taking it back to CAA, as the Senate requested. The following senators volunteered to serve on the task force: Senators Carter, Chapman and Rainey.

Senator Ware announced that in an effort to create an open, on-going dialogue with the Senators, she has set up a Blackboard site for Senators use only to discuss issues and concerns.

Senator Ware has formed an ad hoc committee to review the proposed early registration policy. The committee members are: Dr. Steffen Wilson, Dr. Dave Eakin, Dr. Linda Frost, and Dr. Karin Sehmman. A draft of the policy was presented last spring to the Executive Committee, and an updated policy was recently viewed by the Provost Council. The updated policy will be posted on the Senate Blackboard board site. Senators should download, share with their colleagues and provide written comments to the committee by October 17th. The committee will present a written report to the Senate at the November meeting. Recommendations will be forwarded to the Provost's Office by December 1st.

REPORT FROM FACULTY REGENT: Senator Frisbie

The Board of Regents have met twice since the last Senate meeting. Once on June 2nd and again on September 6th. Senator Frisbie was not in attendance at the September 6th meeting, but he provided a brief update of both meetings in his written summary to the Senate.

During the June meeting, the Board handled the bulk of the budget work for the upcoming year, including approving the \$213 million dollar operating budget for the University, setting the guidelines for salaries and benefits (1.5% + \$500 raises), increasing the faculty/staff scholarship benefit to 12 hours per semester, and setting tuition for undergraduates, graduates, and at Model Lab School (e.g., 7% increase for resident undergraduates, 8% increase for resident graduates, 9.5% at Model). The 2008-09 budget reflects a decrease of \$5 million in state appropriations. The Board had approved tuition increases in the April meeting, subject to approval by the CPE. Even though EKU's proposed tuition increases were less, in dollar amount, than those recommended by the CPE prior to the 2008 legislative session, CPE did not approve the proposed increases (of approximately 8%) in April. Thus, the Board needed to pass revised tuition rates in June.

The Board was pleased to learn that EKU will close its capital campaign 9 months early at the end of September, having reached its goal of \$25 million.

The Board approved all 7 items from the Council of Academic Affairs. These included 3 new programs (professional certificate in Correction Intervention Studies; accelerated "3+2" BBA/MBA ; new major in Globalization & International Affairs) and 3 program revisions (Women and Gender Studies, MAED in Secondary Education, Computer Science).

The Board approved a contract extension of one year for President Whitlock. His contract now continues to July 2011.

At the September 6th meeting, Vice President Newsom reported that University revenues for the past fiscal year finished 1% above predicted revenue and expenses totaled only 91% of projected expenditures. This generated a surplus of \$3.6 million for the year, which helps the University replenish its unrestricted fund balance.

Associate Vice President Street reported on progress on capital projects that are underway. The Manchester campus building is 80% complete and looks as though it will be completed ahead of schedule (in January 2009). Clay Hall renovations were completed in time for fall move-in, and the intramural field renovations are slated for completion late this fall. Both the new science building and the second phase of the Business and Technology center have run into budget problems. Both projects are being revised in preparation for being sent out to bid later this fall.

Congratulations to Joey Foster, newly appointed Vice President for Advancement.

In action items, the Board:

- o Approved two amendments to the Faculty Handbook that came through the Senate (to place the Vice President for Financial Affairs on the Senate's Budget Committee and to add the New Senator Orientation Committee to the Senate's list of standing committees)
- o Approved the merger of the Kentucky Center for History and Politics with the Institute of Government to form the Kentucky Institute of Public Governance and Civic Engagement, under the leadership of Joe Gershtenson
- o Approved changes to the language and provisions of the First-Time Freshman Admissions policy, contingent upon approval by the Senate. These revisions are necessary to bring the University into compliance with new CPE requirements.
- o Authorized the signing of several financing documents necessary to complete the Siemens Energy Savings Performance Contract.

The Board will next convene in January 2009 for a regular quarterly meeting.

REPORT FROM COSFL: Senator McKenney

COSFL's first meeting will be on September 29th in conjunction with the 2008 Governor's Conference on Postsecondary Education Trusteeship. COSFL will meet in the morning and those attending the meeting will be able to attend some of the sessions on issues in higher education. Any interested faculty may attend the Trusteeship Conference. For more information on the Trusteeship Conference, visit www.CPE.ky.gov.

REPORT FROM THE PROVOST: Senator Piercey

In the Office of Academic Affairs, the following items represent draft policies currently in the review process:

- o Policy 4.1.12 (First-time Freshmen Admissions) was submitted to the Board of Regents in September and was approved contingent on Faculty Senate approval.
- o Draft Policy 4.1.2 (Course Syllabi) is still under review by the Faculty Senate.
- o Draft Policy 4.6.1 (Determination of Qualifications for Faculty Teaching Credit-Bearing Courses) has been reviewed by the Provost Council. The policy has been submitted to the Executive Committee of Faculty Senate and a work group was established to address the Policy Definitions. When complete, the policy will be submitted to the Faculty Senate for review.
- o Draft Policy 4.3.4 (Joint Curricular, Collaborative, and Consortial Agreements) has not been worked on since the last report to the Faculty Senate.
- o Draft Policy 1.1.1 (Policy on Policies) continues to be discussed and revised.

All new or revised policies are considered drafts until they are approved by the Board of Regents.

A small work group consisting of a representative from Faculty Senate who previously worked on the promotion and tenure policy and of an administrator who works with implementation on the policy will begin evaluating potential amendments to Policy 4.6.4 (Promotion and Tenure).

A new University policy website that will house all University policies is under construction.

Double majors were a topic of discussion at the last CAA meeting. While ECU continues to pursue the question of how to appropriately transcript and award diplomas to students who declare two majors leading to two different degrees, President Whitlock and Provost Piercey are committed to allowing students to declare double majors.

On September 19, the Provost will host a meeting of the Chief Academic Officers from all of Kentucky's regional four-year public universities. The topic of double majors is the first item on the agenda. The goal of the discussion will be (a) to identify how the institutions are currently transcribing the double majors and (b) gain a consensus on the appropriate way(s) to reflect the academic credentials of students in this situation.

In response to the concern expressed by the Faculty Senate and the Chairs Association about the "drudgery" of administrative processes, the Provost charged a work group, chaired by E. J. Keeley, to reform Academic Program Review. As a result, a recommendation was made to the Provost and President to eliminate Program Review and replace it with a Department Review & Showcase.

This new process, called "Department Review and Showcase (DRS)", will replace Academic Program Review. The DRS will be conducted by a department at the discretion of the Provost and deans, and may be prompted by conditions such as a new program, special and/or noteworthy achievements, enrollment/degree production concerns, accreditation issues, or other concerns regarding quality of the student experience. The DRS process will be piloted in 2008-2009 on a voluntary basis, beginning with the Department of Agriculture.

The work group also recommended annual Institutional Effectiveness progress-reporting process be strengthened for academic departments by requiring development and implementation of an objective and measure(s) for each of the following: (1) teaching effectiveness and (2) advising effectiveness.

REPORT FROM STUDENT GOVERNMENT ASSOCIATION: Alex Combs

Mr. Combs reported that a forum on off-campus banking will be held at 8 p.m. on October 1st in either the Grise Room or the Ferrell Room in the Combs Building.

There will be an informational organizational funding meeting on September 16th at 8 p.m. to distribute RSO packets.

Mr. Combs indicated that he would like to see Faculty Senate and Student Government continue to work closely together.

Budget Committee. Senator Johnson reported that he was elected to serve as chair of the committee.

Rules Committee. Senator McKenney reported that the committee met via email and she was asked to continue to serve as chair of the committee.

Welfare Committee. The Faculty Welfare Committee did meet September 5th to discuss benefits. We will be meeting again soon. One of the topics of course will be faculty governance.

Ad Hoc Committee on New Senator Orientation. Senator Robles reported that the meeting for New Senators was held on Monday, September 8th in the Faculty Lounge in Keen Johnson. Those not in attendance may pick up binders from Senator Robles.

FOR THE GOOD OF THE ORDER

The topic of discussion was "What can we do with our advising system to improve student retention." Due to time constraints, the discussion was postponed.

ADJOURNMENT

Senator Piercey moved to adjourn at approximately 5:45 p.m.

President's Report to the Faculty Senate

As you meet on Monday, October 6, my wife, Joanne, and I will be about halfway between Chicago and Tokyo. While in Tokyo, we will participate in a reception for more than 30 Eastern alumni living in or near Tokyo. Professor Emeritus Michiko Kwak, whom many of you know, has been instrumental in arranging this event. We will also visit Tokyo's Rikkyo University with which we hope to initiate a relationship that would benefit our faculty and students by increasing our exchange opportunities.

From Tokyo, we will travel to Kofu-shi, the capital of Yamanashi Prefecture and home of the University of Yamanashi. While there, I will execute with President Hideako Nukui the third 10-year renewal of our 20-year relationship with that fine institution. We hope to visit with the EKV students currently studying there as well as the latest group of University of Yamanashi students who have just returned there from Eastern where they studied in the EELI program.

Then comes Hokuto City and the Kiyosato Experimental Education Project (KEEP) where Joanne and I will be members of the Madison County delegation to our sister region, located in the Yatsugatake Highlands. As head of the delegation, I will have two official speeches to make, which I plan to do in Japanese. (Nihongo de hanasu tsumori desu.) KEEP was founded after WWII by the late Dr. Paul Rusch, a native of Louisville. His work there endeared Kentucky and Kentuckians to the Japanese people.

I have recently been invited to Daegu Haany University, our partner institution in Korea, to visit there during the spring semester and to address their faculty and staff. (I probably will not do those in Korean, which I do not speak.)

Closer to home, on September 28 and 29, I attended the most recent Council on Postsecondary Education meeting and the Governor's Conference on Trusteeship. The highlights of those two days included:

- There was considerable time spent focusing on accountability, productivity and efficiency. This reaffirmed my conviction that future state funding for postsecondary education is going to reflect both rewards and consequences based on outcomes. Our focus on student success, regional stewardship, and our QEP should stand us in good stead in this sort of environment, which is reflective of national trends.
- Kentucky appears to be headed toward state-wide diversity planning. You have all heard me express my belief that diversity is not only the right thing to do, but also the smart thing to do educationally. My goal will be to seek a state plan that reflects that philosophy and is not so specific as to fail to recognize institutional uniqueness.

- I was very encouraged by discussion in sessions regarding the need for stable state funding for postsecondary education. This was especially true when Governor Steve Beshear spoke and expressed his commitment to this concept and outlined his plan to establish a work group to address it.
- The highlight for all of us associated with Eastern was when Dr. Jerry Cook was presented the Kentucky Advocates for Higher Education's Acorn Award for excellence in teaching. In the 16 year history of this award, ECU faculty members have won it four times, more than any other institution. Our previous honorees were Dr. Merita Thompson, Dr. Hal Blythe, and Dr. Charlie Sweet.

At the opening convocation, I indicated my intention to more closely wed our strategic planning and budgeting processes. A model has been DRAFTED designed to accomplish this. During my absence, this will be rolled out for discussion. Please know that my objectives include the following: 1) Incorporation of shared governance concepts into the process; 2) Transparency; 3) Tying the planning and budgeting process into the organizational and committee structures of the institution to facilitate implementation and assessment, and 4) Linking strategic planning and budgeting more completely.

I look forward to seeing you at the November 10 Senate meeting. I will likely have to leave that meeting before its conclusion as I have a Madison County Board of Education work session at 5 p.m.



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September 23, 2008

To: Dr. Mixon Ware, President ECU Faculty Senate

From: Dr. Jerry Pogatshnik, Associate Vice President for Research and Dean of the Graduate School

Re: Sponsored Programs Policies

At the request of the Executive Committee of the Faculty Senate, I am pleased to provide additional information regarding the evolution of the policies related to sponsored programs at ECU. As I mentioned to the members of the Executive Committee, these policies have been developed in through the collaborative efforts of faculty, staff and administrators at ECU with assistance from our external consultants at Huron.

As you may recall, draft policies were presented to the Faculty Senate at the November 2007 meeting. As an outcome of the meeting, an open forum was held at the end of November, facilitated by Mr. Tom Champagne of Huron Consulting Group. Senators May, Frisbie, Schuester, and Petronio and members of the Executive Committee were invited to attend. Other faculty members attending the forum were Dr. Alice Jones, Dr. Sally Martin, Dr. Susan Fister, Dr. Lawrence Hayes, and Dr. Bruce Wolford. At the meeting, it was decided that a representative task force, to be chaired by Executive Vice President Harry Moberly, would be established to review the set of policies and recommend changes, as needed.

The Task Force held its first meeting on March 21, 2008. Former Faculty Senate President David Eakin asked Senators Frisbie, May, Petronio, and Schuester to serve on the task force to represent the Senate. Dr. May declined participation due to his sabbatical. Dr. Susan Fister from the College of Health Sciences and Dr. Allen Engle, from the College of Business and Technology served as additional faculty appointees on the recommendation of Executive Vice President Moberly. A complete list of committee members is included with this memo. I've also included a brief synopsis of each policy along with a brief description of substantive changes that were recommended to the policies as previously presented to the Faculty Senate.

The policies presented for consideration by the Senate are the result of the considerable efforts from this Task Force. I think it is important to note that, like any policy, individual members of the campus community may hold objections to specific provisions in these policies, and that includes members of the Task Force itself. However, the policies as presented represent the consensus of the Task Force and, in my opinion, provide a firm foundation for the encouragement and administration of sponsored program activities at ECU. I would be pleased to address any questions from members of the Senate regarding these policies or provide any additional information that would assist the Senate in the consideration of this important work.



Attachment 1

University Task Force of Sponsored Programs Policies

Name	Office/Title
Harry Moberly, Chair	Executive Vice President for Administration
Verna Freer	EKU Libraries
Beth Brickley	College of Education
Kim Lawson	Justice and Safety Center
Hal Fink	Training Resource Center
Tammy Cole	Continuing Education and Outreach
Kristel Smith	CEDET
Malcom Frisbie	College of Arts and Sciences, Faculty Senate
Allen Ault	College of Justice and Safety
Karen Petronio	College of Education, Faculty Senate
Guenter Schuester	College of Arts and Sciences, Faculty Senate
Jerry Pogatshnik	Graduate Education and Research
Rodney Piercey	Provost and Vice President for Academic Affairs
Debbie Newsom	Vice President, Financial Affairs
Barry Poynter	Financial Affairs
Brad Compton	Sponsored Programs Accounting
Gus Benson	Sponsored Programs
Beth Ballard	Internal Audit
Wayne Waddell	University Counsel
Allen Engle,	College of Business and Technology
Susan Fister	College of Health Sciences

Policy Synopsis

4.4.3 Cost Sharing on Externally Sponsored Projects

The policy describes the conditions for obtaining and tracking cost-share commitments that are made when a project requires financial contributions from ECU as a condition of the award. The policy spells out the conditions that must be met before the ECU will commit funds to a sponsored agreement. It also identifies the types of activities that can and cannot be used to satisfy cost sharing requirements and outlines the responsibilities of the University and the project director for tracking these expenditures and assuring that commitments to external sponsors are being met.

4.4.4 Cost Transfers on Externally Sponsored Programs

This policy mainly applies to project directors who manage more than one grant or externally sponsored agreement. The policy describes the mechanism for correcting situations when expenditures are charged to the wrong grant account. It also describes the limitations as to when, and under what conditions, charges can be moved from one grant account to another. Much of the policy language follows directly from federal guidelines.

4.4.5 Direct Charges on Externally Sponsored Projects

The policy describes the criteria that grant expenditures must meet in order for them to be charged to a grant or sponsored agreement. All grant expenditures must meet the criteria of “reasonable, allowable, allocable, and consistently treated” as established under the Office of Management and Budget Circular A-21, Principles for Determining Costs Applicable to Grants, Contracts and Other Sponsored Agreements with Educational Institutions (OMB A-21).

4.4.6 Effort Reporting on Externally Sponsored Projects

This policy describes the University’s responsibilities for assuring that personnel commitments of faculty and staff that are made to an external agency in return for financial support are adequately documented. Effort reporting is an inexact science but the policy lays out a reasonable process that meets the criteria established by the federal government under OMB A-21. Effort reporting applies to all personnel supported on sponsored agreements, either as direct charges to grants or when time and effort is offered as part of the University’s cost sharing commitment to an agency.

4.4.7 Externally Sponsored Proposal Submission and Award Acceptance

The policy describes the process for obtaining institutional approval for submitting and accepting externally sponsored agreements on behalf of Eastern Kentucky University, as well as eligibility criteria for project directors who wish to submit proposals through ECU.

4.4.8 Salary Compensation on Externally Sponsored Projects

Policy 4.4.8 describes conditions for faculty and staff receiving compensation from externally sponsored agreements, or who have made commitments of their time as part of a cost sharing arrangement to a grant or externally sponsored project. The policy also establishes guidelines for the relationship between effort commitments to a grant that must be tracked through the Time and Effort policy and a faculty or staff member’s workload assignment and describes conditions under which overload compensation may be considered.

4.4.9 Subrecipient Monitoring

This policy describes the responsibilities of the University and the project directors for monitoring the fiscal and programmatic activities of third parties who are subrecipients of a grant or other sponsored project issued to Eastern Kentucky University. The policy is based on guidelines and reporting requirements for Federal awards.

4.4.10 Facilities and Administrative (F&A) Cost Recovery and Distribution

The policy sets forth guidelines for appropriate inclusion of Facilities and Administrative (F&A) costs on all externally sponsored agreements. It also establishes guidelines for sharing back a portion of recovered indirect costs to Administrative Units and Project Directors, additional support for Sponsored Programs Accounting, and increased funding for the University's Institutional Match account and for faculty research support.

Notes on Policy Revisions

Most of the policies described above were endorsed by the Task Force with minor recommendations for revision. Specifically, the *Violations of the Policy* section of all policies was amended to include an avenue for appeals. Substantive changes were recommended for the following:

4.4.7 Externally Sponsored Proposal Submission and Award Acceptance

It was recommended that the policy be revised to permit Emeritus Faculty, subject to approval, to submit proposals to external agencies on behalf of EKV.

4.4.8 Salary Compensation on Externally Sponsored Projects

The revised version includes a modification of the "salary savings" provision under the *Use of Funds* section on page 2. As originally proposed, "salary savings" were to be returned to the department to compensate for the loss of support under the proposed F&A redistribution policy (see below). As a result of modification to the F&A policy, and uncertainties regarding the financial impact of the previous "salary savings" provision, the committee recommended that "salary savings" other than those used to cover the cost of reassigned time within the unit be returned to the General fund. The committee recommended that additional data be obtained to assess the financial impact of a modified salary savings provision that might be incorporated into a revised policy at a later date.

4.4.10 Facilities and Administrative (F&A) Cost Recovery and Distribution

The original proposal requested that a fixed percentage of F&A costs be returned to Sponsored Programs/Sponsored Programs Accounting to provide additional staff support and support for faculty. The original proposal also included increased distribution to the College level and reduced support to Departments (see notes on 4.4.8, above). Given the difficulty of revising the percentage distribution currently in place, the recommendation of the Task Force was to provide a fixed amount, rather than a fixed percentage, to support the activities of SP/SPA. These funds would be taken "off the top" of the recovered F&A pool and the remaining funds would be distributed to the administrative units and project directors according to the existing distribution formula.



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MEMORANDUM

TO: Doug Whitlock, President

FROM: Harry Moberly, Jr., Executive Vice President for Administration

RE: Externally-Sponsored Projects Workgroup Policy Recommendations

DATE: August 13, 2008

Since January, I have served as Chair of the Externally-Sponsored Projects Workgroup. We have completed the review of eight draft policies to ensure alignment with state and federal mandates for the securing and implementation of grant awards at EKU. Another guiding purpose of our work is to ensure that newly proposed policies do not stifle but rather advance scholarship and external fund development among colleges, departments, faculty and staff.

The attached policies have been revised to incorporate suggested recommendations of this workgroup. Two policies received considerable discussion, both having financial implications for the institution. Policy 4.4.10 addresses the recovery and distribution of facilities and administrative costs. The key recommendations of this workgroup are reflected in the attached policy draft and are summarized below.

Beginning with Fiscal Year 2008-2009:

- The established rates for distribution of Facilities and Administrative Costs at EKU remain the same:
 - 55% is applied to the university general fund
 - 15% to College Deans
 - 20 % to Department Chairs
 - 10% to Project Directors (PIs)
- In addition to college deans, the distribution will be extended to include all administrative units for the F & A recovered from their externally-sponsored projects.



- Prior to the distribution of recouped Facilities & Administrative costs, an estimated pre-budgeted amount of **\$170,060** be extracted from the overall total and applied in the following way:
 - Fund two additional positions in Sponsored Programs Accounting to enhance current infrastructure.

Total estimated cost is \$ 112,560
(**\$42,000** each plus 34% fringe for each)
 - Increase two specified pools in the Office Graduate Education and Research:
 1. Increase from \$65,000 to \$100,000 the amount of funds available for faculty research grants
 2. Increase from \$77,500 to \$100,000 the amount of funds available as university matching funds

Total cost is \$57,500

Policy 4.4.8 sets forth conditions for faculty and staff members who receive compensation through a grant sponsored agreement. Again, workgroup recommendations are reflected in the attached policy draft. In addition to other considerations, this policy ensures that when faculty members receive course release to perform functions associated with externally sponsored awards that departments be guaranteed the necessary resources to cover courses, such as payment of overload, hiring of graduate assistants, or part-time faculty.

When this workgroup reconvenes in the coming academic year, discussion will continue to explore additional ways that salary savings may be used to support external fund development among colleges, departments, and administrative units. Such discussions will include a review of the amount of salary savings generated annually, current practices regarding course coverage when faculty members are granted release time, and other budget and resource management implications regarding the use of salary savings.

Upon your review and approval, I recommend the attached policies be presented for consideration by your Cabinet and subsequently considered for approval by the Board of Regents. Thank you for your consideration of this matter.





Policy 4.4.10

Volume 4, Academic Affairs
Chapter 4, University Research
Section 10, F&A Cost Recovery and Distribution
Approval Authority: Board of Regents
Responsible Executive: Associate Vice President for Research
Responsible Office(s): Sponsored Programs/Sponsored
Programs Accounting
Effective: **Issued:**
Last Revised: **Next Review Date:**

Facilities and Administrative (F&A) Cost Recovery and Distribution

Policy Statement

All externally-sponsored projects are expected to recover the University's full negotiated Facilities and Administrative (F&A) cost recovery rate. If a sponsor imposes a limit on F&A cost recovery, the University may, at its discretion, accept a lesser rate if written documentation (i.e., policy statement) from the sponsor is provided prior to the submission of the proposal.

Purpose

This policy provides guidelines for the recovery of F&A costs and establishes a method for the internal sharing of recovered F&A funds resulting from externally-sponsored projects. This policy is inclusive of all sponsored activities funded externally at the University.

Entities Affected by the Policy

- Colleges, departments, or units involved with externally-sponsored projects.

Who Should Read this Policy

- Deans
- Chairs
- Project Directors
- Other individuals involved with externally-sponsored projects

Policy Background

Facilities and Administrative (F&A) costs are real costs that provide reimbursement for actual University expenses that support externally-funded activities but that cannot be directly identified with or charged to a specific grant or contract. These costs include shared services such as libraries, plant operation and maintenance, utility costs, and depreciation or use allowance for buildings and equipment as well as general, departmental, and sponsored projects administrative expenses. Periodically, the University negotiates an F&A rate agreement with the federal government.

Criteria

Distribution Formula

Facilities and Administrative costs recovered from externally-funded projects cover the actual costs to the University that are required in the support of externally sponsored programs. Under this policy, a portion of the F&A funds collected on sponsored agreements will be shared with the generating units. These distributed F&A funds may be used to cover costs of a grant or sponsored agreement that does not meet the criteria for a direct charge. Funds may also be used to support costs associated with other sponsored agreements or to foster research and scholarly activities within the college or administrative unit. Distributed F&A funds are subject to all policies and procedures governing expenditures of University funds. An annual review of how F&A cost recovery funds were spent will be conducted in conjunction with the College, Department, and/or Administrative unit, the Office of Graduate Education and Research and Financial Affairs.

A portion of the recovered F&A costs will be used to support the Division of Sponsored Programs, Sponsored Programs Accounting, and the Office of Graduate Education and Research as described in Attachment A. Requests for additional funding in support of these units must be initiated by the Dean of the Graduate School and Associate Vice President for Research and is subject to approval by the President. The remaining F&A funds are to be shared on the following formula basis:

- | | |
|--|-----|
| a. Originating College/Administrative Unit | 15% |
| b. Department/Division | 20% |
| c. Project Director* | 10% |
| d. University General Fund | 55% |

*The project director portion of the distributed F&A funds will be deposited into the Department/Division account. Responsibility for distributing these funds to the project director is the responsibility of the department chair or division head. Administrative units may distribute a portion of their recovered F&A costs to the generating department, program, and/or project director according to policies established within that unit.

Definitions

Facilities and Administrative (F&A) Costs

Costs that cannot be identified specifically with a particular project or activity and are incurred for common or joint objectives. "Facilities" is defined as depreciation and use allowances; interest on debt associated with certain buildings, equipment and capital improvements; operation and maintenance expenses; and library expenses.

"Administration" is defined as general administration and general expenses, departmental administration, sponsored projects administration, student administration and services, and all other types of expenditures not listed specifically under one of the subcategories of Facilities (including cross allocations from other pools).

University	Eastern Kentucky University
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Responsibilities

Associate Vice President for Research	<ul style="list-style-type: none"> ▪ Review and approve requests for full or partial waivers of F&A costs
College Dean/ Administrative Unit Head	<ul style="list-style-type: none"> ▪ Provide a brief report describing how F&A cost recovery funds were spent in support of research and scholarship during the year. ▪ Ensure that the full F&A rate is used on all proposals unless written sponsor documentation has been provided or a waiver has been approved in advance
Department Chair/Division Head	<ul style="list-style-type: none"> ▪ Review proposals for inclusion of appropriate F&A rates ▪ Distribute F&A funds to Project Director according to the approved distribution formula
Project Directors Sponsored Programs	<ul style="list-style-type: none"> ▪ Include appropriate F&A rate in proposals
Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Provide project directors and others with access to current F&A rates ▪ Review proposals for inclusion of full F&A rate or documentation that F&A is not permitted by sponsor
Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Ensure appropriate draw-down of F&A funds ▪ Facilitate distribution of recovered F&A funds

Procedures

Inclusion of F&A in Proposal Budgets	<ul style="list-style-type: none"> ▪ Sponsored Programs shall provide project directors with access to the current federally-negotiated F&A rate agreement and assist in the calculation of F&A for proposal budgets. ▪ Project directors shall include the full F&A rate on all proposals submitted unless the sponsor imposes a limit on the F&A cost recovery. If such a limit is imposed, project directors shall provide written documentation from the sponsor indicating so. ▪ When a full or partial waiver of F&A costs is requested, project directors shall work with the individuals authorized to approve waivers in advance of the deadline and prior to submitting proposals. Project directors shall not submit proposals with voluntarily waived F&A costs unless authorized approvals have been granted in advance.
Inclusion of F&A in Proposal Budgets, continued	<ul style="list-style-type: none"> ▪ The Associate Vice President for Research shall review requests for full or partial waivers of F&A cost recovery and shall approve such requests only when doing so is clearly in the best interests of the University. ▪ Sponsored Programs shall ensure that the full F&A rate is used on all proposals unless written sponsor documentation has been provided or a waiver has been approved in advance. • College deans and administrative unit heads shall ensure that the full F&A rate is used on all proposals unless written sponsor documentation has been provided or a waiver has been approved in advance.
F&A Funds Draw-Down	<ul style="list-style-type: none"> • Sponsored Programs Accounting shall ensure the appropriate draw-down of F&A costs on awarded projects.

F&A Funds Distribution	<ul style="list-style-type: none">• Sponsored Programs Accounting shall facilitate the distribution of recovered F&A costs in accordance with University policy.
Reporting of F&A Expenditures	<ul style="list-style-type: none">• College deans and administrative unit heads are responsible for the approval of proposed discretionary use of F&A funds within the unit.• Sponsored Programs shall request reports of F&A cost recovery expenditures at the end of each fiscal year from each college dean and administrative unit head. Reports shall be reviewed to ensure that recovered F&A costs are spent in support of research and scholarship.• At the end of each fiscal year, each dean/administrator shall provide a brief report describing how F&A cost recovery funds were spent in support of research and scholarship during the year. This report shall be submitted to Sponsored Programs within 45 days following the close of the fiscal year.

Violations of the Policy

Policy compliance is the joint responsibility of all involved. If non-compliance issues are identified by the Office of Graduate Education and Research, corrective action may be necessary and shall be completed following consultation with the Principal Investigator, respective Dean, Department Chair, and/or Financial Manager. Corrective action may include, but is not limited to, movement of unallowable or inappropriate charges from grant accounts to departmental, college, or other university accounts, suspension of grant accounts, and/or withdrawal of a proposal or award. Any actions deemed necessary in response to policy non-compliance may be appealed to the Provost and/or Executive Vice President for Administration.

Interpreting Authority

- Associate Vice President for Research

Statutory or Regulatory References

- OMB Circular A-21: <http://www.whitehouse.gov/omb/circulars/a021/a021.html>
- OMB Circular A-110: <http://www.whitehouse.gov/OMB/circulars/a110/a110.html>

Relevant Links

[Sponsored Programs website](#)

Policy Adoption Review and Approval

Attachment 1

Designated F&A Funds for the Division of Sponsored Programs, Sponsored Programs Accounting, and the Office of Graduate Education and Research

A portion of the F&A funds recovered by the University will be distributed to the Office of Graduate Education and Research and the Division of Sponsored Programs Accounting to provide administrative support and to foster the research and scholarship efforts of Eastern Kentucky University. These funds are to be distributed prior to the application of the distribution formula to other units under the criteria section.

Requests for additional funds beyond those associated with covering normal increases in personnel costs (normal salary increases, fringe benefits, etc.) must be initiated by the Dean of the Graduate School and Associate Vice President for Research and must be approved by the President. Any agreed upon revisions must be included as a revised attachment to Policy 4.4.10.

Effective July 1, 2008, designated F&A funds to support these activities are as follows:

- Additional Faculty Development Support \$35,000
- Additional Funds for University matching Support \$22,500
- Funding to support 2 full-time grant accountants \$112,560
(estimated personnel costs based on salary of \$42,000/year plus 34% Fringe Benefits)



Policy 4.4.3

Volume 4, Academic Affairs

Chapter 4, University Research

Section 3, Cost Sharing on Externally-Sponsored Projects

Approval Authority: Board of Regents

Responsible Executive: Associate Vice President for Research,
University Controller

Responsible Office(s): Sponsored Programs/Sponsored
Programs Accounting

Effective:

Issued:

Last Revised:

Next Review Date:

Cost Sharing on Externally Sponsored Projects

Policy Statement

Cost sharing constitutes additional financial obligations for the University. All cost sharing must be reviewed and approved prior to proposal submission and expenditures must be documented throughout the period of the award. All types of cost sharing obligations described below must be documented and identifiable in the University accounting system. This policy describes the criteria and obligations for cost sharing on externally sponsored programs.

Purpose

Cost sharing or matching (the terms may be used interchangeably) represents the use of institutional funds to supplement project costs not borne by the sponsoring agency. Some sponsored projects require that the University participate to some extent in the total cost of the project; other times, voluntary cost share may be necessary to effectively conduct the project. This policy sets forth the University guidelines for committing cost share on externally-sponsored projects.

Entities Affected by the Policy

- Departments, colleges, or units involved with externally-sponsored projects

Who Should Read this Policy

- Deans
- Chairs
- Project Directors
- Other individuals involved with externally-sponsored projects
- Sponsored Programs staff
- Sponsored Programs Accounting staff

Policy Background

Generally, the University prefers to avoid cost sharing arrangements. From a competitive standpoint, it is usually not necessary to provide cost share unless required by the sponsor or to provide cost share in excess of that required. Any cost sharing commitment must be included on the Internal Review and Approval Form (IRAF) and in the proposed budget. The responsible University officials must identify the source of institutional funds and approve the cost sharing commitment on the IRAF. Any committed cost sharing must be documented within the University's financial system.

Criteria

Criteria for Cost Share

To be acceptable for use as cost sharing, an expenditure must satisfy all of the following criteria:

- A. Be verifiable from official University records;
- B. Not be used as cost sharing for any other sponsored program;
- C. Be necessary and reasonable for proper and efficient accomplishment of project objectives;
- D. Be allowable under the applicable cost principles, OMB Circular A-21;
- E. Be itemized in the approved budget; and
- F. Be incurred during the effective dates of the grant or contract.

Acceptable Expenditures

In general, costs normally treated as direct costs on sponsored projects may be used to meet a cost sharing obligation. Costs normally treated as indirect on sponsored projects may not.

- A. Examples of expenditures that may be used as cost sharing:
 1. Faculty, staff, or student salaries and applicable fringe benefits
 2. Laboratory supplies
 3. Travel
- B. Examples of expenditures that may not be used as cost sharing:
 1. Expenditures normally treated as indirect costs, such as administrative salaries and office supplies
 2. Unallowable costs, such as alcoholic beverages, entertainment, and memberships in community organizations

Sources of Cost Share

Cost sharing may be met from the following sources:

- A. University funds may be used as cost share when they are provided for the benefit of the specific project.
- B. Waived indirect costs that are otherwise available to be recovered may be used as cost share if the University has agreed to accept less than the full amount. The difference between the indirect costs accepted and the amount that would have been provided at the full rate may be used as cost sharing if approved by the sponsor.
- C. Unfunded indirect costs may be used as cost share when the sponsor does not reimburse indirect costs at the full rate due to sponsor policy, government legislation, or terms of the agreement. If the difference is to be used as cost share, it must be approved by the sponsor.
- D. In exceptional circumstances, another sponsored project account may be used as cost share if approved in advance by both sponsors. Note that federal funds may not be used as cost sharing on other federally-sponsored projects.
- E. Third-party contributions (support from a non-University source) may be used as cost share if committed in writing by the third party.

OMB Circular A-21 also provides specific rules for valuation and documentation of volunteer services, donated supplies, property buildings, and equipment. In general, however, it is the University's preference to avoid referring to these items as cost share and characterize them instead as "available for the use of the project at no direct cost."

Criteria, continued

Cost Sharing Obligation

There are several points in the proposal and award process at which the University may incur a cost sharing obligation. Cost sharing may be committed in the proposal to the sponsor for one of two reasons: (1) the sponsor (or a particular program of the sponsor) requires cost sharing as a condition of applying for an award; or (2) the University makes a commitment of cost sharing for competitive purposes. In both of these situations, cost sharing is quantified in the proposal budget and becomes a condition of the sponsor's award. These instances are normally referred to as mandatory or voluntary committed cost sharing.

All types of cost sharing obligations described above must be documented and identifiable in the University accounting system.

Definitions

Companion Cost Share Account	An account that is established to record the University's contributions to the project. When a project has either mandatory or voluntary committed cost share that is funded by the University, a companion cost share account will be set up to document cost share expenditures.
Cost Share	Use of institutional funds to supplement project costs not borne by the sponsoring agency
Direct Costs	Costs that can be identified specifically with a particular sponsored project relatively easily and with a high degree of accuracy. Direct costs are essential to the accomplishment of the project's objectives. Examples of direct costs include salaries, fringe benefits, travel, supplies, equipment, tuition, and subcontracts.
Grant or Contract Account	An account established to record the revenues, expenditures, and encumbrances of a project or program funded by an external sponsor
Mandatory Cost Share	Cost share that is required by the sponsor as a condition of receiving an award; must be documented and identifiable in the University accounting system
Third Party Contribution	A contribution to a sponsored project provided by a party other than the University or the primary sponsoring agency
University	Eastern Kentucky University
Voluntary Cost Share	Occurs when the sponsor does not stipulate that cost sharing is required, but the University makes a commitment of cost sharing for competitive purposes or incurs costs not reimbursed by the sponsor; voluntary committed cost share must be treated and accounted for in the same manner as mandatory cost share.

Responsibilities

College Dean	<ul style="list-style-type: none"> ▪ Review proposal and IRAF to identify and approve any committed cost share
Department Chair	<ul style="list-style-type: none"> ▪ Review proposal and IRAF to identify and approve any committed cost share
Project Directors	<ul style="list-style-type: none"> ▪ Secure cost share commitments and document appropriately in proposals and on the IRAF ▪ Maintain documentation for cost share expenditures on awarded projects ▪ Provide accurate source documentation for all cost sharing expenses on awarded projects to Sponsored Programs Accounting
Sponsored Programs	<ul style="list-style-type: none"> ▪ Review proposal and IRAF to ensure that organization code and approval from authorized individuals is provided for any cost share committed in proposal ▪ Review award conditions to ensure that required cost share is committed and identified prior to acceptance of the award ▪ Provide award documentation and budget, including cost share, to Sponsored Programs Accounting

Responsibilities, continued

Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Establish a companion cost sharing account for each awarded project with committed cost share ▪ Monitor and report expenditures from sponsor and cost share funds
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Procedures

Cost Share Commitments at Proposal Stage	<ul style="list-style-type: none"> ▪ The project director shall secure required cost share commitments early in the proposal development stage and document appropriately in the proposal budget and narrative. ▪ The project director shall secure written approval on the IRAF from the individuals responsible for the organization code from which cost share is committed. ▪ The department chair and dean (or equivalent supervisors in administrative units) shall review the proposal and IRAF to identify and approve any committed cost share. ▪ Sponsored Programs shall review the proposal to identify any committed cost share from the University. If cost share is committed, Sponsored Programs shall ensure that appropriate cost share documentation has been included on the IRAF, including the organization code for the cost share funds and written approval from the individual responsible for the organization code.
Cost Share Commitments at Award Stage	<ul style="list-style-type: none"> • If the award amount is less than the proposed budget, Sponsored Programs shall work with the project director to determine whether the university has incurred a cost sharing obligation beyond what was committed in the proposal. If additional cost share obligations are incurred at the award stage, written approval shall be obtained from the individuals responsible for the funds to be used as cost share. • Sponsored Programs shall review award conditions and ensure that required cost share is committed and identified prior to acceptance of the award. • Sponsored Programs shall provide documentation of the award and a budget that identifies sponsor funding and cost share commitments to Sponsored Programs Accounting.
Cost Share Documentation and Reporting	<ul style="list-style-type: none"> • Sponsored Programs Accounting shall establish a companion cost sharing account for all awarded projects with committed cost share. • The Project Director shall provide accurate source documentation for all cost sharing expenses on awarded projects to Sponsored Programs Accounting. • Sponsored Programs Accounting shall monitor expenditures from the cost sharing account as well as from the grant/contract account and report cost share expenditures according to the sponsor's award terms and billing instructions.

Violations of the Policy

Policy compliance is the joint responsibility of all involved. If non-compliance issues are identified by the Office of Graduate Education and Research, corrective action may be necessary and shall be completed following consultation with the Principal Investigator, respective Dean, Department Chair, and/or Financial Manager. Corrective action may include, but is not limited to, movement of unallowable or inappropriate charges from grant accounts to departmental, college, or other university accounts, suspension of grant accounts, and/or withdrawal of a proposal or award. Any actions deemed necessary in response to policy non-compliance may be appealed to the Provost and/or Executive Vice President for Administration.

Interpreting Authority

- Associate Vice President for Research

Statutory or Regulatory References

- OMB Circular A-21: <http://www.whitehouse.gov/omb/circulars/a021/a021.html>
- OMB Circular A-110: <http://www.whitehouse.gov/OMB/circulars/a110/a110.html>

Relevant Links

[Sponsored Programs website](#)

Policy Adoption Review and Approval



Policy 4.4.4

Volume 4, Academic Affairs

Chapter 4, University Research

Section 4, Cost Transfers on Externally-Sponsored Projects

Approval Authority: Board of Regents

Responsible Executive: University Controller

Responsible Office(s): Sponsored Programs/Sponsored
Programs Accounting

Effective:

Issued:

Last Revised:

Next Review Date:

Cost Transfers on Externally Sponsored Projects

Policy Statement

Cost transfers must meet conditions for allocability, allowability, reasonableness and consistency established under federal guidelines. Cost transfers must normally be made within 90 days of the incurred expenditure.

Purpose

This policy sets forth conditions for the transfer of charges from one sponsored program to another or from a sponsored program to a University account. OMB Circular A-21, "Cost Principles for Educational Institutions" establishes principles for determining costs applicable to grants, contracts, and other agreements with educational institutions, as well as proper documentation required. To comply with the cost allowability and allocability requirements, it is necessary to explain and justify transfers of costs from one account to another.

Entities Affected by the Policy

- Departments, colleges, or units involved with externally-sponsored projects

Who Should Read this Policy

- Deans
- Chairs
- Project Directors
- Other individuals involved with externally-sponsored projects
- Sponsored Programs staff
- Sponsored Programs Accounting staff

Policy Background

A cost transfer is an after-the-fact reallocation of a cost from one account to another. Although it is preferable to charge costs to the correct account when they are incurred, cost transfers are on occasion necessary to correct accounting errors but not as a form of fiscal or financial management. To be allowable, cost transfers must be timely and fully documented, they must conform to University and sponsor allowability standards (allowable under the terms of the sponsor agreement), and they must have appropriate authorization.

Criteria

The University's cost transfer policy is applicable to all grants and contracts regardless of the source of funding. Cost transfers must stand the test of being allowable, applicable, and reasonable in order to be deemed an allowable charge to a sponsored project. Cost transfers are almost always reviewed when an account, department, or university is audited. When reviewing cost transfers, the burden of proof regarding allowability is on the project director.

Cost Transfer Allowability

In order to transfer cost to a sponsored project, the cost must meet the following:

- Allowability: It must be allowable under the terms and conditions of the award, including the authorized budget and applicable regulations.
- Allocability: The goods or services must benefit the award charged. Goods or services shared by more than one project are allocable in proportions that can be approximated through actual use.
- Reasonableness: A cost may be considered reasonable if the nature of the goods or service acquired, and the amount paid, reflect the action that a prudent person would have taken at the time the decision to incur the cost was made.
- Consistency: The application of cost must be given consistent treatment within established University policies and procedures, including Generally Accepted Accounting Principles and Cost Accounting Standards as issued by the Federal Cost Accounting Board.
- Timeliness: All adjustments should be made within 90 days of the original transaction and 30 days prior to the date of the final report due to the sponsor. Exceptions require full documentation of reason for delay and are conditional, subject to prior approval by the Division of Sponsored Programs

If an expense cannot meet the above criteria, it is NOT eligible to be charged against the sponsored project.

Criteria for Cost Transfers

- Cost transfers shall be allowable only with proper justification, documentation, and approval. A Cost Transfer Request form must be completed.
- The transfer must relate to a specific item of cost incurred by the unit preparing the adjustment. The quantity and goods or services must be specified.
- Each transfer must be in proportion to the benefits received from the goods and services.
- Transfers must be in the same amount as the original charge unless a portion of the expense is to be transferred. If only a portion is transferred, a clear explanation needs to be given as to the basis for the division of cost.
- All expenditures must be in compliance with University policies and the requirements of the funding agency.
- The allocations must be reasonable, allowable, allocable, and consistent. The department must maintain the appropriate records and usage logs to substantiate all charges redistributed.
- All adjustments should be made within 90 days of the original transaction. Accurate and timely reporting of expenditures impacts the production of financial reports and invoices in meeting campus and funding agency requirements. If, because of unavoidable circumstances, the adjustment is made after 90 days, a full written explanation of the late adjustment must be documented and approved by Sponsored Programs Accounting.

Criteria, continued

Preparation of Cost Transfers/Expenditure Adjustments

- Appropriate Reasons for Cost Transfers – Once an entry has been recorded in the general ledger, cost transfers may be made only in the following situations:
 - To correct an erroneous recording when the original source document or subsequent interim transaction (e.g. PO, Payroll transaction, Journal, AP transaction, etc.) contained an incorrect account or amount.
 - To distribute/allocate certain high numerical, but small individual charges, such as copy machine costs, mailing charges, telephone charges, office supplies, or fax charges billed to a central department, but may be proportionally applied to other activities, project, or funds under the jurisdiction of the department.
 - To record a change in use of goods or services, for example, a case of beakers originally ordered for and charged to a teaching program but subsequently required by and transferred to a research project.
 - To transfer labor dollars to align with actual effort devoted. (Must be consistent with the Time and Effort certification documents for the specified period).
 - To correct a clerical or bookkeeping error, such as transposition of numbers.
 - To redistribute purchasing card charges among object codes within the same project.
- Inappropriate Types of Cost Transfers – Cost Transfers should not be made:
 - For reasons of convenience.
 - After the allowable 90 day time frame. Extenuating circumstances will be reviewed and considered on a case-by-case basis by grant administration.
 - Where labor costs do not accurately depict certified effort on the Time and Effort Certification documents.
 - To enable sponsored project accounts to be used as “holding,” “clearing,” or “rotating” accounts to redistribute costs to other accounts at a later date.
 - To transfer costs from any unrelated account in overdraft status to a sponsored project account (except where the original expenses were incorrectly charged).
 - For the sole intent of using up the unexpended balance in the last months of a project.
 - For the costs incurred prior to the start date of the award. Costs incurred prior to the start date of the award are considered “pre-award” costs. A pre-award account must be requested to charge allowable pre-award costs, which would eliminate the necessity for cost transfers.
- Cost transfers are not allowable following the submission of the final expenditure report to the sponsor, unless they are for unallowable cost.
- Cost will not normally be transferred more than once. Since the original cost transfer has already been justified, documented, reviewed, and accepted as appropriate, a second transfer of the same cost is highly suspect and should be unnecessary.

Required Documentation

The official documentation for a cost transfer shall include a complete explanation of the reason the transfer is being made. Explanations such as “to correct error” or “to transfer to correct account” are not sufficient.

The request for cost transfer must include:

- Specific identification of the original charge (copy of the origination documents, such as purchase orders, vendor invoices, travel vouchers, or other documentation as appropriate);
- Justification of the appropriateness of the charge to the receiving account;
- A full explanation of why the transfer is necessary; and
- The signature of the project director.

Record Retention

Documentation for transfers must be maintained within the department for three years after the completion of the entire project. If the project has been selected for audit, all documentation must be maintained until after the final audit response is issued.

Definitions

Allowable	To be considered allowable, cost transfers must be timely, documented, and explained in detail; adhere to University and sponsor standards; and have all appropriate authorizing signatures
Allocable	A cost that is related to the project or incurred solely to advance the work under a sponsored agreement or benefit both the sponsored agreement and other work of the institution
Cost Transfer	An after-the-fact reallocation of the cost, either salary or non-salary, to a sponsored project within a 90-calendar-day period from the accounting date of a transaction
Documentation	Original invoice, credit card receipt, and any other documentation that supports the transaction
Effort	A percentage of time devoted by an individual to a sponsored project
University	Eastern Kentucky University

Responsibilities

Controller's Office	<ul style="list-style-type: none"> ▪ Provide guidance on policy interpretation and implementation
Project Directors	<ul style="list-style-type: none"> ▪ Assure that costs in proposal budgets are appropriate for the scope of work and are justified ▪ Review costs charged to sponsored awards for compliance with sponsor and University policy ▪ Determine the appropriateness of and provide justification for rebudgeting actions
Sponsored Programs	<ul style="list-style-type: none"> ▪ Assure that costs in proposal budgets are appropriate for the scope of work and are justified ▪ Review proposal budgets for justification of costs ▪ Provide guidance on policy implementation ▪ Monitor costs in proposal budgets for consistent treatment
Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Monitor costs charged to sponsored awards for compliance with sponsor and University policy ▪ Provide guidance on policy implementation ▪ Provides ongoing training opportunities for faculty and staff ▪ Monitors costs charged to sponsored awards for consistent treatment

Procedures

Determination of Allowable, Allocable, and Reasonable Cost Transfers	<ul style="list-style-type: none"> ▪ To determine whether a particular cost is allowable, allocable, and reasonable, apply the "prudent person" test. If the answer to any of the following questions is "no" then the cost probably should not be charged to the project: <ol style="list-style-type: none"> i) Is the cost generally accepted as necessary for the performance of the technical scope of the project or similar projects? ii) Does the cost have an "arms-length" relationship between the investigator and merchants or subcontractors? (For example, goods and services should not be purchased from a friend or relative.) iii) Would you be comfortable explaining to someone outside the University why you charged this item to your project? iv) Is charging this cost consistent with EKU's policies, procedures, and practices?
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- For cost transfers to sponsored awards, it is the *purpose* of the charge, not necessarily the type of charge, that determines its allowability. Costs that do not meet these tests may need to be charged to non-sponsored funds.

Violations of the Policy

Policy compliance is the joint responsibility of all involved. If non-compliance issues are identified by the Office of Graduate Education and Research, corrective action may be necessary and shall be completed following consultation with the Principal Investigator, respective Dean, Department Chair, and/or Financial Manager. Corrective action may include, but is not limited to, movement of unallowable or inappropriate charges from grant accounts to departmental, college, or other university accounts, suspension of grant accounts, and/or withdrawal of a proposal or award. Any actions deemed necessary in response to policy non-compliance may be appealed to the Provost and/or Executive Vice President for Administration.

Interpreting Authority

- University Controller

Statutory or Regulatory References

- OMB Circular A-21: <http://www.whitehouse.gov/omb/circulars/a021/a021.html>

Relevant Links

[Sponsored Programs website](#)

Policy Adoption Review and Approval



Policy 4.4.5

Volume 4, Academic Affairs

Chapter 4, University Research

Section 5, Direct Charges on Externally-Sponsored Projects

Approval Authority: Board of Regents

Responsible Executive: University Controller

Responsible Office(s): Sponsored Programs/Sponsored
Programs Accounting

Effective:

Issued:

Last Revised:

Next Review Date:

Direct Charges on Externally Sponsored Projects

Policy Statement

This policy sets forth conditions for allowable costs charged to grants or sponsored agreements administered by Eastern Kentucky University. All expenditures on sponsored agreements must meet conditions for allocability, allowability, reasonableness, and consistency established under federal guidelines as outlined in the policy below.

Purpose

This policy sets forth criteria for determining costs that may be directly charged to sponsored agreements and costs that should be treated as indirect costs.

Entities Affected by the Policy

- Departments, colleges, or units involved with externally-sponsored projects

Who Should Read this Policy

- Deans
- Chairs
- Project Directors
- Other individuals involved with externally-sponsored projects
- Sponsored Programs staff
- Sponsored Programs Accounting staff

Policy Background

The University receives a substantial portion of its funding in the form of contracts, grants, and other agreements with the federal government. As a condition of receiving this funding, the University agrees to follow federal policies, including Office of Management and Budget (OMB) Circular A-21 (*Principles for Determining Costs Applicable to Grants, Contracts and Other Agreements with Educational Institutions*). The Circular provides definitions and examples of direct, indirect, allowable, and unallowable costs as well as acceptable conditions for applying costs to sponsored projects and programs.

Circular A-21 includes the addition of Cost Accounting Standards (CAS). The CAS regulations require that:

- i) Practices used to estimate costs in proposals must be consistent with the practices used in accumulating and reporting those costs;
- ii) Costs are to be treated consistently as either direct costs or indirect costs.

EKU must comply with the following CAS requirements, which are an integral part of A-21:

- CAS 501: Consistency in Estimating, Accumulating and Reporting Costs
- CAS 502: Consistency in Allocating Costs Incurred for the Same Purpose
- CAS 505: Accounting for Unallowable Costs
- CAS 506: Cost Accounting Periods

Criteria

All funds must be spent in accordance with University policy, applicable state and federal law, and sponsor terms and conditions. Principal Investigators (PIs) are responsible for the management and administration of their awards including all expenditures of project funds. This policy is primarily determined by cost principles contained in Office of Management and Budget (OMB) Circular A-21.

Only allowable, allocable, and reasonable technical and administrative costs may be charged directly to sponsored agreements. Direct costs must be given consistent treatment. Consistent treatment occurs when, in like circumstances, an institution always treats an expense as either a direct or an indirect cost. For federally sponsored projects, including federal flow-through awards or other awards covered by OMB Circular A-21, administrative costs are normally included as indirect costs, but *may* be charged directly to a sponsored project under certain circumstances. Awards not covered by OMB Circular A-21 may have administrative costs directly charged to them provided they are allowable, allocable, and reasonable; are accounted for properly; and are not specifically prohibited by the award terms and conditions or other campus policy.

Definitions

Administrative costs	The salaries, wages, and benefits of those employees who perform nontechnical support activities, plus the supplies and other expenses used to provide clerical or administrative project support
Allocable costs	Costs that provide direct benefits to the project and can be specifically identified to a project or activity with a high degree of accuracy. A cost is allocable to a sponsored agreement if it advances the work sponsored under the agreement; if it benefits the sponsored agreement in proportion to the charge; and if it is necessary to the overall operation.
Allowable costs	Costs must be directly related to the sponsored agreement, must benefit the sponsored agreement in the proportion to the amount charged, and must conform to the policies and procedures of the institution. The cost must be necessary for the performance of the project. A particular cost may be allowable on one project, where it is needed for performance, but be unallowable on another project where no similar performance requirement exists. Although OMB Circular A-21 may not list a particular type of cost as unallowable, if it does not meet the further tests of allowability described in the procedures section below it will be deemed unallowable.

Definitions, continued

Consistent treatment	Occurs when a cost incurred for the same purpose in like circumstances is treated consistently as either a direct or an indirect cost
Direct costs	Costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy
Facilities and Administrative	(also referred to as F&A, overhead, or indirect costs) Costs incurred for common or joint objectives and which, therefore, cannot be identified readily and specifically with a particular sponsored project, instructional activity, or other institutional activity
Federal Flow-Through Funds	Funds that originate from the federal government, but whose granting entity is not necessarily the federal government. For example, many state awards are funded with federal dollars. Recipients of nonfederal awards should always check the award document to determine whether federal flow through dollars fund the award
Major project or activity	A project or activity that requires an extensive amount of administrative or clerical support, which is significantly greater than the routine level of such services provided by administering departments
Reasonable costs	Costs that reflect the actions a prudent person would take under the circumstances prevailing at the time the decision was made to incur the costs
Supporting documents	Documents that relate expenditures to the purpose of the award. Examples include financial journals, invoices, payroll records, effort reports, or rebudgeting documents
Technical costs	Costs that can be specifically identified and provide direct benefit to a sponsored project's scientific or technical scope of work
Unallowable costs	Costs explicitly identified in OMB Circular A-21 as unallowable, or those that do not meet the conditions for allowability
University	Eastern Kentucky University

Responsibilities

Controller's Office	<ul style="list-style-type: none"> ▪ Provide guidance on policy interpretation and implementation
Project Directors	<ul style="list-style-type: none"> ▪ Assure that costs in proposal budgets are appropriate for the scope of work and are justified ▪ Review costs charged to sponsored awards for compliance with sponsor and University policy ▪ Determine the appropriateness of and provide justification for rebudgeting actions
Sponsored Programs	<ul style="list-style-type: none"> ▪ Assure that costs in proposal budgets are appropriate for the scope of work and are justified ▪ Review proposal budgets for justification of costs ▪ Provide guidance on policy implementation ▪ Monitor costs in proposal budgets for consistent treatment
Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Monitor costs charged to sponsored awards for compliance with sponsor and University policy ▪ Provide guidance on policy implementation ▪ Provides ongoing training opportunities for faculty and staff ▪ Monitors costs charged to sponsored awards for consistent treatment

Procedures

Determination of Allowable, Allocable, and Reasonable Cost Transfers	<ul style="list-style-type: none"> ▪ To determine whether a particular cost is allowable, allocable, and reasonable, apply the "prudent person" test. If the answer to any of the following questions is "no" then the cost probably should not be charged to the project: <ol style="list-style-type: none"> i) Is the cost generally accepted as necessary for the performance of the technical scope of the project or similar projects? ii) Does the cost have an "arms-length" relationship between the investigator and merchants or subcontractors? (For example, goods and services should not be purchased from a friend or relative.) iii) Would you be comfortable explaining to someone outside the University why you charged this item to your project?
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Procedures, continued

	<ul style="list-style-type: none"> iv) Is charging this cost consistent with EKU's policies, procedures, and practices? <ul style="list-style-type: none"> ▪ For cost transfers to sponsored awards, it is the <i>purpose</i> of the charge, not necessarily the type of charge, that determines its allowability. Costs that do not meet these tests may need to be charged to non-sponsored funds.
<p>Determination of the Nature of the Direct Cost: Technical or Administrative</p>	<ul style="list-style-type: none"> ▪ Technical costs are those that provide direct benefit to a sponsored project's scientific or technical scope of work. Some examples of common technical direct costs are the salaries, wages, and benefits of faculty, research staff, pre- and postdoctoral students, technicians, and laboratory assistants needed to perform the technical scope of the award. ▪ Technical costs shall be charged directly to all sponsored projects whenever they can be specifically identified to a particular sponsored project and provide technical benefits as described in the project's scope of work. ▪ Administrative expenses are the salaries, wages, and benefits of those employees who perform non-technical support activities, plus supplies and other expenses used to provide clerical or administrative project support. ▪ Administrative costs are normally classified as indirect costs, but <i>may</i> be charged directly to sponsored projects under certain circumstances. Some examples of common administrative costs are salaries, wages, and benefits of clerical and administrative staff; stationery supplies; routine copying; postage; basic local telephone services; and general purpose equipment such as computers, typewriters, and printers. ▪ All technical costs are allowable unless specifically disallowed. All administrative charges are unallowable unless specifically allowed. <i>Note:</i> When costs that are normally administrative (e.g., office supplies, postage, local telephone calls) are planned and used for a project's <i>technical</i> scope of work, they qualify as technical costs and can be charged directly to sponsored awards provided they also meet the other criteria (allocable, specifically identified to and benefit the project, explicitly included and justified in the budget, not specifically disapproved by the sponsor). ▪ Technical and administrative costs must be given <i>consistent treatment</i> (see definitions).
<p>Determination of Allowable Administrative Direct Costs</p>	<ul style="list-style-type: none"> ▪ OMB Circular A-21 requires that administrative expenses normally be treated as indirect costs. However, they may be charged directly to federally sponsored agreements when all of the following criteria are met: <ul style="list-style-type: none"> ○ The administrative expense is for the performance of tasks that are significantly greater than the routine level of such services normally provided by administering departments or Organized Research Units, and are in support of major activities or projects, such as those described in the Office of Management and Budget (OMB) Circular A-21. ○ The administrative expense can be identified specifically with a particular sponsored project or activity, or can be directly assigned to the project with relative ease and with a high degree of accuracy and provide direct benefits to the project. ○ The "Budget Justification" section of the proposal should state that the costs are normally treated as indirect by the institution but are being requested due to a special purpose or circumstance; an explanation of the special circumstance should be clearly outlined in the "Budget Justification." ○ The administrative expense is explicitly listed in the approved proposal budget, is not specifically disapproved in the award notice, and is explicitly justified in the proposal budget.
<p>Rebudgeting of Awards for Direct Administrative Costs</p>	<ul style="list-style-type: none"> ▪ Direct charging of administrative costs should be justified in the proposal submitted to and approved by the sponsoring agency. ▪ If the PI does not include direct charges of administrative costs in the proposal, the PI may rebudget to include clerical and administrative salaries and other costs normally considered indirect only if all of the tests of allowability are met and written approval by the sponsor is provided. The cost must still meet all other tests of allowability.

Procedures, continued

Distribution of Allowable Direct Costs Between Two or More Activities	<ul style="list-style-type: none"> ▪ On occasion, an item of cost may benefit more than one project or activity. Allocating costs between projects or activities requires a reasonable and documented methodology. For example, a cost can be distributed to projects or activities using a common characteristic such as head count, square feet, or other criterion that reflects the benefits received by each project. Based on actual usage, a cost can also be distributed by means of a log sheet. ▪ For all methods, the criterion used for redistribution must be consistently applied to all benefiting projects or activities regardless of the project's or activity's available funding. Documentation for any redistribution methodology is maintained in departmental files and must be accessible.
Documentation Requirements for Direct Charges to all Sponsored Agreements	<ul style="list-style-type: none"> ▪ Project Directors are responsible for the management and administration of their contracts and grants. They must abide by all applicable federal and state laws, University policies, and sponsor terms and conditions. PIs must assure the appropriateness of all expenditures of project funds. PIs or their departmental business officers must assure that adequate supporting documentation relating expenditures to the purpose of the award is accessible. Some examples of supporting documentation are: <ol style="list-style-type: none"> a. Approved budget & budget justification b. Effort reports c. Timesheets and job cards d. Reallocation methodology e. Rebudgeting documentation

Violations of the Policy

Policy compliance is the joint responsibility of all involved. If non-compliance issues are identified by the Office of Graduate Education and Research, corrective action may be necessary and shall be completed following consultation with the Principal Investigator, respective Dean, Department Chair, and/or Financial Manager. Corrective action may include, but is not limited to, movement of unallowable or inappropriate charges from grant accounts to departmental, college, or other university accounts, suspension of grant accounts, and/or withdrawal of a proposal or award. Any actions deemed necessary in response to policy non-compliance may be appealed to the Provost and/or Executive Vice President for Administration.

Interpreting Authority

- University Controller

Statutory or Regulatory References

- OMB Circular A-21: <http://www.whitehouse.gov/omb/circulars/a021/a021.html>

Relevant Links

[Sponsored Programs website](#)

Policy Adoption Review and Approval



Policy 4.4.6

Volume 4, Academic Affairs
Chapter 4, University Research
Section 6, Effort Reporting on Externally-Sponsored Projects

Approval Authority: Board of Regents

Responsible Executive: University Controller

Responsible Office(s): Sponsored Programs/Sponsored
Programs Accounting

Effective:

Issued:

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Effort Reporting on Externally Sponsored Projects

Policy Statement

This policy sets forth conditions for the documentation of effort for faculty and professional staff who receive compensation, in whole or in part, through a grant or sponsored agreement, or who have committed personnel costs as part of cost sharing obligation on a grant or sponsored agreement.

Purpose

The purpose of this document is to outline the University's policies for ensuring compliance with effort reporting. Adherence to this policy is necessary to prevent cost disallowances and penalties by the federal government and other sponsoring agencies.

Entities Affected by the Policy

- Departments, colleges, or units involved with externally-sponsored projects

Who Should Read this Policy

- Deans
- Chairs
- Project Directors
- Other individuals involved with externally-sponsored projects
- Sponsored Programs staff
- Sponsored Programs Accounting staff

Policy Background

The correct allocation of personnel charges to the appropriate activity/account is important in the management of University resources and is especially significant to the University's compliance with federal guidelines. As a condition of receiving funding from the federal government, the University is required to maintain and certify the percentage of effort employees devote to externally-sponsored projects. The University's effort reporting system is an after-the-fact system requiring the completion of a Time and Effort Certification Form.

Criteria

The University's policy is to comply with applicable federal regulations and guidance regarding time and effort reporting to ensure good stewardship of the funds provided to the University for sponsored projects. The University's effort distribution system and certification reporting system requires that all effort directly associated with a sponsored program be classified consistently, regardless of whether the salary is charged to the sponsor or to the cost shared by the University.

Faculty and staff are expected to commit some level of effort (i.e., greater than 0%) on proposals in which they are listed as principal investigator, project director, or key personnel. Since these roles assume responsibility for the scientific, administrative, and financial management of an award, it is assumed that fulfilling these responsibilities requires time and effort. However, there are instances in which certain types of proposals do not require individuals to commit any level of effort. These exceptions include equipment and instrumentation grants, student augmentation grants, and faculty training grants.

Faculty and professional staff shall complete effort reports near the end of each academic term. Hourly staff shall complete bi-weekly time sheets to certify their effort.

The Time and Effort Certification Form

- Shall reasonably reflect the percentage distribution of time and effort expended by faculty and professional staff involved in externally-sponsored projects.
- Shall be completed and signed by each faculty and professional staff working on an externally-sponsored project. Faculty and staff must document the time and effort spent on the project regardless of whether the sponsor pays for the time or the time is cost-shared by ECU.
- Shall not be completed for employees who submit time sheets.
- Shall be confirmed by a person having firsthand knowledge of the employee's activities. Confirmation is indicated by a countersignature on the form.
 - If a form documents a faculty or professional staff's effort and he/she is not the Project Director, the form will be countersigned by the Project Director or another individual with delegated authority above the person whose effort is being certified.
 - If a form documents a faculty or professional staff's effort and he/she is the Project Director, the form will be countersigned by the Department Chair (or immediate supervisor in nonacademic unit).
- Shall be completed near the end of each semester and shall document the percentage of distribution of effort during the same semester.
- Shall be returned to the University Controller according to the schedule announced by the Controller's Office.

Failure to submit the Time and Effort Certification Form may result in the suspension of grant activity. Completed Time and Effort Certification Forms will be filed with the University Controller.

Definitions

Certification	A signed statement by the employee or responsible official on a sponsored project that attests to the accuracy and completeness of the report
Committed Effort	The percentage of time committed to a particular activity. Effort on sponsored projects is committed in the proposal submitted to a sponsoring agency. A reduction in committed effort must be approved by the sponsoring agency for project directors and other key personnel.
Effort	The proportion of time dedicated to any activity and expressed as a percentage of total time. The effort reports are intended to record the total effort an individual expends as an employee of the University and must total 100%.
Effort Reporting	A method of allocating and documenting the percentage of work time devoted to specific professional activities
Expended Effort	The percentage of time spent on a particular activity. If expended effort differs from committed effort, the personnel expenses charged to a sponsored project must be adjusted accordingly, and sponsoring agencies must be notified if the difference is more than 25%.
University	Eastern Kentucky University

Responsibilities

College Dean	<ul style="list-style-type: none"> ▪ Review and approve PAFs to assure proper distribution of charges to college and sponsored programs accounts ▪ Review and approve Effort Certification reports submitted by the Project Director
Department Chair	<ul style="list-style-type: none"> ▪ Review and approve PAFs to assure proper distribution of charges to departmental and sponsored programs accounts ▪ Review and approve Effort Certification reports submitted by the Project Director
Project Directors	<ul style="list-style-type: none"> ▪ Make Position Action Form (PAF) adjustments ▪ Review and approve Effort Certification reports submitted by grant personnel
Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Make personnel expense adjustments when deemed necessary by time and effort certifications ▪ Generate and distribute Effort Certification reports to Project Directors in accordance with approved timeline

Procedures

Adjusting Effort Charged to Sponsored Projects	<ul style="list-style-type: none"> ▪ Project directors shall adjust the Position Action Form (PAF) for each employee with effort committed to a sponsored project at the time an award is made. ▪ Sponsored Programs Accounting shall review time and effort reports and make any adjustments needed to personnel charges to ensure that sponsors are charged only for the level of effort expended on a project.
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Violations of the Policy

Policy compliance is the joint responsibility of all involved. If non-compliance issues are identified by the Office of Graduate Education and Research, corrective action may be necessary and shall be completed following consultation with the Principal Investigator, respective Dean, Department Chair, and/or Financial Manager. Corrective action may include, but is not limited to, movement of unallowable or inappropriate charges from grant accounts to departmental, college, or other university accounts, suspension of grant accounts, and/or withdrawal of a proposal or award. Any actions deemed necessary in response to policy non-compliance may be appealed to the Provost and/or Executive Vice President for Administration.

Interpreting Authority

- University Controller

Statutory or Regulatory References

- OMB Circular A-21: <http://www.whitehouse.gov/omb/circulars/a021/a021.html>

Relevant Links

[Policy 4.4.3: Cost Sharing on Externally Sponsored Projects](#)
[Policy 4.4.4: Cost Transfers on Externally Sponsored Projects](#)
[Policy 4.4.5: Direct Charges on Externally Sponsored Projects](#)
[Sponsored Programs website](#)

Policy Adoption Review and Approval



Policy 4.4.7

Volume 4, Academic Affairs
Chapter 4, University Research
Section 7, Externally-Sponsored Proposal Submission and
Award Acceptance

Approval Authority: Board of Regents

Responsible Executive: University Controller

Responsible Office(s): Sponsored Programs/Sponsored
Programs Accounting

Effective:

Issued:

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Next Review Date:

Externally-Sponsored Proposal Submission and Award Acceptance

Policy Statement

This policy sets forth conditions for the submission of grant proposals and other sponsored agreements on behalf of Eastern Kentucky University. The policy outlines the proper signatory authorizations, eligibility criteria, and internal approval process required for all sponsored agreements.

Purpose

The purpose of this policy is to provide the criteria for submitting proposals to external sponsors and for accepting grant and contract awards on behalf of the University.

Entities Affected by the Policy

- Departments, colleges, or units involved with externally-sponsored projects

Who Should Read this Policy

- Deans
- Chairs
- Project Directors
- Other individuals involved with externally-sponsored projects
- Sponsored Programs staff

Policy Background

Faculty and staff are encouraged to seek funding for teaching, research, and service activities from external sponsoring agencies. Since the University is legally responsible for performing the scope of work and administering funds if an award is made in response to a proposal, the units of the University that are affected by the proposed project must be aware of commitments involving them. For this reason, proposals must be routed in advance for approval by the appropriate individuals on campus and submitted by the Division of Sponsored Programs upon approval of the Associate Vice President for Research.

Criteria

Authority

The Associate Vice President for Research, as designated by the President, holds the sole authority for approving proposals for submission and accepting awards for externally sponsored programs on behalf of the University. Other University faculty and staff do not have the authority to submit proposals or enter into agreements with sponsors.

Institutional Approval Process

Proposals must be accompanied by an Internal Review and Approval Form (IRAF) that has been approved by applicable University offices. The following routing process is in place for the approval of externally sponsored projects:

1. Principal Investigator/Project Director
2. Department Chair/Administrator
3. College Dean/Administrative Head
4. Director of Sponsored Programs
5. Associate Vice President for Financial Affairs
6. Associate Vice President for Research

The IRAF normally shall be received by Sponsored Programs, with department and college level approvals, at least five business days prior to the sponsor's deadline. The University cannot guarantee the review and submission of proposals that do not meet this deadline. The University is not obligated to accept awards for proposals that do not follow the prescribed routing process prior to an award being issued.

This approval process applies to proposals submitted in hard copy as well as electronically submitted proposals. Electronic submissions are typically completed by Sponsored Programs. In exceptional cases, however, project directors may be permitted to submit electronic proposals following the approval of the Associate Vice President for Research.

Project Director Eligibility

Only full-time permanent faculty and staff may serve as project directors. Exceptions may be made for emeritus faculty subject to approval by the appropriate chair and dean, and the Associate Vice President for Research. Students, part-time faculty and staff, or temporary employees are not eligible to serve as project directors but may otherwise participate in sponsored programs if an acceptable project director is available to assume responsibility for the direction and management of the project.

Award Negotiation and Acceptance

Award notifications are normally sent directly to Sponsored Programs from the sponsoring agencies. Some sponsors, however, send notifications to the project director. If a project director receives an award notification, he or she shall immediately notify Sponsored Programs and forward the award document for negotiation and acceptance by the University.

Definitions

Authorized Organization Representative	The individual with the authority to submit proposals and accept awards on behalf of the University. The Associate Vice President for Research, as designated by the President, serves as the Authorized Organizational Representative on all externally funded grants and sponsored agreements.
University	Eastern Kentucky University

Responsibilities

Associate Vice President for Financial Affairs	<ul style="list-style-type: none"> ▪ Review and approve proposals
Associate Vice President for Research	<ul style="list-style-type: none"> ▪ Review and approve proposals ▪ Review and approve awards ▪ Sign, as Authorized Organizational Representative, proposals and awards
College Dean	<ul style="list-style-type: none"> ▪ Review proposals from within the college ▪ Commit cost share resources, if applicable ▪ Review Conflict of Interest Disclosure
Department Chair/Administrator	<ul style="list-style-type: none"> ▪ Review and approve proposals from within the department/unit ▪ Commit cost share resources, if applicable ▪ Review Conflict of Interest Disclosure
Office of University Counsel	<ul style="list-style-type: none"> ▪ Review contracts, as appropriate
Project Directors	<ul style="list-style-type: none"> ▪ Develop proposal and detailed budget ▪ Complete IRAF ▪ Route for signatures at Chair and Dean levels ▪ Submit IRAF, proposal, and detailed budget to Sponsored Programs at least five days in advance of the deadline ▪ Be available to make any changes requested during the review process ▪ Complete Conflict of Interest Disclosure
Sponsored Programs	<ul style="list-style-type: none"> ▪ Assist with proposal and budget development ▪ Route proposal and IRAF for approvals beyond the Chair and Dean levels ▪ Submit approved proposals ▪ Process award notifications
Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Setup organizational code for awarded projects

Procedures

Proposal Routing	<ul style="list-style-type: none"> ▪ The project director shall prepare the proposal and budget in accordance with University and sponsor guidelines. ▪ Sponsored Programs shall provide support and guidance during the proposal and budget development process. ▪ The project director shall sign and route the current version of the IRAF, with the proposal and detailed budget, through the appropriate channels to be received by Sponsored Programs at least five days prior to the submission deadline. ▪ If no formal proposal is to be submitted to the sponsoring agency, the project director shall circulate a completed IRAF and detailed project budget for approval upon first contact with the sponsoring agency and prior to an award being made. ▪ The project director shall be available to answer questions and resolve any questions that may arise during the proposal review process.
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Procedures, continued

<p>Proposal Review and Approval</p>	<ul style="list-style-type: none"> ▪ The department chair/administrator and college dean shall review the proposal, budget, and IRAF for compliance with University and sponsor regulations. ▪ The department chair/administrator's and dean's signatures certify that the proposal has been reviewed for academic/scientific merit and is in line with the mission of the unit. ▪ The department chair/administrator's and dean's signatures constitute a commitment to the details outlined in the proposal and budget, including time commitments of project personnel, use of departmental resources, and cost share, when applicable. ▪ Sponsored Programs shall review the proposal, budget, and IRAF for compliance with University and sponsor regulations. ▪ Sponsored Programs shall work with the project director and other appropriate offices to resolve any concerns or questions that may arise during the review process. ▪ The Associate Vice President for Financial Affairs and the Associate Vice President for Research shall review the proposal, budget, and IRAF for compliance with University and sponsor regulations in a timely manner. ▪ The Associate Vice President for Financial Affairs and the Associate Vice President for Research shall work with Sponsored Programs and other appropriate offices to resolve any concerns or questions that may arise during the review process. ▪ The Associate Vice President for Financial Affairs and the Associate Vice President for Research shall sign the IRAF and return to Sponsored Programs for further routing. • As the Authorized Organizational Representative, the Associate Vice President for Research shall sign the proposal in the appropriate places and return to Sponsored Programs for submission.
<p>Proposal Submission</p>	<ul style="list-style-type: none"> • Sponsored Programs shall ensure that the proposal is submitted to the sponsoring agency in advance of the deadline by facilitating timely reviews by other offices on campus. • For paper submissions, Sponsored Programs shall copy and mail the proposal to the sponsoring agency according to the directions provided by the project director on the IRAF. • For electronic submissions, Sponsored Programs shall work with the project director to ensure that all applicable forms and attachments have been included with the application package. In most cases, Sponsored Programs shall submit the application to the sponsoring agency; in exceptional cases, Sponsored Programs shall contact the project director to grant approval for proposal submission.
<p>Award Processing</p>	<ul style="list-style-type: none"> ▪ If the project director receives an award notification, he or she shall immediately contact Sponsored Programs and forward the original award documentation. ▪ The project director shall be available to answer questions and resolve any questions that may arise during the award review and negotiation process. ▪ If the award document does not match the proposal submitted by the University, Sponsored Programs shall work with the project director to make any adjustments necessary. If the project is funded at a difference of more than ten percent from the original proposed amount, a new IRAF shall be required. A revised IRAF shall also be required if the award requires the University to provide cost share or commit resources beyond what was approved with the original proposal.
<p>Award Review</p>	<ul style="list-style-type: none"> • Sponsored Programs shall review award documents and forward to the Associate Vice President for Research for review and acceptance on behalf of the University. • The Associate Vice President for Research shall review award documents and determine whether they require review by the Office of University Counsel. • The Office of University Counsel shall review contracts and other award documents as requested by the Associate Vice President for Research. • The Office of University Counsel shall work with appropriate individuals at the University as well as with external sponsoring agencies to make changes to any unacceptable terms and conditions included in award documents.

Procedures, continued

<p>Award Acceptance</p>	<ul style="list-style-type: none"> • When satisfied that the University can accept the award terms and conditions, the Office of University Counsel shall return the final award documents to the Associate Vice President for Research for signature and acceptance by the University. • The Associate Vice President for Research shall sign all award documents and return to Sponsored Programs for further processing in a timely manner. • Sponsored Programs shall establish internal budgets for awarded grants and contracts; provide project directors with guidance on any award conditions and the process for securing an organizational code for the project; and forward award information to Sponsored Programs Accounting.
<p>Account Setup</p>	<ul style="list-style-type: none"> • Upon receiving award documentation from Sponsored Programs and required forms from the project director, Sponsored Programs Accounting shall establish and provide project directors with organizational codes for new projects in a timely manner.

Violations of the Policy

Policy compliance is the joint responsibility of all involved. If non-compliance issues are identified by the Office of Graduate Education and Research, corrective action may be necessary and shall be completed following consultation with the Principal Investigator, respective Dean, Department Chair, and/or Financial Manager. Corrective action may include, but is not limited to, movement of unallowable or inappropriate charges from grant accounts to departmental, college, or other university accounts, suspension of grant accounts, and/or withdrawal of a proposal or award. Any actions deemed necessary in response to policy non-compliance may be appealed to the Provost and/or Executive Vice President for Administration.

Interpreting Authority

- Associate Vice President for Research

Relevant Links

[Policy 4.4.3: Cost Sharing on Externally Sponsored Projects](#)
[Policy 4.4.4: Cost Transfers on Externally Sponsored Projects](#)
[Policy 4.4.5: Direct Charges on Externally Sponsored Projects](#)
[Sponsored Programs website](#)
[Internal Review and Approval Form](#) and [Directions](#)

Policy Adoption Review and Approval



Policy 4.4.8

Volume 4, Academic Affairs
Chapter 4, University Research
Section 8, Salary Compensation on Externally-Sponsored
Projects

Approval Authority: Board of Regents

Responsible Executive: University Controller

Responsible Office(s): Sponsored Programs/Sponsored
Programs Accounting

Effective:

Issued:

Last Revised:

Next Review Date:

Salary Compensation on Externally-Sponsored Projects

Policy Statement

This policy sets forth conditions for faculty and staff who receive compensation, in whole or in part, through a grant or sponsored agreement, or who have committed personnel costs as part of cost sharing obligation on a grant or sponsored agreement. The policy establishes guidelines for effort in terms of the assigned time for faculty and staff.

Purpose

This policy establishes criteria for faculty and staff that are supported, in full or in part, on any externally sponsored program through Eastern Kentucky University. The University is obligated to comply with all federal policies related to the fiscal management of grants under guidelines established by the Office of Management and Budget circulars A-21 and A-110.

Entities Affected by the Policy

- Departments, colleges, or units involved with externally-sponsored projects

Who Should Read this Policy

- Deans
- Chairs
- Project Directors
- Other individuals involved with externally-sponsored projects
- Sponsored Programs staff

Policy Background

Federal guidelines on salary compensation for any personnel funded solely or partially from grants or contracts are based on the concept of effort. Effort is defined within the context of university policies (see Policy 4.4.6) and may not exceed 100% for any individual receiving funds from sponsored projects. It is important to note that working additional hours, either as part of an external grant or contract or from duties assigned by the University, does not normally entitle an individual to additional compensation. All faculty and staff supported through external projects shall certify their effort on at least a semi-annual basis. The certified effort should correspond to the agreed upon commitment set forth in the sponsored agreement.

Criteria

Exclusions from Institutional Base Salary

Some Board- Institutional- or President-approved programs related to the development of strategic initiative of the University are excluded from the institutional base salary. Other programmatic and developmental activities that are intended to further the institutional mission, goals, and objectives may also be excluded from the institutional base salary, yet compensated from other 'unrestricted' funding sources.

Faculty Effort

As the primary responsibility of faculty is instruction, effort can be defined in terms of course-load equivalencies. Faculty members who wish to receive reduced teaching loads for work on sponsored projects shall budget a portion of their salary to the grant or sponsored program. As a general rule, faculty member should budget 20% of their 9-month salary, along with corresponding fringe benefits, for a one-course reduction in their course load throughout the academic year funded by a sponsored project. At the time of the award, the Position Action Form (PAF) of the faculty member(s) must be revised to reflect the portion of the salary charged to the grant.

Use of Funds

A portion of the state-appropriated salary funds that normally would have been allocated to a faculty member receiving grant support under the conditions listed above shall be available for department use within the fiscal year of the funded project. These funds are to be used for part-time faculty or payment of overloads to cover the course(s) of faculty members supported on grants. Salary funds over and above those required to cover the instructional costs directly related to the reassigned time resulting from the grant will be returned to the University general fund.

Faculty Effort as Cost Sharing

A portion of a faculty member's effort may be used to meet obligations of cost sharing required under some sponsored agreements. A faculty member, upon approval by the department chair, may choose to apply up to 20% of their time as cost sharing to the grant without a reduction in course load. Any faculty approved to use their effort to meet cost-sharing obligations in this manner should minimize other service and scholarly activities to remain in compliance with the 100% effort rule for externally sponsored projects.

Overload Compensation for Faculty Supported Under Sponsored Programs

Faculty supported under sponsored programs may receive overload compensation consistent with University policy. Except in unusual cases, overload payments may not be made using grant funds.

According to the guidelines established in OMB Circular A-21 J.10, serving as a paid consultant on other sponsored programs within the University is normally not permitted:

"Intra-university consulting is assumed to be undertaken as a university obligation requiring no compensation in addition to full-time base salary. This principle also applies to faculty members who function as consultants or otherwise contribute to a sponsored agreement conducted by another faculty member of the institution."

Criteria, continued

On rare occasions, faculty members may be permitted to receive compensation in excess of an individual's base salary through appropriate consulting activities on sponsored programs (intra-university consulting). Such arrangements normally shall not exceed five days on any sponsored project and must meet **all** of the following conditions:

1. The consulting arrangement 1) has been clearly identified in the proposal as compensation over and above the institutional base salary and 2) has been specifically provided for in the sponsored agreement or has been approved in writing by the grants and contracts officer of the sponsoring agency.
2. The consultation is across departmental lines or involves a separate or remote location.
3. The work performed by the consultant is in addition to his/her regular department load and can be clearly documented as such.
4. The consulting arrangement has the approval of the faculty member's dean.

If the above criteria are met, the following additional parameters shall be applied for all intra-university consulting paid on externally sponsored projects:

1. The hourly rate paid to an intra-university consultant cannot exceed the individual's regular hourly rate.
2. Employees who are paid 100% from externally-sponsored programs are not eligible for consulting or overload during the same time period.
3. Project Directors/Principal Investigators cannot receive consulting pay on their own projects. Project Directors may use grant funds to provide release time from teaching courses for themselves or other faculty on the project. At the discretion of the Department Chair, Dean, and Provost, and in accordance with university policy on Faculty Teaching on an Overload Basis, faculty may teach up to one bought-out course per year and be compensated overload pay from the department. Overload teaching requests are managed in the Deans' offices, and grant accounts cannot be charged for overload teaching payments.
4. All such work and compensation must be separately identified and documented in the financial management system of the University.

For non-federal grants, exceptions to these criteria, when necessary to meet legal requirements or accomplish institutional goals, may be approved by the Provost or by the Executive Vice President for Administration.

Considerations for Professional Staff

Professional staff members are expected to devote their energy and effort primarily toward fulfilling all assigned duties and responsibilities for the University.

Definitions

Effort	The proportion of time dedicated to any activity and expressed as a percentage of total time. The effort reports are intended to record the total effort an individual expends as an employee of the University and must total 100%.
Institutional Base Salary	An individual's base salary paid by the University. Some Board- Institutional- or President-approved programs related to the development of strategic initiative of the University are excluded from the institutional base salary. Other programmatic and developmental activities that are intended to further the institutional mission, goals, and objectives may also be excluded from the institutional base salary, yet compensated from other 'unrestricted' funding sources.
University	Eastern Kentucky University

Responsibilities

College Dean	<ul style="list-style-type: none"> ▪ Review salaries for accuracy and compliance with University policy ▪ Review and approve release time and/or summer salary if requested
Department Chair and	<ul style="list-style-type: none"> ▪ Review salaries for accuracy and compliance with University policy ▪ Review and approve release time and/or summer salary if requested
Office of the Provost	<ul style="list-style-type: none"> ▪ Review all requests for faculty overload assignments
Project Directors	<ul style="list-style-type: none"> ▪ Verify salaries for all project personnel ▪ Secure salary quotes from Human Resources for new positions ▪ Collaborate with Sponsored Programs to adjust noncompliant salary requests
Sponsored Programs	<ul style="list-style-type: none"> ▪ Review salaries for accuracy and compliance with University policy ▪ Review Requests for Approval of Incidental Work on Sponsored Projects and Requests for Approval of Overload Compensation ▪ Secure sponsor approval for reduction in key personnel effort
Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Review Position Action Forms (PAFs) and ensure necessary adjustments upon initial award and following effort certifications ▪ Verify advance approval for incidental, overload, and summer salaries

Procedures

Salary Requests at Proposal Stage	<ul style="list-style-type: none"> ▪ Project directors shall adhere to this policy in the development of project budgets and shall collaborate with Sponsored Programs to adjust any noncompliant salary requests prior to the submission of proposals. ▪ Project directors shall verify salaries of individuals included in project budgets with Human Resources and shall work with Human Resources to secure salary quotes for positions that will be newly established as a result of an awarded sponsored project. ▪ The department chair, college dean, and other appropriate administrative officials shall ensure that salary requested through a sponsored project is in compliance with this policy. ▪ By signing the Internal Review and Approval Form, the department chair, college dean, and other appropriate administrative officials provide authorization for any release time and/or summer salary requested through the proposed sponsored project. ▪ Prior to the submission of proposals, Sponsored Programs shall verify the accuracy of salary calculations and work with project directors to make any adjustments necessary. ▪ Prior to the submission of proposals, Sponsored Programs shall review all consulting arrangements to ensure that all conditions of this policy are satisfied. In the event that noncompliant consulting arrangements are included in a proposal budget, Sponsored Programs shall work with the project director to make adjustments as necessary.
Salary Approvals Following Award	<ul style="list-style-type: none"> • If an award is made that results in a substantial (25% or more) reduction of effort of key personnel on an existing sponsored project, Sponsored Programs shall ensure that appropriate sponsor approval is secured for the effort reduction. • Sponsored Programs shall review Requests for Approval of Incidental Work on Sponsored Projects and Requests for Approval of Overload Compensation forms for compliance with this policy and shall provide approval or disapproval in a timely manner. • Sponsored Programs Accounting shall ensure that Position Action Forms (PAFs) of employees with effort committed to awarded projects are adjusted appropriately, both at the award stage and following effort certifications.

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- Sponsored Programs Accounting shall verify that consulting and summer pay have been approved in advance and shall process approved pay requests in a timely manner.
-

Violations of the Policy

Policy compliance is the joint responsibility of all involved. If non-compliance issues are identified by the Office of Graduate Education and Research, corrective action may be necessary and shall be completed following consultation with the Principal Investigator, respective Dean, Department Chair, and/or Financial Manager. Corrective action may include, but is not limited to, movement of unallowable or inappropriate charges from grant accounts to departmental, college, or other university accounts, suspension of grant accounts, and/or withdrawal of a proposal or award. Any actions deemed necessary in response to policy non-compliance may be appealed to the Provost and/or Executive Vice President for Administration.

Interpreting Authority

- Provost and Vice President for Academic Affairs

Statutory or Regulatory References

- OMB Circular A-21: <http://www.whitehouse.gov/omb/circulars/a021/a021.html>
- OMB Circular A-110: <http://www.whitehouse.gov/OMB/circulars/a110/a110.html>

Relevant Links

[Policy 4.4.3: Cost Sharing on Externally Sponsored Projects](#)
[Policy 4.4.4: Cost Transfers on Externally Sponsored Projects](#)
[Policy 4.4.5: Direct Charges on Externally Sponsored Projects](#)
[Policy 4.4.6: Effort Reporting on Externally Sponsored Projects](#)
[Sponsored Programs Website](#)

Policy Adoption Review and Approval



Policy 4.4.9

Volume 4, Academic Affairs

Chapter 4, University Research

Section 9, Subrecipient Monitoring

Approval Authority: Board of Regents

Responsible Executive: Associate Vice President for Research,
University Controller

Responsible Office(s): Sponsored Programs/Sponsored
Programs Accounting

Effective:

Issued:

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Subrecipient Monitoring

Policy Statement

This policy sets forth conditions for review, approval, and monitoring of subrecipients on sponsored programs administered through Eastern Kentucky University. The policy also outlines the responsibilities of the project director in assuring both programmatic and fiscal compliance of subrecipients to the terms and conditions established by the sponsoring agency.

Purpose

This policy seeks to:

- promote stewardship of funds used to pay subrecipient organizations;
- promote appropriate responsibility and accountability for contractual subrecipient relationships;
- promote compliance with federal, state, University, and other legal requirements related to subrecipient monitoring; and
- ensure that the University and its sponsors receive value for funds expended.

Entities Affected by the Policy

- Departments, colleges, or units involved with externally-sponsored projects that include subrecipients

Who Should Read this Policy

- Deans
- Chairs
- Project Directors
- Other individuals involved with externally-sponsored projects that include subrecipients

Policy Background

As a condition of its acceptance of funding from sponsors, the University is obligated in its role as primary recipient to undertake certain stewardship activities as well as comply with federal, state, and local regulations. As part of this obligation, the University is responsible for monitoring the programmatic and financial performance of its sponsored project award subrecipients.

Criteria

As required by OMB Circular A-133, all subawards issued by the University shall provide the best information available to describe the award, including:

- Catalog of Federal Domestic Assistance (CFDA) title and number
- Award name and number
- Name of federal agency

The University is obligated to advise subrecipients of requirements that are imposed on them by federal laws, regulations, and the provisions of the sponsored project award document. Subrecipients are required to permit the University and its auditors to have access to records and financial statements pertaining to the subaward.

Except in unusual cases, subrecipients must be identified in the proposal submitted to the sponsoring agency. Following the execution of subawards, the University is required to monitor the subrecipient's activities to ensure that activities are conducted in compliance with regulations and that performance goals are achieved. In general, when a significant percentage of an award is passed through the University to a subrecipient, more intense monitoring is necessary. Regular communication with the subrecipient is required.

The University shall monitor subrecipients to ensure compliance with audit requirements. If audit findings are revealed, the University shall issue a management decision within sixty days following the receipt of the subrecipient's audit report and confirm that the subrecipient has taken appropriate corrective actions in a timely manner. If the subrecipient's corrective action plan is not submitted to the University within thirty days, the subrecipient will receive a follow-up phone call or email from Sponsored Programs. If the corrective action plan is not received by the end of sixty days, a letter will be sent from the Associate Vice President for Research. After ninety days, a letter will be sent from University Counsel to inform the subrecipient that failure to respond may result in the termination of the subaward.

If the subrecipient's audit findings necessitate adjustments in the University's financial records, such adjustments shall be made in a timely manner.

Definitions

Subrecipient

The legal entity to which a subaward is made and which is accountable to the University for the use of the funds provided in carrying out a portion of the University's programmatic effort under a sponsored project. The term may include institutions of higher education, for-profit corporations, non-profit organizations, and foreign or international organizations (such as agencies of the United Nations) at the discretion of the Federal awarding agency.

Definitions, continued

Subaward	An award of financial support from a prime awardee (e.g., the University) to a qualified organization for the performance of a substantive portion of the program funded under the prime award. The term also includes awards made by a subrecipient to a lower tier subrecipient. It does not include procurement of goods and services funded by a prime award (i.e., vendors are not considered subrecipients).
University	Eastern Kentucky University

Responsibilities

Internal Audit	<ul style="list-style-type: none"> ▪ Assist with issuing management decisions and ensure that appropriate corrective actions are taken
Office of University Counsel	<ul style="list-style-type: none"> ▪ Review contracts involving external subawards
Project Directors	<ul style="list-style-type: none"> ▪ Disclose any potential conflicts of interest with subrecipients ▪ Maintain sufficient communication with Subrecipient ▪ Review Technical Performance Reports ▪ Review Financial Invoices to ensure expenses are consistent with the Scope of Work performed by the subrecipient and that the costs incurred are reasonable, allowable, and allocable to the project. ▪ Visit site, when appropriate ▪ Submit requests for Subaward Changes ▪ Provide required documentation for Third-Tier Subrecipients, when applicable
Sponsored Programs	<ul style="list-style-type: none"> ▪ Determine subrecipient/vendor classification ▪ Conduct risk assessment of subrecipients ▪ Request annual A-133 Certifications ▪ Approve Subaward Changes ▪ Approve Third-Tier Subcontractors
Sponsored Programs Accounting	<ul style="list-style-type: none"> ▪ Review Financial Invoices for compliance with terms and conditions of the subaward

Procedures

Subrecipient/Vendor Determination	<ul style="list-style-type: none"> ▪ Sponsored Programs shall determine classification of subrecipients. This determination is made in collaboration with the project director and is based on the criteria established in the Subrecipient/ Vendor Determination Checklist.
Risk Assessment	<ul style="list-style-type: none"> • Sponsored Programs shall assess the risk level of each Subrecipient prior to the issuance of a subaward. The risk assessment will include factors such as the dollar value of the subaward, the subaward's percentage of the prime award, the type of subrecipient, the history of the subrecipient's existence, the subrecipient's relationship with the University, the Subrecipient's experience with managing federal funds, the complexity of the project activities, and the inclusion of third-tier subrecipients. The subaward document will include additional reporting and compliance requirements for subrecipients determined to be high risk.

Procedures, continued

A-133 Certifications	<ul style="list-style-type: none"> • Non-profit subrecipients who expended \$500,000 or more in federal funds during the previous fiscal year are required to have an A-133 audit on an annual basis or may elect to have a program-specific audit. Sponsored Programs shall request annual A-133 certifications from all subrecipients. This certification requires that subrecipients certify that their A-133 audits revealed no questionable findings or provide a detailed disclosure of findings. • Subrecipients who are not subject to A-133 audit requirements shall complete a financial disclosure and shall be required to submit in a program specific audit, performed by an independent external entity, upon request by the University. • If audit findings are revealed, Sponsored Programs shall issue a management decision within sixty days of notification and shall provide additional monitoring to ensure that timely and appropriate corrective actions are taken in response to audit findings. • Internal Audit shall provide assistance with issuing management decisions and ensuring that appropriate corrective actions are taken.
Subaward Changes	<ul style="list-style-type: none"> • Subrecipients are required to notify the University and obtain prior written approval from the Director of Sponsored Programs for any changes that may materially alter the terms of the subaward. Examples include, but are not limited to, changes in the period of performance, scope of work, or budget. • The project director shall work with the subrecipient to ensure that any changes that may materially alter the terms of the subaward are immediately reported to Sponsored Programs for approval. • Sponsored Programs shall provide approval in a timely manner; in most cases, a formal subaward amendment will be required.
Third-Tier Subcontractors	<ul style="list-style-type: none"> • When subrecipient budgets include funds for contractual purposes, the project director shall work with the subrecipient to facilitate the timely provision of required documentation to Sponsored Programs. • Sponsored Programs shall review third-tier subcontractors included in subaward budgets, request identification of the entity by name, request justification for how the entity was selected (i.e., evidence of competitive bid process or sole source justification), and provide the subrecipient with written approval prior to the subrecipient entering into a contractual relationship with a third-tier subcontractor. • Sponsored Programs shall request any additional documentation from the subrecipient needed to make an informed decision about the approval of third-tier subcontractors.
Contract Review	<ul style="list-style-type: none"> • The Office of University Counsel shall review all subawards with variations from the approved subaward template. University Counsel shall work with the project director and Sponsored Programs to negotiate changes to proposed subawards prior to their execution.
Communication with Subrecipient	<ul style="list-style-type: none"> • The project director shall maintain sufficient contact with the subrecipient to assess accurately whether the subrecipient is adequately performing the statement of work and reasonably progressing towards the achievement of the performance goals.
Review of Technical Performance Reports	<ul style="list-style-type: none"> • The project director shall obtain periodic written performance reports from the subrecipient. Such reports should generally contain a comparison of actual accomplishments with the goals and objectives established for the period.
Review of Financial Invoices	<ul style="list-style-type: none"> • Upon receipt of financial invoices, the project director shall review and assess whether the charges on the invoice reasonably match progress made on the project. If an invoice is believed to be inaccurate, project directors shall contact the subrecipient for clarification and request additional documentation before forwarding the invoice to Sponsored Programs Accounting for payment. • Prior to approving and issuing payments on subawards, Sponsored Programs Accounting shall review financial invoices for compliance with sponsor guidelines and the terms of the subaward. • Sponsored Programs Accounting shall work with the project director and subrecipient to secure any additional documentation needed to process invoice payments and shall withhold payment on invoices until such documentation is received.

Procedures, continued

Site Visits

- Depending on the scope of work and level of involvement from the subrecipient, site visits are often necessary to ensure an effective collaboration. The project director shall arrange and maintain documentation for such visits.

Violations of the Policy

Policy compliance is the joint responsibility of all involved. If non-compliance issues are identified by the Office of Graduate Education and Research, corrective action may be necessary and shall be completed following consultation with the Principal Investigator, respective Dean, Department Chair, and/or Financial Manager. Corrective action may include, but is not limited to, movement of unallowable or inappropriate charges from grant accounts to departmental, college, or other university accounts, suspension of grant accounts, and/or withdrawal of a proposal or award. Any actions deemed necessary in response to policy non-compliance may be appealed to the Provost and/or Executive Vice President for Administration.

Interpreting Authority

- Associate Vice President for Research

Statutory or Regulatory References

- OMB Circular A-133: <http://www.whitehouse.gov/OMB/circulars/a133/a133.html>

Relevant Links

[Sponsored Programs website](#)

Policy Adoption Review and Approval



Policy 4.6.1

Volume 4, Academic Affairs

Chapter 6, Faculty

Section 1, Determining Qualifications for Faculty Teaching Credit-Bearing Courses

Approval Authority: Board of Regents

Responsible Executive: Provost/Vice President for Academic Affairs

Responsible Office(s): Academic Affairs, Colleges, Departments

Effective:

Expires:

Last Revised:

Next Review Date:

Determining Qualifications for Faculty Teaching Credit-Bearing Courses

Policy Statement

Eastern Kentucky University will employ qualified faculty to teach credit-bearing courses. The University places primary importance on academic credentials, which must be awarded from accredited institutions. In addition to academic credentials, other competencies may be identified, as appropriate, when establishing qualifications. Faculty qualifications will be linked to the course(s) a faculty member is assigned to teach and will be initially determined by the department. Approval of faculty qualifications must be made by the dean and the Provost and Vice President for Academic Affairs. The criteria for qualifications are outlined in this policy.

Purpose

This policy ensures that the University uses instructional faculty that are academically prepared to teach at the baccalaureate and post-baccalaureate levels. When other credentials are used in lieu of certain advanced degrees, this policy ensures that those credentials are appropriate for teaching college-level courses. Finally, this policy ensures that the University will stay in compliance with its accrediting bodies.

Entities Affected by the Policy

- Colleges
- Departments
- Faculty

Who Should Read this Policy

- Provost and Vice President for Academic Affairs
- Deans
- Department Chairs
- Faculty

Policy Background

Because Eastern Kentucky University (EKU) is “a student-centered, comprehensive public university dedicated to high-quality instruction, scholarship, and service,” it is vital that the University hire and retain highly qualified faculty. EKU is committed to meeting not only the minimum credential guidelines established by the Southern Association of Colleges and Schools (SACS) but, where appropriate, exceeding those guidelines. Therefore, the University has established this policy, including credential guidelines and procedures for following the policy.

EKU's faculty and administration jointly accept the responsibility of ensuring the integrity of faculty qualifications. The University recognizes that the initial determination of appropriate qualifications rests at the department level. In making this determination, departments must examine all relevant documentation (see below) and must provide a cogent justification when qualifications may appear to be outside the policy's guidelines. Subsequent to the departmental recommendation, faculty **qualifications** are subject to review and approval by the dean and the Provost and Vice President for Academic Affairs.

Criteria for Faculty Qualifications

The following are *minimum* criteria for credentials.

A. Faculty Teaching Developmental Courses

Faculty teaching developmental courses must hold a terminal or master's degree in the teaching discipline or master's degree with a concentration in the teaching discipline (a minimum of 18 graduate semester hours) or an emphasis in adult or developmental education (a minimum of 12 graduate hours) or a bachelor's degree in the teaching discipline and relevant teaching experience.

B. Faculty Teaching Undergraduate Degree Courses

Faculty teaching undergraduate courses, including general education courses, must hold a doctoral/terminal or master's degree in the teaching discipline or master's degree with a concentration in the teaching discipline (minimum of 18 graduate semester hours in the teaching discipline).

C. Faculty Teaching Graduate Degree Courses

Faculty teaching graduate and post-baccalaureate courses must hold a doctoral/terminal degree in the teaching or related discipline—or—faculty teaching graduate or post-baccalaureate clinical, practicum, or internship courses must hold at least a master's degree in the teaching discipline and must have certification/licensure or demonstrated clinical/practice leadership in a specialization relevant to the course content.

D. Secondary Instructors for Courses

Faculty not designated as primary instructors must have at least 18 graduate hours in the teaching discipline or hold a bachelor's degree in the teaching discipline. Responsibilities of the secondary instructor must be clearly documented but must not include sole responsibility for curriculum/course development or for evaluation of students. Secondary instructors must be under the direct, documented supervision of a faculty member experienced in the teaching discipline and be subject to planned and periodic evaluations.

E. Teaching Assistants (including Instructor of Record)

Teaching assistants who are the instructor of record for a developmental course must meet the qualification guidelines in section A above; for all other undergraduate courses or laboratories that bear credit, teaching assistants who are the instructor of record must have at least 18 graduate semester hours in the teaching discipline. Additionally, all teaching assistants who are the instructor of record must be under the direct, documented supervision of a faculty member experienced in the teaching discipline, participate in regular in-service training, and be subject to planned and periodic evaluations.

Justifications for Faculty Not Meeting Minimum Qualifications

Under exceptional circumstances, the University may desire to employ faculty members who do not meet minimum qualifications. Justifications may be made for faculty teaching developmental or baccalaureate courses who do not meet minimum qualifications but who may have other documented competencies. All such justifications must be approved by the College Dean and the Provost prior to the faculty member teaching relevant courses.

For faculty teaching graduate courses, justifications may be made for non-terminally qualified faculty who demonstrate external validation of qualifications in the teaching field, such as regional or national recognitions, refereed publications, or leadership activities. All such graduate faculty justifications must be approved by the College Dean, the Graduate Dean, and the Provost prior to the faculty member teaching relevant courses.

For additional information, refer to Guidelines for Justifications for Faculty Not Meeting Minimum Qualifications.

Definitions

Clinical Course	A course that requires application of professional or advanced knowledge and skill in the direct care/teaching of clients in laboratory settings including acute and community based systems.
Credit-bearing Course	Any course that is transcribed.
Documentation of Qualifications	Suitable documentation for faculty qualifications includes but is not limited to: Required <ul style="list-style-type: none"> • Transcripts from all institutions where academic credit has been awarded. The emphasis is on graduate work unless undergraduate coursework is necessary to demonstrate relevance. • Current <i>dated</i> curriculum vita or resume As Relevant <ul style="list-style-type: none"> • Copies of current certificates • Copies of current licenses • Documentation of relevant awards or honors • Documentation of teaching effectiveness • Syllabi for courses taught
Documented Competencies	Types of demonstrated competencies are as follows: <ul style="list-style-type: none"> • Graduate degrees/certificates • Certifications (non-academic) • Licensures • Related work experience • Scholarly/creative achievements • Teaching awards and/or teaching evaluations
Graduate Hours	The minimum graduate hours in the teaching discipline is determined by semester hours. Therefore, any graduate hours earned by another calculation must be demonstrated as equivalent.
Internship Practicum	A course that requires application through practical work in an applied setting.
Primary Instructor (Instructor of Record)	Refers to a faculty member who is responsible for: <ul style="list-style-type: none"> • The quality of course content • Assessment of students' fulfillment of learning outcomes for the course • Course grades • Coordinating/supervising secondary instructors, if applicable
Provost and Vice President for Academic Affairs	Refers to either the Provost and Vice President for Academic Affairs or his/her designee.
Related Field	A related field may be any field that reasonably can be demonstrated to provide the appropriate knowledge base for the course content.
Secondary Instructors	Refers to an individual who is under the direct supervision of a primary instructor and who may be responsible for the delivery of instruction for some or all parts of a course but who does not have the authority to: <ul style="list-style-type: none"> • Assign final course grades • Create or alter a syllabus or the assignments for the course
Teaching Discipline	The teaching discipline is defined as the field most appropriate for the course content.
Teaching Faculty	Teaching faculty is defined as any faculty member, whether full-time or part-time, who teaches a course transcribed as institutional credit (including those courses offered in the developmental program) by Eastern Kentucky University. This includes full-time or part-time administrators who may occasionally teach.

Definitions, continued

Terminal Degree	The terminal degree is generally, for teaching purposes, the highest academic degree awarded in a field. In most cases, the terminal degree will be the doctorate; however, sometimes an advanced professional degree or a master's degree will be the terminal degree in a particular field (i.e. MFA in Creative Writing). On rare occasions, the terminal degree may be a bachelor's degree in the field. A distinction is made here between a terminal degree appropriate for teaching in higher education and a degree appropriate for autonomous practice outside the academy.
University	Eastern Kentucky University

Responsibilities

Faculty (full time)	<ul style="list-style-type: none"> • During the hiring process, provide official copies of all transcripts to the dean's office. • Within two months of the completion of a semester, provide official copies of transcripts for all graduate coursework completed after employment commences. • Provide a dated copy of curriculum vitae to the college dean every year. • Provide copies of all other relevant documentation of qualifications and keep updated as appropriate.
Faculty (part time)	<ul style="list-style-type: none"> • During the hiring process, provide official copies of all transcripts to the dean's office. • Within two months of the completion of a semester, provide official copies of transcripts for all graduate coursework completed after employment commences. • Provide a dated copy of curriculum vitae to the college dean within one month of the beginning of the semester in which part-time faculty member is hired. Part-time faculty teaching in both fall and spring semesters do not need to submit a CV in the spring semester. • Provide copies of all other relevant documentation of qualifications and keep updated as appropriate.
Department Chair	<ul style="list-style-type: none"> • Ensure that all faculty hired to teach courses within his/her department meet the criteria outlined in this policy. • Ensure that all faculty have provided the dean's office with the appropriate documentation. • Provide justifications for faculty with non-standard qualifications. • Determine terminal degree(s) appropriate for coursework in the department and provide justification to the Dean and the Provost and Vice President for Academic Affairs. • Ensure that at least 25% of discipline credit hours toward each major are taught by terminally-qualified faculty.
College Dean	<ul style="list-style-type: none"> • Ensure that departments are adhering to the policy criteria. • Maintain up-to-date and complete files on all teaching faculty within the college. • Provide information to the Provost and Vice President for Academic Affairs when requested.
Provost and Vice President for Academic Affairs	<ul style="list-style-type: none"> • Ensure that all teaching faculty are in compliance with this University policy and with accrediting standards. • Maintain a system for ongoing compliance.

Procedures

Initial Determination of Qualifications	<ol style="list-style-type: none"> 1. Prior to hiring, the department must ensure that potential faculty, regardless of full-time or part-time status, meet or exceed the criteria outlined in this policy. Therefore, the department is responsible for ensuring that all credential documents are provided to the Dean. 2. The department chair will provide to the college dean all relevant materials regarding qualifications. In situations where the basis for qualification is nonstandard, the chair will provide a letter of justification providing specific details in support of that justification as well as a detailed list of courses the faculty member is qualified to teach. 3. The dean, after evaluating the materials and providing an approval recommendation, will submit all relevant materials to the Provost and Vice President for Academic Affairs. 4. The Provost and Vice President for Academic Affairs will evaluate the materials and provide a decision regarding the hiring of the faculty member to teach. A written response will be provided to the dean and to the chair. A signed copy of the approval form will be placed in the faculty member's file.
Ongoing Determination of Qualifications	<ol style="list-style-type: none"> 1. The Office of The Provost and Vice President for Academic Affairs is responsible for ensuring ongoing compliance with this policy and with the University's accrediting agencies. This Office will maintain a systematic, periodic review of at least 1/3 of the teaching faculty every year. 2. The deans of each college will be notified of any faculty member who appears to be out of compliance with qualification guidelines. The dean's office must notify the appropriate department chairs. 3. Department chairs, once notified, must provide a letter of justification and any supporting documentation. The letter of justification will provide a sound argument for qualifications and will provide specific details and documentation in support of that justification. 4. The Provost and Vice President for Academic Affairs will review all letters of justification and supporting materials and will make a determination. 5. The dean, the department chair, and the graduate dean (as appropriate) will be notified in writing of all decisions.
Determining Terminal Degrees	<p>Each department will determine the appropriate terminal degree(s), as defined above, for its discipline. Written justification for this determination must be provided to the Dean and to the Provost and Vice President for Academic Affairs. The Provost and Vice President for Academic Affairs will provide a final review for terminal degree designations. The list of terminal degrees will be reviewed every three years by the Office of Academic Affairs and updated as appropriate.</p>
Maintaining Faculty Files	<p>An official file or portfolio on each member of the faculty must be maintained by the dean's office. The faculty file will include pertinent, up-to-date information describing the qualifications of the faculty member, such as curriculum vitae, teaching evaluations, and institutional qualification justifications in nonstandard situations (i.e. copies of certificates, licenses, etc). These files should also be made available in electronic format (i.e. through databases and imaging). Updated CVs will be submitted to the Chair and to the Dean each academic year.</p>
Determining Percentage of Student Credit Hours Taught by Faculty with Terminal Degrees	<p>Each department will ensure that at least 25 percent of the discipline course hours in each undergraduate major are taught by faculty members holding a terminal degree in the discipline.</p>
Appeals	<ol style="list-style-type: none"> 1. The department chair may appeal the decision regarding faculty qualification within five working days by submitting an appeal letter and any additional relevant information to the Dean and the Provost and Vice President of Academic Affairs. 2. The Provost and Vice President for Academic Affairs will review the appeal and will make a final determination of faculty qualification. 3. Further appeals are permitted only if the circumstance for the faculty member changes (i.e. additional graduate coursework, new professional development and/or scholarship in the field, new certificates or licenses, etc.) 4. The dean, the department chair, and the graduate dean (as appropriate) will be notified in writing of all decisions.

Violations of the Policy

Failure to follow this policy will result in faculty not being rehired or being reassigned to an area that matches qualifications. Depending on the circumstance, a faculty member whose qualifications cannot be approved based on this policy may be immediately removed from the course, even if a semester has begun.

Interpreting Authority

- Provost and Vice President for Academic Affairs

Statutory or Regulatory References

NA

Relevant Links

<http://www.sacscoc.org/pdf/2008PrinciplesofAccreditation.pdf> (see page 28)

<http://www.sacscoc.org/pdf/081705/faculty%20credentials.pdf>

Policy Adoption Review and Approval



University Policy Impact Statement

Date Sep 23, 2008 Check One: Revision of Existing Policy New Policy

Policy Number (If known) 4.6.1 Policy Name Determining Qualification of Faculty Teaching Credit-Bearing Courses

Originator(s) Academic Affairs

Justification for Proposed Changes or for New Policy (Attach additional sheet if necessary)

EKU used the SACS guidelines as a de facto policy. SACS is now encouraging institutions to develop their own policies that make sense within their institutional environments while at the same time satisfying accountability to external entities.

Consistency with EKU's Mission and Strategic Plan, Other Policies, and Related External Documents

Cite relevant official statements from EKU or external sources.

See Attachment A

Impact on the University

(1) Identify resources (human, financial, physical, operational, technological, other) needed to implement and maintain compliance; (2) Identify changes to EKU's culture and/or behaviors that may be involved.

- 1) May require some technological resources to manage qualification databases.
- 2) May require some shifts in who is being hired.
- 3) Will necessitate a change in how "instructor of record" is used.

List Key Stakeholders who have been consulted. Indicate action taken and the date it was taken. Attach additional page if necessary.

<u>Provost Council</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Other	Date <u>Jul 9, 2008</u>
<u>Deans</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Other	Date <u>Jul 9, 2008</u>
<u>Chairs</u>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Other	Date <u>Apr 25, 2008</u>
_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Other	Date _____
_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Other	Date _____
_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Other	Date _____

Executive Policy Group Only

Board Approval Required

Additional Pages Attached # of additional pages 2

Print Form

Impact Statement for Policy 4.6.1 Attachment A

Consistency with EKU mission and external standards

Mission Statement: "Eastern Kentucky University is a student-centered, comprehensive public university dedicated to *high-quality instruction*, scholarship, and service."

SACS: 3.7.1 "The institution employs competent faculty members qualified to accomplish the mission and goals of the institution. When determining acceptable qualifications of its faculty, an institution gives primary consideration to the highest earned degree in the discipline. The institution also considers competence, effectiveness, and capacity, including, as appropriate, undergraduate and graduate degrees, related work experiences in the field, professional licensure and certifications, honors and awards, continuous documented excellence in teaching, or other demonstrated competencies and achievements that contribute to effective teaching and student learning outcomes. For all cases, the institution is responsible for justifying and documenting the qualifications of its faculty." (See Commission guidelines "Faculty Credentials.") (Faculty competence)

Credential Guidelines:

- a. Faculty teaching general education courses at the undergraduate level: doctoral or master's degree in the teaching discipline or master's degree with a concentration in the teaching discipline (a minimum of 18 graduate semester hours in the teaching discipline).*
- b. Faculty teaching associate degree courses designed for transfer to a baccalaureate degree: doctoral or master's degree in the teaching discipline or master's degree with a concentration in the teaching discipline (a minimum of 18 graduate semester hours in the teaching discipline).*
- c. Faculty teaching associate degree courses not designed for transfer to the baccalaureate degree: bachelor's degree in the teaching discipline, or associate's degree and demonstrated competencies in the teaching discipline.*
- d. Faculty teaching baccalaureate courses: doctoral or master's degree in the teaching discipline or master's degree with a concentration in the teaching discipline (minimum of 18 graduate semester hours in the teaching discipline). At least 25 percent of the discipline course hours in each undergraduate major are taught by faculty members holding the terminal degree—usually the earned doctorate—in the discipline.*
- e. Faculty teaching graduate and post-baccalaureate course work: earned doctorate/terminal degree in the teaching discipline or a related discipline.*
- f. Graduate teaching assistants: master's in the teaching discipline or 18 graduate semester hours in the teaching discipline, direct supervision by a faculty member experienced in the teaching discipline, regular in-service training, and planned and periodic evaluations.*

Impact Statement for Policy 4.6.1

Attachment B

Policy Development and Review History

Background

During the comprehensive review conducted in response to our reaffirmation of our SACS accreditation, we discovered that EKU had minimal policies or guidelines regarding faculty qualifications. In fact, it amounted to two sentences in the Faculty Handbook: **“Eastern Kentucky University adheres to the credential guidelines as stated by the Southern Association of Colleges and Schools (SACS) in the hiring of full- and part-time faculty. The expectation is that individuals will have a minimum of 18 graduate hours in the discipline they will be teaching.”**

EKU had, therefore, adopted de facto the SACS guidelines. Since EKU adopted this stance, SACS has undergone a transformation and the expectations for faculty qualifications have grown stronger. The instructions for completing the faculty roster that is submitted to SACS state: **“it is expected that the institution will provide information that justifies and documents each faculty member’s *qualifications relevant to the specific courses they are assigned to teach*. For faculty teaching interdisciplinary courses, it is expected that the institution will provide information that justifies and documents the faculty member’s qualifications relevant to the disciplines that are components of the course”** (emphasis added).

SACS has also made it apparent that it expects institutions to develop their own policies (rather than rely on SACS guidelines) and to abide by those policies. Therefore, EKU began work on its policy.

Policy Development

In fall 2006, Dr. Aaron Thompson and Dr. Sherry Robinson created a draft policy. This draft policy was submitted **as an initial draft** to SACS as part of the University’s documentation that it had begun the process of creating its own policy. This draft policy used the SACS guidelines as a starting place, adding to or changing the guidelines as appropriate to EKU. The policy also establishes procedures for ongoing compliance and for maintaining appropriate and adequate documentation in faculty files.

Policy Review

- 1) The Provost Council reviewed the policy over several sessions. During this review, the draft policy was sent to:
 - a) the chairs via the Chair of Chairs (April 25, 2008). Feedback from chairs/departments was sent to Special Assistant to the Provost, Sherry Robinson, and changes were made to some language and to some of the criteria.
 - b) the Faculty Senate (May 5, 2008 regular meeting). Input was requested and a couple of comments/suggestions were sent to Sherry Robinson.
- 2) After input was considered and incorporated into the policy draft, the **Provost Council endorsed** the policy on July 9, 2009 and requested that endorsement be sought by the Deans and by Faculty Senate.
- 3) The **Deans have endorsed** the policy.
- 4) The policy was distributed at the Executive Committee of Faculty Senate on August 25, 2008. A question was raised concerning Teaching Assistants. Vice Chair John Taylor, Senator Paula Kristofik, and Sherry Robinson met on September 17 to address the question and the policy was brought back to the Executive Committee on September 22.
- 5) The policy is now presented to the Faculty Senate.

To: Faculty Senate
From: Malcolm P. Frisbie
Date: 6 October 2008
Re: Regent's Report

22 September 2008, Special Meeting of the Board

The Board met briefly in a special session on 22 September for the purpose of considering a resolution to authorize the use of general receipts to meet our obligations under the Siemens Energy Savings Performance Contract. You will recall that the Siemens project is a partnership in which Siemens guarantees to help the university realize at least \$27 million in energy cost savings over a twelve-year period. The project will be paid for by the guaranteed savings; additional savings will accrue to the university. The resolution that the Board considered, and passed, deals with the financing of that project. The agreement is one that was recommended to us by Peck, Shaffer & Williams, the University's bond counsel. The details of the Siemens package have been worked out over the last several months through negotiations involving James Street, our legal representatives, state personnel and legal counsel, and Siemens personnel. I am pleased that we have finalized the paperwork to make this exciting project a reality.

29 September 2008, Governor's Conference on Postsecondary Education Trusteeship

The Governor's Conference is an annual meeting organized by the CPE for university administrators, trustees and regents, legislators, and CPE personnel. EKU was well represented this year, with five members of the Board, several of our administrators (President, Provost, Executive VP, VP for Student Affairs, and others), and some faculty (Mixon Ware, Nancy McKenney, Karen Janssen) participating.

One highlight of the conference was seeing EKU's Jerry Cook (Physics and Astronomy) presented with the Acorn Award, recognizing the outstanding professor in the Commonwealth's four-year institutions. (There is also an Acorn Award for two-year institutions.) Jerry becomes the fourth EKU professor so honored since the award's inception in 1992. (EKU's other recipients are Merita Thompson, Hal Blythe, and Charlie Sweet.) Congratulations to Jerry.

Several themes seemed to emerge at this year's meeting. CPE included a report about transfer students in the packet of materials that we all received at registration. While the number of students transferring from two-year institutions into four-year degree programs has grown over the last decade, CPE emphasizes that Kentucky needs to greatly increase the rate of transfer if we are to reach our "double the numbers" goal by 2020. EKU attracts the third largest contingent of transfer students in the state (after the combined entity of independent colleges and universities and UK). CPE points to several barriers to successful transfer that need to be addressed: inadequate advising, limited financial aid (including aid for things like relocation, housing, childcare), accessibility (particularly in the timing of course offerings), curricular barriers (specifically, that many technical curricula at the two-year schools include courses that do not apply to four-year degrees). EKU has been proactive on several of these fronts. For example, we have an academic transfer advisor on the BCTC campus and we have worked out some transfer pathways for specific technical programs with BCTC. I think we will feel continued pressure to increase our on-line offerings (the use of technology in instruction came up in several other contexts, as well) and to develop further agreements for transfer of programs with KCTCS. CPE's report specifically mentions rewarding institutions that have been successful in the transfer arena in its funding recommendations.

Governor Beshear addressed the conference and spoke forcefully of the need for Kentucky to reenergize its higher education reform efforts. He, and just about every other representative from the executive and legislative branches of government who spoke, addressed funding of higher education. Obviously, last year's budget machinations did not leave many feeling satisfied either with the process or the outcome. Funding concerns focus on two elements: affordability for students and the uncertainty of funding from the perspective of the institutions. The second element makes it very hard for institutions to plan effectively, which decreases the efficiency and effectiveness with which they can manage their resources. The

affordability issue is an obvious one. Our packets included a report from the Delta Cost Project, a Washington, D.C. group that is looking at higher education cost across the nation. The Delta Project points out that while tuition has risen dramatically over the last decade at institutions like ECU, spending per FTE has increased much more slowly. Direct costs per FTE, which are largely salaries and benefits in the Delta analysis, have actually declined since 1988. Increased revenue from tuition is being used to make up for lost appropriations and to increase spending for financial aid, and to a lesser degree, for research and service. Delta notes that spending per FTE has grown more slowly than inflation over the last decade or so, and spending per degree completion has grown even slower.

The governor floated the idea of appointing a bipartisan task force to look at the problem of funding higher education in Kentucky. Several people during the course of the day talked about the need to change the evaluation criterion for higher education from "accountability" to "productivity". This is apparent in the Delta report, with its presentation of data on spending per degree completion, and in the CPE's transfer report, with its emphasis on degrees produced for transferring students. We also saw this come into focus last year when CPE commented on the number of degrees produced as it reviewed the universities' tuition increase requests. It is clear that productivity will be a focal point for the task force as it considers revisions to the funding process. ECU will need to continue its efforts to attract more students and to provide the support and experiences for the students that it does bring through its doors to allow them to persist and achieve success in our programs. All of the Commonwealth's universities and colleges will need to work to help the task force, legislators and executive branch personnel, and the CPE focus not just on the importance of degree production, but also on the importance of degree quality. As the Delta Project points out, educational quality is a much harder thing to measure. As such, it may slide from view as the focus shifts to more quantifiable aspects of higher education. We have work to do!

Planning has begun for a Board retreat to be scheduled in mid-November or early December.

The Board will next convene for a regular quarterly meeting in January 2009.

Please feel free to contact me for further information about any of these items or to discuss topics of concern to you.

Respectfully submitted,

Malcolm P. Frisbie
622-1507
malcolm.frisbie@ecu.edu

TO: Faculty Senate
FROM: Rodney B. Piercey
DATE: October 6, 2008
RE: September Faculty Senate Report

OFFICE OF ACADEMIC AFFAIRS

POLICY AND GOVERNANCE

The following items represent draft policies currently in the review process:

- Policy 4.1.12 (First-time Freshmen Admissions) was approved by the Board of Regents at their September meeting and was reviewed and approved by the Faculty Senate in September.
- Policy 4.1.2 (Course Syllabi) is still under review by a work group of the Faculty Senate.
- Policy 4.6.1 (Determination of Qualifications for Faculty Teaching Credit-Bearing Courses) has been reviewed by the Provost Council. The policy has been submitted to the Executive Committee of the Faculty Senate and a small workgroup has reviewed Policy Definitions. The policy is being submitted to the Faculty Senate for review at the October meeting.
- Policy 4.3.4 (Joint Curricular, Collaborative, and Consortial Agreements) has not been worked on since the last report to the Faculty Senate.
- Policy 1.1.1 (Policy on Policies) continues to be discussed and revised.
- Early Registration for Designated Populations – this regulation has been reviewed by the Provost Council, which recommended that it be reviewed by the Council on Academic Affairs and the Faculty Senate and returned to the Provost Council by December 1. The regulation has been approved by the University Athletics Committee, the Student-Athlete Advisory Committee, the Assistant Director for the Office of Services for Individuals with Disabilities, the Student Rights Committee, and the Student Senate.
- Policies 4.4.3 – 4.4.10 have been forwarded to the President's Office and the Faculty Senate for consideration after the University-wide task force completed its review of the proposed policies governing sponsored programs. Additional information on these policies has been included through a separate correspondence to Dr. Mixon Ware, Chair of the Faculty Senate.

All new or revised policies are considered drafts until they are approved by the Board of Regents.

Revisions to several academic regulations have been submitted to CAA for approval. If approved, these will be sent to Faculty Senate.

A small work group consisting of a representative from Faculty Senate who previously worked on the promotion and tenure policy and of an administrator who works with implementation on the policy will begin evaluating some potential amendments to Policy 4.6.4 (Promotion and Tenure).

A new University policy website that will house all University policies remains under construction.

GRADUATE EDUCATION & RESEARCH

GRADUATE SCHOOL

The 2008-2009 Graduate Education and Research (GEAR) Scholars' Community held its initial workshop on September 29th. Now in its third year, the GEAR Scholars' program is designed to assist pre-tenured faculty in developing plans for advancing and sustaining their scholarly activities. Each faculty member selected for the program receives one unit of reassigned time in the Spring semester to devote to their scholarly or creative activities. The workshop series is led by Dr. Doris Pierce, Endowed Chair in the Department of Occupational Therapy and facilitated through the Teaching and Learning Center.

The Graduate School will be conducting individual departmental meetings throughout the month of October to seek input on the proposed recommendations regarding Graduate Faculty status. Please feel free to send comments or suggestions directly to Dr. Jaleh Rezaie.

REGIONAL STEWARDSHIP

A joint meeting of the Regional Stewardship Advisory Boards for Morehead State and Eastern Kentucky University was held on the ECU campus on September 24. The purpose of the meeting was to explore opportunities for collaboration between Eastern, Morehead, and private Colleges and Universities in the region to increase the effectiveness of our regional stewardship efforts. These collaborative efforts will focus on the three primary areas of Education, Health, and Economic Development.

SPONSORED PROGRAMS

Eastern Kentucky University has selected Huron Consulting Group to assist in the preparation of our Facilities and Administrative Cost proposal to the Federal government. Huron was one of four companies interviewed for the project. As a result of increased federal funding in the University sponsored programs, ECU is required to submit the next application under the "Long Form" process. This process is a comprehensive review that attempts to capture all associated costs to the University in providing facilities and administrative support for all sponsored programs activities. The facilities and administrative cost proposal must be submitted by December 31, 2009.

INSTITUTIONAL EFFECTIVENESS AND RESEARCH

VSA & ACE SURVEY ON CAMPUS SERVICES FOR VETERANS AND MILITARY PERSONNEL

IE has been leading the initiative for both VSA (the AASCU/NASULGC Voluntary System of Accountability (VSA) Project) and ACE (the National Survey on Campus Services for Veterans and Military Personnel). The Voluntary System of Accountability is designed to improve public understanding of how public colleges and universities operate. The College Portrait provides consistent, comparable, and transparent information on the characteristics of institutions and students, cost of attendance, student engagement with the learning process, and core educational outcomes. We are in the process of getting ECU's Profile Information compiled and uploaded.

Dr. Keeley submitted Eastern's information for the ACE survey on campus services for veterans and military personnel. ECU has great services and programs for veterans and active-duty military, which was reflected in the survey submission. Eastern will be included in an ACE web site that profiles institutions, programs, and services for military veterans. This should provide recruiting exposure for us with a large, and growing, group

of students. Shelley Park, in Financial Aid, and Jen Walker, in the Counseling Center, were helpful in providing detailed information that strengthened our submission.

ENROLLMENT FORECAST

We continued a collaborative enrollment forecasting model, calling for a total headcount for Fall 2008 of 16,050 (an increase of more than 200 students, or 1.3% over Fall 2007); as of Sept. 24 the current headcount is 15,881.

PLANNING & EFFECTIVENESS

IE has prepared and distributed the University-level KPI requests (on behalf of the Strategic Planning Committee) and progress report materials for the 2008-2009 academic year. In September, we have provided training sessions on *Assessing Teaching & Advising Effectiveness*, *TracDat*, and *Strategic Planning*.

QEP

During late August through mid September, CAT tests were administered to freshmen enrolled in several of the Academic Orientation classes. A total of 692 students were given the CAT test, thirteen from non-GSD 101 classes and all sixteen sections of the GSD 101 class had the CAT administered to their freshmen. A database of all the freshmen taking the CAT is being developed in order to collect student progress throughout the academic years as well as initial baseline information. In addition, a faculty survey is being developed for the purpose of gaining information about involvement and needs in building skills related to critical and creative thinking and communication. The survey will also serve as a tool to reach out to faculty in order to increase the awareness of the University's Quality Enhancement Plan and to give help and support to those who want it. The survey is schedule to be sent out in October.

INSTITUTIONAL RESEARCH

During the months of August and September, IR completed the Summer IDEA distribution and is now preparing for the fall IDEA submissions. We co-presented an event at the TLC regarding *Getting the Maximum Out of Your IDEAs* and spoke to two graduate courses about survey research. Final plans are being made for the distribution of the ECU Alumni Surveys and the ECU Campus Climate Surveys. IR recently completed several survey projects including faculty orientation, college promotion and tenure committee elections, and the NOVA surveys; as well as provided consultation for four other department specific surveys. We are also working on providing data for the VSA College Portrait, the Strategic Plan KPIs, and IPEDS Institutional Characteristics, Completions, and 12-month enrollments. In addition, we filled 10 ad hoc data requests.