

**FIRST AMENDED AND RESTATED GRANTS AND CONTRACTS
MEMORANDUM OF UNDERSTANDING**

This First Amended and Restated Sponsored Program Memorandum of Understanding (MOU) is made and entered into on January 26, 2007 by and between California State Polytechnic University, Pomona (“UNIVERSITY”) and Cal Poly Pomona Foundation, Inc. (“FOUNDATION”), acting in its capacity as an authorized California State University auxiliary organization.

Recitals

WHEREAS, the UNIVERSITY and Foundation had entered into a Grants and Contracts Memorandum of Understanding dated July , 2004 (2004 MOU) to clarify and delineate the responsibilities of the UNIVERSITY and FOUNDATION for grants and contracts administered by the FOUNDATION in support of sponsored programs and related activities (Sponsored Programs) in accordance with CSU Executive Order 890. The parties to that 2004 MOU desire to amend the 2004 MOU by entering into this MOU. This MOU is not intended to supercede the terms and conditions of the Master Operating Agreement dated August 1, 2000 and the Supplemental Operating Agreement – Research dated August 1, 2000 (collectively referred to as MOA), but clarifies the areas of responsibilities as required by CSU Executive Order 890.

WHEREAS, the FOUNDATION has agreed in the MOA to administer and may also be the recipient of grants and contracts on behalf of UNIVERSITY and support Sponsored Programs in support of the UNIVERSITY’S mission. Such Sponsored Programs require the approval of the President, or designee, in compliance with Education Code Section 89900 et seq., applicable provisions of the Title 5, California Code of Regulations, CSU Executive Order 890, and other related TRUSTEE and UNIVERSITY policy.

WHEREAS, The UNIVERSITY has designated the FOUNDATION as the responsible entity for Sponsored Programs at the UNIVERSITY.

Agreement

Therefore, the parties to this MOU agree as follows:

1. FOUNDATION Responsibilities. FOUNDATION is responsible for performance, fiscal, and Sponsored Program work project and records related to Sponsored Program activity as follows:

General:

- 1.1 Ascertain general and specialized insurance needs and carry adequate insurance in accordance with CSU policy (EO 849) and the needs of the project.
- 1.2 Review contract terms and conditions for consistency with established Foundation and University policy, agency regulations, and applicable laws in order to mitigate Foundation’s and University’s risk.

- 1.3 Review and concur with the University on grant and contract proposals to ensure budgets are correct and sufficiently detailed.
- 1.4 Assure conflict of interest forms are prepared and completed by all Foundation employee project directors.

Performance:

- 1.5 Monitor project performance to assure compliance with federal and state regulations and contract requirements including but not limited to OMB Circulars A-110 and A-21, agency specific regulations, and University and Foundation policies and procedures related to grants and contracts.
- 1.6 Maintain systems to monitor and maintain overall effectiveness of sponsored program projects including cost-share reporting, timely completion of all required programmatic and fiscal requirements, and notification regarding status of accounts to project directors and deans.
- 1.7 Assist project directors in fiscal, personnel, payroll, purchasing and other administrative matters to assure compliance with sponsor and Foundation/University regulations, policies, and procedures. This includes training Project Directors and related staff in University and Foundation policies and procedures included in the Grants and Contracts Project Administration Guide.

Fiscal:

- 1.8 Responsible for the timely establishment of accounts in accordance with the terms and conditions of the grant and/or contract.
- 1.9 Responsible for reviewing and approving all expenditures for compliance with agency terms and conditions, project budgets, and Foundation/University's policies and procedures.
- 1.10 Responsible for advancing funds to pay for expenditures on projects that are awarded on a cost-reimbursement basis.
- 1.11 Responsible for prudent cash management of grant and contract accounts including timely administration of letters of credit programs, invoicing agencies based on cash outflows, and accounts receivable collection follow-up for costs advanced on projects.
- 1.12 Assure all quarterly/annual fiscal reports have been submitted to funding agencies on a timely basis.
- 1.13 Review and approve University release time effort certification documentation including submitting quarterly reminders to Dean's Offices regarding timely submission of forms.
- 1.14 Supervision of equipment inventory relating to grant and contract accounts including tagging fixed assets purchased, conduct two-year inventory observation, and notifying University Procurement of fixed assets on closed grant/contract accounts.
- 1.15 Assure cost sharing contributions are documented and in compliance with agency requirements and OMB Circular A-110.
- 1.16 Prepare annual calculations of space utilization for reimbursement of space costs to the University's General Fund per Chancellor's Office Guidelines for Auxiliary Organizations.

- 1.17 Monitor all subrecipient and subcontracting activity to ensure compliance with Federal audit and reporting requirements.
- 1.18 Maintain an allowance for disallowed costs for sponsored program expenditures per Foundation's Board of Director's approved policy.
- 1.19 Act as liaison for all sponsored program audits including annual A-133 audit and agency program/compliance audits.
- 1.20 Assist external consulting firm with preparation of the indirect cost recovery rate proposal for the Department of Health and Human Services.
- 1.21 Final certification of project budgets and budget change review procedures.
- 1.22 Recover all appropriate indirect and direct costs in accordance with CSU Policy, University and Auxiliary policies and/or other funding agency requirements.

Work Product and Records:

- 1.23 Maintain all award and contractual documents, financial expenditure records, cost sharing documentation, and project programmatic and fiscal reports in accordance with University and CSU policy pertaining to intellectual property.
 - 1.24 Abide by University policies referenced in subsections 2.3
2. UNIVERSITY Responsibilities. UNIVERSITY is responsible for all pre-award activities relating to Sponsored Programs. Additionally, the UNIVERSITY is responsible as follows:
- 2.1 Review and provide written approval of all proposals prior to submittal to the sponsor.
 - 2.2 Provide written pre-acceptance approval by officials in each appropriate area.
 - 2.3 Provide policies and procedures for Sponsored Programs administered by the Foundation in accordance with EO 890 that addresses the following:
 - 2.3.1 Minimum qualifications and general responsibilities of principal investigator(s).
 - 2.3.2 Monitoring employment, including additional employment through Contracts and Grants, compliant with limits established by the CSU Additional Employment Policy.
 - 2.3.3 Processing complaints of research misconduct or other employee misconduct in connection with Sponsored Programs.
 - 2.3.4 Complying with conflict of interest requirements of the law and applicable CSU, FOUNDATION and sponsor policies.
 - 2.3.5 Nepotism relating to Sponsored Programs that is consistent with CSU policy.
 - 2.3.6 Identification of specific UNIVERSITY official(s) responsible for assisting the Foundation by providing oversight of the conduct of research and ensuring progress towards fulfillment of sponsored program requirements.
 - 2.3.7 Protection of rights and welfare of human subjects in research in which the institution is engaged.
 - 2.3.8 Use of live non-human vertebrate animals in research in which the institution is engaged.
 - 2.3.9 Intellectual Property.

- 2.3.10 Security, ownership and retention of Sponsored Program work products and records that is compatible with UNIVERSITY and CSU policy pertaining to Intellectual Property.
- 2.4 The University will provide procedures to support and assist Foundation in instances of employee misconduct, nonperformance, and misappropriation of funds in conjunction with sponsored programs.
- 2.5 The UNIVERSITY will consult with the FOUNDATION in the development of, and modification of, the above policies and procedures.
- 2.6 UNIVERSITY divisions of Academic Affairs and Administrative Affairs shall each be responsible for their respective policy functions on the maintenance and support of the Executive Order and this Agreement.
3. Joint Responsibilities. The UNIVERSITY and FOUNDATION shall develop, institute and maintain documented policies and procedures as required by EO 890.
4. Term. The term of this MOU shall be from July 1, 2004 through February 1, 2025 unless sooner terminated as provided in the MOA.

IN WITNESS WHEREOF, this Memorandum of Understanding has been executed in quadruplicate by the parties hereto as of the date written below.

Executed on 1/26, 2007 **Cal Poly Pomona Foundation, Inc.**

By G. Paul Storey
G. Paul Storey
Executive Director

Executed on 2/2, 2007 **California State Polytechnic University, Pomona**

By Debra A. Schneck
Debra A. Schneck
Interim Manager, Procurement & Asset Mgmt.