

CS 3.10.5 - Control of Sponsored Research/External Funds

The institution maintains financial control over externally funded or sponsored research and programs.

Compliance Findings: In Compliance

Narrative:

Financial control over externally funded or sponsored research and programs is maintained for the entire University of South Carolina system through the University of South Carolina Research Foundation (USCRF) and the office of the University of South Carolina Beaufort (USC Beaufort) Vice Chancellor for Finance and Operations.

Pre-award administration is provided by the Office of Sponsored Awards Management (SAM) [i], including assistance with proposal preparation, assurance of regulatory compliance, submission to funding agencies and authorized signatures, and negotiation of grant and contract terms. SAM also assists with post award requests to sponsors for changes in budgets, scope, or principal investigator, and maintains records of all proposal submissions and notices of awards. SAM personnel, in conjunction with the Office of Contracts and Grants Accounting, are responsible for setting up individual accounts for each sponsored award received.

Award accounting is provided by the Office of Contracts and Grants Accounting (OCGA) [ii] of USC. This office ensures compliance with all fiscal regulations pertaining to grants expenditures, including those of applicable federal, state, or local governments, or private agencies [iii]. The Office of Contract and Grant Accounting is responsible for the accounting and management of all restricted contracts and grants within the University System. For each grant or contract, the office prepares invoices, electronic letter of credit transactions, and financial reporting. They prepare adjusting journal entries, and approve payroll documents and other documentation in conjunction with Generally Accepted Accounting Principles.

Time and effort reporting is provided by the USC Beaufort Office of the Vice Chancellor for Finance and Operations (VCFO), in conjunction with OCGA, in accordance with federal requirements as mandated by OMB circular A-21 [iv], "Cost Principles for Educational Institutions". Documentation is generated by the Office of the VCFO along with the Project Directors or Principal Investigators of each award, sent to the OCGA and maintained by OCGA [v].

Indirect cost rates are negotiated for the entire USC system by USC Columbia. The cognizant agency is the US Department of Health and Human Services, with the last agreement dated 6/29/05 [vi]. The rates are based on modified total direct costs. The current indirect cost rates for USC Beaufort are: On-campus research or instruction, 45.5%; on-campus training and service, 30.0%; off-campus research, 25.0%; off campus training and service, 24.0%, off-campus instruction 26.0%.

The 2006-07 annual A-133 audit [vii] of the USC system and the USC Research Foundation was conducted by the firm of Elliott Davis, LLC. The University was found to have no material deficits in compliance regarding control of federally sponsored funding.

Sponsored funding to USC Beaufort has been obtained from federal, state, and local governments, along with private foundations, including the National Institutes of Health, the US Department of Education, the National Oceanic and Atmospheric Agency, the National Science Foundation (South Carolina EPSCoR), the US Department of Defense (US Marine Corps), the South Carolina Commission on Higher Education, the Arthur M. Blank Family Foundation, the Lowcountry Institute, the Community Foundation of the Lowcountry, the Heritage Classic Foundation, the Hilton Head Island/Bluffton Chamber of Commerce, and the Beaufort County Commission. Total funding for fiscal years 2006-2007 [[viii](#)], 2005-2006 [[ix](#)], and 2004-2005 [[x](#)] was \$455,357, \$743,921, and \$716,725, respectively. Funding for July 1 2007 through December 31 2007 was \$1,311,318.

Supporting Documentation

- [i](#) Office of Sponsored Awards Management
- [ii](#) Office of Contracts and Grants Accounting
- [iii](#) Office of Contracts and Grants Accounting Policies
- [iv](#) Time and Effort Federal Regulations
- [v](#) Time and Effort Reporting Policies
- [vi](#) US Department of Health and Human Services Agreement
- [vii](#) USC Beaufort annual A-133 audit 2006-07
- [viii](#) Deans Report 2007
- [ix](#) Deans Report 2006
- [x](#) Deans Report 2005