531-003-B: ALLOWABLE COSTS/EXPENDITURES AND POST-AWARD ADMINISTRATION POLICY

I. Policy

All grant and contract awards are made to and accepted by the University Corporation at Monterey Bay (“University Corporation”), not by an individual. The University Corporation is subject to Federal guidelines that require grantee institutions to demonstrate sound business practices in the management of sponsored funds and its accountability to the public agency or private sponsor for the proper management of awarded funds.

The University Corporation acts on behalf of the University as its fiduciary. In this fiduciary capacity it is responsible for, and accountable for, the appropriate post-award administration of grants and contracts. This includes proper management, oversight, and recordkeeping for all award funds received and expended day-to-day, administrative fiscal activities involving University administrators, PD/PIs, and project staff, as well as interaction with and reporting to public agencies and private sponsors. The University Corporation is required to review all payment documents and requests for reimbursement.

Expenditure activity must be consistent with sponsor guidelines, the University’s academic philosophies and institutional objectives, as well as policies and procedures of the University and the University Corporation. Individual award documents may also contain special terms and conditions that regulate approval of expenditures. Federal OMB Circular A-21 contains the cost principles for educational institutions and the guidelines followed by the University Corporation in determining allowable costs.

II. Adoption and Review

A. The University Corporation’s Board of Directors has adopted this Allowable Costs/Expenses and Post-Award Administration Policy, dated June 2004. The University Corporation’s Board of Directors has adopted this Allowable Costs/Expenses and Post-Award Administration Policy, dated June 2010.

B. This policy shall be evaluated ten years from its adoption date to determine its effectiveness and appropriateness. The policy may be evaluated before that time as necessary to reflect substantial organizational, financial, or physical change(s) at the University Corporation or any change required by law or by other governing policy.
Any proposed amendments or variations of this policy would require a majority approval by the Corporation Board of Directors.

III. Related Documents

   A. OMB Circular A-21, Cost Principles for Educational Institutions
   B. Allowable Costs/Expenditures Procedures