

Memo to: All UH-Downtown/PS Holders

From: Max Castillo, President

Subject: Standards of Conduct in Government-Sponsored Research

UH-Downtown/PS 06.A.03

Issue No. 2

Effective date: 05/02/01

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1. PURPOSE

This PS outlines the standards of procedure and conduct in Government-sponsored research adhered to by the University of Houston - Downtown (UHD). These standards are part of a joint statement of The Council of the American Association of University Professors and The American Council on Education. All University employees must abide by the procedures outlined herein to prevent conflicts of interest with outside parties, including government agencies.

2. POLICY/PROCEDURES

2.1 Favoring of Outside Interests. When a University employee involved in government-sponsored work has a significant financial interest in, or a consulting arrangement with, a private business concern, actual or apparent conflicts of interest must be avoided between his government-sponsored University research obligations and his outside interests and other obligations. Situations in or from which conflicts of interest may arise are:

2.1.1 Undertaking or orientation of the employee's University research to serve the research or other needs of the private firm without disclosure of these activities to the University and to the sponsoring agency;

2.1.2 Purchase of major equipment, instruments, materials, or other items for University research from the private firm in which the employee has the interest without disclosure of such interest;

2.1.3 Use for personal gain or to benefit a private entity of Government-sponsored work products, results, materials, records, or information that are not made generally available (This would not necessarily preclude appropriate licensing arrangements for inventions, or consulting on the basis of Government-sponsored research results where there is significant additional work by the employee independent of the Government-sponsored research);

2.1.4 Use for personal interest or other unauthorized use of privileged information acquired in connection with the employee's Government-sponsored activities. Privileged information includes, but is not limited to, medical, personnel or security records of individuals; anticipated material requirements of price actions; possible new sites for government operations; and knowledge of forthcoming programs or selection of contractors/subcontractors in advance of official notice.

2.1.5 Negotiation or influence upon the negotiation of contracts relating to the employee's Government-sponsored research between the University and private organizations with which the employee has consulting or other significant influence.

2.1.6 Acceptance of gratuities or special favors from private organizations with which the University does or may conduct business in connection with a Government-sponsored research project, or extension of gratuities or special favors to employees of the sponsoring Government agency, under circumstances which might reasonably be

interpreted as an attempt to influence the recipients in the conduct of their duties.

2.2 Distribution of Effort. There should be a clear understanding, by all concerned parties, of the amount of time and responsibilities for which an employee is accountable, when involved in Government-sponsored research. A demonstrable relationship between the effort or responsibility proposed in the research agreement and the actual extent of the employee's involvement is expected in order to avoid any misconceptions of the amount of intellectual effort being devoted to the research in question.

2.3 Consulting for Government Agencies or their Contractors. When the University employee engaged in Government-sponsored research also serves as a consultant to a Federal agency, his/her conduct is subject to the provisions of the Conflict of Interest Statutes (18 U.S.C. 202-209 as amended). If the employee consults for one or more Government contractors, or prospective contractors, in the same technical field as his/her research project, care must be taken to avoid giving advice that may be of questionable objectivity because of its possible bearing on his/her other interests. In undertaking and performing consulting services, the employee shall make full disclosure of such interests to the University and to the contractor insofar as they may appear to relate to the work at the University for the contractor.

2.4 University Responsibilities. UHD recognizes that disclosure and consultation are the obligations assumed by the University when it accepts government funds for research. UHD will herein implement organizational and administrative actions to prevent conflicts of interest in Government-sponsored research.

2.4.1 The Coordinator of Grants and Contracts and the Principal Investigator will insure that all Government funds are expended for the purposes for which they are intended and that all services which are required in return for these funds are supplied (See Exhibit A for specific procedures.).

2.4.2 Any UHD employee involved in Government-sponsored research must consult with the appropriate vice president before accepting any outside professional work to insure there will not be any real or perceived conflicts of interest with the research.

2.4.3 The Vice President for Administration or designee will serve as an informed source of advice and guidance for consultation on problems that may or do develop as a result of University employees' outside financial or consulting interests, as they relate to their participation in any Government-sponsored research.

2.4.4 All University employees participating in Government-sponsored research must abide by the standards outlined herein as well as those delineated in all Grant Administration policies (PS 06.A.xx).

3. REVIEW AND RESPONSIBILITIES

Responsible Party (Reviewer): Vice President for Administration

Review: Biennial



President

Policy History

Issue #1: 09/30/94

UNIVERSITY OF HOUSTON - DOWNTOWN

GRANT ACCOUNTING PROCEDURES

The University of Houston – Downtown (UHD) is the recipient of awards and grants from various governmental or private entities. These grants are awarded for specific activities, such as research.

The Coordinator of Grants and Contracts is responsible for the accounting, reconciliation, reporting and reimbursement activities relating to awards. For each award, separate accountability is maintained.

Upon receipt of an award, an account number is assigned and the budget is established based on the allocations approved by the awarding agency. The budget is created according to the categories of the award and the Principal Investigator (PI) is assigned as the Account Manager.

In most cases, the University will initially expend its own funds. Some federal grants are reimbursed through a letter of credit arrangement with the various federal agencies. An established volume criteria per agency must be maintained before a letter of credit may be established with an agency. Therefore, UHD's letters of credit are combined with the other UH components. UHD draws down funds daily or weekly depending on the agency. The Coordinator of Grants and Contracts monitors these types of expenditures closely to minimize the length of time local funds are used. UH Central Research Accounting Office prepares the federal PMS 272 report (monthly for the Department of Education and quarterly for other federal agencies. Expenditures for grants from state or private entities are billed to the agencies. These billed receivables are also monitored closely to insure timely payments.

Grant Accounting is responsible for requesting funds from the awarding agency, tracking expenditures, verifying the legality of the expenditures and matching them against the award budget and balance. Periodic reporting of the expenditures and reconciliation of reimbursements is required for each grant, as dictated by the awarding agency.

Once a month, an account analysis is processed for each grant and forwarded to the respective Principal Investigator. The PI will:

1. Review all expenditures;
2. Recommend action should encumbrances need to be changed or canceled. (PI notifies Grant Accounting of needed corrections);
3. Request Grant Accounting to process any necessary reclassification of budgetary-related items, after seeking approval from the awarding agency. Accounting will notify the Budget Office which will make all necessary changes; and
4. Request reclassification of accounts if overexpenditures occur. The PI must supply Grant Accounting with the departmental account that will absorb this expense. Grant Accounting will process the entry.

Research Accounting will reconcile the general subledgers for all grant accounts (Ledger 5) on a monthly basis.

Prior to the expiration of a grant, the PI will be responsible for the following:

1. Notify the Purchasing Department regarding the disposition of any outstanding encumbrances relating to purchases.
2. Notify the Payroll Department regarding the disposition of any outstanding payroll encumbrances relating to items that are not in line with the original intent of the approved grant budget.
3. Review expenditures as they relate to particular budgets granted. If expenditures should be applied to another account, the Grant Accounting Department should be notified.
4. Notify the Budget and Grant Accounting departments regarding any reclassification, or proposed reclassification, of any budgetary change to the account. This may require prior approval by the awarding agency.
5. If the account has a negative balance of funds available, the Grant Accounting Department will be notified as to which account will be used to absorb any expenditures that have exceeded the original budgeted amount.

Once the PI complies with the foregoing steps, Grant Accounting will process and forward the final financial report to the regulatory agency.