

Office of Research and Sponsored Programs of Montclair State University

Policy for Review, Submission, Signature and Management of

Grants, Contracts and Cooperative Agreements

Approved on November 5, 2013

- I. **Preamble.** Pursuant to N.J.S.A. 18A:64-8 and Article II of the By-Laws adopted by the Montclair State University Board of Trustees, authority was delegated to the President of the University to sign documents on behalf of the University along with general responsibility to lead and manage the University. The Office of Research and Sponsored Programs ("ORSP") is responsible for submitting proposals and applications on behalf of the University to obtain external funding in the form of grants, contracts and cooperative agreements for research and other program activities consistent with the University mission. This Policy is adopted by the University to establish delegation of authority necessary to ensure the efficient and effective administration of such grants, contracts and cooperative agreements in compliance with applicable Federal, State, and local laws, rules and regulations.
- II. **Mission of ORSP:** The mission of OSRP is to encourage, facilitate and support University faculty and staff in their conduct of and pursuit of external funding for research, education, training, and other scholarly activities, and while protecting the University's interests by assuring compliance with Federal and State laws, rules, and regulations.
- III. **Delegation of Authority for Submission of Proposals:** The Provost, Vice-Provost for Research/Dean of the Graduate School, and Director of OSRP are authorized to prepare applications and submit proposals for grants, contracts and cooperative agreements on behalf of the University. Prior to submitting any proposal or application, the Director of ORSP shall review each proposal to: 1) confirm the proposal and research meets all applicable University policies and all applicable Federal, State and local laws, rules and regulations; and 2) the proposal, research project and/or relationship to be created by the agreement has been approved by either the Dean of the College from which the faculty or staff member is assigned or the Vice President of the administrative unit to which the staff member is assigned.
- IV. **Delegation of Authority for Signature:** Subject to the provisions of Section V, below, the execution of grants, contracts and cooperative agreements are delegated by the President of the University as follows: 1) grants, contracts and cooperative agreements with a value of less than \$250,000 may be executed on behalf of the University by the Director of OSRP and 2) grants, contracts and cooperative agreements with a value of no more than \$499,999 may be signed by the Vice-Provost for Research/Dean of the Graduate School; and 3) grants, contracts and cooperative agreements with a value of \$500,000 or more must be signed by the Provost. Contracts that require legal review must be accompanied by a University Counsel contract approval sheet.
- V. **Coordination with University Counsel:** Grant agreements, contracts and cooperative agreements which require the acceptance of funds from a Federal entity shall not require review by University Counsel. Grant agreements, contracts and cooperative agreements that require the acceptance of funds from any State, local or private entity which contain terms that are inconsistent with the

attached checklist of terms and conditions must be reviewed by University Counsel prior to its execution. Contracts that require legal review must be accompanied by a contract approval sheet.

- VI. General Duties and Responsibilities:** ORSP shall be the central repository to receive, review and maintain a record of all externally sponsored proposals and grant agreements, contracts and cooperative agreements that provide funding to the University by a Federal, State, local or private entity for research and other programmatic activities for all colleges and administrative units within the University. ORSP shall also be the central repository for other research agreements that do not involve the exchange or transfer of funds (e.g. standard data use agreements, material transfer agreements, non-disclosure agreements, confidentiality agreements, etc.).

The Principal Investigator/Project Director shall assume primary responsibility for the technical and fiscal management of their sponsored projects. The Dean of the College or Vice President of the administrative unit, as applicable, shall be responsible for oversight of the research and/or programmatic activities. At the end of each University fiscal year, the Director of ORSP shall provide to the President, the Provost and the Vice-Provost for Research/Dean of the Graduate School an annual report that summarizes the sponsored program activities of the University for the prior fiscal year. This report will include a detailed summary of all proposals submitted and awards received by ORSP.

CHECKLIST FOR USE IN REVIEW OF CONTRACTS WITH STATE, LOCAL AND PRIVATE ENTITIES

1. **BILLING** - In the event the contract requires Montclair State University to return any funds to the granting agency, the payment of such funds is subject to the New Jersey's Prompt Payment Act, N.J.S.A. 52:32-32, et. seq. Pursuant to the Prompt Payment Act, payment by Montclair shall be due 60 days after Montclair receives an invoice and interest on amounts due shall be paid by Montclair for the period beginning on the day after the required payment date and ending on the date on which the check for payment is drawn. In accordance with the Prompt Payment Act, interest shall be paid at the rate specified by the Treasurer for the State of New Jersey for the fiscal year in effect when payment is due.
2. **CHOICE OF LAW** – Because the University is an agency of the State of New Jersey, any dispute arising under this Agreement must be resolved under New Jersey law, without regard to choice of law principles, by the Superior Court of New Jersey. In the alternative, if the granting agency is unwilling to accept this term, it can be resolved by removing any choice of law and choice of forum clauses.
3. **INSURANCE AND INDEMNIFICATION** – If the granting agency will be providing services on the University's campus in addition to funding, it must agree to indemnify and defend the University, State of New Jersey, and New Jersey Educational Facilities Authority, and provide the following insurance:

Commercial General Liability insurance written on an occurrence form including independent contractor liability, products/completed operations liability, contractual liability, covering but not limited to the liability assumed under the indemnification provisions of this contract. The policy shall not include any endorsement that restricts or reduces coverage as provided by the ISO CG0001 form without the approval of the University. The minimum limits of liability shall not be less than a combined single limit of one million dollars (\$1,000,000) per occurrence, two million dollars (\$2,000,000) general aggregate, two million dollars (\$2,000,000) product/completed operations aggregate. A "per location or project endorsement" shall be included, so that the general aggregate limit applies separately to the location or project that is the subject of this contract.

Comprehensive Automobile Liability covering owned, non-owned, and hired vehicles. The limits of liability shall not be less than a combined single limit of one million dollars (\$1,000,000) per occurrence.

Worker's Compensation Insurance applicable to the laws of the State of New Jersey and other State or Federal jurisdiction required to protect the employees of the contracting party and any subcontractor who will be engaged in the performance of this contract. The certificate must so indicate that no proprietor, partner, executive officer or member is excluded. This insurance shall include Employers' Liability Protection with a limit of liability not less than one million dollars (\$1,000,000) bodily injury, each occurrence, one million dollars (\$1,000,000) disease, each employee, and one million dollars (\$1,000,000) disease, aggregate limit. Lower primary limits will be accepted if employer's liability insurance is included under the umbrella insurance and the umbrella limit exceeds the employer's liability limit requirements.

Excess Liability, umbrella insurance form, applying excess of primary to the commercial general liability, commercial automobile liability and employer's liability insurance shall be provided with

minimum limits of five million dollars (\$5,000,000) per occurrence, five million dollars (\$5,000,000) general aggregate, and five million dollars (\$5,000,000) products/completed operations.

4. **MSU CANNOT INDEMNIFY OR DEFEND PARTIES OTHER THAN THE FEDERAL GOVERNMENT** – The University is an agency of the State of New Jersey and the laws that create it do not allow it to indemnify and defend other States, local public entities or private entities. Any contract term that requires the University to indemnify and defend the granting party (other than a Federal agency) must be deleted.
5. **MSU IS SELF-INSURED** – The University does not carry private insurance for personal injury or property damage claims. Any agreement or arrangement signed or entered into on behalf of the State of New Jersey by a State official or employee is subject to the provisions of the New Jersey Torts Claims Act, NJSA 59:1-1 et seq., the New Jersey Contractual Liability Act, NJSA 59:13-1, et seq., and the availability of appropriations. The State of New Jersey does not carry public liability insurance, but the liability of the State and the obligations of the State to be responsible for tort claims against its agencies and employees is covered under the terms and provisions of the New Jersey Tort Claims Act. The Act also creates a special self-insurance fund and provides for payment and claims against the State of New Jersey against its employees for which the State of New Jersey is obligated to indemnify against tort claims which arise out of the performance of their duties. Claims against the University or its employees should be referred for handling to the Attorney General, Division of Law, Claims Service Section, Richard Hughes Complex, Trenton, New Jersey 08625. Furthermore, the State of New Jersey self-funds for Workers Compensation and Disability.
6. **ANTI-DISCRIMINATION** – All contracts with state agencies must contain anti-discrimination language. Granting agency must agree not to discriminate in employment and abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A.10:5-1 et seq. and N.J.S.A.10:5-31 through 10:5-38, and all rules and regulations issued there under; and comply with all provisions of the Americans With Disabilities Act (ADA), P.L. 101-336, in accordance with 42 U.S.C. 12101 et seq.
7. **MAINTENANCE OF RECORDS** - MSU is subject to the State's archive record retention requirements. Therefore, the granting agency must agree to maintain records delivered against the contract for at least three (3) years from the date of final payment.
8. **TAX CHARGES** - The University is exempt from State sales or use taxes and Federal excise taxes. Payments made to the University must not include such taxes.
9. **FERPA** – If the contract will provide the granting agency access to student education records, the agency must agree to comply with all obligations to maintain confidentiality under FERPA.
10. **PUBLICATION**- If the project may result in the publication and/or other public dissemination of the research or project, the contract must permit MSU to publish after providing 30 days' notice to the sponsor for review.

11. **INVENTIONS** – If the agreement may result in the creation of new inventions that are capable of being patented or copyrighted, the contract must permit MSU to either own or license it, share revenue with the granting agency, and permit continued use for academic and research purposes.