

Standard Operating Procedure TVAREF SOP-07 - Solicitation of Funds by Principal investigators June 23, 2010

Acceptance & Deposit of Funds

When a Principal Investigator desires to solicit funds from individuals or companies, he must meet with the appropriate staff member of the Tampa VA Research and Education Foundation, Inc. (TVAREF) to be apprised of the appropriate solicitation methods (i.e., Only TVAREF letterhead, envelopes, and stamps can be used) and a valid account established to receive funds for approved research. VA resources cannot be used to solicit funds to support VA Foundation research.

All donations must be made payable to the Tampa VA Research and Education Foundation (TVAREF), not to any individual. Any donation made payable to an individual shall be returned to the donor. Any donation not accompanied by a donation letter shall be acknowledged in writing by the Foundation. Such acknowledgment shall include the purpose to which the Foundation will apply the donation.

Donations in support of research by a Principal Investigator can only be accepted if the Principal Investigator holds a VA appointment. Such donations can be in support of specific research projects or of a specific PI's general research. All research projects must receive a formal review by the VA R&D Committee and be approved by the appropriate committees and subcommittees prior to any funds being expended by the Foundation. The PI should furnish a copy of the full approval letter(s) to be maintained in the TVAREF files.

Upon receipt, all funds are to be deposited into an appropriate, federally insured, interest-bearing account(s) in the name of the TVAVREF. Interest income shall be included in the corporate operating fund account.

Principal Investigators shall be notified of receipt of funds and when they will be available for use. Separate accounting shall be maintained for each research project being conducted through the Foundation. Principal Investigators shall be sent financial statements, at least quarterly, as to the status/balance of their research account(s) unless other arrangements are made.

Accounts

Separate accounting shall be kept of unrestricted and restricted funds. All unrestricted gifts, grants or bequests shall be considered available as corporate operating funds unless appropriated by the Board for a specific purpose.

Separate accounting shall be maintained for each research activity being conducted through the Foundation. Each research activity budget shall include an Administrative Overhead Fee/Indirect Cost Rate. The fee level will be determined by the Board of Directors annually, but shall not be less than 25% of the total estimated project cost. In certain special cases, the Administrative Overhead Fee/Indirect Cost Rate may be adjusted or waived at the discretion and at the direction of the Board of Directors. All Administrative Overhead Fees/Indirect Cost Rates shall be available as corporate operating funds.

All funds are to be deposited into an appropriate, federally insured, interest-bearing account(s) in the name of the TVAREF. No funds may be accepted unless they are made payable to the Tampa VA Research and Education Foundation. Interest accruing from

Foundation deposits and/or investments shall be reflected in the corporate operating fund account.

Sources of Revenue

The general categories for revenue are: (A) voluntary health agency and private foundation grants; (B) corporate sponsored grants or studies or gifts; (C) federally-funded programs; (D) transfer funds and; (E) miscellaneous. The administration of funding may vary depending on the stipulations of the funding source.

Funds derived from indirect support provided by the sponsored research or education activities administered by the Foundation will be used to support the operation of the Foundation. These Foundation funds may also be used to respond to the needs for direct or indirect research costs or educational and training support as identified by the Executive Director and the TVAREF Board of Directors. The Board of Directors must approve all support provided.

Voluntary Health Agency/Private Foundation Studies

Funding in this category is derived from nonprofit entities to support a specific research or education proposal or a career development award. Indirect cost reimbursement rates vary among sponsors. Some sponsors in this category have written policies that either state the organization does not provide overhead costs or that sets limits for this support. The investigator should review the proposal and budget with TVAREF prior to submission to the sponsor. If required by policy, TVAREF may accept and administer these sponsored awards with less than its approved indirect cost rate.

Federal Programs

This category consists of grants or contracts from federal agencies, other than VA but including the National Institutes of Health or Department of Defense. An indirect cost rate is negotiated with the relevant agency. The indirect costs are provided to the grantee institution in addition to the direct costs provided for support of the studies. Effective November 2, 2008, the TVAREF Indirect Cost (IDC) rate is now 39%. Please use this percentage for all incoming grant submissions.

Corporate Sponsored Research or Education Grants

Funding in this category is usually provided by pharmaceutical or other commercial sponsors involved in the development of new drugs or devices, or in the support of medical research or education. The studies may be investigator-initiated or sponsored by the pharmaceutical company. Negotiations for this type of award should ensure that the TVAREF indirect cost rate of 25% effective November 2, 2008, is provided as an additional cost to the funding required for the study. The applicable rate should be reviewed with TVAREF administrative staff.

The Department of Veterans Affairs Office of General Counsel has determined that the appropriate mechanism for industry-sponsored or funded research is a Cooperative Research and Development Agreement (CRADA).

The Veterans Health Administration (VHA) Directive (2007-044) requires the use of a CRADA for industry-funded studies and was effective March 26, 2008. Clinical research agreements existing at that date or before do not need to be revised.

TVAREF cannot accept funds where the sponsor will acquire any services or product, other than review of intellectual materials or results, as an outcome of the research being supported.

Transfer Funds

Investigator members may transfer funds from accounts in other nonprofit institutions to TVAREF. Indirect costs may have already been deducted or may not have been requested on these funds. Transfer funds will not be subject to TVAREF administrative overhead charges. Such exemption does not extend to funds in support of an active project being transferred; rather, project funds will follow the stipulations or guidelines of the funding agency or institution.

Miscellaneous Support

Sources for funding in this category may be broad and may include gifts or other donations from individuals or public or private entities. Single awards or donations of \$2,000 or less will not be charged overhead unless the award represents a portion of a larger contribution. Deposits totaling more than \$2,000 generally will have an overhead rate applied to unrestricted donations that are not related to a specific project or projects, but can be waived by the Chair of the Board of Directors.

Administrative Overhead Fee

Each research activity shall include an Administrative Overhead Fee or an Indirect Cost Rate. The fee level will be determined by the Board of Directors annually. The current rate for pharmaceutical grants is 25% effective November 2, 2008. In certain special cases, the Administrative Overhead Fee/Indirect Cost Rate may be adjusted or waived at the discretion and at the direction of the Board of Directors. All Administrative Overhead Fees/Indirect Cost Rates shall be available as corporate operating funds. For Federally funded grants, the Indirect Cost Rate was negotiated with the agency at 39% for the current year.

William R. Gower, Jr., Ph.D.
TVAREF, Chairman of the Board