

Policy Manual

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2. Acceptance of Funds

CARES accepts funds in support of the research and education mission of Hines and Lovell. All funds deposited in the corporation and all equipment purchased with corporation funds are the property of the corporation and are subject to policies and procedures established by the Board of Directors. Such policies and procedures will be consistent with applicable federal and state statutes and regulations.

Grantors or donors may send funds by check or electronic transfer. For direct deposits to a CARES account, the Accounting Specialist will provide necessary information.

All checks or other funds directed to CARES should be made payable to the Chicago Association for Research and Education in Science, Employer Identification Number (EIN) 36-3334177. Checks made payable to other individuals or organizations cannot be accepted.

If funds are received in support of a specific research proposal, no funds may be expended until that project has received approval from the Hines R&D Committee.

If funds are received in support of a specific educational or training activity, no funds may be expended until that activity has received approval from the Hines or Lovell Education Committee (EC).

All CARES funds will be invested in instruments backed by the full faith and credit of the U.S. Government.

Sources of Revenue

The general categories for revenue are: (A) private foundation grants; (B) corporate sponsored grants or studies or gifts; (C) federally-funded programs; (D) state or local government programs; (E) transfer funds and; (F) 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 CARES will be used to support the operations of CARES. These institutional 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 CARES Board of Directors. The Board of Directors must approve all support provided. One-fourth of the overhead generated will accrue to the Hines VA Research to be used in support of the Hines Research Program. The Hines VA Associate Chief of Staff for Research and the Administrative Officer for Research are authorized and responsible for the use of these funds.

A. PRIVATE FOUNDATION RESEARCH STUDIES

Funding in this category is derived from nonprofit entities to support a specific research or education proposal. 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 set limits for this support. The investigator should review the proposal and budget with CARES prior to submission to the sponsor. If required by policy, CARES may accept and administer these sponsored awards with less than its approved indirect cost rate.

B. 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. CARES negotiates an indirect cost rate with the Division of Cost Allocation, Department of Health and Human Services. The indirect costs are provided to the grantee institution in addition to the direct costs provided for support of the studies. [Click here](#) for the current indirect cost rate information.

C. 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 initiated by the investigator or the pharmaceutical company. Negotiations for this type of award should include the CARES indirect cost rate of 26% as an additional cost to the funding required for the study.

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 effective March 26, 2008.

D. STATE OR LOCAL GOVERNMENT PROGRAMS

This category consists of grants or contracts from state or local government agencies. Studies will usually be in response to a request for proposals initiated by the funding agency. If no pre-determined indirect cost rate is established by the agency CARES will use the indirect cost rate negotiated with the Division of Cost

Allocation, Department of Health and Human Services. The indirect costs are provided to the grantee institution in addition to the direct costs provided for support of the studies. [Click here](#) for the current indirect cost rate information.

E. TRANSFER FUNDS

Investigators may transfer funds from accounts in other nonprofit institutions to CARES. Indirect costs may have already been deducted or may not have been requested on these funds. Transfer funds will not be subject to CARES 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.

F. 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 \$1,000 or less will not be charged overhead unless the award represents a portion of a larger contribution. Deposits totaling more than \$1,000 generally will have an overhead rate applied.

G. OVERHEAD CONSIDERATIONS

Funding received from an associated University will be charged overhead as described above based on the original source of the funding. University departmental funds will not be charged overhead.

Fee-for-service work performed by a Research Service facility or investigator (e.g. animal care and housing or specialized analyses in a research laboratory) should incorporate the appropriate CARES overhead onto the fee charged. For example, if animals are to be housed at Hines for an investigator whose grant is being administered at a University, the per diem rate quoted and charged by the VMU should be increased to include CARES overhead. (Actual costs as determined by the VMU for a procedure/service + overhead = Service Fee charged.)

No overhead is charged to start-up, IRB, pharmacy, and other one-time fees.

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