



Metropolitan Detroit Research & Education (MDREF) Policy & Procedure Manual
“A Foundation Established to Advance VA Research and Education.”

POLICIES AND PROCEDURES MANUAL

B4262

4646 John R Street

Detroit, MI 48201

VAMC Mail code: 11R

313-576-1000, ext. 60488

Fax: 313-576-1112

<http://www.va.gov/detroitresearch/MDREF.htm>

1. [Introduction](#)
2. [Accounting Principles & Procedures](#)
3. [Authorizations](#)
4. [Conflict of Interest](#)
5. [Consultants](#)
6. [Contractors](#)
7. [Deposit of Funds in Accounts](#)
8. [Disposition of Accounts](#)
9. [Establishing an Account](#)
10. [Equipment](#)
11. [Indirect or Facilities and Administrative \(F&A\) Cost Rates](#)
12. [Institutional Review Board \(IRB\)](#)
13. [Personnel](#)
14. [Privacy, Data Security & Record Retention](#)
15. [Purchases/Expenditures](#)
16. [Reimbursement of VAMC Costs](#)
17. [Subscription, Dues, and Conference Registration](#)
18. [Support for Meetings and Conferences](#)
19. [Training of Employees and Investigators Expenditures](#)
20. [Travel Expenses](#)
21. [Travel Stipend for Funded VA Investigators](#)
22. [Whistle-Blower Procedures](#)
23. [Appendices](#)

1. Introduction

The Metropolitan Detroit Research & Education Foundation (MDREF) is an independent nonprofit corporation that supports research and educational activities at the John D. Dingell VA Medical Center (VAMC). The MDREF administrative office is located in Room B4265 in the medical center. MDREF has been incorporated as a nonprofit corporation under the laws of the State of Michigan and shall comply with all local, state and federal laws and with the common ethical principles of academic medicine. Although MDREF is a private corporation, it is also subject to certain forms of federal oversight (38 U.S.C. 7361, 7362). The establishment of such corporations was allowed by an act of Congress to provide a flexible mechanism for the receipt and administration of funds to support academic activities. The sole purpose of non-profit research corporations housed in VA facilities is to advance the research and educational missions of the Department of Veterans Affairs through the support of activities approved by the Research and Development (R&D) or Education Committees of VA facilities. MDREF funds may not be used for charitable donations to other organizations

Funds administered for research projects are managed separately from funds administered for education projects. Funds received by MDREF for support of research cannot be allocated to educational activities, unless the donor has made no restrictions on the use of the funds or has provided specific permission for reallocation of the funds. Likewise, funds received for support of education cannot be reallocated for support of research only under the same conditions. Research and education funds will be kept in separate internal accounts.

Project Approval: All research projects must receive a formal approval by the VA Research & Development (R&D) Committee and other appropriate subcommittees prior to any funds being expended by MDREF. Such committees and subcommittees may include: R&D Committee, Institutional Review Board for Human Subjects (IRB), Institutional Animal Care & Use Committee (IACUC), and/or Subcommittee on Research Safety. All educational projects must receive formal approval by the VA Education Committee.

Principal Investigators: MDREF uses the term Principal Investigator to designate the individual who has overall authority and responsibility for conducting a research or education project. The principal investigator (PI) for each project/activity must hold a VA appointment (salaried or without compensation [WOC]) and also must be the same person who is named in the approval granted the project by the VAMC Research & Development Committee or Education Committee.

2. Accounting Principles & Procedures:

Financial statements for the Foundation will be presented on the accrual basis in order to conform to the American Institute of CPA's Generally Accepted Accounting Principles, but the underlying books and record keeping may be kept on a cash basis. Data is kept on VA computers and backed up nightly.

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 director's annually, but shall not be less than 15% 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 Metropolitan Detroit Research and Education Foundation. No funds may be accepted unless they are made payable to The Metropolitan Detroit Research and Education Foundation. Interest accruing from Foundation deposits and/or investments shall be reflected in the corporate operating fund account.

Account statements: An account statement will be provided to each account holder at the end of each quarter. It is the PI's responsibility to assure that time and effort, and all other costs are reflected correctly and that the statements are true and accurate. Investigators are responsible for ensuring that expenditure commitments do not exceed the available funds in their account.

Acknowledgement Letters: MDREF may accept funds in the form of grants, contracts or gifts from such sources as federal or private nonprofit agencies and commercial organizations involved in the development of new medical materials and devices. MDREF will send an acknowledgement letter that outlines the intended uses for the funds.

Bank Reconciliations: Bank reconciliations are performed by the accountant quarterly. All reconciliations will be reviewed by the Secretary/Treasurer of the Board of Directors at least annually.

Bank Statement Review: Monthly bank statements will be given, unopened, directly to the President of the Board of Directors who will review them for any unusual transactions. Any discretion will be brought to the attention of the board immediately.

Deficit Spending: The Foundation will not allow the continued expenditure of funds for research when the principal investigator's account(s) supporting that research has a current balance that is not sufficient to pay expenses projected for the subsequent three (3) months. Anticipated income will not be considered.

Expenditures: The Principal Investigator is responsible for authorizing expenditures from restricted research accounts. All requests for expenditures must be made and initiated by the Principal Investigator or designee and approved by the Executive Director. All checks may be signed by the Executive Director or a designated signatory for amounts up to \$500 exclusive. Checks at and above \$500 must be co-signed by two (2) authorized signatories. Checks are numbered and locked in a cabinet in the MDREF office that only the Executive Director and the Executive Assistant have access to.

Fiscal Year Closing: The fiscal year runs from January 1 through December 31. At the end of the fiscal year, all accounts/funds must be reviewed and preliminary financial reports prepared. All fiscal transactions must be recorded and posted. Transactions will be reviewed for completeness by scanning the ending balances and the transactions posted to each general

ledger account to detect unusual entries or unexpected ending balances. All general ledger accounts will be reconciled and necessary adjustments made. A post year end review of invoices will be conducted to ensure posting to the appropriate accounting period. A budget for all unrestricted funds will be prepared for the next fiscal year. The budget and reports will be presented to the Board of Directors at the first scheduled meeting in the new fiscal year.

Internal Accounting Control System - The safeguarding of assets and the reliability of financial records are the primary objectives of the Foundation's internal accounting controls. If appropriate, the corporation will have an annual, outside audit of its books and financial statements. The Board of Directors reviews all financial statements on an annual basis. A system of controls over revenues and expenses, including comparisons with approved budget estimates shall be maintained. All new NPC Board members, including Statutory VA Directors, and all new Executive Directors, officers, and key employees must take VA approved internal controls training within 90 days of assuming the role.

Loans - No financial loans may be made to any director, officer, or staff member of the Foundation, or to any research personnel or research project for any purpose. Under extraordinary circumstances the Board of Directors may consider a written request requesting the use of funds earned but not yet received.

3. Authorizations

The Executive Director is authorized to sign contracts on behalf of MDREF. All Foundation checks may be signed by the executive director, the executive assistant or an authorized Board member for amounts up to \$500 inclusive. Checks of \$501 or more must be co-signed by one authorized board member.

The **Executive Director** is responsible for overseeing the day-to-day management of the Foundation. Such duties may include, but are not limited to:

- reviewing contracts, agreements or collaborations between the Foundation and other entities for compliance with federal, VA and nonprofit guidelines;
- establishing, with appropriate professional assistance, necessary and appropriate internal accounting and management control systems;
- maintaining appropriate fiscal and management records of all research activities in the Foundation offices, and submitting regular reports to the board of directors for their review;
- submitting an annual budget to the board of directors for review;
- Seeing that all appropriate reports and annual filings are made to state, federal, and VA authorities (annual filing with the Secretary of State, annual report to the VA, federal IRS 990, RDIS Annual Report, and reports to District Counsel).

The executive director may hire administrative and/or accounting staff as needed to effectively carry out the operations of the Foundation. Such staff will be managed by and responsible to the executive director.

The Executive Director will receive a foundation issued credit card to be used for organization business only. He/She will sign a *Credit Card Issuance Form*. Credit Card Statements will be received in the foundation office and will be placed unopened in the locked file cabinet for

review by the foundation auditor on a quarterly basis.

All expenditures from the corporate operating funds must be limited to those which further the purposes of the Foundation. This includes expenditures for supplies, subscriptions, equipment, research-related travel and personnel.

4. Conflict of Interest

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of MDREF. The disclosure statement and *Affirmation of Compliance* shall be submitted upon his/her association with MDREF and shall be reviewed annually thereafter. An additional disclosure statement shall be filed whenever a potential conflict arises.

Additional information regarding conflict of interest as well as procedures and forms are contained in [Appendix A](#).

5. Consultants

Consultants are individuals who provide technical expertise needed for completing a research project or education program. While employees provide ongoing work on a project, consultants normally provide services on an interim or short-term basis. Criteria useful in determining whether to use a consultant rather than an employee to meet project needs include:

- a. If the specialized skill, knowledge and resources to be provided by the consultant are not available within the John D. Dingell VA Medical Center.
- b. If the work cannot be done in a reasonable time with the investigator's existing work force.
- c. If an independent and impartial evaluation of a situation is required by a consultant with recognized professional expertise and stature in a field.
- d. If it will be less expensive to perform the work with a consultant rather than with an employee.

The qualifications of an individual to serve as a consultant can be established by possession of an advanced scientific degree or documentation of prior work. This information needs to be documented via curriculum vitae or resume.

Requests for payments to consultants should be submitted on a *Check Request* form. Include the consultant's curriculum vitae or resume with the request. The payments are subject to IRS rules for reporting non-wage income.

6. Contractors

At times, it may be necessary and prudent to utilize the services of an independent contractor. Independent contractors often provide skills, knowledge and professional expertise that are not readily available in the workplace. As a result, MDREF recognizes the need to enter into contracts and has established the following procedures that must be followed prior to entering into a contractual arrangement.

The IRS has specific guidelines regarding who may be considered an independent contractor. In order to determine whether a contractual arrangement falls within these guidelines, it is necessary for MDREF to receive documents (the written contract and contractor selection statement) at least five (5) working days prior to the commencement of the contract. Please follow these steps:

1. Submit signed contract documents to the MDREF Executive Director five working days prior to commencement of the contract.
2. MDREF will review the contract documents and authorize the contract. A copy of the approved contract will be returned to the investigator.
3. Upon completion of the contract, submit a *Check Request* for payment. The *Check Request* should refer to the assigned contract and should have an original invoice from the independent contractor attached.

If documents are not received in advance for MDREF review and authorization, payment may be refused.

7. Deposit of Funds in Accounts

Funds may be accepted by MDREF from such sources as private non-profit agencies engaged in the support of research and/or education, from commercial organizations involved in the development of new drugs and devices or in the support of medical research and/or education, or from groups or individuals to defray the costs of scientific meetings or other legitimate academic functions. All checks should be made payable to Metropolitan Detroit Research & Education Foundation. Funds donated in support of a particular activity can be accepted only if the responsible investigator holds an appointment at the Detroit VA Medical Center and has an active research or educational project approved by the facility's appropriate committees.

MDREF does not accept donations of earned income such as speaker fees, honoraria, writing fees, etc. If an investigator or other recipient of such a payment wishes to make a donation to MDREF, he/she should accept the payment personally, pay the applicable taxes and then make a charitable donation to MDREF.

Federal law allows funds donated to the VA Medical Center's General Post Fund for general VA research or educational purposes to be transferred to MDREF. Other funds donated to the general post funds for a specific project may be transferred to the MDREF only if the donor provides consent.

All checks should be submitted directly to the MDREF administrative office. A letter acknowledging receipt of each check will be sent to the respective donor, and a copy of the letter will be maintained in the MDREF files. If a donor letter does not accompany the funds, MDREF will send an acknowledgement letter that outlines the intended uses for the funds.

8. Disposition of Accounts

Accounts in MDREF are established for the express purpose of supporting research or education programs approved by the designated John D. Dingell VA Medical Center

committees.

- a. When an investigator retires or resigns from the VA, funds will be disposed as follows:

Active Project: If the project is transferred to another VA investigator, the funds may also be transferred to that investigator. The board of directors must approve any and all transfer of funds and/or equipment.

Completed/Inactive Project: All residual funds will be retained by the Corporation.

- b. If the principal investigator transfers to another VA, funds will be disposed as follows:

Active Project: If the PI wishes to move his active research project to another nonprofit tax-exempt entity, a letter must be received from the new corporation requesting the transfer and advising that they will accept responsibility for the research project, funds and equipment. The board of directors must approve any and all transfer of funds and/or equipment.

Completed/Inactive Project: All residual funds will be retained by the Corporation.

- c. Residual funds are expended in support of VA research or education by MDREF for the benefit of research or education conducted by the John D. Dingell VA Medical Center.

9. Establishing an Account

VA non-profit corporations may not receive or administer funds unless the funds are associated with a project approved by the medical center's R&D or Education Committees. Therefore, in order to open an account in MDREF, a PI must have at least one active research or education proposal that has been approved by the appropriate facility committee.

There is no restriction on how many accounts an investigator may have. A separate account will be opened for each active research and/or education project. Upon ending the research project and based on the funding source restrictions, the remaining funds will either be returned to the sponsor or transferred to the investigator's General Purpose account.

10. Equipment

Equipment includes items that will be used on an ongoing basis in a laboratory or office, such as microscopes, machines, computer hardware, and some types of computer software. It does not include consumable supplies. All equipment items over \$5,000 are to be capitalized.

All equipment purchases are made through checks issued to suppliers (rather than personal reimbursements). A *Purchase Order* must be completed with documentation of the relationship of the equipment to a research or education project.

Prior authorization is needed for computer equipment and computer software whether it is to be connected to the VA network or to the WSU network. A *Computer Hardware/Software Purchase Authorization Form* must also be completed and submitted to the MDREF Executive Director with the *Purchase Order*.

All equipment purchased with MDREF funds will be labeled as VA property and inventoried as to location and assignment. MDREF follows VA policy for turn in of unusable equipment. IT equipment is sanitized of sensitive data prior to turn in as required by VA policy. MDREF Board of Directors must approve transfer of any and all capital equipment. Transfer of equipment may only be made to another VA institution.

11. Indirect or Facilities and Administrative (F&A) Cost Rates

The term Facilities and Administrative (F&A) Cost Rates or Indirect costs (IDC) denotes funds that are removed from the account to support the administrative costs of operating the corporation. These costs are incurred for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular research project or an education activity. These costs are allocated to the direct activities through the use of the F&A or IDC cost rate. The MDREF has no other mechanism than indirect costs to pay for its administrative expenses. Investigators should plan for F&A or IDC cost assessments when developing project budgets and communicate this need to funding sources. As a general rule, F&A or IDC costs are not deducted from general contributions or educational contributions.

12. Institutional Review Board (IRB) - A Memorandum of Understanding (MOU) establishes Wayne State University Human Investigation Committee (HIC) as the IRB of record for the John D. Dingell VA Medical Center and empowers the IRB to act on behalf of the JDDVAMC in all issues pursuant to human subject research and protection. The IRB charges for review of pharmaceutical research protocols. Each budget for pharmaceutical trials must include this charge which is part of the fees charged by MDREF. The fees are paid to WSU IRB upon receipt of an invoice.

13. Personnel

Principal investigators with approved projects may hire employees to support these projects. Employees must be without-compensation (WOC) employees with Research Service at the John D. Dingell VA Medical Center and must follow all appropriate medical center/Research Service procedures. The PI for each project/activity is responsible for hiring and managing all personnel for their activity. Upon request and approval from the appropriate PI, MDREF will pay personnel from the appropriate research or education account fund. An Employee Request Form must be completed and submitted prior to employment. Employees are paid on a monthly basis. All employees must complete a time sheet that is signed by the employee and supervisor. Time sheets must be submitted by the 14th of each month. All appointments are time limited and are based on availability of funds. As such, employees are considered “at will” employees and may be terminated at any time at the discretion of the supervisor with a two-week advance notice. MDREF follows VA policy for leave accrual for full-time or part-time employees. Intermittent employees are ineligible for leave. There are no benefits available through MDREF.

a. Simultaneous Employment by the MDREF and the VAMC

Part-time or full-time VA employees may be hired as part-time non-exempt employees of the MDREF. No VA employee may work for MDREF on government time without the VA being reimbursed for the salary. Any salary or wages earned as a MDREF

employee must be for hours worked outside of the VA tour of duty and for duty different from the individual's VA work or be document with a *Memo of Understanding (MOU)* that documents the hours committed to working for the VA, MDREF and/or any other employers.

b. Nepotism

MDREF follows VA policy which permits the employment of qualified relatives of employees as long as such employment does not, in the opinion of the corporation, create actual or potential improprieties or conflicts of interest. Individuals who are related by blood or marriage are permitted to work in the same facility, provided no direct reporting or supervisory-management relationship exists. That is, no employee is permitted to work within the chain of command of a relative if the other relative could influence one relative's work responsibilities, salary, or career progress. For purposes of this policy, a relative is defined as a spouse, child, parent, sibling, grandparent, grandchild, aunt, uncle, first cousin, or corresponding in-law or step-relation. This policy applies to all job categories, including permanent, temporary, and part-time employees.

c. Sub Award Procedures

Investigators who plan to utilize WSU employees or other research services, and have funds at the MDREF may need to request a Sub Award. The *Sub Award Form* is used when there is an external funded sponsored project awarded to MDREF. Investigators need to contact their WSU department to request a WSU/MDREF sub award.

14. Privacy, Data Security & Record Retention

MDREF follows all VA and VHA requirements on privacy, IT security, and educational requirements when it has possession of VA sensitive information, Protected Health Information (PHI) or its employees are engaged in research.

MDREF, as a general rule, follows VA requirements for record retention and/or destruction. However, at a minimum MDREF shall retain records for the period of their immediate or current use, unless longer retention is necessary for historical reference or to comply with contractual or legal requirements.

15. Purchases/Expenditures

General Information

The principal investigator must have a minimum of one active R&D Committee approved research project at the John D. Dingell VAMC to expend funds in his/her research accounts. All expenditures must be approved by the Executive Director. Expenditures of more than \$1000 must also have approval of a board member.

Supplies, equipment, and needed services may be purchased on the open market. Any item over **\$5,000** must have at least three (3) bids unless sole source justification can be provided. All

equipment items purchased for permanent, long-term use, valued over \$5,000 are to be capitalized.

All purchases must be in compliance with Internal Revenue Service (IRS) guidelines for non-profit corporations. In cases where requests for payment do not have an obvious direct link to a research or educational project, a clear explanation of how the expense is related to the investigator's project must be provided, or there will be a delay in providing payment.

Examples of such written justifications are:

[A purchase order for a personal computer] *"This computer will be housed in the project office and will be used by the study's research assistant to maintain a log of enrolled patients, to enter study data into a database program, and to perform statistical analyses on study data using SPSS software."*

[A check request for purchase of a box of printer cartridges] *"These are toner cartridges for the laser printer in the project office that prints the individualized questionnaire generated for each subject enrolled in the study."*

[A check request for postage expenses] *"This payment covers postage fees for 300 mailed questionnaires at \$0.78 per questionnaire."*

Please contact the MDREF administrative office in advance if you have questions about the research justification of a planned purchase.

Purchases/expenses that are primarily of a personal nature cannot be paid through MDREF. Examples of such personal purchases/expenses include (but are not limited to): wedding or baby gifts, birthday parties, gifts or flowers to individuals, and contributions to other charities. Purchases for personal workplace refreshments, such as coffee, water and soft drinks, will not be reimbursed.

Requests for disbursement of funds should be prepared on either a MDREF *Check Request* or *Purchase Order form*. These forms can be found on the MDREF website under "Forms" and must be signed by an individual who has signature authority for the specific account to which the disbursement will be charged. All check request and purchase order forms must have attached supporting documentation and the Research Justification completed and appropriate documentation (if necessary) attached.

Purchase Orders are used for vendors who will bill the MDREF at a later date. *Purchase Orders* must have a full description of the product, quantity ordered, per unit price and extended price. If freight or transportation is billed as a separate item, freight bill must accompany invoice. The complete vendor address, and phone number must be included. Inform all vendors that all invoices must reference the purchase order. All items are to be ordered by the investigator. When the order is received, the packing slip or confirmation of delivery must be sent to the MDREF administrative office.

Reimbursement of expenditures is generally discouraged. However, to obtain reimbursement for items already purchased and paid for by an individual a *Check Request* form must be completed with a description of goods purchased, the vendor address, and an explanation of the

research purpose of the expenditure. Invoices and other supporting documents must be attached. Reimbursements require original receipts or paid invoices supporting the payment. An authorized account signer must sign all check requests. It is essential that the research or educational purpose of each purchase be clearly stated in the section of the form that designates the justification for the purchase (see examples above). *Check Requests* that do not include a clear justification will be returned to the investigator before being processed.

Subject Payments - Principal investigators requesting payment to a *subject* for their participation in research activities or travel expenses may also use the *Check Request* form. If requesting a check to the subject, submit the name and mailing address. Any subject receiving \$600 or more in a calendar year, the Foundation must submit such year-end information to the IRS and the subject. If requesting “petty cash” to reimburse for travel expenses, the coordinator of the study must maintain a log of payments which will be turned in to MDREF.

16. Reimbursement of VAMC Costs

Investigators who incur patient care costs specifically for a research project must reimburse the medical center for items such as laboratory, imaging, ambulatory care, inpatient care, medical service procedures, and pharmacy. The AO for Research Service assesses clinical costs from the Administrative Review that is required from all investigators who submit research protocols that involve human subjects and could potentially use VA clinical resources. Investigators must complete a *Budget and Clinical Assessment Impact Statement* for each protocol. If there are anticipated costs to MDREF, the statement is reviewed and signed by the Executive Director. Bills are paid upon receipt of invoices from the John D. Dingell VA Medical Center.

17. Subscription, Dues, and Conference Registration

MDREF is committed to fostering access to scientific information that allows VA and MDREF personnel to remain current in their fields and apprised of cutting edge developments for the benefit of VA research and education. This involves subscribing to journals as well as facilitating VA investigators’ full participation in scientific and educational organizations and conferences.

Personnel may request payment or reimbursement for the cost of subscriptions for research related publications and approved educational materials that provide a clear benefit for VA research or education. Subscription requests must indicate a business, not residential, address for delivery.

If a membership is necessary to obtain the publication, or if it is cost-effective to pay for a membership in order to obtain the publication and/or to attend meetings and conferences at a significantly reduced rate, MDREF may pay the dues. However, the organization must have a research orientation as demonstrated by publication of research journal(s) and/or hold scientific meetings of benefit to VA research.

If an organization offers no justifiable publications, but holds a meeting that has research relevance or educational value, **and** the cost of dues is justified by a reduction in the meeting registration fee, when practical, membership dues will be paid at the same time as the registration fee.

VA policy prohibits use of MDREF funds to pay for professional licenses or fees for VA employees.

18. Support for Meetings and Conferences

Meetings, conferences, workshops, seminars, grand rounds, town halls, symposia, and other similar meetings are all accepted features of conducting research and/or education. Additionally, certain events, such as retreats and board meetings as well as fundraising and public relations, are necessary for the conduct of business. Incidental to the business purpose of such meetings, it may be appropriate to serve meals or refreshments.

VHA Handbook 1200.17, IRS regulations, OMB Circular A-122, federal ethics standards and the statute that authorizes MDREF influence the extent to which expenditures related to such events are appropriate for MDREF support. Consequently, in order to be considered for MDREF support:

- a. A meeting must have a documented research, education or MDREF business purpose. MDREF will not support “entertainment” expenses such as purely social activities, ceremonial occasions or those that provide amusement.
 - For a **research related meeting**: A request for MDREF support must include an explicit statement about the research rationale for the event; how it will further VA research. Accompanying documentation should include the program, agenda or topic of discussion and a roster of attendees. When appropriate, the request should tie the event to an approved research project.
 - For an **educational program**: The activity itself must first be approved by the John D. Dingell VA Medical Center Education Committee. Documentation should include an explicit statement of how the program will further the VAMC’s and/or VA’s education and training mission, the agenda, program or topic of discussion, and a roster of attendees. See [Appendix B](#) for further information.
 - For **other MDREF business events**: A request must include an explicit statement of how it will further MDREF’s ability to facilitate research and/or education. Appropriate events include, but are not limited to retreats and board meetings, annual membership and investigator meetings as well as fundraising and public relations. Documentation should include the agenda, program or topic of discussion and a roster of attendees.

AND

- b. The meeting should meet one of the following criteria:
 - Event includes non-VAMC personnel among the expected attendees and/or the speaker is not a VAMC employee. Non-VA individuals and VA personnel from a remote or out of town facility count as non-VAMC personnel; VAMC WOCs do not count; or
 - Event involves at least one individual who is being recruited to conduct research or education at the VAMC.

MDREF will not support refreshments or meals for weekly, monthly or otherwise regularly scheduled VAMC staff or VA committee meetings.

Requests for MDREF support will be reviewed and approved by the Board of Directors.

19. Training of Employees and Investigators Expenditures

Tuition payments or registration fees may be paid for courses that directly relate to the activities of an approved research or education project. Examples include courses on statistical analysis of research data or on programming computer databases. If the course is held at a distant site, the tuition was personally paid, and there were travel expenses, submit the reimbursement request using the travel reimbursement procedures described below. For tuition paid directly to the institution, submit the request using a *Check Request* form. As supporting documentation, include the original tuition statement and a written description of the relationship of the course to the approved research or education project.

This policy does not apply to general educational courses, such as coursework for attaining college degrees. Such expenses are the responsibility of the individual employee and are not reimbursable.

20. Travel Expenses

Foundation funds may be used to support travel expenses to scientific meetings or for other research and/or educational conferences, seminars, etc. Travel charged to a research account must be limited to purposes that relate to the investigator's research activity. Travel for educational activities must support the training and education mission of the VA. Although travel is a necessary part of research and education activities, it is also one of the areas closely scrutinized by auditors and oversight agencies.

An employee traveling on official business is expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. Excess costs, circuitous routes, delays or luxury accommodations and services unnecessary or unjustified in the performance of official business are not acceptable under this standard. Employees will be responsible for excess costs and any additional expenses incurred for personal preference or convenience.

As a general rule, employees should be on approved authorized absence. In rare instances, travel conducted while on annual leave may be reimbursable. Questions regarding this issue should be addressed to the Executive Director.

Reimbursable travel expenses DO NOT include expenses incurred for travel costs of spouse, dependents, or anyone other than the traveler. Nor do they include social or sightseeing costs, liquor, hotel mini-bar charges, flight insurance, movies, laundry, hair care, shoeshines, or other personal grooming.

Specific instructions regarding travel and appropriate forms are contained in [Appendix C](#).

21. Travel Stipend for Funded VA Investigators

MDREF will provide each funded “VA investigator” with \$500 in support per calendar year where an abstract submitted by the investigator has been accepted for presentation (talk or poster). A “VA investigator” is defined as being eligible to receive VA research funds from Medical Research, HSR&D, RR&D or Cooperative Studies.

This program for support of VA investigators will be reviewed each year by the MDREF Board of Directors and extended only if the Board concludes that sufficient reserve funds are available to continue it. No commitments can be made that this current program will be continued in future years.

22. Whistle-Blower Procedures

In compliance with the Sarbanes-Oxley Act of 2002, the organization has enacted a policy for the protection of whistle blowers.

- a. Anonymous reporting. Employees are encouraged to report to the appropriate level of management any activity that an employee reasonably believes to constitute fraudulent activity or is in violation of any governmental regulations. Employees have the assurance that these reports will be considered completely confidential and the identity of the reporting employee will not be disclosed.
- b. Retaliation prohibited. There will be no retaliation in any form, including harassment or discrimination, against any employee who has raised concerns about possible fraudulent activity. Any reports of retaliation will be thoroughly investigated and appropriately handled.

22. Appendices

- Appendix A – [Conflict of Interest](#)
- Appendix B – [Educational Activity](#)
- Appendix C – [Travel Guidelines](#)



CONFLICT OF INTEREST

I. Application of Policy

This policy is intended to supplement, but not replace, federal and state laws governing conflicts of interest applicable to VA-affiliated nonprofit research and education corporations (NPCs). These include federal conflict of interest regulations invoked in section 7366(c)(1) of Title 38 of the NPC authorizing statute.

This policy applies to board members and staff with significant decision-making authority. Persons covered under this policy, as well as their relatives and associates, are hereinafter referred to as "interested parties."

II. Conflict of Interest

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of Metropolitan Detroit Research & Education Foundation (MDREF). There are a variety of situations that raise conflict of interest concerns including, but not limited to, the following:

- a. **Financial Interests** - A conflict may exist where an interested party directly or indirectly benefits or profits as a result of a decision, policy or transaction made by MDREF. Examples include situations where:
 - MDREF contracts to purchase or lease goods, services, or properties from an interested party.
 - MDREF offers employment or compensation to an interested party or an entity with which the interested party has a direct or indirect financial interest, other than a person who is already employed by MDREF.
 - An interested party is provided with a gift, gratuity, or favor of a substantial nature from a person or entity that does business or seeks to do business with MDREF.
 - An interested party is gratuitously provided use of the facilities, property, or services of MDREF.
 - MDREF adopts a policy that financially benefits an interested party.

A financial interest is not necessarily a conflict of interest. A financial conflict of interest exists only when the board decides a person with a financial interest has a conflict of interest.

- b. **Other Interests** - A conflict also may exist where an interested party obtains a non-financial benefit or advantage that he/she would not have obtained absent his/her relationship with MDREF. Examples include where:
 - An interested party seeks to obtain preferential treatment by MDREF or recognition for himself/herself or another interested party.

- An interested party seeks to make use of confidential information obtained from MDREF for his/her own benefit (not necessarily financial) or for the benefit of another interested party.
- An interested party seeks to take advantage of an opportunity or enables another interested person or other organization to take advantage of an opportunity that he/she has reason to believe would be of interest to MDREF.
- MDREF adopts a policy that provides a significant non-financial benefit to an interested party.

A conflict of interest exists only when the Board of Directors decides there is a conflict.

III. Disclosure of Potential Conflicts of Interest

An interested party is under a continuing obligation to disclose any potential conflict of interest as soon as it is known or reasonably should be known.

An interested party shall complete the Questionnaire (Appendix A) to fully and completely disclose the material facts about any potential conflicts of interest. The disclosure statement and Affirmation of Compliance (Appendix B) shall be submitted upon his/her association with MDREF, and shall be reviewed annually thereafter. An additional disclosure statement shall be filed whenever a potential conflict arises.

Disclosure statements will be submitted as follows:

- a. For board members, the disclosure statements shall be provided to the President of the board. The President's disclosure statement shall be provided to the Secretary of the board or its equivalent. Copies also shall be provided to the Executive Director of MDREF.
- b. In the case of staff with significant decision-making authority, the disclosure statements shall be provided to the Executive Director of MDREF.
- c. In the case of the Executive Director, the disclosure statement shall be provided to the Chair of the Board.

In all cases, the recipient is the designated reviewing official responsible for bringing potential conflicts to the attention of the appropriate authorities. The Secretary of the Board of Directors shall file copies of all disclosure statements with the official corporate records of MDREF.

IV. Procedures for Review of Potential Conflicts

Whenever there is reason to believe that a potential conflict of interest exists between MDREF and a Board member, the Executive Director or other interested party, the Board of Directors shall determine the appropriate response. This shall include, but not necessarily be limited to, invoking the procedures described below with respect to a specific proposed action, policy or transaction. The designated reviewing official has a responsibility to bring a potential conflict of interest to the attention of the board promptly for action at the next regular meeting of the board or during a special meeting called specifically to review the potential conflict of interest.

Where the potential conflict involves an employee of MDREF other than the Executive Director, the Executive Director shall be responsible for reviewing the matter and may take appropriate action as necessary to protect the interests of MDREF. The Executive Director shall report to the President the results of any review and the action taken. The President shall determine whether any further board review or action is required.

V. Procedures for Addressing Conflicts of Interest

Where a potential conflict exists between the interests of MDREF and an interested party with respect to a specific proposed action, policy or transaction, the Board of Directors shall consider the matter during a meeting of the board. MDREF shall refrain from acting until such time as the proposed action, policy or transaction has been approved by the disinterested members of the Board of Directors of MDREF. The following procedures shall apply:

An interested party who has a potential conflict of interest with respect to a proposed action, policy or transaction of the corporation shall not participate in any way in, or be present during, the deliberations and decision-making vote of MDREF with respect to such action, policy or transaction. However, the interested party shall have an opportunity to provide factual information about the proposed conflict and/or action, policy or transaction. Also, the board may request that the interested party be available to answer questions.

- The disinterested members of the Board of Directors may approve the proposed action, policy or transaction upon finding that it is in the best interests of MDREF. The board shall consider whether the terms of the proposed action, transaction or policy are fair and reasonable to MDREF and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a party or entity that is not an interested party.
- Approval by the disinterested members of the Board of Directors shall be by vote of a majority of directors in attendance at a meeting at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present, or for purposes of determining what constitutes a majority vote of directors in attendance.
- The minutes of the meeting shall reflect that the conflict disclosure was made to the board, the vote taken and, where applicable, the abstention from voting and participation by the interested party. Whenever possible, the minutes should frame the decision of the board in such a way that it provides guidance for consideration of future conflict of interest situations.

VI. Documentation

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

- b. The names of the persons who were present for discussion and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

VII. Violations of Conflict of Interest Policy

If the Board of Directors has reason to believe that an interested party has failed to disclose a potential conflict of interest, it shall inform the person of the basis for such belief and allow the person an opportunity to explain the alleged failure to disclose.

If the board decides that the interested party has in fact failed to disclose a possible conflict of interest, the board shall take such disciplinary and corrective action as the board shall determine.

**Metropolitan Detroit Research & Education Foundation (MDREF)
Conflict of Interest
Disclosure Questionnaire**

Please complete the questionnaire below, indicating any potential conflicts of interest. If you answer "yes" to any of the questions, please provide a written description of the details of the specific action, policy or transaction in the space allowed. Attach additional sheets as needed.

Financial Interests - A conflict may exist where an interested party, directly or indirectly benefits or profits as a result of a decision, policy or transaction made by MDREF.

During the past 12 months (for each yes response, please describe on a separate page.):

1.	Has MDREF proposed to contract or contracted to purchase or lease goods, services, or property from you or from any of your relatives or associates?	<input type="checkbox"/> <input type="checkbox"/>	Yes No
2.	Has MDREF offered employment to you (not applicable to existing staff) or to any of your relatives or associates?	<input type="checkbox"/> <input type="checkbox"/>	Yes No
3.	Have you, or any of your relatives or associates, been provided with a gift, gratuity or favor of a substantial nature from a person or entity that does business or seeks to do business with MDREF?	<input type="checkbox"/> <input type="checkbox"/>	Yes No
4.	Have you or any of your relatives or associates been gratuitously provided use of the facilities, property, or services of MDREF?	<input type="checkbox"/> <input type="checkbox"/>	Yes No
5.	Have you, a relative or an associate in a position to benefit financially from an action, policy or transaction made by MDREF?	<input type="checkbox"/> <input type="checkbox"/>	Yes No

Other Interests - A conflict may also exist where an interested party obtains a non-financial benefit or advantage that he/she would not have obtained absent his/her relationship with MDREF, or where his/her duty or responsibility owed to MDREF conflicts with a duty or responsibility owed to some other organization.

Please indicate if at anytime during the past twelve months (for each yes response, please describe on a separate page.):

1.	Did you obtain preferential treatment, promotion, recognition or a non-salaried appointment as a consequence of your association with MDREF for yourself or for any of your relatives or associates?	<input type="checkbox"/> <input type="checkbox"/>	Yes No
2.	Did you make use of confidential information obtained from MDREF for your own benefit or for the benefit of a relative, associate, or other organization?	<input type="checkbox"/> <input type="checkbox"/>	Yes No

3.	Did you take advantage of an opportunity or enable a relative, associate or other organization to take advantage of an opportunity that you had reason to believe would be of interest to MDREF?	<input type="checkbox"/> <input type="checkbox"/>	Yes No
4.	Have you, a relative or an associate in a position to benefit in a non-financial way from an action, policy or transaction made by MDREF?	<input type="checkbox"/> <input type="checkbox"/>	Yes No

Name	Signature	Date

**Metropolitan Detroit Research & Education Foundation (MDREF)
Conflict of Interest
Affirmation of Compliance**

I have received and carefully read the Conflict of Interest Policy for board members and staff with significant decision making authority of MDREF and have considered not only the literal expression of the policy, but also its intent. By signing this affirmation of compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy. I further understand that MDREF is a nonprofit organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes without personal benefit (other than by salary) by board members or staff.

Except as otherwise indicated in the Disclosure Questionnaire, I hereby state that I do not have any conflict of interest, financial or otherwise that may be seen as competing with the interests of MDREF, nor does any relative or associate have such a potential conflict of interest. I and any relative or associate will not benefit from any action, policy or transaction made by MDREF in a manner that has not been previously disclosed.

If any situation should arise in the future that I think may involve me in a conflict of interest, I will promptly and fully disclose in writing the circumstances to the Chair of the Board of Directors of MDREF or to the Executive Director, as applicable.

I further certify that the information set forth in the Disclosure Statement and attachments, if any, is true and correct to the best of my knowledge, information and belief.

Name (Please print)

Signature

Date

Annual Review and Reaffirmation

Signature

Date

Signature

Date

Signature

Date



**REQUEST FOR REVIEW AND APPROVAL OF NON-PROFIT SPONSORED
 EDUCATIONAL ACTIVITY**

1. Request Submitted by:	2. Email Address:	3. Telephone:
<i>Last Name, First Name:</i>		
4. Sponsor:	5. Contact's Name:	6. Telephone:
7. Title of Activity:		8. Date(s) of Activity:
9. Description of Education and Training Activity:		
10. How will the Activity Benefit the VA:		
11. Attach Program Brochure, Course Description, etc. (if available):		
Requestor's Signature		Date:
<input type="checkbox"/> Approved <input type="checkbox"/> Disapproved Reason:		
By:		Date:
Chair, Training & Tuition Support Subcommittee		
For MDREF Use Only		
REQUESTOR – PLEASE COMPLETE ITEMS 1 & 2 IF REQUESTING FUNDS FROM MDREF		
1. Funds are requested to Support the Following Educational Activity:		
<input type="checkbox"/> Sponsor a Seminar		
<input type="checkbox"/> Sponsor Staff or Patients to Attend Education and Training Activity		
<input type="checkbox"/> Request to attend Education and Training Activity		
2. Attach Budget and Description of Proposed Expenditures:		
<i>(I understand there may be a charge of up to a 15% for administrative fees.)</i>		
Expenditure <input type="checkbox"/> Approved <input type="checkbox"/> Disapproved Reason:		
By MDREF Board of Directors on		



TRAVEL GUIDELINES

Foundation Funds may be used to support travel expenses to scientific meetings or for other research and/or educational conferences, seminars, etc. Travel charged to a research account must be limited to purposes that relate to the investigator's research activity. Travel for educational activities must support the training and education mission of the VA.

An employee traveling on official business is expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. Excess costs, circuitous routes, delays or luxury accommodations and services unnecessary or unjustified in the performance of official business are not acceptable under this standard. Employees will be responsible for excess costs and any additional expenses incurred for personal preference or convenience.

Request for Travel Funds:

Forms are to be completed/submitted a minimum of 4 weeks prior to travel. Complete the Request for Travel Funds form. If you have requested a travel grant from the R&D committee, attach a copy of the memorandum submitted to the Committee.

Documents required:

- A. Program material (i.e. program announcement, agenda, etc)
- B. Abstract or invitation letter when making a presentation
- C. VA Employees - Approved authorized absence memo* and approved VA Form 0893.

Prepaid Items:

The Corporation will prepay registration, airline tickets and any other costs that may be required prior to travel. No cash advance will be granted before the travel. **If travel is not completed, the traveler must reimburse the corporation for all prepaid items.**

Lodging and Per Diem

Meal expenses will be paid using VA per diem rates. Current per diem rates can be found at: <https://www.fedtraveler.com/>

Lodging expenses will be paid for original receipted charges up to the normal convention hotel rates. However, VA employees should ask for government rates when available.

Rental Car

Requests for rental cars must be submitted in advance with justification. Use of a rental car **MUST** be pre-approved.

Expense Reimbursement Form/Travel - submit with original receipts attached for all items that cost over \$25 including those prepaid by the Foundation.

- Registration/tuition – submit a copy of the meeting agenda. (**Note if any meals are provided, i.e. breakfast, lunch or dinner**)
- Transportation – coach class or government fare. Provide receipt and boarding pass. If personal vehicle is used, mileage will be paid, not to exceed coach class or government fare amount.
- Lodging - bill must be marked paid in full
- Parking – at airport
- Taxi - airport to hotel/hotel to airport
- Mileage – (round trip home/airport) at VA rate
- Phone calls – One per day to home, not to exceed \$5 per call
- Meals – VA per diem rate (**no receipts required**)
- Other – (such as rental car) – must be approved before traveling

All requests for reimbursement must be received within 10 days of travel. Late submission may result in non-payment of travel claim.

If you have any questions or problems, please call Mary Jo Brady (60488)

* In rare instances, travel conducted while on annual leave may be reimbursable. Questions regarding this issue should be addressed to the Executive Director.



REQUEST FOR TRAVEL FUNDS

Date:

It is requested that \$ be set aside from account: .

These funds will be used by: .

To attend the following:

Location: .

Dates: from: to:

VA employees submit approved (all required signatures on the forms):

- 1. Authorized absence approval memo.**
- 2. VA form 0893 (Advance Review of Offer to Donate Support for Official Travel)**

Describe how this meeting will contribute to your research. Attach program materials and abstract or invitation letter if applicable.

PI Signature	Date

Approved: Disapproved:

Executive Director	Date



EXPENSE REIMBURSEMENT FORM

(Complete and return to the Foundation office within 10 days of return from travel)

Travel for (individual)		For travel made to (destination)
Departure Date & Time Arrival Date & Time		Returning Date & Time Arrival Date & Time
Dates of Conference	Account	For (purpose)

Breakdown of Expenses – Original receipts must be submitted for all expenses in excess of \$25 including those prepaid by the Foundation. Prepaid items should be marked as PP

Registration (attach receipt, program or agenda, etc)	
Transportation: Airfare (receipt and boarding passes)	
*Personal Auto - /mi x total miles	
*Train	
Hotel nights @ \$ per night	
Meals days @ \$ per day Note any meals provided at conference	
Cabs/Airport to Hotel/Hotel to Airport	
Mileage (round trip to/from airport): # miles	
Parking/Airport	
Miscellaneous (justify w/memo)	
Total Allowed Expense	
Less Prepaid	
Total Amount to be reimbursed	

*Not to exceed air - coach class or government fare amount

Reimbursement to be made to:

I certify that all travel expenses set forth hereon are just and appropriate charges to my MDREF account, and that payment has not been, nor will be accepted from, another source. I also certify that this travel expenditure was necessary to support my approved research, education activity or in the case of a general donation account that this travel was within the scope of the donor's intent.

Principal Investigator or traveler		Date
Approved by:	Mary Jo Brady, Executive Director	Date

