

**FOND DU LAC TRIBAL AND COMMUNITY COLLEGE (FDLTCC)
Sponsored Program Procedures-Revised March 2010**

SCOPE: The Office of Sponsored Programs (OSP) was established to support FDLTCC's mission to provide higher education opportunities for its communities in a welcoming, culturally diverse environment. Sponsored Programs support efforts focused on funding activities, including assistance and award management.

The following pre- and post-award procedures apply to grant, contract, and cooperative agreement activities at FDLTCC. They have been developed to assist staff and faculty to meet sponsor and FDLTCC administrative requirements. All related forms are located in the Office of Sponsored Programs.

Section I: Pre-Award

A. Pre-Award Responsibilities/Sub-Award Responsibilities from other institutions

Fond du Lac Tribal and Community College (FDLTCC): FDLTCC is ultimately responsible to its staff, faculty, and students to seek out and apply for funding that supports the college mission, purpose, and strategic plan.

Principal Investigator (PI)/Project Director(PD):

- Identification of potential funding sources when generating projects
- Proposal development
- Timely submission of grant proposals to the Office of Sponsored Programs

Vice President of Academic Affairs (VPAA):

- ☐ Assist with proposal development as needed
- ☐ Review all grants that include faculty
- ☐ Approve proposed faculty release time

Program Director:

- ☐ Research potential funding to support programs, projects, and activities under their direction
- ☐ Assist with proposal development as needed
- ☐ Review grant proposals proposed by programs under their direction.

Chief Financial Officer (CFO):

- ☐ Review grant proposal to ensure grant budget accuracy.

Institutional Research (IR):

- ◆ Assist with proposal development in the evaluation and goal setting areas
- ◆ Review all grants for evaluation process completeness and appropriateness

Sponsored Programs Director:

- ♣ Monitor funding sources and research potential funding
- ♣ Assist with obtaining funding source information, obtaining RFP guidelines, and developing grant proposals
- ♣ Review grant proposals to ensure grant work meets FDLTCC's mission, goals, and objectives
- ♣ Check for budget accuracy.
- ♣ Assist with proposal internal routing for authorization
- ♣ Submit all grant applications and track the outcome of those submissions

B. IDENTIFYING FUNDING SOURCES

Faculty and staff should attempt to identify potential funding sources for their programs or special projects as well as notify Office of Sponsored Programs of their funding needs. A key source in identifying potential grants is the one-stop shop created by the federal government called grants.gov. Many other sources are available as well. Please see Office of Sponsored Programs for a list of additional funding sources.

The Office of Sponsored Programs will also monitor funding sources in search of potential matches that meet FDLTCC and department goals and objectives. Sponsored Programs will meet collectively on an approximate bi-monthly basis with key department directors/administrators, and vice presidents to review identified funding sources and cooperatively determine whether to pursue identified funding sources. The president also has the authority to direct staff and faculty to pursue identified funding sources.

C. NOTICE OF INTENT TO APPLY

If a program or department administrator/director is writing the grant proposal on his/her own, he/she should notify the Sponsored Programs director. Sponsored Programs must monitor potential grant applications for two specific reasons: to ensure that no other FDLTCC program or department is applying for the same grant and to notify the proposal developer of any potential absences of administrators who must sign off on the grant proposal, so the preparer can adjust the proposal completion date as needed.

The process for notifying the Sponsored Programs director must be completed through email or other written notification. Key information to include is funding source, due date, proposed project,

and required match. The notification should be accompanied with the grant RFP. The Office of Sponsored Programs will notify the chief financial officer (cfo) if a cash match is required.

D. PROPOSAL DEVELOPMENT

Grant Development Meeting: If the Office of Sponsored Programs has agreed to assist in the proposal development, one or more meetings will occur between Sponsored Programs, the grant's principal investigator (PI) and/or co-PIs as well as any other key players to gather appropriate narrative information and data as well as to assign duties. Institutional Research will be involved in all grant development meetings to assist and ensure that evaluation of the grant goals and objectives are reasonable and appropriate. This will include compliance with FERPA and evaluation instrument development where appropriate as well as other data gathering procedures and appropriate distribution of results. This may include recommendation for external reviewers or sitting on an advisory panel or grant team. The PI will be responsible for working with the IR office in the post-award phase for implementation of the evaluation procedures established.

Commonly Needed Facts: Often grant applications require FDLTCC's organizational information, including DUNS number and tax ID number. This information along with other such common application facts can be retrieved from the Office of Sponsored Programs.

Common Proposal Features: The most important item to remember when developing a proposal is to follow the grant RFP (request for proposal.) Each grant has its own guidelines and these are always subject to change. Within that context, the grant developer will usually complete the following items: table of contents; abstract; narrative (including introduction, need, goals, objectives, work plan/activities, methodology, timeline, results/benefits, organizational capabilities, key staff, and the evaluation); budget; and justification. Guidelines and assistance on the development of these items can be obtained from the Office of Sponsored Programs.

Budgetary Considerations:

► **Allowable Direct Costs:** Allowable costs often include salaries and wages, fringe, training, travel, equipment, supplies, contractual, and other costs. The general guideline when developing a budget is to directly relate narrative activities with the proposed costs.

Costs must comply with OMB Circular A-21 and be 1) reasonable and allowable 2) allocable to the project, and 3) consistent with FDLTCC's accounting practices. If a direct cost benefits two or more sponsored agreements/projects, Circular A-21 provides standards for their allocation across these sponsored agreements. Direct charges are also expected to adhere to the sponsor's restrictions in the Notice of Award and approved budget.

► Allowable Indirect Costs (IDC): This is also called F&A expenses. FDLTCC's most recently approved indirect costs rate is located in the appendix. IDC must be applied to all direct costs excluding equipment, capital expenditures, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, fellowships, and any portion of a subgrant or subcontract in excess of \$25,000 according to FDLTCC's IDC agreement. Furthermore many sponsors have their own allowable indirect costs rates and/or rules that specify to which direct costs IDC cannot be applied. These special rules must be included with the Proposal Routing Form for the Sponsored Program director and chief financial officer to review.

► Cost Sharing: Many sponsors require that sponsored programs funds be matched proportionately by the applicant. The practice of FDLTCC is to provide a cost-sharing commitment only when required by the sponsor or when the grant is highly competitive. The commitment should be equal and not exceed the specific requirements of the RFP. Cash matches must be discussed with the FDLTCC president and chief financial officer to ensure FDLTCC commitment and availability.

In-kind cash matches are often met with the program/department's general funds. Costs that are included in FDLTCC's IDC rate cannot be used for matching. However, IDC itself can sometimes be used as an in-kind match, depending on the agency. OMB Circular A-21, Section F further defines the excluded items.

Salaries, wages, and fringe are the most commonly used items for cost sharing. Please note that all time and effort commitments-- both grant funded and in-kind matches--must not total more than 100%. Furthermore, personnel time and effort in-kind cost-sharing cannot be used for any other sponsored program; meaning if you have 5% set aside in general funds for sponsored programs matching, you cannot use that same 5% for two different cost sharing commitments. Office of Sponsored Programs will maintain a running database of all staff and faculty time and effort commitments to ensure FDLTCC does not over commit any personnel.

All cost-sharing commitments will be included on the grant Proposal Routing Form and in the proposal budget. Approval of cost-sharing commitment will be evident by appropriate signatures on the Proposal Routing Form.

► Salaries/Wages: Salaries and wage amounts should reflect actual salaries and wages. They should also reflect the annual anticipated increase FDLTCC employees could potentially earn. Salaries and wages can be obtained from FDLTCC's Human Resource Department.

► Fringe Benefits: Fringe benefits must be applied to all listed salaries and wages. The most current fringe rate is located in the appendix. Anticipated annual fringe increases can be budgeted into grant proposals as well.

► Sub-Awards: FDLTCC is responsible for ensuring that sponsor funds provided by the College to other organizations via subaward agreements are spent in accordance with applicable laws and regulation. Therefore the Office of Sponsored Programs will check the U.S. Government’s Excluded Parties Listing System (<http://epls.arnet.gov>) to ensure that the proposed subawardees have not been disbarred prior to approval of the grant proposal.

Resolutions: Some funding agencies require a resolution from FDLTCC’s Board of Directors or the Fond du Lac Band of Lake Superior Chippewa. It is essential to notify the President’s Office of this fact immediately to ensure that the item(s) are placed on the next agenda or that a special meeting can be called if needed.

Letters of Commitment/Support: Many funding agencies encourage cooperative efforts and often require letters from those agencies with whom FDLTCC will be collaborating. Letters of commitment must provide a statement of commitment to the project. Funding agencies usually describe the specific commitments that partners must pledge. Letters of support provide a general statement of support for the proposed project.

E. PROPOSAL APPROVAL/SUBMISSION

Proposal Routing/Approval: All proposals must be approved. This approval is evidenced by appropriate signatures on the Proposal Routing Form. Proposal developers will attach the complete grant proposal to the routing form along with the grant RFP and submit all to the Office of Sponsored Programs. A minimum of five business days before the grant is due is recommended for timely submission. Inadequate processing time does not allow for proper review of the proposal and may jeopardize the on-time submission.

The Office of Sponsored Programs Office will then obtain appropriate signatures and comments. Changes that must be made will be presented to the grant developer for amendment prior to passing onto the next signatory. **A proposal will not be submitted until all necessary approvals have been obtained.** The following are the required persons who must sign the Proposal Routing Form.

- Key Signatories:**
- Project Investigator
- Co-PI (if applicable)
- Director of program or department

Institutional Researcher
 Sponsored Programs Director
 Chief Financial Officer (CFO)
 President of FDLTCC
 Vice President of Academic Affairs (only if faculty or curriculum development involved)
 Informational Technology (IT) Director (only if IT equipment will be purchased or if IT staff time is required)
 Facilities planning representative (only if FDLTCC space or facilities is required)
 FDLTCC Tribal Board of Directors (only if TCU grant)

Proposal Submission: All proposals must be submitted through the Office of Sponsored Programs. Proposal developers will have already provided the Sponsored Programs Office with a hard copy of the complete proposal for signatures. An additional electronic copy will also be submitted to the Sponsored Programs Office.

Once approval is received, corrections made, and hard copy signatures obtained, the Sponsored Programs Office will make appropriate copies for the funding agency if needed and express mail the application or electronically submit the application per RFP requirements. The Sponsored Programs Office will maintain a copy for its submission files as well provide a copy to the CFO, director/vice president, and PI for their files. The Sponsored Programs Office will also maintain a grant submission database that includes submission outcomes.

SECTION II: POST AWARD

A. POST-AWARD RESPONSIBILITIES

Fond du Lac Tribal and Community College: is legally responsible to the granting agency as the actual recipient of a grant or contract. Ultimately the college is financially responsible and accountable for the performance of the activity fund. However, a Principle Investigator (PI) is held accountable for the proper fiscal management and conduct of the project and FDLTCC **MUST** be able to rely on the full cooperation, vigilance, and responsibility of the PI.

Principal Investigator/Project Director: The PI is ultimately responsible to the sponsor and FDLTCC for ensuring that all requirements of the award are met and followed as well as are the policies of the college. Other specific responsibilities include:

- Compliance with all terms and conditions of an award
- Management of project funds efficiently and effectively within approved budgets and guidelines

- Completion of project in a thorough and professional manner
- Initiation of all required approvals for budgetary and programmatic changes that may be necessary during a project-including use of contractors/consultants.
- Preparation of all technical/narrative reports and any other required deliverables in a timely fashion
- Compliance of FDLTCC policies and procedures
- Retain copies of all grant documents including reports submitted, requisitions, receipts, journal entries, budget modifications, emails, phone calls, and all other items.
- Monthly review of financial reports with immediate investigation and correction of any inconsistencies
- Submit three copies of required reports to Office of Sponsored Program who will distribute to appropriate supervisor and president.

Vice President of Academic Affairs:

- ☐ Approve faculty release time associated with grant projects and funding

Program Director:

- Receive and review status reports of grant projects
- Ensure FDLTCC policies and procedures are followed in the completion of the grant
- Assist with administrative functions

Institutional Research:

- ◆ Work with PI to develop plan for evaluation data
- ◆ Receive all evaluation data gathered for the grant. If the IR office does not do the data gathering, it must receive all information gathered.
- ◆ Receive copies of all outside evaluators' reports submitted to the PI for the grant.

CFO:

- ▶ Review requests for new accounts and establish grant budgets on financial records ISRS Accounting System
- ▶ Request funds from granting agency
- ▶ Complete financial reports as required
- ▶ Determine that bills submitted for payment have appropriate documentation.
- ▶ Monitor and reconcile expenses against ISRS Accounting Systems and grant budget=.
- ▶ Complete grant billing as requested
- ▶ Notify supervisor and president in regard to any budget problems

Sponsored Programs Director:

- ♣ Ensure proper stewardship of sponsored funds
- ♣ Receive and review status reports and budgets of grant projects
- ♣ Create appropriate mechanisms for the accountability of sponsored funds.
- ♣ Ensure compliance with federal/state, agency, and internal rules, regulations, and policies.
- ♣ Maintain calendar of important dates on grant administration and notify departments and appropriate supervisor on needed grant action
- ♣ Assist with report submissions
- ♣ Retain copies of all essential grant documents

B. AWARD ACCEPTANCE/NOTIFICATION OF NON-AWARD

Negotiation of Awards: In some cases, the sponsoring agency does not award the requested funding amount and negotiations or revisions must occur. PIs and appropriate vp/director in cooperation with the chief financial officer will be responsible for the negotiations, as they are best able to determine if the alternate funding amount is sufficient to complete the proposed project. In most cases, decreased funding also means a decrease in proposed activities and must be a part of the negotiations. It is vital that the Sponsored Programs Office be aware of all negotiations and correspondence. If negotiations take place verbally, the PI will either invite the Sponsored Programs director to the discussion or provide detailed notes/results on the meeting. Copies of any revision must also be provided to the Sponsored Programs Office for their files. The Sponsored Programs Office will then make a copy for the Business Office records. The final award will follow acceptance procedures outlined below.

Acceptance Procedures: Once a grant or contract has been awarded to FDLTCC, the PI will provide the original notice of award documents to the Sponsored Programs Office immediately along with the PI's verbal intent to accept the award. If required, the Sponsored Program Office will send the award to the FDLTCC president for signature. All contracts and awards must be signed/approved by the president or authorized representative. The president will return the documents to the Office of Sponsored Programs which will ensure that the sponsor, PI and Business Office receive appropriate originals or copies as required.

Non-Award: Many grants are highly competitive and FDLTCC occasionally does not receive funding for which it applied. In such cases, funding agencies provide a letter of non-award. PIs should provide a copy of the non-award to the Office of Sponsored Programs which will notify the Business Office. If allowable, the Office of Sponsored Programs will request the funding agency to provide FDLTCC with reviewer comments. Comments will be copied for the PI, the PIs supervisor and the president of FDLTCC.

Funding Agency Guidelines: In order to effectively manage a grant project, it is essential for the PI to review the funding agency policy and procedural requirements. The award terms and conditions should also be reviewed. Many funding agencies publish a grants management manual or guide. These guides are often located on the funding agency websites. The Sponsored Programs director maintains a copy of many granting agency guidelines in its office.

C. AWARD/PROJECT SET UP

Account Set-up: Once the grant award has been accepted, the vp/director will request the CFO or the Business Office designee to set up an account utilizing the request for new award set-up form. The CFO or Business Office designee must have a copy of the grant and award letter prior to setting up an account. The grant budget and justification must be attached and a copy of all items must be sent to the Sponsored Programs Office. The CFO or Business Office designee will set up the account and provide copies of the new account summary and fund number to the PI and Sponsored Programs Office within ten business days of receipt.

All employees (PI, advisor, instructor, institutional research, etc) identified and approved by the funding agency will be set-up with FDLTCC HR to reflect salaries, fringe and appropriate percentage (if not 100%) to be charged to the grant. This will ensure direct payment of grant funds from the appropriate line item and allow for accurate reporting of expenditures related to personnel. Sponsored Programs Director will reconcile information provided by HR to approved grants to ensure employees are set up appropriately and to make sure their payroll assignments do not exceed 100%.

The students' costs must be tracked in the ISRS system; reconciliation between timing of when a cost is incurred and is noted within the ISRS system and the accounting system will be handled through an EXCEL spreadsheet. This sheet will be password protected, and will allow for clarity and user friendliness for the PI on appropriate expenditure tracking. Within the MnSCU financial processes a hierarchy exists for the distribution of funds toward the various categories of charges incurred by the student. Money received is applied according to the hierarchy. The use of the password- protected spreadsheet will assist in the tracking of the appropriate application of grant dollars to the student's costs of attendance or other student related costs allowed within the grant budget.

Time and Effort Set-up Procedures: PIs are required to create a list of employees paid through the grant, along with the applicable percentages and the complete cost center number

through which they are paid. A Time and Effort by Grant form is available in the Sponsored Programs Office. This form will be given to the Sponsored Programs director for monitoring purposes of time & effort. If any changes to time & effort occur during the program period, a new form must be sent. Furthermore, employees will be sent written documentation of their time and effort on the grant as well. This documentation must include the proper accounting code for them to use.

If fulltime and/or adjunct faculty will be compensated through the grant, the PI must contact Office of Sponsored Programs which will then notify the vice president of academic affairs to ensure that all faculty time & effort is correctly applied immediately to the grant and to ensure that arrangements are made to reassign faculty work load. Results will be recorded by the Sponsored Programs director and sent to the CFO or the Business Office designee and human resources for application to the grant. Furthermore, the Sponsored Programs director will provide the vice president of academic affairs with an Anticipated Time & Effort form at the beginning of each semester and an Actual Time & Effort form for each faculty person being funded through grants. The vice president of academic affairs will review, sign, and distribute to faculty for their review and signature. Signed forms will be returned to the Sponsored Programs director who will make a copy for the CFO. This process is detailed further in the grant reporting section.

Please note that the Sponsored Programs director will request PIs to provide current time & effort on their grants no less than annually to ensure that the staff and faculty time and effort database is up to date.

Post Award Contact: Within two weeks of the accepted award notice, Office of Sponsored Programs will contact key personnel to review the new grant/contract award. Key personnel will include the PI, co-PIs, Office of Sponsored Programs, and the CFO/Business Office. Topics of discussion will include budget set-up; reporting requirements, including who is responsible for the reports; information required; and due dates. Other topics include drawdown procedures, award period, review of grant procedures and responsibilities, matching funds. The PI and Office of Sponsored Programs will establish a monitoring plan based on each individual grant.

Granting Agency Contact: PIs should contact the funding agency program officers in charge of their project. Program officers are a valuable resource for PIs as questions arise, changes need to be made, or approvals are needed. Use of contractors/consultants would require written approval of the program officer at the funding agency if not included in the original budget. All correspondence between the PIs and agencies must be copied to the president's office.

Orientation Meetings: Granting agencies often hold meetings that require attendance by the PI and financial representative. Key information is given at these meetings and networking with other grantees is encouraged.

Contract/Consultants: The use of contractors/consultants must be approved by the funding agency. The request for contractor/consultants must be included in the budget, and if not included in the original budget, a change in the budget lines must also be requested to facilitate payment of the contractor/consultant. Upon written approval by the funding agency, the requests for contracts and consultants can be completed by the PI/VP/ director. However, Sponsored Programs director and CFO must be notified of the budget change requested and approved before the contract is finalized. A contract is completed with an attachment of their work to be performed. The president and CFO must sign the contract.

Contractors/Consultants are **not** employees of the college and they will be required to complete a W-9 form upon entering into the contract. The CFO or designee is responsible for obtaining the necessary documentation.

Contractors/Consultants will be required to provide written documentation of their progress in the completion of the work as outlined in the contract. This report will be submitted with their request for payment, and maximum of quarterly to the PI/PD. This report will include percentage of tasks completed and timeline for 100% completion. Approval of the report will be the determination of payment, as well as acceptance of the performance of the contractor. Should a report be found unacceptable, the PI/PD will meet with the contractor to discuss the report and arrive at acceptable penalties if work will not be completed as outlined within the language of the contract. The contractor must operate within the laws governing contracts within the State of Minnesota, U.S. federal and tribal law as applicable.

Subawards: All subaward agreements are initiated by the PI. FDLTCC subaward paperwork is initiated by completing the NPR form, and the subaward forms and attachments that can be found in the Sponsored Programs Office and submitting it to the Business Office. The PI must then assure that the remaining key authorities review and approve the agreements by signing the contract requisition form. As this process can take several weeks; it is essential for the PI to initiate the process immediately upon award acceptance. The PI must provide a copy of the initial requisition request as well as the signed contract to the Business Office and Sponsored Programs Office.

Institutional Review Board (IRB): FDLTCC's IRB is an internal committee appointed by the president and facilitated by the vice president of academic affairs. The IRB exists to protect the rights and welfare of human subjects recruited to participate in research activities conducted by FDLTCC. PIs should notify the IRB through the Academic Affairs Office of

any submitted grants involving human subjects. Furthermore the PI must submit an application for approval for all grants involving the research of human subjects to FDLTCC's IRB for review immediately upon grant award and modifications to approve or disapprove all research activities that involve human subjects. PIs should complete all required forms and documents and submit them to the Institutional Researcher for submission to the IRB. A copy of the application as well as the signed approval must be submitted to the Sponsored Programs Office by the Institutional Researcher. The established IRB policies and procedures indicate the process can take up to one month to complete; thus it is essential for PIs to initiate this process immediately upon grant award.

The Institutional Researcher will sit on the IRB to provide the following services: All research proposals involving data gathering will be presented from the IR office to the IRB; outside research proposal involving data gathering will be presented to the IRB, and the IR office will assist in decision-making for appropriateness of research and data gathering procedures of the outside agency.

D. EXPENDITURES

Award Expenditures: The PI will review grant expenditures requests to ensure that there is an approved budget and that funding is available within the grant. Requests will be returned if there are no funds within the designated budget line item. PIs are responsible to plan expenditures accordingly and follow FDLTCC's procurement procedures. Further review of expenditures will occur by the CFO or Business Office designee before the expenditure is paid. If an expense is not listed in the budget, further justification will need to be provided or documentation of approval by the funding agency for the modification will need to be submitted.

Allowable Costs: A recipient may charge to the grant only allowable costs resulting from obligations incurred during the funding period and any authorized preaward costs. Direct charges are expected to adhere to the sponsor's restrictions in the Notice of Award. Costs must also comply with OMB Circular A-21 and be reasonable, allocable, and allowable. They must also be consistent with accounting principles and practices.

Documentation of Cost Sharing: FDLTCC's cost sharing must be verified in FDLTCC's financial records. Therefore, the CFO will place the cost share in a separate account designated as a cost sharing account for the specific project. The director/vp must identify what account the obligation will be transferred from to the cost sharing account. The director/vp must also ensure that staff enter the appropriate cost-sharing account on their

time sheets and faculty on their time & effort reports. The Office of Sponsored Programs will provide quarterly reports on the matching accounts to the PI.

Retroactive Cost Adjustment/Transfer (Journal Entry): Cost adjustments/transfers are highly subject to scrutiny under audits, particularly cost transfers after the grant end date. Transfers should be made within 90 days of the posting. PIs may request necessary reclassification of accounting data; however, since the original journal entry was reviewed and approved accordingly, any change should be fully justified. The detailed explanation should include the cause of the error and why the expense is more applicable to the account being charged. For sponsored agreements, retroactive cost transfer requests made for the sole purpose of expending remaining funds on a project is not allowable nor is transferring an item which applies to a closed grant. FDLTCC procedures also mandate that cost transfers involving audited and closed fiscal years cannot occur.

A cost transfer may be justified due to:

- √ Clerical and data entry errors
- √ Grant has been over expended
- √ Non-established account number at the time the expense occurred
- √ Authorized preaward costs

The PIs or director of both sponsored/general programs must certify on the form that the change is correct, costs are allowable, and funds are available to make the transfer. Additionally the cost transfer must be reviewed by the Office of Sponsored Programs Office.

Subaward Costs: PIs or the appropriate vp/director should generate a purchase order for the subawards. The PI or vp/directors must review and approve subcontractor invoices. These invoices should be detailed enough to determine how the funds are being used. The PI or vp/director must question any cost which differs from the approved budget or that is unallowable per OMB Circular 21 withhold payment until a satisfactory explanation is received. The PO will not be processed if there is a question as to the validity of the expenditure. The PI or vp/director will also monitor subcontractor project activities.

E. SPONSORED PROGRAM CHANGES

From time to time, PIs or vp/directors may have to make changes to a sponsored program due to unforeseen circumstances. All changes must be approved by FDLTCC. In order to receive FDLTCC approval, the PI or vp/director will initiate the approval process by completing an approval request for change form which includes specific information and details about the request and the need for the requested change. All changes must be

approved by the PI, vp/director, Sponsored Programs director and the president. PIs or appropriate vp/director will bring the documents to the Office of Sponsored Programs to distribute for signature. The Office of Sponsored Programs will keep the original document and make copies of approved changes for the PI, vp/director and Business Office.

Some changes may also require approval of the funding agency. Any program changes that must receive funding agency approval will be sent by the PI. PIs or VP/director will prepare the appropriate documents. Office of Sponsored Programs can assist with preparation of these documents as well. A copy of all related correspondence and agency replies must be provided to the Office of Sponsored Programs and CFO or Business Office designee as appropriate.

Preaward Costs: Expenditures can sometimes be applied within 90 days prior to the effective date of the award, although most non-federal sponsors do not allow preaward costs. It is essential to understand that such expenditures preceding the award are solely at the financial risk of the organization requesting these expenditures. When requesting preaward costs expenditures, PIs should include a narrative statement with the approval request form with the following information:

- ▶ Why preaward cost approval is needed
- ▶ The maximum amount the PI will (is authorized) to spend during the preaward period
- ▶ Anticipated start date of the sponsor award
- ▶ Any known budget restrictions

Grant Extension: Generally, a one-time extension of up to 12 months can be made by a granting agency if additional time is required to complete the scope of the project with available funds. An extension should not be sought simply to expend the remaining grant funds if the terms and conditions of an award agreement prohibits an extension nor if the extension involves changes in the approved objectives and scope of the project. Funding agency approval is required for an extension and different agencies have various deadlines to complete a no-cost extension. Request for approval must be initiated with the grant's supervisor at least two weeks prior to the extension deadline with FDLTCC's Prior Approval Form. Many agencies require the extension request a month before the grant expiration date. Federal guideline, OMB A-110 requires at least 10 days prior to the expiration date. Many sponsors require a detailed narrative that includes the justification and need for the extension along with an updated plan to achieve stated objectives. These documents will assist appropriate FDLTCC administrative staff to make educated and informed decisions concerning the extension.

Budget Modifications: Budget modifications must comply with OMB federal regulations and the terms and conditions of an award agreement. FDLTCC can often internally approve budget modifications; however there are times when funding- agency approval is required such as:

- ▶ Transfer of funds in the cumulative amount over 10% of the total budget (as approved by the funding agency) among direct cost categories
- ▶ Transfers that result in a change of scope or project objectives
- ▶ Reallocation of funds budgeted for participant or trainee costs i.e., direct payment to trainee
- ▶ Transfer for subcontracts or subawards is not described in the awarded proposal
- ▶ Use of contractors/consultants not previously listed in the budget

The Prior Approval form must be accompanied with the Business Office Budget Modification form. A detailed explanation of the requested change must be provided along with the authorization of the funding agency. The CFO/ or Business Office designee will complete approved budget modifications within 10 business days.

Change in Project Scope: Changes in project scope generally require approval by funding agency. PIs will first receive internal approval via the Prior Approval form. A narrative detailing both the need for the change in scope along with the newly proposed project scope must accompany the form. An official letter signed by the president is often required by granting agencies.

Change in Key Project Personnel: Changes in PIs must be approved by the funding agency. The vp/director will first initiate the internal approval via the Prior Approval form. A narrative detailing the need for the change in PI along with the newly proposed PI and his/her qualifications should accompany the form.

Change in Project Outcomes: Any change in project outcomes or data gathering procedures will need to be confirmed with the IR office and reported to the Sponsored Programs Office.

F. GRANT REPORTING/DRAWDOWNS

Internal Reporting: FDLTCC requires several internal mechanisms to assist PIs and program directors in monitoring and managing sponsored programs. The Sponsored Programs director must receive copies of grant- related reports to strictly monitor grant activities. The internal reports are as follows:

► **Monthly Reports:** Monthly reports are required to be submitted to appropriate supervisors by all FDLTCC personnel by the 1st of each following month. Details on sponsored program activities should be included in each report.

► **Monthly Budget Reports:** The Business Office is required to supply each PI with a detailed monthly budget report that includes expenditures. This report should be received no later than the 15th day of the following month --i.e., April's report should be received no later than May 15th. The Business Office must supply the Sponsored Programs Office with a copy of all grant and cost share budget reports.

► **Quarterly Leaderships Reports:** The Campus Leadership Committee requires that all PIs provide a quarterly programmatic and financial update of their grant projects utilizing the Grant Progress form. This form can be found in the Office of Sponsored Programs.

► **Staff Time/Effort Reporting:** FDLTCC staff will report appropriately all grant time and effort. Any changes in time & effort from the original grant must be reported to the Office of Sponsored Programs. Time and Efforts sheets will be completed each time period and the signed sheets will be provided to the Office of Sponsored Programs. Time will be noted in the comments section of the electronic time sheets.

► **Faculty Time/Effort Reporting:** Individual faculty time & effort reports will be developed by the Office of Sponsored Programs based on the data provided in these reports. The individual faculty time & effort reports will be forward to the vp of academic affairs who will review, approve, and forward to the appropriate employees for review/signature. One report must be submitted at the beginning of each academic semester and another at the end of each academic semester to the Sponsored Programs director. All documents will be returned to Office of Sponsored Programs for signature, and copies will be provided to the Business Office. These reports are an important component of the college's commitment to the federal sponsoring agencies and are the means by which the institution documents its compliance with sponsored program administration and audit requirements.

Grant Equipment: All equipment over \$5000 or sensitive equipment purchased with grant funds must be reported to the Office of Sponsored Programs via the Equipment Report form. All equipment purchased through Sponsored Programs must be recorded and inventory maintained. The Sponsored Programs director will coordinate a physical inspection/inventory annually of the equipment and will ask each PI or director/vp, to assist in this verification process. Once equipment has fully depreciated and the fair market value is under \$5,000, equipment is no longer considered equipment and does not need to be tracked. However, equipment records must be kept at least three years post-depreciated value or disposal. MnSCU system policy requires

the inventory to be taken annually and computers are considered equipment regardless of cost. When the item is put into service, it will be input in the ISRS equipment module.

External Narrative and Financial Reporting: The federal OMB guidelines have general rules concerning federal reporting requirements. It is essential that all key FDLTCC staff including the PI, vp/director, CFO/ or Business Office designee, and Sponsored Programs understand the requirements. All reporting requirements are listed on the award terms and conditions. If the specific details are not listed then a reference to either the federal guidelines or agency guidelines is included. References must be researched and reviewed to ensure compliance.

Reporting requirements will be reviewed during the initial grant award contract meeting to ensure everyone understands his/her responsibilities. The Sponsored Programs director will maintain a database that lists all grant reporting due dates and will send a reminder to the PI and CFO/or Business Office designee at least two weeks before the report is due. PIs will complete the narrative reports, and the CFO or Business Office designee will complete the financial reports. All narrative reports must be reviewed by the appropriate Director, Office of Sponsored Programs and President before being submitted. All financial reports must be reviewed by the CFO.

All hard- copy reports will be submitted by the Sponsored Programs director. The Business Office and/or the PI will send the original document/s to the Sponsored Programs director who will then mail the reports to granting agencies as required. Copies will also be provided to the Business Office and PI.

Reports requiring electronic submission should be sent by the PI or CFO as required. In this case, the PI or CFO will submit the appropriate documents and make copies for the Sponsored Programs Office which will then make copies as appropriate. The early notification will assist in the submission of the appropriate report prior to the deadline.

Draw Downs and Invoicing: The CFO or designee in the Business Office will draw-down and invoice funds on a monthly basis or as required by the grantor/agency. The CFO will provide invoices and draw- down records to the Sponsored Programs Office as needed.

Evaluations: VPs and directors are responsible for the oversight of program/project evaluations. Evaluations will be built into the original proposal/program as part of the Scope of Work and must be completed as required. Copies of all evaluations and materials used for the evaluations will be submitted to the Institutional Research and Sponsored Programs offices.

If an external evaluator is required, the PI must develop and post a Request for Proposals (RFP) for an evaluator. The RFP must request references, experience, and a scope of work. The received proposals must be reviewed by at least three FDLTCC employees who will then choose the most qualified applicant. The president must also approve of the evaluator by signing the contract requisition of the evaluator.

Contractors/Consultants will be evaluated based on the written report provided with their request for payment. Upon acceptance of the written report, the PI will indicate in writing to the CFO or Business Office designee that the work has been accepted and payment may be made.

G.CONCLUSION OF GRANT:

Reminder Notice: The Sponsored Programs director will send a notice of the grant end to the PI and Business Office one month before the award ends to remind the PI to clear any advances and to stop any automatic transactions that charge to the award account. All funds must be obligated before the grant expiration date.

Account Closure: The closing of awards begins after the grant expiration date. The Business Office will not accept any unobligated expenditures after the grant expiration date. Any charges directly billed to the grant such as telephone, copy center, bookstore, and so on must be terminated before the expiration.

30-60 days after the grant expiration, the Business Office will notify the PI and Office of Sponsored Programs Office of any unobligated funds via the monthly budget report. If the grant is sustained with a continuation grant, the PI will request from the sponsor to carryover the remaining funds. If the sponsor allows for carryover of the funds, the Business Office will coordinate procedures to carryover the funds immediately into the next funding cycle.

Although most grants require FDLTCC to pay costs upfront and draw down the funds on a monthly or quarterly reimbursement basis, some sponsors still provide actual checks. In such cases, unspent funds must be returned to the sponsor. The PI or vp/director must initiate this process through a Purchase Request. Unobligated funds will be returned to the agency/sponsor.

Typically, the final invoices/financial reports are due within 90 days after the award expiration date. If a different time frame is indicated by the award notification then the report is due as indicated on the award notice. The grant project file is officially closed when all reports have been submitted and the copies are on file.

H.RECORDS

Grant records must be kept by the Business Office and the Sponsored Programs Office for 5 years or until audited; however, any records under audit involving unresolved audit findings or under appeals or litigation must be held until the action is completed or the dispute resolved. Each department is responsible for their records shredding.