Grant Handbook

Introduction

Loyola University Maryland encourages faculty and administrators to seek external funding. External funding provides resources that can advance research and programmatic initiatives, expand campus offerings, and enhance the Loyola community. Through applying, obtaining, and managing external funding, faculty and staff help Loyola achieve its educational mission.

Managing these external resources is an institutional responsibility. The Principal investigator (PI) holds primary responsibility for overseeing the project in accordance with the terms and conditions of an award and institutional policy, including financial management. Through its various offices, Loyola provides the institutional infrastructure for appropriate management of sponsor funding and ensures that PIs have the knowledge and resources necessary to manage the award appropriately. The PI and the various offices of the University ensure wise stewardship of the resources awarded by a sponsor in accordance with federal, state, local, and/or organizational guidelines.

This manual is designed to serve as a guide for those who are interested in seeking external funding for projects to be conducted at Loyola. It provides an overview of procedures for the development, submission, and management of funds awarded by an external sponsor.

Finding Funding Opportunities

The Office of Research and Sponsored Programs (ORSP) subscribes to databases that allow members of the campus community to perform customized searches for funding. The ORSP maintains webpages on funding opportunities and staff will provide customized funding searches for faculty members upon request. Moreover, one of the databases can be set up to provide email alerts tailored to one's individual research interests. These email alerts have the advantage of providing funding information as soon as it is published.

Faculty members should contact the ORSP staff member assigned to their area for a funding search and to set up funding alerts.

Pre-Award: Preparing the Grant Proposal

BUDGET DEVELOPMENT:

The budget is the financial expression of the activities planned to accomplish the project. The budget should be prudent; that is, it should demonstrate that the applicant will accomplish the project activities in a cost-effective manner. However, the budget also must demonstrate that the project can be accomplished given the resources that are requested (as well as any that may be contributed by the University). In fact, a budget that does not request sufficient support is likely to be viewed as equally deficient as a budget that appears excessive, as grant officers do not want to support projects that cannot be accomplished.

Budgets must adhere to the grantor's requirements and institutional policy. The ORSP regularly assists PIs with budget development.

The following provides information on selected items that are often part of a budget request:

Academic Year Compensation to Faculty: Office of Management and Budget (OMB) Circular A-21, Cost Principles for Educational Institutions, prohibits Loyola from providing compensation to faculty members in excess of their base salary rate. However, extra compensation is permitted in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed is in addition to one's regular departmental load. These charges must be clearly and specifically identified in the budget that is submitted to the external agency. Because many state and local grants are federal source funds, this requirement applies to all government grants.

Summer Compensation to Faculty: Loyola faculty are on a 10-month calendar, thus, summer compensation from grants should be budgeted at the rate of 10% of academic year salary for one month full-time effort on a project. The maximum amount of summer compensation from grants is 20% of academic year salary. Faculty members who request two months of summer support at 100% effort may not engage in other activities such as teaching, other Loyola-sponsored research efforts, administrative duties, etc.

Full-time Exempt Employees: Twelve-month full-time exempt employees may not earn excess compensation from sponsored programs with one exception. If an employee engages in an activity for which any other staff member would receive extra compensation, the equivalent stipend may be paid so long as it is clearly delineated in the budget submitted to and approved by the grantor. For example, it would be permissible to request the stipend that is regularly paid to an administrator who co-teaches a new section of an FE-course so long as the request was clearly explained in the proposal budget, was not supplanting existing funding, and was approved by the sponsor.

Part-time Staff and Administrators: Grant-funded compensation that increases the work schedule for a part-time employee must be paid at the same rate as any Loyola-funded compensation. The PI should work with the ORSP during the budgeting phase to ensure that administrative approvals are obtained if it is necessary to increase a part-time employee's hours. Additionally, the increased hours may change benefits eligibility and must be budgeted for accordingly. The PI is responsible for ensuring that the part-time employee understands that the increased hours will not be continued beyond the grant period.

Benefits: The standard benefit rate should be applied to salary calculations for all non-student personnel during the academic year. FICA (7.65%) is applied to all stipends paid to faculty or staff during the academic year or summer months. FICA is applied to any compensation paid to a student during the summer months. During the academic year, FICA is not applied to student compensation.

Course Release: Faculty who are dedicating significant time on a project sometimes require a course release. Each course is presumed to require 10% of a faculty member's academic year effort. Thus the budget request for a course release should be calculated at the rate of 10% of academic year salary + benefits. Faculty members who require a course release should discuss this with their Chair in the early stages of proposal preparation to be sure that the department can accommodate the request. The number of course releases required for a project must be indicated on the routing form. During the routing process the Chair, Dean, and Vice President for Academic Affairs confirm that the necessary course releases (which have been indicated on the routing form) will be granted if the project is funded.

Equipment: The federal government defines equipment as tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. Purchases that do not meet this definition should be budgeted as supplies rather than as equipment.

Alcohol: Government funds may not be used to pay for alcohol.

Entertainment: Government funds may not be used to pay for entertainment.

Meetings and Conferences: Business related meeting costs are allowable when the primary purpose is to disseminate technical information. Costs for meetings should be discussed with the ORSP when the budget is being developed.

Indirect Costs: The Director of Resource Management negotiates a Facilities and Administrative Costs or Indirect Cost rate with the federal government every four years. Loyola's rate is negotiated with the U.S. Department of Health and Human Services. The current rate can be found on the ORSP website. All proposals to federal agencies should use the federally negotiated rate unless restricted by the federal agency. Because state, local and foundational grants generally provide less than the federal rate, it is Loyola's policy to request the maximum allowable amount. Generally this is 8-20% of total direct costs.

Matching Funds and In-kind Contributions: Some awards require the University to allocate additional resources to achieve the grant objectives. This cost sharing could be Matching Funds, where the University agrees to provide cash resources to support the grant, or In-kind Contributions, where the University would allow non-cash resources, such as faculty time, to be used to support the grant.

Generally, a match or in-kind contribution should not be committed unless required. A match or in-kind contribution committed to a project must be approved during the routing process. Quantified contributions must be tracked upon award. This includes those committed by Loyola and any partners participating in a project.

A match or in-kind contribution may only be obligated against one grant. For example, if Loyola demonstrates that it has spent $5,000 in supplies as part of the required match for one grant it cannot use these same $5,000 to fulfill an obligation of matching funds to another organization that is supporting the same project.

The ORSP works with PIs to facilitate approval of any contribution that may be required by a sponsor. While this occurs formally through the routing process, it is important to discuss this early in order to allow sufficient time for the contribution to be approved. If a contribution has not been requested and formally approved during the routing process, it will not be available when the award is received. In such cases, and particularly if the contribution is substantial, the University may choose to decline the award.

THE ROUTING PROCESS:

The Loyola University routing policy requires an internal review process for all faculty initiated-proposals that are submitted to external sponsors as well as all proposals that include a commitment of faculty time.

Managing a Grant Award: Post-Award Set-up

AWARD NOTIFICATION:

Upon award, a grantor may send notification to the PI, the ORSP, the Controller's office or the Vice President for Academic Affairs. If notification of an award is sent to the PI, it should be forwarded immediately, along with all accompanying information, to the ORSP. The ORSP will review the terms and conditions of the award, ensuring that they are acceptable to the University. The ORSP may contact the PI during this process, and the PI should raise any questions or concerns that he or she may have, as the University is in a position to negotiate the terms of the agreement before it is signed.

The PI may not sign a grant award or contract. The Vice President for Academic Affairs is the sole individual with the authority to sign a grant, cooperative agreement, or contract, for sponsored research and programs and the ORSP is responsible for obtaining this signature. The Associate Vice President for Academic Affairs has authority to sign in the Vice President's absence.

In the case of grants awarded by certain private foundations, the Office of Corporate & Foundation Relations is responsible for overseeing that appropriate University approvals are obtained.

ROLES & RESPONSIBILITIES:

The Principal Investigator is the project lead. He or she is responsible for the appropriate conduct of the project in accordance with the terms and conditions of the grant and University policies. It is the ultimate responsibility of the PI to ensure all expenditures charged to the grant are allowable and are relevant to achieving the grant's objectives.

The University, primarily through the ORSP and the Controller's Office is responsible for ensuring that PIs have the support and knowledge of grantor requirements so as to perform the project in accordance with grantor regulations. The ORSP oversees non-financial compliance, assists the faculty members in interpreting the grant terms and conditions, and authorizes changes to be made in accordance with agency rules and requirements. The ORSP should be contacted whenever changes are required as ORSP staff will provide guidance on approvals that may be required and facilitate any required changes. The Controller's Office and other departments within the Finance Division perform accounting and financial reporting functions to provide the infrastructure needed to ensure that the grantor's funds are managed in accordance with fiscal requirements and federal regulations, including that spending is in accordance with the approved budget, grantor requirements and time frame.

ACCOUNT SET-UP:

Once a sponsored project agreement has been fully executed, the ORSP will complete the New Account Set-up Form and forward it to the Controller's Office with other relevant documents. The New Account Set-up Form details the approved budget for the project and provides other information important to the establishment of an account and monitoring of the project.

The following materials will be distributed to the PI and the Controller's Office:

- Account Set-up Form
- Notice of Award Document/Contract
- Final Proposal
- Grant Terms and Conditions

Each grant will be assigned a major code (department code) to help maintain and track costs within the University's accounting system. It is the responsibility of the PI to maintain and monitor these accounts on at least a monthly basis. The MyBudget application available via InsideLoyola will assist in this process by providing real-time fiscal information. It is an easy way to view the approved budget and compare it to the expenditures that are charged to the grant account so that the PI and/or designee may verify the accuracy of the charges applied to the grant. For training in the use of MyBudget or concerns related to the grant activity, the PI should contact the Controller's Office.

PRELIMINARY MEETING:

The ORSP will convene a meeting with the PI and the Controller's Office to discuss the management of the new award. The meeting provides an opportunity to cover key compliance issues, to educate the PI on the types of information that he or she can expect to receive from the Controller's Office, as well as to answer questions such as who to contact for assistance. The PI is encouraged to invite support staff or others who may provide assistance with ordering grant-related materials, making grant-funded travel arrangements, etc.

INDIRECT COST DISTRIBUTION:

As defined by OMB Circular A-21, indirect costs, also known as Facilities and Administrative Costs, are costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity.

To promote sponsored research activities, the University shares 20% of the indirect cost recovery associated with a successful grant proposal with the department of the PI. An additional 20% of indirect cost recovery is shared with the department's dean. When the grant account is established, the Controller's Office forwards information to the Director of Resource Management who transfers the requisite funds into an account established for the department and the dean. Indirect costs are distributed at the beginning of the grant and carry over from year-to-year.

SPECIAL NOTE RELATED TO CERTAIN CONTRACTS:

Generally, once an account has been established and the grant period started, the PI may draw on the account. However, for certain business relationships, especially those related to sub-awards, subcontracts, and certain partnerships/letters of agreement/contracts, additional approval must be obtained to ensure the University is legally protected and the business partner/vendor agrees to certain University policies. This will be discussed during the preliminary meeting.

Managing a Grant Award: Non-Financial Compliance

PIs must adhere to University policies and procedures for non-financial compliance issues. The most common of these is the requirement to obtain approval for research involving human participants. Information on Loyola's policy and procedures for research involving human participants is found on https://inside.loyola.edu/academics/research/orsp/compliance.

Managing a Grant Award: Financial Compliance

Loyola is required to adhere to generally accepted accounting principles including the provisions of OMB Circular A-21, Cost Principles for Educational Institutions. The overriding principle governing grant management is to ensure that all charges to grants are:

- Allowable
    - consistent with: OMB Circular A-21, agency-specific requirements, award documents, and institutional policy
- Reasonable
    - necessary for the performance of the project and in an amount that would be deemed reasonable for business conduct
- Allocable
    - incurred solely to advance the work of the grant
- Consistent
    - treated in the same manner regardless of the source of funding

The following links provide detailed information on the costing principles and grant management requirements required by the federal government and selected federal agencies:

- OMB Circular A-21, Cost Principals for Educational Institutions
- OMB Circular A-110, Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations
- National Science Foundation (NSF)
- National Institutes of Health (NIH)
- National Endowment for the Humanities (NEH)

When PIs have questions concerning these guidelines they should contact the ORSP.

Managing a Grant Award: Expense Management – General

FINANCIAL TRANSACTIONS:

The PI is responsible for initiating payments to be made from the grant. It is important that financial transactions be processed on a timely basis. Project-related expenses should be charged directly to the grant account.

Frequent journal entries that transfer expense to or from a grant account and/or major deviations from projected spending patterns may raise grantor concerns about financial accountability.

The PI must monitor the grant budget and spending activity closely so as to not spend more than is available. To minimize this possibility, if the grant is overspent, the PI will be notified by the Controller's Office. Excess expenses are not allowable and must be moved to another funding source. Grant accounts may be frozen at this time.

BUDGET ADJUSTMENTS:

If during the grant period the PI needs to reallocate funds originally approved by the funding agency, they should first contact the ORSP for approval. If applicable, the ORSP will contact the funding agency for any additional approval needed. Once approved by the ORSP and/or grantor, the request is formally submitted via the Budget Adjustment Form along with any supporting documents for the Controller's Office review. The Controller's Office will then forward the request to the Director of Resource Management to process the budget adjustment in MyBudget. The Controller's Office will maintain these records on file for audit purposes.

EXPENDITURE TRANSFERS:

Cost transfers/corrections are adjustments made via journal entry to transfer expenses from one account to another. They are necessary when an expense has been mischarged. Regulations require that cost transfers are well documented and be made on a timely basis. Further, these manual adjustments are an area of focus for auditors. The following are potential red flags:

- Cost transfers which charge a grant account toward the end of a project
- Cost transfers that move charges from one grant account to another
- Cost transfers which do not contain a detailed explanation
- Cost transfers made more than 90 days after the date that the expenditures was originally charged to an account
- An excessive number of cost transfers

PIs should scrutinize their grant account on a regular basis so that any necessary cost transfers are identified timely. When a cost transfer is necessary, the PI should submit an Expense Transfer Form to the Controller's Office with a complete explanation as to why the transfer is necessary. An explanation such as "to move the expense to account xxx" is not acceptable. The PI should include all applicable back up associated with the transfer (i.e. invoices, correspondences, etc.) when sending the form.

The Controller's Office will review the cost transfer to ensure it aligns with grantor regulations before processing the transaction.

MONTHLY REVIEW OF GRANT ACTIVITY:

PIs are responsible for reviewing their grant activity monthly. The MyBudget application available via InsideLoyola is critical to achieving this task by providing real-time fiscal information on-demand. PI's should review to ensure that expenses posted to the grant are appropriate and that all expenses expected are included. The PI is responsible for contacting the Controller's Office if adjustments are needed or if there are questions related to the financial transactions.

Managing a Grant Award: Expense Management – Non-Payroll Activity

PURCHASING:

Grant purchases follow the same process as purchases made using non-grant resources. They may be made via invoices, petty cash advances, reimbursement requests, or use of a procurement card; see the Accounts Payable website for the University's policies and procedures surrounding these transactions. The PI is responsible for ensuring that each purchase is in compliance with all Grant and University spending policies

DEBARMENT AND SUSPENSION POLICY:

Government funds may not be used to pay vendors or contracts with certain parties who are debarred, suspended or otherwise excluded from or ineligible for participation in Federal Assistance programs or activities, as listed on the U.S. Federal Governments Excluded Parties (Vendor) list. Loyola policy is to not procure goods or services or make contract purchases from an entity or individual included on the debarment list. The Accounts Payable Office verifies that all new vendors are not included in the listing and makes periodic checks of existing vendors to ensure that they are not in the excluded vendor list. Contracts or sub-awards made to a sub-grantee will include a certification clause regarding its exclusion status and that of its principal employees from the federal debarment list.

GRANT PROCUREMENT POLICY:

OMB Circular A-110, section .43 requires that procurement transactions are conducted in a manner to provide, to the maximum extent practical, open and free competition.

As such, for grant purchases:

up to $25,000	PI may make discretionary purchases without formal competition.
$25,000 to $100,000	Written records must be maintained documenting the basis for vendor selection as well as a minimum of three written or verbal quotes.
$100,000 or greater	Written records must be maintained documenting the basis for vendor selection as well as a minimum of three written quotes.

University approval would need to be obtained in accordance with Loyola's Signature Authorization Levels for Purchasing Policy.

EQUIPMENT:

Ownership of grant-funded equipment vests with Loyola. If a PI should separate from Loyola and pursue employment at another institution, Loyola would retain the equipment. Equipment purchased with grant funds may not be disposed of or used for other projects (the latter, during the award period) without clearance from the funding agency. The ORSP would contact the agency for this clearance.

Grant-funded equipment is subject to inventory control procedures similar to that of other capital assets. Physical inventory observations will be conducted regularly throughout the life of the equipment, regardless of the grant end date.

SUBCONTRACTS, SUB-AWARDS, PARTNER AGREEMENTS:

The ORSP will oversee the development and execution of subcontracts and sub-agreements for all grants/sponsored projects. Payments may not be processed to subcontractors or sub-awardees before fully executed documents are in place. These agreements must contain an assurance that the outside entity will abide by the terms and regulations established by the federal government or other sponsor and that they are not debarred or suspended from doing business with the federal government. Before approving an invoice for a subcontractor or other partner, the PI is responsible for ensuring that the corresponding work has been satisfactorily completed.

Payments to outside consultants, partners or sub-awardees must be made on a cost reimbursement basis unless otherwise provided for in the written agreement between Loyola and the outside entity.

TRAVEL:

Loyola's policies and procedures for travel are located on the Accounts Payable webpage. Note that the Fly America Act requires use of US flag air carriers for government-funded foreign travel when available. Contact Accounts Payable for guidance in meeting this requirement. If travel includes requests for reimbursements for meals the PI must ensure that alcoholic beverages are not charged to the grant.

Managing a Grant Award: Expense Management – Payroll Activity

HIRING GRANT PERSONNEL:

Grant budgets may include salary funding to allow the University to hire additional personnel to help fulfill the grant's objectives. This could include full-time or part-time faculty or staff and student employees. When hiring a student, the PI should adhere to the University's standard procedures, as established by the Human Resources Generalist Services group. In the case of employees other than student workers, the PI should have the Chair initiate a Position Announcement Authorization Form. Each potential candidate would be required to go through the University's standard employment screening, hiring, and training processes. Once a candidate is selected, the PI would work with the Director for Human Resources Information Systems to set up the proper position identification number. It is the PI's responsibility to monitor and ensure the new employee is working in accordance with grant specifications.

STIPEND PAYMENTS:

Grant budgets may include stipend funding which provides for supplementary compensation paid to current employees of the University for absorbing additional responsibilities associated with the grant. Typically, payment is in the form of summer stipends.

Payments to Loyola grant-funded personnel must coincide with the period of performance. To not delay payment, the PI should complete the Employee Payment for Services form for each of his/her

employees at least four weeks prior to the onset of work in order to initiate a summer stipend or other payroll payments for work being performed on a grant. In some cases, for small stipend amounts, it may be preferable to pay an employee for grant-related work when the task has been satisfactorily completed.

All completed Employee Payment for Services forms must be forwarded to the Controller's Office for approval. Once approved, the payment request will be sent to Human Resources Information Systems who will maintain the form in the employee's personnel file and forward the request to the Manager of Payroll Operations for processing.

COURSE RELEASES:

Grant budgets may include salary support, generally to allow a PI to reduce his/her course load to allow for the time needed to perform the research or programmatic tasks funded by the grant. While approval of the course release occurs during the grant application routing process, the actual timing of the course release must be scheduled once the grant is awarded. Notification must be provided to the Director of Budget and Data Management and the Controller's Office so that the appropriate charges can be directed to the grant. The Controller's Office will reallocate this expense from the PI's department to the grant during the semester the course release is used. The PI is responsible for maintaining accurate time and effort records to support their course release.

TIME AND EFFORT REPORTING:

It is critical to maintain accurate records to support the payment to each individual working on the grant, including the PI. These records may be in the form of effort reporting, which provides after-the-fact confirmation of the percentage of effort spent on government grants. If effort reporting is not required by the grant, the Employee Payment for Services Form may be sufficient if properly detailed; however, supplementary records (if kept) should be maintained to support the payment as it relates to the grant's objectives in the event the grantor requires additional details.

Effort reporting must be completed for all professional personnel who are included in the budget request for a grant or whose contribution is provided as an in-kind contribution. A report must be filed at the close of each academic semester and at the end of the summer. The Controller's Office will provide the PI with copies of the required effort reporting forms at the start of the project. The PI is responsible for ensuring that effort reports are completed by the personnel (including the PI) who are working on the project. Each individual working on a project will confirm his/her effort on the project as required by the form. If necessary, the PI may serve as a confirming signature for project personnel so long as he or she has direct knowledge of an individual's effort on a project. The PI will forward the form(s) to the Controller's Office for each time period during which the project is active. Should the percentage of total effort expended on a project be less than had been requested, resulting in an overpayment to the individual, the employee will be required to refund the excess compensation. For instance, if the grant funds a payment equal to one month's salary, or 20% effort during the semester and the actual effort is less than 20%, the difference is not allowable on the grant. Depending on the circumstance, the excess expense may be applied to the department budget (if the employee is under contract or the department approves). In some circumstances, the employee may be asked to refund the difference.

PAYROLL DETAIL IN MYBUDGET:

Due to the sensitivity surrounding employee salary information, payroll details by specific employee are not accessible in MyBudget; rather, it is broken out by pay period. If in reviewing the payroll totals by pay period differences between actual and expected are noted, please request the payroll detail by employee from the Controller's Office.

Managing a Grant Award: Agency Funding/Reimbursement

Federal grant funding is typically received on a reimbursement basis, whereas private foundation grants are received in a lump-sum payment up-front, on a reimbursement basis, or based on a prescribed payment schedule. The Controller's Office is responsible for invoicing the grantor in accordance with the grant terms and will rely on the accounting records in MyBudget. It is the PI's responsibility to ensure that the activity noted on the grant in MyBudget is correct in order to ensure accurate reporting and invoicing. For performance-based fixed-price payment arrangements, it is the PI's responsibility to notify the Controller's office that tasks are completed and eligible for billing in order for an invoice to be generated.

Managing a Grant Award: Matching Funds/In-kind Contributions

During the pre-award phase in the grant proposal and routing process, matching funds and in-kind contributions may have been committed to a PI or sponsor and included in the grant proposal as additional in-house funding to support the grant's objectives. Because the University is held accountable to fulfill the commitment, quantified matching funds and in-house contributions are formally tracked in the accounting system.

The PI will work with the Controller's Office to develop a plan to accurately track the additional resources at the onset of the grant. For each expense incurred by the department that can be applied to meet the matching commitment, the PI will be responsible for providing the Controller's Office with supporting documentation. For non-payroll matching funds, a copy of the charges that can be applied (invoice, MyBudget detail, etc.) and the GL account number the charge was applied to is needed. For in-kind contributions related to employee services, time sheets and detailed descriptions of work performed should be provided. Cost share that is obligated for one grant may not be obligated for another grant.

Managing a Grant Award: Program Management

PROGRAMMATIC REPORTS:

Programmatic Reports provide an important opportunity to communicate the positive outcomes that have resulted from a project funded by an outside agency or organization. Through describing what has been accomplished, a programmatic report fulfills a requirement of the outside agency but also helps to build confidence in the ability of the PI and the University to perform effectively in the future. Further, some agencies will withhold funding from PIs and organizations if reports have not been submitted. Therefore, it is critical that PIs develop and timely submit carefully prepared reports. The ORSP is

available to assist with the development of these reports. For grants obtained with the assistance of the Office of Corporate and Foundation Relations (OCFR), the OCFR, the PI, and the ORSP will collaborate as needed. If financial information is required as part of the report, it must be obtained from the Controller's office.

Some government agencies require that publications that result from a grant be made available to the public by posting the document on-line at a specific government-maintained website. Publications may need to acknowledge the grantor while including a disclaimer about the information contained in the publication. Guidance will be available in the grant award and grant management documents. Additional guidance may be obtained from the ORSP.

PROJECT EXTENSIONS:

Some grants will allow for grant period extensions. One-year no-cost extensions as well as formal extension request applications must be approved by the University. All grant extension requests should be completed 60 days prior to the original grant end date, or earlier if noted in the grant's terms and conditions. The ORSP will work with the PI to develop the extension request. If the PI receives approval of an extension request directly, it must be forwarded to the ORSP with a copy to the Controller's Office so that the grant deadline can be adjusted.

MAJOR PROJECT CHANGES:

Significant changes to a project, such as: change in scope, PI, PI's effort, subcontracts, etc., may require communication with the grantor. Contact the ORSP for guidance on how to proceed.

Managing a Grant Award: Approaching Close-out

The final months of a grant project are crucial to its successful completion. From a financial standpoint, it is crucial that all charges incurred during the project period are reasonable, allowable, allocable, and consistent with the policies established by the grantor and University as well as federal requirements. During the final months of the grant, the PI should undertake a final review of all expenditures to ensure that all are appropriate. The PI should ensure that all financial transactions, programmatic reports, and other grant-related requirements are accomplished according to the deadlines required by the project sponsor. In so doing, the grant may be closed-out on a timely basis with minimal surprises.

Managing a Grant Award: Post-Project Completion

FISCAL CLOSE:

The Controller's office will close the grant in the accounting system 60 days after the project end date or earlier if specified by the grant documents. Expenses outside the grant period are not allowable and will be moved off the grant. In addition, if the grant is overspent, the expenses incurred in excess of the grant award amount are not funded and must be moved off the grant. These unallowable expenses will be applied to the PI's department budget, unless an alternate funding source is identified by the PI.

RECORD RETENTION:

Records pertinent to a sponsored project must be retained for a period of seven years from the date of submission of the final fiscal or program report (whichever is later). The PI should retain all programmatic reports, copies of research records, fiscal support records and other pertinent documents in the event that the grant is audited. The Finance Department retains records of financial transactions processed.

GRANT AUDITS:

In order to comply with OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, annually auditors will select a sample of federally funded programs and grants. In addition, each funding agency may elect to have their respective grant audited within seven years of the final report, or as specifically outlined in the Award Agreement or contract. If the PI is contacted for an audit, the PI should contact the Director of ORSP to ensure the audit is facilitated efficiently and appropriately. If a grant is under audit, the ORSP and Controller's Office will facilitate the review and generally have a significant portion of the requested documents; the PI will be responsible for responding to all other questions and to provide supporting schedules as requested.