



Grant Compliance Management Procedure

Approved by PCC Cabinet - November 24, 2008

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I. Grant Compliance - Purpose

Pueblo Community College (PCC) receives a number of grant awards each fiscal year. Grant funding through a grant approval or award letter serves as a contract between PCC and the awarding agency. There are three basic types of grant-making agencies: federal; state or local; and foundation or private grant makers. As a recipient or sub-recipient of grant funds, PCC becomes the fiscal agent for the management and oversight of funds.

In accepting grant awards, PCC also assume the fiduciary responsibility required of these funds. In regard to the expenditure of grant funds PCC will abide by Colorado State Fiscal Rules, EDGAR (Education Department General Administrative Regulations) rules, and Federal OMB requirements specifically, A-21, A-87 and A-110 grant guidelines. PCC requested an internal audit by the Colorado Community Colleges System in June of 2008. The purpose of the audit was to evaluate processes and to identify any weaknesses for internal controls in place with the financial aspects of grant expenditures.

As a result of the audit, a recommendation was made to strengthen secondary oversight of grant expenditures through a grant compliance management process. The main objective of a grant compliance management process is to ensure accountability in the expenditure of grant funds. This objective will be accomplished through communication of normal operating practices via a grant compliance management procedure and trainings to grant directors and grant staff. The grant compliance management procedure was developed to implement PCC Protocol specifically related to Grants, Cooperative Agreements and Contracts (501) and Grant Compliance Management (502). PCC also acts in accordance with CCCOES System Policy SP 8-61 - Fiscal Management Roles and Responsibilities.

The JAR Standard: Justifiable, Appropriate, and Reasonable

Ethics Statement

PCC administrators must sign an Ethics Statement at the time of hire. This ethics statement is a contract between PCC and employees in regard to ethical practices in accordance with the State Board of Community Colleges and Occupational Education Board Policy (BP-370), Colorado Community College System Code of Ethics.

BP-370 - Purpose

Public confidence in the integrity of state government demands that public officials demonstrate the highest ethical standards at all times. Those who serve the people of the State of Colorado as public officials should do so with integrity and honesty, and should discharge their duties in an independent and impartial manner. Any effort to realize personal gain through official conduct, other than as compensation set through established processes, or disclosure of confidential information, is a violation of the public trust. External obligations, financial interests, and activities of each employee of the State Board must be conducted so there is no real or perceived conflict or interference with the employee's primary obligation and commitment to the Colorado Community College System.

II. PCC Administrative Oversight

Pueblo Community College (PCC), as a recipient agency for grant programs, has the responsibility to ensure accountability and compliance. Areas of accountability include:

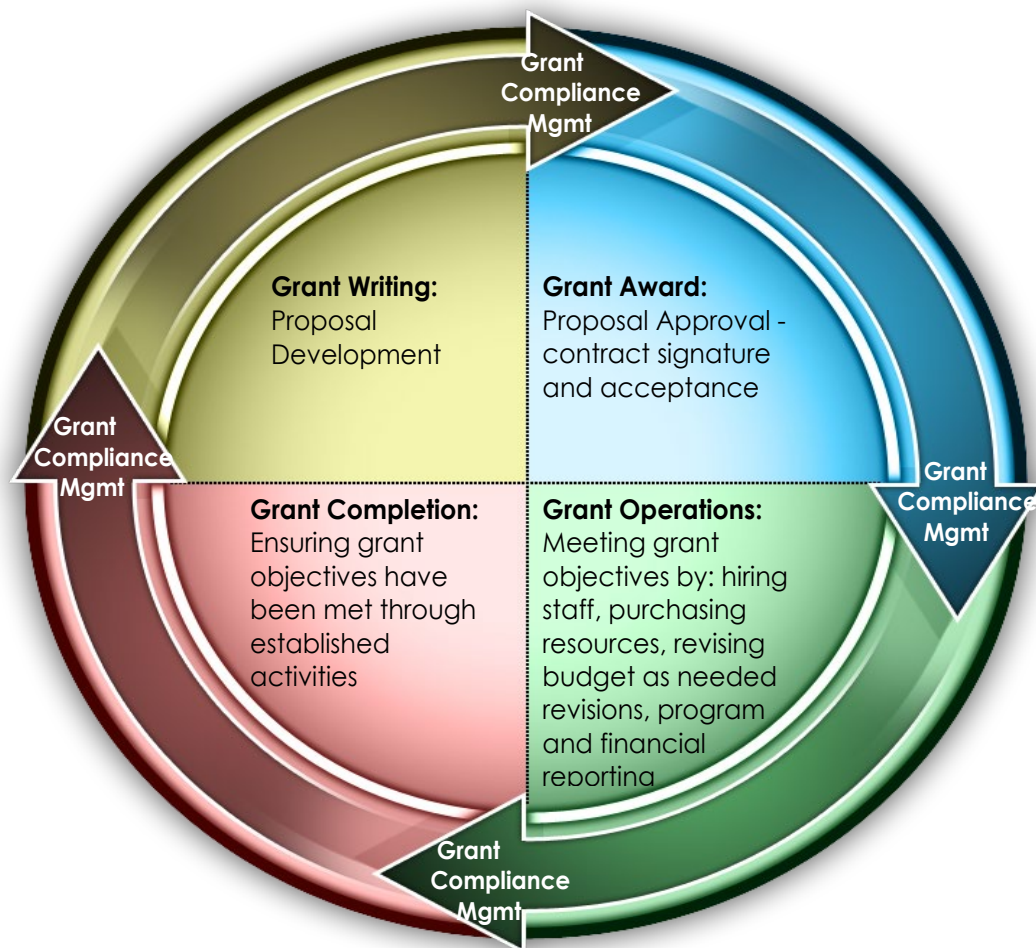
- Strong internal financial controls (individual grant accounts to avoid comingling of funds, compliance with laws, regulations and grant agreements) are operational in the expenditure of grant dollars.
 - Internal controls are essential to ensuring that funds are not used for unallowable purposes (personal use, embezzlement, or are grossly mismanaged such as overpaying for services for personal benefit-kickbacks).
- Programmatic documentation of compliance evidenced within grant operations and records.
 - Grant expenditures tie to grant goals.
 - Success evidenced through programmatic reporting and/or achievements which directly addresses grant objectives.
- Grant funds do not supplant institutional funds (grant dollars used for projects which should be supported by institutional dollars).
- Grant Records Retention - PCC follows the records retention requirements as prescribed by the State of Colorado and the Department of Higher Education guidelines to ensure accountability for the receipt and expenditure of public funds in relation to all grant programs:
 - To assure audit compliance, financial and programmatic records will be maintained for a seven year period commencing from the last date of the fiscal year for which the grant was completed.
 - The Administration and Finance division and the division and/or department for which the grant was administered will retain records in accordance within the seven year requirement.
- ✓ The College President is the final authority for approval of grant application requests sent to external grant-making agencies. (Grants submitted for funding must serve the institutional purpose of the college must fall within the parameters of the strategic plan and GAP Analysis.
- ✓ The Vice President of Administration and Finance serves as the signature authority and approval oversight for all grant applications and contracts.
- ✓ The College Controller serves as the financial authority for the initial establishment of individual grant accounts and oversight of the financial processes (fiscal, purchasing, grant reimbursement, etc.) related to grant funds. In addition, the College Controller is accountable for responses to the audit (A-133 audit) process which includes grant programs on annual basis.
- ✓ The Director of Grant Compliance serves in an oversight support role to all grant programs in the evaluation and monitoring of expenditures along with any financial reporting. Director of Grant Compliance is responsible for understanding the programmatic context of funding in relation to actual expenditures.
- ✓ The Grant and Resource Development Coordinator is responsible for supporting the development of grant proposals, to the degree necessary, and ensuring compliance issues are addressed in the initial writing of the grant proposal.

III. Grant Compliance Management

The Director of Grant Compliance serves as an additional resource for reviewing grant expenditures for compliance within the federal Super Circular, Colorado State Fiscal Rules, PCC Policy and Procedures and EDGAR (Education Department General Administrative Regulations) rules (federal grant awards). The Director of Grant Compliance should be provided with a copy of the grant application and award letters as a reference in reviewing expenditures.

All PCC faculty and staff should work with the PCC Grant and Resource Development Coordinator in the development of all proposals to ensure that compliance issues are addressed within the writing of the proposal. The Director of Grant Compliance and Grant and Resource Development Coordinator will work as a team to ensure all compliance issues are addressed at the formation; initiation and conclusion of all grant awards (see the graphic image below).

PCC's Grant Compliance Management Process



Federal & State Grant Awards

All federal and state grant awards will be monitored on a monthly basis.

- The Director of Grant Compliance will review expenditure requests through the Grant Expenditure Compliance Form (see page 18 of this document), or through the ULTIMUS electronic forms process as more of these forms are developed (see page 6 of this document for more information).
- P-card statements of individuals doing purchasing for the grant program will be reviewed on a monthly basis by the purchasing office.
- Time and Effort Reports of all staff reporting under the grant will be completed and kept as a record within grant program files (see pages 17-18 of this document).

Private Grant Awards

Private Grants will be subject to a quarterly review of expenditures, however monthly monitoring of p-card statements will not be required. All private grant awards should follow Colorado State Fiscal Rules, PCC Policy and Procedures.

Contact Information – Grant Proposal Development

PCC Grant and Resource Development Coordinator

Teri Erickson
Pueblo Community College – CA 101
900 W. Orman Avenue Pueblo, CO 81004
719-549-3244
Teri.erickson@pueblocc.edu

Contact Information – Grant Fiscal and Compliance Questions

Director of Grant Compliance

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THERE IS NO PAPER TRAIL, IF THERE ISN'T PAPER.

TIME AND EFFORT REPORTING, PURCHASES AND BE SURE SPENDING MATCHES THE GRANT AWARD. SAVE THESE DOCUMENTS IN ELECTRONIC AND PAPER FORM. BE READY TO EXPLAIN HOW YOU SPENT THAT AWARD.

IV. Funding Notification

Once selected by the agency for funding, the proposal contact person at PCC will receive a written notice. Usually a formal contract or agreement follows this note. Prior to spending any of the grant funds, the award letter and accompanying documents (check, contract, reporting and fund request forms) should be provided to the PCC Grant and Resource Development Coordinator. The Coordinator will review the documents received for program compliance, then the Director of Grant Compliance for fiscal compliance. Upon completion of the compliance review, the Signature Authority will consider approval for PCC (President or Vice President of Administration and Finance). Review of the contract will include:

- Starting and ending dates of the grant period align with those written in the original proposal or if the grant timeline differs, a revision is required to align with the contract.
- Confirmation that the contract aligns with the intent of the proposal, or further clarification will be required.

V. Training

Once grant program staff members are hired appropriate training will be provided in regard to grant compliance management procedures. Mandatory trainings will be provided to all grant staff on an annual basis. These trainings may be offered in a variety of formats throughout the year. Group workshops, professional development workshops, focused project trainings and/or individual trainings. PCC will strive to:

- **Create** – Effective policies and procedures
- **Train** – Initiate opportunities for learning more, organizational leadership
- **Measure** - Evaluate systems and reporting methods
- **Evaluate** – Compliance to purchasing policies, grant spending, employee understanding
⇒ Review the **Internal Review Check Sheet on pg. 24**

VI. Fiscal Processes - ULTIMUS

All grant programs must follow PCC policy and procedures in regard to grant expenditures. Following these procedures will ensure grant compliance and uniform processes for projects, regardless of funding source. Processes to be followed and forms required for various fiscal processes are located on the PCC Portal Forms Tab and in the ULTIMUS forms site. Information included in this section provides basic guidance for how various expenditures should be initiated by any grant program. This section is not exhaustive, but rather provides general guidance in regard to various fiscal processes.

- ⇒ **ULTIMUS** - PCC is utilizing ULTIMUS as a means to provide an electronic flow of forms. As more forms are developed, electronic submission for review and approval will be managed through ULTIMUS.

VII. Personnel - Time and Effort Reporting

Staff hiring processes for all part-time, full-time staff to a grant must follow the policies of the Human Resource Office (HR). The hiring of all staff must be initiated through the **Request to Hire an Approved Position**. This form is on *ULTIMUS* as a means for electronic work flow.

Dual Compensation

No employee may receive double pay for the same period of time worked. For example, a full-time staff member could not be receiving compensation for that position while putting in the same hours in support of a grant and receive a salary for both positions.

Release Time

Release time for the purpose of grant funding is just that. Replacement time required to fill-in when PCC personnel are released from their duties to work on grant related responsibilities. As the term Release Time implies, it is the cost to the college to release any staff member from their current assignment in order to work on grant funded activities. Monies set aside for this purpose must support the cost of temporary personnel or adjunct faculty to release staff and / or faculty from their regular assigned duties. If temporary or substitute personnel are not required, no release time should be requested. When there is a need to pay temporary or substitute personnel, calculations must include rate of pay and all payroll related costs.

Time & Effort Reporting

The Office of Management and Budget (OMB) Circular A-21 requires that institutions document the time and effort that each employee funded with grant dollars spends on various projects or activities during a specified time period. Effort includes the time spent working on a sponsored project in which salary is directly charged or contributed, as well as time spent on instruction, administration, and public service. Time and Effort reporting is the method used to certify to granting agencies that the cost shared to each award is appropriate to meet grant objectives.

Federal Regulations (OMB A-21, J.10.c.(2)(a, b, c)) require that time and effort reporting be completed and certified by appropriate personnel. Activities/hours must be documented for employees where **any portion** of their salary/fringe are directly charged to a sponsored (restricted) fund (grant). Timesheets should reflect 100% of the employee's time and effort for each pay period, not just the time worked on the grant.

Staff 100% funded by Grant Dollars – Biannual Certification

Staff members whose salaries are solely funded on grant dollars must certify their time and effort on a **biannual basis**. The purpose of **Biannual Certification** is to demonstrate that staff can verify 100% of their time is allocated to the grant. PCC has a standard Time and Effort Certification Form which should be completed by all grant funded staff. **Copies should be provided to the Director of Grant Compliance at six month intervals of the award year. See page 21**

Monthly Time and Effort Reporting - Grants and Other Funding Sources

TE reports will reflect how a person spent his or her total time (effort), which would not necessarily agree with how the person is paid. Staff members whose salaries are split by a percentage between two or more grants or general fund or auxilliary dollars must complete a Time and Effort Report on a monthly basis to

document time spent on various projects and activities. The Time and Effort Report provides a record of 100% of employee effort for a pay period and should reflect the actual activity of each employee, not the budgeted activity. The budgeted effort percentages reflect only the budget sources from which an employee is paid and are not meant to reflect the distribution of actual time and effort. Effort certification must reflect actual work performed. Reporting such time is suspect when each monthly reporting looks exactly the same for each day and each hour every day. **See page 22**

Reporting should reflect a daily accounting of time spent on the grant or other time obligations.

- ⇒ For example, if on Monday a staff member spends two hours (8:30am – 10:30am) on a project for one grant but then attends a meeting (11:00am to 12:00pm) for another grant project, this time would need to be noted on the hourly time sheet. Staff members who want to account for this time once a month will probably not be able to recall such specific items, so it is important to do this on a daily basis.

In addition, it is critical for staff to ensure that their time split percentages are equivalent to their actual time reporting.

- ⇒ For example a staff member funded 50% on grant funds and 50% on general fund dollars should have a time sheet which reflects the split of 80 hours toward the grant activities and 80 hours toward general fund activities not related to the grant.

Backup documentation to a time and effort report should also include a copy of a monthly calendar to show staff activity for the month. All staff employed under a grant can be identified through the NHIDIST report in the INB Banner system. The report should be initiated monthly by each Grant Director to review staffing for accuracy. The report should be kept in grant records to demonstrate compliance. **Copies of Monthly Time and Effort reports should be provided to the Director of Grant Compliance on a monthly basis for fiscal records.**

Other Staff Hiring Issues

Hourly/Contractual Costs (tutoring services, advising etc.)

The hiring of staff to perform services such as tutoring or advising, must be initiated through the “Request to Fill Vacancy Form” on either a contractual or an hourly basis. Staff hired for these services must follow human resource policy and guidelines. *All hiring forms* can be obtained through the HR office. Hourly Timesheets can be obtained through the Payroll Office.

Request to Fill Vacancy Forms must be completed prior to hire or payment of all personnel services including special project payments and hourly projects. Contractual and Non-Contractual services are indicated on the Request to Fill Vacancy Form. Appropriate signatures must be obtained as required by form. Hourly Packet must be completed prior to any work being completed. Hourly Timesheets must be completed according to form directions and turned in according to payment schedule. If contractual services are determined, payment will be made through regular payroll process.

Consultant Services

The hiring of an external person, not employed in any capacity by PCC (current full or part-time faculty & staff) requires a “Consulting Requisition Form”. To allocate funds to hire an external consultant, a Consulting Requisition Form must be used. The form must be submitted to the appropriate Dean for review and approval. The Consulting Requisition Form must be submitted and approved prior to the start of work being done on the project.

VIII. Equipment, Supplies, Travel

Disbarred Vendors – Procurement with Federal Funds

Acquisition of Goods or Services with Federal Funds

Procurement of goods and services with federal funds must be made in compliance with the provisions of OMB Circular A-110 which states that the Pueblo Community College (PCC) is prohibited from contracting with or making sub awards to parties that are suspended or debarred or whose principals are suspended or debarred. PCC's compliance with this guideline is necessary to ensure that we do not contract with any vendors who cannot be paid by federal funds.

In order to comply with this requirement the following procedures must be followed when purchasing or contracting for goods or services. The **System for Award Management (SAM)** website houses the Excluded Parties List System (EPLS). Per *GSA Government User – Identifying Excluded Entities, October 4, 2012*:

- ✓ Use the following steps to see if an entity is subject to active exclusions (e.g., suspensions, debarments) imposed by a federal agency:
- ✓ Check the Excluded Parties List System (EPLS) @ www.sam.gov
- ✓ On the **Home Page** or the **Search Records Tab**, type the Entity's name
- ✓ If no exclusion record is found for the entity, the entity does not have an active exclusion submitted in SAM by a federal agency.
- ✓ If an exclusion record is found, it will display in a box marked "Exclusion" in purple; check the status in the top-right corner of the box. If the status indicates "Active", there is an active exclusion for that entity.

Procurement through the College Purchasing Department Using Purchase Order (PO) or P-Card:

The principal investigator (PI) or Grant Director must ensure that the vendor or contractor has not been disbarred or suspended. The PI will use the (EPLS) @ www.sam.gov. [SAM.gov](http://www.sam.gov) | [Exclusions](#)
Please provide a print screen from **SAM** website and attach it to the Grant Expenditure Compliance Form (GECF) request. Keep both a hard and electronic copy of your request (as you would normally).

- ✓ If a vendor is found, this vendor **cannot** be used. The college cannot make payment for any items used through a disbarred vendor.
- ✓ **Requisition (PO):** If **SAM website** does not include your vendor, please provide a print screen from **SAM** website and attach it to the Grant Expenditure Compliance Form (GECF) request (as an attachment if using Ultimus) to document that the College is complying with this regulation.
- ✓ **P-Card:** This same procedure must be followed if the vendor allows the PI to purchase on credit and sends the invoice for payment. The PI must check the website **before** placing the order or going to a local merchant and the print screen from **SAM** must accompany the invoice and Request for Payment (RFP). This documentation must also be included with the monthly p-card statement provided to the Purchasing Department. All standard P-Card rules also apply to the transaction.

Grant Program Procurement of Equipment

OMB Circular A-110 requires all fixed assets to be tagged and tracked to document the equipment was purchased with federal funds. **Equipment** is defined as an item with a useful life of over one year and a value of \$5,000 per item. Once equipment has been received, the recipient must call the Assistant Controller 719-549-3349 for tagging. A tag will be placed on the equipment and the model and serial number information will be collected as well as the physical location to be stored in the Banner System fixed asset software.

On an annual basis, a physical inventory will be done. If any equipment is moved permanently from one location to another, please email the Director of Grant Compliance and Assistant Controller with that information.

❖ **ITEMS LESS THAN \$5,000:** For items with a value of less than \$5,000 per item (non-capital equipment) programs should internally track these items.

- ✓ **Account code 720380 "other non-capital equipment"** on the initial requisition should be used to identify parts and pieces of lesser value which will comprise a total equipment unit (parts & pieces to make a unit – which would exceed a value of \$5,000)
- ✓ Disposal of these items should follow the PCC college policy:

"Operating Protocol-Procedure #: 405 SURPLUS PROPERTY DISPOSAL AND TRANSFER PROCESS (NON-COMPUTER RELATED)"

Program Directors must follow policy for disposal or transfer. Permission must be obtained prior to any disposal or transfer.

- ✓ Requestor must provide the Purchasing Office with appropriate information for the bid process for items over \$5,000.00. This information should be attached to a PCC requisition form ULTIMUS purchase request.
- ✓ All shipping and handling charges must be included on the order form and request form.

Supplies & Other Expenses

Supplies/Other must be purchased and utilized during the grant award period. A PCC requisition form (through ULTIMUS) must be used to order items, however the college purchase credit card can be used for most purchases. The PCC Purchasing office should be contacted for information regarding the use of p-cards for program expenses.

- ⇒ Micro purchases under \$1,000 can be initiated utilizing the PO or P-Card process.
 - ⇒ Any purchase over \$1000 must be initiated using the PO process through Ultimus.
 - ⇒ Any purchases over \$3,000 should have evidence of two price quotes (two web site prices are sufficient) to demonstrate best pricing (attach all documents in Ultimus).
 - ⇒ Any purchases over \$10,000 will require a bid process through the Purchasing office.
 - ⇒ Official Functions must follow the PCC process including the completion of appropriate forms in order for these events to be paid. The Official function form can be obtained from the PCC Portal Forms Tab at <https://myportal.cccs.edu/>. However, this form is currently available under ULTIMUS and should be processed through the electronic forms.
- ✓ ***A copy of the signed approval request in ULTIMUS should be printed and kept in program grant records. Signed forms are not stored in ULTIMUS indefinitely.***

Computer Hardware and Software

When evaluating the purchase of new software or hardware please ensure that you schedule **at least 2 weeks** for evaluation by computer services prior to order. It is very important to allow computer services to assist in the evaluation of software to ensure compatibility with other installed software products.

Program Travel

Travel for the purposes of a grant program must have pre-approval through the grant maker or be defined within the grant program.

- ✓ To request grant review and approval of the travel utilize the Grant Expenditure Compliance Form (GECF) available through ULTIMUS. Print the approved request for travel record.
- ✓ A Travel Request Form, along with conference brochures or website link should be printed signed and forwarded to the appropriate Dean/Director for review and signature.
- ✓ The travel form should then be forwarded to the Director of Grant Compliance for review, approval and to obtain signature approvals (with the approved Ultimus request).
- ✓ The President must approve all out-of-state travel.

Receiving Process & Purchase Card (P-Card)

Grant purchases must be approved by the Director of Grant Compliance prior to a request to the Purchasing Office. The Grant Expenditure Compliance Form (GECF) is available on ULTIMUS. This form will allow grant staff to explain the nature of the purchase prior to submitting a requisition through ULTIMUS. Attaching the form to the ULTIMUS Request prior to sending it on for electronic signature approval is encouraged if the ULTIMUS Requisition doesn't provide enough opportunity to explain the nature of the purchase.

RECEIPT OF GOODS OR SERVICES ORDERED WITH A PURCHASE ORDER

- ✓ Receiving MUST be reported via email PCC, Receiving (US Mail).
- ✓ It is the responsibility of the person who initiates the order to check the condition, quality, and accuracy of the items and to notify via e-mail Purchasing and Receiving of any damages, shortages, or changes within three days, (referencing the Purchase Order Number and description of items/services) as per Section 401.4 of the PCC Policy and Procedure Manual or under the PCC Portal Forms Tab at <https://myportal.cccs.edu/>
- ✓ Items MUST BE physically received by the initiator and receiving reported or items MUST be returned.

PURCHASE CARD – (P-CARD)

ALL P-Card purchases which are funded by a grant must be completed BEFORE the charge is made. *Supply purchases by individual grant recipients using a P-Card is allowable.* However, **all purchases must be reviewed prior** to purchase via UltimUS Request through the UltimUS system. Once a request is approved through UltimUS the purchase can be made. This includes IT purchases which are grant funded and to be made by P-Card (whether your card or someone in IT on your behalf).

- ✓ A copy of the APPROVED form **must** accompany every receipt of a grant funded P-Card purchase with your **P-Card statement**.
- ✓ If you are making a grant funded P-Card purchase and do not go through this process BEFORE making the purchase, the charge will be unapproved and the grant will **NOT** be liable for the cost...
- ✓ P-card statements should be reconciled with all applicable receipts, invoices, official function forms, etc.
- ✓ Once the P-Card statement is compiled it should be reviewed by the next appropriate supervisor.
- ✓ P-card statements should be sent to the Purchasing office with all back up.
- ✓ Responsible grant staff should keep all copies of p-card statements and purchase backup made (by month) on file with grant records.

A copy of the signed approval request in ULTIMUS should be printed and kept in program grant records. Signed forms are not stored in ULTIMUS beyond a few weeks.

XI. Cash Management - Drawdowns and Invoicing

All Grant Directors or those responsible for implementation of an award should meet with the Director of Grant Compliance to identify how grant reimbursement will be initiated.

There are generally three types of reimbursement:

- ⇒ Invoice
- ⇒ Drawdown
- ⇒ Initial payment in advance

PCC follows an accrual accounting method for reimbursement of grant expenditures. For Federal grants requiring a drawdown from the G5 system, those grants dollars are drawn down for a fiscal period. The period drawn is the month prior (accrual accounting basis). These funds will not be draw until the month is closed with accounting. Draw amounts are not extracted until the close of a month is completed to ensure that all bookstore, phone charges and journal entries are included in that period.

A FGITRND Detail Transaction Activity report by fiscal period in INB Banner will be utilized to capture monthly expenditures and reconcile with the cash side of the grant using the FGITBAL General Ledger Trial Balance Report in INB Banner. The Director of Grant Compliance and Controller will sign off on the initial draw summary page as evidence of review. The amount drawn is identified by the Director of Grant Compliance and reviewed by the Controller before a request for repayment is initiated. Grant Directors will receive notification of the draw amount for reconciliation with their budget tracking. Reconciliation of payroll reports should be initiated using the NHIDIST Labor Distribution Report in INB Banner which

identifies the individuals paid from grant funds by month. For Grant Directors who handle their own invoicing, the final invoices should be reviewed by the Director of Grant Compliance and the Controller. A copy of the invoices will be maintained in fiscal records for these grants. Grant funding agencies identify the types of back up required for their reporting. INB Banner provides a variety of detail financial reports. Back up for invoice reporting includes the FGITRND Detail Transaction Activity Report, the FGRODTA report for Organizational Program Activity and the NHIDIST Labor Distribution Report. In addition, for equipment purchased above \$5,000 per item a copy of the PO along with invoice and payment information should be included.

The Director of Grant Compliance will also initiate invoicing dependent upon the grant. Communication between the Director of Grant Compliance and those responsible for an award is essential to effectively managing an award. Copies of time and effort reports should be provided for finance record keeping.

For awards where a check is initiated, no invoicing is needed. However a copy of the check should be provided to the Director of Grant Compliance for fiscal records. Spending towards that award should be monitored by the recipient and Director of Grant Compliance to assure all dollars are spent per the award requirements.

Indirect Cost

PCC has an approved Indirect Cost Rate (IDCR) at the federal level with the Department of Health and Human Services. The current approved rate 30% based upon a calculation for salaries and fringe only. Many grant agreements dictate the maximum percentage of the IDCR PCC can expense. **Any grants allowing for indirect cost to be charged will be expensed through journal entry (JE). If you have an IDCR, you should request a JE to expense this to your award through an Expense Transfer through Ultimus.** JE's for IDCR are initiated by the Director of Grant Compliance, with appropriate backup and reviewed by the Assistant Controller and Controller for final approval before they are expensed to a grant. These expenditures are reflected as an 810080 account code transfer in the financial detail.

Budget Revisions – (Budget Adjustment)

Budget revisions are usually required when there is a change in scope for a project (how funds will be spent toward specific objectives) or if there are changes to personnel or equipment and supply categories. Grant staff should always be able to justify such changes and get approval prior to spending. In many cases such changes require review and approval through a program officer or grant-making agency. Documentation of approval of such changes should be documented either through memo, letter or e-mail to ensure that changes have written approval.

In making budget changes staff should use the **JAR** Standard.

- Are the changes **J**ustifiable, **A**ppropriate, and **R**easonable?

When making changes grant staff should request review by Grant Writer/Director of Grant Compliance to ensure compliance with PCC policy.

Financial Reporting

Any federal grants requiring fiscal reporting through online sites such as the Department of Labor or other federal or state grants should be identified. The financial reporting can be handled by the Director of Grant Compliance or the Grant Director or responsible party. Communication should be initiated at the beginning of the grant award period to determine how reporting will be implemented. All other reports should be copied to the Director of Grant Compliance for fiscal records.

- Grant funding agencies identify the types of back up required for their reporting. INB Banner provides a variety of detail financial reports. Back up for invoice reporting includes the FGITRND Detail Transaction Activity Report, the FGRODTA report for Organizational Program Activity and the NHIDIST Labor Distribution Report. In addition, for equipment purchased above \$5,000 per item a copy of the PO along with invoice and payment information should be included.
- Financial reports will be generated from INB Banner using the FGITRND Detail Transaction Activity Report and FGITBAL General Ledger Trial Balance Report and NHIDIST Labor Distribution Report to reconcile the expenditures in reporting that is required monthly or quarterly by a granting agency.

IX. Reporting of Violations

Any violations of federal or state law will be reported to the awarding agency by the Vice President of Administration and Finance. A Grant Violation Disclosure Procedure has been developed. All PCC faculty and staff are required to follow all applicable laws regarding the use of grant funding toward the objectives of various grant projects. Staff must disclose, in a timely manner, in writing to the federal awarding agency or pass-through entity all violations of federal criminal law involving fraud, bribery, or other monetary violations potentially affecting the federal award. In the event of a noted violation, the following procedure will be in effect.

- ✓ Documentation of the violation must be provided by the appropriate grant director or staff member to the Director of Grant Compliance.
- ✓ The Director of Grant Compliance will notify the Vice President of Administration and Finance, in writing, regarding the violation.
- ✓ The Vice President of Administration and Finance will evaluate mitigation and resolution of the violation.
- ✓ Staff within the appropriate chain of command will be notified.
- ✓ The Human Resources office will be consulted regarding potential disciplinary action.
- ✓ The President's office will be notified of the plan to move forward with disclosure.
- ✓ The Vice President of Administration and Finance will disclose the violation to the appropriate Program Officer within the identified federal agency formally in writing and through a phone call.
- ✓ Records of the disclosure will be housed both in the programmatic as well as fiscal grant files.
- ✓ Any corresponding documentation will also be maintained within appropriate grant files.

The Grant Violation Disclosure Procedure can be found under the PCC Portal Forms Tab at <https://myportal.cccs.edu/>

X. Grant Closeout Procedure

Part 2 CFR 200.343 – Closeout requirements states “The Federal awarding agency or pass-through entity will close-out the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by the non-Federal entity.” If a Grant Director position is vacated prior to the completion of an award, a responsible party must be identified by the appropriate supervisor to assist the Director of Grant Compliance with grant closeout. There are three main areas which relate to closeout procedures:

- ⇒ **Closeout reports** (within 90 days of the close of the award)
- ⇒ **Settlement** of federal recipient obligations and payments (final financial drawdown or invoice for expenditures)
- ⇒ **Ongoing responsibilities** the federal recipient has to the federal government, even after the award is closed
 - ✓ Reporting regarding equipment (over \$5,000 or more per item) and other property purchased with Federal funds as required by the funder.
 - ✓ Retention of records related to the award. The retention clock begins at the end of the award period.
 - ✓ Retention of time and effort documentation for staff
- ❖ **The Grant Closeout Disposition Form** has been developed to identify what resources will remain at the conclusion of a grant and how they are to be utilized and tracked after grant completion. The Grant Director or program staff must provide a brief explanation of the use of these items and how they will continue to support the objectives of the grant project.
 - ✓ Resource items: IT equipment (computers, laptops, tablets, projectors, etc.).
 - ✓ Consumable items: (paper, folders, office resources, etc.).

This form will also identify where items are located, where they will be housed once the grant award period is completed and which program or office will be responsible in resource management. The **Grant Closeout Disposition Form** can be found under the PCC Portal Forms Tab at <https://myportal.cccs.edu/>

Equipment

All equipment purchased during a grant award period that has a value of over \$5,000 must be identified and tracked. At grant closeout, **an equipment inventory list** must be provided to the Director of Grant Compliance. All equipment when it is purchased is inventoried in the PCC fiscal records. However, the equipment inventory for each grant will also be maintained within appropriate grant files. Tracking property purchased with Federal funds that is in use years after the award has ended is an ongoing responsibility.

Grant Closeout Reporting

Any financial reporting required to closeout a federal award will be completed by the Director of Grant Compliance. A copy of the report will be kept in the fiscal record and provided to the Grant Director or program staff for program records. Any program reports completed by the Grant Director or program staff should be copied to the Director of Grant Compliance for fiscal records. **Indirect Cost Rate**

A copy of PCC’s indirect cost rate will be part of the closeout documentation as required.

XI. Glossary of Grant Terms

aka – also known as

AFR (Annual Financial Statement) – The annual financial report required by the funding agency based on the grant funding period.

Allowable Costs - Those categories of costs that can be charged to a grant, such as salaries and equipment. Certain types of costs, such as the cost of alcoholic beverages are not allowable and may not be charged to a contract or grant. Each request for proposal will provide guidelines to support the determination of what costs are appropriate and allowable under that funding stream.

Authorized Representative – Signature authority for grant forms, letters of commitment, formal agreements between PCC and other entities acting as partners for a grant or other project. The President is the authorized representative.

Budget – The detailed statement outlining estimated project costs to support work under a grant or contract.

Budget Period – The interval of time – usually twelve months – into which a Project Period has been divided.

Budget Adjustment (Re-budgeting aka Budget Revision) - **The act of amending a budget by moving funds between and within categories or line items.**

Co-Mingled Funds - Co-mingling of funds occurs when a grantee fails to maintain separate records for each revenue stream (program income and/or grant funds by funding source), which may result in the improper use of funds designated for a specific purpose and subject to specific restrictions

Competitive Grant – Proposals submitted to a funding agency, which will be in competition for funds along with other proposals.

Consortium – A group of investigators from the same or different institutions banding together to collaborate on a project.

Contract – Agreements whereby the funding agency defines and supports clearly defined activities, a legally binding agreement with benefits and burdens flowing to all parties in the contract. In grant writing, contracts can be used for different purposes to commit two or more entities in a collaborative grant project, or between a funding agency and the recipient.

Cooperative Agreements - Grant/Contract hybrid where the funding agency is involved in programmatic decisions.

Continuation Project – A project approved for multiple-year funding, although funds are typically committed only one year at a time and are divided into budget periods. At the end of each year, a progress report is submitted and reviewed. If satisfactory progress has been made, funds are still available, and the

funding agency is still interested in the project, an award is made for the next budget period. Continuation Projects may, or may not be required to re-enter the competitive process at the end of each grant cycle.

Cost Sharing - The portion of a project or project cost supported by the grant recipient agency.

Direct Costs - Costs that are approved for a specific purpose and that can be identified with a particular grant or instructional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Typical direct costs are compensation of employees for the time devoted and identified specifically to the performance of the grant award, cost of materials acquired, consumed, or expended specifically for the grant award; equipment and other approved capital expenditures; and travel expenses incurred specifically to carry out the grant.

Discretionary Funds – Funds awarded from an office based on the priorities established in that office.

Discretionary Grant – Grants awarded at the discretion or based on the judgment of the funding agency to recipients selected in a competitive process. Discretionary Grants usually involve a large number of competitive applications with limited available funding.

DUNS Number – Assigned and maintained by Dun and Bradstreet (D&B); is referred to as the Global Location Identifier; enable organizations to clearly identify trading partners as well as accurately gauge risks and opportunities. Many federal grants require this number listed on a grant application.

EDGAR (Education Department General Administrative Regulations) provides criteria and instruction on grant applications and the administration of grants and agreements.

EIN Number – An Employer Identification Number is assigned by the Internal Revenue Service, is also known as a federal tax identification number, and is used to identify a business entity.

Entitlement Grant - A grant in which funds are provided to specific grantees based on a formula, prescribed in legislation or regulation, rather than based on an individual project. The formula is usually based on such factors as population, enrollment, per-capita income, or a specific need. Applicants do not compete for these funds.

Evaluation – The plan for determining if the objectives and performance outcomes of the grant proposal are met along with the methods for achieving those outcomes.

Fiscal Year (FY) – Any twelve month period for which annual accounts are kept (e.g. July 1 through June 30 or October 1 through September 30) and typically varies depending on the fiscal year of the funding agency.

Fringe Benefits – Employee benefits paid by the employer include all salary related costs (PERA, Medicare, Workers' Compensation, Unemployment Insurance, health and life insurance, etc.)

FTE (full-time equivalent) – Refers to the annualized full time equivalent, and may be applied to personnel or students of PCC

Funding Agencies – Grant-makers, include governmental agencies (Federal and State), foundations, community organizations, corporate giving programs, and others who provide funding under priorities established by their organization.

Funding Cycle – Range of time during which proposals are accepted, reviewed, and funds are awarded. If a funding agency has standing proposal review committees (or boards) that meet at specified times during the year, application deadlines are set to correspond with those meetings. For some funding agencies, if proposals are received too late to be considered in the current funding cycle, they may be held over for the next review meeting or they may be returned and have to be resubmitted by the next deadline.

Grant – A type of financial assistance awarded to an organization for the conduct of research or other program as specified in an approved proposal. A grant, as opposed to a cooperative agreement, is used whenever the awarding office anticipates no substantial programmatic involvement with the recipient during the performance of the activities.

Grant/Contract Officer – A funding agency's designated individual who is officially responsible for the business management aspects of a particular grant, cooperative agreement or contract. Serving as the counterpart to the business officer of the grantee/contractor organization, the grant/contract officer is responsible for all business management matters associated with the review, negotiation, award, and administration of a grant or contract and interprets the associated administration policies, regulations, and provisions.

Grant Program/Project Officer – A funding agency's designated individual officially responsible for the technical, scientific, or programmatic aspects of a particular grant, cooperative agreement, or grantee/contractor organization, the program/project officer deals with the grantee/contractor organization staff to assure programmatic progress.

Grantee – An agency receiving a grant funds and the responsibilities of administering the program, and fiscally managing the grant.

Grantor – The agency, corporation, foundation, or governmental unit that awards grants.

In-Kind Contributions – Assistance in the form of other than money resources. Equipment, materials, or services of recognized value contributed to the project.

Indirect Costs - Indirect costs represent the expenses of doing business that are not readily identified with a particular grant, contract, project function or activity, but are necessary for the general operation of the organization and the conduct of activities it performs. In theory, costs like heat, light, accounting and personnel might be charged directly if little meters could record minutes in a crosscutting manner. Practical difficulties preclude such an approach. Therefore, cost allocation plans or indirect cost rates are used to distribute those costs to benefiting revenue sources. Aka (IDCR)

IHE – Institution of Higher Education

Local Education Agency (LEA) - A public board of education or other public authority legally constituted with a state for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, township, school district or other political subdivision of the state.

Matching Grant – A grant that requires a specified portion of the cost of a supported item of equipment or project be obtained from other sources. The requirement match may be more or less than the amount of the grant. Some matching grants require that the additional funds be obtained from sources outside the recipient organization. Many matching grants are paid in installments, the payments coinciding with the attainment of pre-specified levels of funding. There are two kinds of matching that can be contributed to a grant:

- **Cash** - Actual dollar amounts you will be able to show as deposits to the project. These must be "traceable". Cash must be actually used during the timeframe reported (in other words, not just put in the bank - and you must be able to document where and when it was spent.
- **In-Kind - Goods** (must equate to fair market value of goods considering age, useful life, etc., and **Services** (e.g., If you had to hire someone to do the job the "volunteer" did, what "going rate" would you pay in your community?"). Always use "reasonable value" of in-kind goods or services and be able to explain why it is reasonable.

Principal Investigator (PI) – The individual responsible for the conduct of research or other activity described in a proposal for an award.

Revision – A modified and resubmitted request (consists of: program narrative, budget narrative, and budget forms) to change previously funded activities and solicit permission from the funding agency to support activities not within the scope and purpose of the original proposal.

SEA – State Educational Agency

Seed Money – Funds awarded to start up a project with the purpose of finding permanent financing from other sources.

Subcontract, Subgrant, or Subagreement – a document written under the authority of, and consistent with the terms and conditions of an award (a grant, contract or cooperative agreement), that transfers a portion of a project to another institution or organization.

Supplement (Non-Supplant) - The use of federal funds provided by regulation to supplement the level of state and local funds expended by a grantee (or agency) that will in no case replace those state and local funds on an aggregate basis.


Tydings Amendment - The statutory authority for the period for obligating and expending federal carryover funds. In general, under this provision, any funds not obligated and expended during the period for which they were awarded become carryover funds and may be obligated by the funding agency and expended during the succeeding fiscal year. The period of availability includes the initial period authorized by the appropriations act and an additional 12 months authorized by section 412(b) of the General Education Provisions Act, 20 U.S.C. 1225(b).

Unbudgeted Line Item - A budget line in the final approved grant application budget in which no funds had been requested by the grantee. Funds may not be transferred into unbudgeted lines by the grantee without prior approval

(Glossary provided by Linda Tremblay, PCC Grant Writer, 2008)

XII. Time & Effort Reporting Forms

Biannual Reporting Certification Form (For staff funded 100% under one grant program)

		Time and Effort (TE) Activity Report BiAnnual Certification Form							
Purpose for BiAnnual Certification and Instructions: <p>PCC employees who are employed and paid solely through a single grant award or cost objective must validate their activity and time toward grant purposes and objectives. Charges for their salaries and wages will:</p> <p>a) Be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification.</p> <p>b) Certifications will be prepared at least semi-annually (dated no later than January 5 to certify period July 1 through December 31, and dated no later than July 5 for period January 1 through June 30).</p> <p>c) Grant periods that begin or end during the certification period above will certify for the respective grant-funding period (e.g. October 1 through December 31, or July 1 through September 30).</p> <p>d) Certifications will be signed by the employee and supervisory official having first hand knowledge of the work performed by the employee.</p> <p>(NOTE: Employees must meet the <u>minimum requirements stated above</u> for single cost objectives and must be supported by PCC standards for payroll documentation.)</p>									
Employee Name									
Grant Name									
Job Title (under grant)									
Bi-Annual Report Period	From Date	To Date							
TE CERTIFICATION									
<i>I certify that I have first-hand knowledge of 100% of the actual effort expended on grant activities during the time period validated on this TE report.</i>									
Employee Signature								Date	
Supervisor Signature								Date	
Vice President Signature (if required)								Date	
<i>Retain a copy of this form, send signed certification to the Grant Compliance Manager</i>									

Available under the PCC Portal Forms Tab under the " Grants" link at <https://myportal.cccs.edu/>

Grant – Monthly Time & Effort Reporting Form (for staff funded by one or more grants or by other fund sources where time and effort is split among various projects)



Monthly Time and Effort (TE) Activity Report

Name		Title	
Month Start	07/01/2010	Division	

EXAMPLE	Program/Org: Perkins Grant 133332	% Time	Hours	Program/Org: General Fund 112001	% Time	Hours	Program/Org: NASA Grant 131111	% Time	Hours	Total	Total
07/01/2010	Activity Completed* Instruction	50%	20	Activity Completed* Admin. Support	25%	10	Activity Completed* Program Develop	25%	10	100%	40
Date	Program/Org:	% Time	Hours	Program/Org:	% Time	Hours	Program/Org:	% Time	Hours	Total	Total
Thu 7/1/2010											
Fri 7/2/2010											
Sat 7/3/2010											
Sun 7/4/2010											
Mon 7/5/2010											
Tue 7/6/2010											
Wed 7/7/2010											
Thu 7/8/2010											
Fri 7/9/2010											
Sat 7/10/2010											
Sun 7/11/2010											
Mon 7/12/2010											
Tue 7/13/2010											
Wed 7/14/2010											
Thu 7/15/2010											
Fri 7/16/2010											
Sat 7/17/2010											
Sun 7/18/2010											
Mon 7/19/2010											
Tue 7/20/2010											
Wed 7/21/2010											
Thu 7/22/2010											
Fri 7/23/2010											
Sat 7/24/2010											
Sun 7/25/2010											
Mon 7/26/2010											
Tue 7/27/2010											
Wed 7/28/2010											
Thu 7/29/2010											
Fri 7/30/2010											
Sat 7/31/2010											
Monthly Totals											

* Describe activity or use codes below:

L = Leave/Holiday/Comp A = Administrative Support I = Instruction P = Program Development

I certify the hours shown above are correct
and the activities fairly reflect my work effort.

Employee Signature _____ Date _____

Retain a copy of this form, send signed original to the Grant Compliance Manager

Supervisor Signature _____ Date _____

Available under the PCC Portal Forms Tab under the "Grants" link at <https://myportal.cccs.edu/>

XIII. Grant Expenditure Compliance Form (GECF)

PCC Grant Expenditure Compliance Request, 0 : Requestor - Ultimus Forms

Send Form Save Template Attachments View Memos Print

Requestor

Pueblo
Community College

Submit Request for Grant Expenditure [Click Here For Help](#)

This form should be utilized by Grant Directors and/or Grant Staff as a justification for review and approval of grant expenditures which meet the following criteria below.

* Please note that fields denoted by the red asterisk are required.

Please remember to mark Yes or No at the bottom of this form to designate scope of expenditure.

Grant recipients do not need to complete this form if they have completed the following:
PCC Purchasing Requisition Form
PCC Official Function Form
PCC Consulting Requisition
These Ultimus requests are already identified as processes available to document and approve grant purchases.

* Requestor:

Please select the item(s) you are requesting for review using the checkbox list below.

☐ "Request to Fill Vacancy" form for permanent staff positions to be placed on grant funds

☐ "Travel Request Authorization" or "Travel Reimbursement" for out-of-state travel or student travel

☐ Other

* Briefly describe the purpose of the expenditure:

* Identify how this expenditure will address the purposes of the grant and/or specific grant objectives. (Please cite support via sourcing from your grant proposal, page numbers, etc.):

* If this expenditure is outside of the regular scope of the grant, did you obtain approval from the Grant Program Manager or Grant-making agency for this purchase? If the answer is no, please obtain a written approval to attach to this form (preferably an e-mail). If yes, attach a copy of the approval (e-mail or other correspondence) to this form.

☐ Yes ☐ No

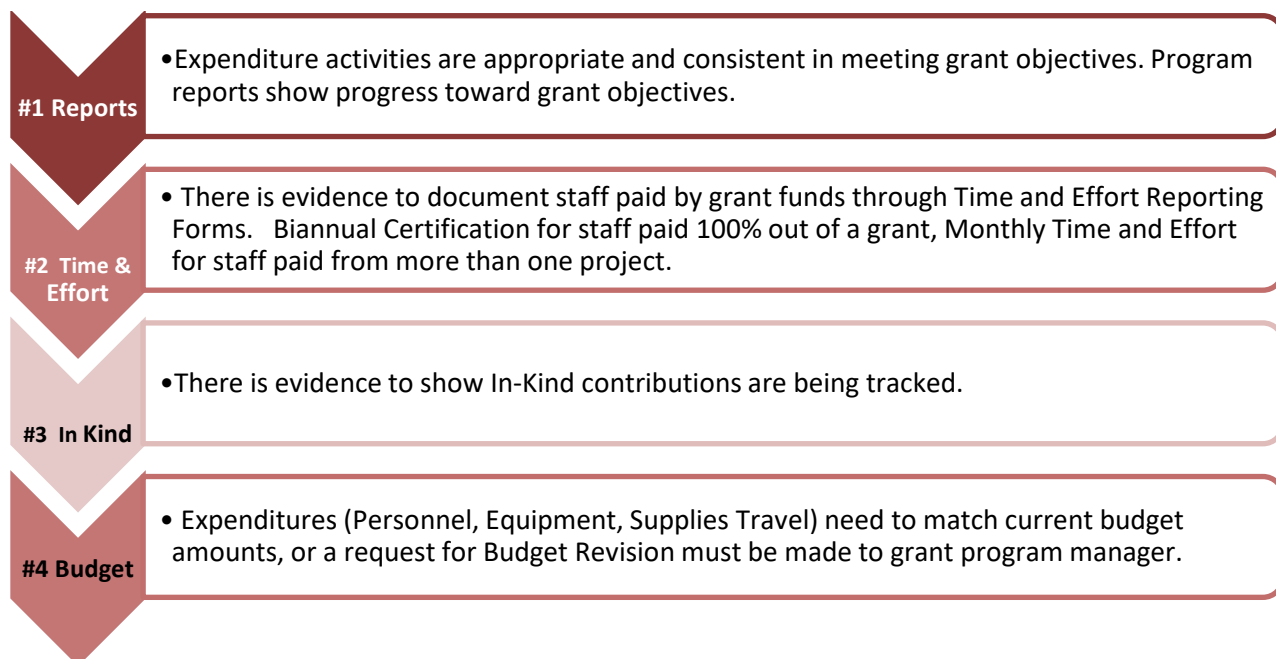
* Sign here

Done

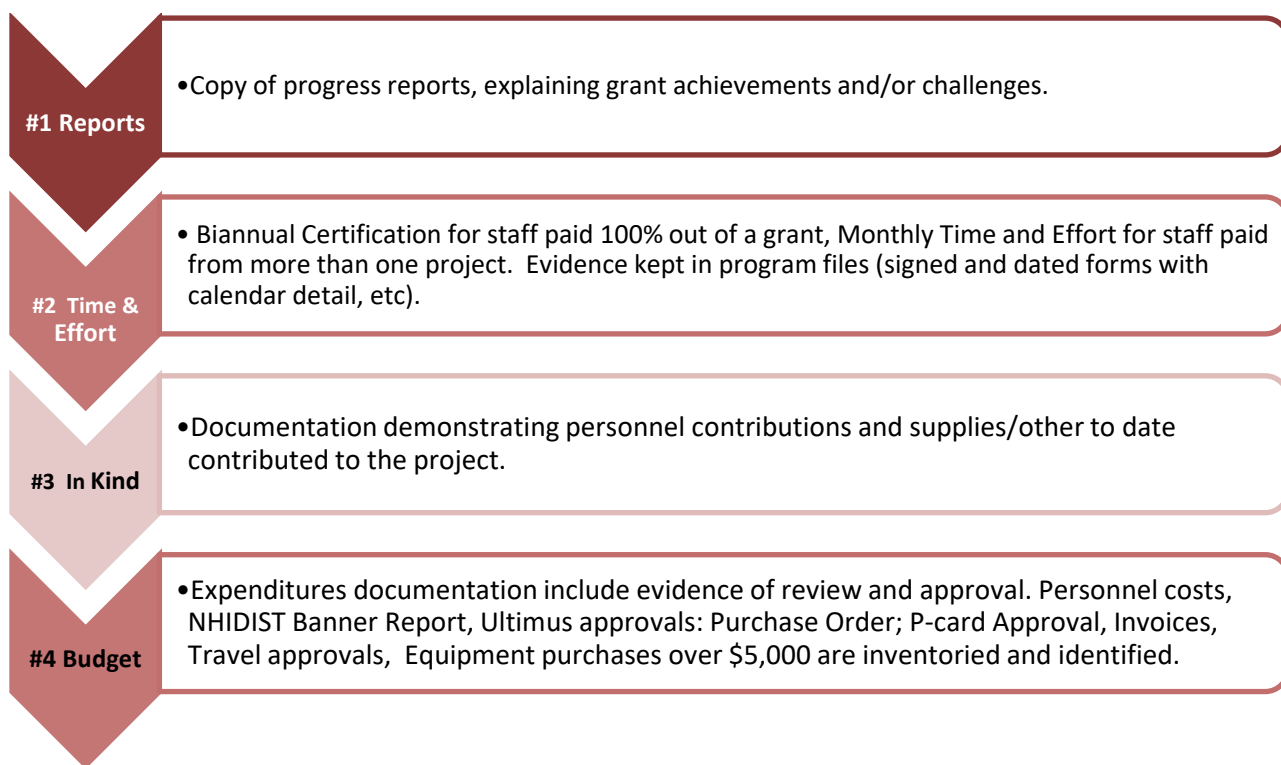
Available under as an Ultimus approval form. **ULTIMUS** - PCC is utilizing ULTIMUS as a means to provide an electronic flow of forms. ULTIMUS requests for specific purchases can be initiated as long as the Grant Expenditure Compliance Form is attached with the Ultimus request for justification and compliance review. * **For audit purposes all Ultimus forms should be printed as evidence of compliance.**

Grant Compliance Management – Internal Review Check Sheet

PCC is responsible to ensure that dollars are spent according to your grant agreement. As a result, the following items will be need to be on file to show compliance with the following areas:



The following items are needed as evidence to demonstrate compliance with your grant agreement:



Evidence should be provided to the Director of Grant Compliance for evaluation and finance records.

XIV. Statement of Understanding

All employees of Pueblo Community College, including those employed within various grant programs, have a due diligence obligation to ensure the appropriate and ethical expenditure of grant dollars.

While program objectives may be different, the processes and rules for how funds should be expended to meet objectives are constant. Grant compliance management processes have been developed to ensure transparency and accountability with public funds.



As an employee of Pueblo Community College, I am aware of the terms and conditions described within the Grant Compliance Management document. As a result, I agree to make every effort to abide by the terms and conditions described herein.

Employee Name

Employee Job Title

Employee Signature

Date

**For audit purposes, an original signed copy of this form should be kept with grant program files. A copy should also be provided to the Director of Grant Compliance and to Human Resources.*