



RENTON  
TECHNICAL  
COLLEGE®

# Grants Management Handbook

Policies and Procedures for Grants and Contracts Management

Last Updated: 8/20/18

## Table of Contents

SUMMARY .....	5
OVERVIEW OF PROJECT DIRECTOR'S RESPONSIBILITIES .....	5
KEY COLLEGE PERSONNEL .....	6
Grants Office Staff.....	7
Grant Accounting Staff .....	7
Purchasing Agent.....	8
Accounts Payable Staff .....	8
Office of Institutional Research AND EFFECTIVENESS Staff .....	8
Roles and Responsibilities Matrix.....	9
GETTING STARTED .....	10
Notice of Award .....	10
Negotiating a Grant Award .....	11
Institutional Review Board .....	12
Grant Regulations .....	12
Proposal and Budget .....	13
Subrecipient Agreements.....	14
Publicity.....	15
Committees .....	16
Evaluation.....	16
Budget Monitoring and Activity Tracking .....	16
Linking Fiscal and Programmatic Data on Federal Grants .....	17
Internal Management Plan.....	17
Budget with Internal Identifiers .....	18
Activity Report.....	19
Unit Costs .....	20
Program Officer .....	22
GRANT MANAGEMENT NAVIGATION MAP .....	23
GRANT PERSONNEL.....	23
New Hires .....	23

Existing Faculty and Staff .....	24
Consulting Fees, Participant Stipends, and Honoraria .....	27
Time and Effort Documentation .....	27
Time and Effort Determination .....	28
Time and Effort Options .....	29
Accounting for 100% of Effort.....	30
Time and Effort Record Retention .....	30
Time and Effort System Annual Review .....	31
When to Use a Contract for Personnel Who Are Not New Hires.....	31
Annual Salary Increases .....	31
Payout for Departing Employees .....	31
Vacation Leave .....	31
Sick Leave .....	31
Personal Day(s).....	32
Benefits End.....	32
GRANT COMPLIANCE .....	32
Grant-related conflict of interest.....	32
Definitions.....	32
Policy.....	33
Guidelines.....	34
Investigators.....	34
Investigator Travel .....	34
Review and Notifications .....	35
Retrospective Review .....	36
Sanctions .....	37
Reviews .....	37
Public Accessibility .....	37
Government Accountability Office (GAO) Risk Criteria.....	37
Federal Awardee Performance and Integrity Information System (FAPIIS) .....	38
Grant Compliance Best Practices.....	39
Grant Compliance Committee.....	39
GRANT EXPENDITURES .....	40

Allowable Costs Policy and Procedure .....	40
Definitions .....	41
Procedure .....	42
Monitoring Expenditures .....	42
Procurement of Goods and Services .....	43
Office Supplies.....	43
End-of-Year Purchasing.....	43
Equipment and Instructional Materials.....	43
Disposition of Equipment .....	45
Contracted Services and Consultants.....	45
Travel .....	45
Support Services .....	45
Subrecipients .....	46
GRANT BUDGET SPECIAL CATEGORIES.....	46
Indirect Costs .....	46
Documentation of Local Match.....	47
Valuing Time of RTC Faculty and Staff .....	49
Valuing Existing Equipment and Facilities Costs .....	49
Valuing Third Party In-Kind Contributions .....	49
Employees of Partnering Organizations .....	49
Volunteers .....	50
Supplies .....	50
Equipment and Facilities .....	50
Leveraged Resources .....	50
Program Income.....	51
Transfer of Funds .....	52
Carryover of Funds .....	52
Single Audit.....	52
PROJECT REVISIONS .....	52
Need for Prior Approval.....	53
Supplanting .....	54
No-Cost Extension .....	55

INSTITUTIONAL REVIEW BOARD (PROTECTION OF HUMAN PARTICIPANTS).....	55
RECORDS AND DATA MANAGEMENT.....	56
REPORTING.....	58
CLOSE-OUT .....	59
Final Activities.....	59
Records Retention .....	59
GRANT RESOURCES .....	60
GLOSSARY OF COMMON GRANT ACRONYMS.....	60

## SUMMARY

The guidelines in this handbook will assist project directors, principal investigators, and other grant-funded staff in navigating the grants and contracts management processes at Renton Technical College. The Grants Office will work closely with project directors to ensure the success of the project and to answer any questions that may arise along the way.

For questions or concerns about compliance, outcomes, evaluation, reporting, etc. contact:

**Marta Burnet**

Director of Grants

[mburnet@rtc.edu](mailto:mburnet@rtc.edu)

Room C-112, Telephone: (425) 235-2352 x2103

For questions or concerns about business office processes, purchasing, etc. contact:

**Susie Rather**

Grant and Contract Coordinator

[srather@rtc.edu](mailto:srather@rtc.edu)

Room J-114, Telephone: (425) 235-2352 ext. 5699

OR

**Kim Sykes**

Director of Accounting Services

[ksykes@RTC.edu](mailto:ksykes@RTC.edu)

Room J-114B, Telephone: (425) 235-2352 ext. 5508

## OVERVIEW OF PROJECT DIRECTOR'S RESPONSIBILITIES

To successfully manage a funded grant, a project director must be familiar not only with funding agency policies and program regulations, but also with the grants management procedures of Renton Technical College (RTC). Having a thorough understanding of the responsibilities of the project director and other college personnel will enable the project director to complete the tasks necessary to ensure accountability for grant funds.

The project director, or principal investigator, has full authority to administer a grant-funded project and the responsibility of implementing project activities with grant funds to achieve stated objectives. The responsibilities of the project director may include, but are not limited to, the following:

- Implement and/or coordinate all project activities and manage day-to-day operations, working closely with the appropriate college departments and supervisory personnel.

- Maintain progress toward meeting the project's goals and objectives.
- Comply with all regulations of the funding agency.
- Complete the grant-related conflict of interest annual survey as outlined in [RTC Policy Chapter 1, Section 16](#).
- Administer the grant budget according to program requirements, initiating and monitoring grant expenditures, working with Grants Accounting to reconcile discrepancies, and requesting Grants Accounting to make budget revisions or, if necessary, submitting budget modification requests to the funding agency for approval.
- Link financial data to programmatic data as outlined in [RTC Policy Chapter 1, Section 14](#).
- Track matching and leveraged funds, including in-kind contributions, when applicable.
- Process and approve purchase requisitions using PSS 2.
- Review invoices and compare with purchase orders, obtain the required signature/approval to authorize payment, and disburse payments for invoices.
- Ensure proper use and accountability of grant-funded equipment and supplies.
- Hire, train, and supervise project staff, making sure there is administrative approval.
- Recruit project participants.
- Work with staff in the Communications and Marketing Department to market the program, when appropriate.
- Work with the Financial Aid Office to administer student financial assistance, when applicable.
- Maintain accurate and up-to-date project records.
- Distribute, collect, and ensure completion of time and effort reports that account for 100% of employees' time.
- Prepare and submit invoices based on the fiscal agent's requirements to the Grants and Contracts Coordinator, when the College is a grant subrecipient.
- Coordinate the project advisory committee.
- Direct the project evaluation and incorporate evaluation recommendations into the project.
- Disseminate project information and results.
- Establish a relationship with the funding agency and communicate any anticipated changes to the project that may be necessary.
- Monitor subrecipient performance and grant expenditures, when applicable.
- Complete and submit reports to the funding agency as required.
- Prepare and submit internal reports as requested.
- Perform necessary close-out activities in collaboration with Grants Office and Grants Accounting staff.

## KEY COLLEGE PERSONNEL

## GRANTS OFFICE STAFF

The Director of Grants is involved in the development and submission of grant applications and letters of inquiry. However, the Director of Grants also plays a key role in assisting project directors with understanding and fulfilling their responsibilities over the life of the grant. The Director of Grants may provide:

- Assistance in the start-up of the grant by coordinating “kick-off” meetings with appropriate college faculty and staff.
- Orient the project director to grants management.
- Serve as a liaison between the project director and other college departments.
- Answer questions on the content of the grant proposal and the interpretation of funding agency and program regulations.
- Provide guidance in the development of personnel and consulting contracts and subaward agreements.
- Assist with the Institutional Review Board process, when applicable.
- Communicate with the funding agency to clarify program regulations, when appropriate.
- Provide guidance in complying with funding agency regulations.
- Meet regularly with grant staff to review spending, activities and outcomes.
- Assist with budget and/or programmatic changes.
- Provide technical and editorial assistance with required reports to the funding agency.
- Work with the project director in developing a continuation proposal, when necessary.

In many instances, the Director of Grants should be the first point-of-contact when project directors have questions about their grants.

## GRANT ACCOUNTING STAFF

Grants Accounting staff in the Business Office are responsible for the accounting and financial reporting of grant funds as described below:

- Set up a cost center for the grant in the College’s administrative computing system and enter the grant budget in the system.
- Draw down funds electronically from the funding agency’s system, when appropriate.
- Deposit and record cash payments from the funding agency in coordination with the Grant and Contract Coordinator who initiates invoicing and tracks payments.
- Provide guidance on the appropriate college account categories to use.
- Transfer budgeted funds from one account to another as directed by the project director and approved by the funding agency, if approval is required.
- Monitor the expenditure of grant funds on a quarterly or monthly basis and contact project directors when grant funds are not being spent in a timely manner or when grant expenditures are not in compliance with grant regulations.
- Calculate and charge indirect costs to the grant, when appropriate.



- Post grant-funded in-house duplicating, word processing, and postage charges to grant cost centers as directed by the project director.
- Provide technical assistance to the project director on grant accounting issues.
- Provide training to project staff on viewing grant budgets and printing expenditure reports from FMS and/or FMS Query.
- Work with the project director to reconcile any accounting discrepancies that may occur.
- Maintain copies of time and effort reports for personnel who are funded on grants or devoting time to grant implementation for the local match.
- Work with the project director to document all local match, when appropriate.
- Assist the Vice President for Administration and Finance and the project director in developing and/or finalizing subrecipient agreements, if applicable.
- Enter blanket purchase requisitions in the PSS 2 System for subrecipient agreements and initiate processing of subrecipient invoices for payment, as needed.
- Process formal invoicing to the fiscal agent when the College is a grant subrecipient.
- Prepare and submit financial reports to the funding agency.
- Provide grant financial information to Grants Office staff when requested.
- Supply financial information on grants for internal and external audits.

#### PURCHASING AGENT

The Purchasing Agent in the Business Office has the following responsibilities in assisting project directors with issues related to purchases:

- Orient project director to the College's purchasing procedures.
- Arrange for training of project staff for training on PSS2, if approved for PSS2 use.
- Arrange for the setup of PSS2, the College's administrative computer system, on applicable computer(s) of approved project staff, for data entry and approval of online purchase requisitions.
- Disburse contract payments requested after reviewing for approval signatures.
- Purchase approved equipment for grant projects.

#### ACCOUNTS PAYABLE STAFF

Accounts Payable staff, located in the Business Office, have the following responsibilities in assisting project directors with payment of expenditures:

- Review Travel Expense Vouchers with approval signatures and disburse payments.
- Review credit card logs for approval and post credit card charges to correct cost center in FMS.

#### OFFICE OF INSTITUTIONAL RESEARCH AND EFFECTIVENESS STAFF

The Institutional Research Manager can assist project directors with data collection, analysis, and reporting, as well as the development and distribution of surveys for project evaluation. However, this assistance must happen at the start of the grant to ensure data can be collected in the correct way and with ample time before reporting deadlines. Contact Neal Parker, at [nparker@rtc.edu](mailto:nparker@rtc.edu) or (425) 235-2352 ext. 2201 for more information and assistance with institutional research queries and data analysis.

## ROLES AND RESPONSIBILITIES MATRIX

*Table 1: Who Does What?*

<b>Project Activity</b>	<b>Primary Responsibility</b>	<b>Secondary Responsibility</b>
Authorize grant acceptance	VP, Administration & Finance	President
Conduct initial grant management training	Director of Grants Office	Project Director (PD)
Prepare college grant budget forms	PD, then Business Office	Director of Grants Office
Activate and manage grant budget	Project Director and Dean manage	Business Office activates
Recruit/hire project personnel	Human Resources, Dean	Project Director
Supervise project personnel	Project Director, Dean	Director of Grants Office
Purchase equipment and supplies	Project Director with Purchasing Agent	Director of Grants Office, as needed
Develop subcontracts	Project Director, Dean	Director of Grants Office, as needed
Implement/attain objectives and contract agreements	Project Director and project staff	Director of Grants Office
Review/monitor monthly budget reports and spend down to \$0	Project Director and Dean	Grant & Contract Coordinator
Maintain accurate activity files/reports, certify time/effort, student and other data	Project Director (Activities, goal attainment, student records, personnel time, purchases, contracts, reports, budgets)	Dean, Director of Grants Office (contracts/reports); Grant & Contract Coordinator (budget and expenses)

Project Activity	Primary Responsibility	Secondary Responsibility
Publicize and disseminate outcomes	Project Director	Director of Communications and Marketing
Implement evaluation plan	Project Director, External Evaluator/IR Manager	Director of Grants Office
Prepare interim and final program and fiscal reports and modifications	Project Director (prepares and submits)	Grant & Contract Coordinator and Director of Grants Office (reviews and approves)
Maintain project quality control	Project Director	Director of Grants Office, Dean
Track matching funds and in-kind contributions	Project Director	Business Office
Institutionalize project elements and/or identify program/fiscal steps	Project Director/Dean/VP for Instruction	Director of Grants Office and RTC Cabinet
Establish relationship/cultivate funding agency	Project Director	Director of Grants Office
Complete project on time/within budget, close out and prepare for audit	Project Director	Business Office, Director of Grants Office (as needed)

## GETTING STARTED

### NOTICE OF AWARD

The funding agency will mail an official written notification of the grant award. **All original award documents will be housed in the Business Office with the Grant and Contract Coordinator.**

The notification from a government agency will be in the form of a signed grant award document (Grant Award Notification or GAN for federal grants; Award Letter for State Board administered grants) and an approval letter; these may be sent to the College president and/or the project director or contact person named on the application cover sheet (often these documents are sent to the Vice President of Administration and

Finance). Alternatively, the funding agency may send the grant award document directly to the Director of Grants if the staff member's name is listed as the contact or if the staff member has signed off as the Authorized Organizational Representative. Regardless of who receives notification, the original document should be forwarded to the Business Office (Grant and Contract Coordinator) along with a copy of the grant proposal and the grant guidelines. The project director and the Director of Grants should keep a copy of the proposal, guidelines and award notice as well.

If a separate contract is sent to be signed and returned to the funding agency after notification by letter, the signature of the appropriate college representative, which in most cases will be the President and/or the Vice President of Administration and Finance, will be obtained and the document mailed back to the funding agency. The original fully executed contract that is returned by the funding agency should be sent to the Business Office (Grant and Contract Coordinator), with a copy kept on file by the project director and Director of Grants.

Most government agencies use electronic wire transfers to send grant funds to recipients. Some funding sources send checks upon submission of an invoice. In all cases, the Business Office is responsible for setting up these processes.

Foundations and corporations usually notify the contact person (Director of Grants) on the grant application by letter or e-mail. The Business Office, Grants Office, and the project director should all have a copy of the notification, with the Business Office (Grant and Contract Coordinator) housing the original notification document and a copy of any guidelines pertinent to the grant. Checks should be made out to the College and may be sent to the project director or Director of Grants. If a check is made out to the College, it should be forwarded to the Business Office (Grant and Contract Coordinator) along with the award document. If a check is made out to the Renton Technical College Foundation, it should be forwarded to the Foundation Director who will sign it over to the College. Any paperwork the funder requires will be completed and submitted by the Director of Grants or the Foundation Director, who will also send a thank-you letter to the foundation or corporation.

The project director will review the award documentation and make note of the amount awarded, award number, starting and ending dates, fiscal years of a multiyear grant, program officer contact information, reporting requirements, and any limitations or changes from the original proposal. Any reduction in the amount awarded from the requested amount will require a budget modification unless the budget has already been revised in the negotiation stage prior to the grant award. If a project director will be hired through the grant, the primary budget authority/grant manager should review this documentation.

## NEGOTIATING A GRANT AWARD

If a grant must be negotiated before it is funded, the project director will work with the Director of Grants and the Business Office to provide the funding source with answers

to questions, supplemental documentation, and programmatic and budget modifications, as necessary. Budget modifications will need to be reviewed by the Business Office (Grant and Contract Coordinator). If substantial budget cuts or changes to the project, college commitments, or local match are requested, a decision may need to be made at a higher level (e.g. appropriate vice president, college executives, President's Cabinet) on whether the College can accept these requirements and implement the project with the changes. If the project is not feasible as a result of the requested changes, the award may be declined.

## INSTITUTIONAL REVIEW BOARD

If approval by the College's Institutional Review Board (IRB) involving human participant research is required and has not been obtained by the time notification of a grant has been received, approval must be obtained within four weeks. Refer to the [Institutional Review Board website](#) for guidance on approval requirements, procedures, and forms.

## GRANT REGULATIONS

Federal grants operate under the following hierarchy of regulations (e.g. EDGAR [Education Department General Administrative Regulations] takes precedence over Office of Management and Budget [OMB] Uniform Guidance). The below list ranks regulation sources in precedence from highest to lowest:

- Authoring legislation created by Congress (both program-specific and general provision sections of the statute).
- Code of Federal Regulations (CFR) – program regulations from the statute and administrative regulations created by the agency (e.g. U.S. Department of Education EDGAR, National Science Foundation Proposal and Award Policies and Procedures).
- Office of Management and Budget [Uniform Guidance \(governing all federal agencies\)](#) now supersedes the requirements of various other OMB circulars.
- Grant Award Notice (GAN).
- Non-regulatory guidance – informal advice and “best practices” from program officers.
- Letters and press releases from the federal agency.

**NOTE:** For federal grants, federal law takes precedence over state law. Federal agencies and programs within agencies are not always consistent in interpretation or enforcement of regulations.

Although earmarked or appropriations funding bypasses the competitive grant process of federal and state agencies, earmarked funds must still be spent and accounted for in conformance with applicable federal and/or state regulations. The award is usually accompanied by a grant agreement or contract specifying the amount, purpose, and time period of the funding and the administrative requirements for which the grantee must adhere, including requirements for submission of any performance or financial reports.

Nonfederal grants are usually governed by the program guidelines accompanying the grant application package.

The Director of Grants will meet with project directors before grant activities begin to review the regulations and guidelines so that project directors can be thoroughly familiar with the requirements of their grant projects. The Director of Grants can assist project directors when there are questions about eligible activities, allowable expenditures, and other compliance issues.

## PROPOSAL AND BUDGET

The project director should review the grant proposal thoroughly, paying particular attention to the objectives, activities, outcomes, key personnel, timeline, partnering organizations, management plan, evaluation, and budget. Modifications may need to be made to the project design that was initially laid out in the grant proposal (refer to the **Project Revisions** section below). If the objectives need to be amended, the project director should request permission from the funding agency program officer as soon as possible.

The Director of Grants will introduce new project directors to the Grants Accounting staff for review of the financial aspects of the project and the College's accounting procedures for managing the grant. A grant kick-off meeting will be held with staff from other departments to ensure everyone has knowledge of the grant and their responsibilities for implementation. These meetings may include the project director's supervisor, appropriate deans or associate deans, Director of Human Resources, Director of Financial Aid, Information Technology staff, Business Office staff and/or others depending on the nature of project activities.

**Note:** During the kick-off meeting (when applicable), the group will be made aware of the appropriate Classification of Instructional Programs (CIP) code(s) assigned and/or linked to the project – CIP codes are assigned by the Washington State Board for Community and Technical Colleges (SBCTC) to all programs that are currently approved by the state.

In addition, information regarding dual enrollment options for students will be discussed at the kick-off meeting. Any questions regarding student funding eligibility and dual enrollment options should be directed to the Financial Aid Office.

After a signed grant award notice or fully executed contract has been received, the Business Office (Grant and Contract Coordinator) will set up a budget number for the grant in the FMS administrative computing system. The budget number begins with 145-XXX-XXXX (there are 10 numbers total). All departments involved in the grant will be notified when the budget number is assigned. The budget number must be used on all grant expense documents.

Business Office staff (Grant and Contract Coordinator) will enter the grant budget into the appropriate expense accounts in FMS. The billing is converted to the funding agency's particular expense designation by hand as invoices are prepared. The budget key created by the Business Office should always be followed when charging expenses to the grant; the budget key matches compatible internal accounts with the funding agency accounts. If an account on the budget key seems inappropriate for a particular expense, the project director should contact the Business Office (Grant and Contract Coordinator) to see if the budget key should be adjusted.

If a project director does not already have a user ID for accessing FMS Query, the project director's supervisor must request this from the Grant and Contract Coordinator. A project assistant, and/or other project staff, may also need IDs. The Business Office will consult with the project director about which project staff will need access and will provide this information, along with the grant organization and fund numbers, to the Purchasing Agent who will set up the user profile for the appropriate individuals to have access for data entry or approval of purchase requisitions in FMS.

Expenses cannot be incurred prior to the start date or after the end date, although some federal agencies may allow pre-award costs up to 90 calendar days before the start date and up to a one-year no-cost extension of the end date. (Refer to the **Project Revisions** section.) **It is RTC's policy that no expenses may be incurred until the Business Office receives a fully-executed contract or notice of award.** The Vice President for Administration and Finance may make exceptions for continuing grants and grants for which written substantial approval has been received.

For federal grants and many other types of grants, expenses are incurred when an obligation has been made, according to the following guidelines: (Some funding agencies may have different regulations; e.g. requiring all expenses to be paid by the end date of the grant)

*Table 2: Expense and Obligation Timeframe*

Type of Expense	When Obligated
Purchasing property	Upon a binding written commitment
Personal services (employer)	When the services are performed
Personal services (contractor)	Upon a binding written commitment
Other work	Upon a binding written commitment
Public utility services	Upon receipt of services
Travel	When the travel is taken
Rental of property	When the property is used

If the grant involves hiring personnel for new grant-funded positions, the hiring process should begin immediately (refer to the **Grant Personnel** section).

## SUBRECIPIENT AGREEMENTS

If other organizations will be partners on a grant of which they will be responsible for providing certain programs or activities for the grant project and receiving a portion of the grant funds in support of their defined roles and responsibilities, a subrecipient agreement will be drafted (if not already completed as part of the grant application). Preliminary agreements will be finalized and signed by all parties. The original agreement will be kept on file in the Business Office, with a second original distributed to the partner organization(s). A copy will be maintained by the project director and Director of Grants.

A subrecipient agreement will identify the source of funding and, if the funding is federal, include the Catalog of Federal Domestic Assistance (CFDA) number and title. The agreement will address the mechanisms for monitoring fiscal and programmatic operations and include the following:

- Scope of work with deliverables (a copy of the proposal can be an attachment)
- Project period (start and end dates)
- Payment schedule and invoicing
- Budget
- Site visit provisions – site reviews should include review of:
  - Policies and procedures
  - File documentation
  - Financial reporting
  - Payroll
  - Travel
  - Accounting system
  - Management and administration
  - Inventory
- Reporting requirements
- Provisions for access to accounting records
- Indemnity clause
- Modifications and termination
- Ownership of intellectual property
- Confidentiality
- References to federal and state laws (e.g. time and effort reports, matching documentation, Uniform Guidance compliance)

The subrecipient agreement should not include anything that cannot be monitored.

Subrecipient agreements should be drawn up in consultation with, and approved by, the College's Vice President for Administration and Finance.

The project director should check the [Excluded Parties List System](#) before partnering with a subrecipient to see whether the potential subrecipient is excluded from receiving federal funds.

## PUBLICITY



The Communications and Marketing Department will assist with publicizing a grant award and/or advertising a grant program to recruit participants. Staff in this department will work with grant project staff to prepare press releases to the local media and develop marketing materials and advertisements. For significant grant awards, they will coordinate press conferences with college leaders and partnering organizations. As the grant is being implemented, the Communications and Marketing Department should be kept informed of any noteworthy activities that should be communicated internally to the College community and/or externally to the public. For more information on publicity, contact the Director of College Relations and Marketing, Katherine Hansen, at [khansen@rtc.edu](mailto:khansen@rtc.edu) or 425-235-2356.

**NOTE:** The funding agency should be credited on any publicity materials or developed products. Be sure also to include any required equal opportunity statements.

## COMMITTEES

If the project involves a program advisory committee, the project director, in collaboration with the appropriate Dean, should form the committee as early as possible if it has not already been formed in the grant development stage. The same is true for any type of internal steering committee or review committee (e.g. to review scholarship applications or oversee grant activities).

## EVALUATION

If the project includes an external evaluation, the project director should contact the evaluator identified in the proposal or work with the appropriate RTC staff to immediately begin a search for a qualified evaluator if one has not already been selected. Conversations with the evaluator should be held as soon as possible, and the evaluator should be given a copy of the grant to review. Arrangements for site visits should be planned well in advance.

Baseline data should be collected immediately unless the data provided in the grant proposal will serve as the baseline. The project director should work with the [Institutional Research Manager](#) to collect the necessary data throughout the grant period.

## BUDGET MONITORING AND ACTIVITY TRACKING

The project director will regularly monitoring grant expenditures against the approved budget, reviewing charges posted in FMS, and working with the Grant and Contract Coordinator to reconcile any discrepancies between project files and FMS postings. Budgets should be monitored at least monthly or more frequently if the grant budget is large.

**Note:** **ALL** grant-funded projects should be identified with an unusual action code that is assigned by the Registrar's Office identifying students who are project participants. This

will assist all parties involved in tracking and reporting on the progress of students as well as the project as a whole.

The project director should develop a system to track project activities to ensure they are properly implemented within the appropriate timeframe.

#### LINKING FISCAL AND PROGRAMMATIC DATA ON FEDERAL GRANTS

As presented in the related policy ([RTC Policy Chapter 1, Section 14](#)), the Uniform Guidance ([§200.301 Performance Measurement](#)) outlines the requirements for providing financial and performance information. To comply with these regulations, Renton Technical College (RTC) will require any federally-funded projects or programs to develop and utilize a system to relate financial data to performance data using an objective and quantifiable approach that includes the development of unit cost data, when applicable. Where RTC is a sub-awardee, it will utilize the approach provided by the lead grantee.

The project director, or Principal Investigator (PI), is responsible and accountable for compliance with all federal regulations associated with the grant award, including reporting on financial and performance data.

The federal awarding agency is required to provide recipients with clear performance goals, indicators, and milestones at the time of the grant award. Typically, these will be based on the submitted and approved grant proposal. The agency will also provide instructions about how and when to report financial and performance information. The PI should ensure that all reporting deadlines are met and in the format requested by the funder.

These procedures recommend the adaption of three existing items to blend programmatic data and financial data. First, creating an internal management plan that combines the traditional work plan with financial data. Second, adding activity codes to the internally tracked budget to be able to link expenses with specific objectives and activities. And third, developing an activity report as outlined below that will form the basis of the performance report.

#### **Internal Management Plan**

In order to relate financial data to performance accomplishments of the Federal award, the PI (or supervising dean if a PI is not yet in place) should review the funding award and approved proposal to:

- Identify project-specific activities along with their frequency;
- Link activities to particular deliverables or objectives; and
- Determine the associated resources needed for each activity (funds, staff time, and other resources).

Once activities are identified/clustered, the PI should set up a timeline for activities and milestones according to reporting timeframes (e.g. quarterly or six-month milestones for semi-annual reports) and then establish an internal management plan (IMP) on the activities. This IMP should include objectives, activities, expenses and the timeline, outlining which financial expenditures are linked to which activities and outcomes. This is very similar to the idea of a work plan, but it is important to include the financial data as well. The Director of Grants and the Grants and Contracts Coordinator should be consulted to ensure alignment with compliance regulations. The supervising Dean should approve the reporting structure and plan. Please note it is up to the grant PI and supervising dean to determine what format the IMP should take. A narrative and table example are included as samples.

For example, “To improve student retention by 10% (i.e. objective) in year one of the grant (i.e. timeline), we will offer weekly tutoring and monthly workshops on study skills (i.e. activities) to 100 Upward Bound students. The associated resources (i.e. financial expenditures) are: tutor’s salary and benefits (\$1,000), local travel (mileage reimbursement, parking) to high schools to offer workshops (\$200), 20 hours of the project director’s time to prepare and run workshops (\$1,000), printed materials for workshop (\$200), and room rental (\$50).” See suggested table format below.

*Table 3: Internal Management Plan (IMP)*

Objective 1.2: Improve UB student retention by 10% in Year 1		
Activity 1:	Weekly Tutoring	
Expenses:	Tutor salary & benefits	\$600
Timeline:	4 hours a week for 36 weeks (September – May)	
Activity 2:	Study Skills Workshop (8 workshops)	
Expenses:	20 hours of PI time to prepare and run workshops	\$1,000
	Local travel to offer workshops	\$200
	Printed material	\$200
	Room rental	\$50
Timeline:	Monthly (October – May)	

### **Budget with Internal Identifiers**

Using the IMP, the PI should consider tagging budget line items in an excel spreadsheet (or however the PI will internally track spending) with an internal identifier to make it clear which expense is linked to which objective and which activity. See example below. This way, grant staff can sort expenses by activity and/or objectives, which can be helpful in completing federal reports. Note, it may be that line items apply to multiple

objectives and or activities. Consider including an estimated division of each line item when applicable (e.g. 20% of time for tutoring, 80% for workshops).

*Table 4: Sample Budget with Internal Identifiers*

Expense	Amount	Objective Code	Activity Code
Five Student Mentors (\$12/hr x 5hrs/week for 10 weeks/winter quarter)	\$3,000	Objective 4: % of Students Applying to College	Mentoring/College Application

### **Activity Report**

For each grant, then the PI will produce an activity report that blends the financial expense data with an internal progress report on activity data and may include an estimate on % complete. This report should be produced on a regular basis (at least quarterly) and should be reviewed internally by the grant staff, dean, the grants and contracts coordinator, and the director of grants. ANYONE ELSE?

This activity report should have three key comparisons:

1. Internal progress report on activities/milestones to the internal financial expenditures for each activity/milestone during a particular time period;
2. Total expenditures for the activities identified in the progress reports; and
3. Results compared to the initial IMP (See Table 1).

*Table 5: Activity Report*

Objective 1.2: Improve Upward Bound student retention by 10% in Year 1		
Activity 1:	Weekly tutoring	
Expenses:	Tutor salary & benefits	\$600
Timeline:	4 hours a week for 36 weeks (September – May)	
Activities and period comparison:	36 hours (3 hours/week for 12 weeks) of tutoring, \$100 spent winter trimester, \$250 cumulatively, 10 hours less than initially planned. Overall progress: 58% (48 hours fall, 36 hours winter)	

This report should then:

- Note where performance goals were met on time or early and what the benefits were.
- When goals are not met, what are the reasons? What is the internal and external impact?
- Identify any time adjustments, cost overruns, underspending, and delays.
- Clarify potential changes in timeframe for meeting goals or in costs (which may require an adjustment to the award (budget and/or scope).

*Table 6: Activity Report Continued*

Status	Details
Activity Status:	Activity was partially met in that 100 students received tutoring support, but was for an average of three hours a week rather than four.
Objective Status:	Not met. Upward Bound student retention was only increased by 5%.
Explanation:	The tutor only worked 30 hours rather than 40 hours in the quarter. He worked one hour less a week, because students were not staying for a fourth hour of support. With college applications due in fall, many students had needed that additional support, but that was not the case in winter.
Adjustment:	Based on student feedback, the tutoring schedule was retooled for spring quarter. To better utilize funds, the tutor will instead work for 2.5 hours, twice a week (5 hours total) in spring to accommodate more students' schedules and fully utilize these funds. This additional support will help students prepare for graduation and ultimately will not impact the overall timeline of the project.

Note that if the Activity status was “Met” then there would be no need for the explanation and adjustment boxes.

Some activities may be very specific as the example above and some may be more vague (e.g. Met with four external partners to promote our program (6 hrs), and was invited to participate in two career fairs as a result). The activity report should be created in a format that will translate easily into the performance reporting required by the funder.

**Unit Costs**

Ultimately, the PI must provide the funder with cost information to demonstrate cost effective practices (e.g., through unit cost data). This will demonstrate how much is being spent on each objective and activity and what the results are.

*Table 7: Sample Activity Summary for Unit Costs*

<b>Totals</b>	<b>Amount</b>	<b>Participants</b>	<b>Hours</b>	<b>\$/Participant</b>	<b>\$/Hour</b>
Students	\$100,000	1,000	5,000	\$100	\$20
Tutoring	\$20,000	300	1000	\$67	\$20

<b>Totals</b>	<b>Amount</b>	<b>Participants</b>	<b>Hours</b>	<b>\$/Participant</b>	<b>\$/Hour</b>
Mentoring	\$10,000	100	500	\$100	\$20
Counseling	\$30,000	250	250	\$120	\$120
Field Trips	\$5,000	25	2,000	\$200	\$3
Workshops	\$15,000	175	750	\$86	\$20
Cultural Event	\$20,000	150	500	\$133	\$40

With the breakdown in Table 5, the PI can then calculate whether an activity has a high or low Unit Cost. In this example, the total student average is what determines whether something is low or high cost. This amount could be determined in another way as long as it is approved by the supervising dean as part of the IMP.

*Table 8 High v. Low Unit Cost*

<b>Activity</b>	<b>\$/Participant</b>	<b>High or Low Cost</b>
Students Total	\$100 (average for all activities)	Mid
Tutoring	\$67	Low
Mentoring	\$100	Mid
Counseling	\$120	High
Field Trips	\$200	High
Workshops	\$86	Low
Cultural Event	\$133	High

Then, based on the evaluation results and outcomes (e.g. survey results showing that a workshop was ineffective and/or notable improvement in tutored students' GPA), how effective was each of the activities? For example, tutoring may cost \$20,000 a year and help 300 students whereas counseling costs \$30,000 and helps 250 students. It could be that the counseled students have a 20% higher degree completion rate than those who were just tutored, so the additional investment was worth it. This activity would fall into the high cost, high effectiveness category.

It may be difficult to decipher which activity should be considered high or low in terms of effectiveness and/or which activity contributed most to the outcomes, but this initial breakdown of high versus low cost can help the PI and evaluator to determine which items seem to be less or more effective. The PI should provide evidence as to how this determination was made. For those that are high cost and less effective, the PI may want to consider moving away from that activity into more activities that are highly effective. Low cost/low effective should also be reconsidered as the budget allows.

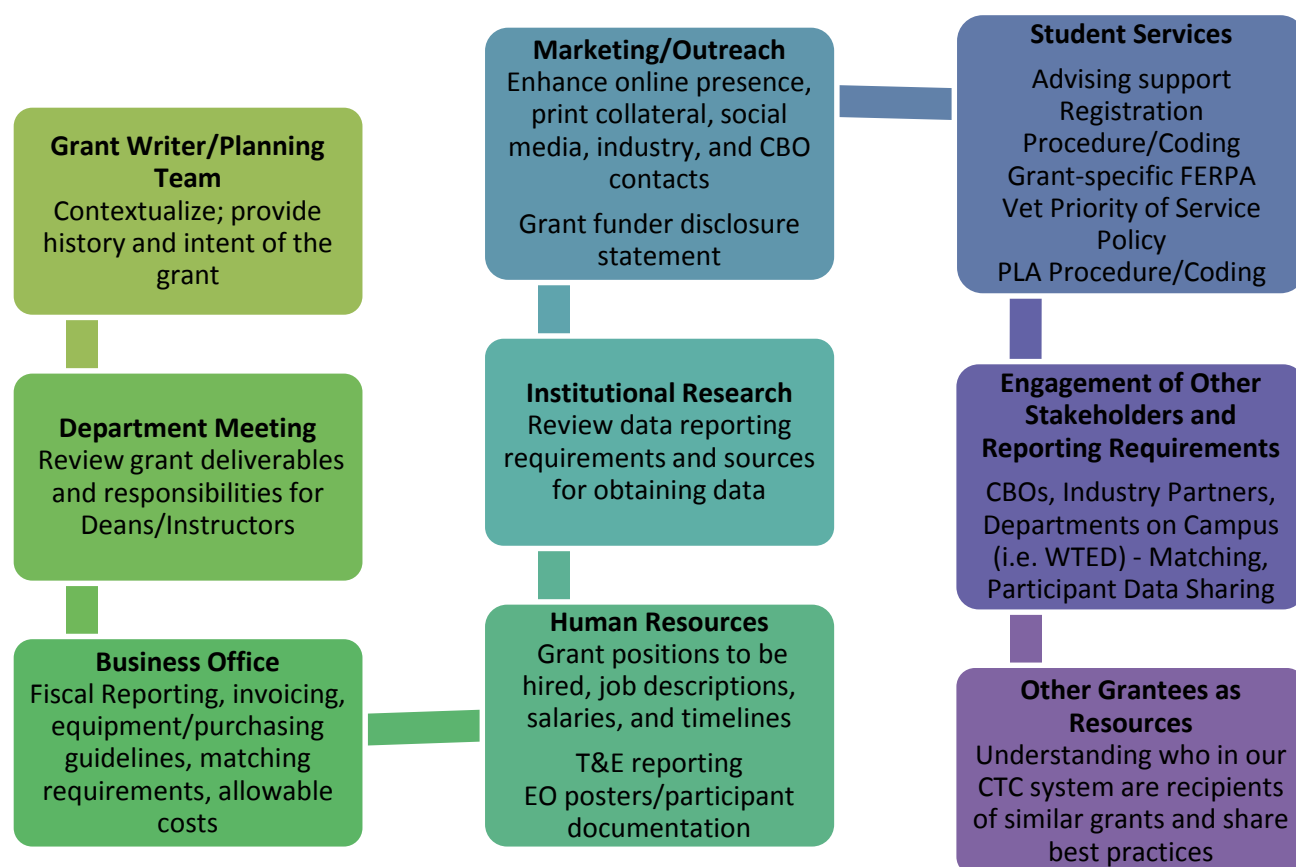
The integrated financial and performance data will be used to determine cost effectiveness of various services and/or activities and to make adjustments as needed to improve program outcomes. This analysis will happen as part of the regular grant evaluation process. A summary on the analysis and resulting changes to services and/or activities will be included in program files and in grant reports to the funding agency.

In the Grant Compliance Committee, PIs will share results annually to report out about how project is progressing, what changes are being made, share lessons learned, and promote the adoption of promising practices.

#### PROGRAM OFFICER

If there are questions that cannot be answered by college staff, the project director should contact the assigned program officer at the funding agency. Program officers are willing to help and like to be informed of project progress. Establishing a relationship with the program officer is beneficial in overcoming hurdles to grant implementation, as well as in applying for additional grants.

## GRANT MANAGEMENT NAVIGATION MAP



## GRANT PERSONNEL

### NEW HIRES

The established college hiring procedures should be followed when hiring new personnel for grant-funded positions. Immediately after the grant is awarded, the project director should work with the Executive Director of Human Resources, or her designee, to review the job descriptions included in the grant application or to develop job descriptions from the responsibilities of project staff listed in the grant narrative.

If the project director is to be hired through the grant, the project director's supervisor and the Director of Grants will be responsible for working with the Executive Director of Human Resources, or her designee, to recruit candidates to fill the position. The supervisor and Director of Grants will also assume responsibility for any grant activities until the project director is hired.



The employment of newly hired personnel on grant projects will normally end when the grant ends. Continued employment after the grant ends will be at the discretion of the College's President, who has this delegated authority from the Board of Trustees.

Salaries, benefits, and annual increases must be consistent with the College's established institutional policies and collective bargaining agreements. Project staff should be paid according to the College's salary schedule, based on experience related to the duties of the grant position, which means that a starting salary may be lower than the maximum amount budgeted in the grant application.

The Business Office should be notified when new employees are hired. Supervisors must be sure to use the 10-digit budget number and start and end dates included on each Personnel Action Request form. If the employee's duties will be split between two or more grants, or between a grant and a college-funded position, the correct percentage must be allocated for each position. The Executive Director of Human Resources, or her designee, uses the information on the Personnel Action Request form to charge the salaries of new employees to the appropriate grant.

If the percentage or amount of salary to be charged to the grant changes during the grant period (e.g. the College picks up an increasing percentage of the salary over the life of a multi-year grant), a Personnel Action Request form must be completed and submitted to the Human Resources Department with a copy to the Business Office. This should be done at least one month before the change is to take place to allow time for the change to be implemented in PPMS and/or FMS. When completing the form, regardless of when the form is submitted, use the day that the salary change should be implemented, or should have been implemented, as the beginning date. This will serve as an indicator to the Business Office of whether or not the payroll charges to the grant started on time. If the payroll charges actually started after the beginning date indicated on the form, the Business Office will make journal entries to transfer the costs of salary and benefits as needed.

The Executive Director of Human Resources, or her designee, is responsible for the hiring paperwork for full-time and part-time staff as well as issuing contracts for full-time and part-time faculty.

## EXISTING FACULTY AND STAFF

Existing full-time faculty and staff can be compensated for their time on a grant project either through reassignment of their duties or through payment of a stipend for work over and above their normal job responsibilities (refer to "Supplanting" in the **Project Revisions** section for restrictions and guidance). The use of existing adjunct faculty or part-time staff to assume additional responsibilities as part-time staff on grants should be reviewed with the Executive Director of Human Resources to ensure that the total number of hours worked is not in violation of college policies or collective bargaining agreements regarding part-time versus full-time employment. The reassignment of

existing faculty or staff should be coordinated by the appropriate Dean or Vice President, working with the Executive Director of Human Resources.

When all or a portion of an existing faculty or staff member's time is reassigned to a grant project, the proportion of that person's salary and benefits representing the percentage of time devoted to the grant must be reallocated to the grant project. Reallocation is done through a Personnel Action Request (PAR) form that must be completed, signed by the hiring supervisor and Business Office, and submitted to the Human Resources Department with a copy to the Business Office (Grant and Contract Coordinator). The form must include the percentage or amount of salary that is to be charged to the grant, the payroll account number, and a start and end date for the salary allocation. If the percentage or amount of salary to be charged to the grant changes during the grant period, another Personnel Action Request form must be completed. The project director should contact the Business Office (Grant and Contract Coordinator) for assistance in the completion of the Personnel Action form, particularly when reallocation of salaries and benefits goes into effect after personnel have already begun receiving their college-funded salary for the fiscal year. If reallocation of salaries is required, the Grant Manager, Business Office, and Dean coordinate the action needed.

The Executive Director of Human Resources, or her designee, is responsible for ensuring that salaries are appropriately charged to the grant in the Personnel and Payroll Management System (PPMS) according to this form. The percentage of salary charged to the grant will be calculated on the individual's base salary. For teaching faculty, the percentage is obtained by dividing the number of credits of release time by the total credits taught for the year, excluding overloads.

The following examples illustrate the proper allocation of salaries and benefits for faculty receiving release time:

If a full time faculty member is released 90 hours in fall and 60 hours in spring during the 2015-2016 fiscal year, 15% of the annual salary would be charged to the grant for the period July 1, 2015 to June 30, 2016 (150 hrs divided by 990 = 15%). Example: Nine month faculty with 330 hours per quarter (330 x 3 =990 per academic year) with 30 hours release for fall and spring quarter would be 60 total hours of release or a release time percentage of 6.06% (60/990).

The National Science Foundation (NSF) normally limits salary compensation for senior project personnel to no more than two months of their regular salary in any one year (i.e. payment for work done in two summer months). Salary is to be paid at a monthly rate not in excess of the base salary divided by the number of months in the period for which the base salary is paid. Compensation in excess of this amount may be approved by NSF, particularly for community college faculty teaching full loads, if sufficient justification is provided.

There may be instances when a funding agency or a particular program will only allow the faculty member to receive a stipend instead of release time or will only support the adjunct replacement cost of the faculty member receiving release time.

Faculty members should request release time from their Dean (and direct supervisor, as appropriate) if this was not done prior to the grant's submission.

**The project director should ensure that full-time faculty members who are receiving release time through the grant include this release on their quarter schedule grids. If the grant is supporting the adjunct replacement cost, rather than project faculty release time, the project director must ensure that Instruction is using the grant org number on adjunct contracts to ensure that this cost will be charged to the grant.**

The Director of Grants will assist the project director in submitting appropriate documentation to the Executive Director of Human Resources, or her designee, for existing faculty and administrative staff receiving stipends or release time for work performed on a grant. The contract for a project director must be signed by the project director and the appropriate Dean and/or Vice President. Stipends are paid according to a schedule determined by the project director's supervisor and the project director in compliance with college policy and collective bargaining agreements. For salaried faculty or administrators who will be paid on an hourly basis for grant duties outside their normal workload, the contract should accompany the first time and effort report submitted by the individual (see **Time and Effort Documentation** subsection).

Timesheets or the Time and Leave Reporting system are used instead of contracts for non-salaried classified staff.

The percentage of benefits charged to a grant should be the same as the percentage of salary charged to the grant. Note that if the employee is receiving a stipend (extra pay) through the grant for work above and beyond his/her normal workload, only benefits applicable to the grant stipend (extra pay) should be charged to the grant (about 10%). The benefits would be calculated by the PPMS system and allocated via the SAM or Contract. Normally these may include FICA, Workers' Compensation, Unemployment Compensation, and, if applicable, Retirement. These stipends are paid through a Special Assignment Memo or contract that specifically outline what the additional compensation is for. Please be careful to watch for supplanting.

The Grant and Contract Coordinator calculates and allocates benefits to cost centers based on an individual's total payroll, not just the base salary. The project director should notify the Grant and Contract Coordinator in the Business Office so journal entries can be made to move inappropriate charges out of grant accounts. For example, the Business Office will automatically distribute the cost of health insurance across all cost centers even though health insurance is covered through an individual's full-time employment at the College and is not affected by the extra grant pay.

## CONSULTING FEES, PARTICIPANT STIPENDS, AND HONORARIA

The Purchasing Agent and the Director of Grants will assist the project director in developing contracts for external consultants and evaluators if they do not provide their own contracts.

If a full-time or part-time employee of the College is to be paid in a consulting capacity for work performed for a grant, the cost must be treated as a salary on the College's payroll, with the appropriate benefits included rather than through a consulting fee, even if the employee has his/her own business. This regulation also applies to adjunct faculty except in cases where the adjunct faculty member is not currently teaching during the quarter when the consulting work will be completed. The appropriate benefits must be applied (typically 38%) and normally include: FICA, Workers Compensation, Unemployment Compensation, and, if applicable, Health/Dental Benefits, Long Term Disability, Life Insurance and/or Retirement.

Stipends paid to individuals not employed by the College who are participating in a workshop or other grant activity (e.g. paying secondary teachers to attend a training session) are not considered salaries. Payment is done through Accounts Payable and not through Payroll; therefore, no fringe benefits need to be calculated for these amounts. Payment of stipends can be handled through the purchase requisition process (see Section VI and Section V of the RTC [3.2 Purchasing Procedure](#)). Within this link, you can also find links to a Professional Services Contract template. The Purchasing Agent will provide a link to the IRS W-9 form (Request for Taxpayer Identification Number and Certification) for each individual to complete, sign, and return. If individuals will be receiving total compensation that is over the IRS threshold per year for income tax purposes, the College will issue 1099 forms to these individuals at the end of the year as a record of the income they received, with no deductions taken. The income is reported to the Internal Revenue Service, and the individuals will be obligated to report and pay taxes on this income.

Both stipends and honoraria paid to employees of other state agencies must comply with the Ethics in Public Service Act, Outside Compensation, RCW 42.52.120.

Participant stipends or honoraria paid to college employees will be considered salaries, and the appropriate fringe benefits applicable to the extra salary will be charged to the grant.

## TIME AND EFFORT DOCUMENTATION

Time and effort reporting is the federally-mandated method of certifying that the salary and benefits charged to a federal grant is accurate and is used to support such charges. Time and effort must be recorded for employees:

- A) Funded by each federally sponsored program;
- B) Considered cost-sharing (matching) portions of federal grants; and

- C) For non-grant funded work completed by individuals partially in categories A & B, so that 100% of each employee's time is documented.

The project director, or Principal Investigator (PI), is responsible and accountable for compliance with all federal regulations associated with the grant award, including reviewing and certifying time and effort reports as accurate. Certified effort reports provide auditable documentation to confirm that Renton Technical College (RTC) grant-supported personnel did, in fact, commit the level of effort outlined in the proposal. Erroneously certifying effort can be viewed as fraud. **Violations subject RTC and grant directors potentially to both civil actions and criminal prosecution, including payback of funds.**

**Time and Effort Determination**

As stated in the policy, the first step for the project director and Business Office is to determine which time and effort reporting option will be used. They should begin by reviewing RTC's Time and Effort Policy ([Chapter 3, Section 13](#)) and the grant funder's (or lead college in a consortia grant) guidelines. The next step is to determine the status of each grant-funded employee (professional exempt, classified, or faculty) before the project begins.

Classification of Employees	Acceptable Time and Effort Reporting Systems for Employees Funded in Whole or in Part by a Federal Grant
Classified (PT and FT staff eligible for overtime or paid at an hourly rate, including student workers and workstudy students)	1. After-the-Fact Activity Report System* * Denotes RTC preferred method of reporting for each category
Professional (PT and FT staff not eligible for overtime)	1. After-the-Fact Activity Report System 2. Plan-Confirmation System* 3. Multiple Confirmation System
Professorial (tenured and non-tenured; PT and FT)	1. After-the-Fact Activity Report System 2. Plan-Confirmation System* 3. Multiple Confirmation System

Once reporting system is selected, please access the relevant RTC Time and Effort Forms (Go to the SHARED Drive/Business Office Forms/Time and Effort to open the "Time and effort after the fact Report Form" or "Time and effort plan confirmation form") to document the distribution of an employee's time on a grant for reimbursement or local match purposes. These reports provide the supporting documentation for salaries charged to sponsored projects. Without this documentation, the salaries are considered unsupported and therefore, unallowable.

## **Time and Effort Options:**

### *After-the-Fact Reporting System:*

After-the-Fact reporting should be used for all hourly and classified staff. For a blank form, go to the SHARED Drive/Business Office Forms/Time and Effort to open the “Time and effort after the fact Report Form.” Work-study students may use their timesheets as documentation. If for some reason the project director determines this form will not work, please work with the Grants and Contracts Coordinator to ensure an alternative form meets all state and federal requirements. Any after-the-fact system must report:

- Account for 100% of employees compensated time on a single, consolidated form including all federal and non-federal sources (Residual category need not be documented in detail, it may simply be the lump-sum balance of compensated time under “other” if not federally funded);
- Be completed **at least monthly**;
- Correspond to one or more pay periods;
- Log the grant-related activities performed during grant-funded time;
- Include the statement “We certify that to the best of our knowledge the above allocation of time expended performing federal program and state program duties is true and accurate;”
- Be signed by two individuals either the employee and supervisor or the supervisor and grant director, when the employee is not available for signature;
- Be verified by project director with work plans adjusted as needed to ensure accuracy;
- Be reconciled prior to the end of the grant period or fiscal year, whichever comes first, if initial payroll costs are estimated and recorded; and
- Be adjusted to actual before the end of the grant period if the variance is greater than 5%.

Submit this signed form to RTC’s Grant and Contract Coordinator by the 10<sup>th</sup> day of each month that an hourly or classified staff is working on a grant. Retain a copy of this form and log of activities/effort with grant program files.

### *Plan-Confirmation System:*

The Plan-Confirmation System should be utilized by professional exempt staff and all faculty. Classified staff may not use this form. For a blank form, go to the SHARED Drive/Business Office Forms/Time and Effort to open the “Time and Effort Report Plan-Confirmation Form.” If for some reason the project director determines this form will not work, please work with the Grants and Contracts Coordinator to ensure an alternative form (after-the-fact, certification of pay statement, multiple confirmation) meets all state and federal requirements. Any Plan-Confirmation system must report:

- Include the initial, estimated budgeted effort based on reasonable estimates of time and effort provided;
- Reflect all compensated activity for each employee as percentages of total compensated activities;
- Account for 100% of employees compensated time to include leave. Non-federal, non-match/cost sharing funds may be lumped together as “other” funding;
- Log the grant-related activities performed during grant-funded time;
- Be signed and dated in a timely manner by two individuals either the employee and supervisor or the supervisor and grant director, when the employee is not available for signature, with suitable means of verifying work was performed such as through comparison with activity log, contract and attendance record;
- Certify the reasonableness of salary **once each academic term** (each quarter) with the statement:
  - “*I certify to the best of my knowledge and belief that the salary percentage distribution for the grant projects shown above is reasonable in relation to the work performed.*”
- Be adjusted to actual before the end of the grant period if the variance is greater than 5%.

Submit this signed form to RTC’s Grant and Contract Coordinator, by the 10th day following the end of the quarter. Retain a copy of this form with grant program files.

### **Accounting for 100% of Effort**

The actual time spent on grant activities and the amount of salary charged to the grant should correspond to what was specified in the original proposal. Time and effort reports are used to **account for 100% of an employee’s effort** regardless of the actual number of hours expended on these activities. The percentage charged to the grant is the number of hours spent on grant activities divided by the total hours worked.

Important Note: There is NO such thing as a 40 hour work week cap in regard to time and effort reporting. An employee’s time includes all hours spent on the job (including work completed at home, outside of the office, etc.), regardless of what duties they may be performing. It is not acceptable to calculate actual effort percentages on the basis of a 40-hour work week. Actual effort must always be calculated and expressed as a percentage of total effort. For example, if someone works 30 hours a week on a grant project, but works 50 hours overall, the percentage of effort is 30/50 (60% effort) not 30/40 (75% effort).

### **Time and Effort Record Retention**

During the grant, the Business Office Grant and Contract Coordinator maintains original, signed time and effort forms. The programmatic records, including leveraged reports, copies of time and effort reports and logs, are retained by the grant manager. At the close of the grant, all records are consolidated in the Business Office and kept per retention requirements of either the state or the grant, whichever is the longest. Grant

managers should coordinate with the Grant and Contract Coordinator to complete this process.

### **Time and Effort System Annual Review**

The annual review of the time and effort system will be completed by September of each year, with results reported to the Grant Compliance Committee. The committee will review the report and make recommendations, if needed, for improvements to the system. Any recommended changes to time and effort policy or procedures will be presented to College Council for consideration and action, when necessary.

### **WHEN TO USE A CONTRACT FOR PERSONNEL WHO ARE NOT NEW HIRES**

- When faculty or administrators receive a flat stipend or release time.
- When faculty or administrators are compensated by the hour for work outside their normal responsibilities.
- When faculty or administrators receive an honorarium.
- When external evaluators, consultants, or mentors receive an honorarium or fee for services (and they do not have their own contract for services).

### **ANNUAL SALARY INCREASES**

Annual salary increases of grant-funded personnel will be at the same rate and given on the same schedule as college-funded employees. Administrators and classified staff receive annual increases on July 1, and faculty receive increases in mid-August at the start of the academic year.

### **PAYOUT FOR DEPARTING EMPLOYEES**

Whether during a grant or at its end, the project director must account for paying out departing employees for any accrued leave as outlined below. This will come from grant funds, so be sure to account for this when refilling a position to avoid going over budget.

#### **Vacation Leave**

Unused annual (vacation, up to 240 hours) leave at the time an employee terminates by reason of death, reduction-in-force, resignation, dismissal, or retirement is compensated at the employee's current salary rate. This process is governed by statute, collective bargaining agreement or local policy.

#### **Sick Leave**

Remuneration for unused sick leave may be received, at the rate of one day's salary for each four full days of accrued sick leave. Also, at the time of termination due to death or retirement, the employee's estate or the employee may receive remuneration for all unused sick leave at the one-for-four rate. Pay for unused sick leave at retirement is not calculated in retirement benefits.



Statutes provide for the development of Voluntary Employee Benefit Accounts (VEBA) that allow for employees to deposit, at retirement, the funds received for the remuneration of unused sick leave into an account from which medical expenses may be paid. Income and social security taxes are not deducted as the funds are deposited or withdrawn.

### **Personal Day(s)**

Any unused personal day(s) will be eliminated. There is no payout for personal day(s).

### **Benefits End**

The employer contribution toward PEBB benefits cease for employees and their enrolled dependents the last day of the month in which employees are eligible for the employer contribution under this section. If an employee works at least eight hours in a month, s/he is eligible for PEBB benefits in that month. Exception: If the employing agency deducted the employee's premium for PEBB insurance coverage after the employee was no longer eligible for the employer contribution, PEBB insurance coverage ends the last day of the month for which employee premiums were deducted.

## GRANT COMPLIANCE

### GRANT-RELATED CONFLICT OF INTEREST

As a recipient of federal funding, RTC has an ethical responsibility to identify, evaluate, and manage potential or actual Conflicts of Interest, financial or other, as related to grant-funded projects. Under the Uniform Guidance ([§200.112 Conflict of Interest](#)), “The Federal awarding agency must establish conflict of interest policies for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.”

### **Definitions**

**Conflict of Interest:** Any official action or any decision or recommendation by a person acting in a capacity related to a grant-funded project, the effect of which would be to the private pecuniary benefit of the person or a member of the person's household or a business with which the person or a member of the person's household is associated.

**Family Member:** Any person with whom a person affiliated with a grant-funded project has a familial or guardianship relationship, including but not limited to a spouse and dependent children.

**Financial Interest:** Anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interest (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights and royalties from such rights).

**Investigator:** The Principal Investigator, Co-Investigator or any other person at the institution, who is responsible for the design, conduct, or reporting of federally sponsored educational activities, or proposals for such funding.

**Significant Financial Interest:** One or more of the following interests of a person affiliated with a grant-funded project or a family member of the aforementioned person that reasonably appears to be related to his/her institutional responsibilities, cannot in any way financially benefit from involvement with a grant-funded project or other institutional involvement.

The following are not included in the term significant financial interest:

- Income from investment vehicles, such as mutual funds and retirement accounts, provided these accounts are managed by a third party.
- Salary, royalties, or other payments made by RTC.
- Income from seminars, lectures, or teaching engagements sponsored by public or non-profit entities.
- Income from service on advisory committees or review panels for public or nonprofit entities.

## **Policy**

RTC encourages and supports outside interactions of its faculty, staff, and student employees with federal, state, and local governments, community organizations, non-profit groups, and business and industry as important parts of their research, teaching, and community engagement activities. However, maintenance of the public's trust is critical to the mission and reputation of RTC. It is vital all members of the College community demonstrate that they hold themselves to the highest ethical standards, including the disclosure of their participation in any activity that will result in financial, professional, or personal benefit and may be construed as a Conflict of interest.

RTC's approach to identifying, evaluating and managing potential Conflicts of Interest, does not attempt to illustrate all possible situations that require disclosure. All persons related to grant-funded projects are expected to be vigilant and ethical in all dealings in order to ensure any potential conflicts are addressed quickly and appropriately.

## **Guidelines**

The College, as a government entity, must maintain written procedures of conduct covering Conflicts of Interest and governing the performance of its employees engaged in the selection, award, and administration of contracts using federal funds. No employee, officer, or agent of the College may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest.

Such a conflict of interest would arise when an employee, officer, agent, or any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or may receive a tangible personal benefit from a firm considered for a contract.

The College promotes integrity in projects or programs supported by federal funds by establishing standards and procedures to ensure, to the extent possible, that any significant conflict of interest, financial or other, that could directly and significantly affect the design, conduct, reporting, or regulatory review of a research project at the College does not bias such research project. Consistent with federal regulations ([§200.112 Conflict of Interest](#)) dealing with objectivity in research and investigatory financial disclosure procedures, this policy shall seek to manage significant conflicts of interest, financial or other, in order to minimize the potential harm that could result either from financial conflicts that actually impair the judgment of an Investigator or from the appearance that the judgment of an Investigator has been or will be impaired. Each Investigator must disclose to RTC any significant conflict of interest, financial or other, that is related to his or her responsibilities.

## **Investigators**

All Investigators, or other employees receiving grant funding outside of their primary salary, must disclose their significant financial interests or any other conflict of interest related to the Investigator's responsibilities to the College and all other institutions to which the investigator has a duty under federally funded research proposals, at least two weeks prior to federal grant submission. Financial disclosures must be updated during the period of the award, on an annual basis or as new reportable significant financial interests are obtained. All disclosure forms should be submitted to RTC's Ethics Officer (the Executive Director for Human Resources) for review and determination and to the Grants Director for record-keeping and disclosure to funder, when necessary.

## **Investigator Travel**

Investigators, or other employees receiving grant funding outside of their primary salary, must also disclose reimbursed or sponsored travel related to their federal grant responsibilities. Such disclosures must include, at a minimum, the purpose

of the trip, the identity of the sponsor/organizer, the destination, the duration, and, if known, the monetary value.

### **Conflict of Interest Disclosure**

Employees are expected to comply with any applicable requirements pertaining to conflicts of interest in their federally-sponsored projects.

Before any project is proposed to a sponsor, investigators are required to certify they have appropriately disclosed any conflict of interest related to that proposal, including significant financial interests that would reasonably appear to be affected by the proposal activities. This certification is required by all Investigators and grant-related staff as a part of the grant award review process.

If required by a sponsor, the Grant Director will report the existence of any conflict of interest, financial or other, to the appropriate sponsor contact prior to the expenditure of any sponsor funds, and provide assurance that the interest has been managed, reduced or eliminated. If a conflict is identified after this initial report, another disclosure must be made to the Grant Director within thirty days of that identification, and such conflict must also be managed, reduced or eliminated within thirty (30) days of that identification. If required by the sponsor, the sponsor shall be provided with a supplemental report detailing this conflict and its management.

If it is determined that a conflict of interest, financial or other, cannot be satisfactorily managed, the Grant Director will notify the appropriate sponsor contact if required.

### **Review and Notifications**

Any grant investigators will submit conflict of interest forms to the Ethics Officer and the Director of Grants at least two weeks prior to a grant submission and on the annual start date of any funded federal grants. The Ethics officer will review financial disclosures, determine whether a conflict of interest exists, and determine what conditions or restrictions, if any, should be imposed by the institution to manage, reduce, or eliminate such conflict of interest. A conflict of interest exists when the reviewer(s) reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, or reporting of federally-funded research or educational activities.

Examples of conditions or restrictions that might be imposed to manage, reduce, or eliminate conflicts of interest include, but are not limited to:

- Public disclosure of significant financial interests;
- Monitoring of projects by independent reviewers;
- Modification of the grant plan;

- Disqualification from participation in the portion of the federally-funded research that would be affected by significant financial interests;
- Divestiture of significant financial interests; or
- Severance of relationships that create conflicts.

If the reviewer determines that imposing conditions or restrictions would be either ineffective or inequitable, and that the potential negative impacts that may arise from a significant financial interest are outweighed by interests of scientific progress, technology transfer, or the public health and welfare, then the reviewer may allow the project to go forward without imposing such conditions or restrictions (as [allowed by the NSF](#)).

Any conflicts of interests the College is unable to satisfactorily manage must be reported to the relevant federal agency office, such as NSF's Office of the General Counsel.

### **Retrospective Review**

In addition, if it is determined that a conflict of interest was not identified or managed in a timely manner, including but not limited to an investigator's failure to disclose a significant financial interest that is determined to be a conflict of interest, or failure by an Investigator to materially comply with a management plan for a conflict of interest, a retrospective review of the investigator's activities and the research project will be conducted to determine whether the research conducted during the period of non-compliance was biased in the design, conduct, or reporting of the research.

Documentation of the retrospective review shall include the project number, project title, name of investigator with the conflict of interest, name of the entity with which the investigator has the conflict of interest, reason(s) for the retrospective review, detailed methodology used for the retrospective review, and findings and conclusions of the review.

### **Administration and Record-Keeping**

The Grant Director will administer this policy to the extent that a conflict of interest, financial or other, is grant-related, and maintain records of all filed disclosure forms and associated documents, including, but not limited to, documentation of actions taken by College administrators and committees to eliminate, reduce and/or manage conflicts of interest. All such records will be retained for a period of three years beyond the termination or completion of the grant to which they relate, or until the resolution of any federal agency action involving those records, whichever is longer.

Prior versions of this policy will be kept for three (3) years after date of revision.

## **Sanctions**

Failure to comply with this policy may subject an employee to corrective action as appropriate under any applicable collective bargaining agreement, up to and including dismissal.

When sanctions involve a conflict of interest that includes a federally-funded research or scholarship project, the College will also take any action required by the funding sponsor.

Additional sanctions may apply under applicable State Board of Community and Technical Colleges policies and state and federal law.

Violations of this policy must be reported to Human Resources or to the Grants Office.

## **Reviews**

An employee may request a review of a decision regarding a conflict of interest to the College President, or assigned designee. All requests for reviews shall be initiated in writing within five (5) business days of decision notification. The request for review shall set forth pertinent facts. If the conflict involves an employee other than a faculty member the College President, or assigned designee, shall consult with the Vice President for Administration and Finance. The employee will be notified of the decision of the College President, or assigned designee, within ten (10) business days of the request for review. The decision rendered by the College President, or assigned designee, is final.

## **Public Accessibility**

Unless otherwise required by Washington's Public Records Act, the College will publish its conflict of interest policy on the RTC intranet.

The College will respond within five (5) business days to any request for public information concerning a significant financial interest that meets the following criteria:

- The significant financial interest was disclosed and is still held by the senior and key personnel; or
- A determination has been made that the significant financial interest is a conflict of interest.

## **GOVERNMENT ACCOUNTABILITY OFFICE (GAO) RISK CRITERIA**

In a GAO Report, of the \$600 billion awarded in federal grants, they found that \$100 billion was improperly paid. Uniform Guidance and increased attention on compliance is

now in place to reduce waste, fraud, and abuse. According to the GAO, there are particular red flags on grants that elevate an entity's risk potential when being considered for future funding. These include:

- Absence/trouble maintaining key personnel.
- Lack of knowledge or commitment from administrators in program activities.
- Institution fails to honor proposed commitments.
- Administrators disagree and cannot resolve issues.
- Grantee requests for assistance from Agency to resolve internal problems.
- Grantee cannot readily provide project information.
- Institutional reports indicate problems.
- Grantee does not follow through on proposal.
- Institution has problems managing other federal grants/funds.
- Inconsistencies with reported grant information.
- Grantee has slow or fast drawdowns (Avoid "dumping" money at end of grant period, in particular).
- Funds are not being expended at the rate expected by project activities and timelines.
- Grantee has difficulty expending awarded funds.
- Significant carryover of funds from one year to the next without adequate explanation.
- Lack of knowledge of the College's and the agency's view of carrying funds forward from year to year.

The decision was the higher the risk, the more likely they will waste, commit fraud, or misuse these funds, so now grants must go through a risk assessment before awarding any funding to a grantee ([Uniform Guidance 2 CFR § 200.205](#)).

#### FEDERAL AWARDEE PERFORMANCE AND INTEGRITY INFORMATION SYSTEM (FAPIIS)

FAPIIS is a federal database intended to serve as a government-wide source of information about the prior performance of federal procurement contractors, grantees, and cooperative agreement holders. Initially created for federal contracts in 2010, it now applies to all federal grants as well. Every agency will be required to enter information about: (1) each decision not to award a grant or cooperative agreement to a particular entity when such decision is made on the basis of the agency's risk assessment, (2) problems with grant management (e.g. under or overspending grants, turning in reports late, problems with site visits), and (3) information about each termination of a federal award. Auditors will also enter information about audit findings. These notations remain **for five years**.

Prior to awarding new grants, every federal agency will be required to check FAPIIS as part of its risk assessment ([Uniform Guidance 2 CFR § 200.205](#)). This means that you may score high enough in the review of a grant to get funded, but then you must make it through a risk assessment review **before** an agency can award the College funds. So past performance on unrelated RTC grants will impact other federal funding moving forward. As noted above, if a grantee is deemed high risk, a funder must note that in FAPIIS. A denial on one grant or serious findings on an existing grant **will impact all federal funding** to the College for at least **FIVE** years.

Recipients and potential recipients have certain rights to comment on agency entries, contest erroneous entries or request updates when audit findings are corrected. BUT there is no formal appeal process and additions typically show up as another entry rather than removal of the initial concern. RTC should routinely examine [FAPIIS information like a credit report](#), and grant managers should never miss an opportunity to review and comment upon a proposed entry from the agency or auditor.

#### GRANT COMPLIANCE BEST PRACTICES

To avoid being cited in FAPIIS, be sure to:

- Review the Risk Criteria and avoid any of these red flags.
- If you have any finding from an audit or site visit, make sure you correct it quickly and sufficiently. Notify the lead grant or funding agency as soon as it is corrected.
- Remember that every grant is an ambassador for the next one. Risk assessment means we all impact each other. We have to work together in being responsible, so if you have questions or concerns, get help before it goes too far.
- Attend Grant Compliance Committee meetings, which provides a forum for sharing templates, best practices and lessons learned.

#### GRANT COMPLIANCE COMMITTEE

The Grant Compliance Committee meets the second Tuesday of every month from 1-2 p.m. in Room C-113. This group is comprised of RTC's current grant project managers, the Director of Grants, the Grant and Contract Coordinator, the Vice President for Administration and Finance, other grant-funded staff, and deans who oversee grant-funded projects.

The primary objective of the group is to support one another in the management of grant-funded projects as well as ensure the College's externally funded projects are in compliance with state and federal regulations. We share best practices, discuss challenges currently faced in managing grant-funded projects and solutions to those challenges, and most of all, strive to be better stewards of externally-funded projects.



Typically, the first meeting of the quarter is focused on project updates with subsequent meetings focused on grant-related training.

## GRANT EXPENDITURES

The project director is responsible for ensuring that costs are necessary, reasonable, allocable, and allowable before expenses are incurred (refer to **Grant Regulations** in the **Getting Started** section). Questions may be directed to the Director of Grants or the Business Office (Grant and Contract Coordinator).

It is essential that the project director include the correct organization and account numbers from the budget key provided by the Business Office on ALL documentation to ensure purchases are charged to the appropriate grant and against the appropriate budget line item.

### ALLOWABLE COSTS POLICY AND PROCEDURE

In compliance with the Office of Management and Budget (OMB) [Uniform Guidance](#), this policy provides the institutional standard for determining how direct costs are budgeted in proposals and charged to grants, contracts, and other sponsored awards.

This policy applies to any employee who charges an expense to RTC grants and contracts for any Notice of Award issued to the College on or after December 26, 2014. Notices of awards issued to RTC before that date should refer to their grant's latest Terms and Conditions section to determine whether the award is now subject to Uniform Guidance.

Direct costs are those costs that can be identified specifically with a particular sponsored award or that can be directly assigned to multiple sponsored awards relatively easily with a high degree of accuracy. Each cost must follow federal guidelines and be: allowable, allocable, necessary, reasonable, and consistently treated as defined below. RTC treats all like costs the same, whether they are benefitting a federal award or a non-federal funding source. There are certain expenses that may be unallowable as direct charges to federal awards that certain non-federal sponsors consider allowable. The terms and conditions of the specific award and/or the guidelines of the individual non-federal sponsor will prevail. In the absence of clear guidance from the individual sponsor, RTC will follow Uniform Guidance allowability rules as described in this policy.

For a full listing of allowable and unallowable costs, please refer to [Uniform Guidance 2 CFR §200.420 – §200.475](#).

## Definitions

- A. Direct Costs** [Uniform Guidance 2 CFR §200.413](#) are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (Facilities & Administrative – F&A) costs.
- B. Indirect Costs** [Uniform Guidance 2 CFR §200.56](#) are those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect (F&A) costs. Indirect (F&A) cost pools must be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.
- C. Allowable** [Uniform Guidance 2 CFR §200.403](#) costs must meet the following general criteria in order to be allowable under federal awards (except where otherwise authorized by statute):
- a) Be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles.
  - b) Conform to any limitations or exclusions set forth in these principles or in the federal award as to types or amounts of cost items.
  - c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-federal entity.
  - d) Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.
  - e) Be determined in accordance with general accepted accounting principles (GAAP)
  - f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or prior period.
  - g) Be adequately documented.
- D. Reasonable** [Uniform Guidance 2 CFR §200.404](#) costs are those that, in their nature and amount, do not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.
- E. Allocable** [Uniform Guidance 2 CFR §200.405](#) costs are those that are allocable to a particular federal award or other cost objective if the goods or services involved are chargeable or assignable to that federal award or cost objective in accordance with relative benefits received.

## **Procedure**

The project director ensures that the budget and expenditures are consistent with the Uniform Guidance, funding agency guidelines, the terms of the grant contract and sub-recipient memoranda of understanding, when applicable, throughout the life of the project from the proposal stage to award closeout. This includes ensuring that all direct costs are allowable, reasonable and allocable (as defined in the policy above) and that direct charging of costs generally supported as indirect, or other costs requiring such, have prior sponsor approval. The project director is responsible for ensuring adequate internal controls are in place to reasonably ensure compliance with this policy. Further, the director is responsible for covering the costs determined to be unallowable.

## **MONITORING EXPENDITURES**

The project director is responsible for regularly monitoring the expenditure of grant funds in accordance with the funding agency's regulations and the approved budget and grant activities. Grant expenditures posted in the FMS administrative computing system should be reviewed at least monthly and compared to project records to ensure that the correct expenses are charged to the grant. Business Office staff can provide training in viewing grant budgets online and in printing budget reports. If there are any discrepancies between the FMS postings and project records, the project director should contact the Business Office staff (Grant and Contract Coordinator) for resolution.

Grant funds should be spent in a timely manner throughout the year in accordance with the grant's timeline of activities. Large amounts of unobligated funds remaining in the fourth quarter of the grant's fiscal year should be avoided. Project directors should make every effort to spend as much of the grant funds as possible without exceeding the budget. Generally, obligations on federal grants should be liquidated or paid no later than 90 days after the grant's end date.

Purchase requisitions should be entered in FMS no later than 30 days before the end of the grant to allow time for the purchase orders to be submitted and purchases to be received before the grant ends and for payment of invoices to be made before the closing date of the grant. However, for those grants ending June 30, all purchase requisitions should be completed no later than May 15 so that the Business Office will be able to finalize transactions and close the College books in time for the annual audit after the end of the fiscal year.

The project director or project assistant should be especially watchful of items that have been ordered but not received. When this happens, it is important to follow up with the vendor before too much time has lapsed so that the items can be re-ordered (if necessary), received, and used during the grant period. Follow-up is even more critical near the end of a grant to ensure payment of the items can be made before closing out the grant.

Business Office staff (Grant and Contract Coordinator) will monitor spending on all grants each quarter during the year and then monthly near the end of a grant to ensure that grant funds are being spent in a timely fashion. Grants having fewer than expected expenses and large balances in a particular quarter will be flagged, and the Grant and Contract Coordinator will follow up with project directors to encourage spending of funds and determine why funds are unspent. Of course, there may be legitimate reasons for large balances, and these reasons should be noted in any reports the project director or Business Office staff must submit to the funding agency. The Business Office will contact the Director of Grants if there are unresolved problems. The project director may need to transfer funds from one category to another or submit a budget revision request to the funding agency for approval.

## PROCUREMENT OF GOODS AND SERVICES

For specific procedures for purchasing, please refer to [3.2 Purchasing Procedure](#) (RTC Policy Chapter 3, Section 2). Within this link, you can also find links to a Limited Source Affidavit and Professional Services Contract template.

## OFFICE SUPPLIES

Routine office supplies are normally obtained from and through the RTC Bookstore. College imprinted stationery can be purchased in person at the RTC Bookstore. When signing the receipt, the grant organization and account number should be included.

## END-OF-YEAR PURCHASING

Unusually large purchases should not be made at the end of the project as this will appear to be a last-minute attempt to use up remaining grant funds, and the need for these purchases to complete project activities could be questioned by the funding agency. This could also result in a determination of the College as a high risk grantee, limiting the ability to secure future federal funding. Furthermore, items should not be ordered near the end of the grant's funding period so that obligations can be liquidated in a timely manner after a grant ends. Work with the Business Office to determine appropriate timelines for purchasing.

## EQUIPMENT AND INSTRUCTIONAL MATERIALS

As per the Uniform Guidance ([2 CFR §200.33](#), formerly OMB Circular A-21), equipment purchases on a federal grant must have prior approval of the funding agency (i.e. be listed on the approved budget), unless this requirement has been waived by the funding agency. During the funding period, approval may be required to change the equipment items, purchase additional equipment not on the approved budget, or increase the quantity of approved equipment. The project director should refer to the program regulations to see whether a written request and approval are needed to make such changes (see **Project Revisions** section). Approval may also be required for state or state-administered grants. All budget modifications must be reviewed by the Director of

Grants and the Business Office (Grant and Contract Coordinator) prior to submitting the request to the funding agency.

Federal regulations ([2 CFR §200.33](#)) define equipment as an article of tangible, personal property having a useful life of more than one year and a per unit acquisition cost of \$5,000 or more per unit, or a lower limit may be established to be consistent with the recipient institution's capitalization level, whichever is lower. The College's capital assets policy (refer to RTC's *Capital Assets Policies and Procedures*) defines equipment as a capital asset if it is above the capitalization threshold (currently, \$5,000 or more). The purchase price, transportation costs, installation costs, value received from a trade-in, and any other direct expenses incurred in obtaining the asset must be included when determining the value of equipment.

If a grant capital equipment policy threshold differs from the College policy, the more stringent will apply.

When funders such as corporations and foundations do not specify a cost threshold for defining equipment, the College's capitalization threshold will be followed. Purchases of computers and computer-related technology should be made through RTC's IT Department.

Existing equipment that the College provides for a grant program is considered an expenditure. A depreciation charge or use allowance may be taken for equipment already owned by the College. The cost of a lease agreement for leased equipment may be prorated for the program's usage.

Small and attractive equipment (computers, tablets, etc) are tagged for inventory control purposes and identified in the College's Capital Asset System. Federal regulations require a biennial physical inventory of equipment. The inventory is initiated by the Business Office.

The project director is responsible for equipment purchased under the grant and is referred to as the "custodian" of the equipment. Custodians have responsibility for making sure the equipment is used for its intended purpose; knowing where the equipment is located; informing the Business Office if the equipment is transferred to another location; obtaining approval from the Business Office before disposing of the equipment; notifying the proper authorities if the equipment is found to be damaged, lost, or stolen; and informing his/her supervisor of the equipment upon leaving the position or the College.

The primary use of equipment purchased under a federal grant should be for the activities of that grant. However, when the equipment is not being used for the project or program for which it was acquired, it may be used for other projects or programs if the use does not interfere with the work on the grant for which it was acquired.

## DISPOSITION OF EQUIPMENT

The terms and conditions of the grant award should be followed for the disposition of equipment purchased on a grant. Federal regulations state that equipment may be used in the project or program for which it was acquired for as long as it is needed whether or not the project or program continues to be supported by federal funds. When no longer needed for the original project or program, the equipment may be used in connection with other federally-sponsored activities in the following order of priority:

1. Activities sponsored by the federal agency which funded the original project.
2. Activities sponsored by other federal agencies.

**When the College no longer needs federally-funded equipment, there are no requirements for the disposal of the equipment unless the current per unit fair market value is \$5,000 or more. In that case, the federal agency should be contacted for disposition instructions.**

When disposing of grant equipment, the project director should first obtain approval from the Grants and Contracts Coordinator who will explain the process.

## CONTRACTED SERVICES AND CONSULTANTS

After a contract has been developed for contracted or consulting services (see **Consulting Fees, Participant Stipends, and Honoraria** for process), the project director should complete an online purchase requisition so that a purchase order can be issued to the individual or organization providing the services. Please refer to the [3.2 Purchasing Procedure](#) for more information.

If a full-time or part-time employee of the College is to be paid in a consulting capacity for work to be performed for the grant, the employee must be paid through a payroll account and not as an independent consultant, even if the employee has his/her own business. This regulation also applies to adjunct faculty except in cases where the adjunct faculty member is not currently teaching during the quarter when the consulting work will be completed. Employees are to be issued contracts for work above and beyond their normal workloads (see **Grant Personnel** section).

## TRAVEL

As an agency of the State of Washington, Renton Technical College must comply with state regulations regarding the reimbursement for college related travel expenses, as detailed in the [State Administrative & Accounting Manual, Chapter 10](#). Failure to comply with these rules and regulations may result in your request for reimbursement being reduced, delayed, or denied. For specific instructions and forms for travel, go to the SHARED Drive/Business office forms/TRAVEL FORMS.

## SUPPORT SERVICES

If grant funds are used for postage, duplicating, or word processing, the project director **MUST** ensure that any materials printed using federal funds contains a disclosure statement identifying the federal funds and the percentage used for the cost of printing.

## SUBRECIPIENTS

In the event of RTC serving as the lead college in a consortium grant, the project director and Business Office staff will work together to review grant guidelines and create policies regarding subrecipient roles and responsibilities.

## GRANT BUDGET SPECIAL CATEGORIES

### INDIRECT COSTS

Indirect costs, or facilities and administrative (F&A) costs, are costs that benefit multiple programs and cannot be readily associated with one specific program or activity. For example, expenses for accounting, purchasing, human resources, facility operation and maintenance, are covered through indirect costs. The indirect cost rate is used to distribute indirect costs to each project. RTC's federally negotiated indirect cost rate is 45% on direct salaries and wages, excluding fringe benefits.

Costs associated with facilities generally include, but are not limited to:

- Depreciation and use allowances;
- Interest on debt for buildings;
- Equipment and capital improvements;
- Operation and maintenance; and
- Library expenses.

Costs associated with administration generally include, but are not limited to:

- General administrative and general expenses;
- Departmental administration;
- Sponsored projects administration;
- Student administration and services; and
- Other types of expenditures.

The Business Office is responsible for calculating indirect cost rates and applying to the federal government for a negotiated federal indirect cost rate that may be used on federal grants, if eligible, and may be acceptable for some corporate or foundation grants. Some federal programs have restrictions on the indirect cost rate that can be used. For example, the maximum rate to be used on U.S. Department of Education training grants is 8% on total modified direct costs (total costs – equipment – tuition and fees= TMDC). On federal grants, a rate in effect at the time an award is made remains in effect throughout the life of the award.

For the majority of federal grants, indirect costs may not be taken on participant stipends, capital expenditures, including equipment, or the portion of each subaward in excess of \$25,000. If a federal grant includes partnering organizations as subrecipients, the fiscal agent (prime recipient) may take indirect costs on its own direct costs and also on the first \$25,000 of the direct costs incurred by each subrecipient. Furthermore, the subrecipient may also take indirect costs on its own direct costs.

State, corporate, and foundation grants may have limitations on the amount of indirect costs charged to a grant. If not, the federal negotiated rate or a rate provided by the Business Office may be acceptable on grant budgets. There may also be limitations on the categories of direct costs for which the indirect cost rate may be applied.

Costs included in the indirect cost calculation cannot also be claimed as direct line item costs on a grant budget. In addition, the manner in which costs are charged to a grant, whether as direct or indirect costs, must be consistent across all grants. For example, if accounting costs have been factored into the indirect cost rate calculation that is used on one grant, these costs cannot then be listed as a direct line item expenditure on another grant. Also be careful in considering F&A expenses as a match for a grant that may in fact come out of indirect costs.

The term “administrative costs” may be defined differently from one grant program to another. For some grants, administrative costs may include both direct and indirect costs that support program management. For other grants, administrative costs can only be direct expenses that are associated specifically with a particular grant. For state and nongovernmental grants the term “administrative costs” may be more or less equivalent in meaning to the term indirect costs on federal grants. Refer to the proposal guidelines or applicable regulations for a specific definition of this term.

Indirect Costs are based on the RTC Indirect Cost Letter and what was submitted in the Grant Proposal. Ultimately what the funding agency allows determines what RTC will allocate to indirect. These costs are charged to the grant and placed in a special budget for which the VP of Finance & Administration designates the usage on institutional expenses. Each quarter, the Business Office (Grant and Contract Coordinator) will calculate the applicable indirect costs that may be charged to a grant, based on the approved budget and grant program regulations, and post the amount to the grant in FMS.

## DOCUMENTATION OF LOCAL MATCH

Grants that require local match—a contribution from the College or third party toward the total cost of the project—must have documentation on file as evidence of the local contribution. Cash match is a direct outlay of funds for grant activities. For example, when the College contributes a percentage of the salary and benefits for grant-funded personnel or supports half the cost of equipment purchases. In-kind match is the use of existing resources to support a grant project. For example, the cost of facility usage, postage and duplicating costs, a percentage of existing personnel’s salary and benefits



in proportion to the amount of time spent on the project, unrecovered indirect costs (i.e. indirect costs not charged to the grant), or third party contributions of services or assets donated without charge for grant activities. Some funding agencies consider all contributions by the grantee as a cash outlay and only donations by third parties as in-kind contributions.

Match or cost share on federal grants is the portion of project costs not supported by federal funds (i.e. nonfederal share). Federal regulations are usually more stringent than those of other funding sources when it comes to what is acceptable as local match.

- Generally, federal funds cannot be used to match funds from another federal grant program. The only time federal funds can match another federal grant is when the authorizing law for each program specifically states that it is allowable. On the other hand, funds from nonfederal grants for expenditures that are directly related to the activities of the federal grant may be used as match for the federal grant.
- Costs for match are allowable only if the costs would be allowable for federal reimbursement. For example, if construction costs are not fundable on a federal grant, then construction expenditures borne by the applicant cannot be used to meet the matching requirement.
- A cost used to match a federal grant cannot be used again to match another federal grant. In other words, matching funds may be counted only once. If the expenditure benefits more than one program, the cost must be prorated so that each program receives a share.
- A cost cannot be claimed as both a grant-reimbursed cost and as a local match expenditure.
- Unrecovered indirect costs (i.e. indirect costs not reimbursed with grant funds) may be used as match only with the prior approval from the funding agency.
- The local match may need to be secured within a certain timeframe, which is usually the grant period. On occasion a specified period of time before the start date and/or after the end date may be allowable.

***Documentation of local match is the responsibility of the project director.***

A local match documentation report should be completed and signed by the project director and the project director's supervisor for all college-paid expenses that will be used to fulfill the matching requirements of the grant. The expense may be a purchase of equipment or supplies, travel, consulting services, contracted services, advertising, contracted printing, hospitality, etc. The item should be identified, along with the College cost center for which the expense was charged and the grant cost center for which the expense will be used toward local match. RTC does not have a standardized local match form since requirements vary from grantor to grantor. If one is not provided by the grantor, work with the Grant and Contract Coordinator to develop one to meet the grantor's requirements.

Once created, the completed form should be forwarded to the Business Office (Grant and Contract Coordinator). The Business Office (Grant and Contract Coordinator) will

be responsible for distributing and collecting Time and Effort Reports documenting the contribution of faculty and staff time and including this expense in financial reports to the funding agency.

Local match documentation forms, along with accompanying documentation, should be forwarded to the Grant and Contract Coordinator with the quarterly invoice.

#### VALUING TIME OF RTC FACULTY AND STAFF

If allowable, per the grant program guidelines:

- The percent of an administrator's salary proportional to the percentage of time devoted to the grant may be calculated for the local match. The time **must** be reasonable and accurate.
- Faculty program coordinators may have a reasonable percentage of their coordinator's release time contributed toward local match if this percentage of time is truly devoted to the grant project. Other faculty may have release time granted by the College to work on the project counted toward local match.
- Faculty may volunteer "overload" time to a project for which they have donated time over and above their normal workload. The time may be valued at either the non-teaching hourly rate or the overload teaching rate per the faculty contract.
- Administrators can only donate time above and beyond their normal workload if the grant responsibilities are unrelated to their current position. The time may be valued at the established college rate for the work being done (e.g. hourly tutoring rate if the administrator is tutoring students).

By running reports from PPMS and FMS, the Business Office can assist the project director as needed in identifying the total time allocated to grants by individual faculty and staff members who are contributing time toward local match or having time reimbursed on grants so that unreasonable, excessive amounts of time per year for a faculty or staff member are not allocated to grants.

#### VALUING EXISTING EQUIPMENT AND FACILITIES COSTS

If any of the College's existing equipment and facilities used for the project are part of the indirect cost calculation, they cannot be used as a direct line item for matching purposes. Refer to the terms of the grant and RTC policy, directing questions to the Director of the Business Office.

#### VALUING THIRD PARTY IN-KIND CONTRIBUTIONS

##### **Employees of Partnering Organizations**

The cost of services of employees in a partnering organization is the amount the organization pays its staff members and its fringe benefit rate.

## **Volunteers**

The cost of services of volunteers is a value equal to the cost if the labor were for hire. In other words, the cost is the value for the nature of the service, not the qualifications of a volunteer. For example, an accountant's time for helping with mailings would be valued at the cost of clerical support; whereas, an accountant's time for providing accounting services would be valued at the cost to hire an accountant.

Independent Sector provides estimates each year of the dollar value of volunteer time per hour. The value of volunteer time is based on the average hourly earnings of all production and nonsupervisory workers on private nonfarm payrolls (as determined by the Bureau of Labor Statistics). [Independent Sector](#) takes this figure and increases it by 12% to estimate fringe benefits.

The [U.S. Department of Labor, Bureau of Labor Statistics](#) also has hourly wages by occupation that can be used to determine the value of a specialized skill.

The Points of Light Institute has created the [Economic Impact of Volunteers Calculator](#) as a means for calculating a realistic economic value of volunteer time based on the value of the volunteer's specific tasks, as determined by the U.S. Department of Labor.

## **Supplies**

Supplies are valued at the actual cost.

## **Equipment and Facilities**

For donated equipment and facilities (the College becomes the owner), the value for matching purposes may be either the current fair market value, if approved by the awarding agency, or the depreciated value, with the cost prorated based on the amount of time the equipment and facilities are used for the grant project. Transportation and installation costs should be included when valuing the donated asset. If the donation may be valued at greater than \$5,000, contact the Director of the Business Office for an evaluation.

For federal grants, the Office of Inspector General may require that only the depreciated value of the facilities be claimed, not the fair market value. Also, if the donor has taken depreciation on equipment for tax purposes, then only the depreciated value of donated equipment may be claimed.

If ownership does not change and usage by the College is only for the period of the grant, the value is calculated at the cost of renting.

The RTC Foundation should be contacted whenever gifts are received to ensure the gift is recorded and the proper value is assigned to the gift.

## LEVERAGED RESOURCES

Some federal agencies may require or request that leveraged resources be included in a grant proposal to show the commitment to the project by the grantee and other organizations. Although it is not defined in regulations or any administrative requirements, the term “leveraged resources” usually refers to contributions in addition to the grant funds that will support the project. The Employment and Training Administration (ETA) of the U.S. Department of Labor defines leveraged resources as all resources used by the grantee to support grant activity and outcomes, whether or not those resources meet the standards required for match. ETA allows other federal funds to be included in leveraged resources; however, the authorizing laws of other federal programs must specifically state that this is allowable.

**NOTE: Federal auditors may treat leveraged resources as local match with the same requirements as local match.**

The same documentation provided for local match should be provided for leveraged resources committed in the grant proposal by the College, subrecipients, and partners. Leveraged resources should be valued in the same manner as local match is valued.

## PROGRAM INCOME

Program income, or revenue derived from federal grant activities, includes income from fees for services performed, from the use of rental of real or personal property acquired with grant funds, from the sale of commodities or items fabricated under a grant agreement, and from payments for principal and interest on loans made with grant funds.

It does not include interest of grant funds, rebates, credits, discounts, refunds, and interest earned on any of them. Interest on advances, proceeds from the sale of real property or equipment, and patent and copyright royalties are not considered program income. There are subject to special rules.

Program income can be used in one or more of the following ways:

1. Addition: Added to project funds and used to further the project’s objectives.
2. Cost Sharing: Used to meet the cost sharing or matching requirement (nonfederal share).
3. Deduction: Deducted from the total project allowable cost in determining the net allowable costs on which the federal share of costs is based.

Since the treatment of program income varies from federal agency to federal agency and program to program, the grant program guidelines should always be followed. If the awarding agency does not specify how program income is to be used, the third use (deduction) will apply automatically to all projects except research. For research projects, the first use (addition) will apply automatically.

Costs incurred in the generation of program income may be deducted from that income to determine the final program income, provided these costs are not charged to the grant.

## TRANSFER OF FUNDS

Generally, small amounts of funds may be transferred from one budget category to another category already included in the budget for activities approved in the grant proposal. The project director or project assistant should notify Business Office staff (Grant and Contract Coordinator) via email about the transfers they wish to make. The Business Office (Grant and Contract Coordinator) will post the budget revisions in FMS.

There are times when more extensive budget revisions are necessary and may require prior approval by the funding agency. The Director of Grants will work with the project director to revise the budget, if necessary (refer to the **Project Revisions** section).

## CARRYOVER OF FUNDS

Carryover of funds from one year to the next is generally allowable on multi-year grants. Business Office staff (Grant and Contract Coordinator) will roll over any end-of-year balances to the same budget categories in the next year. Again, it is important that funds remaining at the end of a grant year be kept to a minimum as evidence that grant activities are being implemented as described in the grant proposal.

If approval is needed from the funding agency, the project director should work with the Director of Grants to submit the request.

## SINGLE AUDIT

An annual audit, or “single audit,” is required if an institution receives more than \$500,000 in federal funds per year. The College’s contracted auditing firm conducts the required federal single audit when the College’s books are audited each year.

Per Uniform Guidance [2 CFR §200.100\(d\)](#), after the single audit is conducted, the auditor must submit to the Federal Audit Clearinghouse a federal data collection form and the reporting package that consists of the audited financial statements, schedule of federal awards, summary schedule of prior audit findings, auditor’s report, and corrective action plan.

## PROJECT REVISIONS

The project director usually has the authority to make changes to project activities and the budget unless the revisions require prior approval as outlined below. It should be noted that communication with the program officer throughout the duration of the project

will not only apprise the program officer of the project's progress, but also ensure the project is in compliance with funding agency regulations.

## NEED FOR PRIOR APPROVAL

As specified in [Uniform Guidance 2 CFR §200.407](#), the following changes on a federal grant require prior approval by the funding agency:

1. Change in the scope or objectives of the project;
2. Change in key personnel specified in the application or award document, such as absence for more than three months, or a 25% reduction in time devoted to project, by the approved project director or principal investigator;
3. Need for additional federal funds;
4. Transfer of amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa, if approval is required by the federal awarding agency;
5. Inclusion, unless waived by the federal awarding agency, of costs that require prior approval in accordance with [Uniform Guidance 2 CFR §200.407](#);
6. Transfer of funds allotted for training allowances (direct payment to trainees) to other categories of expense; and
7. Unless described in the application and funded in the approved award, the subaward, transfer, or contracting out of any work under an award.

Except for requirements listed in 1 and 4, the federal funding agency may waive other prior written approvals, per the Expanded Authorities Amendments of 1998 giving more freedom for revisions with no prior approvals needed. The funding agency also has the authority to allow:

1. Pre-award costs 90 calendar days prior to the award or more than 90 calendar days with the prior approval of the federal awarding agency.
2. A one-time extension of the expiration date of the award of up to 12 months (must request in writing at least 10 days before the expiration date) unless one or more of the following apply:
  - The terms and conditions of the award prohibit the extension.
  - The extension requires additional federal funds.
  - The extension involves any change in the approved objectives or scope of the project.
3. Unobligated balances to be carried forward to subsequent funding periods.

The federal funding agency may restrict the transfer of funds among direct cost categories or programs, functions, and activities for grants in which the federal share of the project exceeds \$100,000 and the cumulative amount of such transfers exceeds 10% of the total budget as last approved by the funding agency.

Per [Uniform Guidance 2 CFR §200.407](#), equipment must have prior approval of the federal funding agency, unless this requirement has been waived by the funding agency. Some federal grant programs will require written approval for any increases in the quantity of the equipment on the approved budget or for the purchase of additional

equipment items not listed on the approved budget (see **Equipment and Instructional Materials** section for more information).

The project director is responsible for ensuring that budget revisions are in compliance with federal regulations. When in doubt about project revisions, the project director should contact the Director of Grants who will determine whether the funding agency should be contacted for guidance. For federal grants, initial contact with a program officer about prior approval can be made by phone or e-mail. If the program officer determines that prior approval is needed, the request for revision should be made in writing to the funding agency or through the funding agency's electronic reporting system, according to the requirements of the funding agency.

If the request must be made in letter form, the project director should send a letter to the program officer describing and justifying the revisions, along with a revised detailed budget if there are budget changes. The detailed budget should be in the same format as the original budget. The funding agency may also require submission of the summary budget forms. If prior approval is not required, it is always a good idea to have the program officer confirm in an e-mail or letter so that the project director has written documentation for the files.

For nonfederal grants, the project director should adhere to the funding agency's requirements of when prior approval is necessary. When in doubt, the project director should contact the Director of Grants or the funding agency's program officer for guidance.

If a budget revision does not require prior approval by the funding agency, the project director should send a written request to the Business Office (Grant and Contract Coordinator) to alter the budget in FMS. If a revision requires prior approval, the budget revision that is approved by the funding agency should be sent to Business Office staff who will update the budget in FMS. All budget revisions in FMS are first approved by the project director.

## SUPPLANTING

Supplanting is using grant funds to pay for a position or activity that was previously supported, or would otherwise be paid for, by local or state funds. Project directors must be careful not to supplant when making project revisions as supplanting is usually not allowed by funding agencies and is specifically forbidden by the federal government.

Examples of supplanting include:

- Using grant funds to pay a counselor's salary, or portion of salary, when the counselor's position has been paid in the past with college funds and the responsibilities of the position have not changed.
- Using grant funds to pay for tutoring for a special population of students served under a grant when tutoring is provided to all students with college funds.

- Using grant funds to support an ongoing equipment lease that college funds have previously supported.
- Using grant funds to cover expenses required under federal, state, or local laws.

On the other hand, it is **NOT** supplanting to use grant funds to pay the salary of an existing employee if that person’s position changes to reflect a new set of responsibilities related to the grant and a relinquishing of current responsibilities.

Examples include:

- An administrator’s current job responsibilities are reduced 50% in order for the administrator to devote 50% of their time to serving as a grant project director.
- A faculty member receives a 20% release from teaching to perform curriculum development work on a grant.
- A special kind of tutoring, e.g. supplemental instruction or tutoring with a mentoring component not provided to all students may be offered to a special population of students on a grant.

When considering budget revisions, the project director should contact the Director of Grants for determination of what are allowable costs for a particular grant program.

#### NO-COST EXTENSION

Usually, federal funding agencies allow up to a one-year no-cost extension of the project’s end date. However, a notice to extend the end date must be made in writing to the funding agency at least 10 days before the grant ends. The no-cost extension does not provide additional funding, but allows the project director to complete project activities using the balance of unspent grant funds. The project director should work with the Director of Grants to submit the notification in the appropriate format well before the due date to ensure proper processing.

## INSTITUTIONAL REVIEW BOARD (PROTECTION OF HUMAN PARTICIPANTS)

In 1991, 17 federal agencies adopted a common set of regulations for the protection of human subjects—45 CFR Part 690: Federal Policy for the Protection of Human Subjects or “[Common Rule](#).” These regulations are based on established, internationally recognized ethical principles to protect human subjects of research and require that risks to human subjects be minimized and reasonable relative to the anticipated benefits, informed consent be obtained and documented, confidentiality provisions are adequate, and appropriate safeguards are included for vulnerable subjects.

Research is defined as “a systematic investigation, including research development, testing, and evaluation, designed to develop or contribute to generalizable knowledge”



[\(45 CFR §46.102\(d\)\)](#). Human participants are defined as “living individual(s) about whom an investigator conducting research obtains (1) data through intervention or interaction with an individual, or (2) identifiable private information” [\(45 CFR 46.102\(d\)\)](#). Informed consent helps assure that prospective human participants will understand the nature of the research and can knowledgeably and voluntarily decide whether or not to participate.

Institutions applying for federal funds must have an IRB and assure that proposals submitted are compliant with federal policy; i.e. that projects involving human subjects either have approval through the Institution’s IRB process or identify the applicable subsection of the policy exempting the proposal from IRB review. An IRB, as defined by the U.S. Department of Health and Human Services, is “an administrative body established to protect the rights and welfare of human research subjects recruited to participate in research activities conducted under the auspices of the institution with which it is affiliated.” The IRB has the authority to approve, require modifications in, or disapprove research activities. IRBs should give special consideration to protecting the welfare of particularly vulnerable subjects, such as “children, prisoners, pregnant women, mentally disabled persons, or economically or educationally disadvantaged persons” [\(45 CFR 46.111\(b\)\)](#).

There are four categories of IRB review:

1. Exempt research review;
2. Expedited review;
3. Full committee review; and
4. Continuing review.

Two-year college projects that include human participants are generally those that are applying educational treatments (e.g. new or revised courses or instructional strategies) and providing services to students, measuring results, and reporting results to peers. The evaluation and dissemination activities in the grant, as well as the age of the participants, are often the determining factors in whether a grant is exempt or must be reviewed and approved by the IRB. Most education projects are exempt or qualify for expedited review. Research that is exempt requires a review and determination of exemption by the [IRB chairperson](#), who identifies which of the six exemptions is being claimed. If the research is not exempt, an expedited review by the IRB chairperson or one or more IRB members may be all that is required. In rare cases, a review by the full board may be necessary. For more information, the [RTC IRB website](#) provides the RTC policy regarding human participants, FAQs about what requires reviews, training options, and forms to complete.

IRB approval is not usually required when a federal grant proposal is submitted, but IRB review must be certified at the time a grant is selected or recommended for an award.

## RECORDS AND DATA MANAGEMENT

The project director should keep the following project records on file:

- Original grant proposal and approved budget;
- Grant award document;
- Revisions to the grant proposal and budget and, if necessary, written approvals;
- Institutional Review Board determination documentation, if applicable;
- Personnel paperwork, including employment applications, contracts, time-and-effort reports, time sheets, and quarter schedule grids for faculty receiving release time;
- Participant records;
- Financial records, including FMS budget reports, purchasing documentation, lease agreements, contracts for consultants and contracted services, and linkage reports on fiscal and programmatic data;
- Marketing documentation;
- Performance and evaluation reports;
- Dissemination information; and
- Correspondence related to the grant.

In accordance with the following regulations, all RTC grant records should be retained for a minimum of three years after the final expenditure report is submitted per the regulations listed below. Some funding agencies or grant programs may require a longer period for records retention, which could be up to six or seven years.

- With regard to federal grants, [Uniform Guidance 2 CFR §200.333](#) states that “financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report.” However, “if any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved and final action taken.” Also, “records for real property and equipment acquired with federal funds shall be retained for three years after final disposition.”
- According to [CT0603.004 of the General Retention Schedule for Washington's Community and Technical College System](#), grant related documents must be retained 3 years beyond the final grant billing or project completion or “until business office requirements are satisfied, whichever is longer.”

Records should not be held longer than the required retention period because the right of access to documents by the federal awarding agency is not limited to the required retention period but lasts as long as the records are retained.

The Business Office will make note of the records retention period when a grant award is made.

## REPORTING

Funding agencies will usually require performance reports on the progress in meeting the objectives and the final outcomes of the grant. Reports may be required no more frequently than quarterly and no less frequently than annually. For government grants of one year or less and for many foundation and corporate grants, a report at the end of the grant project may be all that is necessary. Generally, multiyear grants will require a report for each year of the grant period.

Project directors are responsible for reporting the programmatic aspects of the project, while Business Office staff (Grant and Contract Coordinator) are responsible for compiling and submitting financial reports or for supplying financial information to the project director for a performance report that combines program narrative with fiscal statistics. The performance report should adhere to the format and submission method identified in the funding agency's program guidelines or grant award documentation. The due date for final expenditure reports generally ranges from 30 to 90 days after the expiration or termination of the grant. For this reason, all obligations should be liquidated by the due date of the final expenditure report; however, some funding agencies will require that all obligations be liquidated by the end of the grant period.

The Director of Grants can answer questions project directors have about the required reports and will review narratives upon request. Project directors should include in their reports an explanation for objectives not being met, tasks not completed, problems encountered, any deviations to the original proposal, and not spending funds according to the project timeline.

Subrecipients of the grant should provide the project director with reports on their performance according to the terms of the Subrecipient Agreement.

Generally, the College representative who signed the original proposal or contract (usually the president or a vice president for most hard copy grant submissions) is the one who should sign performance reports, unless the funding agency requires the signature of the project director or other individual in the College. The Director of Grants is designated as "authorized organizational representatives" when submitting grants electronically. As an Authorized Organizational Representative (AOR), the Director of Grants can sign off on a performance report due to the funding agency if this individual was the AOR who signed the grant proposal when it was submitted.

If the project was evaluated by an external evaluator, the project director should submit a copy of the evaluation report to the funding agency. This report will supplement, but not replace, the agency's required performance report.

## CLOSE-OUT

### FINAL ACTIVITIES

As mentioned previously in the sections on **Getting Started**, **Grant Expenditures**, and **Reporting**, project directors should be careful to adhere to the funding agency's and grant program's requirements regarding the final dates that expenses may be incurred and obligations liquidated, as well as the College's timelines for purchases relative to the end of the fiscal year. The project director is responsible for submitting the final programmatic performance report. As part of this responsibility, the project director should review the grant's performance against the objectives and intended outcomes of the grant proposal. Any outstanding issues or concerns should be identified in the performance report. The project director should also share the final performance review with their supervisor and provide any internal reports on the grant's results as may be required. The Business Office is responsible for submitting the final expenditure (close-out) report to the funding agency.

As the grant is coming to an end, the project director should regularly monitor the budget in FMS and confer with the Business Office on any discrepancies that may occur with charges to the grant. If the project director will still be employed by the College after the grant ends, the project director should continue monitoring the budget and following up with the Business Office until the grant is closed out. If the project director's position will end with the final day of the grant period, the project director's supervisor or the Director of Grants should ensure that all financial activity has been closed out properly.

If new positions were funded on a grant, the Human Resources Department should be notified of those positions that will be ending, the end date, and those positions that will be continuing as the grant period draws to a close. If personnel will continue to be employed at the College with college funds or through another grant, the project director should send a completed Personnel Action Request form to the Director of Human Resources, noting the cost center for which the position will be charged moving forward.

### RECORDS RETENTION

For grants that will not be continued, the project director should box the files and label the box with the name of the project, funding agency, grant period, contract number, and grant organization/account numbers. The box should be forwarded to the Business Office who will combine the files with grants accounting files for storage. The Business Office will mark the box with a destroy date based on the grant's specific records retention period.

For grants that may continue from year to year, project directors should keep the files until they are notified by the Business Office that the files can be shredded.

## GRANT RESOURCES

RTC has a subscription to e-Civis, a grant management system with several training modules that grant staff can access. Contact the Director of Grants for more information. Additionally, the [RTC Grants Website](#) has numerous resources for finding and administering grants.

Current Topics in Grants Management: Key Issues in Managing Federal Awards.  
Washington, DC: Thompson Publishing Group, 2007.

Federal Education Grants Management: What Administrators Need to Know.  
Washington, DC: Thompson Publishing Group, 2006.

Federal Grants Management Handbook. Washington, DC: Thompson Publishing Group, 1978-2011.

### [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)

## GLOSSARY OF COMMON GRANT ACRONYMS

*Table 9: Common Acronyms*

Acronym	Definition
AtD	Achieving the Dream is a national reform network dedicated to community college student success and completion; focused primarily on helping low-income students and students of color complete their education and obtain market-valued credentials. RTC is an AtD Leader College.
BFET	Washington State's Basic Food Employment and Training program provides job search, job search training, self-directed job search, educational services, skills training, and other employment opportunities to Basic Food (SNAP) recipients who are not participating in the Temporary Assistance for Needy Families (TANF) WorkFirst program.
CFDA Number**	The Catalog of Federal Domestic Assistance number is a unique identifier for a particular Federal grant. The CFDA is the encyclopedia of all funding programs and the way that all grants are cataloged.

Acronym	Definition
CFR	Code of Federal Regulations is the codification of the general and permanent rules and regulations (sometimes called administrative law) published in the Federal Register by the executive departments and agencies of the federal government of the United States.
CIP Code	Classification of Instructional Programs is a national index to support the accurate tracking, assessment, and reporting of fields of study and program completions activity.
COA	Cost of Attendance is the total amount it will cost to go to school—usually stated as a yearly figure. COA includes tuition and fees; room and board (or a housing and food allowance); and allowances for books, supplies, transportation, loan fees, and dependent care. It also includes miscellaneous and personal expenses, including an allowance for the rental or purchase of a personal computer; costs related to a disability; and reasonable costs for eligible study-abroad programs.
ctcLink	ctcLink is the implementation of a single, centralized system of online functions for all CTCs to give students, faculty, and staff anytime, anywhere access to a modern, efficient way of doing their college business. RTC is a wave two college.
DACUM	Developing a Curriculum is the approach to job task analysis that specifies in detail the tasks successful workers must perform on the job.
DIG	The Data Integrity Group is an RTC committee focused on data collection, management and use.
DOL	U.S. Department of Labor
DOLETA	U.S. Department of Labor’s Employment and Training Administration that administers federal government job training and worker dislocation programs; website provides extensive resources and links for workers, business and industry, and workforce professionals
DUNS	Data Universal Numbering System is a unique nine-character identification number provided to businesses and organizations by the commercial company Dun & Bradstreet (D&B). Number assignment is free and a requirement for all Federal contracts and grants.
ED	U.S. Department of Education

Acronym	Definition
EDGAR	Education Department General Administrative Regulations
EFC	Expected Family Contribution is the number that is used to determine one's eligibility for federal student financial aid. This number results from the financial information provided in the FAFSA.
ETP List	Eligible Training Provider list ensures that certain performance standards are met for programs receiving federal workforce funding under the Workforce Investment Act. In the state of Washington, it is more commonly called the <a href="#">Washington State Career Bridge</a> .
FAFSA	Free Application for Federal Student Aid
FMS	The SBCTC's Financial Management System administers and manages financial and accounting functions for the SBCTC community.
FR	The Federal Register provides public notice of all grant programs once they are approved by Congress.
FTE	Full Time Equivalent
GAN	The Grant Award Notice is a legally binding document that notifies the grantee and others that a grant or cooperative agreement has been made, refers to all terms of the award and contains or references all terms of the award and it documents the obligation of federal funds.
GAO	U.S. Government Accountability Office
GED	General Educational Development is a certificate that students receive if they have passed a specific, approved high school equivalency test. Students with a GED certificate are eligible to receive federal student aid.
GPRA	Government Performance and Results Act of 1993 (Public Law 103-62) mandates performance-based management by federal agencies, focusing on results or outcomes in monitoring the effectiveness of federal programs and their progress toward achieving national goals. The law places increased emphasis on collecting, reporting, and reviewing data to hold the agency accountable for achieving results with public funds.
HHS	U.S. Department of Health and Human Services
HRSA	HHS' Health Resources and Services Administration
IDC	Indirect Cost is an accounting term used to assign or charge costs that are common to two or more of a grantee's projects or operations.

Acronym	Definition
	Usually, this includes the cost of building occupancy, equipment usage, procurement, personnel administration, accounting and other overhead activities that are charged to grants and contracts proportionately. IDC is not substantially different from direct costs and in fact, could be treated as direct costs. It is imperative that grantees remain consistent in declaring costs as either direct or indirect for all projects and activities of the organization, regardless of the source of funding (also known as facilities and Administrative costs: F&A).
IHE	Institution of Higher Education
IPEDS	Integrated Postsecondary Education Data System is the primary source for data on colleges, universities, and technical and vocational postsecondary institutions in the United States
IRB	The Institutional Review Board is an administrative body established to protect the rights and welfare of human research participants recruited to participate in research activities conducted under the auspices of the institution with which it is affiliated. The IRB has the authority to approve, require modifications in, or disapprove all research activities that fall within its jurisdiction.
KPI	Key Performance Indicators help an organization define and measure progress toward organizational goals. Once an organization has analyzed its mission, identified all its stakeholders, and defined its goals, it needs a way to measure progress toward those goals. Key Performance Indicators are those measurements.
KSA	Knowledge, Skills and Abilities are terms generated from competency modeling to define measurable job performance competency factors that can be assessed against standards and improved through training and development. Abilities reference worker characteristics while skills and knowledge refer to worker requirements.
LEP	Limited English Proficiency aka English Language Learner aka English as a Second Language aka emergent bilingual.
LMI	Labor Market Information is the body of data available on a particular labor market, including employment and unemployment statistics, occupational statistics, and average hours and earnings data.



Acronym	Definition
LOI	Letter of intent is a preliminary, non-binding indication of an organization's intent to submit an application.
NAICS	North American Industry Classification System is the industrial classification code system used for categorizing industrial establishments in the United States, Canada, and Mexico.
NCE	A No Cost Extension is a formal extension of the grant period to allow the grantee additional time to complete grant-funded activities at no additional cost to the grantor (grantor does not provide additional money).
NCRC	National Career Readiness Certificate is a portable credential that demonstrates achievement and a certain level of workplace employability skills in Applied Mathematics, Locating Information and Reading for Information.
NOA	Notice of Award is an official document notifying the applicant that the proposal is being funded. This official award document contains or references all the terms and conditions of the grant and provides the documentary basis for recording the obligation of Federal funds in the Department's accounting system.
NOFA	Notices of Funding Availability are announcements that appear in the <i>Federal Register</i> , printed each business day by the U.S. Government, inviting applications for Federal grant programs. NOFAs generally include information on eligibility, funding areas, amount of funding, deadline for submission of applications, and contact information aka RFA or RFP.
NSF	National Science Foundation
OGMS	The Online Grant Management System is the portal to educational grants provided by the Washington State Board for Community and Technical Colleges.
OMB	U.S. Office of Management and Budget
PEP	Program Enhancement Plan draws on both quantitative and qualitative data to evaluate the strengths of each program as well as the opportunities for areas of improvement.

Acronym	Definition
PI	Principal Investigator (aka Program or Project Director) is an individual designated by the grantee to direct the project or program being supported by the grant. S/he is responsible and accountable to the grantee organization's officials for the proper conduct of the project or program. In turn, the grantee organization's officials are responsible and accountable to the grantor agency for the performance and financial aspects of the grant-supported activity.
PPMS	Personnel and Payroll Management System
RACC	DOLETA's Registered Apprenticeship College Consortium is a centralized network of apprenticeships available across the country.
RFA	The Request for Applications is a grant announcement that contains all the instructions and information needed to prepare a grant application. It describes the intent and goals of the program; provides special requirements, applicable policies, and procedures; and includes complete guidance for preparing and submitting an application. Sometimes referred to as Guidance for Applicants (GFA).
RFQ	Request for quote
RFP	Request for proposal
SBCTC	State Board of Community and Technical Colleges
SAI	Student Achievement Initiative is the performance funding system for community and technical colleges. Its purposes are to both improve public accountability by more accurately describing what students achieve from enrolling in our colleges each year, and to provide incentives through financial rewards to colleges for increasing the levels of achievement attained by their students. It represents a shift from funding entirely for enrollment inputs to also funding meaningful outcomes.
SAR	Student Aid Report is a summary of the information submitted on the Free Application for Federal Student Aid (FAFSA).
SGA	Solicitation for Grant Applications
SMART Goals	Goals should be designed to be specific, measurable, attainable, realistic and time-bound.

Acronym	Definition
SMS	Student Management System
SNAP	Supplemental Nutrition Assistance Program (federal) aka food stamps
SOC	The 2010 Standard Occupational Classification system is used by Federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data. All workers are classified into one of 840 detailed occupations according to their occupational definition.
TAACCCT	Trade Adjustment Assistance Community College and Career Training grants. RTC has participated in three – Air WA, HeW and WISE.
TANF	Temporary Assistance for Needy Families (federal), tied to the WA WorkFirst program
WIA	The Workforce Investment Act (1998) authorized 1) a state WIB to act as a statewide WIA strategic policy planning and governing body and 2) local WIBs to act as oversight bodies of the activities of the participating agencies in a WIA region. It has been superseded by the WIOA.
WIB/WDC	Workforce Investment Board or Workforce Development Council
WIOA	Workforce Innovation and Opportunity Act (2014) is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. Congress passed the Act by a wide bipartisan majority; it is the first legislative reform in 15 years of the public workforce system.