



POLICY AND PROCEDURE

Title:	GRANTS: FINANCIAL PROCEDURES
Policy No.:	4.10
Department:	Business Affairs
Contact:	Vice President for Business Affairs/ Grants Director
Reference:	GBC Policy & Procedure 3.30 Grants: Development & Implementation
	GBC Policy & Procedure 4.1: Purchasing
	GBC Policy & Procedure 4.6: Contracts, Grants, Leases, Agreements

Policy

It is essential that the business office, the grants office, and the principal investigator for a given grant work closely together on the financial aspects of an award. Funding agencies often have different policies and procedures from NSHE policies; any differences should be recognized early in the history of a given grant. A good working relationship internal to Great Basin College (College or GBC) as well as the relationship with the funding agency is essential to ensuring financial health, proper use of funds, compliance with funding agency terms and conditions; information on financial activity is current, that grant funds are not under or overspent, and that the program meets the funding agency's expectations.

Procedure

1.0 Award Files

1.1 Staff Responsibility. The principal investigator and the grants office are responsible for ensuring that grant award files are maintained in accordance with all requirements set by the funding agency.

1.2 File Contents. At a minimum, all award files will contain the following:

- Request for Proposal (RFP)
- Institutional approval
- Original grant application
- Requests for revisions
- All notices-of-award issued by the funding agency
- GBC documents and correspondence related to the grant
- All funding agency correspondence and documents related to the grant
- Programmatic and financial reports required by the funding agency
- Inventory list, if applicable

1.3 Financial Related Documents. All expenditures documents and related back up are located within the Workday system or Business Affairs. All grant related billing documentation are located within the Business Affairs Office, Workday, or other granting agency systems.

2.0 Establishing Grant Numbers and Awards

Upon receipt of a notice-of-award, grants office will prepare and forward a completed Account Addition/Change Request Form, a completed Workday Award and Grant Budget Set-up and Modification Sheet, and notice-of-award to the Vice President for Business Affairs who will set up a grant number in the appropriate restricted fund in Workday. A new award is then created in Workday by the award contract specialist role once the grant number is established. Workday routes the budget set up task to the budget

specialist role, who creates the budget, and then all additional award tasks are completed by roles according to the routing established in Workday.

2.1 Indirect Cost Rates. Indirect cost rates to be used in the submission of proposals for grants and contracts to outside agencies are computed in accordance with the College's federally negotiated indirect cost rate. The full rate is to be used in grant budgets unless otherwise specified by the funding agency or determined by GBC administration that a lower rate is to be used.

Indirect cost allocations, except for financial aid-related indirect cost, are recorded in Cost Recovery PG00264, fund FD201. The indirect Financial Aid indirect account for Federal Financial Aid is PG02638, which is in fund FD202. All indirect cost recovery and expenditure of the same shall be recorded in these funds.

3.0 Personnel Activity Reports and Effort Certification

Effort reporting, also known as effort certification, is the mechanism used to provide assurance to federal or other external sponsors that payroll expenses charged or cost shared to sponsored projects are reasonable in relation to the work performed. Faculty, staff and other individuals paid by GBC on a non-hourly basis working on sponsored projects are required to report effort on sponsored projects on a systematic and reasonable allocation basis. GBC uses the Personnel Activity Report (PAR), a paper form, for the certification of effort for all individuals paid on a non-hourly basis. Those individuals who are paid on an hourly basis will submit time worked through Workday, a web-based application that is certified by the principal investigator as part of the approval process. The principal investigator of each grant-funded program will ensure that a Personnel Activity Report is completed for all non-hourly individuals paid from grant funds.

3.1 Personnel Activity Reports for Sponsored Agreements. Federal and College regulations require an after-the-fact certification of 100% of the personnel time expended fully or partly from federal sponsored awards. The GBC Personnel Activity Report meets this regulation.

Any employee who devotes effort on a sponsored agreement or whose activities encompass more than one functional category or expense (e.g., instruction, departmental administration) must complete a Personnel Activity Report (PAR) and send it to the grants office where it shall be maintained according to funder and/or GBC's record retention policy, whichever is most restrictive.

"A" contract employees must file at least semi-yearly, within thirty (30) days, respectively, after the end of December and the end of June. All other professional employees must file within three months after the end of each academic term, fall semester, spring semester, or summer session. The grants office may determine more frequent submission of PARs on a case-by-case basis depending on grant needs and requirements.

It is the responsibility of the principal investigator to ensure that PARs are completed by employees to which this policy is applicable. Forms and instructions may be obtained from the business office or the grants office.

Difference between effort reflected on PARs and effort reflected in payroll charges will need to be adjusted. If the amount of actual activity differed more than 5% from the employee's payroll distribution, the department must initiate a payroll accounting adjustment to move expenses to the correct account(s) from the sponsored program.

4.0 Expenditures

Prior to initiating any purchases, the principal investigator will verify that the expense is allowable and meets the objectives of the grant. For expenditures that are charged to federally sponsored projects, the College must comply with the federal regulations and guidelines restricting the use of federal funds: [PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS](#)

The funding agency will be invoiced on a quarterly basis or as specified by the funding agency. The business office will submit all invoices unless a narrative report is required for payment. If a narrative report is required for payment, the grants office will submit the report and request for payment in coordination with the business office.

5.0 Grant Revisions

Grant revisions are submitted to the funding agency for approval as necessary and as required. The most common revisions are the budget revision and no-cost extension. Occasionally, the College will request permission from the funding agency to alter the scope of work if the project is not working out as originally planned.

6.0 Supplies/Equipment Inventory

At the close of each grant, the grants office will document the value of any remaining supplies and other expendable property purchased with federal grant funds. If the aggregate value exceeds \$5,000, a plan will be developed to utilize the inventory on other federally-funded projects or compensate the Federal Government.

Documentation of the supplies will be maintained with the grant's program files. This documentation will be maintained regardless if the value exceeds \$5,000.

7.0 Closeout Process

7.1 Grant Expenses. At the end of each grant, the business office and the grants office will review the detailed listing of all grant expenses in Workday by spend category. The grants office will ensure that all expenses are allowable.

The grants office and business office will use this report to complete any expenditure reports required by the funding agency. All expenditure reports will be reviewed by the business office and submitted by the business office via the grants office, unless financial reporting is completed separately from programmatic reporting via any password restricted online system whereby only the business office has access. Should this be the case, the business office will submit the financial report.

All programmatic reports will be submitted to the grants office by the principal investigator in accordance with standards set by the funding agency. The grants office will then submit the completed programmatic reports to the funding agency.

7.2 Receipts, Expenses, Excess Monies. To ensure that all grant funds have been requested, the grant closeout process includes the business office preparing a schedule summarizing all receipts and expenses incurred by each grant. All accounts receivable will be invoiced, and any excess grant funds will be returned to the funding agency.

7.3 Indirect Costs. The business office will maintain a master schedule of the indirect costs earned from each grant. Indirect costs posted to the general ledger will be balanced to the master schedule. Final reports sent to the funding agency will also be balanced to the master schedule of indirect costs.

7.4 Record Retention. In accordance with the [*Nevada System of Higher Education \(NSHE\) Procedures and Guidelines Manual, Chapter 18 - Records Retention and Disposition Schedule*](#), page 28, which discusses records for grants and agreements with higher education, all records pertaining to grant activities with higher education must adhere to the following retention period: "FY submission of final expenditure report + 7 years, unless otherwise provided in the terms of grant or contract."

If the terms of the grant or contract dictate a longer retention period than that of the NSHE retention schedule, then the terms and conditions of the grant or contract shall trump the NSHE retention schedule.

7.5 Equipment/Property Greater than \$5,000 (if applicable). In the case of disposition of equipment/property purchased with grant funds, the funding agency will be consulted regarding the proper method of disposition.

7.6 Cost Share (if applicable). Required cost share will be reconciled and reported per funding agency terms and conditions.

PC Approved: July 14, 2009; October 13, 2015

Revised: December 5, 2019

Contact the assistant to the president for any questions, corrections, or additions.