Grants/Contracts Management Handbook

ACKNOWLEDGMENTS

Amarillo College's Grants Management Handbook was originally modeled on Maricopa County Community College College's <u>Grants/Contracts Management Handbook</u>. The <u>Amarillo College Grants/Contracts Management Handbook</u> has been customized and revised to conform to Amarillo College business processes and to meet the needs of its users.

We hope that all of those involved with grants/contracts will find this document useful.

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OVERVIEW

The first few months of a new grant/contract are both hectic and critical. The grant/contract must be accepted by the college president and approved by the Board of Regents. The budget is set up, personnel are hired, and supplies and materials are purchased. The personnel, who are frequently new external hires, are under pressure to hit the ground running. They have to simultaneously learn all they can about the proposal, funding source regulations and policies, and campus and College policies and procedures . . . and, oh yes, get the program off the ground quickly and effectively with minimum disruption to the College's routine.

A grant/contract that gets off to a good start usually will end well. Delays in setting up the budget, hiring or reassigning personnel and securing supplies and materials may cause problems throughout the duration of the grant. Hiring the wrong people or delays in hiring can have a particularly detrimental impact on meeting grant/contract objectives or fully expending grant/contract monies.

The time between the grant/contract award and the actual start date varies. Although costs for activities and personnel cannot be charged to the grant/contract before the authorized start date, it is possible to advertise positions, interview, select and orient key personnel (especially the Project Director) before the grant/contract starts. Once the Board of Regents has accepted the grant/contract, the operational budget can be established with the Grant Accounting Office and the hiring process completed.

For continuing grants, a new operational budget is necessary and a new Board of Regents approval by means of a Board Action Item is necessary to accept new monies. This needs to be accomplished quickly to meet patrol and avoid unnecessary accounting work.

This handbook is designed to give an overview of what the Project Director and his/her supervisor need to know to start up a new or continuing grant. This manual is not intended to be comprehensive nor is it intended to substitute for written procedures or policies produced by the College's Business Office, the College's Office of Grant Accounting, the Human Resources Department, or by funding agencies. In addition, this document starts with the negotiation process and primarily focuses on what happens **after** the grant is funded. In various sections, questions have been composed to make sure that you have all the information needed for each section.

Arrangements for oversight, monitoring, and support of grant-related activities will vary. The supervisor of a Project Director needs to keep in mind that he/she is responsible for grant paperwork and activities until the Project Director is hired. If the Project Director's position is vacated prior to the closing of the grant, both the supervisor and the Project Director are responsible for monitoring the program performance and budget, taking whatever corrective actions are necessary for the program to succeed and the budget to be properly expended. A competent Project Director will keep his/her supervisor informed of any major difficulties or developments.

NEGOTIATING WITH GOVERNMENT FUNDING AGENCIES

The Initial Call

Negotiations are usually conducted by Project Administrators or a supervising Vice President, Dean or Associate Dean. Care should be taken to include someone in this process who has had experience in grant negotiations.

So..... if you are the one who is going to be contacted about an award by the funding agency's representative, what do you need to know?

First, you need to know that the funding agency's representative has you at a psychological disadvantage when he or she calls you to tell you that your proposal had been recommended for funding. Why?
- It has usually been 4 - 6 months since you last looked at the proposal and you may be madly rifling through your file cabinet while you are listening to the funding agency's representative.
- You want to hang up the phone and tell the world, "We got it!"

During that first phone call, you – as AC's representative should accomplish three things:

1. Get the dollar amount of the award.
2. Request the reader's and Program Officer's comments and concerns.
3. Get the date and time for the negotiation session.

Be sure you ask the funding agency's representative the following:

1. When does the award letter state that project funding will be available?

2. Exactly how much funding was this project recommended to receive and does that amount include the indirect rate (administrative fee)?

3. If the award is less than 98% of the amount requested (including the indirect rate), ask exactly how much of the scope of the project the award will allow the college to complete. Indicate that it will take some serious study before the negotiations can continue. (This buys you time to think and consult with others such as the Vice President, Dean or Associate Dean, the Grants Development Officer, etc.)

   This also lets the funding agency's representative know that you are not necessarily going to roll over and agree to everything the funding agency's representative and readers have suggested. Keep in mind that the funding agency's representative is the one that has to be convinced about any changes in the budget or the scope of the project.

4. Finally, ask the funding agency's representative to slowly repeat the readers and Program Officer's comments on the proposal. (In the case of federal grants, the funding agency's representative and the Program Officer are usually two different people.) Unless something was misstated in the proposal, **do not** give the funding agency's representative any indication of agreement with the comments.

Negotiating Strategies

For negotiating purposes, you do not automatically have to accept the readers' and Program Officer's comments as valid. The only thing you probably should accept is the total recommended amount of the award. Everything else is negotiable. For example, if the budget is cut 20%, you might want to consider reducing the project's objectives by 30%. How this funding will be spent is negotiable as long as it complies with program and Office of Management and Budget (OMB) guidelines.

Higher amounts within a specific budget category may be negotiated even when it has been recommended that the category be reduced. The Program Officer, for example, may state that no money should be spent on equipment. However, you may justify an amount for equipment in order to offset a reduction for personnel. The funding agency's representative has the power to agree with you, even if the Program Officer, who is not involved in the negotiation process, disagrees.

Each funding agency's representative has 15-20 grants a week to negotiate and two mandates in the negotiations:
1. The funding agency's representative must not negotiate more than the recommended amount except in extreme circumstances.
2. The funding agency's representative must get the recipient to maintain most of the scope of the project while making sure all the expenses are allowed under OMB guidelines.

During the negotiation process, **do not negotiate away the indirect costs**. These funds are for Amarillo College to use for grant support services such as accounting, purchasing, reporting, and technical assistance.

THE NEGOTIATOR'S RESPONSIBILITIES AS A "GRANT'S ADMINISTRATOR"

Each manager should have files for each grant he or she has "negotiated". You may be wondering why the "negotiator" needs files if someone else is going to be directing or coordinating the project. The reason is simple...the funding agency considers the person who does the negotiating of the grant to be the institution's "Grant Administrator". This means that they will hold the negotiator accountable for seeing that the funds are expended according to the negotiated budget and the approved scope of the project. Therefore, the negotiator must have oversight responsibility for seeing that a funded project's objectives are accomplished and reported to the funding agency. State and federal auditors expect the individual who negotiates the grant to have copies of all vital programmatic information.

As the "Grant Administrator" you will need to maintain the following files:
- Agency correspondence/Phone call summaries/Negotiation notes
- Agency-approved negotiated budget
- Amended proposal as negotiated
- Audit file/Financial contributions
- Award letter/Signed contract
- Budget established for college use
- Budgets, second year, submitted to agency
- Final and interim programmatic and fiscal reports
- Original proposal
- Printouts of matching documentation
- Purchase order copies, approved
- Reader's comments
- Application forms, extra copies
- Copies of any grant subcontracts

It is important to have these files gathered and maintained at one location at an institution. All purchase orders charged to the grant should be reviewed and signed by the person who negotiated the scope and budget of the project. Some Project Directors resent this supervision; however, it is important to hold one person accountable for seeing that grants are being administered to comply with the guidelines of the funding agencies.

Few grant writers lose their jobs for preparing unsuccessful proposals. Grants Administrators have lost their jobs when they have mismanaged grants received by their colleges, resulting in embarrassment to the college or monetary penalties.

KEY PEOPLE

The grants preparation and management process involves a variety of people and offices at both the campus and College level. The Project Director will undoubtedly be involved in the preparation of new or continuation proposals so he/she needs to be aware of the roles and responsibilities of the key people.

If you are new to AC, it would be wise to acquire copies of the current organization chart so you can get a handle on how the college is organized. The Department of Assessment & Development is a good source for this information. A description of the key peoples' roles as they relate to grants follows.

Amarillo College

Vice President & Dean of Development: keeps cabinet informed of grants. Serves as college liaison to AC Foundation in situations where grants include scholarship funds or other areas. Sets development priorities, policies and procedures.

Associate Dean of Assessment & Development: provides technical assistance, reviews proposals, and coordinates the proposal review and signature process within the College Office. Copies of the proposal and related information, such as award letters, Board Action Items, proposal/budget modifications, and annual and final reports should be provided to the Grants Office. The Grant Office is located with and reports to the Associate Dean of Assessment & Development.

College Fiscal Agent: processes grant expenditures submitted by the Project Director. Also makes changes to the account and handles transactions at the **written** direction of the Project Director.

College President: authorizes all outgoing proposals before they are submitted to the funding source. College President is also responsible for approving whether the grant/contract funding should be accepted or rejected.

Grants Development Officer: the principal author of the proposal. The Grants Development Officer needs to work closely with all the individuals who will be responsible for implementation of the funded proposal. The Grants Development Officer is also responsible for contacting the Associate Dean of Assessment & Development as early as possible to let the Associate Dean know that a proposal will be coming, to discuss any needs for technical assistance, and to initiate the proposal review and signature process. The Grants Development Officer works with the Project Director or Administrator to bridge the gap between pre and post awards. The Grants Development Officer also assists program directors and staff in areas of compliance and technical assistance needs. The Grants Development Officer reviews the proposal budget and provides feedback regarding the need for changes or corrections.

Grant Accounting Manager: sets up the fiscal accounts, produces financial reports for the funding agency, maintains account journals, processes transactions, and provides information to auditors as requested.

Project Director or Administrator: responsible for overseeing the grant, managing the budget, and ensuring that the proposed activities are completed in the manner promised. The Project Director is usually supervised by a Vice President, Dean or Associate Dean or other relatively high level

administrator who has responsibility for monitoring the project progress to ensure that corrective action is taken if needed.

Federal/State

Program Officer: answers questions and provides technical assistance both before and after a grant is awarded. The Program Officer monitors the project performance. In some agencies, the Program Officer may also perform the role of the Grants Officer.

Grants Officer: negotiates and approves the award and the grant budget for the funding source. The Grants Officer also approves major changes requiring grant, contract, and budget modifications.

GETTING READY TO MANAGE THE GRANT

You need to be familiar with at least six essential documents to start up a grant. They include the following:
1. Original proposal submitted to the funding agency.
2. Negotiated budget.
3. Regulations for the grant.
4. Notice of award.
5. Board Action Item
6. Amarillo College operational budget for the project.

A grant is an award of funds from a funding agency to the college to provide services or products within a limited time frame and often for a specific target population. The proposal, negotiated budget, regulations, and notice of award set the project parameters. The Board Action Item is an official way of approving the acceptance of the grant for the college president. The operational budget is used to set up the project fiscal account in the accounting system.

1.   PROPOSAL

First, personnel who will be involved in implementing the grant need to review the proposal. The proposal will tell you why the project is needed, the intended outcomes, objectives, timelines, and the responsibilities of the various implementers, how the project will be evaluated, and how the funds are to be spent. The proposal provides the framework for managing your project. Since proposals are often completed six to nine months prior to the award, some things may have changed. You may have been awarded less funding than requested. The award process may have taken longer than expected, throwing off your implementation timetable. You will need to take these things into consideration when implementing the program. Be flexible!!!

Proposal Review Questions

- What are the starting and ending dates of the grant award? Do they coincide with the timeline included in the proposal?
- Which college need generated the proposal? What is being done now to meet that need?
- How does this project fit into the overall College? Is it part of an existing organizational unit or is it a separate entity? What other departments or colleges will it involve? If more than one college is involved, who are the contact people?
- What results have been promised to the funding agency? How will you demonstrate that these results have been achieved?
- What special populations (e.g. first-generation students, individuals with disabilities, unemployed, economically disadvantaged) will be served? How will participants be selected?
- What personnel are authorized in the grant and what are their responsibilities?
- What timelines exist for activities? When do activities need to start and end?
- What arrangements have been negotiated with outside organizations? What do these agreements mean? Do they need further clarification? Have the outside organizations been

notified of the award? Will intergovernmental agreements or other kinds of contracts be necessary to implement the grant?
- Do you understand all of the technical jargon or special language used in the proposal? If not, refer to the funding regulations or find out the practices in the profession before proceeding.
- At what intervals are programmatic and fiscal reports required?

If you have additional questions about the project, there are a number of people who can be very helpful to you. The proposal writer and others involved in the writing can be extremely helpful in clarifying points, answering questions, and giving you background. Keep in mind that almost all proposals have a mandatory maximum length and it is impossible for the writing team to include everything in the proposal that you, as an implementer, might want to know.

2.   NEGOTIATED BUDGET

Frequently, the amount of award is less than the amount requested in the proposal; on rare occasions it is even increased. Typically the funding agency calls with a total dollar figure it is willing to award and sometimes the agency also specifies what it wants cut in the proposal budget.

A decrease in funds may result in the loss of personnel and the elimination or modification of one or more objectives. Once the negotiated budget is returned to the funding agency for approval, it may be accompanied by revised objectives, activities, and/or timelines if the cuts are significant. This negotiated budget then becomes the official project budget.

It should be mentioned that in <u>rare</u> instances the funding award may be so drastically reduced from the amount requested that the college can no longer undertake the project and has to decline the award.

The budget may also contain a column for local match. This means that the college or other participants have agreed to contribute funds or other resources to the project. Close attention needs to be paid to the match as well as the rest of the budget since it also needs to be documented and reported to the funding agency.

Negotiated Budget Review Questions

- Have activity timelines and objectives changed?
- What costs have been eliminated or significantly reduced and what impact will these changes have on the successful implementation of the project?
- What amounts are required for matching? Where will the matching funds come from? How will you document the match?

3.   REGULATIONS FOR THE GRANT

Grants from federal and state sources operate under regulations published in the Federal Register and reproduced in the application package for each grant. Some of the proposal content will directly address regulations that govern the program (e.g. eligible participants, selection criteria, allowable costs and activities). In addition, some agencies may have regulations or policies that govern all their programs. For example, the U.S. Department of Education's General Administrative Regulations are included in a document better known as EDGAR. The National Science Foundation has a Grant Policy Manual that

should be used by all Project Directors and accountants dealing with NSF projects. Sometimes, grant regulations are attached to the letter of award.

When reviewing grant regulations, get out your magnifying glass (they are written in very small print) and pay special attention to the following:

Regulations Review Questions

- What are the eligibility criteria for participation in this program?
- What activities are allowable? What activities are disallowed?
- What costs are allowable and what are disallowable?
- What travel is authorized? Are there any limitations on out-of-state travel?
- Can consultants be hired? Is there a maximum daily rate of compensation for consultants?
- Can equipment be purchased? Are there any restrictions on equipment? Who owns the equipment?
- Are there any special guidelines to be followed in procurement?

It is very important that all projects be operated in accordance with governing regulations. Being familiar with regulations and abiding by them should help you avoid disallowable expenditures or serving ineligible individuals which may result in disallowed/unrecovered costs. If you have any questions about whether a proposed expenditure is allowable according to the regulations or according to College policy, please contact the Associate Dean of Assessment & Development.

4. NOTICE OF AWARD

While you may receive a phone call informing you that your proposal has been funded, the notice (or letter) of award is the official notice that assures the college the grant/contract has been funded. The notice will contain a grant/contract number, project start and end date, and amount awarded. It may also contain any limitations imposed upon the grant/contract, reporting requirements, and the name and phone number of funding agency Program Officer overseeing the grant. The notice may be followed by a separate contract. If not, the proposal becomes the contract of performance.

Notice of Award Questions

- What was the amount of award? How does it differ from the original amount requested?
- What is the project start and end date? Does this differ from the original proposal?
- What is the grant number? (You will have to use this number in future reports to the funding agency.)
- Did the notice and attachments contain any limitations on the grant or reporting requirements?
- What is the name and phone number of the program officer?
- What is the grant identification Catalog of Federal Domestic Assistance number (CFDA#)?

The notice of award must be received before the Board of Regents can act on a Board Action Item accepting the grant funds. No grant monies should be spent or contracted for until this notice is received and the Board of Regents has approved acceptance of the funds.

Board Action Item

When you are notified by phone or by notice of award that your grant is going to be funded, contact the Department of Assessment & Development as soon as possible for assistance in getting the appropriate Amarillo College approvals.

If you are a new Program Director, the Grants Development Officer should have already prepared a Board Action Item for the Board of Regents. In this case, get a copy to read and file.

All awarded grants must be submitted to the Board of Regents for approval. The Board Action Item must be turned in to the Board of Regents secretary approximately 2 weeks before the Board meeting. The Board Secretary sends an electronic mail message each month giving Board meeting dates and deadlines for materials to be submitted.

5.   OPERATIONAL BUDGET

Each grant has its own Amarillo College operational budget set up in accordance with College policy and funding agency guidelines which prohibits the commingling of funds and facilitates audits.   The disbursement of grant monies is in the hands of the College Grant Accounting Manager who processes grant expenditures submitted by the Project Director. As Project Director, you will approve grant expenditures.

Refer to Accounting Policies and Procedures Manual, Grant Accounting Section, for detailed policies and procedures.

Office of Grant & Contract Compliance
Responsibility Matrix

Office of Grant & Contract Compliance	Grant & Contract Project Manager	Office of Grant & Contract Accounting
Compliance Oversight of all Grant and Contract programs	Manage Grant and/or Contract Program and Budget	Manage Fiscal Responsibilities for Grant and/or Contract.
Secure AC Approval and Signatures on Grants, Major Contracts, Subcontracts, Agreements, and relevant Memorandums of Understandings	Implement Appropriate Start-up Activities	Review Grant and/or Contract Budget. Set-up Project Account Codes and Establish Account Numbers based on Proposed Budget
Maintain Official Copies of all AC Grant & Contract Approvals	Establish a Relationship with Funding Source Program Officer	Establish a Relationship with Funding Source Financial Officer
Answer Programmatic and Fiscal Reporting Questions	Manage Monthly Budget Reports and Discuss Discrepancies with Grant & Contract Accounting Office	Manage Fiscal Reporting Requirements and Answer Questions related to Monthly Budget Reports
Track and Assist with Programmatic and Fiscal Reporting Requirements	Complete and Submit Programmatic and Fiscal Reporting Requirements	Complete and Submit Fiscal Report. Provide Copy to Project Manager of Fiscal Reporting Requirements.
Maintain Copies of Grant and Contract Programmatic and Fiscal Reports	Provide Copies of Programmatic and Fiscal Reports to Office of Grant & Contract Compliance	
Advise on the Coordination of Site Visits	Coordination of Site Visit	Coordination of Site Visit
	Forecast Budget Spending Plan	Assist Project Manager with Forecasting Budget Spending Plan
	Contact Grant & Contract Accounting when Invoices are needed. Filing Copies of Invoices and/or Deposits from Funding Sources and/or Partners.	Send Invoices to Funding Sources and/or Partners; Deposit Revenue from Funding Sources and/or Partners. Send Copies of Invoices and/or Deposits to Project Manager
	Track Leverage, Matching Funds and In-Kind Contributions	Verify and Secure Leverage, Matching Funds and In-Kind Contributions
	Responsible for Employees Completing Time and Effort Reports. Responsible for Approving the Employee Time and Effort Reports.	Generate Time and Effort Reports for Completion and File Completed Time and Effort Reports
Approve any Changes or Requests for Grant or Contract Prior to Submission to Funding Source	Complete Requirements, as necessary, for Modifications to Grants and Contracts	Complete Requirements, as necessary, for Modifications to Grants and Contracts
Determine Course of Action regarding Programmatic and/or Fiscal Reporting Problems	Contact Office of Grant & Contract Compliance and/or Grant and Contract Accounting with Programmatic and/or Fiscal Reporting Problems	Help Troubleshoot when Fiscal Reporting Problems Arise
	Follow Funding Source Policies and Procedures	Follow Funding Source Policies and Procedures
	Complete Project on Time and On Budget. Spend Down Budget to $0, according to Budget Proposal, and Close Out Project	Close Out Financials for Project
Follow College Regulations, according to Human Resources and Accounting (e.g. 310 Form)	Follow College Regulations, according to Human Resources and Accounting (e.g. 310 Form)	Follow College Regulations, according to Human Resources and Accounting (e.g. 310 Form)

HIRING, REASSIGNING, AND SUPERVISING

Most grant proposals include a section on key personnel. Permanent employees may be included in the proposal with plans for their reassignment to the new project. For other personnel slots, a job description may be included as well as a statement indicating that the position will be filled in accordance with College policy and Affirmative Action/Equal Opportunity guidelines.

Project personnel already employed by the College will need to be reassigned to the grant. New personnel will need to be hired. Both activities take time and must be handled immediately.

General Guidelines

All full-time personnel working on grants and contracts (externally funded) are hired for the grant period only. Employment ends when the grant/contract ends or when the contract funding has been expended.

College policy and procedures govern all activities related to personnel. Generic job descriptions exist for all positions normally filled in the College. Job Vacancy notices must conform to the job descriptions. Pay particular attention to educational level, experience, and skill requirements. Classifications and pay rates usually conform to the College salary schedule and job classifications, provided sufficient funding is available from the grant.

Despite this wage setting process, you will not be able to pay the candidate more than the funds available from the grant or other sources.

If changes have occurred in the staff members listed in the proposal, these changes may need approval by the funding agency. Check with the Grants Development Officer before proceeding.

Hiring Process

Hiring new full-time personnel is a time-consuming process. Always check with your immediate supervisor and the AC Human Resources Office prior to beginning the process. Basically, the same hiring process that applies to permanent Board-approved employees applies to all personnel hired for a grant. All positions must be budget approved. In the case of a grant/contract, this means that the Board of Regents approved a Board Action Item to accept the grant/contract and a budget which contained the position you are trying to fill. Vacancies must be advertised by posting of the Job Vacancy Notice in the Job Opportunities (AC job announcements). The application steps for a specific vacancy are outlined in detail on the Job Vacancy Notice.

Applications are accepted until the closing date and time designated on the Job Vacancy Notice. Normally, positions are advertised for two weeks. Some positions are advertised nationally in publications such as the Chronicle of Higher Education. The hiring process is likely to take longer if the position is nationally advertised. Costs to advertise nationally in the Chronicle or other specialized publications need to be budgeted and paid for by the College. Grant funds cannot be used for this purpose.

This hiring process may take up to two months. For more details about the employment process, contact the AC Human Resources Department.

If no job description exists for a particular position, you will also have to go through the entire process to develop a new position. This can take several months, so it is wise to start this process as early as possible to allow adequate time. It is wise to complete this process between the time the grant is submitted and notification of award is expected. Send the proposed new job description and targeted salary to wage and salary for review and approval by the AC Human Resources Manager.

Reassigning Existing College Personnel to Project Paid by Grant Funds

When a portion of an existing AC employee's salary is being paid by the grant/contract while the employee is working on the grant/contract, this proportion of the personnel salary and related benefits must be reallocated from regular college accounts to grant/contract accounts. Assignment of existing AC employees to the new project funded by external funds requires a payroll change. This needs to occur swiftly so that the change can take effect on the date that the grant "hires" the individual staff member. After checking with your supervisor to be sure that it is okay to proceed, contact the AC Human Resources Department and request that the Employee Profile, 310 Form, be revised so that the appropriate percentage of salary is charged against the grant funds for the specified period.

The Project Director/Administrator should notify the AC Human Resources Department and consult with the appropriate Grant Accountant and Payroll Officer to make sure that the proper paperwork is completed for the transfer. This needs to occur quickly, in time for the change to take effect in the first month of the grant, or on the date that the grant "hires" the individual staff member.

Fringe benefits such as health insurance, retirement, worker's compensation, FICA, and others **ALWAYS** accompany salary transfers. The percentage of fringe benefits paid by the grant will correspond to the percentage of salary. Fringe benefits change each year and may be subject to funding agency restrictions.

Staff members whose salaries are paid in part by external funds need to keep AC Time and Effort Report documentation records**. The Office of Grant Accounting will send the Project Director monthly Time & Effort Reports. Distribute these to all grant/contract personnel or return them to the Office of Grant Accounting in a timely manner. These should be completed and returned promptly within ten (10) working days. The Project Manager is required to maintain a monthly work log of the reports submitted.**

Don't Supplant -- It's Illegal!

Supplanting internal funds with external funds is **ILLEGAL!** You cannot use external funds to pay for ongoing activities already budgeted or for the usual activities assigned to a position. For example, grant funds cannot be used to pay the salary of an English faculty member to teach a regularly scheduled credit course. However, grant funds could be used, if authorized in the proposal, to provide new specialized English classes for at-risk populations. If David Letterman had a Top Ten List for ways to get in trouble with grants, supplanting would head the list. **Don't do it!** If you are uncertain about whether a situation qualifies as supplanting, consult with the Associate Dean of Assessment & Development.

Salaries as Matching Funds

If a portion of an individual's time is being used in the project and a portion of the salary is being used as matching funds, the time used for the grant needs to be recorded on a Monthly Time and Effort Report. This document is likely to generate choruses of groans from administrators and faculty alike.

Whether we like it or not, current training for auditors advises them to look for such records to document time and effort spent on a project. Vice Presidents, deans, associate deans and other supervisors need to document time spent right from the time they know the project is going to be funded since a considerable amount of their time is spent up-front preparing the project for startup, initiating the employment process, and preparing the Project Director for his/her duties.

Proposal budgets generally contain the matching amount required. In practice, it works best to begin with the dollar amount and figure out what percentage of salary it represents. The lapse of time between the proposal submission and award can affect fringe benefits and salary amounts. Therefore, actual amounts should be used instead of the "proposed" amount or just ¼ of a yearly amount.

Questions to be Answered

1. What personnel are assigned to the grant? Are they part of existing staff or must persons be hired?
2. What percentage of existing staff time and salaries are allocated to the project? What division are staff members assigned to and who is their supervisor?
3. Which existing job descriptions and position classifications most closely correspond to the authorized grant positions?
4. Are any of your employees funded 51% or more by internal funds? (If so, they are considered "hard money" or regular employees even though some of the funding for their positions is from external funds.)
5. What are the deadlines for personnel paperwork and for hiring new people? What are the latest regulations on the hiring process?
6. What steps need to be taken and what information, forms, and approvals are required to transfer staff members to the grant?

Supervision

Supervision and evaluation of persons assigned to or hired by the grant will follow guidelines established by College policy for each position. In the case of split assignments in which portions of loads are assigned to the grant, evaluation arrangements should be made with the original supervisor. Such arrangements often take the form of memoranda detailing performance on the grant assignment to be included with the formal evaluation.

The performance of the project staff is the most critical factor in determining whether a project is successful or not. Facilitating and supporting the work of staff members is one of the most important roles of the Project Director/Administrator.

MANAGING THE MONEY

Grant funds allow the colleges to accomplish things with external funds that they would do with operational funds if sufficient resources were available. Grant funds are used to meet strategic goals, improve instruction, and develop and provide programs for at-risk students. They supplement and complement existing college resources. Some grants provide startup funds for projects designed to meet college goals as well as funding agency goals. Proposals are planned so that they are consistent with our mission, goals, and objectives.

One of the hallmarks of an excellent Project Director is paying as close attention to the financial aspects of the grant/contract as to the program. Both require careful monitoring if the total project is to be successful. Meeting the program objectives and client needs is only half the job. As Project Director/Administrator, you will be held responsible for managing both the program and the budget.

If you are like most Project Directors, you understand that you are responsible for accomplishing the grant/contract's goals and were selected for your programmatic expertise. However, you may be less comfortable with your fiscal responsibilities. You may have the perception that "some accountant somewhere is supposed to handle it." As Project Director, your fiscal responsibilities include:

- authorizing only those expenditures which are reasonable and necessary to accomplish the project goals
- spending no more than the amount authorized by the funding agency for the project period
- adhering to funding agency limitations on the amount of money that may be spent in any single budget category
- incurring costs only for goods or services that will be used or received during the project period
- charging project costs directly to the account set up for the project (thereby avoiding cost transfers)
- documenting cost share and matching commitments

One of the quickest and easiest ways to check on the progress of a grant/contract is to compare the percentage of time elapsed in the grant period with the percentage of total budget spent. For example, if 80% of the grant period has expired, and only 30% of the money is spent, the grant is in **serious** trouble. First of all, the college is likely to have to return a significant portion of unspent monies to the funding source and secondly, the objectives of the program are apparently not being met. Often, the discrepancy indicates that expenditures are not being charged to the proper grant account. **This means that the college is expending operational dollars on a project which should be paid for by external funds**.

Getting the Funds

Once the Board of Regents has approved acceptance of the grant award is completed and the Grant Accountant has set your budget, expenditures can be made from the account. Most agencies **do not** send AC the grant/contract funds at the beginning of the project. Instead, the College is periodically reimbursed for expenditures after they occur. The College's Grant Accountants are responsible for reporting the expenditures to the funding agencies and obtaining reimbursement for expenditures.

Budget Management/Monitoring

The first grant budget report should be reviewed carefully to check the accuracy of the account object codes and amounts. Cost categories are identified by object code and title in the Colleague system. Subsequent budget reports should be reviewed line item by line item to be certain charges are properly posted to the account. The revised budget is the current budget and may differ from the original budget as a result of budget modifications approved by the funding source.

The budget should be monitored by line item (object code). The objective is **not** to exceed the budget allowed for each object code. It is **not** sufficient to manage a budget so that the total expenditures do not exceed the total available. Be sure to reconcile your expenditures to the financial records.

Here are some other things to keep in mind as you review your budget. Review your budget line by line. Pay particular attention to salary line items, especially if a salary is coming out of more than one account. The computer error may take it all out of one account. Indirect costs are charged to the account periodically and at the end of a fiscal year by the Grant Accountants, so do not transfer budget funds out of that object code to use for something else.

To analyze how your project is doing fiscally, periodically prepare a budget report for yourself comparing the percentage of the budget that has been expended to the percentage of the grant that has expired. There may be justifiable reasons for a discrepancy between the two, caused by such things as major equipment purchase and the timing and cost of major grant activities. More commonly, however, major discrepancies usually indicate that the program is either not being implemented on schedule or expenditures are being charged to the wrong account. To prevent this, your account number should be listed on all requisitions to assure that the expenditures are charged to the proper accounts.

Matching Funds

Matching funds are the portion of a project or program costs that are not borne by the funding source. Most government grants require matching financial participation by the applicant. In some cases, the granting agency specifies a minimum match (e.g. 25% or 50% of the total project cost). In other instances, the funding source encourages but does not dictate the percent of match.

Applying for grants is a competitive process so the match needs to compare favorably with match dollars offered by other proposers. Proposals that include a significant match are perceived by the reviewers and the funding source as more competitive and are therefore more likely to be funded.

Showing an appropriate match:
- demonstrates institutional commitment that goes beyond just conducting a program. The funding source wants to see an indication of institutional support for the program and some likelihood that we have the resources with which to continue the program after the external funding ceases.
- provides a more accurate picture of the actual cost of delivering a service. The funding source needs to know the total cost of replicating the program elsewhere.
- reduces the amount of money required of the funding source, thereby allowing additional projects to be funded in other locations.

Frequently, the grant application will indicate the types of match that are acceptable for a particular program. Generally speaking, match is allowable for the same cost categories that are allowable from

grant funds. To qualify, the match dollars must be used to meet the objectives of the proposed project and may come from either the college or a third party, but not from other grants.

There are two types of match:

1. **Cash Contributions:** cash outlay from the college's operational accounts or a non-Federal third party to support the program. Examples of a cash contribution include a portion of the Project Director's salary that is being paid by the institution or a cash contribution to match federal dollars for the purchase of instructional equipment.

2. **In-kind Contributions**: value of non-cash contributions provided by the college or a non-Federal third party. They may be in the form of charges for real property and non-expendable personal property, and the value of goods and services directly benefiting and specifically identifiable with the project or program. Examples include the value of space, equipment, volunteers, and supplies for the program; supervision; and in some cases, any unreimbursed portion of the negotiated indirect cost rate.

For example, the National Science Foundation awards funding to purchase laboratory equipment for projects that enhance the teaching of science. This program requires a minimum 50% match. NSF will pay for at least half of the equipment cost and the college must demonstrate in its proposal that it will pay for the other half.

During the proposal preparation process, Grant Writers review the matching requirements contained in the grant application. In addition, Grant Writers generally discuss matches with Program Officers to find out the match amounts offered by proposals that were funded the prior year. This information helps the Grants Writer to arrive at a match amount that will be competitive without being excessive.

A few examples of matching costs that people tend to forget about:

A.) When consultants charge a lower rate since you are an educational institution...you can use the difference from the normal rate to the educational discount rate as in-kind dollars. The documentation which needs to be provided is a letter from the consultant including the normal rate charged and the educational discount rate.

B.) If an Advisory Committee participates, charge this time as if the company was billing them for time. Keep detailed meeting minutes showing who attended, the times they were there, and travel time for each attendee.

C.) In Kind match can also come from technical assistance, mentoring, job fairs, tutoring, field trips and presentations. Keep a log which states the name, phone number, position, and hours spent traveling and at the actual visit/meeting.

D.) Educational Discounts on software, equipment and supplies. This can be used on most grants not all though. (Cash Contribution)

Matching Funds: Matching funds must be at least equal to the amount of grant funds requested. Unless provided by other authorizing legislation, other Federal grant funds cannot be used as matching funds. Matching funds must be spent at a rate equal to or greater than the rate at which grant funds are expended. Matching funds must be provided by either the applicant or by a third party in the form of cash or in-kind

contributions. Matching funds must be spent on eligible expenses and must be from eligible sources if they are in-kind contributions.

The Project Director is responsible for keeping track of and documenting the match monies (contributions to the grant by the college and any other nonfederal sources). This must be reported to the funding source periodically by the Grant Accountant and needs to be available for audit purposes. Always maintain adequate backup documentation to support expenditures (both grant and in-kind/match).

As Project Director, you need to know what accounts your "match" is coming from or at least which people's salaries are contributing to the match (e.g. 20% of Associate Dean of Instruction's salary and benefits). You will need to provide your Grant Accountant with this information.

Leveraged Funds:

Leveraged funds are similar to match funds; however they have one **MAJOR DIFFERENCE**. Match funds MUST be raised whether the funding source has those dollars available or not. Amarillo College will be required to provide the match if the funding source is unavailable to provide the funds. Leveraged funds allow for funding sources to provide either the listed amount in the grant or less dollars.

For example, if Company A was listed in the grant/contract as match money for $100,000 in year 2. But in year 2 of the grant/contract, Company A is no longer in business. Amarillo College will be required to raise additional funds from another funding source to match the grant/contract for $100,000. If the grant/contract financial commitment was a leveraged commitment, Amarillo College would not be required to solicit the additional $100,000 if Company A was no longer in business.

MATCH FUNDS	LEVERAGED FUNDS
• Grant Proposal - Company A committed $100,000 in year 2 • Year 2 – Company A no longer in business • Year 2 – AC required to provide the $100,000 match for project budget	• Grant Proposal – Company A committed $100,000 in year 2 • Year 2 – Company A no longer in business • Year 2 – AC not required to provide the $100,000 financial commitment. Project budget will be reduced by $100,000 to account for the loss.

PREPARING/REVISING
AN OPERATIONAL BUDGET

When a proposal is developed, both the narrative and budget are reviewed by a variety of people before it is submitted to the funding agency. Some colleges have established procedures for proposal review. Typically, Vice Presidents, Deans and/or Associate Deans, Division Chairs, Department Chairs and Directors are involved. In addition, the outgoing proposal is reviewed by the College Office of Grants Development.

By the same token, budget revisions also require some review.

- The Project Director should review grant guidelines and policies with respect to budget revisions or modifications to determine the procedure for revising the budget and any specific limitations and receive approval of the funding source for such a budget modification.
- If you (the Project Director) are an Externally Funded Employee – funded partially or totally from the grant/contract - the supervising administrator will need to approve the revision.
- The appropriate Grant Accountant should review the proposed revision prior to submission to the funding agency.
- State grants, for example, frequently require that all revisions be submitted no later than three months prior to the end of the grant/contract.
- Each grant/contract will have stipulations regarding changes exceeding 5-15% of a budget category and these may require approval by the funding agency.

After the funding source approves the revision, a copy of the approved revised budget and a request for budget transfer should be sent to the Grant Accountant. The Grant Accountant needs to know how much you want transferred from object code xxxx to object code xxxx and the reason for the transfer.

The grant/contract budget should be reviewed by your supervisor at least once per quarter. These reviews should include fiscal reports that are generated from Colleague and exported into an Excel spreadsheet.

REPORTS

The Project Director will prepare narrative reports, but it is a good idea to have the College Grants Development Officer review the reports before they are submitted. Some agencies want these reports submitted electronically (i.e. NSF/FastLane). Check with your Grant Accountant for the financial part of the report. Formal reports to the funding agency are generally due ninety days after the close of a federal grant and sometimes at mid-year. State and private funds reporting requirements will vary.

Evaluation reports will be required for all grants. Meeting deadline dates is critical. Failure to meet deadlines can have a serious impact on future funding possibilities.

It is always a good idea to review the evaluation plan and reporting requirements at the beginning of the project so that you can plan ahead and collect all the information and data needed to evaluate the project. Check in the grant application and in documents such as attachments to the award letter and agency grant procedure manuals to determine what will be required. This is also a good topic to discuss with the granting agency program officer since there may be a form or format that the agency wants followed.

The Office of Grants Development will send you an email reminder when your quarterly/annual reports are due. The Office of Institutional Research should be contacted ahead of time if institutional data is needed for the submission of your quarterly/annual reports.

Reports should conform to funding agency guidelines and use technical writing manuscript standards. The Office of Grants Development – Special Projects Manager can assist you with technical writing and editing.

A report narrative will usually require responses to each proposed outcome. Comments should be substantiated with evaluation data and statistics. Outcomes which are not accomplished should be explained. Report forms may also include charts or other numerical reports pertaining to students, clients, audience, and delivery of services.

Financial reports are prepared by the AC Grant Accountant. Information will be requested from the Project Director as needed by that office. The Grant Accountant will report on the budget expended to date and on in-kind match dollars. You will need to maintain documentation on the in-kind match dollars. Be sure to discuss fiscal reporting requirements and documentation of the in-kind match dollars with the Grant Accountant early in the life of the grant. You will also need to find out what happens to unexpended dollars. One question you will need answered is as follows: "Can the unexpended dollars be rolled into next year's program? Be sure to obtain written documentation of the funding agency's response for unexpended dollars usage for your files.

Final Reports (both programmatic and fiscal) are the responsibility of the Project Director before reassignment to other duties or termination of the grant. The Grant Accountant will provide the Project Director with a copy of fiscal reports sent to the funding agency. Copies of narrative reports and fiscal reports **MUST** be sent to the Office of Assessment and Development, Grants Development Officer.

CLOSING OUT

Finishing a grant project is just as important as starting one. In many cases, the way close-out procedures are handled, such as timely submission of final reports and the quality of those reports can have a direct effect on the chances for future funding.

There are six areas of management that need particular attention at the close of a funded project: budget, personnel, purchasing activities, files, final reports, and document storage. Contact your grant accountant and schedule a close-out meeting at least two months prior to the end of the grant.

Budget: Review encumbrances and liquidate those no longer needed. Accounts will be closed soon after the grant's ending date so inform staff that no more changes can be made against the grant account.

Personnel: Complete termination paperwork for all staff and if required, payroll changes for staff members transferred to other cost centers or to the new grant number assigned to a continuing grant.

Purchasing activities: Make sure all goods and services have been received prior to the end of the grant although payment may occur soon after the end of the grant. Make arrangements for transfer, removal, or reassignment of the telephones. Check and reconcile bookstore charges. Match equipment purchases with requisitions and check receipt of items.

Grant files: Review grant documents, personnel records, purchase orders and requisitions, and budget records, including necessary documentation for changes. A general sprucing up is usually in order after the last burst of grant activity. Remember, auditors are the ones who may next be burrowing through these documents.

Final reports: Covered under "Reports."

Double and triple check **all publications** to be certain that the funding source is credited before printing is approved.

Do not make unusual expenditures at the end of the project. Purchases of supplies or equipment may be disallowed by auditors if they occur too late in the program to be legitimately needed by the project, e.g. **supplanting**.

Arrange for appropriate **storage** of grant/contract files if the project is not a continuing one or if a logical responsible party to the files is not on the horizon.

Check with the Office of Grant Development to verify that they have copies of all documents, e.g. both programmatic and fiscal reports.

Close-out Checklist

There are six areas of management that need particular attention at the close of a funded project: budget, personnel, purchasing activities, files, final reports, and document storage.

Pre-Close-out

❑ Date_____ Contact your grant accountant and schedule a close-out meeting at least two months prior to the end of the grant.

❑ Date _____ Date set for closeout meeting

Budget:

❑ Date_____ Review encumbrances and liquidate those no longer needed.

❑ Date_____ Inform staff <u>in writing</u> that no more changes can be made against the grant account so that accounts may be closed soon after the grant's ending date.

Personnel:

❑ Date_____ Complete termination paperwork for all staff.

❑ Date_____ If required, complete payroll changes for staff members transferred to other cost centers or to the new grant number assigned to a continuing grant.

Purchasing activities:

❑ Date_____ Make sure all goods and services have been received prior to the end of the grant although payment may occur soon after the end of the grant.

❑ Date_____ Make arrangements for transfer, removal, or reassignment of the telephones.

❑ Date_____ Check and reconcile bookstore charges.

❑ Date_____ Match equipment purchases with requisitions and check receipt of items.

Grant files:

❑ Date_____ Review grant documents, personnel records, purchase orders and requisitions, and budget records, including necessary documentation for changes.

❑ Date_____ Submit a copy of final reports, both programmatic and fiscal, to the Office of Assessment and Development, Grants Development Officer.

General:

❑ Double and triple check **<u>publications</u>** to be certain that the funding source is credited before printing is approved.

❑ Do not make unusual expenditures at the end of the project. Purchases of supplies or equipment may be disallowed by auditors if they occur too late in the program to be legitimately needed by the project.

STAYING OUT OF HOT WATER

The following list of suggestions is based on **"true experience."** It is included in this handbook for two reasons: 1) to prevent similar mishaps and 2) to provide guidelines for successful grants management. Questions regarding items on the list should be directed to the Grants Development Officer.

Read your mail and email and follow up agreements and meetings with memos

Academic communities communicate in writing. Paper trails protect the grant and the Grants Administrator and Project Director from misunderstood communications. Copy your Vice President, Dean or supervisor on email and keep hard copies of all important documents and correspondence.

Don't lobby. Don't support anything that is political. Don't entertain. Don't support religious activities

All of these interesting activities are strictly prohibited with external funds. That includes using staff time for any of these items. Support letters for legislation cannot come from project staff. Refreshments for receptions and any meals will have to come from College operational funds.

Cultivate a "sixth sense" about improprieties

If any planned action causes hesitation or even a second thought, **check with Associate Dean of Assessment & Development**. In this case, permission is the best route. Forgiveness can be extremely expensive - personally, professionally, and financially.

Ask enough questions

As a new Project Director or a newcomer to the College, the sheer volume of information can be daunting. The grant/contract is important and its running smoothly is important. This handbook provides a beginning. The people and places that form the grant network are there to help. **Please contact the Office of Grant Development if you have any questions.**

Credit the funding agency

 On any piece of printed matter, whether a news release, brochure, or major product, a credit line should appear listing the agency by its full name. If verbal presentations are being given to community groups, the agency should be credited there as well.

Provide lead time

The grant /contract is only one of many projects impacting the College and college services. People work best when the impossible request is a rarity. Grants/contracts frequently deviate from routine College activities; therefore, more lead time is often needed to make special arrangements for grant/contract activities. So be considerate - plan ahead.

Keep up with the budget

Grant/contract funds represent the end result of a stiff competition with other colleges and other needs. They are an investment by a public or private entity in the College's future. The College will be held accountable for its stewardship in using those funds.

Plan carefully for grant/contract-related meetings

Send a written agenda to participants prior to the meeting. Use effective group management techniques to keep the meeting on track and use time well. Follow up with meeting summaries and actions on necessary items.

Find a home at AC

The Project Director and the grant program belong to the AC and are a part of its community of needs, people, and events. Avoiding isolation builds support across AC for the goals of the grant/contract and creates interest in the outcomes. An internal committee made up of representatives from diverse areas of the College can sometimes help in this process. Check to see if such a committee is feasible.

Address problems before they become crises

Any large project has the potential for going awry. Contact supervisors and the AC Grants Development Officer when things begin to go off track to find early solutions.

Keep the Grant Accountants informed

Copy all Grant Accountants on email and memos involving fiscal or budget issues. They work as a team.

KEEP THE LARGER GOALS IN MIND
BUT STAY CURRENT ON DETAILS

GRANTS DEVELOPMENT AND MANAGEMENT

Key Responsibilities:

- Coordinate planning, development, maintenance and implementation of processes and procedures related to grants and contracts

- Develop, coordinate, update and maintain system for dissemination of information and opportunities for preparation of grants and contracts, rules and regulations, guidelines, applications, and submissions deadlines.

- Develop and maintain liaison between federal, regional, and state funding agencies regarding negotiations, status, and disposition of all grants applications and contracts submitted.

- Provide technical assistance, advice, support, and counsel to AC colleagues and to the College's leadership and administration in the development, planning, implementation, and evaluation of grants, contracts, and designated special projects.

- Develop, update, and maintain a broad database of funding sources that include objectives, past performance, and potential for the College.

- Review and analyze grants and contract planning and management processes, identify problem areas, and develop and implement changes as appropriate.

- Match strategic plan, objectives, and needs with the purposes and objectives of potential funding agencies.

- Prepare a list of potential sources of funding.

- Coordinate required report preparation, approval and submission to the funding agencies.

GRANTS TERMINOLOGY

ADMINISTRATIVE FEES: See Indirect Cost

ALLOWABLE COST: A cost for which an institution or agency may be reimbursed under a grant or contract with a governmental agency.

AMENDMENT: Modification of existing legislation, e.g. Older Americans Act of 1965 as amended 1973.

APPLICATION CONTROL CENTER: Established by federal and state agencies to centralize receipt of grant proposals.

APPROPRIATION: Legislation enacted by U.S. Congress which establishes a federal activity. The legislation will sometimes set limits on the amount of money which can be appropriated for the activity.

AWARD LETTER: Written notification from the funding agency indicating that a project has been funded, for how long, and in what amount.

BLOCK GRANTS: The grouping of many categorical grant programs into an overall functional area.

BUDGET: A plan for financial operation consisting of an estimate of proposed income and expenditures for a given time period and purpose.

BUDGET CYCLE: The annual fiscal year (for example, July 1 through June 30) which is important because it indicates when funding sources will make their grants.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA): Contains information about Federal grant and loan programs available from Federal agencies to assist the American people in furthering their social and economic progress. Each program is assigned a CFDA number. This is used in the audit for grant identification purposes, so it must be accurate.

CATEGORICAL AID: Federal or state funds specified for specialized area.

CONFLICT OF INTEREST: Using a vendor that is a member of your family or a personal friend. Transaction must be "arms length".

CONSORTIUM: A group of organizations sharing in the finances and/or administration of a single grant to accomplish that which no one can do as effectively as when working together.

CONSULTANT: A person with expertise external to an organization that is brought in to lend insight to the solution of a problem.

COPYRIGHT: A statement of legal control over a document (usually by its author) such that anyone seeking to reproduce said document must first obtain permission of the copyright holder.

COST REIMBURSEMENT CONTRACT: Issued on the basis of estimated costs of performing specified tasks; arrived at by negotiation between government and the contractor. Involves payment to the contractor for actual costs incurred up to a ceiling amount.

COVER SHEET: Top sheet of grant summaries information about grant. Usually includes place for authorized signature.

DEADLINES: Dates by which applications for grants or contracts must be submitted. Pay close attention to whether the deadline is "to be received at the agency" by the deadline or "postmarked" by the deadline.

DEMONSTRATION GRANT: Generally of limited duration which seeks to test the feasibility of an idea, approach or program.

DISADVANTAGED: Individuals who because of physical, emotional, social, economic or other reasons are unable to adequately compete within the context of an educational institution.

DIRECT COST: Expenses which can be itemized by categories having descriptive terms for utilization of funds, e.g. salaries and wages, travel, etc.

DUNS NUMBER: Identification number used for Department of Education proposals.

FEDERAL I.D. # OR FEDERAL ENTITY NUMBER: The College's number is 860185552. Each college has a suffix.

FEDERAL REGISTER: Contains proposed and final guidelines, and other administrative regulations of programs as announced by Federal agencies in precise working of the law. It may be purchased from the United States Government Printing Office, Washington, D.C. 20402. The College Grants Office subscribes to the Federal Register.

FISCAL YEAR (FY): Is designated by the calendar year in which it ends, e.g. FY 00 covers the period July 1, 1999 to June 30, 2000. The Federal Fiscal Year is October 1 through September 30.

FORMULA GRANTS: Funds distributed by the Federal government (usually to state agencies) for use in specified projects. The funds are awarded on the basis of demographic and economic data from which a formula has been computed.

FRINGE BENEFITS: Benefits such as life and health insurance, retirement, unemployment compensation and workers compensation that are paid in addition to salary. Benefit packages change yearly.

FTE - FULL TIME EQUIVALENT: The amount of time spent or required in a less than full time activity divided by the amount of time normally spent or required in a corresponding full time activity during the regular school term. (Also referred to as a regular budgeted position)

GRANTEE: One who receives and administers a grant.

GRANTOR: Agency which gives funds to carry out projects.

INDIRECT COSTS: Those costs which cannot be identified specifically with a particular program, project, or activity. They are costs that are incurred for several purposes which are necessary to the operation of Amarillo College; for example, accounting, Human Resources, and general administration. Indirect costs are also referred to as Administrative Fees.

MATCHING FUNDS: Cash or "in-kind" support contributed by the grantee to fulfill objectives of project. Amount of needed matching funds varies with program.

MEASURABLE OBJECTIVES: Goals stated in such a way that the achievement or non-achievement of this goal may be determined with a relative degree of precision by objective observation and measurement (also called criterion base objectives.)

NEEDS ASSESSMENT: A continuous, formal process for identifying in what areas and by how much the present system is short of an ideal state.

OFFICIAL FUNCTION: Expense such as food that needs justification as to the public purpose it produced to the funding agency or campus.

ORACLE GOVERNMENT FINANCIAL (OGF): The College's computerized financial recordkeeping system used for handling all fiscal records and reports.

OUTREACH: Contributes to eliminating artificial barriers to the use of educational resources by finding new ways to serve.

PASS THROUGH AGENCY: State or local agency that receives federal funds and conducts its own application and award process.

PRE-APPLICATION: A prospectus following a prescribed format developed by an agency and utilized to screen proposals.

PRIME GRANTEE OR PRIME CONTRACTOR: A single agency which has the overall responsibility for conducting a program usually involving subcontractors.

PROJECT PROGRAM OFFICER: The Federal or State agency representative who has the task of monitoring the project, providing technical assistance to the project, and insuring that the objectives are carried out within the framework of regulations.

PROPOSAL: An application submitted to a funding source seeking approval and funding.

PUBLIC LAW (PL): Means of classification of laws passed by Congress, e.g. P.L. 88-269 Library Services and Construction Act 1964 is translated as a public law passed by the 88th Congress.

RESOURCE INVENTORY: An enumeration of services, facilities, personnel, and agencies related to a particular topical area.

REVENUE SHARING: Tax funds appropriated by Congress and distributed to local and state governments in sums determined by a complex formula.

REQUEST FOR PROPOSALS (RFP): An announcement by an agency that it is accepting proposals to accomplish a specific objective.

STATE PLAN: Document developed by a state agency, based on guidelines from and to be approved by Federal agency, in order to insure that (1) funds flow to supplanting state and/or (2) that state is in compliance with regulations.

SUPPLANTING: Use of grant funds to pay for ongoing activities already budgeted or for the usual activities assigned to a position.

TITLE: A major section of a piece of legislation, e.g. Title I Higher Education Act, 1965.

UNSOLICITED PROPOSALS: Agencies may allow institutions to submit proposals which may or may not match the priorities of those agencies. May be an offer to perform tasks which are not the results of an RFP announced by the agency.

I certify that I have read Amarillo College's *Grants/Contract Management Handbook* and that I will follow the guidelines set forth in it.

Project Manager Signature: _____

Project Manager (Print Name): _____

Date:_____

This signed acknowledgement must be sent to the Office of Assessment and Development, Grants Development Officer within **two weeks** of receiving the Grants/Contract Management Handbook.