

 **WESTERN Grants Manual**

Revised September 2011

Contents

Relevant Publications.....	3
Conflicting Rules.....	3
Administrative Roles	4
Office of Research, Grants and Sponsored Programs.....	4
Accounting Services	4
Authorized Institutional Representative.....	4
Western Foundation	4
Online Grant Management System	5
Pre-Award Policies and Procedures	5
The Proposal Development Process	5
Budgets	5
Approvals	5
Submissions.....	6
Timelines.....	6
Budget and Personnel Policies.....	6
Salary and Fringe Benefits.....	6
Summer Pay	6
Reassigned Time	7
Indirect or “Facilities & Administrative” (F&A) Costs	7
Matching Funds.....	8
Research Involving Human Subjects or Animals.....	8
Copyrights and Copyright Compliance.....	8
Reporting Requirements.....	8
Funding Types	9
Grants.....	9
Fellowships.....	9
Contracts.....	9

Post Award Policies and Procedures.....	9
Grant Negotiation	9
Notification of Grant Award.....	10
Grant Accounts	10
Starting up the Project	10
Allowable Expenditures	10
Timeliness of Expenditures	10
Spending Across Budget Lines	10
Expense Remittance and Reconciliation	11
Project Fund Accounting.....	11
Expending Funds	11
Personnel Expenditures	11
Travel Expenditures	11
Non-Travel Expenditures	11
Vendors	12
Account Reporting	12
Modification of Grant	12
Close Out of Grant	13
Grant Accounts	13
100% Grant Funded Positions.....	14

Relevant Publications

All persons working with Federal grants should be familiar with 2 CFR Part 220 (Cost Principles for Educational Institutions) for information on what costs are allowable, and 2 CFR Part 215 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education).

Conflicting Rules

Sometimes institutional policy, granting agency policy, the terms of our grant contract, OMB rules, and federal legislation may conflict. In that case, the “highest power” wins. That is, OMB rules overrule anything that may be in your grant agreement.

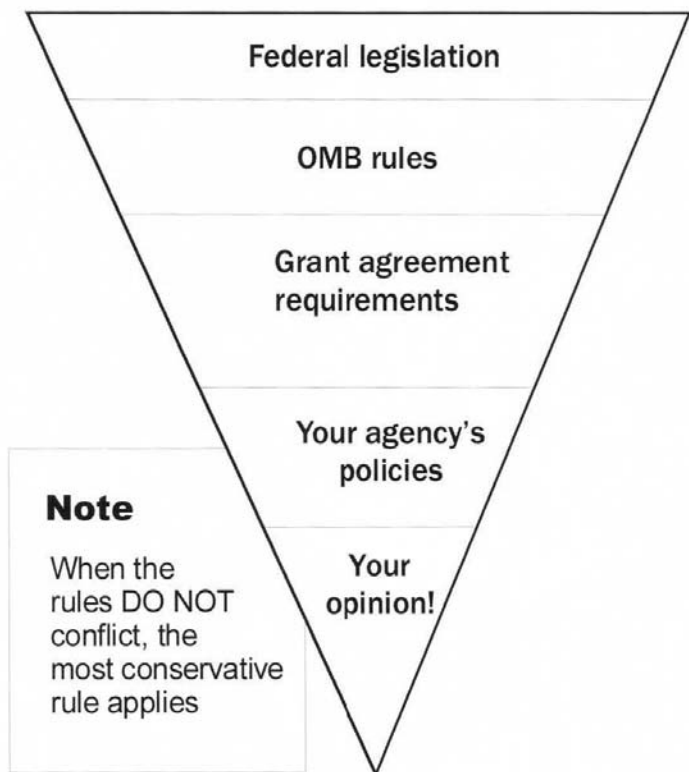
In all cases, the most conservative rule applies. For example, if the federal mileage reimbursement rate is .51, however, MWSU allows only .31, then reimbursement will be at .31.

If a cost is allowed by OMB, but Western policy does not allow it, or does not see it as reasonable, then it is not allowable to be charged to a grant.

In all cases where it is unclear, the Director of Grants and Sponsored Programs reserves the right to make the final decision – which will be based on the most conservative interpretation possible.

When the rules conflict

What trumps what?



Administrative Roles

Office of Research, Grants and Sponsored Programs

The Office of Research, Grants and Sponsored Programs (ORGSP) was established to provide support for educational, scholarly, and creative activities on campus. We provide support for project development, budget development, grants administration, and partnership building internal and external to Western. The ORGSP reviews all outgoing requests for funding and is the supervisory signature on all grant expenditures.

See: www.missouriwestern.edu/grants
research.missouriwestern.edu/grantmanager

Accounting Services

The Office of Accounting Services maintains the accounting and budgetary systems at Missouri Western State University. This office provides timely, useful budget information, and services to all constituencies (e.g., general accounting, budgetary oversight, accounts payable, and treasury functions).

Authorized Institutional Representative

The University President, or designee, is the authorized institutional representative for Western. The endorsement and signature of the President, or appropriate vice president, is necessary on every outgoing grant proposal for research or funding.

Western Foundation

The mission of the Missouri Western State University Foundation is to inspire a lifelong passion for learning and to empower a diverse population of students to succeed as citizens in a changing world. The Foundation exists to foster partnerships and vital connections by encouraging gifts and stimulating investments to further the cause of Missouri Western State University.

Online Grant Management System

The online grant management system should be used submission and storage of all documents relating to a grant or contract including but not limited to:

- Pre-Proposals
- Proposal Drafts
- Final Proposals
- Budgets
- Communications from Funding Agencies, including reviews and approvals
- Communications to Funding Agencies, including requests for revisions
- Status Reports
- Final Reports
- Effort Reporting

research.missouriwestern.edu/grantmanager

Pre-Award Policies and Procedures

The Proposal Development Process

When individual faculty or staff have a proposal idea and want to pursue a funding opportunity, it is the responsibility of the PI/PD (Principle Investigator/Project Director) to complete a pre-proposal using the online grants management system (<http://research.missouriwestern.edu/grantmanager>) **before starting the actual proposal**. This is to ensure that the project idea is something that can be supported by the University, and also to prevent duplication of effort in the case that two or more individuals are pursuing the same funding opportunity.

The PI/PD is responsible for researching the technical content and drafting the proposal. The Director of Grants will assist in developing budgets and reasonable scope/appropriateness.

Budgets

The Director of Grants must review and approve the proposed budget for compliance with Federal and State statutes, Western expenditure policies, and the funding guidelines of the proposed funding agency.

Approvals

All Pre-Proposals must be approved by a department chair/unit head and the office of grants and sponsored programs.

If the proposed project involves human subjects or the use of vertebrate animals, the protocol must be reviewed and approved by the Committee on the Use of Human Subjects in Research (CUHSR) or the Institutional Animal Care and Use Committee (IACUC) before the proposal can be submitted for administrative endorsements. Many federal grants also now require that any students paid for by the grant receive training in the Responsible Conduct of Research (RCR).

The PI/PD must provide the necessary information to the appropriate review committee in order for the proposal to be reviewed before the submission deadline.

Submissions

All submissions to the grants office must be electronic - either by email, or as an attachment using the online grants manager.

Timelines

While the Director of Grants is responsible for mailing or electronically submitting the proposal packet to the funding agent, the timely submission of the proposal is dependent up the ability of the PI/PD to complete all necessary tasks **at least one week before the submission deadline**.

Budget and Personnel Policies

Salary and Fringe Benefits

The salary budgeted for project staff is a combination of the percent of their base salary plus the amount necessary to cover fringe benefits. The base salary is the individual's institutionally approved yearly salary. The portion of this base amount that is indicated on the grant budget is that which is representative of their project contribution. Since the fringe rate is variable depending upon level of pay, always contact the Director of Grants for the appropriate fringe rate before completing the personnel section of the proposal budget. The online grants management system also includes a tool for estimating your fringe benefits rate.

Summer Pay

Most granting agencies will allow an investigator to supplement his/her pay if the investigator is employed on less than a 12-month contract. It is Western's policy that if faculty are employed on a 9-month contract and are not teaching summer school, they will be eligible to request and receive up to 2/9s of their 9-month salary as additional summer compensation. The fringe amount necessary for summer pay may be significantly different from the amount budgeted for the regular 9-month contract period, so always contact the Director of Grants for the appropriate fringe rate before completing the personnel section of the proposal budget. Please note that the allowable amount of summer project pay is pro-rated according to an individual's

summer teaching load. The more you teach the less summer pay you can receive through a summer project.

Reassigned Time

Faculty and staff reassigned time, externally funded through sponsored projects, is available only through mutual agreement with the appropriate department chair, dean, and vice president. Project funds must be used to cover the staffing (normally 1/24 of salary and benefits per load hour). A formal request for reassigned time (approved via the pre-proposal summary form) must be submitted to and approved by the appropriate chairperson and dean before adding it to your budget.

Indirect or "Facilities & Administrative" (F&A) Costs

While the amount of money required to complete the project is referred to as direct costs, the overhead expenditures incurred by Western are referred to as indirect costs. Indirect costs, what the OMB refers to as Facilities and Administrative costs, are added to the total budget amount in order to compensate the institution for general operating expenditures (i.e., accounting, facility maintenance, and administrative services). This rate is approved by the Department of Health and Human Services, and cannot be negotiated by the PI/PD.

Western currently utilizes the simplified procedure for small institutions, which looks at the ratio of total salaries and wages paid to all employees to the amount of facilities and administrative costs that are categorized as follows: general administration and general expenses, operation and maintenance of physical plant, library, and department administration expenses. Institutions that have total direct costs of sponsored program work that does not exceed \$10 million in a single fiscal year may use this simplified method. Therefore, the indirect fees added to outgoing proposals should be calculated as a percent of base salaries and wages. The fringe benefit amount is not to be included in your calculation of indirect fees. Contact the Director of Grants for the current rate.

Most federal and state granting agencies permit inclusion of indirect expenses in the budget, while private foundations often do not. Whether or not your prospective funding agent permits this allowance is usually outlined within the agency funding policies available via the agency website.

It is the policy of Missouri Western State University to recover all allowable indirect costs for sponsored programs. All Federal agencies are obligated by law to recognize an institution's full-audited rates. In some situations, however, the agency may recognize the full rate but allow only partial recovery. If the indirect costs are not recovered, they are contributed as formal or informal cost sharing, whether cost sharing is required by the program or not.

Matching Funds

Any funds which the institution contributes as part of the grant are referred to as Matching Funds. Any matching funds must be requested in advance on the pre-proposal form and approved in advance.

Research Involving Human Subjects or Animals

Every proposal for research that will involve human subjects or vertebrate animals must be reviewed and approved by the Committee on the Use of Human Subjects in Research (CUHSR) or the Institutional Animal Care and Use Committee (IACUC) before the proposal can be submitted for endorsement to the Vice President for Academic and Student Affairs. Be sure to plan the proposal writing process so that the appropriate committee has sufficient time to schedule a meeting to review your proposal. See http://www.missouriwestern.edu/orgs/human_subs/ or <http://www.aphis.usda.gov/ac/> for further details.

Copyrights and Copyright Compliance

Faculty and staff are expected to adhere to the institutional policies in regard to copyright laws and copyrightable work. This expectation applies to generating project proposals for funding, the reporting of project data, and the preparation of manuscripts for possible publication. These policies are explained in detail in the Western Policy Guide.

Reporting Requirements

Complete and accurate reporting of grant-funded project outcomes is an important professional and institutional responsibility assumed by anyone who receives grant support. The PI/PD is responsible for completing grant reports as required by the funding agency. The utility of the information and the timeliness of the reports back to the funding agency reflect on our institution as a whole, so care must be taken to ensure that all reporting is of the highest quality.

All project reports must be also be submitted internally using the online grant management system.

Accounting Services must also have a copy of any performance reports and the final report, if one is required. This copy completes the project file to the satisfaction of external auditors. If your grant is ever audited, Accounting Services will provide the auditor with the requested documentation of your project's expenditures.

Funding Types

Extramural funding will most often take the form of grants, fellowships, or contracts. Please note that all external funding should be reported to the Grants and Sponsored Programs office.

Grants

Grant funding is support provided to the institution to carry out a project in which the researcher and funding agency have common interests. These projects may include applied research, basic research, the development of methodologies that can be replicated elsewhere, demonstration projects, in-service training programs, or support of the arts and humanities.

Fellowships

Faculty or student fellowships are awards to support an individual while completing a highly specific project that lies within the interests of the agency or foundation.

Contracts

Contracts are agreements between the institution and a funding agency to perform specific services such as research, instruction, or product development.

Post Award Policies and Procedures

Grant Negotiation

While the official notification of an award being made might be a letter provided to the PI/PD or to the appropriate vice president, this action might be preceded by a negotiating call from the grants office of the funding agency. The purpose of this call will be to discuss budget items, modifications in the scope of work, and/or to discuss a lower award than was requested. The institutional indirect rate cannot be negotiated by the PI/PD.

When the PI/PD receives the negotiation call, they must contact the ORGSP. The Director of Grants will review, in consultation with the appropriate vice president, the negotiation elements with the PI/PD to determine 1) if the goals and objectives of the project can be met with the negotiated budget, and 2) if there is additional institutional impact or commitment being requested by the funding agency. The Director of Grants will review with the PI/PD the required documentation to be sent back to the agency.

Once the review is completed, the PI/PD will complete the revised budget and any other documentation required by the funding agency. The revised documents will then be reviewed by the ORGSP, endorsed by the appropriate vice president, and will then be forwarded to the funding agency.

Notification of Grant Award

Once the PI/PD has been officially notified of a grant award, he/she must notify the ORGSP immediately. No work on the grant can be done until an account number is assigned and obtained through Accounting Services.

The PI/PD should bring copies of the grant award and all documentation to the Director of Grants as well as submitting it electronically using Western's Online Grant Management System (<http://research.missouriwestern.edu/grantmanager>). Among the activities to be completed might be: 1) finalizing any negotiations with the funding agency, 2) obtaining signatures on the acceptance letter and returning it to the funding agent, and 3) providing copies of the acceptance letter and final proposal to Accounting Services.

Grant Accounts

Once the PI/PD, department chair, and dean have been notified that the award acceptance process has been completed then the account number will be assigned and project activities may begin. The PI is responsible for initiating the creation of a SCT Banner account form

Starting up the Project

The ORGSP and Accounting Services are now ready to do their part in monitoring your project. Keep in mind that the award is to Western, and the institution holds ultimate responsibility for programmatic and budgetary compliance within the grant award conditions. Following are several general rules governing the expenditure of grant funds:

Allowable Expenditures

The same policies and procedures that apply to spending institutional monies apply to grant monies (e.g., state travel regulation, purchasing requirements, salary increase limitations, etc.). In addition, many expenses are not allowed to be charged to Federal Grants. Those limitations are listed in 2 CFR Part 220.

Timeliness of Expenditures

Expenditures incurred outside of the stated award period will not be reimbursed. The PI/PD must work with Accounting Services to spend out or encumber funds before the end of the funding period.

Spending Across Budget Lines

Each agency has its own rules regarding flexibility within the four main budgetary categories (personnel, operating expenses, capital expenditures, and indirect costs). The guidelines of the funding agency supersede Western policy. The Director of Grants will advise you on the steps to be taken when a revision in your financial plan becomes necessary.

Expense Remittance and Reconciliation

The PI/PD is responsible for the completion and submission of all paperwork related to project expenditures. If the PI/PD has obtained a procurement card from Accounting Services, then they are responsible for completion of the monthly transaction log. If the PI/PD is using personal forms of payment for project equipment, then they must submit a remittance form and itemized receipts to Accounting Services for reimbursement. The ORGSP and Accounting Services will maintain all of this documentation for audit purposes.

Project Fund Accounting

While some projects are able to request funds for administrative or clerical support, others are not. For the PI/PD without project funded clerical staff, the secretary in their department is essential to the efficient administration of the project budget. Departmental administrative assistants are often familiar with the forms and processes involved in spending funds. This departmental contribution of administrative clerical staff time is part of the institutional support that is implied by Western's acceptance of a grant or contract.

Expending Funds

Policies and procedures for grant fund expenditures are established to ensure smooth progress of your project. Key guidelines for general categories of personnel and non-personnel expenditures are described below.

Personnel Expenditures

The first step in paying grant employees is to determine the appropriate classification of pay. Several classifications and methods of payment are available. Please refer to your budget as approved by the funding agency and the Director of Grants for the classification of project staff.

Travel Expenditures

If your grant allows for reimbursement of travel expenditures all applicable State and University travel regulations must be followed. All travel documents (i.e., itemized receipts for meals, lodging, or airfare) must be submitted with a remittance form or procurement log to Accounting Services for processing.

Non-Travel Expenditures

The PI/PD may purchase the supplies specified in the project budget through personal methods of payment or with a Western procurement card. If purchasing supplies with personal funds, the PI/PD must submit an itemized receipt with a completed remittance form. If the grant has an operating budget for non-travel expenditures of at least \$2,000 the PI/PD may choose to obtain a procurement card. The procurement card is administered through Accounting Services

and the Procurement Card Policies and Procedures handbook provides guidance on appropriate use.

Vendors

For all grants over \$25,000 vendors must be checked against the federal Excluded Parties list at <http://www.epls.gov>

Account Reporting

All billings and financial reporting will be handled through Accounting Services. As a result, the PI/PD will not be handling the funds. These funds will be automatically deposited into the assigned account number established for the particular grant or contract. In the event that the PI/PD should be the receiver of an award check from the funding agency it is their responsibility to get the check to Accounting Services as quickly and safely as possible.

Accounting Services will need the PI/PD to provide them with detailed information for financial reporting purposes. It is the responsibility of the PI/PD to maintain good record keeping. If the accounting duties for the project are substantial and the funding agency has provided for clerical support, a grant accountant is employed to manage the fiscal responsibilities of the grant. In this instance, it is the responsibility of the grant accountant to handle all billings, financial reporting, and reconciliation.

Modification of Grant

Sometimes it is necessary to modify a grant in regard to either the proposed activities or adjustments to the budget. While each agency has its own rules regarding flexibility within the four main budgetary categories (personnel, operating expenses, capital expenditures, and indirect costs), modifications or amendments to a previously approved proposal often require the authorization of the funding agency and the appropriate vice president. It is the responsibility of the PI/PD to ascribe to the requirements of the funding agency when making modifications. In this regard, the guidelines of the funding agency may supersede Western policy. While some budget changes may not require a formal proposal amendment, it is necessary to notify the funding agency before making changes in key personnel or scope of work. The Director of Grants will advise the PI/PD on the steps to be taken when a revision in your financial plan becomes necessary.

The PI/PD must bring to the attention of their department, their dean, and/or the ORGSP any circumstances that may delay satisfactory and timely completion of the project. Depending upon the funding agency, it may be necessary for the PI/PD to apply for a "no cost" extension in order to complete program activities.

Close Out of Grant

The responsibility of grant administration does not end for the PI/PD when the project activities have ceased. All grants will require some type of report to the funding agency at the end of the grant period. While the Federal government usually requires final reports within 90 days of the end of the funding period, the PI/PD should read the award notification carefully so that all reporting expectations of the funding agency can be fulfilled in a timely manner.

The final report usually provides a summary of project accomplishments. This document should provide research findings, intervention outcomes, and/or the evaluation of project implementation. In addition to providing the components that were explicitly outlined in the funded proposal (i.e., analytic and evaluation plans) the final report should also highlight any unexpected findings or unusual occurrences that impacted the project or hindered progress. It should be noted in this section if the project provided for academic presentations, journal publications, the leveraging of further funding, or supported student activities. Final reporting must be completed in accordance with the guidelines of the funding agency.

All expenses for your grant account must be incurred by the grant ending date. Expenditures incurred outside of the stated award period will not be reimbursed. It is the responsibility of the PI/PD to be aware of the grant start and end dates such that no expenses are recorded after the grant ending date. The PI/PD must work with Accounting Services to spend out or encumber funds before the end of the funding period. While all items ordered must be received by the grant closing date, actual payments for the goods or services may not be made until a later date.

Once the grant has been closed out and all reports sent to the funding agency, records must be kept from three to five years, depending on the funding agency. This means that these records must be available to the funding agency if that agency decides to audit the grant. Project records will be archived by the PI/PD, Accounting Services, and the ORGSP. While the PI/PD and Accounting Services will maintain records for the amount of time required by the funding agency, the ORGSP will archive electronic copies of all proposals and reports indefinitely.

The PI/PD must submit copies of all reports and documents using the online grant management system.

Grant Accounts

The PI is responsible for ensuring that grants follow the approved budget and do not overspend in any category. Expenses over allowed amounts will be billed to the originating department.

100% Grant Funded Positions

If new positions are funded as the result of a grant, and those positions do not become part of the regular institutional budget, those are often referred to as "soft money" positions.

Staff on soft money positions must expend all accrued vacation each year and always prior to the expiration of their grants. There will be no payouts for accrued vacation. Staff on soft money positions must be aware at all times that the conditions of their employment are dependent on the funding agency, and could change at any time.