

Sponsored Programs



Policies & Procedures

Sisseton-Wahpeton College

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Table of Contents

Section	Page
Objective	4
Primary Roles and Functions	5
Applications for Grant Funding	6
Allocable Costs (Direct & Indirect)	7
Reasonable Costs	7
Cost Sharing	8
Sub-Contracts	8
Notification of Awards	9
Establishing & Managing Budgets	10
Assigning Account Codes	10
Expenditures	12
Classification of Costs	14
Special Cost Designations	15
Determination of Allowable/Unallowable Costs	16
Accounting for Unallowable Expense	16
Transfer of Costs	17
Pre-Award Costs	17
Drawdown Procedures	18
Monitoring of Budgets	19
Budget Revisions	19
Documentation of Awards	20
Project Implementation	21
Personnel	21
Change in Scope	21
Reporting Requirements	23
Time and Effort Reporting	23
Internal Reporting	23
Sub-Award Reporting	23
External Reports	24
Closure of Sponsored Programs	25

Consultant Agreements

Appendix A

THIS HANDBOOK IS NOT INTENDED TO CREATE, NOR IS IT TO BE INTERPRETED AS TO CREATE A LEGALLY BINDING CONTRACT BETWEEN THE SISSETON-WAHPETON COLLEGE AND ANY OF ITS EMPLOYEES.

In the event that the terms of this handbook conflict with the written and approved personnel policies of the Sisseton-Wahpeton College, the OMB Circulars, federal

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regulations, or special conditions in the terms of an award those provisions shall be controlling.

Nothing in this handbook shall mean or be interpreted to be a waiver of the sovereign immunity of the Sisseton-Wahpeton Oyate of the Lake Traverse Reservation, the Sisseton-Wahpeton College, its officers or any of its employees. Any waiver of sovereign immunity shall be unequivocally expressed only through a written resolution passed by the Tribal Council of the Sisseton-Wahpeton Oyate.

OBJECTIVE

The purpose of the Sponsored Program's Policies & Procedures Manual is to provide the operational guidelines for the development, submission, and management of federally or privately funded grants at the Sisseton Wahpeton College. The implementation of these policies and procedures is to provide for a consistent and systematic approach governing all aspects of applying for and operating sponsored programs at this institution.

The primary reason for the Sisseton Wahpeton College in establishing these policies and procedures is to ensure compliance with all pertinent laws and regulations governing the expenditure of federal funds. An important secondary goal is to provide a source of guidance to college employees involved in sponsored programs. This document outlines the proper procedures that are applicable to applying for grant funding, and to the management of a sponsored program at SWC. Due to the variety of funding sources, special conditions, and possible changes to federal regulations it is imperative that principal investigators and/or project directors familiarize themselves with the specific terms of their programs.

Primary Roles and Functions

Principal Investigator: the PI of the sponsored program has the primary responsibility for all aspects of its implementation. All expenditure of funds must be approved by the PI; including the assignment of accounting codes. Any reports required by the funding agency, excluding financial reports, are compiled and submitted by the PI.

- Depending upon the project and the funding this position may have a different title associated with it, including project or program director, program manager, etc.

Project Director: the PD is a position that generally reports to the PI and oversees the day to day operations of the sponsored project or in some cases a key component. The actual responsibilities and duties of a PD are determined by the PI. Although certain functions of the PI might be delegated to a PD, it does not change his/her ultimate responsibility for any part of the project.

- Depending upon the project and the funding, this position may have a different title associated with it, including project coordinator, project manager, etc.

President: the SWC President has several key functions, primarily in an oversight capacity, regarding sponsored programs at the college. Prior to the submission of a proposal or the acceptance of an award, the President must decide if this program is aligned with the mission and goals of the college. The President also has the responsibility of ensuring that institutional resources are available to support the implementation phase of the program. Oversight of the PI and CFO is also a major responsibility of the chief executive officer.

Chief Financial Officer: the CFO has the responsibility of fiscal oversight of the sponsored program for the college. This includes ensuring that all expenditures requested by the PI adhere to the proper Business Office procedures. The CFO, *or specifically designated representative*, has the responsibility to submit to the PI budget reports on a *quarterly basis* and to complete and submit the budgetary reports and audits as required by the funding agency. The CFO, *or specifically designated representative*, is also required to properly draw down funds for the sponsored program following the proper procedures established by the funding agency.

The Office of Sponsored Programs: this officer has several important functions regarding the application for, and the implementation of grants at the Sisseton Wahpeton College. These include oversight of awards to ensure that the programs are being properly implemented, and to provide training and/or support to PI/PDs. The Office of Sponsored Programs also serves as an archive of past, current, and pending awards. Another function of this office is to encourage synergy between various programs and departments when and where appropriate.

Department Heads: it is important that the leaders of the various departments at the college, whether directly or indirectly impacted by a sponsored program, provide proper and reasonable support towards its successful implementation.

Applications for Grant Funding

In order to ensure appropriate institutional support, all requests for funding must adhere to the following procedure.

1. Alignment of the proposed project to the mission and goals of the Sisseton Wahpeton College.
 - a. How does the proposed project further a goal stated in the current SWC *Strategic Plan*?
 - b. If it doesn't align to the current *Strategic Plan*, how does it further the mission of the college?
2. Alignment of the proposed project to the strategic plans of the department(s) impacted.
 - a. How does the proposal support the department(s) in achieving their goals?
 - b. Does the proposal require significant support from other departments? If it does are those departments supportive of the goals and objectives?
 - c. What resources or personnel are needed within the impacted department(s) to successfully implement this project? Is there sufficient financial support, both during and after the project to sustain this effort?
3. Support from the relevant stakeholders and the institution.
 - a. Have the relevant stakeholders been identified? Have these stakeholders been given the opportunity to participate in the planning of the proposed project?
 - b. Are letters of commitment needed from outside identities?
 - c. Have the demands of this project on the infrastructure of the institution been identified and addressed?
4. Alignment of the proposed project to the funding source's requirements.
 - a. Has the proposal been reviewed based on the **RFP** (request for proposals)? What adjustments can be made without negatively impacting the proposed project's impact at SWC? Was the funding source contacted for clarification on a questioned component of the proposal?
5. Approval of the proposal for submission to funding agencies.
 - a. Preliminary review and/or approval of proposals may reside with one or more of the following identities, as determined by the President.
 - i. the director of the host department(s)
 - ii. the Grant Committee
 - iii. the Facilities Committee
 - iv. the Office of Sponsored Programs
 - v. the Office of the Vice President for Academic Affairs
 - b. A review of the proposal's budget by the Business Office, if required by the President.
 - c. The **final authority** for approval to submit any proposal for funding resides with the Sisseton Wahpeton College's President, or a specifically designated representative.
6. Submission of the proposal.
 - a. A copy of the proposal will be submitted and places on file the:
 - i. the director of the host department(s)
 - ii. Sponsored Programs

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- b. Notifications regarding budget negotiations, requests for changes in the proposal, panel review comments, and/or rejection letters will likewise be submitted to the above offices.
- c. All documents will be kept for a period of *no less than one (1) year* for a rejected proposal. These records will be made available as reference materials in the case that a new proposal is developed for a future submission.

Allocable Costs

The total cost of a sponsored program consists of direct and indirect costs. These costs must be allocable or allowable under the terms of the grant. According to OMB Circular A-21(section B-4): costs are allocable if the goods or services are chargeable or assignable to specific function or objective related to project and are reasonable.

Direct Costs

The direct costs are generally readily identified with specific activities of the project. Such costs are itemized in the budget submitted in the proposal and typically include salaries and wages, fringe benefits, equipment, consumable supplies, travel and other expenditures, and subcontracts.

Indirect Costs

Indirect costs are those expenses that cannot be identified with a single sponsored project. The cost of operating and maintaining buildings, use of equipment, general and departmental administrative expenses, and library costs are usually considered indirect costs. While these functions are essential in the support of sponsored program activities, they are often very difficult or impossible to separate out of normal operations of the college to charge as a direct cost.

Typically in the submission of a proposal the college will request our institution's federally recognized negotiated rate. However certain funding sources do not provide for indirect costs, or only allow for a reduced rate. There are other circumstances where SWC may voluntarily forego or request a lower rate at the discretion of the college president, or specifically designated representative.

Reasonable Cost

The basic test in determining reasonability of a cost is would it reflect the action of a prudent person under the given circumstances. Was it reasonable at the time the cost was incurred to pay the given amount for the goods or services acquired? There are a number of methods that can be used to determine or estimate reasonable rates or costs.

- The U.S. General Services Administration (<http://gsa.gov>) is a source for the federally approved rates for a number goods and services, in particular those related to travel.

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- For wages or salaries the State of South Dakota publishes information that could be used as a guideline in submitting a proposal (<http://www.state.sd.us/dol/lmic/menuoccupationalwages.htm>).
 - A **3%** annual increase in salary should be calculated for subsequent years of multi-year projects, if the position being supported is for more than **one (1) year**.
 - The Sisseton Wahpeton College calculates the fringe rate for most positions at **26%** of base salary.
- Stipends should be estimated using a full day (**minimum of 6 hours**) or half day (**minimum of 2 hours**) and based on comparable hourly wage. For example stipends for teachers could be based on what local school districts pay substitute teachers.
- Material acquisitions, and some services, can be estimated based on prior (recent) expenditures of a comparable nature or by catalog, web search, or quotes from a reputable vendor.

Cost Sharing

Some grants require the applicant share the cost of the project being proposed. This commitment, under certain conditions, can often be in the form of “in-kind” costs. In many cases it through personnel time & effort that these “in-kind” matches are met. Federal funds generally cannot be used to meet cost sharing requirements on federally funded programs. Special care must also be given to time & effort matches for both these reason and to avoid over commitment of individuals.

Due to these considerations if cost sharing is required, or would make the proposal more competitive, an action plan outlining how the match will be made will be developed and submitted to the President for approval prior to the submission of the proposal. This plan shall be attached to the internal copy of the proposal on file with the PI and the Office of Sponsored Programs.

Sub-Contracts

The Sisseton Wahpeton College will adhere to the relevant procedures established in this document when approached to be a participant in a proposal submitted by another institution. In cases where there is no PI, PD, or project coordinator at SWC then the Office of Sponsored Programs, or an individual specifically designated by the President will fulfill the duties of that position as set forth in this document.

In cases where the Sisseton Wahpeton College is the lead institution on a proposal with sub-awards the Office of Sponsored programs will check the U.S. Government’s Excluded Parties Listing System (at <http://epls.arnet.gov>) to insure the proposed sub-contractors have not been disbarred prior to approving the grant proposal. A letter of commitment from the proper official at the partnering institution(s) to the PI is also required before the submission of the proposal.

Notification of Awards

Upon receiving notification that a proposal was approved for funding, all relevant documentation will be submitted to the Office of the President. Any contracts or other correspondence requiring the commitment of SWC to the project must be submitted, ***within three (3) working days***, for review and signature by the President, or a specifically designated representative.

Once the award is accepted, copies of the approved proposal, budget, award letter, and any contracts or official documentation will be submitted, ***within three (3) working days***, to the following:

- the Office of the President
- the principal investigator of the project
- the director of the host department
- the Business Office
- the Office of Sponsored Programs

These records will be maintained for a period of no less than ***three (3) years*** after the duration or termination of the grant.

Establishing & Managing Budgets for Awards

Once an award is accepted and received, the Chief Financial Officer (CFO), or a specifically designated representative, will assign the project a unique fund number.

The CFO, or a specifically designated representative, will establish an initial budget according to the official award documentation. This budget will list the total available amount for each line item; subsequent years will be added to the residual amounts for that year's budget.

As costs are accrued by the project, the amounts will be applied to the relevant line item. This process will provide a running total of the funds available during that budget period for each category. It is the responsibility of the PI to ensure that the proper account code is applied to an expense. Regarding salaries and fringe benefits, the PI is required to complete the proper Human Resources forms (*Employee Requisition* and/or *Human Resources Action*), which upon approval will be submitted to the Payroll Office. All other expenses will be handled through the Check Request procedure, or preferably the Purchase Order Request (including ongoing billing) procedure.

For multiyear awards most funding agencies require annual reports, which generally include a financial section, to be submitted. The completion of this report is the *sole responsibility* of the PI according to many of the funding agencies. This is also true of the final report. Failure to comply with this condition can result in the PI from being *barred from receiving future awards*.

- Annual reports are often due before the next year's funds are released, and therefore are due during the 4th quarter of the project's financial year. Under these circumstances the PI, or specifically designated representative, should use the most current expense report, their cuff account, and their knowledge of upcoming activities to determine the accurate estimation of total amount of funds that will be expended in each line item by the end of the project's fiscal year.
- Based on this process the PI then determines the next year's budget by applying any residual funds, or deducting any over spent amounts (if allowable by the funding agency) to the approved budget for the subsequent year.
- Dependent upon the type of award and the applicable regulations, this new budget may have to be approved by the Program Officer at the funding agency. For example this is required for cooperative agreements with the National Science Foundation. SWC policy requires prior written approval from the Program Officer if significant (*over 5% variation*) changes are made to the budget line items.

Assigning Account Codes to Expenditures

For expenditures not relating to salaries or indirect costs (these are handled by the Business Office), it is the responsibility of the principal investigator (PI), or if delegated, the project director (PD), to assign the appropriate code. This code takes the form of three sets of three digits. The first set designates the fund being used, the second is for the department/group being impacted, and the last is the object code showing the type of expense.

- Example: 120-910-151

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- 120 is for the unrestricted fund
- 910 designates it is for the Dakota Studies Department
- 151 shows that it was classified as furniture
 - Purchase by the institution for an office chair for a faculty member in the Dakota Studies Department

List of Commonly Use Object Codes

095	Indirect Cost	624	Postage & Shipping	***	IT Fee
151	Furniture	627	Advertising	***	Presenter Fee
	Equipment	630	Subscriptions		
152	Vehicles	631	Service Contracts		
217	Housing	633	Communications		
420	Tuition	636	Stipends		
427	Lab Fee	642	Contractual		
459	Publication Center	645	Professional Dev.		
500	Salaries	672	Construction		
620	Travel	689	Endowment		

For the complete *Chart of Accounts*

Expenditures

All purchases of supplies, goods and services in support of carrying out the objectives of the sponsored program will be made by purchase orders, check requests, travel requests, and/or consultant/service agreements.

1. Purchase Orders

- 1.1. Purchase Order Request forms may be obtained from the Business Office or the SWC website – Online Forms.
- 1.2. The Purchase Order Request form must be completely filled out, including vendor name, description, dollar amounts of each item and the required signatures. The PI must assign the proper account number.
- 1.3. The PI, or specifically designated representative, must sign prior to submitting the form to the Business Office.
- 1.4. For items exceeding \$1,000, two bids/quotes (unless it is vendor specific) must be obtained **and** attached to the Purchase Order form.
- 1.5. A completed Purchase Order Request form is required to obtain a Purchase Order Number. The Purchase Order Number must be logged in the Purchase Order Book, with all pertinent information.
- 1.6. Purchase Order Requests with Purchase Order Numbers on them are kept in numerical order by the Business Office. A copy of the completed file will be given to the PI to be kept with the project's records.
- 1.7. Any employee who initiates a purchase without a Purchase Order Number will be held liable for payment.
- 1.8. Once goods are received, the receiving person verifies the order with the enclosed packing slip and/or invoice, initials the slip, notes any discrepancies and turns in the packing slip to the Business Office.
- 1.9. The Accounts Payable Clerk will prepare a voucher for each invoice and obtain approval for payment. Invoices are then entered into the computerized accounting system.

2. Check Requests

- 2.1. Purchase Orders are the preferred method for most purchases. Check Requests should be limited to emergency situations or when payment after the fact is more beneficial, such as stipends for participating in a workshop.
 - 2.1.1.1. The PI should obtain a verbal agreement from the President prior to accruing the expense, *see 1.7 above*.
- 2.2. Check Request forms may be obtained from the Business Office or the SWC website – Online Forms.
- 2.3. The Check Request form must be completely filled out, including vendor name, description, dollar amounts of each item. The PI, or specifically designated representative, must assign the proper account number.
- 2.4. Any and all packing slips, invoices, receipts, attendance sheets, or other relevant documentation must be attached to the Check Request.
- 2.5. The PI, or specifically designated representative, must sign (requesting signature) prior to submitting the form to the Business Office or President's Office for approval.
- 2.6. A copy of the completed file will be given to the PI to be kept with the project's records.
- 2.7. All durable items costing \$5,000 or more are classified as equipment, and are subject to additional policies/procedures listed under *Equipment*

3. Travel Requests

- 3.1. The policies and procedures for travel are located in the *SWC Employee*

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- Handbook* under heading: **6. Business Travel**. Additional information is located in the *OMB Circular A-21*.
- 3.2. Reimbursed expenses must be reasonable, necessary, documented, and properly authorized. Employees should neither gain nor lose personal funds as a result of college or sponsored program travel.
 - 3.3. Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are on official business for the institution, and the sponsored program being charged.
 - 3.3.1. Costs are on an actual cost basis for public transportation, lodging, and related items. SWC employees should inquire about educational or government rates.
 - 3.3.2. SWC pays mileage based on the *U.S. General Services Administration* rates for the use of private vehicles on business travel exceeding *thirty (30) miles* round trip.
 - 3.3.3. SWC pays a per diem rate for employee meals when they are on travel exceeding *twelve (12) consecutive hours*. SWC per diem is based on a daily per quarter basis using the *U.S. General Services Administration* rates.
 - 3.3.4. Miscellaneous Expenses include those associated with registration, business telephone or facsimiles charges, parking fees, or other similar costs. These costs must be clearly documented and related to the purpose of the travel. Recognizing the unique Dakota centered nature of SWC; gifts to individuals in lieu of payment for lodging may at times be appropriate, but at no time can than exceed the cost of a moderately priced hotel in the area. Such gifts must always be pre-approved, and are not generally allowed under most grant funded travel.
 - 3.4. The preferred method is to complete a **Travel Voucher Request** for each traveler at least *three (3) weeks* prior to the departure date. This form is obtained from the Business Office or the SWC website – Online Forms. Airline, train, and/or hotel reservations are generally made by the **Travel Clerk**, who then forwards the request to the Business Office. The Business Office, upon approval, will issue a travel advance check to the traveler at least *two (2) business days* prior to departure.
 - 3.5. Once the traveler returns to SWC he/she must complete a **Travel Expense/Trip Report** form; obtained from the Business Office or the SWC website – Online Forms. This report must be submitted to the Business Office within *twenty (20) business days* after returning from a trip.
 - 3.5.1. There are occasions that may occur, whether due to short notice of an event, only private transportation was utilized, and/or the trip was of limited duration that no Travel Voucher Request was created for the event. In these, or similar, circumstances the traveler would be reimbursed after the Travel Expense/Trip Report was approved. The traveler *must have at least the verbal approval* of the President's Office and the project's PI prior to departure or risk being personally liable for all travel expenses.
 - 3.5.2. Reimbursement for all approved expenses will be made by the Business Office no later than *fifteen (15) business days* after the submission of the complete report.
 - 3.6. A copy of the completed file will be given to the PI to be kept with the project's records.
4. **Consultant/Service Agreements and Salaries**
- 4.1. Service agreements with companies may be handled through the Purchase Order process. All contracts must be approved by the President, or specifically designated representative. Consultant agreements, certain service agreements, and salaries are handled through the Human Resources Office.

Classification of Costs

The exact classification of costs to a project can be highly variable, and often depends upon the specific funding sources involved. Assigning an expense to a specific line item in a sponsored program budget is therefore made by the PI, or specifically designated representative. Typically the approved budget justification specifies the line item to be utilized, however if additional support is needed by the PI in classifying an expense the following resources should be consulted:

- Special conditions or additional information provided in the award letter/amendments
- Rules and Regulations governing sponsored programs by the funding source
- **OMB Circular A-21**
- **SWC Policies and Procedures**, including this manual
- Consultation with the Program Officer at the funding agency overseeing your project
 - Document and archive any determination provided by the Program Officer

The classification of costs are generally easily identified or specified by the approved budget justification. Sponsored programs at SWC will adhere to the following guidelines, unless these conflict with the terms and conditions of a specific award.

- **Equipment:** SWC policy is that any item of a durable nature (average lifespan of one year or more) with an acquisition cost of \$5,000 or greater is considered as equipment. Software, license and service agreements (even if multiyear) are not considered as equipment.
- **Consultant:** Payments to any independent contractor, including external evaluators, are generally assigned to this line item. Honorariums or fees for workshops may also be assigned to this category.
- **Subaward:** In general all of the funds that are provided to another institution, business, or other entity to achieve project goals, not directly paid for by our institution, fall under the category of a subaward. Although the full amount sub-award is listed as one line in our budget, the recipient's budget would be broken down into the appropriate line items.
 - Indirect can be given to the sub-award entity based on their negotiated rate if it is allowable under the specific program. Our institution can not receive indirect costs based on the funds paid to a subaward.
 - As the primary institution responsible for the project, our institution is responsible for ensuring the proper use of funds. Unresolved issues relating to the performance and/or financial management under a subaward must be promptly reported to the SWC President and the proper officials at the funding agency.
- **Stipends:** SWC policy is that anyone currently employed, including student workers, by the college is not eligible for a stipend. They *may be* eligible for additional compensation if they are attending a workshop or providing a service *outside* of their normal work hours/duties. This payment will be processed through the payroll system.
 - Under no circumstance can someone receive this type of compensation for hours/duties for which they are receiving wages.
 - Personnel who receive any part of their salary from a sponsored program should not receive any stipend/extra pay from that program.
 - Student workers, and in some cases faculty or other college personnel may receive a "stipend" as classified by the funding source, even though this is processed through the payroll system.

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- Depending on the grant in question a student worker or even a faculty member on a **nine (9) month** contract attending a summer workshop might be eligible for a “stipend” as is categorized on the budget.
 - **fund # code –participant code – salary code**
- For students or other eligible participants not employed by SWC the account code assigned would be:
 - **fund # code –participant code – stipend code**

Special Cost Designations

Participant: Certain sponsored programs have a special classification of funds that is set aside for activities/expenditures directly impacting the target population. These participant funds often have special conditions that apply to their use, and have to be accounted for separately from other similar budget objects. The exact nature of what is a participant activity or who the eligible participants are can vary depending on the funding source(s) involved, or even the specific program. It is incumbent upon the PI to review the applicable rules and regulations that govern the program in question to determine the answers to those questions.

- Participants generally do not include college faculty or staff; members of the project staff are never considered as participants.
- Under the **department section of the accounting code** the PI should use the number for Participant to differentiate between participant travel or non-participant travel, supplies, stipends, etc. ***Certain grants require that the expenditure of these funds can be tracked separately.***
- For Nation Science Foundation awards, projects must adhere to the NSF Award & Administration Guide (Chapter V)
http://www.nsf.gov/pubs/policydocs/pappguide/nsf08_1/aag081print.pdf

The categories mentioned above are not a complete list of the possible classifications. Furthermore, the exact title of the category might vary depending on the funding source. Many budgets, for example, include an **OTHER** category that may include funds for computer support, registration fees, cell phone charges, or office furniture. It is therefore extremely important that the PI is familiar with the budget of the specific project, the expectations of the funding source, and the system used at our institution.

Determination of Allowable/Unallowable Costs

Due to the variety of funding sources, regulations governing operations, and types of projects, it would be impossible to have a definitive list of allowable costs. In fact, what is an allowable expense under one project could be unallowable under another. The best guideline for allowable expenses is using the budget and justification as approved by the funding source. However, this should never be viewed as an absolute approval. Consult **OMB Circular A-21** (section J) for additional information.

The approved budget and justification in many cases is not exceptionally detailed, particularly in multiyear grants. For example travel expenses might not be listed for specific events, perhaps not even by category, such as lodging or airfare. Even if the purchase of airline tickets was handled properly **it is not** an allowable expense if the trip itself was unallowable.

For an expense to be allowable, it must be within the scope of the project, meet or further the goals/objectives of the project, be reasonable, and be allowable under the policy/regulations of the Sisseton Wahpeton College and the funding agency. Below is a list of unallowable costs and a section dealing with the reasonability of a particular expense.

- Any expense or cost listed as unallowable under **OMB Circular A-21** (section C 8) for **federally funded** sponsored programs
- Costs of meetings, conventions, convocations, or other events related to SWC, but not directly supported by or benefiting the project in question. These include the following:
 - Costs of displays, demonstrations, and exhibits
 - Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events
 - Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings
- Costs of promotional items and memorabilia, including models, gifts, and souvenirs
 - If the item is not solely or primarily promotional it might be an allowable expense (such as pen, notepads, etc.)
- Costs of advertising and public relations designed solely to promote SWC
- Alcoholic beverages for what ever purpose or form
- Costs incurred for, or in support of, alumni activities and similar services are unallowable (***unless specifically sanctioned*** by the project in question)
- Bad debts, including losses (whether actual or estimated) arising from uncollectible accounts or claims, collection costs, and related legal costs, are unallowable
- Most legal and accounting costs, penalties, or fees
- Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable under federally funded projects and ***unless specifically sanctioned*** by the project in question

Accounting for Unallowable Expenses

Costs expressly unallowable or mutually agreed to be unallowable, including costs mutually agreed to be unallowable directly associated costs, shall be identified and excluded from any billing, claim, application, or proposal applicable to a sponsored program.

The costs of activities and/or of personnel relating to a sponsored program will be accounted for in a manner that allows the segregation of costs that are allowable and unallowable under the terms of the authorized agreement.

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Refer to *OMB Circular A-21* (section C 12) when related to any federally funded grant.

If an unallowable cost has been erroneously assigned to a sponsored program the **Business Office** will reassign the cost to the proper fund (if miscoded) or the SWC General (unrestricted) Account *within seven (7) working days* of being identified. The sponsored program account will be reimbursed simultaneously.

Transfer of Costs

The transfer of costs from or to a sponsored program will be typically handled through a journal entry. A copy of the journal entry or a memorandum stating the date(s), amount of funds involved, the account(s) impacted, and the reason why (including the supporting documentation) will be kept by the Business Office. The CFO, *or specifically designated representative*, will also forward a copy to the PI of each of the sponsored programs involved.

If the transfer of cost requires that the funds be returned to the funding agency, the same procedure outlined above will be followed with the exception of the journal entry transfer which will be replaced by writing a check or electronically transferring the funds to the proper agency.

Pre-Award Costs

Projects may incur allowable pre-award costs within the 90 day period immediately preceding the effective date of the grant. This is dependent on the terms and conditions of the award, and the policies and regulations established by the funding source. It is the responsibility of the PI to ensure that project in question is eligible to incur pre-award costs.

The accrual of pre-award costs should be avoided if possible, or limited to cases where the early action would provide major benefits towards the successful implementation of the project. The approval of pre-award spending is made and documented in accordance with the policies and procedures set forth in this document and in compliance of those established by the funding source.

The use of advanced funding is made at the college's risk; it does not impose an obligation on the funding source as the award may be reduced or revoked prior to the official effective date. The PI is required to clearly state the pre-award status on a request submitted to the CFO and/or the President.

Drawdown Procedures

The CFO, *or specifically designated representative*, is responsible for drawing down funds for sponsored programs. Individual federal agencies and other sponsors may have specific procedures that must be followed to drawdown funds. The CFO will modify, if necessary, the following procedure to comply with the terms and regulations of the sponsoring agency. This modified procedure will be posted within the Business Office.

- Quarterly expenses for the grant are obtained from the general ledger and are reviewed to ascertain that all expenses are allowable, allocable, and reasonable per consultation with the PI.
- Once expenses are all determined to be legitimate expenses, the CFO, *or specifically designated representative*, will logon the appropriate website or complete the proper forms.
 - National Science Foundation
<https://www.fastlane.nsf.gov/jsp/homepage/faulogin.jsp>.
 - Department Education
<https://www.g5.gov>
 - United States Department(s) of Agriculture/Health and Human Services
<https://e272.dpm.psc.gov>
- The process is general in two stages; preparing the report/request and certification of the request. This may be in both cases the CFO, although a specifically designate representative may perform the former function.
- Once the report/request is prepared the certifier shall review the information to ensure the accuracy of the data. Upon verifying the validity of the report/request the CFO shall submit it to the sponsoring agency in the proscribed manner.
- Any certifications or other confirmation issued by the sponsoring agency will be documented and filed by the Business Office.
- Copies of the report/request will be issued to the PI of the program.

Monitoring of Budgets

The Business Office will provide an expenditure report to the PI/PD at *a minimum of once (1) per quarter*, based on the *project's financial year*. The PI/PD must review this report and reconcile their *cuff account* at this time. Potential issue or discrepancies should be brought to the attention of the CFO, or specifically designated representative *within five (5) working days*. Final resolution of the issue should occur and a remedy implemented *within ten (10) working days* of the CFO being notified of the problem. In cases not related to clerical error the Human Resources Office, the Office of Sponsored Programs and/or the President should be contacted as appropriate.

- **Cuff Accounts:** are records kept within the project's administrative office that keep a running total of the direct costs accrued between the expense reports provided by the Business Office. The purpose of a cuff account is to provide the PI/PD an up-to-date picture of the project's financial situation and to help identify potential errors on the official expense reports. As such these accounts can be estimations, rather than exact figures. The breakdown of salary & fringe, for example, is not as important in a cuff account as is designating travel expenses as being either staff or participant.

Budget Revisions

Budget revisions may be required for a variety of reasons. Depending on the funding source, the type of award, and the amount or category of funds, the revisions may be left to the discretion of the PI. The Sisseton Wahpeton College will adhere to the following policy: if allowed under the rules and regulations of the funding source **and** if it does not alter the scope of the project, the PI can revise the project's budget by up to *ten (10%) percent*.

Revisions of any greater amount, those that might be construed as altering the project's scope, or require the prior approval of the funding agency must be approved by the president. The request for the budget revision must then be submitted to the Program Officer, or appropriate official, at the funding agency *in writing* for approval. If the request is granted, copies of the approval and the revised budget must be submitted to the CFO and the Office of Sponsored Programs.

- Any requests to move funds out of a participant support line requires the approval of the funding agency
- Any requests to lower the indirect funds requires the approval of the President (to raise it would require the approval of the funding source)
- Cooperative Agreements or other awards that require new budgets to be submitted each year must receive prior approval by the, President, and once formalized be submitted to the CFO and Office of Sponsored Programs.

Documentation of Awards

The documentation of most awards will span several departments at SWC, and will often necessitate duplication of records. Below is a list of records by category and the primary office responsible for archiving the relevant documentation. However, the PI should also retain copies of all relevant documents of importance.

- **Proposals:** PI – Office of Sponsored Programs
- **Award Letters (including subsequent modifications):** PI – Office of Sponsored Programs – Office of the President
- **Financial Records and Transactions:** Business Office
- **Equipment and/or Inventory Lists:** Business Office
- **Personnel Records and Consultant Agreements:** Office of Human Resources
- **Time and Effort:** Business Office
- **Communications with Program Officer:** PI – Relevant Office
- **Reports:** PI – Office of Sponsored Programs and/or Office of the President

All relevant documents shall be kept for a period of no less than **three (3) years** after the official expiration of the award. Documents will be maintained in either a “hard” copy format (preferred for the primary office) or in an approved “soft” copy format, such as secure .pdf files.

Project Implementation

The principal investigator has the primary responsibility to implement the project within the terms and conditions established by the funding source, and the relevant policies and procedures of the Sisseton Wahpeton College. Advice and oversight of the project can be provided by the Office of Sponsored Program as requested or deemed appropriate.

As the implementation of projects can vary to a great degree based on their scope and conditions it would be virtually impossible to establish a comprehensive set of policies and procedures to cover every contingency. Therefore, this section will deal with a limited number of areas that are vital to most, if not all projects.

Personnel

In many cases the PI of a project will be the direct supervisor of project staff. However, in certain situations this will not be the case. For example faculty would not typically report directly to the PI, but rather the Vice President of Academic Affairs. Due to grant requirements there will be at least an indirect supervisory role by the PI. This includes approval of the individual(s) **Time & Effort Report** that relates to the project.

The segregation of duties/projects must be clearly delineated on the **Time & Effort Reports** as to show the commitment to the project.

Issues involving time and effort on the project are under the direction of the PI, *or specifically designated representative*. Conflicts with other duties should be addressed in consultation with the individual(s) involved and the appropriate supervisor(s). Unresolved discrepancies or disagreements should be submitted by the PI to the Office of Sponsor Programs and the Office of the President.

Changes in **Key Personnel** or in their commitment of time to the project must be reported to the Program Officer at the funding agency prior to the event, or if that is not feasible within *five (5) working days* of the event. Ensuring that proper staffing levels are maintained is the responsibility of the PI, except in cases involving the position of the PI which is then the responsibility of the Office of Sponsored Programs. All significant changes to personnel or commitment of time must be approved by the President, *or specifically designated representative*.

Change in Project Scope

The PI is responsible for ensuring that the goals and objectives of the project are being met. Limited alterations to the proposed action plan are generally left to the discretion of the PI. Any changes that could be construed as altering the scope of the project must receive prior approval from the Program Officer. This could require that a new proposal be submitted for review and approval by the agency.

Any unapproved alterations could be cited by an audit of the project. Cost associated with these activities may be disallowed, and could even lead to the termination of the award.

As a result it is the policy of the Sisseton Wahpeton College to be conservative regarding any alterations to a proposal's action plan. Consultation with the appropriate Program Officer to determine if it will alter the project's scope or to secure his/her approval for the change(s) is the recommended first step.

Adopted by the Sisseton Wahpeton College
Effective

The Program Officer's approval should be in writing or email. This document must then be entered into the project's files by the PI and the Office of Sponsored Programs. If the Program Officer determines the request would result in a change of scope the PI must gain the prior approval of the President before proceeding.

Reporting Requirements

The PI is responsible for the completion and submission of all reports, with the exception of certain financial reports which are the responsibility of the CFO, *or specifically designated representative*. The compilation of data and even the composition of a report may be delegated by the PI to other project personnel. In any event the PI remains responsible for the content of the reports and that they are submitted on time.

Time and Effort Reporting

Every member of the project staff, as defined by having some portion of their time committed to the sponsored program, must submit a **Time & Effort Report** to the PI for approval. If a timesheet is used for this purpose it must segregate hours spent specifically to this project, and must be completed every other week. Time logs or other approved forms of time and effort reporting must be submitted for review and approval at a minimum of once per semester.

Any significant changes of project personnel's time commitment must be pre-approved by the PI. The PI, *or specifically designated representative*, must complete and submit the proper Human Resources form(s) within *five (5) working days* of the change.

The Program Officer must be notified **prior to**, or within *five (5) working days* of any changes involving a PI or other senior personnel. Depending on its significance and the agency involved the Program Officer may have to approve any changes. The PI or the Office of Sponsored Programs is responsible for the proper submission of the request/report to the funding agency.

Internal Reporting

The PI may require project staff to submit either regularly scheduled (weekly, monthly, etc.) or ad hoc reports is deemed necessary for the proper oversight of the program. The PI may be required to submit monthly progress reports or ad hoc reports to the Board of Trustees or other SWC departments at the discretion of the President.

Sub-Award Reporting

The host institution may require regularly scheduled or ad hoc reports from the sub-contractor(s). The failure to properly submit a progress or financial report to host institution may result in delaying reimbursement of funds or even the termination of the contract. Unallowable costs, or the lack of proper documentation may result in the disallowance in part or the entire request of funds from the host institution.

In cases where SWC is the host institution the PI is responsible for the approval of all progress reports submitted by a sub-contractor. Financial reports must be approved by both the CFO and the PI. Reimbursements to, or requests for funds by a sub-contractor tied to either progress or financial reports will not be released prior to approval. Significant delays to this process or a decision not to approve a report or request must be reported in writing to the President and the Office of Sponsored within *five (5) working days*.

In cases where the Sisseton Wahpeton College is the sub-contractor the individual listed as the primary contact under the sponsored program agreement at SWC is responsible for completing and submitting all progress reports to the host institution. Financial reports will be completed and submitted by the CFO, *or specifically designated representative*.

External Reports

The federal OMB (Office of Management and Business) Circulars have general guidelines and rules regarding certain reporting requirements. Additional guidelines and/or requirements may apply based on the rules established by specific sponsoring agencies or programs. It is important for all key staff at SWC to have a working understanding of the applicable requirements.

Upon receiving an award or sub-contract the PI will notify the Office of Sponsored Programs with the date(s) of all scheduled reporting requirements.

The PI is responsible for completing and submitting all required progress reports, unless the sponsoring agency specifies otherwise. A copy of these reports will also be submitted to the Office of Sponsored Programs. It is important to note that failure to submit a final project report to the funding agency may result in disqualifying the PI from receiving future awards, even at other institutions.

The Business Office is responsible for completing financial reports. The CFO is responsible to ensuring the accuracy of these reports and for their submission.

Closure of Sponsored Programs

The closing of awards begins *thirty (30) days* prior to the end of the fiscal year of the sponsored program. The Business Office will not accept expenditures accrued after the grant-year end date. Expenses encumbered by the project prior to this date that have not yet been invoiced for or paid will be accepted for up to *seventy-six (76) days*, unless otherwise stated by the award agreement.

The final progress and financial reports must be submitted within *ninety (90) days*, unless otherwise stated by the award agreement. Copies of these reports and confirmation notices of their acceptance must be submitted to the Office of Sponsored Programs within *five (5) working days* of receipt.

Sisseton Wahpeton College policy requires all significant documents relating to a sponsored program be maintained for a period of no less than *three (3) years* after receiving notice of acceptance of the final report by the funding agency.

Appendix A

Consultant Agreements

Selection of Consultants

- The program or department requesting services provided by a consultant will submit a written request to the college president, or specifically designated representative.
 - the request will include the purpose or need for these services
 - the expected outcomes
 - the expected duration
 - if the duration exceeds three (3) working days then the following must also be submitted:
 - a list of potential consultants, with estimated costs, qualifications, and, if appropriate, an outline of their action plans
- The potential consultants (action plans) will be reviewed by an ad hoc committee consisting of the PI/PD and other members appointed by the college president
 - this committee will review the qualifications of the consultants, and if applicable the action plans
 - committee members will offer reasons why individuals should not be selected; for example due to previous performance or debarment, suspension, or previous felony convictions
 - search of federal lists, such as Excluded Parties List System
<https://www.epls.gov/>

Agreement, Fees, and Expenses

- Consultants will be required to sign the *SWC Contract for Services*
 - Presenters if hired for less than **three (3) days** service are not required to complete this form
- Consultants will be informed of the task(s) to be completed, along with any reporting requirements and/or revisions to a submitted action plans prior to executing the contract
- The fees paid to any consultant must be allowable and reasonable
 - OMB Circular A-21 Section J37 pertains to all federally funded consultant work, and should be a guide in all circumstances
 - reasonableness of cost is determined on a case by case basis
 - typical cost for similar consultant work
 - guideline in unknown or undeterminable cases can be the executive schedule level IV for federal employees
 - cost or fees advertised by regional firms for similar work
 - availability, timeliness, and qualifications are all mitigating factors
- Expenses accrued by consultants in completing the task are assumed to be part of their consultant fee unless otherwise specified in the *Contract for Services*.
 - presenters for workshops or other activities of **three (3) or less days** may or may not be paid separately for their travel expenses

Termination

- Termination. Either party may terminate this agreement by providing written notification of intent to terminate with a specified termination date of not less than thirty (30) days after notification. The Sisseton Wahpeton College retains the right to terminate this agreement immediately in cases that involve federal debarment or suspension of the contractor or partner, substantiated indications of fraud, including failure to disclose previous felony conviction, other criminal activity by the contractor, or abandonment of their duties under this contract.