SOUTHWESTERN UNIVERISTY

GRANTS MANUAL

Updated 05/2024

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INTRODUCTION

Southwestern University supports research and scholarship pursuits by facilitating the numerous policies and procedures required to ensure compliance and institutional support of sponsored programs. The Office of Foundation Relations works to help faculty, academic departments and the Southwestern community obtain funding from external agencies to strengthen the University's programs.

The **pre-award** approval process and administration for private foundation and government funded grants is under the direction of Eileen Roybal, Senior Director of Foundation Relations, at (512) 863-1888 and roybale@southwestern.edu. She is available to answer questions about the process.

The Business Office is responsible for **post-award** administration of financial matters, under the direction of Maria Kruger, Gifts and Grants Accountant, at (512) 863-1617 and Jennifer Martinka, Controller, at (512) 863-1290. In addition, the Business Office also assists with **pre-award** budget preparation.

Questions about active projects regarding the allowability of costs, financial reporting requirements, budgeting, fringe benefits, and indirect costs, etc., should be directed to the Business Office, either to Maria Kruger or Jennifer Martinka.

ORIGINATION OF AWARDS – PRE AWARDS

PROPOSAL

Faculty or staff who plan to serve as the Principal Investigator or Project Director for a grant-funded project will prepare a proposal following the requirements of the sponsoring agency. All proposals are subject to an internal review before submission. The review is a multi-step process involving several departments. It is important to note that adequate time must be allotted to allow for review, revision and signatures by each respective department.

The following should be submitted to Foundation Relations.

1. **Appendix I: Campus Proposal Review & Approval Form** – also available on the Business Office web page, under Forms.

   Required signatures of university personnel may vary depending on areas of operation impacted by the grant, but the department chair or supervisor should also sign the Campus Proposal Review & Approval Form after being briefed on the project. Additional signatures will be obtained by Foundation Relations and will follow the protocol detailed below.

2. A complete draft budget, when applicable, must be attached to each submitted proposal for internal review. Budget formats are usually dictated by the funder, but all budgets must show estimated costs by category and any institutional commitment. Federal proposals may have allowable indirect costs, while others do not. Further assistance from the Business Office is recommended in preparing your budget during this phase of the proposal process.

3. A project description, as well as applicable additional documentation must be attached that describes the timeframe and activities to be carried out. (See Campus Proposal Review & Approval Form, Appendix I).

Foundation Relations will circulate the proposal documents to the Vice President or Associate Vice President of University Relations. After approval from University Relations, the proposal documents are forwarded to the

Dean of the Faculty. After approval by the Dean, the proposal documents are then forwarded to the Business Office where the Grants Accountant and/or Assistant Controller review each proposal and budget to make sure the PI has adequately and appropriately requested funding for the project. The VP for Finance and Administration also reviews and approves the proposal on behalf of the Budget Committee and may submit the proposal to the Budget Committee for review. Additional approvals from Facilities and Information Technology may also be required depending on the nature of the proposal. Approval by IT is required if computer equipment or software are included in the budget. Facilities approval is required if the proposal involves any facility needs or resources. It is important, due to the number of required signatures and necessary reviews, to allow sufficient time for this process. The Business Office alone will require one full week for turn-around.

The Business Office proposal and budget review process includes:

- A review of fringe benefits to ensure fringe benefits are budgeted for all salaried positions. Note that for all **salaries and wages** charged to the grant, benefits charged to the grant must match the percentage charged for the salary, i.e. if a grant is paying 25% of a salary, then by default, 25% of all benefits (at the applicable benefit rate) will also be charged to the grant at the rates listed below. **Stipends** will require FICA/Medicare only. **Student workers** fall under a 'FICA exemption' as long as they are enrolled at least part-time which is equal to six hours. This applies only to work on campus. Students working on campus during the summer that are **not** enrolled are taxed the same as regular employees. Part-time faculty will require health insurance, retirement and FICA/Medicare, only if they work 29 hours or more per week.

  - ➢ FICA and Medicare at 7.65% of salaries and wages
  - ➢ FICA and Medicare at 15.3% for gross up for federal taxes **on student housing**, unless the student is required to live on campus as part of their job responsibilities, such as a RA.
  - ➢ Health and life benefits at the current monthly fixed rate available from the Office of Human Resources or Business Office. As of 3/2017 the rate is 15.35%.
  - ➢ Retirement benefits at 7% of salaries and wages

    Note regarding retirement: It is possible for a new employee to be eligible for retirement benefits. An employee is eligible on 1st of month after date of hire if fully vested in employer contributions made under the terms of a retirement plan sponsored by the employer that employed the eligible employee immediately prior to the University.

    Fringe benefit rates are provided for budgeting purposes. A grant will be charged for actual fringe benefits, regardless of whether they were adequately budgeted for or not. That is why the Business Office recommends budgeting for the all possible benefits if eligibility for fringe benefits is unknown during development of the proposal.

  Note: To minimize the impact on Southwestern University's operating budget, Southwestern shall pursue the maximum allowable salary and benefit rate, per granting guidelines, on all grant applications, regardless of the granting source.

- Proper identification of salaries as such and not stipends or consultants.
- If salary/stipend is requested, it is to be noted if the cost is in addition to existing salary or replacing existing salary. If it is in addition to existing salary, a course release will need to be discussed.
- Proper identification of consultants as such and not salaries or stipends.
- Ensure that all travel needs are budgeted for, i.e. airfare, lodging, meals, and incidental travel expenses
- Remind the PI of the federal grant purchasing requirements found on the Federal Purchasing Checklist found on the Business Office Forms webpage

- Verify all costs are allowable under Uniform Grant Guidelines for all Federal Grants.
- Verify that indirect costs are included at the proper rate, if applicable (see Indirect Cost section).
- Verify that details provided in the narrative match the budget.
- Verify that expenses are reasonable and allocable to the purpose of the grant.
- Verify that the budget adds up correctly.
- Verify that ITS approval is noted if any technology equipment is included.
- Verify that Associate Vice President for Facilities and Campus Services has approved any facility or physical plant needs or resources.
- Verify that all potential future costs to the University have been properly identified – for example, maintenance contracts on scientific equipment purchased.
- Review all required post-award reporting requirements.
- Review and determine that all application (budget) guidelines were met accordingly.

If changes to the budget are needed, the Business Office will contact the appropriate personnel to revise the documents before approving the proposal and budget.

INDIRECT COST RECOVERY OR FACILITIES ADMINISTRATION (F&A)

Southwestern University will obtain indirect costs to the maximum extent allowed by the sponsor. The proposal guidelines should be consulted to determine the allowable rates for a specific grant. The current indirect cost rates issued to Southwestern University from the Department of Health and Human Services are:

- 46.60% of Modified Total Direct Costs *for on-campus research
- 29.90% of Modified Total Direct Costs *for off-campus research

    *Modified total direct costs consist of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first $25,000 of each subgrant or subcontract. Modified total direct costs exclude equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of $25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the Business Office.

Any deviation from these approved rates must be requested and approved by the Vice President for Finance and the Dean of Faculty, at a minimum of 30 days prior to the proposal deadline.

PIs may request up to 25% of IDCs be used to cover indirect costs associated with grant administration. Such requests should be submitted to and approved by the VP for Finance, and the Dean of Faculty.

TYPES OF GRANTS AND CONTRACTS

Cost Reimbursement – The University incurs the expenses and then bills the sponsor for reimbursement. All of the University's federal grants currently fall in this category.

Gifts – Payment is received at the time of the award. All gifts for grants from private sponsors are receipted and acknowledged by the Advancement Services Coordinator(s) in Advancement Services and Operations (ASO). Since federal grants are not gifts, they are not gift receipted by ASO. These funds are receipted to the appropriate GL account number by the Cashiers in the Business Office.

Pass-Thru Grant –A Southwestern PI is contracted to work on a grant that is awarded to another institution. The Office of Foundation Relations negotiates all subcontracts on pass-thru grants. The Business Office is responsible for billing on a pass-thru grant.

Subcontract – An external PI is subcontracted to conduct all or a part of the research on a grant awarded to Southwestern as a third party (usually another University, but can be a private company or an independent contractor). The Office of Foundation Relations and the VP of Finance and Administration negotiate all subcontracts. The Business Office is responsible for monitoring payments to the sub-contractor according to the terms of the agreement, and federal grant requirements, if applicable.

Note: Before making a subgrant or contract award to an outside organization, the Business Office must check the Excluded Parties List System at https://www.epls.gov/ to ensure the organization is not on this list. [Note: The OMB guidance at 2 CFR part 180 and agency implementing regulations still refer to the SAM exclusions as the Excluded Parties List System (EPLS)]

EXECUTION OF CONTRACTS AND AGREEMENTS

Awards are made to Southwestern University and are accepted by an official authorized to bind Southwestern University. Therefore, any contract or agreement must be processed through the appropriate office. Agreements are not considered legally binding unless an authorized Southwestern University official signs them. Authorized officials include the University President, the Vice President of Finance and Administration, and their delegees.

POST-AWARD
ADMINISTRATIVE TASKS

AWARDS & ACCOUNTS

When Southwestern receives a new award, the Business Office receives an official notice of award or award letter from either the Office of Foundation Relations, the President's Office, or the PI. The Office of Foundation Relations also sends a copy of the final proposal to the Business Office when the funds are awarded. Please see further detail of **Circulation of Grant Pledge Letter or Award Letters** in **Appendix II**.

It is the responsibility of the Business Office to assign a six-digit account number to each new grant. The first two numbers of the account number for all grants indicates the fund type, 22. The four-digit number that follows is the department code. Grant department codes begin with a 4 and are assigned a number in sequential order according to the Master/Active Grants spreadsheet maintained by the Gifts and Grants Accountant.

The Business Office sets up the project in Colleague and notifies the PI of the new account number. The grant number and specific grant information is then added to a master spreadsheet for all grants maintained by the Gifts and Grants Accountant.

The Gifts and Grants Accountant then coordinates with the PI to determine the individual object codes and amounts to be used to set up the complete project budget for monitoring and reporting purposes.

Grant payments should be made payable to Southwestern University.

BUDGETS

The Business Office sets up the budget in Colleague for each new grant upon receipt of official approval from the funding agency, usually in the form of an award letter. As a rule, it is the same budget that was submitted in the proposal, however there are times that a grant will be approved only if changes are made to the budget submitted in the original proposal. The terms and conditions for each individual grant will specify whether subsequent changes in budget categories are allowable and/or if approval to transfer funds between budget categories is required by the funding agency.

BUDGET AMENDMENTS

The allowability of budget amendments varies from sponsor to sponsor and program to program. Certain cost transfers may be accomplished through University prior approval, whereas other cost transfers will involve agency approval. In most cases, authorization to deviate from the award budget must be approved in writing. Consult the Business Office on specific issues. In addition, items not normally considered reimbursable for Southwestern faculty/staff will not be considered reimbursable from grant monies, unless the grant specifically makes an exception.

MONITORING AND REPORTING

All accounts are set up with budgets that will assist in meeting the reporting requirements for each funding agency.

It is important that balances are reviewed frequently to make sure that account balances are reasonable, reimbursements are invoiced, and grant payments are received when expected. The PI should monitor the budget via Self Service and reconcile to internal records.

Reporting requirements for each award are usually referenced in the award letter or on the web page for each sponsoring agency. Interim reports and progress reports may be required on multi-year projects. Generally, sponsors require a final, comprehensive report upon completion of a project. There is ordinarily a firm due date for final reports, and sponsors expect to receive the report on or before that date.

The PI is responsible for complying with all reporting requirements and deadlines as specified by the sponsor. Therefore, PI's should read the sponsor's guidelines carefully to ascertain the type and frequency of required reports. **Copies of all reports and correspondence must be sent to the Gifts and Grants Accountant to be included in the official grant records.**

The Business Office is responsible for requesting payments on all reimbursement grants on a monthly or other pre-determined basis. The Business Office is also responsible for financial reporting on all awards as well as posting adjusting entries. An Active Grants Master spreadsheet and a Monthly Checklist are both maintained by the Gifts and Grants Accountant and used to monitor grant reporting. They will work with the PI to prepare any financial sections in the interim and/or financial reports. The Office of Foundation Relations submits the complete final report to the grantor. A copy of the final report is forwarded to the Business Office for the grant file.

MONTHLY REVIEW

After each accounting month has been closed, the Gifts and Grant Accountant does the following:

- Reviews grant balances to identify accounts running low on funds. If the budget is running low, check to see when the budget for the next year should be added. Notify PI.
- Reviews grants with deficits. Investigates errors and makes journal entries to correct if necessary.
- Reviews receivables.
- Invoices or requests payments as required.
- Reviews list of grants closing in subsequent months and sends out reminders to PIs for grants closing in the near future.
- Reviews upcoming reporting deadlines monthly in the Active Grant Master list and the Monthly Checklist.

OFFICIAL RECORDS

The original proposal file on a grant is maintained by the Office of Foundation Relations. Once a proposal is funded, the Business Office keeps the official grant file which includes the proposal, award letter, award budget, approved budget amendments, approved changes in the scope of work, etc.

Official records for grants and contracts are retained by the Business Office for four fiscal years after expiration of the award or contract. A typical grant file includes the proposal, award or contract agreement, time and effort reports, payroll authorizations, general correspondence, budget transfers, journal entries, and financial reports. Purchase orders and invoices are maintained in separate files and are also retained for a period of four fiscal years after grant completion. Although federal retention requirements mandate a minimum of three years beyond the ending date of a project, the Business Office at Southwestern has adopted a retention record of four years following the grant's end date to allow for overlaps and close-out delays.

PRINCIPAL INVESTIGATOR RESPONSIBILITIES

The Principal Investigator (PI) is the primary person who is ultimately responsible for the day-to-day administration and direction of the approved project. In order to carry out this responsibility, the PI should be aware of all grant/contract terms and conditions and should give special attention to those terms and conditions regarding budget limitations and required reports. The PI is required to approve all invoices for grant expenditures in order to confirm existence and receipt, compliance with grant guidelines, allowability based on the grant budget and accuracy of amounts.

The Office of Foundation Relations and the Business Office provide assistance to the principal investigator wherever possible, working with the PI to meet reporting requirements, assisting in timely processing of expenditures, and offering guidance to ensure that all the terms and conditions of the award are met.

COST ITEMS

Complete Purchasing and Travel Policies for Southwestern University can be found at https://www.southwestern.edu/business-office/policies-procedures/. Please review these policies when considering making a purchase of any type. In addition, contracts funded with federal grant or loan funds **must be procured in a manner that conforms with all applicable Federal laws, policies, and standards,**

including those under the [Uniform Guidance (2 C.F.R. Part 200](#)). Please see Federal Administrative Items section below.

CONSULTANTS

During the budget process, it may not be easy to determine if a position funded by a grant should be categorized as an employee or a consultant.

IRS rules state that in general "an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done. You are not an independent contractor if you perform services that can be controlled by an employer (what will be done and how it will be done)." Southwestern must withhold income taxes, withhold and pay Social Security and Medicare taxes, and pay unemployment tax on wages paid to an employee, and generally does not have to withhold or pay any taxes on payments to independent contractors.

Southwestern requires that all consultants have a signed contract **PRIOR** to the work being performed. All contracts are approved and signed by either the PI's Vice President or the Vice President for Finance and Administration, depending on the dollar amount of the contract. During the contract preparation process, the PI or Administrative Assistant working with them will send out the approved contract for signatures and request a completed W-9 form. Contact the Director of Contracts and Procurement for any questions related to the contract process. As the consultant performs the services, invoices for payment are sent to the Business Office for payment. Based on the amount they are paid, the consultant may receive a 1099 from Southwestern University at the end of the calendar year.

EQUIPMENT

Equipment is defined by Southwestern University as personal property that costs $2,500 or more with a useful life of one or more years. Although the dollar threshold for defining equipment may vary for some sponsors, most grants defer to University guidelines when defining equipment. Items meeting these requirements will be physically tagged and capitalized according to SU's fixed asset policy.

Equipment and general purchases on Federal Awards (200.313-200.326 of Uniform Guidance) fall into five categories:

1. Micro-purchases: $10,000 except for the instances listed in 48 CFR Part 2, subpart 2.1
    1. Generally the purchase of supplies or services, the aggregate of which does not exceed the micro-purchase threshold.
        - No competitive quotes required
        - Spread purchases out among qualified suppliers
2. Small purchases: Between $10,000 and $250,000
    1. Rate quotes must be obtained from three qualified sources.
    2. Quotes can be obtained from suppliers or from public websites
3. Sealed bids: More than $250,000
    1. Must have two or more qualified bidders
    2. Invitation for bids must define the items or services so bidders can properly respond
    3. Must be publicly advertised and solicited from adequate suppliers

4. The lowest bidder for the fixed price contract wins
4. Competitive proposals: More than $250,000
    1. Used when conditions are not appropriate for the use of sealed bids
    2. Follow written policy for conducting technical evaluations of reviewing proposals and selecting the recipient
    3. Most advantageous proposal wins, price and other factors considered
5. Sole source: Must meet at least one of the following requirements:
    1. Does not exceed the micro-purchase threshold
    2. Good/service is only available from a single source
    3. Public emergency for the good/service does not allow time to utilize competitive purchasing
    4. Written pre-approval from the Federal awarding agency
    5. Competition is deemed inadequate, after solicitation attempts through one of the other methods

No employee or agent of Southwestern may participate in the selection, award, or administration of a contract funded by federal grant dollars if he or she has an actual or apparent conflict of interest.

- Documentation must be maintained of the procurement steps and activities required to be completed. This includes the basis for the type of procurement, contract type, and the basis for the contractor selection and price.

FOREIGN NATIONALS

Employees – Consult with the Human Resource Office to determine the type of visa and expiration when a foreign national is hired to work on a grant.

Consultants – If a contract with a foreign national is required, consult the Director of Contracts and Procurement for guidance. Consult the Director of Payroll and Compliance in the Business Office as soon as possible to determine if there are special IRS payment regulations required related to the specific country when paying a foreign individual.

MATERIALS, SUPPLIES AND EXPENDABLE EQUIPMENT

This category includes individual items costing less than $2,500 with a life expectancy of less than one year.

Common examples are general office supplies, lab supplies, chemicals and gases, and items that are generally expendable and not reusable.

SALARIES/STIPENDS

Professional salaries, wages and stipends are initiated by the PI completing a **Personnel Action Request** (PAR) form (found on the Human Resources webpage). The form is submitted to payroll along with the grant supporting documents to start the payment procedure.

 Procedures for Grant PARs are as follows:

1) The PAR is initiated by the PI. The PI completes all sections of the PAR excluding Section E & attaches the grant budget that supports the amount being paid.

2) The PI then sends the PAR to the Department Chair for review and signature in Section H (Routing/Approvals) as "Department Head/Dean." (If the PI is also the Department Chair, he/she needs to sign at the bottom of the PAR.)

3) The PI then sends the PAR to the Dean of Faculty's office to be reviewed and signed.

4) At the Dean's office, either the Dean of Faculty or the Associate Vice President for Academic Affairs will sign in the "Vice President/Provost" block in Section H (Routing/Approvals).

5) The Dean's office will then send the PAR to the Human Resource Department for review and continued routing.

6) The Human Resource Department will prepare an appointment letter to the employee based on the information provided on the PAR. The Associate Vice President for Human Resources will review the PAR and letter and sign in the "Human Resources Office" block of Section H (Routing/Approvals.)

7) The PAR is then sent to the Finance and Administration office to be reviewed and signed. The Financial Planning and Analysis Manager will complete the PAR Section E regarding Position #, Pooled and Pos FTE% & sign in the "Budget Office" block of Section H (Routing/Approvals.) If required, they will also set up a position control number in Colleague.

8) The PAR is then passed on to the Gifts and Grants Accountant or Assistant Controller for review of the grant salary account, funds availability, and signature. The PAR is then returned to HR for final review. Any faculty appointment letters are routed back to the Dean's Office for signature. When the signed letters are returned, they are sent to the employee for signature.

9) If the PAR is related to a faculty salary position (not stipends), HR enters the salary information for that employee in Colleague.

10) If the PAR is related to a faculty stipend, then a copy of the PAR is sent to the Payroll Coordinator for payment.

Important:

➢ The PAR must not be processed/entered for payment until all of the above approvals are obtained.
➢ Any changes to information on the PAR (amounts or account numbers) must be initialed again by the Business Office Gifts and Grants Accountant.
➢ The Business Office will maintain a copy of the PAR in the corresponding grant file.

STUDENT WAGES

Students receiving wages paid from a grant are processed by Student Payroll, following the guidelines in the **Student Payroll Procedures** document found on the [Student Payroll website](). Supervisors turn in a **Student Hourly Hire List** to the Business Office/Student Payroll before a student begins working. The Gifts and Grants Accountant reviews the **Student Hourly Hire List**, including the assigned grant account, to ensure it is in line with the grant budget and initials by the grant account to signify approval.

Students are required to bring completed new hire forms and submit them to the Business Office, along with

required forms of identification specified in the forms, before payment can be made. Students are also required to submit biweekly timesheets that are approved by their supervisor according to payroll deadlines found on the Student Payroll Schedule on the Business Office website.

TRAVEL

Many grants limit the amount of funds that can be used for travel. Limitations are noted in the terms and conditions of the grant**.** Grant travel expenditures must follow Southwestern's travel policies, including (but not limited to) the following:

- The University reimburses actual expenditures and does not use a per-diem allowance for travel expense reimbursement.
- Travel expenses must be submitted through Concur in the month the expenses were incurred. **Itemized**, substantiating receipts are required for all transactions. Once submitted, the report will flow to the appropriate signers based on the workflow set up in Concur. The employee should use good business judgment in expending University funds to minimize the cost of travel to the University.
- The IRS requires receipts to include, at a minimum, the following information: name and address of the payee, the date of expenditure, the dollar amount, and a description of the purchase. In order to receive reimbursement for personal use of vehicle, the employee must either document the beginning and ending odometer readings of the vehicle or use an online mapping service, such as Google or Apple maps, to obtain a document that shows the route travelled by the employee and the total number of miles driven.
- Items of a personal nature charged to food, lodging or other receipts are not reimbursable.
- Employees accompanied on official business travel by family or friends must separate business and personal expenses.

    Federal awards may be subject to more stringent travel requirements such as:

- Alcoholic beverages for meals on federal awards are unallowable (200.423 of Uniform Guidance)
- Entertainment expenses on federal awards are unallowable (200.438 of Uniform Guidance)

If in doubt contact the Gifts and Grants Accountant in the Business Office..

ADDITIONAL FEDERAL ADMINISTRATIVE ITEMS

FEDERAL REGULATIONS

Southwestern University is required to comply with applicable *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* as outlined in the Office of Management and Budget's 2 CFR 200, which is found here.

FEDERAL SUSPENSION AND DEBARMENT

As a non-federal entity, we are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed $25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All nonprocurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award

amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

When a non-Federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA) and available at https://www.sam.gov/portal/public/SAM/. (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Non-profit entities receiving contracts from the Federal Government are required to comply with the contract clause at FAR 52.209-6 before entering into a subcontract that will exceed $30,000, other than a subcontract for a commercially available off -the- shelf item. Further information can be found here**.**

TIME AND EFFORT REPORTING

The University is required under Uniform Guidance 200.430, to certify the time and effort on federal awards when salary (wages and stipends) is charged to a grant. Southwestern requires faculty or staff working on a federal grant to complete time and effort reports two times during the year, January (for the immediately preceding July-December period), and in July (for the immediately preceding January – June period). The Gifts and Grants Accountant will contact each PI when reports are available for certifying.

CLOSE OUT OF PROJECT

GENERAL GUIDELINES

Email notification of expiration of a grant award is sent to the principal investigator 30 days prior to the expiration of an award by the Grant Accountant. The PI is advised of the current available balance and inquiries are made as to the status of outstanding purchase orders and the possibility of filing a no-cost extension.
When a grant closes the Grant Accountant will also:

- Verify that all expenses paid after the closing date are for orders placed prior to the closing date.
- Verify that no outstanding encumbrances exist.
- Verify that all reimbursements have been received. Receivables should be zero.
- Notify the principal investigator of any overages that have occurred at the end of a project. The PI is responsible for identifying alternate funding to cover the overages.

EQUIPMENT INVENTORY

Title to equipment acquired by a recipient with Federal funds shall vest in the recipient, subject to conditions found in Part 215.34 of the Uniform Administrative Requirements. Southwestern University capitalizes all equipment purchased on grants that meet the S capitalization threshold. Grant equipment purchases are inventoried annually with other departmental equipment.

Equipment as defined by Federal Regulation 2CFR: *Equipment* means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which

equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000. See also §200.12 Capital assets, 200.20 Computing devices, 200.48 General purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies.

Disposition of equipment acquired under a federal grant is subject to the specific regulations of the funding agency and begins with the determination of which party has title to the equipment.

The Purchasing Assistant in the Business Office maintains a record of all equipment purchased with federal funds. Such equipment is identified in the FAS system in each applicable fixed asset record under Location Code with a capital letter "F". When a decision has been made to dispose of equipment purchased with federal funds it is the responsibility of the principal investigator to seek permission from the funding agency and notify the Business Office. In the event that the principal investigator is no longer available, the responsibility lies with the department to which the asset is assigned. The Purchasing and Fixed Asset Specialist will immediately notify the Gifts and Grants Accountant of any known intention to dispose of equipment purchased with federal funds in order to confirm and document that the funding agency has been notified and authorization has been granted. The Purchasing and Fixed Asset Specialist should complete the disposal process by identifying the disposal of all equipment purchased with federal funds on the yearly disposal report thus providing a quick reference for purposes of conducting the annual audit. In the event a principal investigator is transferred to another institution prior to the close out of an award, a transfer of the award to another institution may require transfer of title of any equipment acquired under that award.

ANNUAL AUDIT

Annually, the Business Office provides information to our external auditors in order for them to complete a compliance audit as described in the Uniform Guidance §200.501 Audit Requirements. The audit focuses on each of the University's major federal programs for the fiscal year ending June 30th. In addition to federally funded grants administered by the Business Office, the audit also encompasses federal student financial assistance programs administered by the Office of Student Financial Assistance.

The final audit is due to the Federal Audit Clearinghouse 30 days after receipt of the audit report, or nine months after the end of Southwestern's fiscal year, whichever comes first. We are also required to submit audit findings at the same time to the Department of Education (DOE). The DOE report, referred to as the *EZ Audit*, is submitted electronically. It is the responsibility of the Business Office to prepare and submit the *EZ Audit*. Final audit reports are also sent to all pass-through entities for which Southwestern University is a sub-recipient of a federally funded award.

CAMPUS PROPOSAL REVIEW & APPROVAL FORM

PART I: PRINCIPAL INVESTIGATOR/PROJECT DIRECTOR INFORMATION

Principal Investigator/Project Manager:	**Department:**
Phone:	**Email:**
Co-Principal Investigator/Project Manager:	**Department:**
Phone:	**Email:**

PART II: PROJECT & AGENCY INFORMATION

Funding Agency:	**Project Duration:** **From:** **To:**

Project Title:

Sponsor Type: (Check One)

☐ Federal   ☐ Foundation (Nonprofit_____ or For profit_____)   ☐ Corporation   ☐ Non-Fed Public   ☐ Other (specify):

Agreement Type: (Check One) ☐ Grant ☐ Cooperative Agreement ☐ Contract ☐ Subcontract	**Date Application Due to Funding Agency:**

Total Amount Requested: _____   ☐ Budget Attached

Please attach a separate budget including proposed costs for each year of the award, any cost sharing (if applicable), indirect costs, salaries and percent efforts for each person on the grant, applicable benefits, and a detailed explanation of how each number was reached. **NOTE: It is recommended that you visit with the Grants Accountant in the Business Office for assistance with determining costs related to personnel/faculty on the grant.**

Project Location:

☐ On-Campus   ☐ Off Campus   If Off-Campus, list location:

Award Type:

☐ New   ☐ Continuation   ☐ Resubmission   ☐ Renewal   ☐ Supplement   ☐ Amendment

Project Purpose:

☐ Applied Research   ☐ Basic Research   ☐ Education   ☐ Training   ☐ Other (specify):

PART III – INSTITUTIONAL CONSIDERATIONS (Check all that apply)

☐ Conflict of Interest   ☐ In-Kind Support   ☐ Facilities   ☐ Subcontracts   ☐ Consultants
☐ Leave or Sabbatical   ☐ Capital Equipment   ☐ Space/Reno   ☐ Matching Funds   ☐ IT Equipment
☐ Bids/Quotes   ☐ Additional Non-Student Personnel   ☐ Additional Student Personnel

NOTES:

PART IV – REQUIRED ATTACHMENTS

☐ Completed Application or Proposal	☐ Proposal Rules, Regulations and/or Guidelines
☐ Post Award Reporting Requirements (important!)	☐ Bids/Quotes Included In Budget (if applicable)
☐ Budget and Narrative (see budget section above)	☐ Funding Agency Website for Further Information? Please list:

Additional notes:_____

_____

_____

PART V – APPROVALS

Signatures must be obtained in order listed below. In signing this, the Principal Investigator/Program Director agrees to comply with Institutional and Funding Agency policies and procedures which may apply as a result of an award, and certifies that the Southwestern University Conflict of Interest Policy has been read. This form must be returned **with required attachments** to the **Office of Foundation Relations.**

REQUIRED   **Project Manager's Assurance**: I understand that I am responsible for managing and administering this project if funded. This includes submitting any required progress, final, and budget management reports. I will provide a final copy of the proposal and other related documents to the Director of Foundation Relations.

Project Manager's Printed Name:_____

Project Manager's Signature:_____ Date:_____

Department Chair's Printed Name:_____

Department. Chair's Signature:_____ Date:_____

Only if faculty related:

Dean of Faculty Printed Name:_____

Dean of Faculty Signature:_____ Date:_____

REQUIRED

VP for Advancement or Associate VP for Development Printed Name:_____

VP for Advancement/Assoc. VP for Dev. Signature:_____ Date:_____

REQUIRED **- Business Office**   **(Please allow a minimum of 7 days for review.)**

Grants Accountant Signature:_____ Date:_____

Assistant Controller's Signature:_____ Date:_____

Only if matching funds or other institutional commitments are required.

Budget Committee Approval: _____Date:_____

Only if facility changes are required.

Associate VP for Facilities Management:_____Date:_____

Only if grant is over $15,000 and requires a match.

President:_____Date:_____

FEDERAL PURCHASING CHECKLIST

This form must be completed only if funds are being expensed from a <u>Federally funded grant award</u>. If you have any questions concerning this section, please contact the Grants Accountant in the Business Office.

Grant Name_____**Account Number:**_____

Item to Purchase:_____**Amount of Purchase: $**_____

SELECT ONE CATEGORY FOR THIS PURCHASE:

Micro-Purchase (Less than $3,500)
_____ No competitive quotes required.
_____ Additional purchases must be spread out among qualified suppliers.

Small Purchase ($3,500 - $150,000)
_____ Quotes MUST be obtained from a minimum of THREE qualfied sources.
_____ Quotes can be obtained directly from the supplier or from public website.
_____ Complete and attach Price Analysis form.

Sealed Bids ($150,000+)
_____ Lowest bid must be awarded if meets all qualifications.
_____ 2 or more qualified bidders.
_____ Publicly advertised.
_____ Complete and attach Price Analysis form.

Competitive Proposals (FIXED price $150,000+)
_____ Attach written policy that was used for conducting evaluation of proposals.
_____ Factors such as quality, timeliness and capability must be considered.
_____ A minimum of TWO proposals must be obtained from qualified vendors.
_____ Complete and attach Price Analysis form.

Sole Source (any amount, MUST meet at least ONE of the following)
_____ Good/service is only available from single source
_____ Only one source can provide the good/service within the required timeframe
_____ Written pre-approval has been received from Federal Agency
_____ Competition is deemed inadequate after soliciation attempts through other methods.

<u>VENDOR ELIGABILITY:</u>

When a non-Federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction.

_____ Vendor has been deemed eligible using the System for Award Management (WWW.SAM.GOV).

_____ I acknowledge that I have reviewed this purchase for allowability under the grant
terms and conditions, as well as the Uniform Administrative Requirements, Cost Principles, and
Audit Requires for Federal Awards (2CFR 200)

_____
PI/Program Director Signature   Date

SOUTHESTERN UNIVERSITY
PRICE ANALYSIS FORM

	VENDOR 1	**VENDOR 2**	**VENDOR 3**
VENDOR NAME:			
ADDRESS:			
CSZ:			
PHONE:			
FAX:			
EMAIL:			
CONTACT NAME:			
TITLE:			
PRICE QUOTE:			

SOURCE SELECTED: _____   _____   _____

Please provide a brief narrative describing the basis of the source selection:

_____   **Awarded vendor's signed quote is attached.**

Conflict of Interest:
A conflict of interest would arise when an employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a business or it's representatives considered for a purchase.

I certify by my signature below, that to the best of my knowledge, there is no conflict of interest with the selection of the vendor selected above.

_____   _____
PI Signature   Date   Department Head   Date