

UNIVERSITY of
NORTHERN COLORADO

Guidance on Grants for Principal Investigators, Administrative Assistants,
Business Managers/Financial Analysts,
and College/Unit Leaders¹

Prepared by
Office of Sponsored Programs and the Office of Research

Externally funded projects are valuable initiatives that allow faculty and staff at the University of Northern Colorado to pursue exemplary research, creative works, and projects that benefit students and the community. These initiatives are welcomed by the University and as such merit guidance with clear procedures and administrative support. This document provides guidance related to the acceptance, implementation and management of projects funded by external sponsors. The document also describes the roles and responsibilities of principal investigators (PIs)², administrative staff, business managers, and college/unit leaders during the conduct of externally funded projects.

UNC's model for research support services is comparable to that of peer institutions with similar aspirations for increasing externally funded research³. The [Office of Sponsored Programs](#) (OSP), residing in Academic Affairs and reporting to the Assistant Vice President for Research and Executive Director of Sponsored Programs, provides centralized pre-award and post-award services and is supplemented with financial administration services by a grant accountant housed in Financial Services ([General Accounting](#)). Operational, day-to-day support for funded PIs is provided by staff located in the academic or administrative unit housing the grant or contract award. Good coordination, ongoing communication, and a shared understanding of best practices and compliance requirements between OSP, General Accounting and college/unit-based operational support staff are essential to smooth service delivery to funded PIs.

¹ Previous versions of this document have been circulated for comment and revision between August 2013 and June 2014. Additional suggestions should be sent to the Assistant Vice President for Research and Executive Director of Sponsored Programs. As used here, the term "grants" refers to all externally funded projects submitted through and/or administered by the Office of Sponsored Programs.

² As defined in the [Principal Investigator and Co-Principal Eligibility Policy](#), a research project is generally under the direction of a principal investigator (PI), while other types of projects are under the direction of a project director (PD). For the purposes of this document, the term "principal investigator" or "PI" is used to refer to both.

³ The term "research" is used throughout this document for the sake of brevity, but is intended to cover all types of externally funded projects, such as grants, contracts, and sub-contracts including those with a focus on basic and applied research, instruction, curriculum development, creative works, student support grants, and public service.

PRE-AWARD

Proposal Development and Submission

Planning, writing and submitting a proposal to an external sponsor is not a linear process, and the Office of Sponsored Programs has developed tools and guidance to assist potential PIs.

Briefly, prospective PIs who decide to apply for a particular grant competition begin the process by first submitting a Notice of Intent to Submit form on the OSP website, which alerts OSP to the proposal submission and allows staff to assist and coordinate the proposal submission. OSP recommends that this Notice be submitted **at a minimum** at least 30 days before the proposal deadline. Information about upcoming proposal submissions and deadlines is posted on the [Proposal Submissions Calendar](#) on OSP's SharePoint site.

Cross-Disciplinary Proposals – Proposals that involve faculty and staff from different UNC colleges and units require ongoing communication. For example, cross-disciplinary proposals should include a management plan for the division of responsibilities when conducting the project. The PI must anticipate coordination needs and discuss them with Deans and others at time of proposal submission to ease post award issues. Other issues, such as distribution of the college share of recovered Facilities & Administrative (F&A) and assignment of administrative support duties, are part of the *University Review and Approval* process (see pages 3&4 for more information).

Budget Development

An important part of the proposal development phase is the development of the budget that will provide adequate resources for the PI to accomplish the work outlined in the proposal. The Office of Sponsored Programs works closely with PIs to translate anticipated budget needs into the amounts, categories, and format required by the sponsor. OSP also works to ensure that the budget is consistent with university rates and policies, and is in accordance with federal cost principles, program regulations and sponsor restrictions.

For some prospective PIs, budget development may be intimidating but it is a crucial part of proposal development. During budget development, PIs think through the funding they will need to carry out the proposed project; deciding what resources are needed to conduct the work helps to define and refine the proposal. Budget development also benefits proposal development by determining whether the scale of the project aligns with the amount of funds available for awards, and if adjustments to the proposal are needed as a result of the budget development work.

Drafting a budget includes projecting funding needs in categories such as personnel, materials and supplies, travel, consultants, sub recipients, etc., according to the sponsor guidelines. Budgets and budget narratives are closely scrutinized by sponsors when making funding decisions. A budget that is not understandable, reasonable, or well justified may be reduced before an award is made.

Cost Principles and Other Federal Requirements

UNC complies with the [OMB Circular A-21](#), Cost Principles for Educational Institutions; OMB Circular A-110, Uniform Administrative Requirements for Grant and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations; OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations; the [Federal Acquisition Regulation](#) (FAR); and sponsor specific rules and regulations. PIs agree to ensure that cost principles are upheld throughout the performance of the funded project.

OMB Circular A-21 identifies allowable direct cost categories and prescribes a standard distribution and allocation method for the recovery of F&A (indirect) costs. In addition, the circular establishes standards for consistency in the treatment of costs for institutional accounting and applies to grants, contracts, and other award vehicles accepted by the University.

Costs charged to federally sponsored programs must be reasonable, allocable, and allowable under applicable federal standards. Charges must also be permitted under the terms of the specific award and must be consistent with university practice (e.g. salaries for graduate students must abide by graduate school model).

- **Reasonable**-Reflects conservative action a prudent person would take under similar circumstances
- **Allocable**-Benefit to the project can be demonstrated; the amount charged to the project is in proportion to the benefit
- **Allowable**- Not prohibited by law, regulation, policy or the award terms
- **Consistent**-Specifically identifiable with the project and consistent with UNC practice; treating similar costs in like circumstances

University Review and Approval (Internal Routing)

Once the budget is finalized and the proposal is written, university review and approval of the proposal and budget is required before it can be submitted to the external sponsor. This review and approval ensures that:

- The proposed project is endorsed by PI's home units and also their larger college or area;
- The proposed budget is acceptable to the supervisory unit and the Office of Sponsored Programs;
- A division of the college share of the recovered Facilities & Administrative (F&A) has been agreed upon if more than one unit or college/area is involved in the proposal;
- A commitment is made within the unit to provide post award administrative support; and
- Any commitments for space, personnel, or matching funds included in the proposal will be available upon award.

The *Proposal Review & Endorsement Form (PREF)*, along with required attachments, is the OSP document that is used to compile information about the proposal and is signed to indicate university approvals. At time of proposal submission, the PI's signature on the PREF certifies that:

If awarded, I will accept responsibility for the management and conduct of the project as specified in the proposal and in accordance with all terms and conditions of the award and the applicable policies and procedures of the University of Northern Colorado. I will be responsible for fulfilling the requirements of the award, including proper stewardship of sponsored funds, timely submission of required program and technical reports and other deliverables. I certify that all UNC personnel included in the proposed project have been informed and have agreed to participate as described in the proposal.

Signatures from all PIs and Co-PIs are required on the PREF, as are approvals/signatures from all PI and Co-PI School Directors/Department Chairs and College Deans or AVPs of non-College units of PIs and Co-PIs. Institutional signatures verify *approval* for commitments to the project (such as space, matching funds, etc.) as well as *endorsement* of the project. Careful review of the project by institutional officials signing the PREF is expected.

Signatures on the PREF are gathered and affixed only after budgets have been finalized and all project considerations (e.g. curriculum, renovation, human subjects, matching funds, etc.) have been addressed to the satisfaction of unit and university leaders. Adequate time before the proposal deadline must be allocated for obtaining university approvals on the PREF and must take into account schedule availability of signatories.

All proposal documents, attachments, approved budgets, forms, and internal approvals must be in final form and received by OSP **at least 3 business days before the sponsor's deadline**.

If OSP does not receive proposal documents by, or if changes are made after the internal deadline:

- The proposal will be considered late and will be processed by OSP after proposals that are received earlier;
- The proposal may be submitted without a review for completeness and formatting;
- It may not be possible to meet the sponsor's deadline; and
- OSP will not be responsible for any errors that result in the proposal being declined or for a late submission that is rejected by the sponsor.

Award Negotiation and Acceptance

Sponsors notify the university if an award is selected for funding. Notification is usually sent to the authorizing official listed on the proposal (typically the OSP Director), but if notice is sent to the PI, he/she should contact the Office of Sponsored Programs immediately. The Office of Sponsored

Programs works with sponsors, PIs, and University Legal Counsel (if needed) to finalize and accept the award on behalf of the university. Depending on the type of award (e.g. grant, contract, and cooperative agreement), negotiation and revision may be needed before the award is approved and executed. Only authorized officials may accept awards on behalf of the university.

Under certain conditions, it may be possible for the PI to receive university authorization to begin the project and incur expenses before the award is officially received. The PI should contact OSP to see if this is a possibility. OSP will review the Sponsor guidelines to make this determination. If OSP determines that the sponsor guidelines will allow pre-award costs and that there is little risk to the College and the Department if costs are incurred prior to receipt of the grant award, OSP will provide the PI with an “Advance Fund-Org-Program (FOP)” request for pre award costs. As part of the request, the units housing the award (school/department/office and college/area) are financially responsible for any expenditures in case they are not covered by the anticipated award.

POST AWARD

After an award is made, sponsors closely monitor budgets throughout the period of performance. The applicant is the University of Northern Colorado, but the PI is responsible for ensuring that the work is carried out as proposed and that funds are spent as budgeted and as allowed by sponsored guidelines. Grantees must be fiscally responsible and follow strict requirements in order to remain in compliance with award terms and conditions. In order to meet their compliance responsibilities, PIs are responsible for monitoring and spending external funds in a timely manner that is consistent with the approved work plan and project objectives.

Award Set-Up

FOP App - Once the award is made and accepted, the Office of Sponsored Programs prepares a Fund-Org-Program Application (FOP App) that outlines important financial and award-related information, such as the Banner FOP, the budget information for the award (Direct Costs, Indirect Costs, Cost Sharing), the project budget period dates, related Banner FOP numbers (e.g. Cost Sharing, Research Incentive, Prior Period/System), personnel FTE, and the sponsor approved expenditure budget by Banner Budget Account Codes and by amount.

The FOP App also lists the names of those granted financial signature authority, the names of those who need Banner financial security access, and the name of the unit admin who is responsible for providing administrative support on the project.

Approval Queues – The all-important decision as to who should be authorized to approve expenditures on an award is guided by *Grant Approval Queues Procedures*. Two individuals who have first-hand knowledge of the project can authorize expenditures since they are able to ensure that the costs charged to the grant are allowable, allocable, and reasonable. The PI and Co-PI are designated by the university and approved by the sponsor for the scientific or technical direction of the project and budgetary aspects of the proposal. Therefore, the PI and one Co-PI are authorized to approve expenditures on an award. In the absence of a co-PI for the award, the PI’s supervisor (e.g. School Director, Department Chair, Director, Associate/Assistant Dean) will be listed as the second authorizing signature.

The Approval Queue Authorization process also includes a “99. Info Only Authorization” that enables authorizations for payments/journal entries/pay documents that are not in the online approval payment system. Each Dean/AVP has sent information to OSP on which individuals should be listed at the *99. Info Only Authorization level*.

Financial Responsibilities - The University’s *Financial Responsibility Approval Document* lists the responsibilities that employees agree to assume when they are granted authority to approve internal and/or external transactions (Approval Queues). The document lists multiple items that the approver must verify for each transaction including, “*For grant and foundation funds, the financial transaction is in compliance with sponsor and donor stipulations and restrictions*”. Therefore, those authorized to approve expenditures on an award must not only comply with sponsor regulations, they must conform to university policies and procedures that govern all transactions, including agreement to live up to their university [financial responsibilities](#).

Project Set-Up Meeting – With the Notice of Award, Sponsored Approved Budget, FOP app, and other applicable documents in hand, along with the Approval Queues document, the Office of Sponsored Programs conducts a *Project Set-up Meeting* at time of award with the PI, College/Unit Business Manager, and Admin assigned to the project. This meeting provides a forum for information sharing, discussion and Q&A about the award and outlines useful information for the successful implementation and conduct of the work as described in the funded proposal. At this meeting, the FOP application, award notice, approved budget, PI responsibilities (which include satisfying Grant Insight Report training), reporting requirements, terms and conditions, and university procedures relative to the award are reviewed.

Cross-Disciplinary Awards – Awards that include participants from across disciplines and units require focused leadership from the PI and coordination among project team members to ensure that project activities and expenditures occur as proposed. To assist the PI, the business manager from the unit housing the award (usually, but not always, that of the PI’s unit) takes the lead on contracting personnel and payroll forms and coordinates with business managers from other collaborating units.

Project Management

The PI is responsible for managing and conducting the project as detailed in the funded proposal and awarded budget. The ability of the PI to successfully carry out these responsibilities is dependent upon the provision of adequate administrative support. Although OSP and General Accounting provide support to funded PIs throughout the award period, operational, day-to-day support for PIs from **college** and **unit**⁴ levels is essential to the success of the project.

⁴ Home units include schools, departments or offices (in the case of non-college based proposals). Home units are parts of larger colleges or areas.

This unit-based, operational support enables PIs to conduct the project and also helps them to meet financial and nonfinancial compliance and reporting requirements associated with their awards.

Grants, as a subset of other university activities, must conform to all university policies and procedures that govern project and financial management for this university-based activity. However, PIs and administrative staff must be aware that important differences exist between university funded and externally funded projects, which affect project administration and financial monitoring:

- (1) Externally funded projects have specific project and budget periods that are usually different from the University's fiscal year (July 1 – June 30). This means that expenditures and budget procedures must follow the award's project and budget period, not the university's fiscal year.
- (2) Externally funded projects are subject to additional compliance requirements dictated by sponsor and governmental requirements. Careful stewardship of external funding means ensuring that project deliverables, reports, expenditures, time and effort reports, and other requirements as noted in the award documents, contract provisions, federal circulars, and sponsor regulations must be followed in addition to university and state procedures.

Vigilance and attention to these important differences are essential to satisfactory project and financial management of awards.

Project Expenditures

The PI is responsible for overall management of the award, making sure that adequate funds are available within an appropriate budget prior to the initiation of any expenditure, and approving all expenditures.

The administrative support person or business manager assisting the PI prepares all necessary documents (in accordance with university policies and procedures) for transactions to be charged against the sponsored award and presents those documents for approval by those listed on the approval queues who have first-hand knowledge of the project.

The following questions should be asked and answered before any purchases are made for the project:

- Is the item allowable and allocable to the project?
- How much will it cost?
- Would a prudent person purchase this item under the circumstances?
- Is there funding available to purchase the item?
- Is sponsor approval required?

Budget and Program Plan Revisions

Even with careful planning at the time of proposal submission, budget revisions or changes in the scope of work or objectives of the project are sometimes needed. Requests for budget and program plan changes must be considered carefully in accordance with sponsor regulations and award terms and conditions. The Office of Sponsored Programs will review any requested budget revisions and changes to the project, and review sponsor requirements to ensure that necessary approvals are obtained. PIs will be authorized to proceed with a revised budget or a change in the scope of work and project objectives by OSP after sponsor approvals are in place.

Financial Monitoring Tools

Grant Insight Reports organize grant financial information in a format that is easy for PIs and administrative staff to use and understand. Grant Insight Reports extract data from Banner in summary format and include “drill down” capability to see detailed transaction data that comprise the summary data. Funded PIs and administrative staff access the Grant Insight Reports from the Grants tab located in **University View** of the Insight Reporting Portal (<http://insight.unco.edu>).

PIs and administrative staff are asked to remember that while other Insight reports are available for general university business, Grant Insight Reports were created specifically to monitor grant budgets and **must be used in all cases**. These Grant Insight Reports were created by a team of representatives from Information Management & Technology (IMT), the Office of Sponsored Programs (OSP), and General Accounting with the end user in mind.

The Grant Insight Reports contain important information on grant awards such as:

- **Descriptive data** including the project title, the funding agency, the PI name, the project start date and end date, the grant budget cumulative amount, the grant type and category, the CFDA number (if applicable), the sponsor ID, and the Indirect Cost rate and type.
- **Numerical and Banner data** such as the grant number (the number assigned by OSP at the time of award), the Fund Number(s) associated with the award, the Fund Name, the default Org Code for the grant (e.g. the ORG code that will assume any negative balances or cover any over expenditures or disallowed costs) and the default Program code.
- **Facilities & Administrative (F&A or Indirect Cost) data** including the distribution formula for recovered F&A (“Research Incentive” funds), as well as detail on F&A amounts budgeted, spent and available.
- **Summary financial data** for each Fund Number associated with that award including Budget, Expenditures, Encumbrances and Available Balance by Fund Number, Fund Description and Line Item Budgets (e.g. professional salaries, student wages, graduate assistantships, fringe benefits, travel, materials and supplies, etc.).

- **Detailed financial transaction data** accessed by drilling down on hyperlinked information that provides transactional detail (e.g. Banner account code, transaction date, document number, transaction description, transaction amount, rule class and activity code).

Grant Insight Training for funded PIs and administrative staff is conducted by OSP and is required within a month of the Project Set-up Meeting. Previously funded PIs who are already proficient in Grant Insight Reports may be exempted from training upon concurrence from OSP. **If the requirement for Insight training is not satisfied, signature authority will be removed from the fund until training is completed.**

This customized training session focuses on the newly funded award and shows the PI and administrative staff how to: (1) access the reports; (2) review summary information; and (3) locate transaction detail that shows important budget and expenditure data. The training session gives PIs and administrative staff a chance to ask further questions about their awards and highlights important considerations they should keep in mind as the work progresses.

University Training - other university offices provide training to assist administrative staff:

- Accounts Payable Training Resources <http://www.unco.edu/purchasing/asp/training.html> and <http://www.unco.edu/purchasing/acctpay/>
- Banner and Finance Training <http://www.unco.edu/acctservices/asp/training.html>
- Insight Training <http://insight.unco.edu>, UNC Reporting Dashboard /Training
- Financial Services Training Resources <http://www.unco.edu/acctservices/asp/training.html>

Useful UNC Websites

Personnel:

Payroll: <http://www.unco.edu/payroll/procedures.html>

Human Resources: <http://www.unco.edu/hr>

Student Employment: <http://www.unco.edu/ofa/employment/index.asp>

Graduate Students: <http://www.unco.edu/grad/forms/index.html>

Purchasing:

Financial Services Procedures: <http://www.unco.edu/purchasing/asp/procedures.asp>

Purchasing and Contracts: <http://www.unco.edu/purchasing>

Making a Purchase: <http://www.unco.edu/purchasing/purchases.htm>

UNC Visa Card Program: <http://www.unco.edu/purchasing/pcard/index.htm>

Accounts Payable: <http://www.unco.edu/purchasing/acctpay/indcont.htm>

Xtender Processing: http://www.unco.edu/purchasing/acctpay/xtender_processing.html

UNC Fiscal Rules: <http://www.unco.edu/purchasing/ftp/purc/Fiscal%20Rules%20Final.pdf>

Travel:

UNC Travel Procedures: <http://www.unco.edu/purchasing/acctpay/travpro.htm>

Travel Authorization Form (PDF):

<http://www.unco.edu/purchasing/ftp/acctpay/Travel%20Authorization%20Form%202011-1%20V2.pdf>

UNC Visa Card Program: <http://www.unco.edu/purchasing/pcard/index.htm>

Xtender Processing: http://www.unco.edu/purchasing/acctpay/xtender_processing.html

Fly America Act (federal travelers): <http://www.gsa.gov/portal/content/103191>

Grants Checklist

For Administrative Support Staff and Business Managers/Financial Analysts

Award Set-Up

- Attend *Project Set-up Meeting* to review budget and award terms and conditions
- Complete Grant Insight Training
- Provide general administrative support to the PI
- Maintain good communication with others (e.g. OSP, PI, Accounting, Business Manager)
- Ensure that Approval Queues are followed

Expenditure Monitoring

- Become familiar with approved budget and proposed project
- Conduct regular and ongoing reviews of Grant Insight Reports and Banner screens
- Compare the approved budget to charges against the grant
- Provide information on a regular basis to the Principal Investigator related to expenditures and financial status
- Alert financial signatories and OSP if there are issues, discrepancies, or questions
- Take steps immediately to correct any problems or mistakes that occur related to the grant budget
(e.g. incorrect charges on a grant, mistakes in posting, overcharges, etc.)
- Retain paperwork, receipts and documentation for expenditures and financial transactions
- Follow university procedures and coordinate with other offices as necessary
- AVOID after-the-fact adjustments (Journal Entries/Cost Transfers) to grant expenditures as they are viewed as a red flag to external sponsors and auditors

Personnel

- Review approved budget to ensure personnel charges are allowable on the grant
- Prepare paperwork for hiring/reassignment of personnel (faculty, staff & students)
- Ensure that all personnel charges are calculated at Institutional Base Salary (IBS) rate
- Ensure that all paperwork for hiring students is prepared correctly
- Get PI approval on all documents and route appropriately for other approvals
- Submit all paperwork for approval prior to personnel starting work on the grant
- Ensure that workload adjustments for faculty on grants are in compliance with approved grant budget and sponsor regulations
- Review payroll charges in Banner/Grant Insight Reports for accuracy and timeliness
- Maintain all documentation related to personnel hiring, charges, timesheets, etc.

Purchasing

- Review approved budget to ensure purchases are allowable on the grant
- Follow all university procedures when buying materials, supplies and equipment
- Prepare paperwork for PI approval
- Route Documents appropriately for approvals
- Reallocate One Card transactions correctly on a monthly basis
- OSP will serve as second signature on Standard Services Invoices (SSI)
- General Accounting will serve as second signature on purchases
- Maintain all documentation related to purchase
- Ensure that purchases are charged correctly to grant Fund

Travel

- Review approved budget to ensure that travel expenses are allowable on the grant
- Travel must occur within approved budget period
- Prepare travel authorization and route for approvals
- Coordinate travel and expenditures in line with university regulations
- Coordinate travel and expenditures according to sponsor restrictions
- Maintain all travel documentation
- Ensure that travel charges are charged correctly to the fund
- General Accounting will serve as second signature on travel expenses