



Comprehensive Grants Manual

Purpose

Utica University recognizes the importance of grants to support initiatives that advance the University's mission and educational priorities while maintaining the balance of teaching and scholarship of faculty dedicated to excellent teaching, dialogue with students, and pursuit of scholarly, scientific, and artistic endeavors. Utica University strives to ensure that grant funds awarded to the University are managed responsibly and that sponsored projects are conducted in accordance with the terms of the award agreement, federal and state laws, and University policies and procedures. The purpose of this manual is to provide guidance on how to prepare and submit proposals and how awards are processed and administered at Utica University.

Scope

This manual is intended to guide all members of the Utica University community, including faculty and staff, who seek external funding from government sources, corporate sources, and private foundations to support research, educational programs, and projects that advance the University's mission and priorities. The procedures described below are intended to cover all externally funded grants, subawards or sub-contracts, and cooperative agreements from federal, state, and private grantors.

The directives in this manual apply to both activities that occur at Utica University before a grant is awarded – proposal planning, development, budgeting, internal approvals, and application submission to the funding agency for consideration and to management of funds after an award is made.

Please refer to the Pre-award and Post-award Policies for additional information.

This manual is a working document, and necessary changes may periodically be identified, especially if federal, state, or University rules change. Please contact the Grants Office with input and questions regarding updates to this important manual or any other questions.

Institutional Roles

For a complete matrix of roles and responsibilities, see Appendix A.

Faculty or staff members who initiate grant requests are responsible for consulting with their Department Head, School Dean/Head of Administrative Division, as appropriate, and the Grants Office well in advance of the proposal deadline, and to ensure that the [Utica University Grant Proposal Approval Form](#) is completed in advance of the proposal due date. Every sponsor has their own specific set of application requirements. Different sponsors oftentimes require some of the same information and while the Grants Office will assist project directors/principle investigators complete their applications, *it is the project director/principle investigator's responsibility to know exactly what that particular sponsor requires*. Faculty or staff members/project directors/principle investigators are also responsible for

reading this policy manual and understanding the implications and responsibilities associated with grant proposal submissions and awards.

Project Directors/Principle Investigators agree to comply with all relevant federal or state regulations and all terms and conditions of grant awards. *Project directors/principle investigators are also responsible for reading this manual and understanding the implications and responsibilities associated with grant proposal submissions and awards.* As the official recipient of a grant or contract, Utica University is ultimately accountable to the grant maker. The project director is expected to exercise all proper and ethical fiscal management in the conduct of the project.

The Division of Advancement, through the Grants Office provides assistance with research for funding opportunities, proposal and budget preparation and review, grant submission processes, and interpretation of rules and regulations for faculty and staff who seek external funding for their scholarly and professional work. Grant officers will work closely with the Office of Financial Affairs to monitor project progress and develop interim and final project reporting. The Grants Office acts as the institutional liaison between the University and funding agencies, both pre- and post-award. The Grants Office also serves as the central grant compliance office (see additional details in the post-award policies and procedures section).

Department Heads, School Deans/Head of Administrative Division, as appropriate, and the Provost or his/her designee review and discuss proposed applications and associated budget considerations to ensure that the proposal is in accord with academic objectives and University priorities. Project implementation and management is overseen jointly by the Office of Academic Affairs and the Office of Financial Affairs.

The Office of Financial Affairs oversees the accounting for all grant awards. The University follows standard accounting practices, University policies, and federal regulations when those may apply. The Vice President for Financial Affairs and Treasurer approves contracts that may result from grant awards. This Office, in conjunction with the PI/Project director, ensures that expenses are coded to the appropriate projects and that all required approvals are obtained as required by the University policy on Purchasing and Accounts Payable.

The Office of Legal Affairs reviews, negotiates, and accepts the terms and conditions of the award, in consultation with other offices as needed.

Definitions

Closeout – The process by which the funding agency determines that all applicable administrative actions and all required work associated with the award have been completed.

Contract(or)(s) – A contract/contractual relationship is for the purpose of obtaining goods and services for Utica University's own use and creates a procurement relationship with the contractor. Contractors are not subject to compliance or regulatory requirements, federal or otherwise.

Cost-Share (also known as matching) – Cost Share is the portion of a project or program cost not borne by the sponsor. It is the University's share in the cost of conducting the project/program. Cost sharing occurs either when a sponsor requires, or the University commits in a proposal, funds beyond those awarded by the sponsoring agency to support a particular grant or contract.

Indirect Cost Rate (also known as Facilities and Administration) – Indirect costs represent those expenses not readily allocable to any single research or training project, but which represent the University's costs

for carrying out research, training activities and other sponsored programs. Often referred to as “overhead.”

In-kind: Payment in the form of goods, commodities, or services instead of money.

Financial Conflict of Interest (also known as a Significant Conflict of Interest) – Per the National Institutes of Health, a financial interest consists of any remuneration received from a publicly traded entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000, including equity interests and sponsored travel. For additional details, see Appendix B for Utica University’s complete NIH Financial Conflict of Interest policy.

Fringe Benefits – allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave (vacation, family-related, sick or military), employee insurance, pensions, and unemployment benefit plans.

Pre-award – All activities that take place prior to an award being made, including: identification of funding sources, interpretation of guidelines, proposal preparation and drafting, budget preparation, editing, interaction with online grants submission systems, proposal updates or changes, and submission.

Post-award – All activities that take place after an award is officially made, including: award acceptance, account establishment, depositing of check or draw down of funds, financial management of awards, programmatic or financial reporting, no cost extensions or other changes in scope to the project, time and effort reporting, or equipment inventory.

Subaward or subrecipient – A subaward is for the purpose of carrying out a portion of an award and creates a contractual relationship between Utica and another institution. Subrecipients should (1) be eligible to receive the subaward/assistance; (2) able to institute performance measurements in relation to whether the objectives of the prime award were met; (3) have responsibility for programmatic decision making; (4) be responsible for adherence to applicable program requirements; and (5) uses the funds to carry out a program for the purpose specified in authorizing statute or award letter, as opposed to providing goods or services for the benefit of the pass-through entity.

Time and Effort – Federal regulation requires that any salaries and benefits charged to a federal award(s) must be based on documentation.

Uniform Guidance – refers to the final guidance issued by the Federal Office of Management and Budgets regarding administrative requirements, cost principles and audit requirements for federal awards (which includes research grant awards).

PART ONE: PRE-AWARD

Proposal submission procedures

Pre-Award Processes

1. The Division of Advancement, with the Office of the Provost and Senior Vice President for Academic Affairs, Office of Financial Affairs, and other offices as appropriate, directs and oversees the preparation of grant proposals. Grant officers in the grants office within the Division of Advancement work to secure major grants to support institutional priorities. Grant officers

cultivate and maintain relationships with foundation, corporate, and governmental sources of support. They provide all pre-award support, including assistance with proposal development, review, and submission.

2. The project director/principal investigator for the proposed project discusses proposal plans with his/her department head, school dean/head of administrative division, as appropriate, and grant officers in the grants office well in advance of the proposal deadline. The discussion should include the project's compatibility with departmental/school priorities and plans, course releases, and program cost-sharing/matching requirements, if any.
3. Once consensus has been reached on the idea, the project director/principal investigator contacts the grant officer to begin a search for potential sources of funding. If one or more sources have already been identified, the project director/principal investigator should discuss those with the grant officer to avoid submission of proposals that conflict with University efforts already underway.
4. The project director/principal investigator drafts the proposal narrative, budget, and other sections of the proposal as appropriate. The grant officers can assist with editorial and budget support and with required supplementary materials.
5. After a draft has been developed:
 - a. Once a draft of the narrative and budget have been written and can provide sufficient details for review, the project director/principal investigator completes the [University Grant Proposal Approval Form](#) and the Financial Disclosure Form. Both forms can be found on the Office of Government, Corporate, and Foundation Relations [website](#).
 - b. The project director/principal investigator obtains the signatures of the Office of Financial Affairs, the department chair, the school dean/head of administrative division (as appropriate), the vice president for legal affairs and general counsel, the vice president for integrated information technology services, and the provost or his/her designee, in that order. Project directors/principal investigators should allow 7-10 days for processing these signatures. The project director gives the fully signed form to the grant officer at least five business days before the due date of the grant application. If the grants officer is unavailable, the vice president for advancement may sign in his/her stead. If the project includes research and/or testing on human or animal subjects, the project director/principal investigator must contact the University's [Institutional Review Board \(IRB\)](#) for additional review and approval before submission.
 - c. Requirements for matching funds or cost sharing, including in-kind contributions, must be approved in advance and noted on the [Utica University Grant Proposal Approval Form](#) by the Office of Financial Affairs, department chair, the school dean/head of administrative division, as appropriate; and the provost or his/her designee before the proposal is submitted.
6. The narrative, budget, and other materials as may be required (CVs, timelines, position descriptions, other) must be sent to the grant officer at least five business days before the due date for the grant application. The grant officer will review the narrative, budget and other information for clarity and completeness, and to ensure consistency with the grant maker's proposal submission guidelines.
7. Once the grant officer has received the completed [Utica University Grant Proposal Approval Form](#) and reviewed all materials, the grant officer will submit the proposal. Proposals will NOT be submitted without a completed approval form. Utica University grant officers are the only

individuals authorized to submit grant proposals and grant applications on behalf of the University.

8. To ensure accurate reporting and stewardship of grant awards, Granting Letters and Notices of Award should be forwarded to the grant officer.

Cost-Share or Matching

The University will on occasion provide cost-share or matches for grant-funded projects. Cost share or matching agreements are done on an ad hoc basis. Cost shares can be cash contributions or in-kind donations of goods or services.

PART TWO: POST-AWARD

Documentation of Awards

The original Granting Letter or Notice of Award should be sent to the Grants Office. The Grants Office will forward a copy to the Office of Financial Affairs. Additional copies will be sent to the Office of Academic Affairs or the President, as applicable. This ensures that the award is acknowledged properly and is assigned an account number. The Grants Office retains all awards documentation indefinitely. The Grants Office is also responsible for acknowledging all grant awards.

The Provost and Senior Vice President for Academic Affairs or the President is the signer for award acceptance when that documentation accompanies a grant award (including sub-award or sub-contractual agreements). The Vice President for Financial Affairs and Treasurer is the primary signer for a contractual agreement when that accompanies a grant award.

Responsible Conduct of Research (RCR)

Responsible Conduct of Research (RCR) is the practice of scientific investigation with integrity. It involves the awareness and application of established professional norms and ethical principles for all activities related to scientific research. The federal government has established guidelines to ensure appropriate training and oversight for the responsible and ethical conduct of research. RCR training is required of all students and faculty mentors who receive funds for research from a federal grant. Institutions receiving federal funds must provide RCR training to those individuals participating in the research project(s). Utica University provides training through the Collaborative Institutional Training Initiative (CITI) online training program.

Training must be completed within the semester or summer that the research begins and needs to be completed annually after that. The Office of Advancement will be tracking and verifying the completion of this training and will notify individuals when each training needs to take place. Those who have completed the RCR training should print their certification of completion and provide one copy to the Office of Advancement.

Description of Grants Accounting System

Utica University utilizes Banner by Ellucian, a higher education ERP, as our accounting software. The University uses fund accounting to ensure compliance with any restrictions placed on donations. Each fund has its own self-balancing set of accounts. All funds have their own organization, account, and

program for recording assets, liabilities, revenues, and expenses (FOAP- fund, organization, account, and program).

A fund is set up when required by provider restrictions, such as a sponsored program. All sponsored programs, or grants, are set up with their own fund to be able to track resources and use of those resources set aside for the specific purpose stated in the grant contract. The organization corresponds to the department that the grant fund was set up for, and the accounts separate expenses and revenues into the budget lines that correspond to the grant budget.

Guidelines for Charging Expenses to Grants and Contracts (See Appendix D for stand-alone policy on charging expenses to Federal grant and contracts)

The Office of Financial Affairs establishes a fund for the award in the University’s accounting system. Before the project start date, the Project Director/Principal Investigator consults with Financial Affairs to review the project budget and the reporting schedule. The Project Director/Principal Investigator should charge granted-related expenses to the assigned fund, as needed, to conduct the project. In many cases, grants are reimbursable after expenditures can be verified. In this case, expenses should still be charged to the grant fund and the revenue will follow. Expenses charged to grants should mirror the approved budget submitted with the proposal. The Project Director/Principal Investigator works with Financial Affairs to monitor the project’s progress and financial administration.

All costs charged to a grant must be reasonable, must support the project, and be allowable under the terms and conditions of the award, federal cost guidelines, agency-specific policies, and University policies.

a. Allowable expenditures. For government grants, cost standards are established by the Office of Management and Budget “[Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule](#)”. (2 CFR Chapter I, Chapter II, Part 200, et al.). For Federal awards, the following guidelines MUST be followed:

i) **Applicable Federal Regulations:** According to 2 CFR Part 200, Uniform Guidance, costs must meet the following general criteria in order to be allowable under Federal awards:

a. *Allowable:* A cost is allowable if it:

- i. Is necessary and reasonable for the performance of the Federal award and allocable thereto under these principles.
- ii. Conforms to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- iii. Is consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the [non-Federal entity](#).
- iv. Is accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- v. Is determined in accordance with generally accepted accounting principles (GAAP).
- vi. Is not included as a cost or used to meet [cost sharing or matching](#) requirements of any other federally-financed program in either the current or a prior period.
- vii. Is adequately documented.

b. *Reasonable:* A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

- c. *Allocable*: A cost is allocable to a particular Federal award or other [cost objective](#) if the goods or services involved are chargeable or assignable to that Federal award or [cost objective](#) in accordance with relative benefits received. Allocable costs are incurred specifically for the Federal award; Benefit both the Federal award and other work of the [non-Federal entity](#) and can be distributed in proportions that may be approximated using reasonable methods; and are necessary to the overall operation of the [non-Federal entity](#) and is assignable in part to the Federal award in accordance with the principles in this subpart.

ii) Application of Allowability Standards at Utica University

- a. **Direct Costs**: A direct cost of a sponsored project is one that can be identified specifically with that sponsored project or that can be assigned to a sponsored project with relative ease and a high degree of accuracy. General cost categories that may be charged as direct costs to individual sponsored projects include, but are not limited to:
 - i. salaries, wages, and related fringe benefit costs of sponsored project personnel. Such individuals typically include PI's, Co-Investigators, research staff, and lab technicians;
 - ii. laboratory, scientific, and technical materials, services and supplies obtained from internal as well as external vendors;
 - iii. scientific equipment costs (general equipment such as copiers or computers for use on multiple projects should not be charged directly to a sponsored project); • travel costs;
 - iv. consultant/subcontract costs;
 - v. lab notebooks, data storage supplies and report binders, and other supplies that are used exclusively in support of the project and are consumed completely in the course of the project (office supplies are generally not allowable, see exceptions below); and
 - vi. other direct costs as specifically required, budgeted, and/or approved as necessary to accomplish the purpose of the individual sponsored project
- b. **Indirect Costs**:
Indirect costs of sponsored projects are those that are incurred for common or joint objectives and cannot be identified readily or specifically with a particular sponsored project, or any other institutional activity. Utica uses a negotiated rate that is a percentage of salaries and wages. Costs that are normally charged as indirect costs include, but are not limited to:
 - i. salaries, wages, and fringe benefits for support departments;
 - ii. costs related to the University's physical infrastructure, including building and equipment depreciation (or use allowance), interest associated with external debt issuances to finance facilities-related projects, and operations and maintenance (i.e. utilities, janitorial services);
 - iii. sponsored-project administrative costs including the offices of Accounting & Control and Government, Corporate, and Foundation Relations;
 - iv. costs of the University's libraries; and
 - v. materials, supplies, and services of a more general nature, such as office supplies, general/administrative copying services, and office equipment maintenance.
- c. **Exceptions – Charging Indirect-type Costs as Direct Costs**:
In certain circumstances, costs that are normally charged as indirect costs to sponsored projects may be charged as direct costs. Justification for these types of charges must be well documented by the PI and approved by the Financial Analyst. Circumstances where direct charging of indirect costs as direct costs include, but are not limited to:

- i. Photocopies: These expenses are allowable direct charges to a sponsored project only if it can be documented that there is a direct benefit to the project (e.g. surveys).
 - ii. Office Supplies: These expenses are allowable direct charges to a sponsored project only if it can be documented that there is a significantly greater amount required for a project than would normally be consumed (e.g. a large number of envelopes are needed to mail surveys).
 - iii. Meetings and Conferences: Costs of meetings and conferences, whose primary purpose is the dissemination of technical information, can be charged to a sponsored project if it is specifically provided for in the awarded budget.
- d. Unacceptable Direct Charging Practices:
Costs must be timely and meet the terms and conditions of the sponsored project award and a test of reasonableness. It is the responsibility of the PI to monitor the sponsored project award budget and ensure that purchases are made in a timely and appropriate manner, as purchases should be consumed while benefiting the project for which they are charged. The following are inappropriate direct charging practices:
- i. cost-shifting to meet budget or funding deficiencies.
 - ii. assigning costs to other sponsored projects to avoid sponsor restrictions;
 - iii. assigning equipment or supply expenditures at the end of a project. Any significant purchases made towards the end of a project period are highly suspect, as it is generally not reasonable to expect that such items will be able to benefit the award;
 - iv. increasing salary expenses on a project with an available balance when it is not consistent with the actual effort expended;
 - v. charging an expense exclusively to one sponsored project when the expense was used to support other activities;
 - vi. assigning expenses to a sponsored project before the cost is incurred; and
 - vii. assigning expenses that are part of the normal administrative support for sponsored projects (e.g. proposal preparation or accounting for the project).
- e. Charging Expenses to Multiple Projects
If an expense benefits two or more sponsored projects in proportions that can be determined without undue effort or cost, the expenditures should be allocated to the project proportionally. If proportions cannot be determined due to interrelationship of the work, then costs may be allocated using another reasonable basis. The following are some appropriate allocation methodologies:
- i. Effort.
 - ii. Space.
 - iii. Head count.
 - iv. FTEs per project.
 - v. Number of experiments.
 - vi. Percent (%) PI time in lab; and
 - vii. Percent (%) of lab-staff time in lab.

The following are prohibited allocation methodologies:

- i. Splitting the costs evenly across projects;
- ii. Project budgets; and
- iii. Available funds.

For any allocation basis used, written support should exist, on a case by case basis, to describe how the allocation was determined.

- f. **Unallowable costs:** Certain types of expenses are unallowable as either direct or indirect costs. The Uniform Administrative Requirements describe the costs that are not eligible for reimbursement (unallowable costs). Refer to the Cost Principles in Subpart E, §200.400-200.475 of the Uniform Guidance for the full listing of types of costs. In general, the items of cost indicated below should not be charged to a federally sponsored project, in whole or in part, UNLESS the award dictates allowability, and there is a justifiable need for the item in the awarding agency approved proposal budget:
- i. Advertising/Public Relations
 - ii. Losses on Sponsored Agreements (overruns)
 - iii. Memberships in Community Organizations/Social Clubs
 - iv. Marketing Costs
 - v. Student Activity Costs
 - vi. First Class Air Travel
 - vii. Lobbying Costs
 - viii. Interest Expense for Operating Procedures
 - ix. Honoraria
 - x. Alcoholic Beverages
 - xi. Alumni Activities
 - xii. Bad Debts
 - xiii. Charitable Contributions
 - xiv. Entertainment
 - xv. Fines and Penalties
 - xvi. Office supplies
 - xvii. Subscriptions
- b. *Purchasing.*** Follow the same University policies that apply to any other purchased item or service at the University. In some cases, competitive bid or price quotations must be obtained if the cost of goods or services exceeds certain dollar limits. Refer to the University policies on [Purchasing and Accounts Payable](#) and [Bidding](#), or contact the [Office of Purchasing and Accounts Payable](#) if you have questions.
- c. *Technology.*** Project Directors/Principal Investigators should have consulted with IITS prior to submitting a grant proposal that requests computing or technological equipment. After a grant has been awarded, IITS may assist with updated vendor quotes, purchasing, and installation but does NOT assist with specialty equipment or software not usually supported by IITS. Equipment purchased with grant funds will not be added to the University's equipment replacement cycle.
- d. *Travel related to the grant award.*** Follow the University policy that applies to [Business Travel and Entertainment](#). Note that if the terms of the grant award differ from the University's policy, the grant terms and conditions govern. For federal awards, refer to [2 CFR Part 200](#) for guidance.
- e. *Hiring personnel.*** Follow the policies and guidelines from the [Office of Human Resources](#).

Guidelines for Charging Personnel Expenses to Grants and Contracts

a. *Applicable Federal Regulations:*

Time and Effort Reporting is required for all Federal Grants. Effort is defined as the amount of time spent on a grant expressed as a percentage of the total amount of time of all work-related activities. Effort reporting is required by Federal regulations Uniform Guidance (2 CFR Part

200) for all individuals who devote effort to grants and have compensation charged to federal grants. The reporting is required to document that federal funds were charged only for the time actually worked on a grant, to ensure that federal programs paid only their proportionate share of compensation, and that the effort charged to each award has actually been completed.

Time and Effort Reporting cannot rely solely on budget estimates (i.e., estimates determined before the services are performed). The reporting must reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of total compensation. Each exempt employee whose time is committed to a federally sponsored project shall complete an effort report. Non-exempt employees and students whose time is committed to a federally sponsored project shall fill out a timesheet which certifies their time worked on the federally sponsored project. However, for the NSF LSAMP grant, the student researchers receive a stipend and time sheets are not recorded. Those students will need to complete the time and effort reporting forms.

The University's standard approach is a semester/summer certification. Reporting is done by the time period that the effort was performed (i.e., Spring, Summer, Fall). Time and effort reports will be collected after each semester and at the conclusion of the summer. The Office of Advancement will track and verify the completion of the Time and Effort Reporting forms. A form will be sent to individuals when reporting is due. The recipient will need to review the form for accuracy and print, sign, and date the form. The Dean, Director, or Department Chair will also need to sign the form. All project directors and principal investigators for such projects are required to certify both their effort and that of other persons active on such projects led or supervised. The original form with the original signatures needs to be sent back to the Office of Advancement (i.e., hard copies will be sent in campus mail). The form must be incorporated into the University's records and be supported by a system of internal controls. Employees supported in part or in full by federal grants and contracts are encouraged to keep work journals, notes, and calendars to support the accuracy of the reports.

b. Procedural Statement / Implementation

This statement outlines how expenditures should be budgeted, charged, and consistently applied to sponsored projects in order to meet external regulations.

To support Utica University's teaching mission, grants that may include an opportunity for direct faculty involvement should endeavor to include funding to support the equivalent cost of a three-credit overload for the faculty member for the first course release tied to the grant. A second course release, and any subsequent release, should be budgeted according to the Institutional Base Salary (IBS) calculation. Faculty are limited to two course releases per academic year, with an exception being granted to any faculty who opt to take a full year sabbatical.

The school dean has the final authority to approve or deny buyouts based on overall institutional needs including continuity of course offerings. Course releases should not adversely impact the operations and functions of the University.

For the supplemental salary earned during the summer months, the University will solely use the IBS formula for the purposes of salary calculation and verification. Expenses charged to grants will represent actual salary and wages or a percentage of actual salary and wages as reflected in the approved budget in the grant award. The Financial Analyst will be responsible for ensuring

that actual rates are used. If actual salaries exceed the amount approved in the grant award, Utica University will default to the amount or rate in the approved grant agreement.

Compensation for staff included in the federal grant awards or contracts must not exceed 100% of the institutional annual base salary. Compensation for faculty included in federal grant awards or contracts must not exceed 100% of the institutional annual base salary for work that takes place during the academic year. Utica University faculty are on 10-month contracts and therefore are permitted to request up to two months in supplemental summer salary from external sponsors.

Equipment and Real Property Management

The University will track all property purchased with federal grant funds in accordance with the following concepts: For federal grants, 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. The University has set inventory at \$5,000 (which is the same as the federal maximum amount). The University will track all equipment purchased with federal or flow-through funds in accordance with this requirement. The OMB rules on inventory tracking require highly specific information to be recorded. The Office of Financial Affairs is responsible for maintaining Utica's federal equipment inventory.

The University will not sell or dispose of equipment worth \$5,000 or more purchased with federal grant funds without the approval of the funding organization, as per OMB requirements. Under OMB Super Circular rules, "items with a current per unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency" (as per OMB 2 CFR 200.313.e.1.). That means, from the federal government's perspective, an equipment item becomes a supply item after it depreciates to be worth less than \$5,000. It is still, however, an equipment item that should be inventoried under the University rules until the value of the item drops below that set by the University (\$5,000).

Period of Availability of Grant Funds

Grant expenses are generally allowed only for costs that are incurred during the grant period. No pre-award or post-award costs will be billed to a grant unless it is approved by the funder and specifically allowed in the grant agreement. Utica University does not, as a standard practice, permit the encumbrance of pre-award costs. If a PD/PI wishes to incur pre-award costs, special permission must be granted from the Provost and Financial Services.

Cash Management

The federal government requires that payment methods must minimize the time elapsing between the transfer of funds from the US Treasury or the pass-through entity and the disbursement by the University whether the payment is made by electronic transfer, issuance or redemption of checks, warrants, or payment by other means. Utica University uses the reimbursement method for payment of Federal grants. These drawdowns are requested by the Office of Financial Affairs as indicated on the grant agreement.

Reporting

Utica University will strive to meet all reporting requirements of all funders and to avoid late or incomplete reports. Most periodic grant reports are due within 30 days of the end of a performance period (usually quarterly or semi-annually). Utica will complete required grant reports for state, local, foundation, corporate, or other funders as required. Most funders that require reports use a two-tiered system like that used in federal grants – one report for program matters, and another for financial activities. *The PD/PI is responsible for the programmatic reports while Financial Services will be responsible for financial reports.*

Closeout

Close out refers to the process by which the funding agency determines that all applicable administrative actions and all required work associated with the award have been completed. Most federal grants allow a 90-day period for closeout procedures, which may include completing grant reports and completing evaluation activities to verify grant impacts and adherence to measurable outcome objectives. It is customary that funders allow 30-90 days for invoicing and paying costs that occurred during the grant period. No additional costs should be incurred during this time. The 30-90 closeout period merely allows the University to complete the invoicing and billing processes.

Project Directors/Principal Investigators are responsible for completing programmatic reports on time, as defined by the funding agency. Financial affairs is responsible for all financial reports.

Records Retention

The grants office will retain copies of the awarded proposals and award documentation indefinitely. Financial services will retain copies of financial documentation for a period of 7 years from the close out date of the grant. Federal guidelines require the PDs/PIs keep grant-related documentation for at least three years. Utica University requires PDs/PIs to keep their programmatic documentation for three years for all externally funded projects (federal, state, and private) and further recommends that PDs/PIs retain grant-related records for a period of seven years.