I. Policy

This policy sets forth the guidelines for administrating, accounting and managing grants. Grants can be from federal agencies, state agencies or private foundations. The list includes but is not limited to:

- National Institute of Health (NIH)
- National Science Foundation (NSF)
- Environmental Protection Agency (EPA)
- Department of Education (DOE)
- Lilly Endowment, Inc.
- Iowa Department of Human Services

II. Scope

This policy applies to all grants.

III. Terms and Definitions

- Grant – The awarding of funds by a federal, state, or private foundation for the sole purpose of accomplishing a specific project which is deemed to have merit by the grantor. The activities of the grant will be carried out in accordance with the approved proposal.
- Grant Manager/Principal Investigator – College individual responsible for the project as stated in the grant proposal.
- Grant administrator – Individual responsible for monitoring the grant activities and acts as the liaison between the Grant Manager/Principal Investigator and the granting agency. This person is usually the Assistant Dean of the college.
- Grants Accountant – Accountant responsible for making sure the budget, expenses and revenues are properly accounted for. The Grants Accountant in conjunction with the Grant Administrator and the Grant Manager/Principal Investigator are responsible for auditing and compliance of the financial activity of the grant with the granting agency.

IV. Procedures and Guidelines

A. All grant applications shall be forwarded to the College Dean’s Office for review and approval before submitting to the grantor.
B. Once notification is received of the awarding of a grant, the Grant Administrator will forward a copy of the grant to the Office for Financial Services. Financial Services will set up a new general ledger department with the appropriate income and expense codes. Once the accounts have been set up, the Office for Financial Services will notify the Grant Administrator and the Grant Manager/Principal Investigator of the account numbers.

C. Budget
- Budget, as approved by the granting agency, will be entered into the accounting system. Any changes in the scope or budget of the project must have written prior approval from the granting agency.

D. Receipts
- All monies will be sent to the Office for Financial Services, regardless of whether payment is made by check or wire transfer.
- Drawdown will typically be done on a reimbursement basis. The Grants Accountant will draw down the appropriate amount at least quarterly. This will be done by reviewing the expenses with the Grant Manager/Principal Investigator for allowability, accuracy, reasonableness and making sure that they are budgeted for in the grant.

E. Disbursements
- Requests for payments for goods and services should be forwarded to the Office for Financial Services with the proper authorization for payment including the account number to be charged.
- Expenditures must comply with the applicable Purchasing, Travel and Capitalized Asset policies of the college.

F. Time and Effort Reporting
- Section J.10 of OMB Circular A-21 requires certification of effort to document salary expenses charged directly or indirectly against federally sponsored projects.
- This reporting, along with college policies, ensures that salary and wages are properly expended and that actual effort is consistent with the originally budgeted effort.
- Reporting will reasonably reflect the percentage distribution of effort by faculty and staff charged to federally funded projects.
- Effort is not determined based on a 40 hour week, but rather on total hours worked.
- The college uses an “after the fact” effort reporting system to comply.
- Each employee will complete and sign his/her effort certification. Federal requirements stipulate that anyone certifying another individual must have first-hand knowledge of that individual’s actual effort.
- Certification reports will be required twice per year, once for the academic year and once for the summer and submitted to the Office for Financial Services within 30 days of the end of each of the reporting periods.
- See attached Time and Effort Reporting Certification form.

G. The standard circulars (A-21, A-87, A-110, A-122 and A-133) and Code of Federal Regulations will be used as guidance in grant administration.

V. Facilities and Administrative Costs (F & A) (Formerly Indirect Costs)

F & A costs are real costs to the College that cannot be directly identified with and charged to a specific grant. F & A costs will be charged to applicable grants on a regular basis, at least quarterly.
The Grant Manager/Principal Investigator may apply for and negotiate with the Vice President for Academic Affairs/Dean of the College and with the Vice President for Finance and Administration to receive a portion of the facilities and administrative costs to enhance research or projects activity in the department in which the Grant Manager/Principal Investigator is assigned. (See Indirect Costs – Requesting and Distributing Reimbursements for Facilities and Administrative Costs (Indirect Costs) from Grant Revenues.)

VI. Personnel, Property and Ethics

A. Personnel
   - Personnel administration is merit based. Grant employees will be treated the same as regular Luther College employees.
   - Pay records are kept for a period of seven years after the final report to the granting agency.
   - The Grant Manager/Principal Investigator reviews posted payroll charges monthly for accuracy.

B. Property
   - Real and personal property purchases as well as depreciation will be maintained in a fixed asset record system.
   - Depreciation threshold for equipment is $5,000. (See Capitalized Asset and Depreciation Policy.)

C. Ethics
   - Every effort will be made to comply with sound ethical principles. (See Conflict of Interest Policy.)
   - All formal research conducted by Luther College faculty, students, and staff that involves human participants must be reviewed and approved for compliance with the College's Guidelines for the Protection of Human Subjects, Human Subjects Review Board (HSRB). Luther College complies to standards for the assurance of animal welfare as stated in the Public Health Service Policy on Humane Care and Use of Laboratory Animals. Research involving humans, animals, or biohazards will follow guidelines of the Council on Government Relations (COGR) Principle VI of Managing Externally Funded Programs at Colleges and Universities. (See Faculty Handbook.)

VII. Confidentiality and Record

The college shall retain all grant records, supporting documentation and all other records pertinent to the grant for a period of 7 years following the submission of the final report to the grantor.
As a recipient of federal funds, Carleton College must comply with the OMB Circular A-21 (Cost Principals for Educational Institutions). Section J.10 requires certification of effort to document salary expenses charged directly or indirectly against federally sponsored projects.

Name: _______________________________________ Academic Year ______________

Position: _____________________________________ Faculty _____   Other Staff _____

Reporting Period: Academic year _______      Summer _______      Other _______

Confirm the percentage of time you spent working in each area for which you were compensated:

Grant account number: _________________________  _________% of time
Department number: ____________________________  _________% of time
Other number: ________________________________  _________% of time

__________Total (must equal 100%)

Certification:

I certify that the above percentage of effort represents a reasonable estimate of the work performed by the stated individual during the report period.

Authorized signature: ________________________________ Date: _______________

Person completing the work*

Printed name and position of the authorized signer:

Name: _______________________________________ Position: ________________________

PI Signature (if other than authorized signer): _________________________________

Submit to:  Peggy Lensing, Controller; Office for Financial Services.

*Federal requirements stipulate that anyone certifying another individual must have first-hand knowledge of that individual’s actual effort.