



# Grants Handbook

# Contents

Introduction

Grant Funds

Sources

Programs

Guidelines

Getting Started

Departmental Resources

Monitoring and Management

Responsibilities

Spending Grant Funds

Required Documents and Record Keeping

Financial Reports

Expenditure Types

Invoicing

Closing Grants

Resources

## Introduction

Highline Community College would like to extend our gratitude that you either want to sustain, enhance and expand an existing program or embark on a new initiative that will help insure student success.

## Grant Funds

Grants are accounted in appropriation 145 as mandated by the State Board for Community and Technical Colleges (SBCTC). What determines that funding sources are accounted in the 145 appropriation are the following criteria; funds are designated by an outside grantor, are restricted in use as designated by the grantor and have an educational mission rather than a community service focus.

The source of funds could originate from the following:

- Other State Agencies (DSHS, OSPI, HECB, L&I, etc.)
- Federal Agencies
- Local Governments
- Private Entities
- Foundations

Typical Programs that might appear in this fund are:

- ABE/ESL
- Running Start
- International Programs
- WorkFirst
- Perkins

The federal and state government grants are governed by administrative rules and regulations and cost principles. All of the information that is included in this handbook is based on those rules and regulations.

1. The funding agency establishes dates for when all programmatic and fiscal reports are due, and the agency is entitled to change its reporting expectations and/or process at any time during the grant period. Often, notifications of such changes are sent directly to the Project Director; the Project director should immediately forward such information to the Grants and Contracts office. Therefore, be aware that while the dates and reports included on this calendar are accurate to the best of our knowledge at the time of the creation of this document, the dates and the reports required by the agency may change, and the agency may provide very short notice of any change.
2. Future year awards are subject to annual federal appropriations and the project making substantial progress as judged by the funding agency review of the performance reports.

3. The last date for incurring expenditures on an annual basis (applicable for multi-year project) is indicated in each award notification. The Project Director must allow reasonable time for internal approval and processing of expenditure requests; last minute request are discouraged. The grants office will submit to the funding agency a final financial status report at the end of the annual grant period. For information regarding purchasing requirements and deadlines please contact the [Purchasing Department](#).
4. The Project Director should check grant and matching (if applicable) budgets monthly to ensure that funds are being spent in a timely manner. Project implementation should include a continuous planning process to anticipate the need for budget changes. Final budget changes for the project year should be approved internally (and externally by the funder is required).
5. All financial records, supporting documents, statistical records and all other records pertinent to an award shall be retained for a period of 6 years for state, other government and private grants and 10 years for federal grants.
6. The Project Director must ensure that any equipment items purchased using grant funds are specifically approved by the funding agency and are tagged and inventoried in accordance with college policies and procedures. Disposition of this equipment during or at the end of the grant period must be in accordance with funding agency and college guidelines.

## Getting Started

Both the Budget Department which includes the grants office and the Institutional Advancement office are your resources when applying for and monitoring of a grant. Services provided for you are:

The Budget Department is here to assist you in cost analysis, creating monitoring tools, financial reporting, invoicing, expense and payroll corrections and budget revisions. You are invited and highly encouraged to participate in the Grants and Contracts Management Team which is comprised of other Project Managers. This group meets monthly to discuss any issues, share information and to continually improve management processes.

The Institutional Advancement Office is here to assist with any program design, budgeting, writing of the proposal, and/or completion of the grant application itself. Scheduling will be important if you require assistance; once you receive notice of available funds, contact the IA office to arrange for any help you may need.

***I have a project, but don't know where to get the funds:***

The Office of Institutional Advancement is your resource for researching funding sources.

***I have a project and I know where to get the funds:***

The Institutional Advancement (IA) is the first step in submitting a successful grant proposal. Prior to submission, the IA Office must review all grants.

For proposals over \$10,000:

Submit a [Grant Application Approval Form](#) signed by the Project Director, Department Chair/Dean and Vice President to the IA office. The IA office will provide comments and feedback regarding the Grant Proposal Plan.

Once the review is complete, The Grant Proposal Plan will be forwarded for approval and signature to the Vice President of Administration.

Once approval and signature has been obtained, the grant writing can proceed.

A final copy of the grant must be reviewed by the President at least one week prior to grant due date. Please attach a copy of the signed Grant Proposal Plan.

For proposals under \$10,000:

Submit a [Grant Application Approval Form](#) signed by the Project Director, Department Chair/Dean and Vice President to the IA office.

The IA office will provide comments and feedback regarding the Grant Proposal Plan.

When complete, a final copy of the grant must be forwarded to the IA Office. Please attach a copy of the signed Grant Proposal Plan.

***I have been notified by the SBCTC that application packets are ready:***

Contact the [Budget Office](#) and request access to and release of application packet. At Highline Community College the [Budget Director](#) is the security officer for the State Boards Online Grant Management System (OGMS) and the Online Budget and Invoicing System (OBIS).

Requirements

When applying for a grant it is of the utmost importance that you understand all the criteria set forth by the Grantor and that Highline has the ability to fulfill all the requirements. If matching funds are required, you must insure that these matching funds are not being used as match for any other grant.

### Establishing your grant account

Once you have received your final grant award document send a copy of the award letter, approved budget, any documentation that lays out timelines for reporting and invoicing directions to the budget office along with the request for a budget code. This budget code will allow tracking for all expenditure unique to your project. At this time signature authority will be assigned and the new grant will be added to the financial report distribution list.

## Monitoring and Management

### *Responsibilities*

When receiving a grant award you have agreed to take on great responsibility. As the project manager it is your duty to understand all the nuances to your grant:

1. You must be clear about timelines for reporting.
2. What are the restrictions of the grant?
3. What are allowable expenditures?
4. Adherence to all regulations set forth by the granting agency.
5. Spending the funds effectively.
6. Staying within the grant budget.

Following are resources for typical Federal and State grants:

- OMB Circular 133
- OMB Circular 121
- WorkFirst Guidelines
- Perkins Guidelines
- ABE/Family Literacy Guidelines
- EL Civics Guidelines
- Time & Effort Guidelines'

### *Spending Grant Funds*

## Budgets

One of the project director's major responsibilities is to manage the project budget within the terms of the grant. Careful and realistic construction of the budget when the proposal was developed means that adequate funds should be included to cover project costs and personnel expenses. The proposal budget serves as the project director's first spending plan.

The initial proposal budget, along with any revised budgets developed by the project director, should incorporate plans to expend all grant funds each grant year. Carry over of unobligated grant funds into a new grant year is not viewed favorably by the funding agencies or by the college. Project directors must notify the Grants Office and the appropriate project administrator immediately upon determining that the project is at risk of having unobligated grant funds in any grant year. Any budget changes to State Grants must be administered through the Grants office.

Changes to the grant budget such as increases, decreases or line item changes are handled using a [budget revision form](#). Please contact the [Grants Office](#) for assistance in amending the grant budget.

## Expenditures

It is the project director's responsibility to monitor and authorize all project expenditures and to make certain that all funds are expended, in accordance with the approved budget and the grant project timeline, before the grant expires.

Most purchases against the grant will be done via a Materials Service Request ([MSR](#)) or Request for Payment ([RFP](#)) in accordance with the college's purchasing policies. Project directors and staff should never instruct a supplier to deliver goods or begin any services until an authorized Purchase Order is issued by the Purchasing Office. Any such instructions to a supplier may become the personal financial liability of the requesting individual.

Travel expenses are on a reimbursement basis and require retention of all travel receipts with the exception of food cost. Travel must have a [prior approval](#) and upon return a [travel reimbursement form](#) with attached receipts should be submitted immediately. Reimbursement typically takes 10 business days.

The terms most government grants include a requirement that the college ensure that grant funds are not used to supplant (i.e. replace) funds normally available to the college for its operating expenses. For this reason, grant dollars are maintained under a separate budget code, and all expenditures are scrutinized individually to make certain that they are part of the approved grant budget. If the grant stipulates that funds may not be used to supplant college funds, the project

director must monitor all expenditures and budget revisions carefully. In these cases, Highline Community College's records must support the college's commitment to use grant funds to supplement and not supplant the college budget.

To avoid the unnecessary return of unexpended funds to the funding agency, expenditures should be reviewed on a monthly basis, with more comprehensive reviews at midpoint and three-quarter point of grant period. When reviewing your expenditures you note an error, you must submit and [expense correction form](#) along with the financial report that indicated the transaction in question immediately to the Budget Department. The project director should develop revised spending plans if necessary at these points. Last minute requests are not acted upon favorably by the funding agency and are not allowed by the State Board after the designated deadline date. Project directors should also use the midpoint and three-quarter point reviews to assess the ongoing status of time & effort and matching documentation. The Grants and Contracts office in the Budget Department are available at any time for assistance.

### *Required Documentation and Record Keeping*

The Budget department maintains files for every grant. These files have a copy of the grant award, financial reports and copies of invoices that have been submitted. We also keep all grants and contracts certifications and [time & effort reports](#).

The Project Manager is responsible for all programmatic reports and any other non-financial reports and documentation required by the grant.

### *Financial Reports*

Once a budget code has been assigned to your grant, you and your budget code will be added to a financial report distribution list. The College closes each month for financial reporting on approximately the 10<sup>th</sup> day of the following month. Within a couple of days you will receive the following financial reports for your grant:

PM1201 – Grants & Contracts budget status report. This report is a cumulative report of all your expenditures since the beginning of the project and also the fiscal year. This report is rounded to the nearest dollar and is a summary report.

BA1211 – Salary and Wage report. This report gives the salary and wage expenditure detail for the month. This report will detail to the penny the cost for the month and list all employees paid from the grant for the month reporting.

GA3230 – Detailed Expenditure report. This report gives the detail to the penny for all non-salaried expenditures for the month reporting. This report will give



detail such as; vendor, check date, check number and batch date. It will also show purchase orders that have been encumbered.

GA2103 – Detailed Revenue report. This report gives detail for any revenue received during the month reporting.

PS1425 – Grants and Contracts Certification. This is a report which details salary and benefit expenditures, staffing months, employees charged to the grant and requires review and a signature. When reviewing this report you note that there is an error in effort or employee, you must identify the error, state the requested correction and sign the document. If there are no corrections, please sign the document and return. This report will be sent to you via interdepartmental mail and must be returned to the grants and contracts office, mail stop 1-2.

Also available to help assist you in monitoring your expenditures is our online reporting system which is an access program. Information shows detail for transactions that have occurred within 3 days of report request.

As the project manager for your grant you are required to review your reports in a timely manner; insuring that all expenditures are correct.

### *Expenditure Types*

To help assisting you with understanding your reports, the following are typical codes used for identifying and categorizing different expenses:

#### A – Salaries

AA	President and Vice Presidents
AB	Administrators
AC	Fulltime Exempt
AD	Part-Time Hourly
AE	Fulltime Faculty
AG	One Year Faculty
AH	Part-time Faculty
AK	Fulltime Classified
AL	Part-time Permanent Classified
AM	Student Employee
AP	Student Work-study
AZ	Executive Assistants

*Expenditure Types (cont.)*

B – Benefits

- BA OASI
- BB Retirement
- BC Industrial Insurance
- BD Health Insurance
- BF Unemployment

C – Contracted Services

- CA Personnel Services Contracts

E – Goods & Services

- EA Supplies and Materials
- ED Rentals and Leases
- EF Printing and Reproduction
- EG Training
- ER Purchased Services
- EZ Other.  
(EZ-90 is classified under this category and is for catering expenses. This is an Unallowable cost unless specified by the grant.)

G – Travel

- GA In-State Lodging and Meals
- GB In-State Airfare
- GC Private Vehicle Mileage Reimbursement
- GD Other (parking, rental car, ferry, etc.)
- GF Out-of-State Lodging and Meals
- GG Out-of-State Airfare

J – Equipment

- JA Non-capitalized Equipment
- JC Capitalized Equipment

N – Client Services

- NZ Tuition Assistance (this is an unallowable cost unless specified by the grant).

S – Interagency Reimbursements (these codes are for reimbursement from either the SBCTC or other Community Colleges within the State System)

SA	Reimbursement for Salaries
SB	Reimbursement for Benefits
SE	Reimbursement for Goods and Services
SG	Reimbursement for Travel
SN	Reimbursement for Client Services
SX	Reimbursement for Services Provided to another Community College

T – Indirect

TA-20 Grants and Contracts Indirect

Invoicing

All invoicing for grants is centralized in the grants and contracts office within the budget department. No invoicing is allowed by project directors or their assigned staff. However, the project directors input and assistance is often required during the invoicing process. This insures that the invoice is reconciled to the college's financial records and also receipt of revenue is deposited in the appropriate grant account.

## **Closing the Grant**

Most funding agencies have required processes associated with closing out the grant projects. The project director will need to complete all closeout activities prior to his/her last day paid from the grant. Any questions regarding this issue should be directed to the grants and contracts office.

To ensure that these processes are followed, in the last three to six months of the entire grant project period, the project director must work with the grants and contracts office to finalize:

1. Secure record retention of electronic and paper files
2. Reporting final outcomes in a final programmatic report to be submitted to the funding agency
3. Final expenditures
4. Equipment and supply disposition
5. Time and effort documentation
6. Matching documentation

The project director and the grants and contracts office must ensure that all records retained as part of the closeout process be appropriately organized and labeled prior to storage in order that they be readily available in the event of an audit.

It is of the utmost importance that all reimbursements and goods and services be received on or before the last day of the grant period. It is highly encouraged to plan at least 90 days in advance of closing for receipt.

State grants do not allow a close out period outside of the grant performance period. Therefore, all invoices must be received and paid within 5 days of the grant end date.

Typically for Federal and other agencies there is anywhere from a 30 to 90 days closeout period which allows time for receipt of invoices and payment. This does mean that new expenditures can be incurred outside the grant performance period.

## **Resources**

[Grant Application Approval Form](#)

[OMB Circular A21](#)

[OMB Circular A133](#)

[EDGAR](#)

[Time and Effort guidelines](#)

[Time and Effort Form](#)

[MSR](#)

[RFP](#)

[Prior Approval for Travel](#)

[Travel Reimbursement](#)

[Budget Revision Form](#)

[Expense Correction form](#)

[Grant Writer](#)

[Grants and Contracts Specialist](#)

[Budget Director](#)