

Providence College
Grant Administration Policy and Procedures
Revised May 2007

I. Introduction

Externally funded research is an important component of the college's missions of research, instruction and service. To comply with federal, sponsor, and other regulations and to properly account for research expenditures and revenue, the college provides the following guidelines for grant and contract accounting. Principal investigators are required to exercise oversight of the financial transactions and status of each grant and contract sufficient to ensure that charges are reasonable and necessary, allowable under terms and conditions of the award, properly allocated to and among multiple awards and funding sources, and limited to funds awarded for the project.

II. Agreements

All agreements for grants and contracts must be made in the name of the college. All contracts must be signed by a college official, generally the Vice President of Academic Affairs. Any agreements requiring cost share must be approved in advance.

III. Definition of a Grant or Contract

The awarding of funds by a Federal, State or private foundation for the sole purpose of accomplishing a specific project which is deemed by the grantor to have merit. The nature of the work to be carried out under the grant must be in accordance with the mission of Providence College. The approved grant will detail the project scope, project budget and the time period covered by the grant.

Grant proposals must meet the criteria stated below prior to submission to grantor agencies:

IV. Approval Process

A. Internal Review

All proposals for grants and contracts for research, curriculum development, training and other scholarly activities of the faculty & staff should be submitted through the college's Grant Administrator. The college's formal approval process ensures conformity with funding guidelines and facilitates tracking of proposals both before and after submission.

Generally the Vice President of Academic Affairs is the individual responsible for committing the college. Individual faculty, chairs of academic departments or deans cannot commit the college to such activities.

Informal discussions should be held well in advance of proposal deadlines with the appropriate campus personnel as required to insure that potential concerns are alleviated. This is particularly required if proposing items such as course release or cost-sharing on the part of Providence College.

Note: All grant proposals on behalf of Providence College are to be approved by the Grant Administrator prior to submission to the granting agency.

B. Timing

To ensure appropriate review, completed proposals should be submitted to the Grant Administrator 2 weeks before the submission deadline. Proposals submitted to the Grant Administrator with less lead-time may not be processed in time to meet the submission deadline.

V. Budget Issues

A. Compensation Guidelines

Compensation for college employees working on sponsored programs must be consistent with established compensation policies, as determined by Human Resources, VP Finance & Business and VP Academic Affairs.

1. Faculty Effort

The proposal budget must indicate the percentage of faculty effort to be spent on grant activity that would otherwise be devoted to instruction, other scholarly activities or administrative assignment during the academic year. The assignment of faculty effort to externally sponsored activity must be consistent with established college policies and must be approved by the chair of the academic department and the VP Academic Affairs.

2. Compensation for Summer Activity

Academic Year Salaries - Any portion of a faculty members salary to be covered under a grant will be based on the individual faculty member's regular compensation as stated in the faculty member's contract with Providence College.

Summer Compensation Paid to Faculty - During the summer months, salary is to be at a monthly rate not in excess of the base salary divided by the number of months in the period for which the base salary is paid (9 months). No more than two-ninths salary should be requested.

3. Fringe Benefit Rate

The fringe benefit rate to be used in budget preparation for sponsored programs should be obtained from the Grant Administrator. The full rate is applied to the salaries and wages of faculty and staff but not student workers. The college must pay FICA taxes for summer time wages to faculty. The appropriate benefits must be requested in grant proposals.

B. Cost-Sharing

Cost-sharing, whereby the college absorbs some of the costs of the proposed project, is often required in proposals submitted to the federal government and other agencies. Cost-sharing may be in the following form:

1. Cash expenditures, such as for equipment or travel, that are either currently budgeted or that the institution would not otherwise spend.
2. In-kind contributions of direct costs, such as faculty released-time and the value of associated employee benefits.

Cost sharing should be clearly reflected in the proposed budget. Any department chair whose budget is directly affected should be consulted in advance of the submission of grant proposal to the VP Academic Affairs and the Grant Administrator.

VI. Post Award Procedures:

A. Award Notification

Once a grant proposal has been awarded to Providence College the Grant Manager should notify the Grant Administrator of the award. A copy of the award letter along with any other pertinent information needs to be forwarded to the Grant Administrator.

B. Creation of an Organization Number

The Grant Administrator will establish a new organization number in the Banner Finance system that will be used to track all grant expenses and revenue. The Grant Administrator will notify the Grant Manager as to what the grant organization number is and the accounts that should be used for the booking of expenses in accordance with the line items of expense cited in the grant award.

C. Expense Submission

Fundamental to all grants and contracts is the requirement that a particular grant or contract may only be charged for costs related to that project. The principal investigator best understands the scope of the project and the effort committed to it by faculty and staff. The principal investigator is responsible for certifying that all expenses charged to a grant are correct and reasonable. The principal investigator is responsible for the financial management of the grant.

D. Purchase Requisitions

All purchase requisitions for goods and services related to a grant should be forwarded to the Purchasing Office. The Purchasing Office will then forward the requisition to the Grant Administrator for budget approval. The signed requisition will then be returned to Purchasing for processing.

E. Receipt of Grant Funds

1. Checks

Grantor agencies should be notified that all expense reimbursement checks should be sent to the attention of the Grant Administrator. Once an expense reimbursement check is received by the Grant Administrator the check will be deposited with the Bursar's Office. A copy of the receipt will be retained by the Grant Administrator with the appropriate supporting documentation.

2. Wire Transfers

Those agencies that only remit funds via wire transfer will provide the grantee with the appropriate (ACH) Automated Clearing House form requesting the college's bank account number, routing number, etc. This form will be filled out by the Controllers Office and forwarded back to the granting agency.

Once a wire transfer of funds is received by Accounting the Grant Administrator will provide the Accounting Office with the organization number and account number so that the funds can be booked accordingly.

F. Financial/Project Reporting

All financial reporting requirements to grantor agencies will be completed by the Grant Administrator working with the Grant Manager when required. The Grant Manager will be responsible for providing project reports to the grantor agency.

G. Records Retention

Financial records, supporting documents and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report unless otherwise stipulated by the grantor.