

INTRODUCTION

The Office of Grants Development was established in January 2003 to help you obtain funding for your special projects. The primary purposes of the office are to:

- coordinate a grants development process for San Juan College,
- provide technical assistance to the faculty and staff who wish to obtain grant funding and
- facilitate the development of grant proposals.

In July 2007 the Office of Grants Development was renamed the Office of Strategic Development. The Senior Director of Strategic Development is now responsible for the Academic Quality Improvement Program in addition to providing campus-wide leadership to all faculty and staff who wish to pursue grant funding. The Senior Director of Strategic Development and the Grants Development and Compliance Officer provide a wide range of technical assistance during all phases of grants development and compliance.

Using this Manual

This reference manual is divided into ten (10) major sections as follows:

1. Overview of the Office of Strategic Development: provides the main functions and services of the Office.
2. Searching for Funding Sources: Explains how to work with the Office of Strategic Development to locate a funding source for your project ideas.
3. Designing Projects and Writing Your Prospectus: Provides guidelines for organizing, defining and focusing your project; describes the prospectus development process. Explains purpose of preliminary proposal or inquiry letter.
4. Developing a Budget: Illustrates the budget components and gives guidelines on how to develop a budget for your project.
5. Obtaining Signatures of College Administrators: Details how necessary approvals for your project are obtained.
6. Administrative Offices—Support and Procedures: Lists the different administrative offices and instructs you on how to access their support services for your project.
7. Writing Proposals: Provides descriptions of common proposal components and how to organize these components.
8. Proposal Format: Includes an outline of a common grant proposal.
9. Definitions of terms: Defines terms used in the “world of grants.”
10. Index: Lists the major topics covered in the manual and their page numbers.

SECTION 1: OVERVIEW OF OFFICE

1.1 Mission Statement

The Office of Strategic Development promotes the goals of San Juan College through the pursuit; acquisition and management of external grant funds from public and private sources that support the College's priorities and programs. All externally funded projects will be implemented in accordance with the College's policies, procedures, and funder's stated terms.

A coordinated and structured development program serves to increase the involvement of private foundations, corporations and individuals in support of San Juan College's goals.

1.2 Goal

To coordinate and oversee San Juan College's grants development and management activities by providing services to staff and administrators in collaboration with other organizations and by acting as a liaison with current and potential external funding sources.

1.3 Operational Standards

Strategic Development – The identification, documentation and dissemination of external funding sources shall be consistent with the organizations priorities. The Office of Strategic Development reviews all external funding proposals and sources for eligibility, quality, priority, compliance and appropriateness.

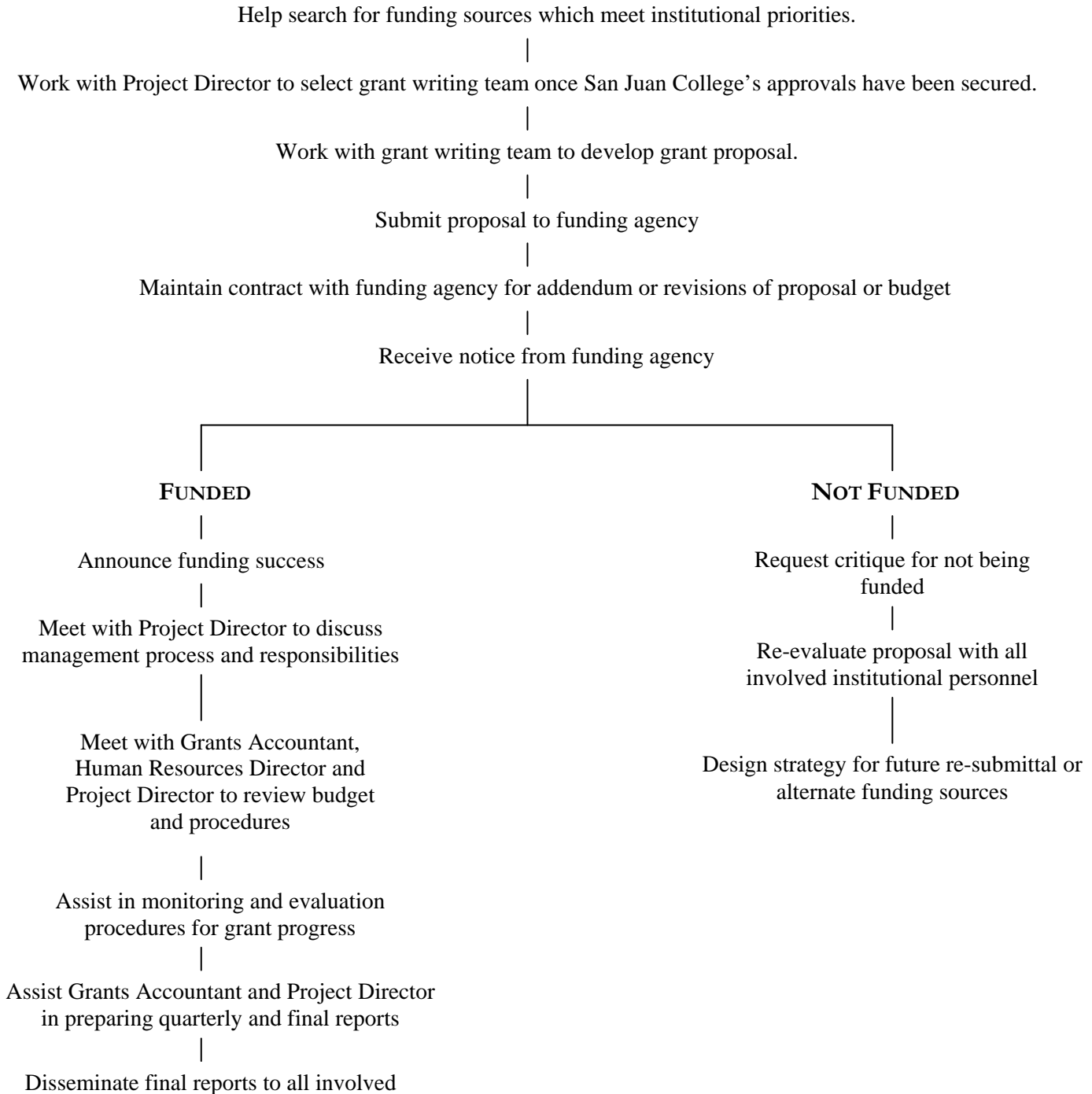
Requests for Funding – All requests for funding will be consistent with the organization's priorities and will be approved in advance by the appropriate administrators, from the project initiator to the chief administrator. **The Grants Planning Committee (comprised of the Vice Presidents and Executive Director of the SJC Foundation) review and approve all requests for funding prior to proposal development. The Office of Strategic Development coordinates all requests for funding and acts as the primary liaison with external funders.**

Grants Management – All externally funded projects will be implemented within the SJC organization structure and will be administered in accordance with the funder's policies and regulations. The Office of Strategic Development will oversee the management of externally funded projects, including review of budgets, personnel charged to grants, reporting requirements, project and budget revisions, grant continuation and extension requests. The Office will also maintain appropriate records on each grant and handle grant closeout. It is important to emphasize the importance of collaboration between the project director, grant accountant, and the Office of Strategic Development.

1.4 Objectives

- To increase the level of external funding from federal, state, local, foundation and corporate sources;
- To enhance and expand the organization's programs and services;
- To plan for and prioritize program needs for grants development annually;
- To disseminate information on available grant opportunities to staff;
- To monitor legislation and appropriations that relates to grant programs;
- To development procedures for development and submission of proposals and management of grants;
- To provide assistance and training to staff searching for grants and preparing proposals;
- To development collaborative relationships with local organizations and individuals to enhance projects and proposals;
- To assess trends in public and private support;
- To submit grant proposals;
- To provide quality assurance for all grant proposals;
- To establish a central grants center;
- To provide the chief administrator and the governing body regular reports on submission of grant proposals and awards received;
- To monitor grant budgets, matching funds and personnel charged to grants; and
- To monitor compliance with all funders' reporting and other requirements.

**OVERVIEW OF RESPONSIBILITIES
OF
THE OFFICE OF STRATEGIC DEVELOPMENT**



Outline of Support Services Provided by the Office of Strategic Development

I. Project/Proposal Development

The Office of Strategic Development will provide the following services to project initiators:

1. Guidance on project development.
2. Search for funding sources.
3. Research on background information and funding patterns of selected funders.
4. Help with proposal development, including providing sample proposals and other necessary materials, recommending a proposal outline and advising on budget preparation.
5. Serve as liaison with funders.
6. Review of matching funds available to the project.
7. Technical review of draft and final proposals.

II. Proposal Submission

The Office of Strategic Development will be responsible for mailing and electronic submittal of all proposals including:

1. The date the proposal must be received by the funder.
2. The number of copies required by the funder.
3. Procedures for intergovernmental review of federal grant proposals.
4. Signatures of organizational officials required by the funder.

III. Follow Up

The Office of Strategic Development will track the status of submitted proposals. Services include:

1. Negotiating the award with the funder in collaboration with the project initiator.
2. Notifying, in writing, the project initiator and all appropriate administrators of the funder's decision.
3. Requesting from the funder copies of reviewer's comments (in the case of declined proposals) and discussed them with the project initiator.
4. Offering continuing support to project initiators by recommending project or proposal improvements and/or searching for additional funding sources.

SECTION 2: SEARCHING FOR FUNDING SOURCES

The Office of Strategic Development has a number of major functions: locating funding sources, developing project ideas, preparing grant proposals, communicating and negotiating with funders, monitoring projects and their budgets, retaining grant records, seeking continued funding and implementing staff development activities that support proposal writing. The greatest challenge lies in coordinating all these activities so they result in high quality, responsive grant proposals that reflect and evolve from the vision and mission of San Juan College and institutional priorities developed from the institutional planning procedures.

No two grant proposals are alike. Each is different depending on the nature of the project and the specific requirements of the funding source. Yet there are fundamental similarities in developing all grant proposals.

Once you have an idea for a project or find a promising source of grant funds, contact the Office of Strategic Development at extension 3160 or 3159 for the appropriate process. Staff will work with you to ensure the forms are filled out appropriately and in a timely manner. A meeting with all stakeholders will be arranged to discuss and more fully develop ideas, including identifying potential funding sources. The department chairperson or dean will need to be included in the preliminary discussions so that budget and workload issues can be addressed. The proposal cannot proceed without their approval.

During this step, we may decide to involve other individuals and/or agencies, expand our search for funding sources, modify the project and contact the funding agencies for additional detail. The end result of this step is:

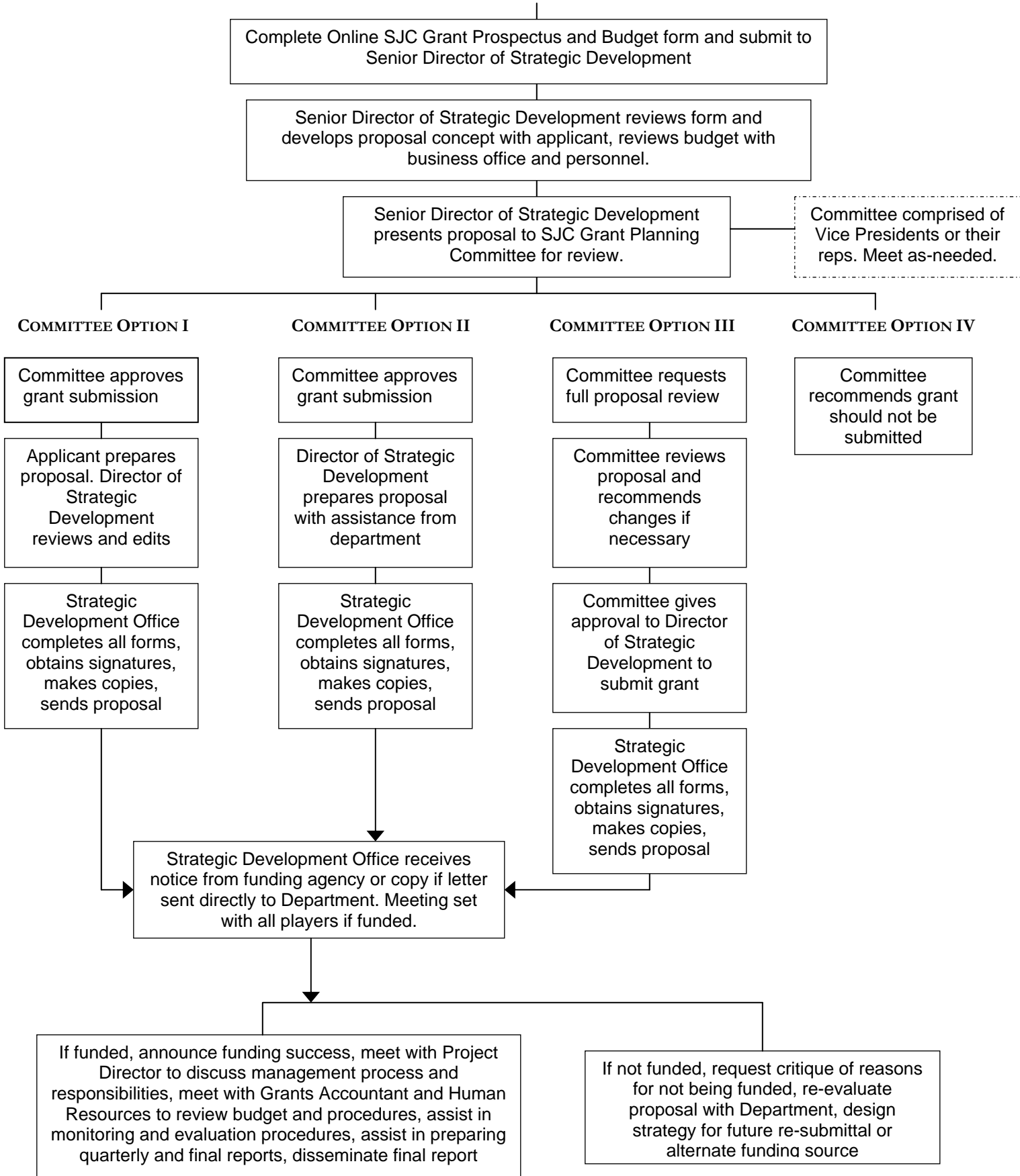
- (a) a fully developed idea,
- (b) a funding source,
- (c) the proposal guidelines and
- (d) development of a prospectus for Grant Planning Committee review.

The Office of Strategic Development will provide guidance throughout this process. The following schematic—Grant Proposal Development Flow Chart – provides an overview of the proposal development process.

As you begin to formulate your project idea, the checklist on the following pages – Project Idea Development Checklist and Institutional Capability Checklist – will help you focus your thoughts. Not only will answering the checklist questions help clarify your ideas, but you will also have a basis for which to create your prospectus and ultimately, your proposal.

GRANTS DEVELOPMENT PROCESS

(Please use the following flowchart as a guide for grant development and reporting procedure)



Funding Needs Survey

Date:

Submitted By:

Department and Title:

Phone Number:

Email:

Please complete the following statements if they relate to your specific needs. The information provided on this form will be reviewed by the Office of Strategic Development. The Director will contact you to further discuss your needs and funding opportunities.

1. My program/department is in immediate need of grant funds to purchase...

2. My program/department is interested in seeking grant funds to address professional development needs, such as...

3. My program/department is interested in seeking grant funds to expand current or establish new programs for students, such as...

4. Potential funding sources I have identified include...

5. The estimated amount if funding needed to complete my project is...

Project Idea Development Checklist

Ask yourself the following questions as you form project ideas and explore alternative approaches to the project.

Assessing the Need

1. What is the target population?
2. What are the needs/problems of the target population?
3. What are the causes of the needs/problems?
4. What are the major unresolved or unsolved issues in this area?
5. How can the problems be measured? What documentation is available to support the needs?
6. What does current literature in this area say about the problem/need and approaches to solving/meeting it?

Defining the Project

1. What solution does the project propose?
2. What special approaches can be developed to achieve that solution?
3. What alternative approaches can be used?
4. What is unique about the project?
5. What is significant about the project?
6. What resources – from funder, applicant, community, etc. – will be necessary to carry out the project?
7. What is the projected budget for the project?

Establishing the Applicant's Qualifications

1. What are San Juan College's organizational goals?
2. What work has San Juan College done to qualify it to undertake this project?
3. Does San Juan College have the capacity/resources to conduct this project?
4. Who will be involved in the project (both internal and external collaborations)?
5. Has the project staff sought input from experts?

Carrying Out the Project

1. What are the expected outcomes of the project?
2. How will the project be evaluated?
3. How will the project be continued after the grant expires?

Institutional Capability Checklist

Ask yourself these questions to assess your organization's capability to carry out a project and manage a grant before developing a proposal.

Strategic Plan

1. Does the proposed project fit the institution's overall mission?
2. Is the proposed project of the highest priority for the institution? Does it have the support of the institution's administrators/governors?

Resources

1. What internal resources can the institution tap to conduct the project?
2. Does the institution have any unique features/abilities that give it a competitive advantage in proposing the project?
3. Is the needed office, lab or research space available for your project?

Collaboration and Support

1. Are the necessary departments/offices within the institution able to collaborate on the project?
2. Can the institution collaborate with other institutions/agencies?
3. Can the institution gather support and endorsements for the project from external sources (e.g., the community, legislators)?

SECTION 3: DESIGNING PROJECTS AND WRITING YOUR PROSPECTUS

Depending on the scope of your project, the Office of Strategic Development will assist you in creating a team; you should be thinking of those individuals who are interested in the project and who have the time and expertise to commit to the writing effort. A general rule of thumb is to have enough people (3-7) to divide the process into manageable components, but not so many that the integration of the components becomes unwieldy.

3.1 Developing a Prospectus

Once the team has been assembled, the next task is to write a prospectus. The prospectus is not a section of the proposal and will not be sent along with your completed application package. However, it can be turned easily into an abstract, which most grant applications require.

A prospectus is a 2-3 page summary of your idea. It can be used to present your idea to others, to locate appropriate funding sources, to conduct liaison work with collaborating and funding agencies and to solicit letters of support. In developing the prospectus, address the questions on page 4.3. The Office of Strategic Development will assist you in developing the prospectus.

At these early stages of project development, it is important to begin collecting and reading all related literature and statistics that support your ideas. When you write your prospectus and proposal, documented support for and knowledge about the idea are critical to funding. The Office of Strategic Development will help you determine the types of literature and statistics to collect. However, because this documentation is so important, you should place a high priority on obtaining all the necessary documentation.

3.2 Preliminary Proposal/Inquiry Letter

Many grant-makers accept grant applications by invitation only. Therefore, you must first submit a preliminary proposal or inquiry letter. The goal of your inquiry is to receive an invitation to submit a full proposal. Generally, inquiry letters establish the following main elements:

- Organization Overview/Purpose
- State Reason for and Amount of Funding Request
- Describe Needs or Problem (i.e., target population, statistics)
- Describe Project or Program
- List other Project Funders (prospective and committed)
- Request Funding Application

3.3 Developing a Prospectus – Guiding Questions

- *Title of Project*
Give your project a brief descriptive title.
- *Submitted By*
List your name or names of other persons/agencies involved together with phone and fax numbers. Also include your department.
- *General Area*
List the general area in which the project falls. For example, parent training, science education, or nurses training project.
- *Date*
The date of writing the prospectus
- *General Purpose Statement*
What is the general purpose of this project? What is your overall goal?
- *Needs Statement*
Why does this project need to be done? What are the problems this project is attempting to eradicate? In this section cite all evidence you have to support your view such as statistical data, committee findings and reports, and related literature.
- *Objectives of the Project*
What specifically will you do in order to meet your overall goal? Effective objectives are specific and measurable and can be evaluated when the project is completed.
- *Methods for Accomplishing Objective*
How will you accomplish your objectives? What resources will you use?
- *Target Group*
Who will be served by this project? Who will be involved?
- *Evaluation Strategy*
How will you evaluate whether or not the project accomplished what you set out to accomplish?
- *Results/Benefits Expected*
What results or benefits do you expect from conducting this project? How will the organization benefit? How will various individuals benefit? How will the community benefit? How will the field benefit?

SECTION 4: DEVELOPING A BUDGET

Your prospectus will require a budget. There is a budget worksheet at the end of this section to assist you in considering all expenses incurred in implementing the proposed project. The worksheet has a column for funds “provided by the applicant.” This column can assist you when your budget includes cost sharing amounts such as matching funds (cost sharing is explained in greater detail later in this section). It is important that you plan carefully at this point; under funded projects can be very costly to the institution. The Office of Strategic Development will facilitate this budget process, working closely with the grant-writing team.

Prior to beginning the budget process, make sure your project falls within the funding limits listed in the Request for Proposal (RFP). It is important that your budget fall below or at the maximum amount of funds awarded by the funding source. It is a good idea to examine the RFP for the average amount given and the number of awards given. This can be used to gauge the viability of the dollar request.

When preparing the budget, both anticipated direct and indirect costs of conducting the proposed project must be included. Money for possible salary increase and inflationary increase should be anticipated and included in the budget submitted.

In preparing a budget for submission to potential funders consider the following items.

4.1 Direct Costs

Direct Costs are those costs required to defray expenses necessary to conduct the project or sponsored activity.

The following are possible direct costs for a project. Any given project may include only a portion of these items, depending on its activities.

Salaries and Wages:

- Project Director
- Project Personnel
- Technicians
- Secretary-Clerical Personnel
- Hourly Personnel

Fringe Benefits (ERA and Insurance):

ERA rates are included in the Project Management Handbook (once you have been awarded you will receive a training on the handbook). The fringe benefit rate is subject to change. For the current rate consult the Office of Strategic Development. As of the printing date of this manual, use the following rate for calculating fringe benefits: **30%**.

To calculate the cost of fringe benefits, multiply the established rate multiplied with the salaries and wages for the project director, project personnel, technicians and secretary-clerical personnel. Fringe benefit rates calculate differently for part-time personnel; the Office of Strategic Development will assist in this process.

Equipment

Equipment cost, quality and potential suppliers must be specified for special and explicit approval. Contact with the appropriate departments is advised to acquire estimated costs.

Materials and Supplies:

- Office Supplies
- Test Materials
- Questionnaire Forms
- Duplicating Materials
- Laboratory Supplies
- Glassware
- Chemicals
- Electronic Supplies
- Software
- Media Supplies

Travel (for project employees, not consultants):

- Field Work and Data Collection
- Professional Meetings
- Conference Fees and Registration
- Travel for Consultation
- Subsistence (Per Diem)
- Automobile Rental
- In-State or Out-of-State Travel (for current allowable travel expenditures, consult the Office of Strategic Development)

Other Direct Costs:

- Computer Use (including programmer time) – project initiator should consult Computer Services for current rates
- Publication Costs
- Photographic Services
- Faculty Modifications and Renovations
- Purchase of Periodicals and Books
- Communications (telephone and postage)
- Preparation and Duplication of Final Report
- Dissemination Costs

Participant Support:

- Stipends
- Tuition and Fees
- Travel Allowance

Consultants:

- Fees/Honoraria (if San Juan College's employees are to be used they must be approved in writing through a letter from Human Resources)
- Consultant Traveler and Subsistence (Per Diem)

Subcontracts:

- Contracts with external agencies to perform required project related activities for which expertise is not available through project staff
- Leases

4.2 Indirect Costs

Indirect costs are those costs of conducting projects that cannot be directly related to specific project activities, but are nevertheless incurred by San Juan College as a consequence of the activities. Providing facilities, utilities, library services, and accounting support for projects are typical examples of indirect costs. In addition, that portion of time spent by department heads, central administration and deans in activities related to the project are indirect costs.

Indirect costs are not recovered from sponsoring agencies until after the costs have been incurred. In other words the reimbursement replaces dollars that have already been spent—they do not represent new dollars that can be spent for any purpose. Indirect costs do not represent profit, since San Juan College can recover indirect costs only at a rate which is recognized by funding agencies and by San Juan College as the legal basis upon which San Juan College can make claims for reimbursement. Once agreed to, it becomes the only bona fide basis for claiming indirect cost reimbursement.

Usually an indirect cost allowance is stipulated in the RFP. Statements such as, “...administration costs are capped at 10%...” However, if a rate is not stated the Office of Strategic Development can provide the rate.

4.3 Cost Sharing/Matching/In-Kind Contribution

Cost sharing, referred to as matching, in-kind and cost contributions, all refer to the share of project costs required by sources other than the funding agency. In some programs these requirements are mandated by legislation or regulation. In the case of federally sponsored programs the contribution must come from nonfederal sources. Suggested sources of cost sharing include the following:

- Related nonfederal programs in other units of San Juan College, i.e., San Juan College Foundation, college/division/department budgets
- Budgeted capital equipment funds
- Donated computer time
- Time of personnel to the project but not supported by the funding agency
- Facilities
- Difference between restricted indirect rate and approved rate of indirect costs
- Faculty sabbatical leave, salary and fringe benefits dedicated to a project

Generally, cost sharing is not required when awards are provided by contract. Many agencies do require cost sharing on projects supported by a grant. An institutional contribution to a project may make a proposal more competitive since it documents commitment. Proposal initiators must carefully review guidelines to determine and meet cost sharing requirements.

Matching funds are the portion of a project or program costs that are not covered by the funding source. Most government grants require matching financial participation by the applicant. In some cases, the granting agency specifies a minimum match (e.g. 25% or 50% of the total project cost). In other instances, the funding source encourages but does not dictate the percent of match.

Applying for grants is a competitive process so the match needs to compare favorably with match dollars offered by other proposers. Proposals that include a significant match are perceived by the reviewers and the funding source as more competitive and are therefore more likely to be funded.

Showing an appropriate match:

- demonstrates institutional commitment that goes beyond just conducting a program. The funding source wants to see an indication of institutional support for the program and some likelihood that we have the resources with which to continue the program after the external funding ceases.
- provides a more accurate picture of the actual cost of delivering a service. The funding source needs to know the total cost of replicating the program elsewhere.
- reduces the amount of money required of the funding source, thereby allowing additional projects to be funded in other locations.

Frequently, the grant application will indicate the types of match that are acceptable for a particular program. Generally speaking, match is allowable for the same cost categories that are allowable from grant funds. To qualify, the match dollars must be used to meet the objectives of the proposed project and may come from either the college or a third party, but not from other grants.

There are two types of match:

1. Cash Contributions: cash outlay from the college's operational accounts or a non-Federal third party to support the program. Examples of a cash contribution include a portion of the Project Director's salary that is being paid by the institution or a cash contribution to match federal dollars for the purchase of instructional equipment.
2. In-kind Contributions: value of non-cash contributions provided by the college or a non-Federal third party. They may be in the form of charges for real property and non-expendable personal property, and the value of goods and services directly benefiting and specifically identifiable with the project or program. Examples include the value of space, equipment, volunteers, and supplies for the program; supervision; and in some cases, any un-reimbursed portion of the negotiated indirect cost rate.

During the proposal preparation process, Office of Strategic Development staff will review the matching requirements contained in the grant application. When appropriate, staff will discuss matches with agency program officers to find out the match amounts offered by proposals that were funded the prior year. This information helps the College to arrive at a match amount that will be competitive without being excessive.

A few examples of matching costs which proposals tend to omit include:

- If a consultant charges a lower rate to an educational institution, the difference from the normal rate to the educational discount rate can be documented as in-kind dollars. The documentation, which needs to be provided, is a letter from the consultant including the normal rate charged and the educational discount rate.
- In-kind match can also come from technical assistance, mentoring, job fairs, tutoring, field trips and presentations. Keep a log which states the name of the volunteer, phone number, and position, purpose of service and travel time and mileage.
- Educational discounts on software, equipment and supplies can be used on most grants, although not all (Cash Contribution)

In general, proposals should not incorporate cost sharing if the project is not directly related to San Juan College's basic mission and if benefits directly associated with a project cannot be derived to offset the level of cost sharing. All costs used to satisfy cost sharing requirements must be documented by San Juan College.

4.4 Consultant Services

The use of project funds for payment of fees to consultants (from both within and outside San Juan College) is allowable under the conditions indicated below. Charges to project funds may include fees, travel, and supporting costs (food and lodging). Consultant fees cannot generally be paid to an employee of the federal government.

Use of consultants is governed by the following five federal government policies:

1. There must be evidence that the services to be provided are essential and cannot be provided by persons receiving salary support under the grant.
2. There must be evidence that a selection process has been employed to secure the most qualified person available and that the selection has been approved by a senior officer of the grantee organization.
3. There must be evidence that the charge is appropriate considering the qualifications of the consultant, his/her normal charges, and the nature of the services rendered. (Most government agencies dictate maximum daily rates that can be paid without special approval.)
4. If the consultant is an employee of the grantee institution, the work must be in addition to regularly assigned duties. Approval needs to be obtained either through the grant proposal or in writing from the granting agency. Unless specifically approves in writing, the employee cannot receive more than his/her average daily salary.
5. In order to compensate a consultant who is not an employee of San Juan College and who is receiving compensation from another federally funded grant or contract for any percentage of his/her full-time work or contracted responsibility, specific written approval must be obtained from the federal contracts officer assigned to the project. (This may be approved with the project proposal or by letter.)

4.5 Indirect Monies/Funds

Monies that are awarded to San Juan College from the funding institutions for those costs that are grant/contract associated, but cannot be directly charged against the grant/contract are called indirect monies. Examples included accounting and personnel department functions necessary for grant administration, building and equipment maintenance and depreciation costs are all considered indirect costs. Conversely, direct costs are such items as personnel hired to perform grant activities, associated grant-related travel and materials and supplies to support grant activities.

4.6 College Procedures for Indirect Monies Distribution

Indirect cost recovery funds are earmarked to the general SJC operating budget.

SECTION 5: OBTAINING SIGNATURES OF COLLEGE ADMINISTRATORS

Once the prospectus and budget are completed, the next step is to present the prospectus to the Grants Planning Committee. The Senior Director of Strategic Development will advocate the proposal to the committee. On occasion, the applicant will be asked to co-present the prospectus to the committee. Attached is a copy of the Grants Approval Form. This approval form summarizes key information about the proposed project and has locations for approval signatures. Attach a copy of the prospectus, prospectus cover sheet and budget to the grant approval form.

The Office of Strategic Development will help facilitate this approval process; however, please remember that the approval process can be lengthy. Therefore, plan ahead so that your proposal development plan can meet submission deadlines. The Office of Strategic Development will schedule the Grants Planning Committee meeting and notify you of the day and time in the event that a presentation of the proposal is necessary.

SECTION 6: ADMINISTRATIVE OFFICES

SUPPORT AND PROCEDURES

In addition to working closely with the Office of Strategic Development, you will also need to work with other offices on campus. Please review the following guidelines and requirements regarding each area. The chart at the end of this section summarizes the services provided by the various departments and the contact people.

6.1 Office of Strategic Development

The Senior Director will serve as the primary contact and information resource as you develop your project and proposal. When a proposal is funded, this Office will act as the intermediary with the granting agency for all budgetary and/or contractual negotiations for formal College grants/contracts. All contracts with the funding agency go through the office of strategic development. Original award letters, copies of reports, evaluation, time and effort forms, etc... are housed in this Office.

6.2 Business Office

The assigned Grant Accountant assists the Project Director in preparing financial reports. Initially, as budgets are being prepared, the grant accountant can answer questions concerning classifications and expenditures. Once a project has been funded, the grant accountant will work with you to show expenditures of project funds and to prepare required financial reports. It is critical that you work closely with your grant accountant and the compliance officer throughout the project duration and that you carefully monitor expenditures.

With multiple year funded projects, continuation reports are typically required in order to receive the next year's funding. Such reports and applications usually ask for current year expenditures and future funding year estimated expenditures. The Business Office can help you determine these amounts. All grant/contract fiscal reports must be verified by the grant accountant prior to forwarding them to the Office of Strategic Development and the funding agency.

6.3 Business Services

The Business Office is the final approving authority for expenditures for supplies. Payroll can only be approved in accordance with the terms and conditions of the contract and with College policy and procedures. Payment for personnel services outside the normal payroll system (see Human Resources section) are given individual review because of higher degree of audit accountability is required.

The Business Office will need the following when a grant or contract is awarded to San Juan College:

1. meet with the grant accountant, compliance officer, and project director to set up the budget.
2. a copy of the allocation authorization and any supporting documentation on what type of expenditures are authorized;

3. meet with the grant accountant, compliance officer, and project director for reporting and paperwork flow.

6.4 Purchasing

Obligations against grant or contract funds are processed in the Purchasing Department in the same manner as other College expenditures. Therefore, San Juan College's Purchasing Procedures and Policies apply when commodities and/or services are contracted under grant or contract funds.

Commodities and/or services may only be purchased upon receipt of a purchase order number issued by the purchasing department. Purchases made by any individual not assigned a purchase order number are considered unauthorized. College departments are encouraged to contact the Purchasing Director with any questions regarding the procurement procedure.

6.5 Human Resources

Many grant projects include new personnel. If new individuals will be hired for the project, the project director must follow specific procedures established by the District Board of Trustees College, including rate assignment, throughout the hiring process. Grant-funded personnel must be hired utilizing the same San Juan College hiring policies used for hiring all personnel. The Human Resources office should be consulted prior to grant submittal to review all requests for personnel and salary assignment.

All proposed grant and contract paid employee wages and salaries shall be consistent with college wage and salary administration policy regardless of the source of the funding. All college employees writing grant proposals shall use official college wage and salary scales to determine personnel costs for all grants. Grant writers shall submit a list of the costs to the Associate Vice President of Human Resources for approval before submitting the grant to the Grants Planning Committee.

Any grant funded employee is subject to grant funds and the college is not responsible for the continuation of funds if the grant ends.

All proposals for release time for college employees shall receive prior approval from the appropriate Vice President before proposals are submitted to funding agencies. If the grant language references a wage rate which is higher (or lower) than the established wage scale or guidelines, the individual will be paid the appropriate rate based on college policy – not based on what is written in the grant.

Projects will move smoothly if hiring is coordinated as soon as possible with the Human Resources Office. Certain features to become familiar with include the following:

1. Equal Employment Opportunity – All faculty, administrative and support staff employees will be hired in accordance with the College's Affirmative Action Program.
2. All new and/or vacant positions must be filled in accordance with established human resources and College standards.
3. Positions established with grant money are classified by the Human Resources Office in accordance with the College classification plan.

4. Compensation for positions established under grants shall be in accord with the established College pay plans.

The Senior Director of Strategic Development will work with the Human Resources Office to determine the appropriate classification and level. The Human Resources Office will also assist with the search for qualified applicants. The Job Announcement should state that the position is funded with grant moneys for a specific period of time.

Prospective employees paid out of grant funds must be advised at some time prior to their acceptance of employment of the following:

1. Employment terminates when the grant terminates.
2. The contract is year-to-year, or less contract depending upon the expiration date of grant funding approval.
3. Employment beyond the term of the grant cannot be guaranteed. Grant funded employees are eligible to apply for job openings within the College as internal applicants.
4. Full-time grant funded employees of the College are entitled to all benefits enjoyed by regular employees.

6.6 Payroll

In most circumstances, grant-funded personnel are issued payroll checks in the same manner as regular college personnel. However, there are special circumstances that payroll can help you address.

6.7 Admissions and Records

Anyone accessing and/or using student data receive authorization from the registrar. Authorization will be grants within the parameters defined by relevant State and Federal regulations and College procedure and policy.

Admission and registration for participants in grant-related courses must utilize available systems and resources. Arrangements must be made via the registrar.

Courses created with the intention of generating credit for state reimbursement (reimbursable FTE) must meet established New Mexico Commission of Higher Education (CCHE) guidelines.

6.8 Facilities

If on-campus facilities need to be scheduled, call the Scheduling of Events Technician at extension 3296. Contact Physical Plant if you need a special setup for classroom or facility space.

SECTION 7: WRITING THE PROPOSAL

This final step requires the greatest amount of time and effort. In order to write an effective proposal, it is imperative to have a well-designed project; hence the preparation of the prospectus and budget.

If you are reasonably confident that the approvals you need will be obtained, work on the actual proposal can begin while the project is negotiating the approval process. Prior to the actual writing, the grant writing team together with the Senior Director of Strategic Development will meet to determine writing roles and responsibilities and time line to coincide with the submission deadline.

State and federal proposal guidelines (RFP's) usually contain very specific questions and topics that you must include in your proposal. If you submit a proposal to an organization that does not have specific guidelines, Section 9 contains a sample proposal outline that you can follow to develop your proposal.

The Office of Strategic Development will do everything possible to assist in this process and will edit the final draft before submission. Completed forms, final signatures, and copies will then be sent to the funding agency by the deadline. The Senior Director of Strategic Development will track the proposal as it passes through the review process.

7.1 Proposal Components

Every funder has different guidelines and priorities, deadlines and timetables. Some funders accept a Common Grant Application (CGA), a single proposal accepted by a number of grantmakers to help grantseekers save time and streamline the grant application process. Always follow the exact specifications of the grantmakers in their grant applications, Request for Proposals (RFPs) and guidelines. Full funding proposals are generally a maximum of 15 pages (Most CGAs are limited to 3-5 pages).

Present your proposal neatly, professionally, and in an organized package. Write, organize and present your proposal in the order listed in the application and guidelines. Only include the information and materials specifically requested by the grantmaker. The proposal is judged on content and presentation, not weight.

Unless required, do not include an index or table of contents, or bind the proposal, and be sure to sign it and submit the number of copies requested by the grantmaker.

7.2 Cover Letter

Provide a clear, concise overview of the organization, purpose, and reason for and amount of the funding request. Be sure to show how your proposal furthers the grantmaker's mission, goals and matches the funder's grant application guidelines. Cover letters should be typed on letterhead and signed by the President or SJC Foundation Executive Director.

7.3 Cover Sheet/Executive Summary/Abstract

Also called an executive summary or abstract, this is a case statement and proposal summary. Introduce the proposal, present a clear, concise summary of the proposal and visual framework of project, and include: Applicant contact information, purpose of the funding request, need/problem, objectives, methods, total project cost, and amount requested.

7.4 Narrative

1. Needs Assessment (Problem Statement)

Clearly, concisely demonstrate that a relevant, compelling problem or need exists. Include a description of the target population and definition of community problem to be addressed and service area need. Support your statement with third-party research/evidence to justify the need or problem.

2. Program Goals and Objectives

Describe the outcome of the grant in measurable terms, in a succinct description of the proposed project outcome and accomplishment, including your overall goal(s); specific objectives or ways in which you will meet the goal(s). Program goals and objectives include:

- Minimum of one goal for each problem or need in the problem or statement.
- Description of the benefiting population
- Performance – the action which occurs within a specific time frame at an expected proficiency.
- Process – the method by which the action will occur.
- Product - the tangible results from the action's performance and process.

3. Methodology

Describe the process to be used to achieve the performance and product, in a rational, direct, chronological description of the proposed project; actions that will accomplish your objectives; impact of your proposed activities, how they will benefit the community and who will carry out the activities; time frame for you project/program; long-term for maintaining the on-going project/program.

Methodology should include:

- Restatement of problems and objectives
- Clear description and explanation of project scope and activities
- Sequence of activities, staffing, clients and client selection
- Time line of activities

4. Evaluation

Determine the plan for meeting performance and producing the program/project and justify how you will measure the effectiveness of your activities, who will be involved in evaluating and how they will be used; your measured criteria to produce a successful project/program; the expected outcome/achievement at the end of the funding period. Evaluations should include:

- Plan for evaluating accomplishment of objectives
- Plan for modifying process and methodology

- Provide methods – criteria, data, instruments, analysis

7.5 Budget

Clearly delineate costs; outline both administrative and program costs (see Budget section).

7.6 Qualifications

Describe applicant, qualifications for funding and establish credibility. Demonstrate the means and methodology to solve the problem, or meet the need. Qualifications should include the following:

- Organization: identify and purpose, constituents and service area. Brief summary of organization history, mission and goals.
- Brief description of organization current programs, active ties, service statistics, and strengths, accomplishments.
- Number of board members, full-time paid staff, part-time paid staff, and volunteers. Evidence of Board involvement, activity and key staff member's qualifications and administrative competence.

7.7 Conclusion

Present a brief, concise summary of your proposal that states your case, problem, solution and sources/uses of project funds.

7.8 Appendices

Additional attachments are usually required at the funder's discretion. Typically appendices generally include:

- Verification of tax-exempt status (IRS determination letter)
- Certification of Incorporation and By-Laws
- Listing of officers for last completed fiscal year (audited)
- Current general operating budget and special project budget
- List of other current funding sources and uses
- Support letters or endorsements
- Biographies of key personnel or resumes

SECTION 8: PROPOSAL OUTLINE

Most agencies have a specific format for their proposals and budgets. The format is published in a request for proposals (RFP) or in proposal guidelines. Follow those recommendations flawlessly. Some organizations, usually foundations, do not have such specific guidelines. When applying to these organizations, use the following outline:

Be brief. Use educational or technical jargon only where absolutely essential. Make your case in clear, concise statements. Use varied sentence structure and avoid excessively long sentences. Summarize information in charts and graphs where possible. Use active sentence structures. Ask someone else not associated with your project to review the proposal. Finally, seek help from the Office of Strategic Development.

8.1 Abstract/Executive Summary

1. Is brief (usually one page), clear and interesting.
2. Identifies the grant applicant.
3. Includes at least one sentence on each of the following:
 - a. Statement of the problem
 - b. Statement of the objectives
 - c. Statement of the methods
 - d. Statement of San Juan College's ability to undertake project
4. Highlights the budget, funds already committed and amount requested

8.2 Introduction

1. Is brief, interesting and free of jargon
2. Establishes who is applying for funds
3. Describes San Juan College's:
 - a. Purposes and goals related to the project,
 - b. Programs and activities related to the project,
 - c. Clients and constituents
4. Provides San Juan College's accomplishments related to the project
5. Offers quotes/endorsements in support of accomplishments
6. Offers statistics in support of accomplishment
7. Offers qualifications in area activity
8. Leads logically to the problem statement

8.3 Problem Statement

1. Is brief, free of jargon, interesting and makes good case
2. Relates to the purposes and goals of San Juan College
3. Is reasonable
4. Is supported by statistical evidence
5. Is supported by statements from authorities
6. Is stated in terms of the funding agency's needs and problems, not San Juan College's problems
7. Is developed with advice from agency and target audience
8. Makes no unsupported claims from San Juan College

8.4 Objectives

1. Includes at least one objective from each need or problem
2. Describes the population to benefit
3. States objectives in quantifiable terms (outcome, time line, performance level)

8.5 Methods

1. Flows naturally
2. Describes project activities
3. State reasons for selecting activities
4. Describes sequence of events (in a time line if possible)
5. Outlines staffing
6. Describes participants and selection criteria
7. Describes activities to be accomplished

8.6 Evaluation

1. Presents plan for evaluating accomplishments
2. Presents plan for modifying project based upon evaluations
3. Lists who will conduct evaluation and selection criteria
4. States criteria for success
5. Describes how data will be collected
6. Explains any test instruments or questionnaires to be used
7. Describes data analysis procedures
8. Outlines evaluation reports to be produced

8.7 The Future

1. Presents plans for obtaining future funding (if applicable)
2. Describes how future project costs will be obtained
3. Can include letter of support

8.8 Budget

1. Supports the proposal narrative
2. Is detailed in all aspects
3. Is sufficient to perform tasks and not “padded”
4. Projects costs to be incurred only during grant period
5. Contains only explained line items
6. Includes all items asked of the funding source
7. Includes all items paid by other sources
8. Includes matching funds, both in-kind or donated services and “hard” dollars (may not be necessary, depends upon the funding source)
9. Details fringe benefits, separate from salaries
10. Includes all consultants
11. Details all non-personnel costs
12. Includes indirect costs and indirect cost rates (if applicable)
13. Contains a budget summary and explanatory notes

8.9 Appendices

1. Label each appendix
2. Include supportive information here
3. Attach a résumé of all participants (You may want to limit résumé to one page per person)

SECTION 9: DEFINITION OF TERMS

A

A-21

Cost Principles for Educational Institutions. OMB Circular A-21 establishes principles for determining costs applicable to Federal grants, contracts, and other sponsored agreements with educational institutions i.e., unallowable costs are not to be charged to federal grants, such as alcohol, alumni activities, bad debts, charitable donations, lobbying, etc.

<http://www.whitehouse.gov/omb/circulars>

A-110

OMB Circular A-110 sets forth standards for obtaining consistency and uniformity among Federal agencies in the administration of grants to and agreements with institutions of higher education, hospitals, and other non-profit organizations. Areas include debarment and suspension, cost sharing or matching, allowable costs, equipment, codes of conduct, financial reporting, etc. <http://www.whitehouse.gov/omb/circulars>

A-133

Administrative Principals that mandate how non-profit institutions administer federal grants and contracts. OMB Circular A-133 sets forth standards for obtaining consistency and uniformity among Federal agencies for the audit of states, local governments, and non-profit organizations expending Federal awards.

<http://www.whitehouse.gov/omb/circulars>

Acceptance

Before an offer can become a binding promise and result in a contract, it must be accepted. Acceptance can be made in oral or written form or by commencing performance on the contract. The acceptance must be identical with the offer and unconditional. This means that the acceptance must be positive and unambiguous and cannot change, add to or qualify the terms of the offer. Any alterations or conditions imposed on an offer create a counter-offer, which is basically a rejection of the original offer.

Allocation (AKA Cost allocation)

The process of assigning a cost, or a group of cost, to one or more cost objective, in reasonable and realistic proportion to the benefit provided or other equitable relationship. A cost is allocable to a sponsored agreement if

- It is incurred solely to advance the work under the sponsored agreement;
- It benefits both the sponsored agreement and other work of the institution, in proportions that can be approximated through use of reasonable methods, or
- It is necessary to the overall operation of the institution and is deemed to be assignable in part to sponsored projects.

Allowable Costs

Costs that meet the following tests:

- They must be reasonable;
- They must be allocable to sponsored agreements;
- They must be given consistent treatment through application of generally accepted accounting principles appropriate to the circumstances; and
- They must conform to any limitations or exclusions set forth in the cost principles or in the sponsored agreement as to types or amounts of cost items.

Award (AKA Grant Award or Sponsored Agreement)

Financial assistance that provides support or stimulation to accomplish a public purpose. Awards include grants and other agreements in the form of money or property in lieu of money, by the Federal Government to an eligible recipient. The term does not include: technical assistance, which provides services instead of money; other assistance in the forms of loans, loan guarantees, interest subsidies, or insurance; direct payments of any kind to individuals; and, contracts which are required to be entered into and administered under procurement laws and regulations.

Award Letter

Written notification from the funding agency indicating that a project has been funded, for how long and in what amount.

B

Budget

An estimate of project costs, based on anticipated amount of award to be received from the Sponsor. After a grant or contract is awarded it is a spending guideline based on the Sponsor's approval.

Budget Category

A portion of the budget designated for certain kinds of expenditures, e.g., salaries, operations, travel, equipment.

C

Carryover (AKA Carryforward)

Moving unobligated balances to subsequent funding periods.

Cash Flows

Government grants, letters of credit, or automatic clearing house (ACH) payments - Accounts are set up for the full amounts, per the Notice of Grant Agreement (NOGA). The account reflects payments via monthly or quarterly draw downs via journal entries.

Private Sponsors - Payments are incrementally sent to the college based on a schedule set by the Sponsor or by quarterly invoicing of the San Juan College Business Office. Accounts are set up for the full amount of the first year's budget. The account reflects payments via deposits.

Billed Accounts, an account that the Grant receives the funds based on invoices sent to the Sponsor which are based on expenses recorded in a cash flow statement (CFS).

Capital Equipment

An article of property that is not permanently attached to buildings or grounds and that has an acquisition cost of \$5,000 or more (including sales and/or use tax, freight, and installation) and a life expectancy of one year or more.

Certifications

- Conflict of Interest (Disclosure of Financial Interest) - NSF and Public Health Services (PHS) a certification requires an institutional representative to certify that the institution has implemented and is enforcing a written policy on conflicts of interest consistent with federal regulations, all financial disclosures required by the conflict of interest policy were made; and that conflicts of interests, if any, were, or prior to the institution's expenditure of any funds under the award, will be satisfactorily managed, reduced or eliminated in accordance with the institution's conflict of interest policy and/or disclosed to the agency (as required by the agency).
- Debarment and Suspension - A certification assuring the federal agency that the research personnel and the institution are not presently declared ineligible for receiving federal support, have not been convicted of fraud or a criminal offense in the performance of a federal award, are not in violation of

federal or state statutes, are not presently indicted for criminal or civil charges and have not within a three-year period preceding the application had one or more federal, state or local transactions terminated for cause or default.

- Delinquent Federal Debt - A certification provided to the federal awarding agency that the applicant organization is not delinquent on the repayment of any federal debt.
- Drug-Free Workplace - A certification assuring the federal agency that the institution does and will continue to provide a drug-free workplace as required by the Drug-Free Workplace Act of 1988.
- Lobbying - A certification assuring the federal agency that no federal appropriated funds or any other non-federal funds have been paid or will be paid for influencing any federal official or employee in connection with the awarding of any contract, grant or agreement.
- Misconduct in Science - A certification that the institution has established administrative policies dealing with and reporting possible misconduct in science, and that it will comply with the policies and requirements as published in the federal agency's regulations.

CFDA

Catalog of **Federal Domestic Assistance** contains information about Federal grant and loan programs available from Federal agencies to assist the American people in furthering their social and economic progress. Each Federal grant, including pass through grants, have a CFDA number which is required for auditing purposes.

Closeout

The process by which a Federal awarding agency determines that all applicable administrative actions and all required work of the award have been completed by the recipient and Federal awarding agency.

Cognizant Audit Agency

The Federal agency responsible for negotiating and approving F&A rates for an educational institution on behalf of all Federal agencies. Cost negotiation cognizance is assigned to HHS or the DOD Office of Naval Research, normally depending on which of the two agencies (HHS or DOD) provides more funds to the educational institution for the most recent three years. Information on funding shall be derived from relevant data gathered by NSF. In cases where neither HHS nor DOD provides Federal funding to an educational institution, the cognizant agency assignment shall default to HHS. Notwithstanding the method for cognizance determination described above, other arrangements for cognizance of a particular educational institution may also be based in part on the types of research performed at the educational institution and shall be decided based on mutual agreement between HHS and DOD. The negotiated rates shall be accepted by all Federal agencies. Only under special circumstances, when required by law or regulation, may an agency use a rate different from the negotiated rate for a class of sponsored agreements or a single sponsored agreement.

The office or staff that is designated to perform audits on behalf of the federal government for sponsored projects at a college. The cognizant audit agency for San Juan College is the Department of Health and Human Services (HHS).

Conflict of Interest (Disclosure of Financial Interest) Certification

A conflict of interest is a situation in which persons affiliated with a project funded by federal sources may have the opportunity to influence the project's business decisions in ways that could lead to personal gain or give improper advantage to themselves, their spouses, or dependent children. Such conflicts could affect the design, conduct or reporting of project results.

A financial interest is anything of monetary value received from non-San Juan College sources which would reasonably appear to be affected by the project, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity property rights (e.g., patents, copyrights and royalties from such rights). Salary, royalties or other payments are "significant" when the aggregated amount for the Investigator, the Investigator's spouse and dependent children over the next 12 months are expected to exceed \$10,000. An equity interest is "significant" when aggregated from the Investigator, the Investigator's

spouse and dependent children exceeds \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, or (2) represents more than a 5% ownership interest in any single company.
See Certifications.

Consortium

A consortium is two or more institutions working on the same research project, either funded directly by the supporting agency or one rime institution subcontracting out the funds to the other members of the consortium.

Consultant

An individual whose expertise is required by the Principal Investigator to perform the research. (A consultant may be a paid or unpaid contributor.)

Continuation Proposal/Renewal Proposal

Additional funding increments for projects beyond the original grant period. See specific sponsor guidelines for submission requirements.

Contract

A procurement contract under an award or subaward, and a procurement subcontract under a recipient's or subrecipients' contract.

A contract is an agreement to acquire services that primarily benefit the Sponsor. For an award to be considered a contract, it normally must contain all of the following elements:

- Detailed financial and legal requirements must be included with a specific statement of work to be performed.
- A specific set of deliverables and/or reports to the sponsor is required.
- Separate accounting procedures are required.
- Legally binding contract clauses must be included.
- Benefits of the project accrue first to the Sponsor, then to the college, then to the nation.

Contract Award

A contract award (as opposed to a grant award) shall be used when the principal purpose is acquisition of property or services for the direct benefit or use of the Federal Government.

Cooperative Agreement

An agreement whereby the Sponsor has control and oversight of the work that is contracted. There is substantial involvement between the agency and the recipient.

Co-Principal Investigator (Co-PI)

One investigator sharing equal responsibility for the direction of a research program. (PHS/NIH (National Institutes of Health) does not recognize the concept of co-principal investigator.)

Cost Principles

Rules for ensuring that costs charged to a sponsored agreement received by the recipient are allowable, allocable, and reasonable.

Cost Share

The portion of project or program costs not borne by the Sponsor. Cost Sharing should not be confused with other applications of internal college resources in support of non-project or program specific activities. Acceptable cost sharing contributions must meet the following criteria:

- Are not paid by the Federal Government directly or indirectly under any other award, except where authorized by Federal statute to be used for cost sharing or matching.
- Are not included as contributions for any other project or program.
- Are necessary and reasonable for proper and efficient accomplishment of specific project or program objectives.
- Are directly identifiable with the sponsored project as outlined in the proposal budget and/or budget justification, and thus incorporated in the award notice.
- Are verifiable by college records.

The following are unallowable forms of cost sharing and may never be used as cost sharing:

- Costs funded by other sponsored project.
- Costs pledged as cost sharing on another funded project.
- Unfunded salary, such as unfunded summer months for faculty with nine month academic appointments.
- Costs included in the Facilities and Administrative rate.

D

Date of Completion

The date on which all work under an award is completed or the date on the award document, or any supplement or amendment thereto, on which Federal sponsorship ends.

Direct Costs

Costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or F&A costs. Where an institution treats a particular type of cost as a direct cost of sponsored agreements, all costs incurred for the same purpose in like circumstances shall be treated as direct costs of all activities of the institution.

Disallowed Costs

Those charges to an award that the Federal awarding agency determines to be unallowable, in accordance with the applicable Federal cost principles or other terms and conditions contained in the award.

Donated Property

Property provided by an outside party for specific activities related to sponsored project and/or research activities of the college; title to the property passes to the college at essentially no cost.

E

Effort

The amount of time, usually expressed as a percentage of the total, which a faculty member or other employee spends on a project.

Encumbrance

An amount restricted for payment and reducing budget available.

Enforcement

Actions taken by the Secretary if a recipient materially fails to comply with the terms and conditions of an award, whether stated in a Federal statute, regulation, assurance, application, or notice of award.

Equipment

Tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. However, consistent

with recipient policy, lower limits may be established. (A-110) OR an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the institution for financial statement purposes, or \$5,000. (A-21)

Expanded Authorities

Policy implemented by some Federal granting agencies which delegates certain prior approval authorities to grantee institutions. This delegation allows for internal college approval of administrative and spending actions, thus avoiding delays in project progress.

Expenditure

The disbursement of funds for any goods or services received. These are charges to the project or program. For reports prepared on a cash basis, outlays are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense charged, the value of third party in-kind contributions applied and the amount of cash advances and payments made to subrecipients. For reports prepared on an accrual basis, outlays are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value in-kind contributions applied, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subrecipients and other payees and other amounts becoming owed under programs for which no current services or performance are required.

F

Federal Acquisition Regulations (FAR)

The Federal Acquisition Regulations System is established for the codification and publication of uniform policies and procedures for acquisition by all executive agencies. It consists of rules and regulations governing business with the Federal Government. These regulations govern all aspects of Federal procurement.

Federal Funds Authorized (AKA Grant Funding)

The total amount of Federal funds obligated by the Federal Government for use by the recipient. This amount includes any authorized carryover of unobligated funds from prior funding periods when permitted by agency regulations or agency implementing instructions.

Firm Fixed-Price (FFP)

A type of agreement whereby payment is not based on actual costs expended but upon a mutually agreed upon price.

Foreign Travel

Foreign travel includes travel outside of the United States and its territories and possessions (Guam, American Samoa, Puerto Rico, the Virgin Islands, and the Canal Zone) and Canada. A trip is considered foreign travel for all legs of the itinerary if the traveler does not return to his or her post prior to departure for a foreign destination.

Formal Proposal

Any proposal submitted by a college employee to an outside entity that may directly lead to an award. All formal proposals require an institutional endorsement by an official authorized to commit college resources.

Formula Grant Program

Entitles certain applicants to receive grants if they meet the requirements of the program. Applicants do not compete with each other for the funds, and each grant is either for a set amount or for an amount determined under a formula.

FSR

Financial Status Report. Also referred to as Form 269 by the Government. The form on which a project's expenditures are reported to the Sponsor.

G**General Ledger (GL)**

Every expenditure the college posts to the financial system and this is used to create the college's financial statements.

Gift

A unilateral transfer of money, property, or other assets to the recipient for the recipient's ownership and use by a donor who makes no claims on the recipient in connection with the gift. Gifts normally have the following characteristics:

- The statement of work allows the project director significant freedom to change emphases within the general area of work as the project progresses.
- No deliverables are involved.
- Separate accounting procedures are not required.
- Benefits of the project are to accrue to the nation and the world.
- Sponsor has no audit rights.
- No regulatory issues are involved, such as human subjects or animal care.

Governmental Donated Property

Property donated or transferred to the institution by a municipality, county, state agency, or the Federal Government.

Government-Furnished Equipment (GFE)

Equipment provided to the college by the Federal Government or government contractor; title may or may not remain with the government.

Grant

The legal instrument reflecting the relationship between the Sponsor and a recipient when the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the recipient in order to accomplish a public purpose of support or stimulations authorized by Federal Statute. For an award to be considered a grant, it normally will contain the following elements:

- The statement of work allows the project director significant freedom to change emphasis within the general area of work as the project progresses.
- Deliverables are minimal, usually consisting of reports only.
- Separate accounting procedures are required.

Grantee

A grantee is the recipient of a grant. When the college accepts a grant award, on behalf of an individual, it becomes the grantee.

Grant Officer

The Grant Officer negotiates and approves the grant budget for the funding entity. Also approves major changes regarding grant, contract, and budget modifications.

Grant Writer

The principal author of the grant proposal

I

Indirect Costs

Indirect costs are the costs to run a grant that are not directly attributable to project activities. Examples of indirect costs include those incurred by the physical plant (to provide space and utilities), human resources and address employee-relations issues), financial services (to pay invoices and ensure fiscal accountability), institutional research (to collect data), and the Grants Office itself.

See Facilities and Administrative (FAC or F&A) Costs.

In-Kind Contribution

A non-cash commitment (such as contributed effort, facilities use, or supplies) to share the costs of a sponsored project.

Internal Controls

A process, effected by an entity's management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

Internal control over Federal programs means a process-effected by an entity's management and other personnel-designed to provide reasonable assurance regarding the achievement of the following objectives for Federal programs:

- Transactions are properly recorded and accounted for to:
 - Permit the preparation of reliable financial statements and Federal reports;
 - Maintain accountability over assets; and
 - Demonstrate compliance with laws, regulations, and other compliance requirements;
- Transactions are executed in compliance with:
 - Laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on a Federal program; and
 - Any other laws and regulations that are identified in the compliance supplement; and
- Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

The institution's financial management system shall ensure that no one person has complete control over all aspects of a financial transaction.

Invitation to Bid

Written documents soliciting pricing and/or technical proposals to supply goods or services as specified in the requesting document.

Correct use of Invitations to Bid constitutes full and open competition.

See Request for Proposal (RFP).

Invoice

An itemized list, of purchased goods or services, detailing the cost

J

Journal Entries

It is an Institutional Business Office form that is required to make changes to accounts in the general ledger. This form is used to transfer allowable expenditures between accounts, to correct errors, to carry forward unused funds, etc.

L

Letter of Intent

A letter of intent advises a funding agency that an application will be submitted in response to their solicitation. The letter may contain general program information, unofficial cost estimates, and a request for specific application guidelines, instructions and forms.

Loaned Equipment

Property provided by an outside party for use by the institution for sponsored project or research related activities; title to the property does not pass to the college.

Lobbying

- Attempts to influence the outcomes of any Federal, State, or local election, referendum, initiative, or similar procedure, through in kind or cash contributions, endorsements, publicity, or similar activity;
- Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections;
- Any attempt to influence
 - The introduction of Federal or State legislation;
 - The enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature, including efforts to influence State or local officials to engage in similar lobbying activity; or
 - Any government official or employee in connection with a decision to sign or veto enrolled legislation;
- Any attempt to influence
 - The introduction of Federal or State legislation; or
 - The enactment or modification of any pending Federal or State legislation by preparing, distributing, or using publicity or propaganda, or by urging members of the general public, or any segment thereof, to contribute to or participate in any mass demonstration, march, rally, fund raising drive, lobbying campaign or letter writing or telephone campaign; or
- Legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying.

Low-risk

A professional judgment to determine the degree of monitoring to be applied to a recipient or subrecipient. E.g., to be considered low-risk, a prime recipient's internal auditor may require that a subrecipient has been audited in at least one of the two most recent audit periods (in the most recent audit period in the case of a biennial audit), and, in the most recent audit period, it shall have had no audit findings. The internal auditor shall consider the results of audit follow-up and whether any charges in personnel or systems have significantly increased risk.

M

Matching Funds

When a Grantor requires that the institution supply a certain amount of institutional funds in support of a program to accomplish a grant's or project's goals or objectives. This has to be documented for auditing requirements.

Modification

Any change made to an existing sponsored agreement.

N

No-Cost Extension (NCE)

A one-time extension of the expiration date of the award of up to 12 months unless one or more of the following conditions apply:

- The terms and conditions of award prohibit the extension.
- The extension requires additional Federal funds.
- The extension involves any change in the approved objectives or scope of the project.

For one-time extensions, the recipient shall notify the Secretary in writing with the supporting reasons and revised expiration date least 10 days before the expiration date specified in the award. This one-time extension may not be exercised merely for the purpose of using unobligated balances.

Non-competing Continuation Award

Award received based on submission of a performance report that provides the most current performance and financial expenditure information, as directed by the Secretary that is sufficient to meet the reporting requirements.

O

Obligations

The amounts of orders placed, contracts and grants awarded, services received and similar transactions during a given period that require payment by the recipient during the same or a future period.

Offer

An offer is a proposal, by one party to another, of intent to enter into a contract on the terms specified in the offer.

OMB

Office of Management and Budget. It is the branch of government that governs federal grants/contracts and agreements, and issues circulars. The circulars related to educational institutions are A-110 for administrative regulations, A-21 for cost principles, and A-133 for audits of federal programs.

Outstanding Purchase Order

Purchase Orders that are encumbered and not **paid or closed**.

P

Pass through Agency

State or local agencies that receive Federal funds and conduct their own application and award process

Payroll

Personnel expenditures paid on the 15th and last day of the month.

Post

Transactions recorded in the general ledger.

Pre-award Costs

Costs incurred 90 calendar days prior to award or more than 90 calendar days with the prior approval of the Secretary. All pre-award costs are incurred at the recipient's risk (i.e., the Secretary is under no obligation to reimburse these costs if for any reason the recipient does not receive an award or if the award is less than anticipated and inadequate to cover these costs.

Program Income

Gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the award. Program income includes, but is not limited to, income from fees for services performed, the use or rental or personal property acquired under federally-funded projects, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and interest on loans made with award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal awarding agency regulations or the terms and conditions of the award, program income does not include the receipt of principle on loans, rebates, credits, discounts, etc., or interest earned on any of them.

Program Officer

The Program Officer answers questions and provides technical assistance both before and after a grant is awarded. Monitors the project performance.

Project Director

The Project Director has primary responsibility for technical compliance, completion of programmatic work, and fiscal stewardship of sponsor funds.

Project Period

The period established in the award document during which Federal sponsorship begins and ends.

R**Reasonable**

A cost where the nature of the goods or services acquired or applied, and the amount involved therefore, reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made. Major considerations involved in the determination of the reasonableness of a cost are:

- Whether or not the cost is of a type generally recognized as necessary for the operation of the institution or the performance of the sponsored agreement;
- The restraints or requirements imposed by such factors as arm's length bargaining, Federal and State laws and regulations, and sponsored agreement terms and conditions;
- Whether or not the individuals concerned acted with due prudence in the circumstances, considering their responsibilities to the institution, its employees, its students, the Federal Government, and the public at large; and,
- The extent to which the actions taken with respect to the incurrence of the cost are consistent with established instructional policies and practices applicable to the work of the institution generally, including sponsored agreements.

Re-budgeting

Process by which funds available for spending are reallocated between budget categories to allow best use of funds to accomplish project goals. An Internal Budget/Programmatic Change Form is required.

Recipient

An organization receiving financial assistance directly from Federal awarding agencies to carry out a project or program. The term includes public and private institutions of higher-education, public and private hospitals, and other quasi-public and private non-profit organizations such as, but not limited to, community action agencies, research institutes, educational associations, and health centers. The term may include commercial organizations, foreign or international organizations (such as agencies of the United Nations) which are recipients, subrecipients, or contractors or subcontractors of recipients or subrecipients at the discretion of the Federal awarding agency. The term does not include government-owned contractor-operated

facilities or research centers providing continued support for mission-oriented, large-scale programs that are government-owned or controlled, or are designated as federally-funded research and development centers.

Reports

RE012 is the report most commonly used for year-to-date information.

RE016 is the report most commonly used for project-to-date information.

Request for Applications (RFA)

Any resulting awards would normally be funded by a grant. The RFA instructions include the information necessary to complete the application and mailing instructions.

Request for Proposals (RFP)

An RFP contains specific instructions for technical and cost proposals, and usually include a sample contract with terms and conditions that need to be reviewed and approved prior to the submission of the proposal. The institutional endorsement for this type of proposal is considered an official offer; therefore, it must meet certain requirements before it can be signed and submitted.

Research and Development

All research activities, both basic and applied, and all development activities that are supported at universities, colleges, and other non-profit institutions. "Research" is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. "Development" is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. The term research also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function.

Rollover

If a budget has available funds at the end of a fiscal year, and if applicable, the available balance is rolled into the new fiscal year general ledger. This is to ensure no budget has been forfeited in the change of fiscal years.

S

Site Visit

An agency-initiated review of a proposed project conducted at the applicant's institution.

Special Purpose Equipment

Equipment which can be used only for research, scientific, or other technical activities.

Sponsor

An external funding source which enters into an agreement with the college to support research, instruction, public service or other sponsored activities. Sponsors include private businesses, corporations, foundations and other not-for-profit organizations, other universities, and federal, state and local governments.

Sponsored Project

A project supported by an external funding source under a mutually binding agreement that restricts the use of funds to the approved project and stipulates other conditions with which the college must comply.

Sponsored projects typically: A

- are initiated by a formal proposal and award notice
- are restricted to a particular purpose as described in the proposal

- require technical and/or financial reports
- entail other administrative requirements.

Sub-award

An award of financial assistance in the form of money, or property in lieu of money, made under an award by a recipient to an eligible subrecipient or by a subrecipient to a lower tier subrecipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include procurement of goods and services nor does it include any form of assistance which is excluded from the OMB Circular A-110 definition of "award" in paragraph (e).

Subcontract

A contract issued under a prime contract, agreement, purchase order, or grant for the procurement of services or program-related tasks over \$10,000. Purchase orders for the procurement of goods and supplies do not qualify as subcontracts under policy RSP 112. Subcontracts fall under the purview of the Purchasing Department. Issuance of subcontracts under federal prime award are subject to compliance with Federal law and all subcontracts are subject to the terms and conditions of the prime award and the normal purchasing requirements of the State of New Mexico.

Subcontractor

Any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor.

Subrecipient (AKA Lower tier recipient)

The legal entity to which a sub-award is made and which is accountable to the recipient for the use of the funds provided. The term may include foreign or international organizations (such as agencies of the United Nations) at the discretion of the Federal awarding agency.

Supplemental Pay

Compensation for work performed for a different department or different duties above normal work assignments

Supplemental Proposal

Additional support requested to assure adequate completion of the original scope of work.

Supplies

All personal property excluding equipment, intangible property, and debt instruments, and inventions of a contractor conceived or first actually reduced to practice in the performance of work under a funding agreement.

Suspension

An action by a Federal awarding agency that temporarily withdraws Federal sponsorship under an award, pending corrective action by the recipient or pending a decision to terminate the award by the Federal awarding agency. Suspension of an award is a separate action from suspension under Federal agency regulations implementing E.O.s 12549 and 12689, "Debarment and Suspension."

T Termination

The cancellation of Federal sponsorship, in whole or in part, under an agreement at any time prior to the date of completion.

Third Party In-Kind Contributions

The value of non-cash contributions provided by non-Federal third parties. Third party in-kind contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the project or program.

U

Unallowable Costs

Defined in OMB Circular A-21. Unallowable are: advertising and public relations, alcohol, alumni activities, bad debts, charitable donations, commencement and convocation, contingency provisions, entertainment, fines and penalties, first class and other non-coach travel, goods or services for personal use, housing and personal living expenses for current or past college officers, interest, investment management, lobbying, losses, overdrafts on

Sponsored Agreements, memberships in civic or community organizations, country clubs, social clubs and dining clubs, scholarships and student aid costs, selling and marketing products or services of the college, and student activity costs.

See section J of OMB Circular A-21.

Un-liquidated Obligation

For financial reports prepared on cash basis, means the amount of obligations incurred by the recipient that have not been paid. For reports prepared on an accrued expenditure basis, they represent the amount of obligations incurred by the recipient for which an outlay has not been recorded.

Un-obligated Balance

The portion of the funds authorized by the Federal awarding agency that has not been obligated by the recipient and is determined by deducting the cumulative obligations from the cumulative funds authorized.

Unrecovered Indirect Cost

The difference between the amount awarded and the amount which could have been awarded under the recipient's approved negotiated indirect cost rate.

Y

Year End Close

The process of transferring all entries into year-to-date activity.

Complete definitions of terms are in the Project Directors Handbook.

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