



WHITMAN COLLEGE

GRANTS PROCEDURES MANUAL

Office of Grants and Foundation Relations
April 2016

The Whitman College Office of Grants & Foundation Relations, in collaboration with the Business Office, has developed this manual to help faculty and staff comply with the requirements involved in external grant--supported research.

At Whitman College, the **Sponsored Program Coordinator** (part of the Office of Grants & Foundation relations) is primarily responsible for ensuring compliance with federal guidelines as outlined in this manual.

These requirements apply primarily to grants from **federal** sources (e.g., National Science Foundation, National Institutes of Health, National Endowment for the Humanities) and are guidelines for complying with federal regulations. For grants from private sources (e.g., Research Corporation, M.J. Murdock Trust), the requirements may be different. The Office of Grants & Foundation Relations can help you figure out the compliance issues that apply to your grant.

Detailed information on Whitman College procedures for applying for external grants can be found at the [Office of Grants & Foundation Relations website](#).

Introduction

Whitman encourages and supports its faculty who are interested in applying for funding from external sources. We encourage you to apply for individual grants to support your research or scholarship, as well as suggest ideas for institutional grants for programs that advance the academic mission of the College.

The Office of Grants & Foundation Relations (GFR) exists to help faculty research, prepare, and submit individual or institutional grant proposals to private foundations, corporations, and government agencies, and also to assist with stewardship of grants (e.g., tracking budgets, reporting on progress and spending) after they are awarded.

The GFR Office (including Sponsored Programs) is responsible for both pre--award grant and budget preparation and post--award grant management (after the grant is awarded). Importantly, the GFR Office serves as a clearinghouse for all proposals being submitted on behalf of Whitman College. The GFR Director helps faculty and staff with researching funding opportunities, developing proposals, maintaining positive relations with funding agencies, and writing, editing, and submitting grants if needed. Post--award, the GFR Director assists the principal investigator in preparing written progress reports.

Pre--award, the Sponsored Program Coordinator (SPC) helps faculty and staff prepare budgets, ensures that the grant is in compliance with College and agency requirements, and submits grants online to federal agencies. Post--award, the SPC manages grant spending, processes reimbursement requests, ensures compliance with federal requirements, and completes all financial reports to federal agencies.

The SPC reports on grant compliance issues to the Whitman College Controller, who has

primary responsibility for overseeing the College's compliance with federal regulations. Information about the Whitman College Business Office can be found at their [website](#).

1. Registering for Online Grant Submission

- a. Grants to the National Science Foundation (NSF) must be submitted online using NSF's [Fastlane](#) site. Principal investigators must register with the Fastlane system in order to submit a grant. Contact [Tana Park](#), SPC, or [Joelle Chavre](#) in WCTS, to obtain your login and password.
- b. Grants to the National Institutes of Health (NIH), National Endowment for the Humanities (NEH), the Department of Education, and other federal agencies use the government's Grants.gov system for online submission. Institutional grants, such as an NIH AREA grant or NEH Enduring Questions grant, are submitted by Whitman College, which is already registered with Grants.gov. Contact the Sponsored Program Coordinator (parkta@whitman.edu or x5926) for assistance in submitting institutional grants through Grants.gov.
- c. Individual fellowships to NEH (e.g., Fellowships and Summer Stipends) must be submitted by the principal investigator. You must register with Grants.gov as an individual. Visit http://grants.gov/applicants/individual_registration.jsp for directions on registering as an individual.

2. Proposal Preparation

Detailed guidelines for preparing a proposal for submission on behalf of Whitman College can be found at the [Office of Grants & Foundation Relations website](#). While the guidelines on the FCR website and those outlined below are meant to help you understand the procedures, the staff in the Office of Grants & Foundation Relations are happy to help guide you through the process. Please contact them early on in the process.

3. Pre-Award Compliance

Role of the Principal Investigator: The Principal Investigator has the primary responsibility for securing departmental approval of any proposal prior to submission. The Principal Investigator must submit any proposal that requires the signature of an officer of the College to the FCR Office for preliminary review before the institutional signature is affixed. In addition, the Principal Investigator is responsible for remaining within the bounds of any and all rules or regulations attached to receipt of an award.

Role of the Sponsored Program Coordinator: The Sponsored Program Coordinator (SPC)

is responsible for assisting with the financial administration of externally---funded projects. The SPC helps develop grant budgets, ensures that indirect cost rates have been correctly applied, and ensures that all pre---award compliance requirements have been fulfilled.

Role of the Controller and Business Office: The Controller is responsible for negotiating Whitman College’s Indirect Cost Rate with the Department of Health and Human Services and for renegotiating that rate when necessary. The Controller is also responsible for the implementation of College, sponsor, or regulatory agency policies as they pertain to the financial transactions of the College. The Controller is the official Authorized Organizational Representative for Whitman College. This means that he has been designated by the Board of Trustees as “authorized and empowered to sign any other documents necessary to carry the administrative functions of the College.” The Controller is authorized to certify that the College is complying with all required certifications for grant submission, The Controller (and in his absence, the Treasurer/Chief Financial Officer) are the persons authorized to submit grant requests on behalf of Whitman College.

Role of the Provost: The Provost is the College official responsible for providing College approval for grant submissions. The Provost must approve all requests for release time, cost-sharing, and matching funds. Within the Provost’s office, the Associate Dean for Faculty Development serves as the primary contact with faculty interesting in applying for external grants. Please contact the Provost’s office prior to starting your grant preparations.

Other campuses offices who should be involved in your grant preparations include:

Human Resources: The Office of Human Resources is responsible for recruitment of new employees; administration of College---provided benefit plans; acting in an advisory capacity in compensation issues, employee relations, and staff development; administration of the College's affirmative action plan; compliance with all applicable state, federal, and local employment laws. All personnel paid for through a grant (except currently enrolled students at Whitman College who must be processed through Financial Aid) must follow the normal employment procedures of the College and be processed through Human Resources.

Library: The Director and staff of Penrose Library are responsible for assisting faculty in selecting and offering access to diverse print and digital collections. Faculty preparing grant applications should consult with WCTS to discuss the inclusion of funds to add needed resources to the Penrose Library collection.

Technology Services: Whitman College Technology Services (WCTS) is responsible for assisting faculty, staff and students in their computing work. The staff offers: assistance in the evaluation and purchase of hardware and software, training and written documentation, troubleshooting and repair. Faculty preparing grant applications for projects that involve computer purchase or usage must consult with WCTS to discuss the inclusion of equipment funding requests, budgeting for Internet---accessed computing resources, expert consulting service (purchased outside the College), and to ensure compatibility of proposed equipment with institutional equipment planning. WCTS also

supports the College's non-instructional computing activities. Information processed in this domain is controlled by the various administrative offices of the College.

Department and Division Chairs: Department and Division Chairs are responsible for fostering and promoting research and scholarly activities within their departments. Department and Division chairs should review research proposals to ensure that proposed commitments for research space, research assistants, equipment, etc., are compatible with department needs and priorities.

To ensure that a grant proposal meets all requirements for submission, the following issues must be addressed (if applicable):

- A. The Proposal Development Form (a checklist to make sure all procedures have been followed), signed by your Department and Division chairs, and the Provost, must be submitted and approved before we can proceed with grant preparation and submission.
- B. A Matching Funds Request Form must be submitted to the Office of GFR if the grant proposal will require matching funds from the College (e.g., for building renovations, equipment maintenance contracts, staff support, course reduction). You must include a budget request and a rationale indicating how this grant would serve to advance the academic mission of the College. The Provost, along with the Committee of Division Chairs (if necessary) will make the final decision.
- C. Use of Animal Subjects in Research: If your research proposal involves vertebrate animals, your research protocol must be approved by the Whitman Institutional Animal Care and Use Committee (IACUC).
- D. Use of Human Subjects in Research: If your research proposal involves human subjects, your research protocol must be approved by Whitman's Institutional Review Board (IRB).
- E. Data Management Plan: All NSF proposals submitted after January 15, 2011 must now include a Data Management Plan, no longer than two pages, that describes the Principal Investigator's plans for managing data and sharing the products of research, or shows that such plans are not needed.
- F. The Whitman College Faculty Handbook contains information for faculty, including guidelines on student/faculty research.

4. Budgets

The budget of a proposal must be as accurate as possible, and be based on estimated costs, some of which may change prior to notice of award. When a project is expected to extend over more than one year, the budget for each additional year should be increased at the standard "cost of living" rate. The components of a budget are the DIRECT COSTS (those directly attributable to the project), and the INDIRECT COSTS (those that cover general management and support charges). Indirect costs are usually only charged to federal grants, unless the guidelines for a private (foundation) grant allow inclusion of indirect costs. Except for the cases where indirect costs are not acceptable or are specifically set by the funding agency, proposals should include indirect costs based on a negotiated percentage of salaries and wages. All budget items should be in accordance with the [Uniform Guidance \(UG\) Federal Regulations 2 CFR 200, Subpart D – 200.300, Subpart E – 200.400 and Subpart F 200.500-521](#).

Make an appointment with the Sponsored Programs Coordinator for assistance in preparing your budget.

A. DIRECT COSTS

1. Salaries and Wages--- List faculty, staff, and student salaries. Estimated time committed to the project by each should be clearly stated. Summer salaries and academic year salaries should be listed separately.
 - a. Applications incorporating provisions for extra pay for research work normally will be approved to provide for up to two months of extra work during the summer. One month's summer salary is equal to 1/9th of the annual contract salary for the prior academic year. Exceptions to this policy must be approved by the Provost.
 - b. If academic policy permits instructional personnel to devote time during the academic year to research contracts or grants, the approval as appropriate of the department chair, the Provost will indicate the proportion of time allotted to research in determining the proper allocation of the academic year salary between research and instructional work.
2. Benefits – Benefits (Other Personnel Expenses, or OPE) should be calculated for all salaries or wages to be expended. Rates differ for summer versus academic year, for faculty versus staff (depending on if it is part of his normal job), and for students. Current rates for all positions can be obtained from the Office of Sponsored Programs. Benefits charged to grants are made up of the College portion of charges attached to salary (i.e., social security, pension, unemployment, health care). When an individual requests salary support from a funder, he must also request benefits.
3. Supplies --- Identify as specifically as possible any and all consumable supplies needed for the project. Estimated costs for these should be obtained from the appropriate campus office.
4. Equipment--- List the estimated costs of specific equipment necessary to the project. If computers or software are necessary to the proposed costs, Whitman College Technology Services must be consulted.

5. Renovations – Costs for building alterations, power consumption, etc., must be verified by the Treasurer, the Director of the Physical Plant, and other appropriate officials and the chair of the department originating the proposal.
6. Travel --- All travel attributable to the project should be itemized. Travel expenses should be sub---divided for domestic travel and foreign travel. Travel costs should be obtained from a travel agency or printed off a travel website.
7. Participant Support Costs --- These include stipends, travel, tuition, subsistence, and any other costs necessary for certain types of projects, such as training grants. Federal regulations prohibit diversion of these costs to other categories and the costs must be separately tracked.
8. Computer Time --- Computer time and support services can sometimes be charged to a project. This does not apply to the use of personal computers, but may apply to mainframe use at institutions other than Whitman. Computer time at Whitman cannot be charged to a grant as that is part of the indirect costs.
9. Consultants --- State the total amount for such services and how the total was calculated. Obtain a statement from the consultant detailing hourly charges.
10. Publication --- Include all costs attendant to any publication that is expected to result from the project. This might include purchasing the right to pictures of other material to be included in the book, or the cost of including color prints in the manuscript.
11. Miscellaneous --- Items such as duplication, telephone, mail, equipment maintenance, etc. can either be added together under this single category or listed separately.
12. Subcontracts --- Federal agencies require that both the contractor and subcontractor adhere to Office of Management and Budget requisites regarding accounting and audit procedures. It is the responsibility of the Principal Investigator to obtain assurance from the subcontractor that compliance with federal regulations will be maintained. Failure to do so makes the primary contractor liable. Subcontracts on federal grants may not be issued to any person or entity appearing on the U. S. Government [Terrorist Exclusion](#) list.

B. INDIRECT COSTS

1. Negotiated Indirect Cost Rate --- The College has a negotiated percentage rate to be used in the calculation of indirect costs. The rate is applied to salaries and wages and differs for on---campus and off---campus project time. Consultant fees should not be included as salaries and wages. The current rate for indirect costs can be obtained from the Office of Sponsored Programs.
2. Limited Indirect Cost Rate --- Some funding agencies limit indirect costs or disallow them entirely. The program guidelines detail the applicable regulations.

C. COST-SHARING

Federal agencies may require the institution to demonstrate its participation through the contribution of a portion of the funds required for the overall project. Faculty salary, related fringe benefits, the difference between the College's negotiated indirect cost rate and the cost rate allowed by the funder, and other non-federal grant support are often proposed for cost sharing. General supply and expense items should not be included in the cost share line.

5. Post-Award Grants Administration

Role of Sponsored Programs: The SPC is responsible for 1) creating/updating the project budget in the College accounting system and reviewing the financial progress of the project; 2) processing all financial transactions, including calculations of any allowable indirect costs and the collection of funds for reimbursement---type grants; 3) providing monthly reports to Principal Investigators, showing budget details for the month and a summary of the project expenditures to date; 4) preparing and submitting any interim and final financial reports required by the granting agency.

Upon notification and approval of a grant award, the SPC will schedule a meeting with the Principal Investigator to review relevant post---award administrative and compliance procedures and training, as required by federal granting agencies (see Section C).

A. PROCESSING THE AWARD

1. Award Notification --- When a proposal has been approved for support by a sponsor, the Principal Investigator is notified. The Principal Investigator should forward the notice to the SPC for processing. In some cases the notification of award requires a signature by an institutional official.
2. Establishing an Account --- After a grant is determined to be acceptable, the SPC secures a budget number using the appropriate college budget categories through the Business Office. A copy of that budget, together with the terms of the award, should then be forwarded to the Principal Investigator. It is occasionally necessary to confer with the Principal Investigator regarding the distribution of funds within the budget, particularly if the sum awarded does not match the sum requested.
3. Drawing on the Account --- Once the award has been assigned a budget number, the Principal Investigator may draw on the account. If, during the project, reallocation of monies between budget objects is required, the Principal Investigator should request such fund movement from the SPC. She/he will make the necessary adjustments. All charges against the account must be routed through the SPC and the Business Office for approval.

B. POST-AWARD GRANTS MANAGEMENT

1. Hiring Employees with Grant Funds --- When calculating the budget lines for personnel on a grant, the following employment---related guidelines should be considered:
 - a. All new employees must report to the Payroll Office on the first day of employment to complete the necessary tax forms and employment cards.
 - b. All employees who work .74 time or more are eligible for benefits. The current benefit rate to be built into the grant can be obtained from the SPC.
 - c. Faculty salary increases occur in September and should be adjusted appropriately for multi---year grants.
 - d. Staff salary increases occur yearly beginning of the fiscal year and should be adjusted for multi---year grants.
 - e. Faculty and staff are paid on the last day of the month.
 - f. Foreign students, faculty, or staff who will be paid from a grant must obtain valid authorization to work in the United States and be able to show proof of same upon employment.
 - g. Once a grant has been funded, the Principal Investigator is responsible for submitting the following information to SPC 30 days prior to the starting date of new grant employees. This will ensure timely payment of salary:
 - i. Name of employee, grant number, budget object number, beginning date and termination date of employment, number of hours to be employed, hourly wage or monthly salary, full or part---time status total amount of money to be paid. The grant hiring form should be used for this purpose.
 - ii. In the event of a no---cost extension or a non---competing continuation grant, it is the responsibility of the Principal Investigator to inform the SPC when employees charged against the grant are to be paid past the initial termination date. In addition, for continuation grants the principal investigator must submit a new request for all personnel and dates of employment to be charged to the new grant year. This should be done prior to the starting date of the continuation so that salaries can be properly applied against the correct budget number.
2. Time and Effort Reports --- For any federal grant from which expenditures were made during the fiscal year; the Principal Investigator must complete and submit an effort report to the SPC. Contact the SPC to obtain the form.
3. Technical and Financial Reports --- The Principal Investigator is responsible for the timely submission of all technical reports, in accordance with the terms of the grant. The SPC is responsible for all financial reports, in accordance with the terms of the grant. Unless otherwise specified in the grant terms, final reports are normally due within three months of the termination of the grant.
4. Expenditure of Funds --- Any charges made against a grant must be valid, accurate and meet the requirements of UG Subpart D 200.300 and Subpart EF 200.500-521 and the College, as well as the guidelines and the stipulations appearing in the award letter from the funder. All expenditures against a grant account must be made before the closing date of the grant. Requests for payment from a grant must be approved by the Provost prior to submission to the Business Office. Budget and expenses are monitored monthly by the SPC and balanced to the

Whitman College General Ledger. Further monitoring is accomplished through regular communication between the SPC and PI. No vendor, whose name appears on the U. S. Government's [Vendor Exclusion](#) list, may be paid from a federal grant. No payment may be made to any organization or individual listed on the U. S. Government's [Terrorist Exclusion](#) list. Based on the letter of award, any costs deemed unallowable by the SPC or the Business Office will be rejected and will be the responsibility of the Principal Investigator. No Federal funds may be spent on alcoholic beverages. (See Part D for detailed procedures).

- a. Purchasing guidelines based on threshold: The threshold amounts refer to the total cost of the purchase. For example, purchasing three \$900 laptops is considered to be a \$2,700 purchase, not three separate items. A \$90,000 equipment purchase with a \$5,000 delivery/set-up fee and \$8,000 in ancillary parts constitutes a purchase over \$100,000.
 - i. Purchases under \$3,000 ("Micro-purchases"): Purchase order not required but recommended. Competitive quotations not required if the prices are reasonable. Selection based on quality and cost. To the extent practicable, purchases must be distributed equitably among qualified suppliers. The use of a Purchasing Card for such transactions is encouraged.
 - ii. All Purchases over \$3,000: A Purchasing Card (P-card) may be used if the purchase is under \$100,000. Written price or rate quotations must be obtained from an adequate number of qualified sources (see below).
 - iii. Documentation must be maintained that is sufficient to detail procurement history. A quotation is a written statement from a vendor regarding the price for a specific good or service. Quotes and bids should include specifications and qualifying characteristics considered by vendor/contractor including delivery and time frame, scope of work, references, and other relevant specifications.
- b. Procurement and service contract records must contain at least three elements:
 - i. Basis for the vendor/contractor selection. Information showing how the College arrived at the decision to award the contract to that particular vendor/contractor.
 - ii. Justification for lack of competition when competitive bids or offers are not obtained. A departure from the "free and open competition" standard imposed by the federal government requires justification. Unique capacity or ability on the part of the contractor (such as specialized research services from a skilled party) is frequently sufficient justification. Nevertheless, because the action represents a departure from normal practice, it is one that is likely to receive close scrutiny in audits or other reviews conducted by awarding agency officials.
 - iii. Basis for the award cost or price: the cost and price analysis should be documented to establish that the institution obtained a fair price.

- c. Any sole source purchase: An explanation must be submitted by the PI documenting reason(s) that vendor or contractor is the only source for the item(s) or service(s) being purchased.
- d. Additional specific requirements as follows:

Amount of Purchase	Specific Requirements
Under \$2,999	No competitive cost estimates required.
\$3,000 to \$24,999	Two or more detailed cost estimates, printed from Internet search and/or in writing from vendor
\$25,000 to \$49,999	Three or more detailed cost estimates, printed from Internet search and/or in writing from vendor
\$50,000 to \$149,999	Three or more written quotations from vendor with specifications clearly delineated
\$150,000 and more	Three or more sealed bids (formal advertising) or competitive proposals must be solicited from potential vendors/contractors. Must be in compliance with OMB 2 CFR 320 .

- 5. Subcontracts --- All subcontractors must state in writing that they will abide by the federal regulations governing grants. A subcontract agreement will be drawn up by the Principal Investigator's institution and a signature of a cognizant subcontracting official must be affixed to the agreement. Subcontractors submit bills to the Principal Investigator who then routes the statements through the SPC. *Subcontracts may not be issued to anyone or any organization on the U. S. Government Exclusion Lists cited above.*
- 6. Indirect Costs -Whitman's policy states that the indirect costs will be divided as follows: 50% will be allocated to provide grant matching funds, 25% will be allocated to support maintenance of science equipment, and the remaining 25% will be placed into an account to be used by the Principal Investigator (PI) who was awarded the grant. The PI's indirect costs can be used for any reasonable business purposes. Specifically, they can be used to support the PI's professional development, instruction or research efforts, as long as it has a valid business purpose and is not purely for personal benefit. Examples include, among other things, the purchase of equipment/supplies (please note that any equipment purchased becomes the property of Whitman College), the PI's summer salary, the wages of an assistant, or travel expenses and other costs associated with attending a professional conference.
- 7. Over expenditures --- The SPC should be advised immediately of any over expenditure. S/he will then work with the Principal Investigator, his or her Department, and the Provost to redistribute those charges. In some instances, the Principal Investigator may be responsible for the fund deficiency.
- 8. Retroactive Cost Transfers --- No cost transfers can be made unless the expenditures are applicable to the account against which they are to be charged.

All cost transfers must be approved by the Controller.

9. Sponsor Payment --- Normally, payment is made on a billed basis. In some cases, however, a private funder may make pre---payment in the form of a check mailed to the Principal Investigator. Checks received in this manner should be forwarded to the SPC for processing.
10. Changes in the Scope of the Project --- Any change in the scope of the project requires that the Principal Investigator notify the award sponsor in writing and obtain written approval from that sponsor for the changes. A copy of the request should be submitted to the SPC.
11. Change of Principal Investigator or Project Personnel --- If there is to be a change in the Principal Investigator or Principal Investigator's effort, or Project Personnel, approval for such a change must be obtained from the award sponsor. The SPC must be notified of any such change and will take the steps necessary for the change to occur.
12. Budget Revisions --- Some changes require prior sponsor approval and others do not; please check with the agency guidelines and/or the Sponsored Program Coordinator with specific questions. Please note that changes *may* require that the College provide the sponsor with written notification and/or obtain written approval from the sponsor for the changes. The SPC will determine whether your requested changes can be approved internally or if the sponsor's approval is required. In some cases, a grant budget may be modified from its proposed form to meet unanticipated needs and to make other types of post---award changes. This may be approved by the Business Office and SPC if the requested change is allocable and reasonable and within the funding agency specifications. For sponsors that do not allow the re---budgeting of funds without prior approval, the SPC will formally submit a request to the sponsor on behalf of the PI.
13. No-cost Extensions --- The Provost has the authority, on receipt of the appropriate request in writing from the Principal Investigator, to approve a one---year, no---cost extension for federal grants except those having a federal I.D. number beginning R10, R18, and R43. The SPC will notify the funding agency of such extensions. Requests for extensions must be made in writing.
14. Purchase of American-made equipment --- Prior to purchase of any equipment, efforts shall be made to determine whether the equipment is American made. Equipment purchased on federal grants should be American made "where practical." Equipment paid for by a federal grant and costing more than \$100,000 must be purchased using a competitive bidding process in accordance with UG Subpart F 200.500-521.
15. Ownership of grant---funded equipment --- College policy is that all equipment purchased with funds from an institutional or personal research grant is owned by Whitman College. Only under exceptional circumstances will a departure from that rule be considered by the Provost. When a departing faculty member makes such a request, the College will consider the release of equipment to the other institution concerned on an individual basis and in accord with the following guidelines:
 - a. The equipment is critical to the investigator's research;
 - b. It will not or cannot be supplied by the institution to which he or she is

going;

- c. It is not critical to faculty research at Whitman;
- d. The conditions under which the equipment or funds used to purchase it were secured do not preclude disposition. "Critical" equipment is defined as equipment essential to research personally conducted or directed by the faculty member. The individual requesting the equipment has the responsibility for demonstrating to the College his or her need for that equipment for the continuation of his or her personal research.

16. Travel Regulations – U.S.---flag air carrier service must be used for U.S.

Government-financed commercial foreign air travel if service provided by U.S.---flag air carriers is available. In determining availability of a U.S.---flag air carrier, the following scheduling principles shall be followed unless their application would result in the last or first leg of travel to or from the United States being performed by a foreign---flag air carrier:

- a. U.S.-flag air carrier service available at point of origin shall be used to destination or, in the absence of direct or through service, to the final interchange point on a usually traveled route.
- b. When an origin or interchange point is not served by a U.S.---flag air carrier, foreign---flag air carrier service shall be used only to the final interchange point on a usually traveled route to connect with U.S.---flag air carrier service.
- c. When a U.S.---flag carrier involuntarily routes the traveler via a foreign---flag air carrier, the foreign---flag air carrier may be used notwithstanding the availability of alternative U. S.---flag air carrier service.

17. NIH Publication Policy – NIH policy requires that all peer---reviewed articles based on the NIH funded research must be available free of charge through PubMed.

18. Federal Drawdown Reimbursement Procedure – Whitman College will request reimbursement for funds expended in its federal grant activity on a monthly basis. The submission of each request or draw down should take place at month's end as soon as is practicable. To guard against any potential over---award the College will only request reimbursement for grant expenses incurred prior to the beginning of the month. To determine payment, the Sponsored Program Coordinator will run a monthly report from the institutional general ledger and balance to the detail in the monthly spreadsheet maintained by the Sponsored Program Office. The Sponsored Program Coordinator will prepare a Federal Reimbursement Request detailing the funds to be drawn down and send it to the Controller along with the general ledger back up. The Controller will review, edit and approve the Federal Reimbursement Request in writing. The Sponsored Program Coordinator will then certify and submit the duly authorized Federal Reimbursement Request via the cognizant federal payment management system.

C. FEDERAL COMPLIANCE REQUIREMENTS

1. Financial Conflict of Interest (FCOI) – The federal government requires that all

institutions receiving federal funding establish and administer a financial disclosure policy and a program for training investigators in that policy. Whitman College's FCOI policy is posted on the [GFR website](#). A Financial Conflict of Interest occurs when there is a convergence of an individual's private interests and his or her professional obligations to the College such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise. During the post-award meeting, the SPC will explain the College's FCOI training procedure. Principal Investigators will be required to sign an FCOI form indicating that they have undergone the required training.

2. Responsible Conduct of Research (RCR)—All federally-funded students and postdoctoral researchers are required to undergo training in the responsible conduct of research (RCR). Whitman College's RCR policy is posted on the [GFR website](#). During the post-award meeting, the SPC will provide information on accessing Whitman College's online RCR training program. The Principal Investigator will be responsible for ensuring that his students have taken the online RCR training, and for providing the SPC with written documentation of compliance. The SPC will maintain records of RCR training and compliance.

D. AWARD-RELATED MANAGEMENT PROCEDURES

1. Record Retention procedure—Financial records, supporting documents, statistical records and other records pertinent to a grant will be retained by Whitman College for a period of three years from submission of the final project and expenditure reports. This procedure aligns with the procedures described in NSF’s AAG (Chapters II.E.2 and III.E) (http://grants.nih.gov/grants/managing_awards.htm) and NIH’s Office of Extramural Research reporting requirements (http://grants.nih.gov/grants/managing_awards.htm).
 - a. For federal grants, hard copies of records will be kept in the Sponsored Program Coordinator’s office. Hard copies of records will be retained according to the following schedule:

Financial records and supporting documents	3 years after filing final grant report
Statistical and other pertinent documents	3 years after filing final grant report
All copies of interim and final reports delivered to the granting agency	3 years after filing final grant report
All requests for reimbursement	3 years after filing final grant report

2. Allowable Costs: OMB (Office of Management and Budget), OMB Circular A-21, UG Subpart E 200.400, establishes principles for determining costs applicable to grants, contracts, and other agreements.

The following costs from OMB UG Subpart E 200.400 are listed as not allowable:

- Alcoholic Beverages
- Alumni Activities
- Bad Debt
- Commencement and Convocation Costs
- Contingency Provisions
- Costs of Criminal and Civil Proceedings
- Donations and Contributions
- Entertainment Costs
- Fines and Penalties (failure to comply with federal, state or local laws & regulations)
- Fundraising and Investment Costs
- Goods or services for personal use of college employees
- Housing and personal living expenses
- Interest
- Lobbying
- Meals, other than budgeted travel costs
- Student Activities, unless specifically provided for in the sponsored agreement
- Travel: airfare costs in excess of the customary standard commercial airfare (coach or equivalent) are not allowed except under very specific conditions such as the medical needs of the traveler. These

conditions must be documented.

Costs must be reasonable: A cost may be considered reasonable if the nature of the goods or services acquired, and the amount involved, 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 recognized as necessary for the operation of the College 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 College, its employees, its students, the Federal Government, and the public at large.
- The extent to which the actions taken with respect to incurrence of the costs are consistent with established institutional policies and practices applicable to the work of the College generally, including sponsored agreements.

Costs must be allocable to sponsored agreements under the principles and methods provided in the circular: Allocability of a cost involves an assessment of the relative benefits received from the incurrence of the cost. Direct costs charged to a grant account must be specifically identified with that grant project. At the first level of allocability, a cost is incurred solely to advance work under a sponsored agreement. These costs can be assigned to a particular sponsored agreement with a high degree of precision.

At the second level of cost allocability, a cost is incurred in a manner that benefits both the sponsored agreement and other work of the College in proportions that can be approximated through the use of reasonable methods.

A third level of allocability involves costs necessary for the overall operation of the institution and, under OMB Circular A---21, UG Subpart E 200.400 deemed to be assignable in part to sponsored projects. (These are the indirect costs).

Costs must be given consistent treatment through the application of generally accepted accounting principles appropriate to the circumstances: For all sponsored agreements, the College must determine which types of costs it wishes to maintain as direct charges and which are to be indirect. All costs incurred for the same purpose, in like circumstances, are either direct costs only or facility and administrative costs (indirect costs) only. If the cost principles are silent about the treatment of a particular type of cost, the institution will have to rely on generally accepted accounting principles in order to determine the allocability of the costs.

Costs must conform to any limitations or exclusions set forth in the circular or in the sponsored agreement as to types or amounts of cost items: In some cases, the cost principles or the terms and conditions of a specific sponsored agreement will establish limitations or exclusions as to types or amounts of cost items. If an authorization statute or an appropriation statute states that there is a specific limitation on the payment of a particular type of cost, and OMB UG Subpart E 200.400 is silent on the subject or states something else, the statutory provision takes precedence.

Another limitation on the allowability of costs is that all vendor discounts, credit memos, rebates and other cost adjustments must be applied to the cost of the project.

Selected Items of Cost. OMB UG Subpart E 200.400 identifies 54 items of cost to be used in establishing cost allowability. The list does not include every possible type of cost an institution might incur. OMB selected items for the list based on two main criteria: (1) if the cost is of a type that routinely arises in the administration of sponsored agreements by educational institutions; or (2) if the cost is of a type for which OMB seeks to have a specific policy.