

## **Grant Post-Award: PI/PD Responsibilities & Training**

### **Responsibilities of the Principal Investigator/Project Director**

The Principal Investigator (PI) is responsible for all aspects of conducting the project. The PI must:

- submit all original award documentation for grants to the Government, Foundation and Corporate Relations Office
- submit any checks received to the Grants Accountant in the Business Office (Tomson 129)
- ensure that the project stays within the scope and objectives of the original proposal
- monitor monthly expenses for compliance and limit expenditures to the total dollar amount awarded
- submit all required reports on time
- make sure that expenditures get charged to the proper unit number
- submit time and effort reporting in order to have wages and benefits charged to the grant, and monitor them for accuracy
- certify and document Participant eligibility
- provide the Government, Foundation and Corporate Relations Office with copies of all narrative reports and grant-related correspondence
- comply with all terms and conditions of the grant
- request approval from the Government, Foundation and Corporate Relations Office and/or the Grants Accountant, for any changes to approved budgets or other terms of the grant
- follow all College policies (financial and academic) as well as the policies of the sponsoring agency

### **Responsibilities of the Business Office and/or Government, Foundation and Corporate Relations Office**

The Grants Accountant in the Business Office is responsible for the overall financial administration of all grants to the College and follows standard accounting practices and strictly adheres to all College policies and federal regulations. Specific responsibilities include:

- authorizing the set up of grants in the accounting system
- preparing various financial reports
- preparing reimbursement requests from sponsoring agencies for grant-funded expenses (including federal drawdowns and subcontract reimbursements)
- certifying compliance with all grant-related federal regulations
- assisting the PI with compliance and other grant related procedures or questions
- assisting with close of the grant at the end of the grant period
- distribute monthly expenditure reports, track, and archive PI's verification of compliance
- distribute quarterly budget to actual reports, track, and archive PI's response to variances

### **Contact**

Grants Accountant: Greta Anderson tel: 507-786-3604, email: andersog@stolaf.edu

### **Grant Set-Up**

The Government, Foundation and Corporate Relations Office must receive documentation of an award before a grant will be set up in the accounting system. Normally this documentation consists of the original grant acceptance letter along with a copy of the approved grant proposal and budget.

**PI and Grants Accountant Meeting:** The PI will meet with the Grants Accountant to ensure that all aspects of the grant are properly set up and both the PI and the Grants Accountant are aware of the specific requirements set forth in the grant. The PI will then receive an Accounting Unit Number (see below) to use for all grant expenses. If it is a federal grant, the Grants Accountant will also provide [federal compliance training](#) to the PI.

**Accounting Unit Set-up:** Each Grant is set up with its own unique accounting unit number. This unit number will update to the Lawson web overnight. The Grants Accountant will set up an additional unit number if the grant has specific reporting requirements, such as tracking sub-awards or participant costs. The Grants Accountant will also set up any applicable indirect cost or interest allocations associated with the grant. If the College has committed cost-sharing (“matching”) to the project, an additional unit may be assigned for all match-related expenditures.

### **Allowable Grant Expenditures**

The PI is the sole “budget administrator” for the grant and authorizes all expenditures posted to the grant. Only the PI's signature is needed on vouchers or requisitions, unless it is for goods in excess of \$1000, which requires a second signature to verify receipt; or for reimbursements to the PI, which must be signed by the PI's supervisor. See Federal Grant Procurement Guidelines for all expenditures on any grant funded with federal funds. Purchases of goods greater than \$3,500 require advance approval from a supervisor. [Purchase Approval Form \(> \\$3,500\)](#)

All expenses charged to a grant must be **necessary** to achieve the objectives of the approved grant, **allocable** to that particular project, and **allowable** under the terms of the grant. Such expenses include:

Equipment, Supplies, and Professional Services  
Travel Costs

Salaries, Wages and Fringe Benefits (subject to Time & Effort Reporting)

Grant expenditures are processed just as any other College expenditures. Examples include:

1. Travel reimbursement - turning in a [travel reimbursement form](#) to the Accounts Payable Office
2. Purchase requisitions - turning in a signed invoice or a [check request form](#) to the Accounts Payable Office
3. Purchase card expenditures – by using a College [purchase card](#)
4. Charges for College services (bookstore, print center, etc.).

Routine office expenses (supplies, postage, telephone, photocopies, etc.) cannot be charged to grants unless they are specifically included in the awarded budget.

Grant expenditures must be within the scopes of the College policies and the guidelines of the grant. Please see the [frequently used account list](#) with examples of typical grant budget categories.

Some of the specific policies that may relate to the expenditures of the grant are as follows:

1. [Accounting Policies and Procedures](#)
2. [Travel and Business Expense Policy](#)
3. [Purchase Card Procedures](#)
4. [Fixed Asset Management Policy](#)
5. [Procedure for Department Cash Management](#)

## **Effort Reporting System Requirements**

St. Olaf College is required by Federal Regulations (OMB Circular A-21) to maintain an [Effort Reporting System](#) which assures salaries and wages charged to sponsored research awards for a specific period accurately reflect the time devoted to the project. St. Olaf College uses an after-the-fact activity records approach to certify the effort of all salaries and wages paid to all faculties, professional and non-professional employees.

## **Hiring Employees or Students**

Employees or anyone (including students) hired to work on grants administered by the College are College employees. Hiring and all other actions relating to their employment must be coordinated by the Human Resources Department (or the Dean of Faculty in the case of faculty) and handled in the same manner as for other employees. Salaries and wages are determined by Human Resources (or Dean of Faculty) based on the job description, not by the amount in the approved budget.

## **Facilities & Administration - Indirect Costs**

The Grants Accountant is responsible for recording, as grant expenses, the approved Facilities and Administration (F&A) costs (Indirect Costs). F&A charges are calculated based on the specifics of the grant budget approved by the funding source and are posted on a monthly basis. The F&A costs are typically calculated as a percentage of a specific expense category. The PI is responsible for reviewing the F&A costs charged to the grant for accuracy.

## **Grant Matches**

Grant matches are handled in a variety of ways, depending on the specific circumstances of the grant. The following are the most common ways of tracking grant matches:

1. A separate accounting unit may be assigned in Lawson for the grant match (typical for DOE grants). The Grants Accountant will make a journal entry at the beginning of every grant year to move College funds into the grant match unit and the PI is responsible for charging any applicable expenses directly to the grant match unit.
2. The College match will not have a separate accounting unit, but rather the match will come from other budgeted areas of the College. On the grant budget, there will be a separate column showing where the match obligation is charged to. It is the responsibility of the PI to verify and document that the match has been fulfilled. The documentation should be turned into the Grants Accountant to review and put in the grant file.
3. The College may provide resources that aren't shown in dollar amounts charged to a unit. Most often this is for time spent on a grant, which will be accounted for by the time and effort reporting.

## **Monitoring Expenses and Managing the Grant**

The PI is responsible for monitoring all expenses charged to the grant. The PI can also view fiscal year transactions and fiscal year financial reports at any point in time by signing into [St. Olaf's Lawson Web Access](#) , which is updated nightly.

The PI reviews transactions emailed by the Grants Accountant for compliance with Office of Management and Budget (OMB) Cost Principles. Verification is returned each month. Budget to Actual quarterly reports must be returned with explanations of material variances.

Be sure that all invoices, vouchers, and payroll charges that have been submitted are charged to the grant properly. If an error is noticed within the College's fiscal year, it can be corrected by submitting a [Transfer Request Form](#) to the Business office. Transfers should be the exception, not the routine. Transfers may suggest non-compliance or poor management of the grant, especially if large transfers are done at the end of the grant period. Any grant budget overruns will be charged to the PI's department.

### **Budget Changes**

The Business Office and/or The Government, Foundation and Corporate Relations Office must authorize changes to approved budgets or other grant terms (in accordance with sponsoring agency policy). Contact the Grants Accountant in the Business Office to determine the procedures required to spend funds on items that are not included in an awarded grant budget. When a grant allows the College to authorize such expenditures, the PI must first request the budget changes from the Government, Foundation and Corporate Relations Office.

### **Reporting Requirements**

The Grants Accountant prepares various financial reports required by the sponsoring agency. Do not provide any financial information to a sponsor without verification by the Grants Accountant.

The PI is responsible for all narrative or technical reports. Many sponsoring agencies require annual progress reports; check the specific grant terms and conditions. Copies of all narrative reports and correspondence related to grants should be forwarded to the Government, Foundation and Corporate Relations Office.

### **No-Cost Extensions**

Some sponsoring agencies allow the grant termination date to be extended, if more time is needed to finish the project. Many federal grants allow the College to authorize these "no-cost extensions." In all cases, such extensions must be requested well in advance of the approved termination date. Contact the Government, Foundation and Corporate Relations Office for the appropriate procedures.

### **Cash Management**

Federal grants are managed on a cash reimbursement basis. On a monthly basis, the Grants Accountant prepares a request for reimbursement which is reviewed and submitted by the Senior Accountant. At fiscal year-end, the final month's reimbursement request is not submitted the following month, but is instead submitted along with the first month of the new fiscal year.