ORSP Contacts

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The purpose of this document is to provide the Principal Investigator (PI) or Project Director (PD) guidance on the successful management and execution of a grant or contract. Though this document offers many considerations, the inclusions are by no means complete as each grant or contract should be expected to have its own peculiarities. The typical grant, however, will not have all items included in this document.

The ORSP team is available to help the PI/PD with this process and provide the necessary forms for executing any required administrative actions.

REF: NMHU Research Policy Handbook

Post-Award Steps

1. Notify ORSP of receipt of Award Letter.
2. ORSP will request Fund.
3. After fund is created,
    a. Submit Signature Authorization form to ORSP.
    b. Submit Web Access form to ORSP.
4. Create BAR for the initial budget setup and submit it to ORSP.
5. Perform scope of work.
6. Begin the hiring process, as necessary.
7. Begin the purchasing process, as necessary.
8. Review/Pay invoices.
9. Close out purchase orders.
10. Request changes/modifications, as necessary.
11. Submit reports (programmatic and financial).
12. Request extension, as necessary.
13. Close out sponsored project with awarding agency and the business office.
14. Submit BAR to zero out the budget.

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Principal Investigator (PI) / Project Director (PD) Responsibilities

The PI or PD is responsible for overseeing all terms and conditions of the sponsored project. In carrying out these critical tasks, the PI/PD is also responsible for compliance with and understanding of the underpinnings of laws and regulations that touch on all applicable aspects of the research sponsored project, including (For large projects, when there is both a PI and PD assigned, usually the PI is in charge of the overall project and the PD manages the project day to day):

- Review and submission of proposals, pre-award activity, and post award activity
- General research policies and procedures (Section 2)
- Assurances – see **NMHU Research Policy Handbook**, section 3.6.1
- General and fiscal administration and management
- Research property, including inventions, patents, copyrights, licensing, and authorship
- Human subjects
- Laboratory animals
- Disclosures and conflict of interest
- Appointments of non-faculty research appointments
- Adherence to appropriate research conduct and misconduct reporting.

Note:

- The PI supervising large-scale projects may delegate responsibility to other project members (faculty or nonfaculty) if approved by the sponsoring agency.
- Although awards to support projects are granted based on the professional expertise of the PI submitting the proposal, the actual award is made to university. Once accepted, the university assumes the responsibility for administering the award according to the regulations of the sponsor, NMHU, and the state of New Mexico. Thus, shared responsibility is created between the PI/PD and the university in accepting funds and implementing the program for which the funds were awarded.

Communication

Prior to any formal communication (e.g., extensions, re-budgeting, change of scope, etc.) directly with the Program or Project Officer of the awarding agency, the PI/PD shall contact ORSP to coordinate this communication. By and large, written communications with the Program Officer are formal communications that require sanction by the university.

Throughout the lifespan of the grant or contract, it is imperative that the PI/PD maintain a clear, communicative, and collaborative relationship with the Office of Research & Sponsored Projects (ORSP) and the Program or Project Officer of the awarding agency.

Federal guidance on the need for written approval for revisions may be found in the **Research Terms & Conditions Prior Approval Matrix**. **Note that the matrix is not inclusive of all funding agencies.**

Award Notice or Letter

- The Award Notice, Letter, Agreement, or Contract must go to ORSP immediately for review.
- Currently, the Authorized Signer for all grants and contracts is the Associate VP for Academic Affairs, Grants, and Contracts, Dr. Ian Williamson.
- The PI/PD shall not respond to any agreements or contracts on behalf of the university without prior coordination with ORSP.

There may be extensive grant management guidance available depending on the sponsoring agency. Every PI/PD should reference the agency guidance as a first stop. A few examples include:

- **NSF Proposal & Award Policies & Procedures Guide (PAPPG)**
- **U.S. Department of Education**
- **National Institutes of Health (NIH)**

For high-level guidance on federal grant management, the primary reference is the U.S. Code of Federal Regulations, specifically, Title 2 – Grants and Agreements, **2 CFR**.

Creating the Fund

- Using the award and budget documents, ORSP will submit a Fund Request to the Business Office to initiate the creation of a Fund for the award to be entered into the accounting system (Banner) for access by the PI/PD for project execution.
- After the Fund is established by the Business Office in Banner, the PI/PD must set up the initial budget by dictating how the award will be distributed amongst the different account lines in the project budget. This action requires the PI/PD to complete and submit the BAR (Budget Adjustment Request) to ORSP for review and approval. Once the BAR is approved, ORSP will submit to the Business Office for processing.
- The Business Office or ORSP can train the PI/PD on completion of the BAR form.
- See Appendix C for typical Account numbers for grants.

REF: BAR Form

NOTE: The fund information is called a FOAP which is an acronym described as:

- F – Fund. This is a five-digit number described as follows:
  - 21XXX – federally funded project
  - 22XXX – state funded project
  - 23XXX – privately funded project
- O – Organization. This is a five-digit (or alphanumeric) code that often repeats the fund number for grant FOAPs.
- A – Account. This is a four-digit number from the Banner system's Chart of Accounts that identifies the specific category of expenses, i.e., salaries, supplies, equipment, etc.
- P – Program. This is a three-digit code that describes the high-level purpose of the fund. The two typical programs are:
  - 160 – Research
  - 170 – Public Service
- The FOAP will be used for budget planning, budget adjustments, salaries, purchasing, travel, etc., throughout the life of the project. The F, O, and P will remain static

throughout the lifecycle; however, the A vary dependent on the specific account lines that will be used.

Accessing the Fund

- The PI/PD must submit two forms to ORSP that identify the person(s) that will have authorization to:
    1. Make financial decisions for the Fund, i.e., signatory.
    2. Access the Fund budget information through Banner.
- ORSP will review and approve the forms and submit them to the Business Office for processing.
- ORSP can train the PI/PD on:
    1. How to access the project budget through the Banner system.
    2. How to interpret the budget information.
- Business Office Forms
    - Banner Web Access Authorization
    - Budget Authorization Signature

Hiring Personnel

All hiring documents must be submitted to ORSP at least two weeks in advance of the start date.

Check with ORSP for the appropriate hiring document and process. All hiring proposals must be reviewed by ORSP for compliance and the Hiring Authority shall be the ORSP Director.

The relevant personnel manual or collective bargaining agreement must be reviewed prior to preparing a contract for current personnel. Restrictions and limitations on time and salary exist for supplemental work.

The PI/PD must know the type of hire, the funding information for the position and the length of the employment period prior to contract preparation. If there is more than one Fund that supports the contract, the split distribution must also be determined prior to contract preparation.

- Faculty – Faculty contracts must be approved by the PI/PD, Chair, Dean, Grant Manager, Director of ORSP, and AVPAA/Provost. Contracts must comply with any bargaining agreements for eligible faculty. Typical faculty hires:
    - Reassigned time contract. Sponsor pays for a portion of the faculty member's typical teaching assignment.
    - Per course contract. Sponsor pays for either regular faculty overload or pays for an adjunct faculty's contract.
    - Supplemental contract. Sponsor pays for faculty time assigned to a specific, short-term project or event.
- Staff – Staff contracts must be approved by the PI/PD, employee supervisor, head of Department, Grant Manager, and Director of ORSP.
- Student Hires – There are several student hire programs that each have different processes. Check with ORSP on the intent and project parameters to determine the appropriate process.

Stipends

ORSP should be the first office to contact with grant stipend questions. Please see Appendix B of this document for the stipend request form.

- Student stipends – Navigating student stipends may be complicated and require coordination between Accounts Payable, Office of Financial Aid, HR, and ORSP. It is best to communicate intentions and proposed recipients early to determine if and how a specific student may receive a stipend during a given semester. Primary considerations are:
  - Has the student met their cost of attendance?
  - Has the student held a student worker position in the same year?
- Faculty stipends are typically processed through a faculty supplemental contract; typically using account 6118.
- Non-employee stipends can be processed through accounts payable, as long as the individual did not have a pay event that was processed by HR within the same tax year.

REF: **Research Policy Handbook**

- Section 3.3.7. – Student Salaries and Tuition
- Section 9.2.1. – Definition of Visiting Researchers or Scholars

Purchasing – General Guidelines

All goods and services purchased through a grant MUST be approved by ORSP via pre-approval or Purchase Requisition (PR).

There are several pathways to purchasing equipment, supplies, or contracting services. The Purchasing and Accounts Payable departments are the experts in the different methods, however an initial consultation with ORSP may help determine the next steps.

The following considerations are important in the purchasing process:
Cost:

- If less than $2,500, then Chrome River with a P-card may be used though a higher limit may be authorized with special approval.
- If less than $10,000, and the funding source is federal, then a direct purchase through the purchase requisition process may be used.
- If $10,000 - $60,000, and the funding source is federal, then a minimum of three quotes are required. The purchase requisition process may be used.
- If less than $20,000, and the funding source is state, then a direct purchase through the purchase requisition process may be used.
- If $20,000 - $60,000, and the funding source is state, then a minimum of three quotes are required. The purchase requisition process may be used.
- If $60,001 or greater, then the formal bid process is required.

REF: ***NMHU Purchasing Manual, section 8, Bids and Proposals***

Proposal Specificity:

- If a specific vendor or equipment was included in the proposal, it may be possible to bypass the multiple quotes or formal bid processes.
- Consultation with Purchasing and ORSP required.

Sole Source:

- If there is a piece of equipment or a service that has only one vendor that can meet the specifications of the requirement, then a justification will be required since there will not be any competitive bids.
- Consultation with Purchasing and ORSP required.

Contact: Purchasing@nmhu.edu

REF: NMHU Purchasing Manual, section 13, Sole Source/Sole Brand Justification**.** The Purchasing Manual is available on the Purchasing website here: **Purchasing Manual.**

FORMS: The Purchasing forms are available on the Purchasing website here: **Purchasing Forms**.

Purchasing – Chrome River

Chrome River (CR) is the university's expense management system. CR is typically used for smaller purchases using the P-card (i.e., a university credit card) to include travel, subscriptions, office supplies, etc. CR has a pre-approval, expense, and invoicing processes that streamline planning, tracking, and reconciliation.

The Purchasing Department manages the P-card program and, along with Accounts Payable, may provide training on Chrome River. Typically, there are a couple of administrative personnel in each department that possess a P-card and are trained in the use of CR.

Please note that food, catering, banquets, etc., for events may be purchased using Chrome River only if the purchase is written into the grant or has been pre-approved by the funding agency. It is important to allow time for the pre-approval process to be completed prior to the purchase.

Contact: AP@nmhu.edu

Purchasing – Purchase Orders

The purchase order process begins with the completion of a Purchase Requisition (PR) form that is managed by the Purchasing department.

IMPORTANT: There is no commitment of funds for the purchase of goods or contracting of services until the PR is approved and converted to a Purchase Order (PO). Once a PO number is assigned, then it is at that point that the contract or purchase may be executed.

The information necessary to complete a PR include:

- Vendor information
- Vendor W-9 form
- Vendor proposal or quote with cost
- Additional competitive quotes, if necessary
- FOAP that will pay for the purchase

Once the PR is completed, it should be signed and routed as follows:

- Fund Supervisor (Typically the PI/PD or whomever is authorized to spend)
- Grant Manager (ORSP)
- AVPAA/ORSP Director
- ITS if PR includes hardware or software
- VPAA if PR is above $15,000 or includes food
- VPFA if PR is above $50,000 or includes clothing
- VP for Marketing and Communications if PR includes branding or use of logos
- President if PR is above $100,000
- Board of Regents if PR is above $500,000

After the PR is approved, a PO number will be assigned, and the requesting department will be notified of the commitment of funds and the PO number.

FORMS: The Purchasing forms are available on the Purchasing website here: **Purchasing Forms**.

IMPORTANT: The assignment of a PO number does not imply that the order of goods or services has been completed. It is up to the PI/PD or designee to ensure that the order has been placed or that the executed contractual agreement is returned to the vendor to begin the execution of services. The Purchasing, ITS, ORSP, etc., departments will not order any goods on behalf of the department unless there are separate arrangements to do so.

After the goods are received or contract services have been performed, the vendor is expected to provide an invoice. If the invoicing is correct, then the PI/PD will mark the invoice as "Okay to Pay", include the PO number, sign, and return the invoice to Accounts Payable who will then submit payment to the vendor. If the invoice is inaccurate the PI/PD needs to contact the vendor for a corrected invoice.

Once all goods are received or contracted services are completed in full, the PI/PD will notify Accounts Payable to close the PO.

Occasionally, PO modifications may be necessary if there is a change in products, services, cost, etc. In these cases, early coordination between the PI/PD, ORSP, and Purchasing is necessary to prevent any extended delays.

Purchasing – Subaward/Subcontracts

AVPAA Ian Williamson is the authorized official for NMHU Grants and Contracts and needs to approve all contracts, including subawards, with external agencies and contractors.

Subawards – Subawards are typically agreements with other universities that are working on the same project, where the primary university receives the whole award and completes an agreement with the partner to perform a certain aspect of the project for an agreed amount.

- The subaward follows the Purchase Order (PO) process.
- Subcontractors are usually not direct contributors in the reporting requirements for the project unless they are contracted as program evaluators.

Program Evaluation – One of the common requirements for large, multi-year federal grants may be the need for an external Evaluator.

- Many awards may require that an external evaluator meet with the project team periodically to evaluate the status or 'health' of a grant.
- Typically contracted as professional services using the PO process.

Invoicing – Periodically or upon completion of the contracted service, the sub-awardee or contractor must submit an invoice to the PI/PD for payment for the service or work completed as described in the PO process.

REF:

- **Federal Subaward Requirements**
- **Contract and Subaward Templates**

Travel

Accounts Payable (AP) serves as the university's travel office as it relates to pre-approvals and reconciliation. The travel guidance herein is an abridged version of what is available on the AP webpage on travel. The AP webpage offers greater detail and multiple scenarios and should be referenced if this guidance is insufficient. The link is referenced below.

REF: Travel.

Travel is a two-step process for the University.

1. Submit travel pre-approval.
2. Submit expense report after trip to request reimbursement or reconcile p-card transactions.

Pre-Approval – Employees who travel MUST submit a travel pre-approval in Chrome River (CR). The pre-approval must be in an approved status (approved by Accounts Payable) before making travel purchases. The travel pre-approval is required for all travel.

- Depending on the scenario, approvals may need to go through:
  - Employee Supervisor/Fund supervisor/PI (if different)
  - ORSP
  - AVPAA
  - VPAA
  - VPFA
  - Accounts Payable
- The pre-approval should include, as necessary, the details for the trip, including costs:
  - Airfare – 3 airline quotes (see NOTE 2 – Air Travel)
  - If attending conference/seminar/meeting
    - Itinerary/agenda
  - Registration information/fees
  - Private vehicle mileage
  - Conference hotel information (if staying at the conference hotel)
  - Car rental – 1 quote
- NMHU uses the federal travel rates for lodging and per diem. Any costs that exceed the federal rate must be justified, e.g., conference hotel costs.

- NMHU uses the state mileage rate.
- Timeline
  - In-state – approved at least 3 days prior to date of travel.
  - Out-of-state – approved at least 10 days prior to date of travel.

NOTE 1: **After the Fact** – An "After the Fact "(ATF) explanation must be submitted with Chrome River pre-approval if the travel pre-approval was not submitted according to the above timelines. ***ATFs should be avoided and usually represent poor planning and compliance violations***. ATF pre-approvals will be routed to the Vice President for approval.

NOTE 2: **Air Travel** – In accordance with ***Fly America Act***, all air travel and cargo transportation services funded by the federal government are required to use a "U.S. flag" air carrier service. You can find a complete list of certified U.S. flag air carriers on transportation.gov. **Ref:** **Fly America Act**

- Pre-Approval Chain in CR:
  - Traveler – If a delegate creates a pre-approval on behalf of someone, the pre-approval will route to the traveler for approval. This cannot be bypassed.
  - Supervisor/Director
  - Allocation (FOAP) approver
  - ORSP Grant Manager
  - VP – Out of State
  - Provost – Faculty only
  - President – International travel

Post-travel Expense Reports – An expense report must be processed in Chrome River to request reimbursement or reconcile p-card charges. The expense report must be submitted within 30 days of completion of travel. Reimbursement may not occur if the expense report is submitted after 30 days.

- All travel reimbursement requests require travel pre-approval. Use the "IMPORT PRE-APPROVAL" button to attach pre-approvals.
- If claiming same day per diem, be sure to check the box that is labeled "Check if claiming meal per diem for same day travel" on the header page in Chrome River.
- When requesting reimbursement for airfare, lodging, registration, etc. provide the actual receipt or credit/debit card transaction that includes proof of payment.
- If a P-card was used to pay for travel expenses, be sure to add them to the expense report from the "eWallet".
- If the expense report exceeds the pre-approval by 10%, an explanation is required in the comments, and will be routed to the VPFA for approval, for unrestricted funds. Restricted funds will require ORSP approval.
- Never include charges for a university vehicle in an expense report – these are not allowed.
- Gasoline reimbursement is only allowed for a rental car.

Travel Cancellations – To cancel a pre-approval, use the EXPIRE button in Chrome River. The Pre-approval and the funds will be released back to the budget.

Grant/Contract Cost Reimbursement

Typical state and federal grants or contracts require the awardee to invoice for reimbursement of expenses incurred in performance of the agreement. Until the invoice has been reconciled, the university may bear the full cost of the project. It is important that reimbursement occurs on a regular, timely basis, and that the PI/PD keeps accurate records of costs incurred in execution of the award.

Depending on the awarding agency, the reimbursement may occur one of three ways, all of which are led by the Business Office.

- <u>Invoicing</u>
    - This process is led primarily by the Business Office but is confirmed by the PI/PD and validated by ORSP. The invoice will include a detailed list of all grant expenditures during the time frame of the defined period.
    - The awarding agency submits payment to NMHU upon review and approval of the invoice.
- <u>Drawdowns</u>
    - This is the process by which the university typically receives funds for federal awards. This is done by the Business Office after the PI and ORSP review and approve an invoice for the expenses.
- <u>Fixed Fee & Revenue Accounts</u>
    - Fixed fee or revenue grants may be paid by the awarding agency up front or by some regular schedule. Checks or transfers may be sent to the Business Office.

External Reporting

The awarding agency will likely require a financial and/or a performance report. If the project is multi-year, there will likely be periodic reporting.

<u>Financial Reports</u> – ORSP in coordination with the PI/PD will prepare the financial report. The PI/PD must determine the format and timeliness of the report based on agency guidance. In many federally funded projects, the agency may require the financial report to be submitted on the standard form. The Business Office will continue to prepare the grant invoice or drawdowns as requested by the funding agency.

<u>Performance Reports</u> – Most awarding agencies require at least one report that summarizes the project. If the project is multi-year, the report may be annual. If the project is one year or less, it may be that only one report is required. The PI/PD should follow agency guidance for timeliness and format. Once completed, the PI/PD must provide ORSP with a copy of the performance report.

<u>Closeout Report</u> – Some projects may require a closeout report that summarizes project accomplishments, financial information, etc. The PI/PD should review agency guidance for formatting and timeliness of the closeout report. Once completed, the PI/PD must provide ORSP a copy of the closeout report.

Time & Effort Reporting

Time & Effort – The T&E report is like a time sheet that is used to track the amount of time and salary paid to an employee or student sponsored by a grant or contract.

The T&E reports:

- Are completed semi-annually (July – December and January – June).
- Identify the employee (faculty, staff, or student) salary during the given timeframe.
- Identify the salary distribution if there are multiple funding sources.
- Require employee verification by signature.
  - If the employee has departed prior to T&E reporting, the PI/PD may verify on behalf of the employee.
- Require PI/PD verification by signature.
  - If the PI/PD has departed prior to T&E reporting, the Director of ORSP may verify on behalf of the PI/PD.
- Are archived by ORSP and held for up to 5 years.

Fund Closeout

Closing out the fund is the final step in completing the lifecycle of the project. To do so, the following must occur:

- Ensure all invoices have been reconciled.
- Ensure all purchase orders have been closed.
- Ensure all salaries, stipends, etc., have stopped.
- Ensure that no continued expenses have continued since the end date of the project.
- Ensure all final reports have been submitted.
- Submit a BAR to ORSP that reduces the budget down to $0.
  - If there are excess funds, consult the granting agency for guidance ~~on disposition~~ of remaining fund balance.
  - If the project was overspent and there is a deficit, communicate with ORSP, immediately, to determine options based on university policies.
- After the final BAR is posted and the fund has no remaining funds, the Business Office will close the fund.

Making Changes

PI's must notify ORSP of all planned changes to sponsored project such as a change in scope, re-budgeting money to different cost categories, or changes to personnel. In many cases, the PI, in coordination with ORSP, must also notify and receive approval from the Program Officer of the awarding agency for the proposed changes.

There is a significant amount of time that may pass from the beginning of the concept for a project to developing the proposal to receiving the award. During that time the general environment may have changed to include project conditions, personnel, equipment or supply availability, costs, etc. The need for changes or modifications is more common among the multi-year grants.

In the case of federal grants, Appendix A offers references that more specifically define scenarios in which an agency may require prior written approval before revisions occur.

It is important to note that most awarding agencies offer some flexibility in adjusting along the way. These adjustments may include:

- Change or modification of scope.
- Change or modification of budget.
- Change or modification of personnel.

Scope – A change or modification of scope may be necessary due to environmental, budget, or other resource challenges. It is the responsibility of the PI/PD to anticipate any deviations to the original scope and develop a way forward that may still meet the high-level goals of the project in accordance with agency objectives. The PI/PD should communicate early with ORSP to discuss proposed changes before communicating with the agency project officer. Once ORSP and the PI/PD agree on the proposed changes and impact, then the agency project office may be contacted for proposal, review, and, hopefully, approval or feedback.

Budget – Unanticipated changes in benefit rates, salary raises, rising costs of equipment, subscriptions, licenses, etc., all have an impact on the budget. Additionally, the inability to hire in a timely manner, gaps in filled positions, or reduced costs of supplies or equipment affect the budget. The PI/PD should be able to track the spending areas of the budget and determine if the spending rate is too high, low, or sufficient to meet the project objectives. If there is an area that is a project priority that needs additional funds and there is another area that has seen some reduced costs, the PI/PD may be able to make a budget adjustment to shore up the priority.

Depending on the awarding agency, the PI/PD may have some leeway in adjusting the budget without consultation with the project officer. However, other agencies may require project officer approval prior to changes. The PI/PD should consult the agency guidelines and ORSP prior to any adjustments. If it is determined that the modifications require agency project officer approval, ORSP and the PI/PD will coordinate the request.

Personnel – Occasionally there is a need to change the personnel assigned to a project. Most often the change is required due to personnel reassignment, retirement, or other departure. Many of the federally funded research grants have specific requirements of assigned personnel so it is important for the PI/PD to communicate early with ORSP on any anticipated personnel changes. Together, ORSP and the PI/PD will coordinate the method to make a personnel change for the project. In some cases, a simple email to the agency project officer is all it takes. In other cases, a portal such as Research.gov must be used to request the change.

Journal Entry – A journal entry (JE) is a financial accounting action and documentation to move an expense from one FOAP to another, after the fact. JEs are not uncommon and are useful in ensuring accuracy and efficient grant management especially in departments that manage multiple, over-lapping grants. The PI/PD should work with ORSP in discussing the need and preparation of a JE.

No Cost Extension or Carryover Request

No-Cost Extension

Often, the PI/PD may determine within the last six months of a project's period of performance that the budget will have excess funds remaining. If that is the case, then the PI/PD should consider requesting a No-Cost Extension (NCE).

The award letter or the granting agency's policies may indicate the conditions and process to request an NCE.

Factors to consider regarding an NCE:

- What is the deadline for the NCE request?
- Is the project's scope of work complete?
- Is there more work to be done that supports the overall mission of the project?
- How much funding remains?
- How long should the extension be?

If extended,

- Will there be any modifications to the scope of work?
- How many personnel need to remain on the project until closing the project?
- What is the proposed budget for the NCE?
- Will the NCE spend the project to $0?

The PI/PD should meet with ORSP to work through these considerations to determine a way forward. Together, the PI/PD and ORSP can craft a compelling justification for the NCE request to the agency project officer.

If approved, the awarding agency will send an email or updated award letter to the PI/PD and ORSP. The letter will indicate an extension with a new end date and any other modifications that have been approved. Once received, the letter will be forwarded to the Business Office to retain their records and update the end date.

Carryover Request

Some multiyear grants do not allow any unspent funds to carry over from one budget period to the next budget period. Therefore, the PI/PD will need to submit a BAR to reduce the budget in Banner by the line items that have an available balance. This BAR must be completed and entered in Banner prior to setting up the next budget period's budget in Banner.

If a multi-year grant allows unspent fund to carry over from one budget period to another; it could be an automatic carry over. Or you may have to submit a carryover request by the deadline date noted on the Notice of Award. If a carryover request is required, you must submit the request to the ORSP office for review and signature of the AVPAA.

All carryover balances must be budgeted in accordance with the Notice of Award. Should you want to deviate from the approved Notice of Award, then you must request approval from the funding agency's program officer. The request must be submitted to the ORSP office for review and signature of the AVPAA.

If you have questions regarding the carryover request, contact the ORSP office for further guidance.

Appendix A – Federal Grant Management Guidance

In the case of federal grants and often applied to other grants, **2 CFR 200** provides general guidance on grants and agreements and associated regulations regarding management and budgeting. Several federal agencies including NSF, HHS, DOE, DHS, and USDA have collaborated to create a crosswalk between 2 CFR 200 and its applicability to their sponsored activities. The crosswalk is referred to as Research Terms and Conditions (RTC) and may be found on the NSF website, **RTC**.

The RTC offers more specific guidance on 2 CFR 200 topics in the following categories:

- **RTC Overlay to 2 CFR 200** – Crosswalk between 2 CFR 200 and specific agency requirements.
- **RTC Appendix A – Prior Approval Matrix** – Guidance on when prior written approval is necessary for project revisions for several federal agencies.
- **RTC Appendix B – Subaward Requirements** – Guidance on agency-specific subaward requirements and 2 CFR 200 references.
- **RTC Appendix C – National Policy Requirements** – Cross-reference between national policy requirements and several federal agency-specific requirements.

Appendix B – Stipends

ORSP Student Stipend Request Form

Financial Aid ☐ Accounts Payable ☐ HR/Payroll ☐

Select the appropriate box based on the stipend flowchart, which can be found on the attached ORSP Student Stipend Pathway - page 2. If you are unsure, please contact the Office of Research and Sponsored Projects (ORSP) for assistance.

Note: If a grant needs to process numerous stipends simultaneously, please contact the Office of Research and Sponsored Projects for further assistance.

Please apply a student stipend based on the following details:

1. Student Name:
2. Student ID:
3. Amount:
4. FOAP 1 / Distribution 1:
5. FOAP 2 / Distribution 2:
6. Semester / Year:
7. Start Date:
8. End Date:
9. Attach Special Instructions and Purpose of the Stipend to Request Form.

Principal Investigator/Grant Coordinator Signature:

Date:

Office of Research and Sponsored Projects Signature:
Date:

Financial Aid Signature:
Date:

Accounts Payable Signature:
Date:

HR/Payroll Signature:
Date:

Not all signatures are necessary. The signatures are dependent on the selection of the stipend. The only two signatures that are a **must** are the PI/Grant Coordinator and the ORSP.

ORSP Student Stipends

General Description

The student stipend process may lead to three different payment pathways that depend on project requirements or individual student situation.

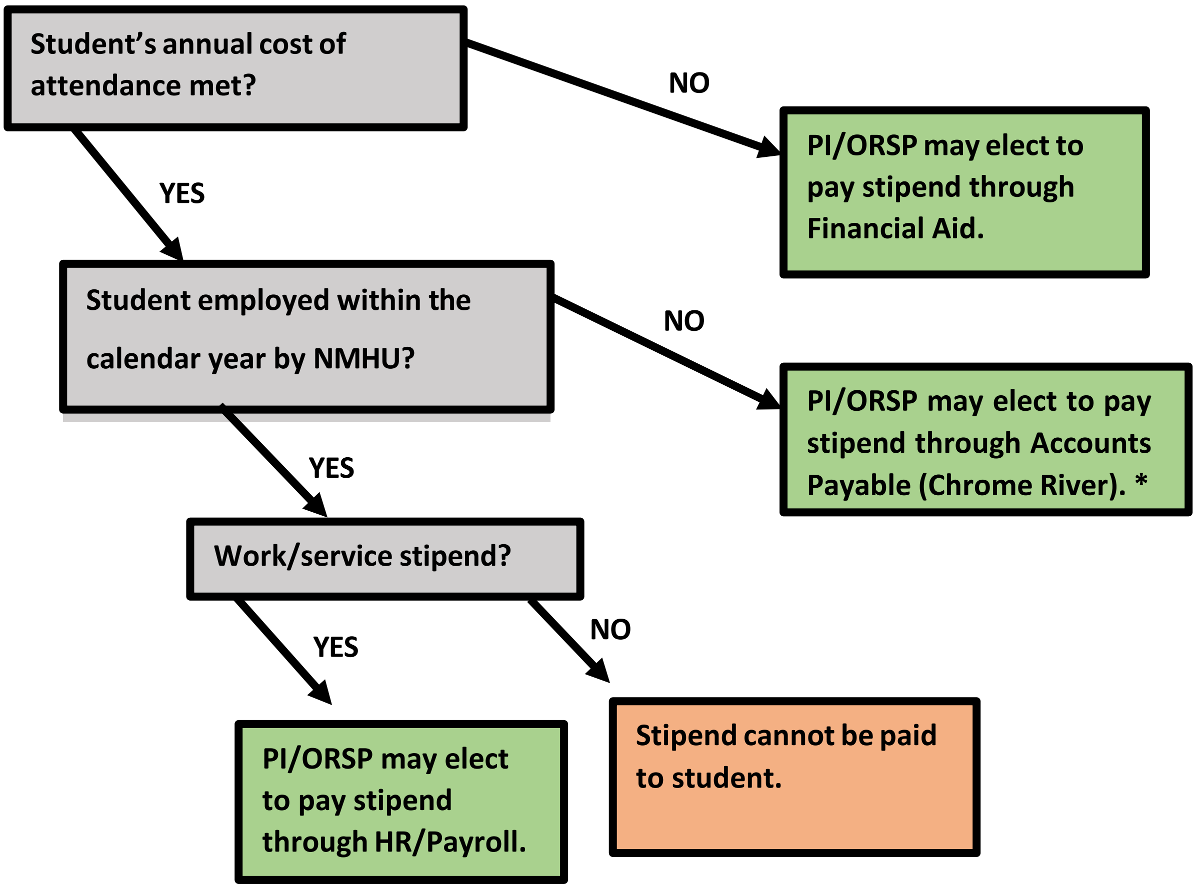
Agreements

1. Principal Investigator (PI) ensures these pathways meet particular grant or contract requirements.
2. PI ensures early communication and timely submission for payment.
3. PI and student understand that stipend may only be disbursed during a term in which the student is enrolled.
4. PI and student understand that stipends may be taxable depending on individual's tax situation.

Advantages and Disadvantages of Each Method of Disbursement

1. Financial Aid
    a. Pro – May be tax exempt depending on IRS rules, i.e. debt reduction.
    b. Con – Stipend is applied to tuition/fees first before going to student, i.e. less walkaround money.
2. Accounts Payable
    a. Pro – Direct payment with no tax reduction, i.e. walkaround money.
    b. Con – There may be unexpected tax implication at the end of tax year. AP not an option if student has been a student employee in same tax year.
3. HR Payroll
    a. Pro – Direct payment with taxes, etc. deducted, i.e. less walkaround money.
    b. Con – Service/work requirement with other possible HR requirements.

Flowchart



*In a calendar year, amounts paid through Accounts Payable higher than the IRS threshold (currently $600) will be subject to 1099 reporting, and students will be required to complete a W-9 form.

TIPS

1. **If student enrollment is unknown, reference Degree Audit or contact Registrar at Registrar@nmhu.edu. It is best if student ID is known.**

2. **If student employment is unknown, contact Financial Aid at FinancialAid@nmhu.edu. It is best if student ID is known.**

3. **If cost of attendance is unknown, contact Financial Aid at FinancialAid@nmhu.edu. It is best if student ID is known.**

Financial Aid Process:

Submit stipend request form to the Office of Research and Sponsored Projects (ORSP) with the following information:

- Student Name(s)
- Student ID(s)
- Stipend Amount
- FOAP
- Stipend Semester
- Special Instructions, as necessary

NOTE: ORSP will review for compliance and forward to FA for processing.

Accounts Payable Process:

Using Chrome River, create an invoice for each student with:

- Student Name
- Student ID
- Stipend Amount
- FOAP
- Attach stipend request form

NOTEs:

- ORSP will review for compliance as part of the approval process in Chrome River.
- Student may need to complete vendor-type forms (W-9, Direct Deposit, etc.) to receive payment.
- Student may elect to sign up for direct deposit. If not, they will receive a paper check. If AP is not told to hold the paper check, it will be mailed.

HR/Payroll Process:

Create a Student-Hire form and accompanying stipend request form and submit to ORSP to briefly describe:

- Purpose of Stipend
- Student Name
- Student ID
- Stipend Amount
- FOAP
- Stipend Date(s)
- Purpose of the Stipend, Service to be Performed, FOAP

NOTEs:

- ORSP will review for compliance and forward to HR for processing.
- Though a grant may allow non-service stipends, there must be service for a stipend to be processed through HR/Payroll. Additional HR/Payroll requirements may be assignment of a supervisor, timesheet reporting, etc.

Appendix C – Chart of Accounts

There are hundreds of account numbers available in the university's financial management system. The list below is provided as a guide to those accounts that are most commonly used in grant/contract management.

NOTE: ***The Indirect Cost (IDC) Exclusions are required by the Negotiated Indirect Cost Rate Agreement (NICRA) for federally-sponsored grants. Private- and state-sponsored grants may not have any IDC exclusions. It is highly recommended that a PI consult with ORSP when developing the project budget and any subsequent budget adjustments.***

Account	IDC Excluded	Title	Examples
5410	No	Federal Revenue	Revenue on Federal Grants
5510	No	State Revenue	Revenue on State grants
6111	No	Professional Salaries	Salaried staff (term)
6118	No	Faculty - Non-teaching Supplemental	Overloads, faculty stipends, supplementals
6131	No	Secretarial/Clerical	Secretary (term)
6121	No	GA/TA/RA Salaries	Graduate Assistants
6141	No	Technician Salaries	Hourly Techs
6145	No	Temporary Professionals	Short period staff (hourly)
6148	No	Special Supplemental Pay	Bonuses
6151	No	Departmental Students	Work-study (undergrad student workers)
6154	Yes	Student Salaried Stipends	Student stipends paid through HR (please refer to stipend chart)
6210	No	Benefits	Catch all for Fringe (anything 62xx) Health, Vision, Dental, Retirement, etc.
6226	Yes	Graduate Tuition Remission	GA Tuition
7112	No	Honorarium	Honorarium is payment for a service performed. (lecture, presentation)
7114	No	Consultants	Contracted Professionals to be paid via AP
7115	No	Other - General Expenses	Food (not PSC) or other expenses that are not consultants such as non-employee travel
7116	After $25k	Sub-Contracts	Subawards NMHU gives to other universities/colleges
7151	No	Supplies	Consumables that do not exceed $1,000
7154	No	Equipment <$1,000	Equipment (computers, etc.) do not exceed $5k
7155	No	Dues, Membership, Non-Travel Registration	Fees for professional membership

7156	No	Printing & Reproduction	Poster printing, publications in journals
7511	Yes	Student Aid	Tuition payments for Graduate students
7513	Yes	Stipends	Non-Participant Support Stipends paid through AP (please refer to stipend chart)
7517	Yes	Student Activity (updating to 7518)	Participant Support (Food, Housing, Stipends)
7518	Yes	Grant Participant Support Costs	Participant Support (Food, Housing, Stipends)
7530	Yes	Indirect Cost	F&A, IDC, Overhead, Cost of doing Business
7540	No	Advertising/Publicity	Radio, TV, social media ads
7550	No	Software/License Fees	Non-Hardware IT related items
7552	No	Maintenance & Repair	Warranties, repair costs, etc.
7611	No	Travel In-State	Staff/Faculty in-state travel
7612	No	Travel Out-of-State	Staff/Faculty out of state travel
7614	Yes	Travel Student	Student travel
7620	Yes	Grant Participant Support Travel	Travel associated w/Participant Support (usually students)
7910	Yes	Vehicles	Vehicle Purchases
7950	No	Equipment & Furniture >$1,000	Equipment $1,000 -$5,999
7955	Yes	Equipment & Furniture >$5,000	Equipment over $5k

Appendix D – Participant Support Costs

Participant Support refers to direct costs paid to or on behalf of participants or trainees (but not employees) in connection with federally funded projects. Depending on the project and the university's Negotiated Indirect Cost Rate Agreement (NICRA), participant support costs may likely be excluded from indirect costs.

It is important to have a clear understanding of this category while developing the budget in the pre-award phase as well as budget management during the post-award phase.

This appendix offers a short summary of guidance on activities that may qualify as participant support and also provides reference to more detailed guidance in 2 CFR and NSF. The ORSP team is available to assist with planning and managing this category.

Typical Participant Support Costs (by students or trainees, but not employees):

- Conferences or training projects,
  - Only if attending as a participant
  - Not allowable if attending primarily as a speaker and/or assistance as conference management
- Stipends
- Subsistence allowances – must follow regulations when meals are provided in full or part
- Travel allowances – there may be restrictions regarding class of accommodation and use of U.S.-Flag carriers
- Registration fees
- In training activities that involve off-site fieldwork, the costs of transportation of participants are allowable.
- Speaker fees – only if the primary purpose of the individual's attendance at the conference is learning and receiving training as a participant

Not allowable as Participant Support Costs, but may be allowable in other budget categories:

- Per diem for local participants
- Incentive payments to research subjects
- Speaker fees - if the primary purpose is to speak or assist with management of the conference

References:

- **2 CFR §200.1 – Definitions.**
- **NSF Proposal and Award Policies and Procedures Guide**, PAPPG Chapter II.D.2.f.(v) – Participant Support