RESOLUTION OF THE
BOARD OF REGENTS OF
NAVAJO TECHNICAL UNIVERSITY

<u>The Sponsored Projects Office puts forth the Sponsored Project Manual for approval which outlines a new process for the Pre- and Post- award areas of grants management at Navajo Technical University, Attached as Exhibit A</u>
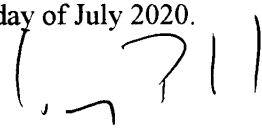
WHEREAS:

1. The Board of Regents of Navajo Technical University is responsible for the administration, operations and the development of policy as stated in Navajo Nation Council Resolution, CO-58-16, enacted on November 10, 2016, that amended the University's enabling legislation, codified at 15 N.N.C. §§1201-1210; and

2. Pursuant to the University's enabling legislation, Navajo Technical University (NTU) is organized as an institution of higher learning for the primary purpose of providing post-secondary and post-graduate education programs that serve both the academic and vocational/technical needs of the Navajo Nation and its citizens, 15 N.N.C. §1203(A); and

3. Pursuant to the University's enabling legislation, the Board of Regents of Navajo Technical University is authorized to manage and control the University for the effective governance and administration of the University; 15 N.N.C. § 1205(A); and

4. On July 9, 2020, the Sponsored Projects Office puts forth for approval the Sponsored Projects Manual. The manual is intended to streamline the processing of Pre-award and Post-award processes that will help Navajo Technical University gain control over how and when proposals are submitted and on the post award side will allow for an improved method of setting up awards, file management, and close out procedures.

5. The Administration of Navajo Technical University recommends the Board of Regents of Navajo Technical University approve the Sponsored Projects Manual, Attached as Exhibit A.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Regents of Navajo Technical University approves the Sponsored Projects Manual. Attached as Exhibit A.

2. The President of Navajo Technical University is hereby authorized, directed and empowered to do all things necessary to effectuate the purpose of this resolution.

CERTIFICATION

I hereby certify that the foregoing resolution was discussed and considered by the Board of Regents of Navajo Technical University at a duly called meeting held by telephone conference call at which a quorum was present and that this resolution was passed by a vote of **6** in favor, **0** opposed, and **0** abstained, this 16th day of July 2020.

Tom Platero, Chairperson
NTU Board of Regents

RESOLUTION OF THE
BOARD OF REGENTS OF
NAVAJO TECHNICAL UNIVERSITY

<u>Approving Recommended Edits for Section 5.5 Cost Transfers and Approvals in the Sponsored Project Manual Which Outlines Cost Transfers Are to Be Completed within the 90 days from the Fiscal Month-End Close per Recommendations from National Science Foundation Site Visit December 2020, Attached as Exhibit A</u>
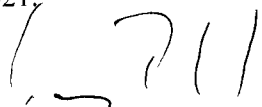
WHEREAS:

1. The Board of Regents of Navajo Technical University is responsible for the administration, operations and the development of policy as stated in Navajo Nation Council Resolution, CO-58-16, enacted on November 10, 2016, that amended the University's enabling legislation, codified at 15 N.N.C. §§1201-1210; and

2. Pursuant to the University's enabling legislation, Navajo Technical University (NTU) is organized as an institution of higher learning for the primary purpose of providing post-secondary and post-graduate education programs that serve both the academic and vocational/technical needs of the Navajo Nation and its citizens, 15 N.N.C. §1203(A); and

3. Pursuant to the University's enabling legislation, the Board of Regents of Navajo Technical University is authorized to manage and control the University for the effective governance and administration of the University; 15 N.N.C. § 1205(A); and

4. The National Science Foundation conducted a "virtual" site visit to NTU campus and recommended that the Sponsored Projects Manual be amended to include a 90-day time limit for which cost transfers will be prepared and submitted from the fiscal month-end closing of each month. The manual was intended to streamline the processing of Pre-award and Post-award processes that will help Navajo Technical University gain control over how and when proposals are submitted and on the post award side will allow for an improved method of setting up awards, file management, and close out procedures; and

5. The Administration of Navajo Technical University recommends the Board of Regents of Navajo Technical University ratify the Sponsored Projects Manual as recommended, Attached as Exhibit A.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Regents of Navajo Technical University ratifies the Sponsored Projects Manual. Attached as Exhibit A.

2. The President of Navajo Technical University is hereby authorized, directed and empowered to do all things necessary to effectuate the purpose of this resolution.

CERTIFICATION

I hereby certify that the foregoing resolution was discussed and considered by the Board of Regents of Navajo Technical University at a duly called meeting held in Crownpoint, NM at which a quorum was present and that this resolution was passed by a vote of **6** in favor, **0** opposed, and **0** abstained, this 26th day of July 2021.

_____
Tom Platero, Chairperson
NTU Board of Regents

5.5   Cost Transfers and Approvals

A cost transfer is the reassignment of an expenditure to a sponsored project after the expense was initially charged to another university account, or vice versa. Examples of cost transfers include payroll paid from the wrong account, employee's salary that was not removed from the grant in a timely manner, expenses coded to the wrong account, or disallowed costs rejected by the sponsor.

Cost transfers will be prepared and submitted within 90 days from the fiscal month-end close date of the calendar month in which the transaction appears on the award, except in cases where the sponsor's (federal or non-federal) terms and conditions are stricter than NTU's policy.

Department correction requests
The NTU Financial Services department will have permissions in Jenzabar to perform cost transfers.

Payroll cost transfers
The NTU Financial Services department will have permissions in Jenzabar to perform payroll cost transfers.

Any expenditure moved from one account to another 90 days after the original cost transaction will be subject to increased review and may only be approved under extenuating circumstances.

When the cost transfers are complete, they will post overnight.

Office of Sponsored Projects Administration Procedures Manual

Table of Contents

Section 1: Introduction

1.1   Purpose and Scope of Manual

The primary purpose of sponsored agreements managed by Navajo Technical University is to further the instructional, research, and public service objectives of the university in a manner consistent with its status as an agency of the Navajo Nation.

All sponsored proposals and projects will be submitted through the Office of Sponsored Projects (OSP) in conjunction with Navajo Technical University's Mission, Vision, Philosophy, and Goals.

Through its acceptance of sponsored agreements, the university agrees to administer agreements in full compliance with federal, state, tribal, and other applicable regulations associated with performing sponsored activities. Funds received by a sponsor for a particular activity are restricted to that purpose. Various university offices share responsibilities for the administration of sponsored agreements in regard to the oversight of funds, personnel, and facilities involved in a sponsored activity.

This manual has been created to acquaint Principal Investigators with Navajo Technical University's Office of Sponsored Projects and to serve as a reference guide to the basic processes involved in obtaining and administering external funding. We hope this manual will serve as a useful guide for university faculty and staff, and we welcome any feedback concerning its contents. Please send suggestions, comments, etc., to the Sponsored Projects Manager at OSP@navajotech.edu

1.2   Types of Sponsored Projects

Sponsored projects are established when funds area awarded to Navajo Technical University by external sources in support of research, instruction, training, service, or other scholarly activities, typically in the form of grants, contracts, or cooperative agreements. Navajo Technical University accepts the award, and by doing so, assumes the obligation to provide deliverables in exchange for the sponsor's funding. Sponsored projects require separate accountability for the funds received. Cooperative agreements are grants that typically involve a significant level of sponsor participation in the administration and direction of the project.

1.3   Cayuse Sponsored Project Online System

Cayuse is an online system that serves as a repository for records regarding sponsored projects. All sponsored projects at Navajo Technical University are logged into the Cayuse system to maintain a record of projects and route them for appropriate approvals prior to submission in sponsors portal.

Personnel are provided with access to Cayuse with the necessary functions appropriate to their university role and their level of approval. The Cayuse Administrator(s) will contact Human Resources to determine if there are new employees who will need to be added to Cayuse.

Ad hoc access will also be updated on an as needed basis by the Cayuse Administrator(s). Any updates to users' settings such as university roles, levels of approvals, and security updates should be submitted in writing to the Cayuse Administrator(s). The email or memo should also include the Dean(s) of Graduate Studies, Undergraduate Studies, Applied Technology, and the Provost, or their delegate before its processed. The approved requests will be stored in the Office of Sponsored Projects document repository for future reference.

Cayuse roles are listed below and the positions to which the roles are typically assigned. There may be other positions to which the roles could be assigned, however, based on rationale, these exceptions will be documented in the completed Cayuse Security Role Update Request.

Note that changes to Cayuse roles are listed in the most recent version of the Cayuse User Manual, which shall take precedence over the roles listed below:

Role Name	Role Description	Access Level	Typically granted to
Account Indirect Cost Reallocation Administrator	Edit IDC reallocation screen regardless of who the Admin Org on the account is	Administrative Organization	Grant & Contract Accountant
Admin Org Administrator	Edit Administrative Organization profile, Task Assignment Groups	Administrative Organization	Cayuse Administrator(s)
Conflict of Interest Official	Create/edit/review financial disclosures	Administrative Organization	Conflict of Interest Official(s) for Campus (Business Office?)
Deliverables Administrator	Create/edit project deliverables	Administrative Organization	Budget Manager, Contracts & Grants Accountant, Sponsored Projects Mgr.
Executive	Query access to proposal, award, expenditures summary data	Organization	Sponsored Projects Mgr., Dean(s), Provost, Contracts & Grants Accountant
Executive Admin	Query access to Administrative dashboard	Administrative organization	Sponsored Projects Mgr., Dean(s), Provost, Contracts & Grants Accountant
Federal Conflict Of Interest Viewer	Query access to FCOI disclosure data	Member	Sponsored Projects Mgr., Dean(s), Provost, Contracts & Grants Accountant
Negotiator	Create/edit project records but restricted from create/edit project actions	Administrative organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Project Administration	Create/edit project records	Administrative organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Project Report Viewer	Access to project reports menu	Organization	Contracts & Grants Accountant, Sponsored Projects Mgr.

Project Viewer	View project records	Organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Proposal Administrator	Create/edit proposal records	Administration organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Proposal Report Viewer	Access to proposal reports menu	Organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Proposal Routing Administrator	Submit proposal for electronic routing	Administration organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Proposal submitter	Create/edit proposal submission log	Administration organization	PIs, Contracts & Grants Accountant, Sponsored Projects Mgr., Dean(s), Provost
Proposal Viewer	View proposal records	Organization	PIs, Contracts & Grants Accountant, Sponsored Projects Mgr., Dean(s), Provost
Reporting Administrator	Edit NSF Reporting, Member settings, Task Assignment Groups, update reporting codes on projects/proposals	Administrative Organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Research Administrative Assistant	Upload and complete project deliverables (note PI also has to select user as a delegate in My Settings page and user must be listed as Secondary Assistant on deliverable record	PI Organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Research Data Administrator	Create/edit Research Data Management entries	Member	Contracts & Grants Accountant, Sponsored Projects Mgr.
Research System Administrator	Create/edit Proposal QC template Create/edit Contact Assignment Create/edit Task Assignment Groups	Administrative Organization	Contracts & Grants Accountant, Sponsored Projects Mgr.
Researcher Reviewer	View access to Researcher module (Accounts, Proposals, Projects)	Organization PI Account	Contracts & Grants Accountant, Sponsored Projects Mgr.
Researcher Worker Administrator	Maintain PI eligible field in Workday	Member	Contracts & Grants Accountant, Sponsored Projects Mgr.
Routing Manager	Maintain routing paths for members	Member	Contracts & Grants Accountant, Sponsored Projects Mgr.
Template Administrator	Create/edit terms and conditions templates Create/edit deliverable templates	Administrative Organization	Contracts & Grants Accountant, Sponsored Projects Mgr.

User Account Administrator	Create, update, deactivate users access requests	Member	Contracts & Grants Accountant, Sponsored Projects Mgr.
User Account Request viewer	View user requests	Member	Contracts & Grants Accountant, Sponsored Projects Mgr.

1.4   Key Areas of Responsibility for the Office of Sponsored Projects

The sponsored project office will support both pre-award and post-award activities. The Navajo Technical University's Office of Sponsored Projects should be consulted for all questions about sponsoring agency policies and/or procedures. The Sponsored Projects Manager within the OSP office will be the central contact for Principal Investigators concerning pre-award non-financial activities and the Contracts & Grants Accountant will be the central contact for post-award financial activities.

All proposals for external funding of sponsored projects must be submitted through the Office of Sponsored Projects (or its delegate).

The Office of Sponsored Projects also offers the following services to Principal Investigators as needed:
   a. Assist in identifying funding opportunities
   b. Review and interpret sponsor guidelines
   c. Review Budgets and Budget Justifications with assistance from Principal Investigator(s) or Project/Program Director(s).
   d. Review proposals for compliance with funding guidelines and institutional policies
   e. Edit proposals for grammar/make suggestions for strengthening the proposal
   f. Prepare representations and certifications
   g. Offer Cayuse assistance and training
   h. Serve as liaison between Navajo Technical University/PI or PD and sponsor
   i. Read and review terms and conditions of incoming awards and summarize within Cayuse for easier award administration

When a proposal or contract is awarded, the Sponsored Projects Manager, in coordination with the Contracts & Grants Accountant in the Financial Services Department will:
   a. Coordinate an informational "New Award Kick-off Meeting" with the PI and support staff that includes pre and post award processes and individualized preview of project needs
   b. Negotiate award terms
   c. Prepare and negotiate sub-agreements and/or professional services contracts to outside entities
   d. Assist with routine requests to sponsor (e.g. no cost extensions, re-budgeting requests)
   e. Assist PI/PD with transfers of active sponsored projects to or from another institution
   f. Facilitate internal grant awards

g. Assist with day-to-day administration of the Export Control and Financial Conflict of Interest
h. Set-up project accounts
i. Monitor account(s) and determine allowability of costs
j. Invoice sponsor
k. Conduct internal and external financial reporting
l. Close out account(s)
m. Monitor time & effort

Section 2: Proposal Preparation and Submission

2.1 Identifying Funding Opportunities

The first step in any sponsored project is locating a source of funding for research. Our primary goal is to make the process as simple as possible with a number of tools and resources available online and utilizing specialized databases dedicated to identifying grants such as Pivot and GrantForward. The Office of Sponsored Projects webpage will have links to external federal, state, and private researching sources.

Sponsored Guidelines and Proposal Forms
Once a PI has identified a funding opportunity, he or she should contact the Office of Sponsored Projects to begin the steps toward submitting a proposal. The Sponsored Projects Manager will assist the PI with the following:
1. Creating a Cayuse proposal as early as possible
2. Provide the necessary feedback about the proposal requirements after reviewing the Requests for Proposals (RFP) as soon as it is provided in preparation to routing the Cayuse file for approval prior to submission

In order to maximize our resources here at Navajo Technical University, PI's should plan well in advance of a proposal deadline. In order to accommodate growth, it is imperative for the Office of Sponsored Projects to develop the necessary personnel, keep up with the latest technology and update to date software as needed. At the present time, the Office of Sponsored Projects and the Contracts & Grants Accountant are in separate offices, however, as an industry standard and through the implementation of an electronic proposal routing system (Cayuse) to improve efficiency, as done by other research universities, these offices should be combined in the near future. Continuous training will increase the overall professionalism of grant administration and customer service. In anticipation of increased faculty interest and success in seeking sponsored projects will continue, the timely notification of intent to submit is imperative so that properly vetted proposals are likely to be funded.

To begin with, submission of a proposal transmitted to OSP close to sponsor deadline is increasingly likely to be unsuccessful due to sponsor portal/system being unable to cope with the volume of last-minute submissions. That is, last minute submissions jeopardize the chance of even being able to successfully upload the required documents to the sponsor submission websites, which often become slow or unresponsive during the days and hours approaching deadlines.

2.2   Sponsored Project Key Personnel Eligibility

Eligibility to act as a University PI, Co-PI, or Co-Investigator on a sponsored project is limited to University employees (faculty or faculty-equivalent research position), excluding positions for which student status is a requirement. University Principal Investigators who have non-faculty/non-faculty equivalent research position must be granted an exception based on the approval of the Undergraduate Dean or designee. For those reporting to an academic college, an approval from the Graduate / Undergraduate Dean(s) or their designee is acceptable. All individuals who serve in the role of a principal investigator on university-sponsored projects must be employed by the University in a budgeted position.

Key Personnel Roles & Responsibilities

Principal Investigator (PI): This individual has been designated by the University and the sponsor as the responsible person for overall administrative, fiscal, scientific and technical direction, and conduct of a sponsored project within the terms and conditions of the award and in accordance with University and sponsor rules and regulations. Where there are other PIs on the grant designated by the University and the sponsor, they are referred to as Co-PIs. In these cases, the PI assumes the role of project leader or lead PI and is listed first on the proposal.

Co-Principal Investigator (Co-PI): This individual has been designated by the University and the sponsor as a Co-PI and shares the responsibilities for the sponsored project with the PI. In addition to responsibilities for the administrative, compliance, and scientific and technical direction of a sponsored project, the Co-PI has fiscal authority and may oversee the spending of a sponsored project in accordance with its terms and conditions.

Co-Investigator (Co-I): As an investigator on a sponsored project, this individual is responsible for conducting research within the terms and conditions of the award and in accordance with University and sponsor rules and regulations. Individuals serving in this role must be approved by the University through the normal administrative channels. Co-Is do not have fiscal authority by virtue of their title, but can be given authority if delegated in writing by the PI.

Collaborator: An individual who commits to contribute to the scientific development or execution of the project, but does not commit any specified measurable level of effort on the project. Individuals who qualify for the role of PI, Co-PI, or Co-I and who will contribute measurable effort may not be listed as a collaborator. Individuals are not expected to meet the eligibility criteria defined as a collaborator on a sponsored research proposal or project.

Special Conditions

Retired Faculty and Visiting Faculty may be approved to participate in a Sponsored Project at Navajo Technical University on a case-by-case basis or under "special considerations" to support a multidisciplinary "team." Written approval may be granted by the Graduate Dean, Undergraduate Dean and/or the Provost.

Individuals appointed with titles such as Research Associate, Postdoctoral Fellow or Graduate student are not eligible to serve as a PI unless the sponsor award is specifically directed at such

individuals (such as a fellowship application) and appropriate faculty supervision is assured, by a member of the faculty who is eligible to serve as a PI.

2.3   Preparing the Budget

The proposal creation is the most important step of the grant process. The proposal requirements are determined by the sponsor and can be found in the sponsors' funding guidelines within the Request for Proposals (RFP) sometimes called Request for Applications (RFA). The guidelines are often very specific, down to page limitations, font size, margin widths, and organization of the narrative and budget. Some sponsors even provide templates that must be used in the submission. An investigator is strongly encouraged to meticulously review the RFP to ensure that the proposal is created following the instructions precisely. The Sponsored Projects Manager will also review the requirements prior to submission and will provide feedback to the PI's if documents are not properly developed or timely provided.

2.4   Project Budget

The budget is developed in conjunction with the Office of Sponsored Projects following the sponsor's guidelines as well as the applicable University, System, and Federal requirements. The Sponsored Projects Manager will work closely with the Contracts & Grants Accountant when questions arise during the development of the proposal budget to ensure budgeted costs are *allowable, reasonable,* and *allocable* to the project.

Allowable costs are those categories of costs that can be charged to a sponsored project. Certain types of costs (e.g. liquor) are not allowable and may not be charged at any time; others may be restricted by the sponsor. See CFR §200.403 - Factors affecting allowability of costs.

Costs are considered *reasonable* if a prudent person would have paid a similar amount for the item in the same circumstances. See CFR §200.404 - Reasonable costs.
Costs of goods or services are *allocable* if, based on the benefit they provided, they can be directly assigned to the award. See CFR §200.405 - Allocable costs.

The purpose of this section is to introduce cost categories in the proposed budget, discuss the need for budget justification, and introduce a number of Navajo Technical Universities policies and procedures affecting sponsored research budgets. The Principal Investigator is encouraged to provide a draft of the budget to the Office of Sponsored Projects for review as soon as possible in the proposal preparation process.

The proposal budget should delineate the entire cost of the project, lists the amount being requested from the sponsor, and identify project costs that will be met by other sources. The proposal's budget must accurately reflect necessary project costs that are allowable and reasonable. These costs must also be supported by budget documentation. Elements of most budgets include direct costs, indirect costs, cost sharing, and a budget justification. The budget should clearly state to the sponsor how much the entire project will cost and what the specific cost categories are.

If the project is well thought out, the budget will reflect the methodology described within the proposal narrative. Most reviewers will be able to determine if sufficient funds are being requested to successfully complete the project, and that those costs are reasonable given the scope of work.

Accuracy and detail are essential in this section. Again, researchers are encouraged to follow a sponsor's guidelines exactly. Be sure to show all costs related to the project. Keep in mind that sponsors will support costs that are reasonable and justified in a budget description.

Direct Costs: Costs directly linked with carrying out the work of the project. Direct costs include the following:

Salaries and Wages

The time and effort of all Navajo Technical University personnel should be included in the budget. Proposed salaries must be in accordance with University approved salary scales and position grades. For information and advice on salaries ranges and position grade levels contact the Office of Human Resources. In developing a multi-year project budget, remember to factor in salary increases. Note: allow for flexibility in hiring by requesting sufficient salary funding to attract the best qualified or most experienced applicant.

Fringe Benefits

Fringe benefits include such items as health insurance, retirement benefits, and federal withholdings. Rates are contingent on the type of appointment each staff holds, full time or part time faculty. The rate must be charged to the grant in relationship to the salaries and percentage of effort charged to the grant. Obtain current fringe benefit rates from the Office of Sponsored Projects homepage.

Consultants

Consultants provide technical expertise for a limited duration necessary for the conduct of the sponsored project. A consultant is not considered an employee of Navajo Technical University.

Equipment

Equipment critical to carrying out the project should be listed with a catalogue price or accurate estimate of the cost of each item listed (capital equipment is defined as items costing more than $5,000)

Materials and Supplies

Expendable equipment (up to $5,000) and supplies should be listed in this section. Each item or group of items should be listed and carefully justified in terms of need.

Travel

Domestic and foreign travel costs include meals, lodging, airfare, and ground transportation. The type and extent of domestic travel and its relationship to the project should be specified. Travel allowances for air travel normally cover round trip cost of coach accommodations. Separate projected transportation costs from food and lodging costs. [NOTE: It is often advisable to build staff interview costs into the total cost of project travel]

Other Direct Costs

May include services such as those activities performed to support the project effort. Examples may include project specific postage, installation of equipment, maintenance on equipment, delivery costs, human subject fees, and project specific telephone service. Some services list exclusively as part of the project may also be considered subcontract expenses.

Subcontracts

Subcontracts and subgrants are agreements by which some scientific or programmatic aspects of a grant or contract made originally to Navajo Technical University are contracted out to another organization. A subcontract is appropriate when a portion of the research or grant activity will be performed at another institution or commercial vendor. The primary proposal to be submitted to a sponsor must include the subcontractor's statement of work and proposed budget. A Letter of Intent from the proposed contracting organizations should be included with the primary proposal information. Navajo Technical University will charge overhead on the first $25,000 of a subcontract. Contact the NTU Business Office and/or Contracts & Grants Accountant for guidance in obtaining outside bids, and contract negotiation with outside vendors.

Indirect Costs

Indirect costs are costs that are not readily identifiable with individual projects. They allow an institution to recover some of the costs associated with supporting the research project. In developing the indirect cost rate such expenses as utilities and library use are factored into the indirect cost rate. These costs must be included in all budgets as a percent of total direct costs, excluding services and subcontract costs.

Indirect costs are computed into the final cost of the project using a rate that has been established between Navajo Technical University and the Federal Government. Indirect cost rates are fixed for a negotiated period of time and are consistent for all grant or contract applications unless the sponsor prohibits indirect costs or designates another rate. There are times when the OSP may negotiate a different indirect cost rate that is lower than Navajo Technical University's negotiated rate. Exceptions must be requested in writing and sent to the appropriate Dean for your area.

At this time there is NO Off-Campus indirect cost rate, all Navajo Technical University sites are subject to the provisional 40.35% rate.

In all other projects not conducted in Navajo Technical University owned buildings, rent should NOT be included as a direct cost item if the On-Campus rate is used. Rent is automatically included in the On-Campus indirect costs and will be paid out of the indirect costs recovered.

Indirect Costs cannot be charged on equipment, alterations and renovations, patient care costs, rental and maintenance of off-site facilities, tuition remission, scholarships and fellowships, and subcontract amounts over $25,000.

Cost Sharing and Matching Funds

Some sponsors require that the University contribute a certain portion of funding to the overall cost of a project or the purchase of a piece of equipment. This contribution may come from in-kind (non-cash) or cash contributions and must be approved by the appropriate Navajo Technical University official, Dean(s), Provost, and/or Finance Director, and/or Vice President of Operations, and/or University President. For this reason, be sure to obtain written authorization for cost sharing before writing or submitting a proposal requiring this kind of commitment by the University.

Definitions

Cost sharing is that portion of the total costs - direct and indirect - of a sponsored project or program that meets the following criteria:

1. It is not provided by the sponsor, i.e., Navajo Technical University has agreed to fund it; and
2. It is included in the itemized costs of the project or program's budget that has been approved by the sponsor.

Cost sharing as defined above may be included in either of the following categories:

Mandatory Cost Sharing: Cost contribution required of the grantee by the sponsor as a condition of the award, such as the matching requirements of challenge grants.

Voluntary Cost Sharing: Cost contribution voluntarily offered by the Principal Investigator and accepted by the sponsor in the program budget.

Federal Regulations Regarding Cost Share Dollars

Please note that the Uniform Guidance implemented in December of 2014 has made significant changes concerning cost sharing and federal grants. Cost Sharing is now only allowed under narrow circumstances. As stated in the Uniform Guidance "Under Federal research proposals, voluntary committed cost sharing is not expected. It cannot be used as a factor during the merit review of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity."

Federal agencies must clearly indicate the nature and rationale for cost sharing requirements in funding solicitations. Prime grantees are required to provide pass-through entities with indirect

costs in relation to their negotiated indirect cost rate agreement or provide for a de minimus of 10%.

In order to be acceptable for cost sharing, costs must*:*

Per [OMB Uniform Guidance](#)

- Be allocable, i.e., necessary and reasonable for proper and efficient accomplishment of project or program objectives;
- Be allowable under the applicable cost principles; and

Per [OMB Uniform Guidance](#)

- Be verifiable from the grantee's records;
- Not be included as contributions for any other federally-assisted project or program;
- Not be paid by the Federal Government under another award, except where authorized by Federal statute to be used for cost sharing or matching;
- Be provided for in the approved budget when required by the Federal awarding agency;
- Not be unrecovered indirect costs without prior approval of the Federal awarding agency; and
- Conform to all other applicable provisions of the OMB Uniform Guidance

Required Approvals for Cost Sharing

When cost sharing appears on a proposal budget, the source, type and amount of funds should be identified by and authorized by the signature of the appropriate Dean(s). If the proposal budget contains required matching funds, the Office of Sponsored Projects should also review it to ascertain who is responsible for raising the funds externally.

Recording of Cost Share Transactions

The Business Office, along with the Contracts & Grants Accountant will record the direct portion of a cost share transaction (1) initially by charging (under the appropriate expense type) a sponsored account specifically created to capture the cost share related to a given sponsored project or program and (2) subsequently by transferring the charge from the sponsored account to the Principal Investigator's departmental account through the use of certain expense types.

The indirect portion of a cost share transaction is recorded (1) initially by charging the sponsored account under expense type 5000 and crediting the appropriate revenue or pool account under expense type 4000 and (2) subsequently by reversing this entry, i.e., crediting the sponsored account under expense type 4000 and debiting the revenue or pool account under expense 5000.

Budget Justification

The budget justification is the researcher's opportunity to describe in some detail any budget expenses that needs further clarification or explanation.

2.5   Compensation for Externally Funded Faculty (Course buyout)

A PI's compensation cannot exceed the employee's Institutional Based Salary (IBS) as stated in his or her appointment letter. IBS includes compensation for instruction, public service, research, and other normal job activities but **does not** include fringe benefits, supplemental compensation, or any income earned outside of Navajo Technical University. **OMB Circular A-21: Cost Principles for Educational Institutions 2 CFR 200 Uniform Administrative Requirements. Cost Principles and Audit Requirements for Federal Awards.**

Students or other personnel will be compensated from externally funded projects at rates comparable to existing Navajo Technical University rates. Investigators are encouraged to consult with Human Resources and/or Payroll to determine compensation rates for projects. Investigators are encouraged to include allocations in the project budget to cover the Investigators' time, other personnel, including students, in addition to travel, goods, services, equipment and indirect cost. Refer to 2.3 – Project Budget for more details on typical items to include on your project budget.

Faculty Course Buy-out

A course buyout is when grant funds "buy" a faculty member's released time by paying for that portion of their salary so that the equivalent amount of effort can be spent working on the grant.

A "Buyout" situation applies when a faculty member is granted a course release in order to accommodate a faculty member's work on an externally funded grant. The corresponding percentage of the faculty's appointment is directly charged (accounted for) to the grant account (budget) during the term of the buyout.

Guidelines

A faculty member may elect to "buy out" of teaching (often referred to as "course release") to work on a sponsored project, at a rate equal to 1/8th of nine-month Institutional Base Salary (IBS)* for each course released.

Institutional Base Salary (IBS): is the annual compensation the university pays for activities performed (including, as applicable, research, teaching, and clinical practice) as part of an employee's university appointment(s), specifically, INCLUDING: Regular Salary, Endowed Chair or professorship stipends; and Paid Professional leave (pay for sabbatical, vacation, and sick leave- not including sick leave pay payouts when departing from the university); EXCLUDING: Administrative stipends; Summer salary for non-12-month appointees; Service in excess payments; Royalties paid by the university; Reimbursements; and Any compensation of external professional activities, such as consulting or compensated peer review activities.

NOTE: The National Institutes of Health (NIH) sets an annual salary cap. Effective January 1, 2015, total compensation for individuals receiving funds from NIH and institutional sources may

not exceed $183,300. If a faculty member's annualized base salary exceeds this amount, the lower amount must be used[1].

The National Science Foundation (NSF) require that salary requests in grant budgets be expressed as months. No more than 2 months' salary may be requested for any senior personnel on one grant[2].

If a PI/PD or researcher is awarded a sponsored project that will require release from some of their teaching duties to participate on a project, the following guidelines have been established. Faculty may use extramural funds to buy-out courses as follows:

1. The extramural funds must cover the percentage of annual salary (and the associated benefits) equal to 10% of their 9-month salary regardless of normal teaching load of the particular faculty member. For 12-month faculty, the cost of a course buy-out will be 10% in a given academic year.
2. This percentage is based on the (Faculty handbook/HR/Payroll) policy designation that one course equivalent to 20% effort for a full-time faculty in any given semester, or 10% in a given academic year.

A course buy-out does not carry the privileges of a sabbatical leave. Participation in the program should in no way reduce the campus service and attendance responsibilities of the faculty member. The faculty member must remain on campus for the duration of the buy-out except when standard leaves of absence are granted with policy.

2.6   Facilities and Administrative Costs (F&A) or Indirect Cost (IDC) Rates

Navajo Technical University's Fiscal Procedures policy directs the establishment of procedures to recover all F&A or IDC based on the rates negotiated with the United States Department of Health and Human Services. Any exceptions, such as if a sponsor has a written policy of paying a specific F&A rate for all similar agreements regardless of which site is the recipient of the funding, requires an explanation be included in the internal routing documentation. In the case of a restriction of F&A costs by the sponsor, a copy of the sponsor's written policy must be included with the proposal package in Cayuse.

Navajo Technical University's most recent F&A rate agreement may be found on the Office of Sponsored Projects webpage (provisional agreement) and/or provided upon request.

Any voluntary requests (i.e., those not imposed by the sponsor) to waive or reduce F&A on projects is considered a type of cost share and must be captured within the accounting system. To be captured there must be an alternate account to which the charges will be expensed. For example, this cost share can be expensed from the Principal Investigator's portion of the indirect costs or another's such as the Dean's or Department Head's portion of the IDC upon approval. The proposed waiver must receive internal approvals and uploaded to the Cayuse proposal **prior** to submitting the budget to the sponsoring agency. Routing of IDC waivers must be processed **prior** to the final project routing process in Cayuse.

Note that waiving F&A costs results in two undesirable consequences:

1. The F&A costs incurred by Navajo Technical University will not be recovered for the particular project activity, which results in no compensation for sponsored project duties by the following, including but not limited to the Office of Sponsored Projects, Finance & Administration, Dean's Office, and the project Principal Investigators.
2. It imposes and undesirable impact when future F&A rates are negotiated. Unrecovered F&A costs cannot be included in future negotiations of the F&A cost recovery rate.

Applicability and duration of waived F&A

An F&A waiver will apply to the project and for the proposed amount of the waiver for the noncompeting period of the project provided there is no material change in the project that affects the basis on which the waiver was approved.

The approved F&A waiver will be uploaded to the Cayuse proposal.

2.7   Financial Conflict of Interests in Sponsored Projects

Navajo Technical University's Financial Conflict of Interest (FCOI) policy is designed to promote objectivity in research by establishing standards that provide a reasonable expectation that the design, conduct, and reporting of research, regardless of funding sources, will be free from bias resulting from Principal Investigator/Project Director financial conflicts of interest. It applies to the PI/PD, and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research or research activities. This policy is not applicable to students unless a student receives compensation from the project for their research efforts (e.g. scholarship, salary, or tuition reimbursement). FCOI disclosure is required on an annual basis and within 30 days after acquiring a new significant financial interest. The disclosure requirement extends to covered family members as well. The FCOI training is required prior to the first disclosure by a covered faculty member. The disclosures are completed through Cayuse. Contact the Sponsored Projects Manager if you require assistance with the disclosure or understanding the requirements.

This policy is distinct from and in addition to the current Faculty handbook and the current Fiscal Policy which applies to consulting and external professional employment by faculty members that is directly related to their academic and professional discipline.

2.8   Submitting the Proposal

The PI/PD must have a current FCOI Disclosure on file in Cayuse before a proposal will be submitted to a sponsor. All proposals and/or applications for external support must be reviewed by the Sponsored Projects Manager or its designee prior to submission to the sponsor. The review process applies to all grant and contract proposals. This also applies to pre-proposals or other preliminary grant applications, such as concept papers, if they involve budget figures or a commitment of institutional resources.

At this time, only the President or the Board of Regents have institutional signature authority for sponsored project proposals. Even when a funding agency's electronic system gives the PI/PD authority to submit their own proposals, they must be routed through Cayuse and

reviewed by the Sponsored Projects Manager prior to submission. Likewise, proposals that do not require an institutional signature must still be routed through Cayuse and the Sponsored Projects Manager before submission to the funding agency.

No PI/PD is authorized to sign on behalf of the University.

Adherence to the suggested proposal submission date of 14 days prior to the agency due date is strongly encouraged. Proposals need time to be reviewed by the Principal Investigator and Sponsored Projects Manager before the proposal can be routed in Cayuse for review and approval by Departments, Deans, Provost, Sponsored Projects, Vice President of Operations, and the President if applicable.

Meeting the suggested lead time may also provide the Office of Sponsored Projects or its designee the opportunity to submit the proposal early, which can help avoid last-minute electronic submission issues.

For the occasional situation when Investigators are unable to meet the 14-day lead time, they are encouraged to contact OSP as soon as possible and contact the Dean to acquire approval to move forward with submission. OSP will work with the PI to submit the proposal but will not complete a review process in its entirety as proposals complying with the 14-day lead will have priority review.

Note that proposals that are either sent to a sponsoring agency without OSP review or have been provided with less than 24 hours to review will be subject to the following:
1. Withdraw the proposal
2. Not accept the award if funded, or
3. Renegotiate the terms and conditions, budget, resources, etc., before accepting the award

2.9   Proposal Revision and Resubmission

If a proposal is initially not funded, we strongly encourage Investigators to request the reviewers' comments and seek feedback from the applicable program officer(s). If the sponsors' comments are encouraging regarding submission, the Investigator's chances of success on resubmission are enhanced. In future submissions, the Investigator(s) is/are encouraged to:
1. Respond specifically to the reviewers' comments in the narrative of the revised proposal
2. Point out changes made to strengthen the proposal in the area judged to be weak, and clarify information that may have been misinterpreted in the initial review
3. Work closely with the program officer and be willing to rethink aspects of the project based on the feedback. The Sponsored Projects Manager can assist with crafting the resubmission to address the reviewers' comments.

Section 3: Award Negotiation, Acceptance, and Establishment

3.1   Negotiation and Award Notification

Receipt of Award Notice
Award notices are usually directly sent to the Office of Sponsored Projects, but PI/PDs should forward any award notifications to the Sponsored Projects Manager to ensure receipt. PI/PDs are not authorized to accept an award on behalf of the University.

Negotiation of Agreement or Contract
"Pre and Post-award" or the Sponsored Projects Manager and the Contracts & Grants Accountant will facilitate actions requiring agency approval, such as contract or agreement negotiations and exclusion, budget reallocations, changes in scope of work and time extensions.

When the Office of Sponsored Projects receives an award notice from a sponsor for a particular proposal, the notice is forwarded to the Contracts & Grants Accountant, University counsel, and the PI. This will begin the process of accepting an award after everyone has reviewed the award notification.

1. The PI, Sponsored Projects Manager and the University counsel will prepare the Board of Regents resolution that will go before the BOR for approval and acceptance.
2. After the Board of Regent resolution is signed, the Sponsored Projects Manager will prepare an "award package" that includes the signed BOR resolution, award notice, budget, budget justification, and other pertinent award information / documents.
3. The "award package" will be sent by email to the Contracts & Grants Accountant for award setup in the Jenzabar and assigned a fund/project number.
4. The Contracts & Grants Accountant will then send an email to the PI/PD regarding the award setup, related account numbers, period of performance, and a copy of the budget.
5. The Sponsored Projects Manager will update the Cayuse file with the assigned Jenzabar fund/project and GAN award number, period of performance, etc., in the awards tab.
6. If there has been a modification to the award, all parties will be updated when the Award Notice is issued. Cayuse will also be updated accordingly.

For new award notices that do not match any proposals in Cayuse, the Sponsored Projects Manager will have to setup the proposal in Cayuse as an "after-the-fact" award before forwarding the information to the Contracts & Grants Accountant and the University counsel for review.

All awards will be reviewed and negotiated according to the acceptable terms and conditions set for Navajo Technical University Sponsored Agreement-Research procedures and compliance before board approval for execution.

3.2   Establish Grant Account in Jenzabar based on Award Documentation

To establish a new account number for the new grant, one of two processes is followed based on whether or not the proposal was routed in Cayuse.

A.   Proposals Routed in Cayuse
Upon award, if the proposal has been routed in Cayuse, the routing path is used as documentation of approvals in place of manual routing signatures. If this is the case, the Sponsored Projects Manager will fill out a new account request form. The SPM will email the Contracts & Grants Accountant the "award package" which includes the pre-award files, new award setup form and the signed agreement, board approved resolution and/or other award documents from the sponsor that are pertinent to the setup.

B.   Proposals or Awards NOT routed in Cayuse
If the Cayuse proposal process was not used during the proposal phase, a new Cayuse proposal will be setup and routed for approval prior to setting up a new account number for the new award by the Sponsored Projects Manager. Once Cayuse has been approved then the Sponsored Projects Manager will forward the "award package" to the Contracts & Grants Accountant to complete the award setup.

Cayuse routing follows the following path:
Principal Investigator (PI) or Project Director (PD), Dean/Department Chair, and Provost (notification only), Sponsored Projects Manager.

3.3   Compliance

Funding agencies and Navajo Technical University require institutional approval for projects that will involve human subjects, vertebrate animals, biohazards, or other hazardous substances. Obtaining compliance approvals is the responsibility of the Principal Investigator / Project Director and a copy of the approved document must be provided to the Office of Sponsored Projects prior to any award is setup for activation. FCOI disclosures must be current and Export Control procedures must also be considered for each project. It is the responsibility of the Principal Investigator / Project Director to be aware of the policies regarding export control issues and to notify the Office of Sponsored Projects as to the applicability to the project. In all cases, the sponsored project cannot begin nor will access to grant funds be allowed without the necessary compliance approvals are in place and uploaded to Cayuse. Export control regulations are Federal laws that prohibit the unlicensed export of certain commodities or information for reasons of national security or protections of trade. For most research universities, the greatest concern centers on the "deemed export" of information, data, materials, items, and services having combined civilian and military uses, so-called "dual uses." Controlled information, data, materials, items, and services may be "deemed" to be "exported" in two ways, both of which are common activities at research universities:

   a. *Within the US:* Oral or visual communications with non-US citizens through collaborative research, teaching or training, lab tours and related activities.
   b. *Outside the US:* Unauthorized presentation of a controlled article, data, etc., or simply carrying such information electronically to and inside a restricted country.

Most sponsored project activity is excluded from export controls because of the general exception for "fundamental research" under the export control regulations. The National Security Decision Directive 189 provides a definition of "fundamental research." Export

regulations apply to situations regardless of whether the activities were funded externally or not. Penalties are severe for noncompliance, including potential monetary and criminal punishment.

3.4   Sub-Award Agreements

A sub-award is an agreement with another organization that will perform a substantive proportion of the project work and is issued when a PI requires the expertise of another entity to perform a portion of the scope of work on the project. The entity can be any federal, state, tribal, or private company, non-profit, educational institution, or other.

A sub-recipient relationship is appropriate when:
1. Substantive, programmatic work or an important or significant portion of the research program or project is being undertaken by the other entity.
2. The research program or project is within the research objectives of the entity.
3. The entity participates in a creative way in designing and/or conducting the research.
4. The entity retains some element of programmatic control and discretion over how the work is carried out.
5. The entity commits to a good faith effort to complete the design or conduct of the research.
6. The entity makes independent decisions regarding how to implement the requested activities.
7. A PI has been identified at the entity and functions as a "Co-Investigator."
8. There is the expectation that the entity will retain ownership rights in potentially patentable or copyright technology or products that it produces in the course of fulfilling its scope of work.
9. Publications may be created or co-authored with the entity.
10. The entity provides cost sharing or matching funds for which it is not reimbursed by Navajo Technical University.

Risk Assessment for Sub-Award

The first step prior to initiating a sub-award on a sponsored project is to determine if a risk assessment is required for the sub awardee organization. Risk assessments are only completed for federal and federal pass-through sub-awards. Navajo Technical University will consider all entities on a case by case basis for their level of risk as collaborations arise.
If the sub-award is on a federal or federal pass-through award is with an entity outside of Navajo Technical University, a risk assessment questionnaire is completed by the Sponsored Projects Manager and reviewed with the Contracts & Grants Accountant to assess the institutional and project risk score. If the results of the assessment are indicating not favorable or high risk, special terms and conditions may be added to the sub-award agreement and closer monitoring of activity and spending may be required. If the risk level is deemed too great, a sub-award may be refused by the Office of Sponsored Projects or others in the proposal routing path.

Initiating a Sub-Award

The Sponsored Projects Manager and the Contracts & Grants Accountant will work together along with the PI/PD and the sub-recipient to draft the sub-award agreement. Sub-award agreements should include a detailed scope of work and budget that specifies salary, fringe, supplies, and other direct costs, cost share, if applicable, as well as appropriate F&A costs consistent with the sub-recipient's indirect cost rate. Terms and conditions from a prime award are typically imposed on the sub-recipient to the same degree as it is imposed on Navajo Technical University as the prime recipient. The sub-award agreement should also include:

1. period of performance
2. grant/account number
3. terms and conditions
4. consideration and payment
5. deliverable requirements and due dates
6. sub-recipient signed letter of support
7. institutional contact information.

Upon completion of the draft agreement, the Sponsored Projects Manager and/or Contracts & Grants Accountant will task the PI/PD and sub-recipient contract specialist with review and approval of the draft before submitting the agreement for full execution by an Authorized Organizational Representative at Navajo Technical University and the sub-recipient's institution.

The sub-recipient account number identified at setup should be included on the form when requesting Navajo Technical University's assigned grant number. The sub-recipient account is added as a support account under the grant account number assigned.

Sub-award FFATA Reporting

The Federal Funding Accountability and Transparency Act of 2006 requires the Office of Management and Budget to maintain a single, searchable website that provides the public with information about how tax dollars are spent and gives them the ability to hold the Federal Government accountable for each spending decision. The FFATA website is: https://www.usaspending.gov

Prime Federal grant awardees are required to report information related to sub-award by the end of the month following the month the sub-award or obligation was made. FFATA reporting is completed on the following website: http://www.fsrs.gov
Data for reporting comprises of:

1. Federal Award Identifier Number (FAIN)
2. Federal Agency ID
3. Federal Agency Name
4. Prime Awardee DUNS # (NTU is 080648561)
5. Prime Awardee Name / Address
6. CFDA Program Number
7. Project Description
8. Federal Funding Amount
9. Obligation / Action Date
10. Report Month

11. Sub-Awardee DUNS #
12. Sub-Awardee Name / Address
13. Amount of Sub-award
14. Sub-Award obligation / action date
15. CFDA Program Number(s)
16. Federal Agency ID
17. Federal Agency Name
18. Sub-award Project Description
19. Sub-awardee Principal Place of Performance
20. Sub-award Number

The Contracts & Grants Accountant will file the official FFATA report within the time allotted and store a copy of the report within the Office of the Contracts & Grants Accountant for audit retrieval if needed.

Sub-Award Modifications

During the period of performance of the sub-award, the PI/PD or sub-recipient may request to initiate amendments to the agreement due to time extensions, budget revisions, or other administrative items. When this occurs, the PI/PD will submit a Sponsored Project Action Request (SPAR) form to the Contracts & Grants Accountant indicating which action/amendment they would like the Contracts & Grants Accountant to complete. The review process and execution will be repeated for all amendments.

Sub-Award Monitoring

The Contracts & Grants Accountant monitors the submission of sub-recipient invoices and routes the documentation through the proper processes for approval and payment per the Navajo Technical University procurement process. The PI/PD and Dean/Chair will need to review and approve expenditures on the project before payment is made to sub-recipient.

Sub-Award Deliverables

Sub-recipient deliverables are the responsibility of the PI/PD to collect from Co-Investigators for sponsor progress reports and final technical reporting submitted to the sponsor. All documentation should also be uploaded to the respective Cayuse file and also stored in the project files as an official record.

3.5   Project Set-up

Once a fully executed agreement is received from the sponsor and a new grant account number has been issued, the project is ready to be set up in Jenzabar and linked to the Cayuse proposal. See 3.2 Establish Grant Account in Jenzabar based on Award Documentation (a & b) for project fund setup process.

3.6   Budget Set-up

When the "award package" is transmitted to the Contracts & Grants Accountant, the budget is reviewed and entered into Jenzabar. The account numbers corresponding to the specific object codes are established. Once all account numbers have been established, the PI/PD is notified by email that the project can commence spending.

Section 4: Managing the Award Non-Financial

4.1   Conducting the Sponsored Project

The PI/PD leads the implementation of the work outlined in the sponsored project agreement scope of work, in collaboration with personnel on the project. The PI/PD is responsible for overall oversight of the project, including but not limited to ensuring the sponsor's funds are spent in the ways outlined in the agreement and are in compliance with university, state, federal, tribal, and other applicable policies and regulations.

4.2   Hiring Personnel

The PI/PD should work with the Human Resources department and/or college personnel to hire personnel, if outlined in the project agreement. Any restrictions on hiring by the sponsor must be followed.

4.3   Purchasing

The PI/PD should work with the appropriate college personnel in the Financial Services department to purchase supplies, if outlined and budgeted in the project agreement. Any restrictions on purchasing by the sponsor must be followed.

4.4   Initiating Material Transfer Agreements

Equipment – Management of equipment funded or furnished by sponsors is subject to the requirements of the sponsor or terms of the agreement under which funds for equipment are acquired. All equipment acquired in connection with sponsored agreements will be managed in accordance with Navajo Technical University's Procurement policy. (NTU Fiscal Policy and Procedures Effective August 1, 2016).

4.5   Project Changes

When changes to the project are required, the PI/PD should contact the Sponsored Projects Manager or the Contracts & Grants Accountant for assistance. The PI/PD and SPM/CGA will work together to outline the change request to meet sponsor's requirements as well as all applicable university, federal, state, tribal, and other relevant regulations. The SPM/CGA will then submit the formal request to the sponsor for consideration and/or approval if needed.

4.6   Submitting Technical Reports and Other Deliverables to Sponsor

Sponsors require regular deliverables in the form of technical reports or other. The PI/PD is responsible for the timely preparation of all the technical reports outlining the deliverables

required by the sponsor. Once completed, the PI/PD should forward the technical report to the sponsor, and provide a copy to the Contracts & Grants Accountant for safekeeping in the NTU electronic files for future purposes either requested by the Auditors or the sponsors.

Section 5: Managing the Award – Financial

5.1   Verification of Expenditures to be Allowed, Reasonable, and Allocable within the project budget

The PI/PD is responsible for managing the budget and expending it in accordance with the sponsor and state regulations on allowable, allocable, and reasonable expenses related to the project, as indicated in the approved budget. The PI/PD must be familiar with and comply with both the sponsor's guidelines and the University's guidelines for fiscal management of sponsored projects. The Sponsored Projects Manager and Contracts & Grants Accountant may be of assistance in this area.

General guidelines for expending sponsored program funds are as follows:
1. Costs should be necessary and reasonable for the performance of the award and be allocable thereto under these principles
2. Be determined in accordance with generally accepted accounting principles (GAAP)
3. Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or prior period
4. Costs are adequately documented

In short, expenses can only be recorded on sponsored projects if they are:
1. Reasonable, reflecting conscientious and prudent financial decision making
2. Allocable and bearing a direct relationship to the activities of the program, not to the general needs of the department or university
3. Consistently treated expenses for similar purposes under like circumstances and not exceeding normal limits of similar charges that are not grant supported
4. The expenses must be allowable or not specifically excluded as specified by government regulations or by the contract, grant or cooperative agreement requirements

If an expense cannot meet the above criteria, it is not eligible for inclusion in the project budget regardless of its purpose.

Review and approval paths are in place for salary, fringe, travel, university credit card charges and the procurement systems that process the charges to the sponsored projects. The routing paths are set by account number and are reviewed by the PI/PD, Dean/Chair, Procurement, Contracts & Grants Accountant and either Payroll or Accounts Payable staff. If a cost is unallowable, the charges can be returned/rejected to the initiator by anyone in the routing path.

5.2   Sponsored Project Administration Oversight

The PI/PD is responsible for the oversight of the sponsored project administration and personnel on the project unless other arrangements have been recorded. Should a personnel change be needed, the PI/PD would make the change with the support of the Sponsored Projects Manager and/or the Contracts & Grants Accountant or other college support staff. The PI/PD and support staff are responsible for monitoring that the payroll for personnel is correctly changed.

5.3   Initiating Personnel Changes

The responsibility for hiring and changes to personnel on a project falls on the PI/PD and the support staff at the Human Resources department. Review of monthly payroll reports to monitor costs and budgets also is dependent upon the departmental support staff and the Contracts & Grants Accountant to ensure payroll is charged correctly to the project.

5.4   Cost-Sharing

Cost-sharing is the portion of the total project costs of a sponsored agreement that is incurred by the recipient instead of the sponsor. Cost-sharing represents a reallocation of recipient resources to support and externally sponsored project. Terms used to describe cost-sharing include:
1. Matching contributions
2. Third Party contributions
3. In-Kind contributions

Cost-sharing can consist of direct, indirect and/or unrecovered indirect expenses. When direct expenses are used for cost-sharing, the associated indirect expenses are included as part of the cost-sharing. Allowable forms of cost-sharing are generally outlined by the sponsor, but generally include:
1. Effort of the PI/PD or employees committed to sponsored agreements, including the associated fringe benefit cost
2. Cost of equipment purchases when the purchase is necessary for and dedicated to the completion of the project
3. Laboratory supplies specific to the project – not general laboratory supplies
4. Travel
5. Costs proposed and incurred by subcontractors or other third parties, including in-kind contributions. In-kind contributions must be verified by the provider. When these contributions are in the form of volunteer services, the individual must certify that the amount is comparable to their regular rate of compensation. When contributions are other than personal services, the provider must certify to the fair market value of the items
6. Waived or reduced indirect cost. This is known as unrecovered Indirect costs. Unrecovered IDC is applicable when the indirect rate allowed per the agreement is less than the recipient's negotiated rate.

When the set-up of a new award in completed in Cayuse and Jenzabar, the PI/PD, Dean/Chair, Sponsored Projects Manager, or Department Administrator are notified by email and provided a copy of the budget and account numbers associated with their respective projects. Because it

is the role of the payroll technician, with direction from the Contracts & Grants Accountant and Human Resources, to ensure payroll costing allocations are done to place participants onto the project, it is necessary for the individuals to review the budget for cost sharing required on the project and ensure the share is captured at the rate budgeted throughout the life of the project.

Capturing cost share is the responsibility of the Payroll Department, Human Resources, and Contracts & Grants Accountant and is accomplished by coding salary or other obligated expenditures to support account set up under the main funding account, using the identified grant account.

The Contracts & Grants Accountant reports the cost share while performing the scheduled financial reporting specific to the sponsor's scheduled reporting deadlines. The format for reporting cost share depends on the requirements of the sponsor, who, in most cases provides a form for reporting or online format with fillable data boxes.

5.5   Cost Transfers and Approvals

A cost transfer is the reassignment of an expenditure to a sponsored project after the expense was initially charged to another university account, or vice versa. Examples of cost transfers include payroll paid from the wrong account, employee's salary that was not removed from the grant in a timely manner, expenses coded to the wrong account, or disallowed costs rejected by the sponsor.

Cost transfers will be prepared and submitted within 90 days from the fiscal month-end close date of the calendar month the transaction appears on the award, except in cases where the sponsor's (federal or non-federal) terms and conditions are stricter than NTU's policy.

Department correction requests
The NTU Financial Services department will have permissions in Jenzabar to perform cost transfers.

Payroll cost transfers
The NTU Financial Services department will have permissions in Jenzabar to perform payroll cost transfers.

Any expenditure moved from one account to another 90 days after the original cost transaction will be subject to increased review and may only be approved under extenuating circumstances.

When the cost transfers are complete, they will post overnight.

5.6   Sub-recipient Invoice Processing

Sub-recipient collaborating with Navajo Technical University sponsored projects should include the following in their invoices:
1. Sub-recipient shall submit invoices not more often than what is allowed in the sub-award agreement

2. Invoices shall include only allowable expenditures entered into a cumulative cover sheet which shows project approved budget, current month's expenditures per budget category, cumulative totals per budget line item, and remaining budget per budget line item and total available balance for the project
3. Reference the sub-award project number assigned by Navajo Technical University that ties to sub-award account numbers in Jenzabar and Cayuse
4. Each expenditure should include supporting documentation, such as payroll reports, invoices or receipts and travel reports with receipts

Sub-recipient invoices are emailed to the Accounts Payable clerk who will forward them to the Contracts & Grants Accountant and PI/PD for review and approval prior to issuing a payment. Invoices should be complying with the aforementioned requirements before entering into Jenzabar for payment.

5.7 Preparation and Submission of Invoices to Sponsor

Invoicing to sponsors occurs monthly or quarterly based on the contract or agreement payment schedule, which is the responsibility of the Contracts & Grants Accountant.

Ideally, invoices should be generated at the end of the month based on the current billing period direct expenditures and IDC calculation, if applicable. An electronic copy of the invoice should be included in the Post Award file corresponding with the project and PI/PD.

Once invoices are printed for the Navajo Technical University managed grants, the Contracts & Grants Accountant pulls documentation required to accompany invoices before scanning, saving to the grant file, and submitting to the sponsor. Required documentation includes:
1. payroll reports from Jenzabar
2. copies of invoices
3. travel reports with receipts
4. credit card charges and other receipts
5. sub-award invoices
6. contractor invoices
7. specific financial report or cover sheet to accompany invoice, if required by the sponsor.

The completed invoice with required documentation is scanned and saved to the electronic grant file, then emailed to the sponsor for remittance, review and payment. Some sponsors use online websites for invoice remittance and draw down of funds.

5.8 Draw Downs

Most federal and some state agencies use online websites for uploading invoices and drawing reimbursable funds that are remitted by ACH or wire. Several sponsors and their online systems are listed below:
1. USDA-NIFA-ASAP
2. USDA-APHIS-ezFedGrants
3. DOJ – grants.ojp.usdoj.gov
4. OOG – eGrants Systems DOE

5. DOE - G5
6. USFWS-IPP-TWC
7. DPMS - NIH
8. RESEARCH.GOV – NSF
9. PMS – NASA, Dept of Health & Human Services

Depending on the website, financial report information is entered with a total draw amount, and invoice is uploaded, if required before submitting. Email notification is sent for confirmation, and in most cases ACH is received within a day or two. The Contracts & Grants Accountant is responsible for all draw downs and financial reporting completed on the above websites listed. There may be other sources of funding that will be added to this list as they are identified.

5.9   Invoice Payments and Collection

Payments are received by check, ACH payment receipt, or bank wire.

Cash Payment Receipts
Checks received by mail are processed by the university Financial Services department. Any sponsored projects related checks are processed for deposit and credited to the corresponding Jenzabar grant number that was identified during the initial setup of the award.

ACH and Bank Wire Payments
ACH and Bank Wire Payments are processed by the university Financial Services department. Any sponsored projects related deposits are entered manually in Jenzabar and credited to the corresponding Jenzabar grant number that was identified during the initial setup of the award.

5.10   Outstanding Invoices and Account Reconciliation

Outstanding invoices are processed once the PI/PD and the Contracts & Grants Accountant review and approve the expenditures stated on the invoice. Account reconciliation is done periodically throughout the life of the grant period of performance.

5.11   Financial Reporting

The financial report process is a project level reporting, performed quarterly, bi-annually or annually determined by the sponsor requirements, that reports all expenditures by budget category for the period and/or life to date. The financial report calculations are completed by the Contracts & Grants Accountant on the sponsor's website, or uploaded with the invoice into the draw module. Some sponsors require the PI/PD to perform the financial reporting instead of the Contracts & Grants Accountant. When this is the protocol, the Contracts & Grants Accountant provides the numbers to the PI/PD to enter into the sponsor's website to ensure financial accuracy.

It is important that financial reporting is completed before the due date since the reimbursement of expenditures will be placed on hold until an approved financial or deliverable report is received by the performing agency. Email or calendar reminders should be setup to

alert the Contracts & Grants Accountant when all deliverable types, such as progress, project outcome, technical and financial reports are due. Reminders can be sent by email at 90, 60, 30 days before due dates. Late reminders are set at the same intervals.

All financial reporting is reviewed and approved by the Contracts & Grants Accountant before submission to the sponsor.

5.12   Sponsor-Approved Administrative Changes

The following administrative changes require sponsor approval:
1. Project roles and responsibility changes
2. Change in scope of work
3. Interim funding requests
4. Budget revision, no-cost extension and carry-forward
5. Continuation or Supplemental funding

Project Roles and Responsibility Change Requests

A change to the PI/PD or Co-PI requires a Sponsored Projects Action Request (SPAR) form from the existing PI/PD signed by the Dean/Chair. The SPAR will include the effective date of the change in PI/PD or Co-PI and signed by all parties

Once the SPAR form is received, the Contracts & Grants Accountant will submit the request to the sponsor for approval.

When the sponsor approval is received, the Contracts & Grants Accountant will process the modification and update Cayuse and Jenzabar as necessary.

An electronic copy of the modification will be placed in the corresponding project file for backup.

Change in Scope of Work

A change in the scope of work requires sponsor approval. The PI/PD will make the request on the SPAR form and send it to the Contracts & Grants Accountant who will then contact the sponsor for approval or request more information about the processes needed to complete this modification. Usually, a change in the scope of work does not require an amendment to the contract or agreement. Approval documentation should always be uploaded to the electronic records for the associated project for backup.

Interim Funding Request

Interim funding is the authorization from the sponsor to expend funds on a project to a specified limit, prior to receipt or execution of the award documents. Should there be a need to reach out to the sponsor, the PI will initiate the request using the SPAR form approved by the PI/PD, Dean/Chair, etc. The approval of the SPAR will allow the Contracts & Grants Accountant to initiate contact with the sponsor on behalf of the PI/PD.

Budget Revision, No-Cost Extension and Carry-Forward

A budget revision, no-cost extension, or carry-forward is a sponsor-approved administrative change, which allows funds to be expended past the original project end date and extends the date that final programmatic and financial reports are due. For these budget changes and extensions, the PI/PD will initiate the requesting using the SPAR form and sending the signed form to the Contracts & Grants Accountant. The responsibility of submission to the sponsor can vary depending on the sponsor's online system or the sponsor's POC. In any case, the Contacts & Grants Accountant must receive sponsor approval before budget revisions or extensions can be done at Navajo Technical University. Cayuse can be updated after all revisions and extensions have been approved by the sponsor and the modifications have been completed by NTU's Contracts & Grants Accountant. The SPAR, sponsor approval/modification notification, and internal NTU modification form should remain in the project electronic files.

A copy of the approved budget revision or extension will be emailed to the PI/PD's and or Deans/Chairs and/or Departmental Administration and Payroll and Human Resources should there be changes affecting payroll costing allocations and adjustments.

Continuation or Supplemental Funding Request

Continuation or supplemental funding requests usually involve additional funds requests to add to an existing award outside of the original proposal that does not require a competitively reviewed application.

A budget is provided to the sponsor for the additional funding, which is composed by the PI/PD and reviewed by the Sponsored Projects Manager and the Contracts & Grants Accountant before transmission to the sponsor. A contact or agreement amendment is supplied by the sponsor with the new or revised budget which reflects the existing funding with additional funding added in a separate column. Once the amendment is fully executed, the Contracts & Grants Accountant will update the dates and budget in Jenzabar and Cayuse and uploads the executed amendment to the projects electronic file for backup. A copy of the amendment is email to the PI/PD and departmental staff, payroll, and Human Resources for payroll costing allocation adjustments.

5.13   Indirect Costs (IDC)

Indirect costs are those costs that are incurred for common or joint objectives and cannot be easily and specifically identified with a particular sponsored project. These costs are also called "Facilities and Administrative Costs" (F&A) or "overhead." The terms indirect costs (IDC), overhead costs, and F&A costs are synonymous. University indirect costs include building and equipment depreciation and use allowance, general administration, and operation and maintenance expenses; thus, indirect costs are the related costs of using the University's facilities and administrative support that cannot be claimed as direct costs.

Indirect Cost Allocation

Indirect costs are recovered by charging the sponsor based on a percentage of the total or modified direct costs expended on the project during the billing cycle. This should be accomplished by running a month end expenditure report that shows the grants and IDC charges. This total IDC is then allocated with a budget transfer into indirect cost accounts setup for the departments. The Dean/Chair will then determine how to distribute throughout the unit. The percentages are outlined in NTU's proposed Indirect Cost Reallocation Policy.

NTU IDC Reallocation Policy states:

A solid program of research and faculty scholarship that aligns with the mission should be at the heart of any institution. Scholarly activity and research not only enhance an Institution's academic reputation but also yield benefits for both faculty members and students. In fact, research and scholarly activity are required of all graduate faculty and are expected of faculty as part of the promotion as well as any merit pay processes.

Many externally funded grants and contracts have provisions that allow for indirect costs to be recovered by colleges and universities that receive funding. Navajo Technical University is adopting this policy whereby indirect costs from sponsored projects are shared with university stakeholders. This policy is adopted with the intention of stimulating research and scholarship. It is believed that this reallocation process will provide added incentive for members of the faculty, staff, and administration to apply for externally funded research. This policy also establishes a mechanism by which startup funds for new faculty members, seed grants, and research stipends for undergraduate and/or graduate students could be secured over time.

This policy is in keeping with the practice in many colleges and universities across the nation that allow the indirect costs associated with different grants to be distributed to the different academic areas. The expressed intent of such a policy is the support of on-going research and scholarship efforts and to stimulate new research and/or scholarly activities. A positive benefit of this practice is that it can stimulate research activities (increase publications and other indicators of scholarly activity) and increase the amount of funding for research obtained from external sources. Navajo Technical University's current negotiated indirect cost rate is 40.35 percent, although this amount varies by funding source and can sometimes be as little as zero, depending on the specific grant opportunity announcement. The following allocation is recommended for grants and contracts that generate indirect costs in excess of $5,000.

Allocations for academic grants/contracts generating >$5,000 in indirect costs:
- ❖ 40% to the Program / Department
- ❖ 25% to the General Fund
- ❖ 15% Sponsored Projects
- ❖ 10% to the Grant Incentive Pool
- ❖ 10% to the Professional Development Pool (PDP)

For grants that generate indirect costs at or below $5,000 the allocation identified above would not provide funds that would allow for meaningful funding for any one area. For those grants where indirect costs generated are less than or equal to $5,000 100% would

go to the General Fund.

Rationale for Allocation

Program / Department
Providing funds from indirect costs would allow the support of research and/or scholarly projects that might otherwise not be funded through the annual budget process. These funds could also be used as a means to support undergraduate and/or graduate research. This could be done either through providing funding for specific research projects or for stipends for undergraduate and/or graduate students.

Ensuring that the Program / Department receives a portion of the indirect costs will provide opportunities that may help fund research and/or scholarly activities for faculty members at various stages of their careers (see appendix 1 & 2). It is anticipated, but not required, that some of these funds would be made available to the department of the PD/PI securing the external funding. It is the responsibility of the Dean to determine the best use of these funds based on both Program and departmental planning documents and needs.

General Fund
The task of managing budgets for the grants currently falls to the Business Office. One of the reasons for indirect costs is to ensure that the costs associated with managing grants do not place an undue burden on the personnel charged with management of institutional and grant budgets. Ensuring that some of the funds received from indirect costs will allow the Business Office to hire additional staff, potentially on a part time or temporary basis, to alleviate some of the burden placed on the full-time staff. The individuals hired could either directly work to manage the grants or to assume duties of other office staff more familiar with grant management.

Sponsored Projects
As the University continues to grow and develop scholarly research and activities, it is equally imperative to grow the Office of Sponsored Projects with additional personnel. These funds will be used to hire more staff as the need for them arises. The continuous need for professional development (different from PDP) in this area is also essential, therefore, these funds can also be used for attending conferences, webinar trainings, and pursuing certification types of training efforts will be explored for staff. This will ensure that staff is familiar with the most up to date compliances and regulations associated with the various funding sources that NTU will pursue.

Grant Incentive Pool
Providing funds to the Grant Incentive Pool allows for a source of funds to pay the PD/PI a "bonus" for securing the external funding. Returning some funds to the PD/PI will help to incentivize the process of pursuing external funding across campus. The funds provided to the PD/PI could **not** be used to supplement the PD/PI's academic year or summer salary but could be designated for professional development of that faculty member (i.e. travel, reassign time).

Professional Development Pool (PDP)
Providing funds to the Professional Development Pool (PDP) allows for a source of funds to pay for Professional Development. Department / Program resources are limited and having a

separate pool of funds to draw on for professional development will ensure that worthwhile development activities can take place.

Accountability

This model for reallocation of indirect costs serves a number of purposes and goals. The first is to aid all programs and departments in advancing and increasing research activities across campus. Given this is also one of the main goals of NTU, to be effective the indirect cost recovery must be used as a means to both reward those who secure external grants/contracts and to incentivize this process for both grant recipients and other faculty members. With that in mind, a system of accountability must be established to ensure that the funds are used for the intended purposes – stimulation of faculty research and scholarship. Individuals receiving indirect costs will be required to use their appropriations in a manner that fosters, supports, and stimulates faculty research and/or scholarly activity. To verify that funds were used in an appropriate manner, each year each individual receiving indirect costs will be required to submit a written report at the end of the fiscal year that details the expenditures and/or carry-over of the indirect costs received that year.

Summary

This model provides a starting point by which research infrastructure and capacity can be increased. Both of these goals support the mission of Navajo Technical University. Additionally, this also supports the needs of faculty regarding promotion and merit pay. Indirectly a strong campus research culture will positively impact teaching and facilitate undergraduate and graduate student research. As Navajo Technical University continues to develop a culture of grantsmanship, it will take time for this or any similar policy to produce a measurable impact.

With that in mind, it is recommended that a review of this policy be conducted five years after implementation to assess the effects and to institute any needed modifications (i.e. altering the redistribution and/or allowable expenses).

Appendix 1. Allowed Expenses for Indirect Costs

- ❖ Provide matching funds for grants
- ❖ Purchase of equipment and supplies
- ❖ Provide funds for student research stipends
- ❖ Provide funds for reassign time for faculty to conduct research or write grant proposals
- ❖ Provide funds for travel to technical workshops
- ❖ Provide funds for travel to present results of sponsored projects
- ❖ Provide funds for publication of peer-reviewed manuscripts where page costs are charged
- ❖ Provide seed money (mini-grants) to generate preliminary data in support of future grant applications
- ❖ Provide start-up funds at the time of faculty hire
- ❖ Provide funds for other grant related activities not explicitly identified.
- ❖

Appendix 2. Research/Scholarship Life Cycles and Associated Funding Needs Support

for Faculty Research

A distinct "research life cycle" of faculty members from the time they enter the university as novice or junior faculty members through senior faculty status exists in which each stage presents distinct opportunities and challenges. The research needs at these three stages (new faculty, mid-career faculty, senior faculty) are outlined below.

Research Needs of Faculty at Key Stages

New Faculty
- Research Seed Money – a set amount for new faculty, a part of the Start-up package
- Proposal development fund – faculty travel and/or participation in training for a specific grant program, working with a consultant/reviewer
- Summer stipends/reassigned time for grant writing

Mid-Career Faculty
- Reassigned time, summer stipends for grant writing
- Travel fund for preliminary research, working with consultant/mentor
- Fund for consultants and reviewers for grant proposals

Senior Faculty
- Transition funding – seed money for paradigm shift or start up
- Fund for consultants, reviewers, travel for research proposal purposes

Section 6: Time and Effort Reporting

6.1   Time and Effort Overview

Time and Effort reporting is a process mandated by the federal government to verify that direct labor charges (salaries and wages) to federally sponsored projects are reasonable and reflect actual work performed. As a recipient of federal funds, Navajo Technical University is subject to financial accounting and reporting obligations designed to ensure that the changes to its federally sponsored projects are allowable and effort can be tracked and recorded accurately to reflect the work performed.

In compliance with federal requirements, Navajo Technical University's Fiscal Procedures Manual Effort and Reporting applies effort reporting to all federally-sponsored projects, including federal flow-through projects. Many non-federal sponsors also incorporate the requirements of A-21 in agreements. Therefore, NTU's payroll department will determine how to implement effort reporting for other types of sponsored projects (i.e., Navajo Nation, local, private, or foreign), not just federally-sponsored projects.

It is imperative to identifying an after-the-fact effort reporting system to certify that salaries charged, or cost shared, to sponsored agreements are reasonable and accurately reflected the work performed.

Payroll distribution is the allocation of an individual's salary to an account(s) based on budget

estimates (estimates determined before the services are performed). Effort reporting certifies 100% of an individual's actual time or effort (including cost sharing and/or matching) after the services are performed.

Effort reports are required for individuals whose salary or any portion of their salary is charged directly or cost-share including matching funds to a federal, federal flow-through, or other sponsored agreement that requires effort reporting. This is a mandatory federal requirement. Non-federal sponsors may require effort reporting on other sponsored agreements. Once it is determined effort reporting is required for all sponsored agreements, all effort reporting will be verified in the same manner for consistency.

Additionally, all accounts and/or support accounts that are created to track cost-sharing on federal, federal flow-through projects should be marked as well.

Payroll has determined a system that is effective at capturing the time and effort.

6.2   Time and Effort Responsibilities

A PI/PD or designed individual supervising employees working on a sponsored project must certify the effort reported. Employees may be required to assist the certification process by confirming the allocation of time worked for the periods are accurate. The administrative verification concept can be added to a department's verification option allows a preview step prior to certification by the PI/PD or manager.

PI/PD are granted self-certification status, which simply means that the employee, as the PI/PD on the project, can review and certify his or her own effort report.

6.3   Time and Effort Certification

Time and Effort currently has a reporting period set for two certification periods per year:
1. January 19 through May 19
2. June 19 through December 19

The activation dates of Time and Effort will occur 15 days after the last certification period date, so those dates are June 2 and January 2 respectively.

Once the reports are made available for review, notification emails are sent January 15th and June 15th to PI/PDs, managers, and administrators to notify them that they have items in their inbox that require action in the Time and Effort system. Deadline for completing certification is 45 days from the email notification.

Section 7: Closing the Award

9.1   Notification of Project End Date

The first step in the project closeout is for the PI/PD to decide if the project can be completed by the end date. The Contracts & Grants Accountant will contact the PI/PD 90 days before the

end date to confirm the project will end as scheduled or if there will be a need to request a no-cost extension. If a no-cost extension is required, the Contracts & Grants Accountant will request the PI/PD to complete the SPAR prior to contacting the sponsor to make the formal request for a no-cost extension. Should the PI/PD determine that the project will close as scheduled then the Contracts & Grants Accountant will begin the project closeout process.

9.2   Process Final Expenditures and Remove Staff Payroll from Grant Account

As the project nears the end date, there are key items for the PI/PD, departmental support staff and the Contracts & Grants Accountant to address and to ensure that the closeout is conducted with accuracy and done timely. Project closeout finalizes all project activities across all phases of the project, including:

1. Check outstanding encumbrances to ensure all invoices have been charged against the project and purchase orders have no back orders that need to be followed up on or cancelled, and liquidate encumbrances and purchase orders are cleared.
2. Ensure all travel and credit card charges have been processed with the timeframe of the grant period of performance
3. Review payroll encumbrances and bi-weekly staff to ensure entry and routing is completed for final weeks of the project. Perform costing allocations to remove staff from payroll and perform cost transfers for any payroll overages. Once payroll is re-allocated, any payroll encumbrances should be liquidated from grant account.
4. Ensure all expenditures are accurately recorded for the life of the grant account
5. Review any budget overages to ensure expenditures are within the allowed overage limit per sponsor agreement, which is commonly 10% or less of the total award. Agreement and contracts can be located in Cayuse under the documents section or contact the Contracts & Grants Accountant for assistance
6. Research and correct any other discrepancies

9.3   Submitting Final Technical Reports to Sponsor/Upload to Cayuse
Once the PI/PD and Co-PI completes and submits the required final technical reports to the sponsor, the PI/PD is responsible for providing the Sponsored Projects Manager with the final deliverables report that will then be uploaded by the SPM to Cayuse and changing the status to completed. If the PI/PD needs assistance, they can reach out to the Contracts & Grants Accountant or the Sponsored Projects Manager.

9.4   Submitting Final Financial Reports to Sponsor

The Contracts & Grants Accountant is responsible for preparing the final financial report and submitting to the sponsoring agency. In some cases, sponsor reporting modules require the PI/PD as the responsible person to perform this task. If this is the case, contact the Contracts & Grants Accountant for final financial reporting totals. The Contracts & Grants Accountant shall provide the Final Financial Report to the Sponsored Projects Manager for uploading to the Cayuse record to complete the closeout process.

9.5   Reconcile and Deactivate Account in Jenzabar and Cayuse

When all expenditures and payroll are processed and posted to Jenzabar, the Contracts &

Grants Accountant freezes the account to stop additional charges from posting to the closing grant account. The next steps are completed in Jenzabar and Cayuse:

1. Confirm all expenditures are processed
2. Confirm no charges posted after the end date
3. Confirm any account deficits are transferred off grant account
4. If sub-awards are involved, ensure final invoices are received and processed
5. Verify all encumbrances have been liquidated and removed from account
6. Verify expenses equal revenues
7. Conduct IDC audit to verify percentage and total amount equals budget
8. If cost share is involved, ensure requirements are met
9. Verify final deliverables have been sent to sponsor and uploaded into Cayuse
10. Verify sponsor has been final billed and all revenue received
11. Verify final IDC expense has posted
12. Setting should be changed to "terminated" in both Jenzabar and Cayuse

9.6   File Closeout Documentation

Navajo Technical University will use Cayuse as the repository for the sponsored project official records. These records include, but are not limited to, proposals, project budgets, agreements or contracts, invoices, draws, project modifications, deliverables, financial reporting, and closeout documentation.

9.7   Record Retention

Record retention refers to the time period that a document is kept or "retained" whether in electronic or paper format. It is important to remember that a retention for sponsored projects may vary depending on the specific federal, state, or private funding agency. Retention periods are specified in most sponsor agreements. If the grant agreement does not specify retention period, the Retention of Records at Navajo Technical University is subject to the current Financial Fiscal Procedures manual. The Contracts & Grants Accountant is responsible for the post-award documentation storage and record retention monitoring. The Sponsored Projects Manager is responsible for pre-award documentation storage and record retention in Cayuse.

Section 8: Sponsored Projects Administration

8.1   Sponsored Projects Administration Roles and Responsibilities

Pre-Award Process Roles and Responsibilities
As the initial contact for PI/PD's seeking to submit a proposal, the Sponsored Projects Manager will be able to help navigate the proposal development, submission and award or declination process.
The Sponsored Projects Manager's responsibilities include assistance with the following:

1. Defining research goals
2. Interpreting sponsor's guidelines
3. Reviewing and editing proposal documents
4. Developing and ensuring accurate project budgets
5. Initiating and monitoring on-campus review (routing in Cayuse) processes

6. Ensuring adherence to institutional, sponsor, and governmental guidelines
7. Submitting proposals in accordance with guidelines
8. Negotiating awards and contracts
9. If funded, create the "award package" and transmit to Contracts & Grants Accountant
10. Not funded, assist the PI/PD with resubmission of the project proposal based on reviewers notes to improve and/or strengthen the over project scope.
11. Ensure the uploading of all project related documents to Cayuse which includes pre-award, post-award, and close out.

Pre-Award Process Flowchart:

Navajo Technical University
Office of Sponsored Projects
Pre-Award Process Flowchart
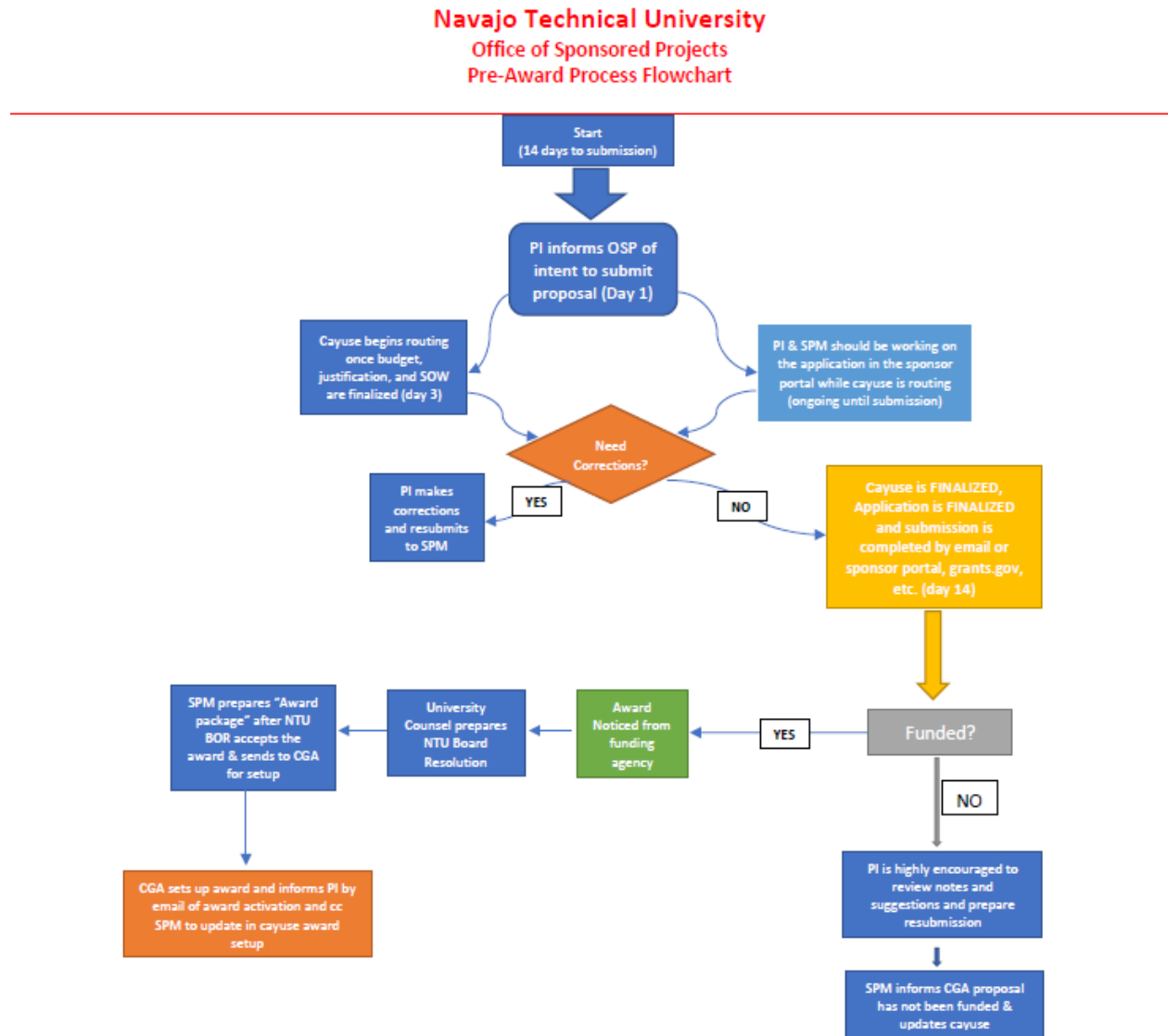
Post-Award Process Roles & Responsibilities

The following is a brief overview of the Post Award Process that the Contracts & Grants Accountant follows in its post award administration of awarded sponsored projects.

Post Award Administration and Oversight and Guidance
1. Provide oversight and guidance of post award administration to PI/PDs and departmental staff to ensure compliance with sponsor terms and conditions, as well as University policies and procedures.
2. Assist PI/PDs and staff with providing guidance on policies and procedures
3. Provide training to update NTU staff and faculty on updated institutional policy, federal rules and regulations, sponsor restrictions, etc.

New Award Set-up
1. Establish and monitor sponsored research projects within Jenzabar
2. Create and utilize an Account Set up / Change checklist that contains the grant id number, including cost share account numbers, etc. This form will be used to process new awards, continuations, no-cost extensions, and establishing advance accounts (if needed).
3. Load budgets in Jenzabar
4. Inform the PI/PD by email that the new award has been setup. The notice shall include all associated account numbers to used for a specific award.

Review and Processing of Sponsored Research Project Expenditures
1. The CGA will review and approve transactions related to the sponsored research project (i.e. requisitions, Payroll authorization forms, travel reimbursements, check requests, etc.)
2. Review, approve and process requests for cost transfers, including salary reallocations related to sponsored projects, as appropriate
3. Monitor expenditure activities on sponsored research funds to ensure compliance with federal regulations, agency specific requirements, and NTU policies and procedures
4. Review and approve any and all credit card purchases related to the specific sponsored project

Time and Effort Reporting (required on federal awards)
1. CGA should work closely with payroll to ensure that all employees are following sponsor requirements regarding T&E reporting
2. Notifications to PI/PDs should be sent on a semester basis to complete time and effort reporting
3. Monitoring certification of time and effort reporting ensures compliance with federal effort reporting regulations

Invoicing and Financial Reporting
1. Process account reconciliation of grant expenditures; processing dept submitted cost transfers as required
2. Prepare and submit interim and final financial reports and issues invoices in a timely manner, as required by sponsors
3. Execute cash drawdowns through Letter of Credit draws, monitors accounts receivable and advance payments; monitor overall cash collection for sponsored projects
4. Prepares and provides special reporting to sponsoring agencies (i.e. NSF, NIH, etc.)

Award Closeout
1. CGA will send the PI/PD an award expiration notification via email, as appropriate
2. Coordinate financial closeout and termination of an award with the PI/PD
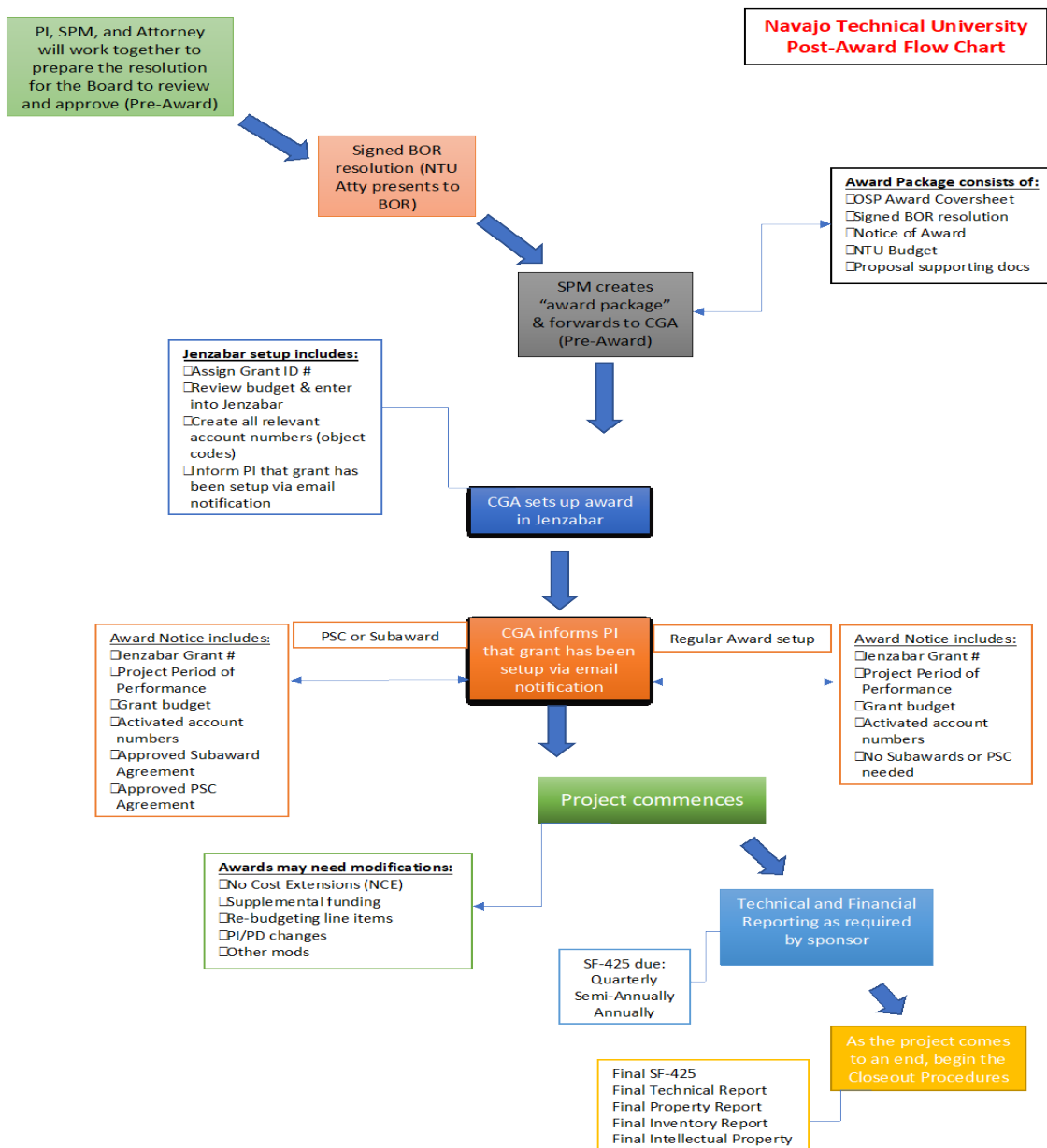
3. Reconcile of any deficit or other corrections based on applicable cost transfer / salary reallocation paperwork received by the PI/PD
4. Complete final reporting, if required
5. Complete final Invention report, if required
6. Complete Property Report, if required
7. Close out grant/fund(s) in Jenzabar and Cayuse

Financial Audits
1. Coordinates all audits conducted by external audit agencies and provides information required during audit reviews
2. Prepares SEFA (Schedule of Expenditures of Federal Awards)

Principal Investigator / Project Director Roles and Responsibilities

Post-Award Process Flowchart:

Navajo Technical University Post-Award Flow Chart

PI, SPM, and Attorney will work together to prepare the resolution for the Board to review and approve (Pre-Award)

Signed BOR resolution (NTU Atty presents to BOR)

Award Package consists of:
☐ OSP Award Coversheet
☐ Signed BOR resolution
☐ Notice of Award
☐ NTU Budget
☐ Proposal supporting docs

SPM creates "award package" & forwards to CGA (Pre-Award)

Jenzabar setup includes:
☐ Assign Grant ID #
☐ Review budget & enter into Jenzabar
☐ Create all relevant account numbers (object codes)
☐ Inform PI that grant has been setup via email notification

CGA sets up award in Jenzabar

Award Notice includes:
☐ Jenzabar Grant #
☐ Project Period of Performance
☐ Grant budget
☐ Activated account numbers
☐ Approved Subaward Agreement
☐ Approved PSC Agreement

PSC or Subaward

CGA informs PI that grant has been setup via email notification

Regular Award setup

Award Notice includes:
☐ Jenzabar Grant #
☐ Project Period of Performance
☐ Grant budget
☐ Activated account numbers
☐ No Subawards or PSC needed

Project commences

Awards may need modifications:
☐ No Cost Extensions (NCE)
☐ Supplemental funding
☐ Re-budgeting line items
☐ PI/PD changes
☐ Other mods

Technical and Financial Reporting as required by sponsor

SF-425 due: Quarterly Semi-Annually Annually

As the project comes to an end, begin the Closeout Procedures

Final SF-425
Final Technical Report
Final Property Report
Final Inventory Report
Final Intellectual Property

8.2   Annual Process Performance Review

Annually, between February 1st and April 1st, the Contracts & Grants Accountant will randomly select 10% of projects that were active within the current fiscal year. The Contracts & Grants Accountant, Sponsored Projects Manager, Dean/Chair, Provost, and other relevant parties will review the selected projects to ensure the documented procedures for project administration, financial administration, and compliance were followed as detailed in this manual. Results will be used to improve processes and could instigate needed changes to the sponsored project administration procedures.

Section 9: Links and Definitions

9.1   Links

References:

1. OMB Circular A-21: https://georgewbush-whitehouse.archives.gov/omb/circulars/a021/fedrega21.html
2. 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
3. 2 CFR Ch. 11 Pt. 200, App. IV – Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations

9.2   Definitions:

1. OSP – Office of Sponsored Projects
2. PI/PD – Principal Investigator / Project Director – generally bear the primary responsibility for the success of their sponsored research and training projects. In addition to their academic and scholarly duties, PIs must exercise a substantial degree of administrative acumen to enable the research enterprise, of which they are the crucial part, to function successfully.
3. CGA – Contracts & Grants Accountant – Post Award
4. Allowable: see CFR 200.403 – Factors affecting allowability of costs.
5. Allocable: see CFR 200.405 – Allocable Costs
6. Reasonable: see CFR 200.404 Reasonable Costs