



Administrative Policies and Procedures

Office of the Executive Vice President for Administration

Policy Title Grants Management and Administration
Approved April 1, 2011

I. Introduction

Grant agreements are legal contracts that carry terms and conditions prescribed by the grantor that the Auraria Higher Education Center (AHEC) must follow and adhere to. Failure to do so will increase AHEC's exposure to legal liability and compromises current and future grant funding. Therefore, AHEC carries a significant legal and ethical responsibility when accepting grant funding, making it important to establish a formal process to follow when applying for grant funding on behalf of AHEC.

II. Grant Application Process

- A. Approval to submit a grant application must be obtained from the Division Director and the Executive Vice President of Administration (EVPA) or his/her designee.
- B. In order to evaluate the merits of each proposed grant, a "Pre-Application" meeting must be scheduled with the Division Director, the Chief Financial Officer (CFO) and the EVPA or his/her designee in order to assess the following:
 1. Does the grant project align with existing or future organizational priorities?
 2. Does the Division have the capacity to administer the financial and administrative aspects of the grant?
 3. What are total anticipated project costs; are matching funds required; and, what is the source of those matching funds?
 4. Are there special or unique provisions of the grant that need to be considered (purchasing requirements, reporting requirements, etc.)?
 5. What is the continuation plan for sustaining the program if funding is reduced or terminated?
- C. All grant applications must be signed by the EVPA or his/her designee prior to submission; no other signature is authorized.

III. Grant Award Process

- A. All divisions that receive a grant award are responsible for ensuring that the grant agreement or contract is fully executed within the timeframe established by the grantor.
- B. All grant awards must be reviewed by the CFO and approved by the EVPA or his/her designee; no other signature is authorized.
- C. All grant awards received shall be date stamped, duplicated, and the original copy of the award notification, the grant agreement or contract, and any memoranda of understanding forwarded to the CFO within five (5) calendar days of receipt. The duplicate shall be maintained by the division receiving the award.
- D. The CFO shall review all grant documents and seek legal counsel, if needed, prior to forwarding the grant agreement or contract to the EVPA or his/her designee for execution of the contract or agreement.
- E. Upon receipt of the fully executed grant award from the grantor, the division must provide an

original of the fully executed grant agreement to the Chief Financial Officer within five (5) calendar days of receipt. A copy must be maintained by the division receiving the grant for inclusion in the grant master file.

- F. In the event that funds awarded by the granting entity are reduced from those requested in the original grant application, the final grant award must clearly provide a revised budget that supports the reduced funding allocation and shows the revised expenditure authorizations.

IV. Grant Tracking and Reporting of Funds

- A. It is imperative that grants funds are properly used and accounted for. Violations can result in a range of penalties, including suspension of future funds from the grantor, the return of all funds associated with the award, including those already expended, and the creation of potential legal liability for the agency.
- B. Within two weeks of the full execution of the grant contract or agreement, a mandatory "Grant Review" meeting shall be conducted by the Division of Business Services with the division receiving the grant award to review the following:
 - 1. Account stream for project transactions (revenue and expenditure accounts)
 - 2. Restricted fund budget information
 - 3. Appropriate expenditures
 - 4. Procurement provisions and requirements
 - 5. Reporting requirements and expectations
 - 6. Supporting documentation (invoices, receipt vouchers, agreement, other correspondence, etc.)

PLEASE NOTE: No grant funds may be expended prior to this meeting.

- C. Divisions receiving grant funds are responsible for the management of the grant and adherence to the stipulations outlined in the approved grant award to ensure that allowable expenditures are incurred. This also includes adherence to the eligible performance period and disbursement of appropriate grant expenditures within the period defined by the grant award. The Division Director is ultimately responsible for the actions of the division.
- D. Any use of funds that falls outside those authorized within the grant contract or agreement must first be approved, in writing, by the grantor. If this requires a budget modification, it is the responsibility of the division to complete and submit to the grantor agency. All budget modification requests must be reviewed and approved by the Chief Financial Officer prior to submission.
- E. All procurement activity associated with grant-funded projects or programs shall follow all existing AHEC guidelines for the purchase of goods and services without exception. It is critical that all procurement provisions of the grant agreement be completely followed. When in doubt, please contact AHEC's Procurement and Distribution Services department for proper guidance.
- F. Timely reporting is a critical component of grant compliance. Recipient divisions must prepare timely and accurate progress, programmatic or financial reports as required by the grantor.
- G. All financial reports must be reviewed and approved by the CFO or his/her designee prior to submission to the grantor. Therefore, it is important that all financial reports be prepared and submitted to the CFO at least 10 calendar days prior to the grantor's reporting deadline.
- H. All divisions must maintain a master grant file that contains all the following information:
 - 1. Grant Application (copy of original applications; applications guidance; research data in support of application, etc)
 - 2. Grant Award (award letter, grant agreement, grant amendments, modifications,

- extensions,cancellations, terminations, etc.)
3. Financial (purchase orders, invoices, all required reports to grantor, etc.)
 4. Miscellaneous (Any other information related to the grant, including statistical information where required)

The master file must be kept current and will be provided to the external auditors as supporting documentation for any requested review of grant transactions. Master grant files may periodically be reviewed by the Division of Business Services to ensure proper file maintenance and timeliness of record keeping.

I. Divisions must ensure they comply with retention requirements specified by each grantor.