

## UNIVERSITY OF NEW HAMPSHIRE COOPERATIVE EXTENSION **Procedures for New and the Renewal of Grants, Contracts, and Gifts**

External funding has become an increasingly important revenue source for Cooperative Extension (CE). As traditional sources of funding become less available we must seek more diverse funding such as grants, contracts, and private gifts. CE encourages all Extension Educators to seek these new sources of revenue to support programs of high organizational priority. Grants not intended for high program priority areas are not encouraged. While all funding proposals require Program Leader approval, a grant pursued outside of the main organization's scope, requires justification and the approval of the Associate Director. The Program Leader and/or Associate Director also determine if the grant work potentially creates a conflict of interest for CE.

Whenever possible, CE encourages all grants to include salary and fringe benefit costs for our current staff, as well as the Facilities and Administrative Costs (F&A, also called "indirect"), as allowed by the prospective sponsor. The F&A is the non-program reimbursement that is received from the external sponsor to cover administrative and overhead costs associated with research or other sponsored programs.

All deposited revenue is charged a University of New Hampshire (UNH) administrative fee as part of the University's decentralized budgeting called Responsibility Center Management (RCM). These administrative charges are normally included in grants as part of the F&A rate. Other sources of revenue including gifts, 4-H camper fees, workshop registration, fee for service, etc., are charged UNH administrative fees. These charges are covered by CE's state administrative account. Accounts should cover their own administrative support.

Grants and contracts are not considered gifts. They support specific sponsored programs and projects, which require periodic reporting and financial accounting to the sponsor and must be processed through the UNH Office of Sponsored Research (OSR). A gift or donation is a voluntary, irrevocable transfer of assets made by a donor without any expectation of receipt of direct economic benefit or service. The University of New Hampshire has specific policies and procedures regarding grants, contracts, and gifts. (See <http://www.unh.edu/osr/> under *Awards Administration*). When there is confusion regarding a gift vs. grant/contract, contact the CE Assistant Director, Finance and Human Resources for clarification.

The following CE guidelines must be understood and followed by staff members seeking all forms of external funding:

- Proposals submitted for external funding to any source must first have prior CE Program Leader and administrative approval.
- The lead person on the grant or contract is called the Project Director (PD). The PD along with the Program Leader or supervisor is ultimately responsible for the

conduct of the project, including related staffing, notification to staff involved in cost share match, programming and administration.

- All grants, contracts, and gifts are processed through the UNH financial and accounting systems. Awards and gifts are recognized by the university and fund stewardship is a joint responsibility of the PD, CE Administration, and OSR or UNH Foundation partnership.
- Grants which would require a match (cost share), whether actual dollars or in-kind commitment of CE funds or staff time, must be approved by the Program Leader and administration prior to proposal submission to OSR. Staff included in the grant as match must be notified in advance by their Program Leader. **An appropriate commitment to the project by the Program Leader must be secured before submitting the proposal to OSR.**
- No staff member acting in his/her official capacity as a UNH Cooperative Extension employee may deviate from the above, as this fiscal involvement constitutes a commitment on behalf of the University.

**In addition to the general guidelines listed above, the following specific grant and contract procedures are generally followed by CE staff in coordination with the Program Leader:**

1. Prior to preparing proposal text or budgets, the PD meets with his/her Program Leader for initial approval. Consideration for approval includes organizational mission, program fit, current plan of work, connection to the current *CE Strategic Plan*, and individual and organizational capacity to carry out the project scope.
2. Working with the Program Leader, the PD prepares a proposal text and rough budget for consideration. The Program Leader assists the PD during the development phase and provides program support as needed.
3. If the PD is county-based, the Program Leader works with the CE Assistant Director, County Operations on grant proposals.
4. If the PD is campus-based, the Program Leader will seek appropriate departmental approval.
5. The Program Leader will keep the Associate Director apprised of grant proposals in the works. The Associate Director usually needs two working days for review of the final grant proposal.
6. The budget is submitted to the CE Assistant Director, Finance and Human Resources. The Assistant Director determines the financial implications of the proposed grant. If accepting the grant will have a negative financial impact for CE to administer, the proposal will be reviewed by the administrative team. While program fit is a major consideration, negative financial impacts to the organization must seriously be considered.
7. Once the budget is finalized and incorporated into the proposal, the PD completes the *Request for Internal Approval of Grant or Contract Application to External Sponsor*. (This form is commonly referred to as the Yellow Sheet.) It is the responsibility of the PD to obtain all necessary departmental and administrative approvals and required signatures prior to proposal submission to OSR.

8. Taking into consideration the external sponsors' specific requests such as multiple copies of the grant and request for proposal deadlines, the PD must submit the fully signed Yellow Sheet and complete proposal to OSR for review and processing at least five working days prior to the submission deadline. Once OSR completes its review of the grant proposal, a cover letter and required attachments are sent to the sponsor, along with the proposal, indicating that the proposal originates from UNH. Please note that OSR is the only entity authorized to submit, accept, and sign an award on behalf of UNH.
9. Once a proposal is submitted to a sponsor, necessary changes would need OSR's written approval after consultation with the PD.
10. When the award is received, OSR sets up an account in the University Financial System called BANNER. OSR oversees the post-award phase regarding billing, reporting, and compliance.
11. Day-to-day financial accounting occurs in the CE Business Service Center (BSC). Each award is assigned to a specific BSC staff member for financial processing. New PDs must become familiar with financial protocols and should meet with their respective BSC representative regarding university policies and procedures. New PDs should also meet with their OSR grant and contract administrators to understand the specific terms and conditions of the award.
12. The PD receives monthly budget statements from the CE BSC. Any questions regarding charges and the posting of expenditures should be directed to the BSC.
13. Direct payroll charges made to a grant, as well as cost sharing, are reported through the UNH Time and Effort Reporting System. Even though CE has its own system, the PD or appropriate Program Leader's signature will be required on the University forms.
14. In most instances, post-award changes in the scope of work and/or budget must receive sponsor approval. Requested changes need OSR's written approval, and then sponsor approval. OSR will notify the BSC and PD of sponsor approvals.
15. It is important to pay close attention to budgets near the end of the grant project periods. Unless a time extension has been approved by the sponsor, no expenses will be allowed after the project end date.
16. For those awards with a cost sharing requirement, the cost sharing must be documented throughout the project period. Otherwise, the sponsor will not reimburse UNH on a timely basis.
17. During project close out, PDs must be in close contact with the BSC regarding outstanding financial commitments or encumbrances. Cost sharing must be fully documented and all required reports must be submitted before final payment will be made by the sponsor.

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