

NUETA HIDATSA SAHNISH COLLEGE FISCAL MANAGEMENT AND GRANT DIRECTED PROGRAM POLICIES & PROCEDURES



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Nueta Hidatsa Sahnish College is accredited by the Higher Learning Commission. A Commission of the North Central Association of Colleges and Schools. For information contact: <http://www.hlcommission.org>.

"The Nueta Hidatsa Sahnish College will provide Quality Cultural, Academic, and Vocational Education and Services for the Mandan, Hidatsa and Arikara Nation."

Nueta Hidatsa Sahnish College is an equal opportunity and affirmative action institution that does not discriminate on the basis of race, age, color, national origin, sex or disability in its admissions, employment practice, educational programs or other related activities.



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FISCAL MANAGEMENT

Introduction

This section of the policies of the Nueta Hidatsa Sahnish College, hereafter referred to as the College, cover the management of the fiscal matters of the College. The foundation of these policies is the responsibility of the Nueta Hidatsa Sahnish College Board of Directors, hereafter referred to as the Board. The development of these policies is a continuous process, and will require revisions of current policies, or the development of new policies to handle new situations and issues as they arise.

The Board, which represents the best interest of the community and the College as a whole, approves these policies in accordance with governmental regulations, and periodically appraises the effects of its policies and makes revisions as necessary. The College operates according to these policies established by the Business Office and the Board. The Board further entrusts the College's administration to implement them through more specific regulations and procedures. The responsibility to follow these policies is placed on all of the staff employed by the College.

Financial Management Department Responsibilities

The Business Office is the trustee of institutional, Tribal, state, and federal funds awarded to the College, and has the responsibility for the protection and the prudent fiscal use of those funds. Therefore, the Business Office strives to meet this responsibility by following certain objectives, listed below, to ensure effective and efficient use of those funds.

Policy Objectives

To ensure and preserve the financial strength of the College through a centralized management of financial resources.

- To ensure the financial strength of the College by monitoring expenditures, budgets, and revenues collected and available cash balances.
- To provide the information required to satisfy federal standards and regulations and to meet management information needs.
- To provide support and to make the financial reporting process more useful for program directors and supervisor for compliance with all applicable federal, state, local, private and College regulations.

Budget Administration

A budget is a plan for the coordination of resources (such as money or manpower) and expenditures, over a definite time period. The operating budget is the overall plan that



identifies the expected resources and expenditures for a given future period, usually one year, and that reflects the nature and source of these resources and expenditures.

The budget reflects the short-term activity that is required to meet long-range goals, such as the College's Strategic Plan or goals laid out in a Federal Grant proposal. For example, statements to federal and state agencies and others concerning future actions should be based on a decision that has been included in a budget. In short, if a College does not have a goal, has not dedicated funds to carry out the goal, or has not dedicated personnel (and their salaries) to seek other funds, it will not be able to carry out its goals. Therefore, a budget is not only a basic tool for management control, but also a basic document for internal and external communication.

The College's planning has two direct parts: strategic (long-term planning) and operational planning. Strategic planning is long-term in the sense that it defines the College's direction, that is, where the College should be many years hence, and its priorities. The College's mission statement outlines this strategy in the broadest sense. The strategic plan describes how the organization will attain the broad goal(s) described in its mission statement.

Operational planning is the development of specific, measurable goals that reflect the step-by-step implementation of the broad goals during a short-term period, for example, the forthcoming budget year. Development and implementation of an operational plan is the responsibility of the College administration, with direct involvement by program managers. This activity and the budget process are interrelated. The budget may be currently viewed as the operational plan expressed in terms of dollars.

Finance Committee

The College's Finance Committee meets to assist the President and the Business Manager in the timely formation of the overall budget and the budgets for each program. This committee is also responsible for monitoring and modifying budgets, and submitting them to the Board for their approval.

The Finance Committee will be composed of the following members:

1. Chief Financial Officer/ VP Support Services – Chair of the Finance Committee
2. Vice President of Academics
3. Vice President of Student Services
4. Business Manager
5. Director of Grants & Accreditation
6. President

The Chief Financial Officer will serve as the Chairperson for the Finance Committee. In the absence of the CFO, the Business Manager will serve as Chairperson. The



Secretary for the Budget Committee shall be appointed by the Committee Chair. In the absence of the Secretary, the Chairperson shall appoint a committee member to take minutes. The Finance Committee may invite others to the meeting for the purpose of providing information to the committee. The Finance Committee will meet on the second Wednesday of each month convening at 10:00am.

The duties and responsibilities of the Finance committee shall be as follows:

- 1) Serves as advisor to the President and Chief Financial Officer in the establishment of the College's budget. Reviews, analyzes, and recommends on all fiscal matters and concerns.
- 2) Assists in developing institutional short and long-range goals, objectives and financial plans. (i.e., salary schedules, review the impact of external grants, and any absorption of costs to the general fund).
- 3) Reviews and approves budgets for all grants/proposals submitted on behalf of the College. Budgets of grants are to be submitted in draft form to committee.
- 4) Monitors College budgets and makes corrections as needed on monthly basis.
- 5) Reviews and formulates policies on fiscal matters to be recommended to the Board of Directors.
- 6) Reviews manual for Business Office.

Accounting Requirements

Fiscal Year

As of June 30, 2012, the College's fiscal year shall be July 1 to June 30. Prior to June 30, 2012, the College's fiscal year was October 1 to September 30.

Annual Audit

An annual audit will be performed by a certified public accountant. The audit report shall serve as a final report to the funding agencies and as a management tool for the Board and its committees.

NHSC will abide by the Code of Federal Regulation's *Part 200 – Uniform Guidance* in regards to the annual audit.

Audit Planning

The annual audit will be completed in a timely manner to meet federal regulations.



The annual audit will be submitted and presented to the NHSC Board of Directors by the auditing firm with deficiencies highlighted.

Documentation

Adequate documentation in accordance with the Code of Federal Regulations is to be maintained to support all financial transactions recorded in the accounting records (*see also the individual sections for specific documentation requirements, i.e., accounts payable, payroll, etc.*). Expenses disallowed under federal contracts are to be identified and paid from non-federal funds. Supporting documents shall be retained in an orderly fashion. Journals, ledgers, subsidiary records, and un-issued checks are to be properly safeguarded by the accounting office and locked up after business hours.

Documentation is required of all expenditures with sound, legible documentation that is maintained in accordance with the record retention policy.

Record Retention

As stated in *Uniform Guidance*, Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as authorized by the Federal awarding agency. The qualifications are:

- 1) If any litigation, claim, or federal audit is started before the expiration of the three (3) year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.
- 2) Records for nonexpendable property acquired with Federal funds shall be retained for three (3) years after its final disposition.
- 3) Current accounting records are to be maintained in the business and fiscal offices. Records acquired in the prior two (2) years to the current period are to be retained in an authorized storage area.

Accounting Records

Accounting records for grant awards shall be maintained based on the beginning and ending dates of the award. All accounting records are to be maintained in accordance with generally accepted accounting principles and in compliance with federal agencies. The budget and accounting systems are compatible and should be maintained accordingly. A double entry bookkeeping system is to be used. The books are to be kept current and shall provide for the consistent identification of all costs. A chart of accounts providing identification of all budget line items shall be established.



Accounting documents will be filed in a manner that permits their reconciliation to financial records on a monthly basis and that provides fully auditable support for entries made to College and program accounts.

All grant or contract compliance and federal reporting requirements (Including tax reporting) will be met on a timely basis. Accounting records will be maintained in a current status to facilitate reporting and to eliminate possibilities for overdrawing cash or incurring penalty and interest charges.

Cost Transfer Journal Entries

A cost transfer is a journal entry that transfers an expense to a fund code that was previously recorded elsewhere on NHSC's General Ledger. The College shall maintain an accurate system for making cost transfer journal entries. The system shall have the following features:

- 1) A distinct number shall be generated for each cost transfer journal entry.
- 2) The journal entry shall be created on the prescribed form and shall include signature approval from the Business Manager or CFO. Entries may be posted by the Business Manager, CFO, internal auditors/accountants, or student accounts with proper approval. If the Business Manager or CFO created the journal entry, than another person must post it to the system.
- 3) Documentation supporting cost transfers shall be attached to the journal entry form and maintained in the office of the Business Manager. The documentation shall explain and justify the transfer of charges and indicate where the original charge was previously recorded. Documentation may include copies of the original purchase order/check requisition, an in-house memo, correspondence, personnel action forms, or other documents explaining why the charge is allowable, reasonable, and allocable to the new fund code.
- 4) Cost transfer journal entries must be made prior to the audit of that fiscal year, typically within 90 days from the original entry. Entries made after 90 days from the original entry date must have CFO approval.

Matching Funds

When funds are needed for matching requirements, the source of these funds shall be identified in order to leave an audit trail prior to the submission of the grant application. This identification shall include:

- 1) The pertinent portion of regulations that allow the funds to be used for such purposes.
- 2) A clear explanation of the transaction shall be given; for instance, if the matching funds have not arrived on a timely basis, this shall be recorded.
- 3) All matching funds must be in place prior to starting the project. Some grantors require that the grantee's funds be used first.



A project code shall be assigned for all matching funds used for a specific project.

Cash Management

Cash Depositories

In accordance with the Office of Management and Budget (OMB) requirements all monies advanced to the College which is subject to the control or regulation of federal agencies must be deposited in a bank with Federal Deposit Insurance Corporation (FDIC) coverage, and the balance exceeding the FDIC coverage must be collaterally secured. Separate bank accounts will be maintained when required by the granting agencies.

The College will select a commercial bank to receive direct deposits/wire transfers drawn from granting agencies.

Letters of Credit

When a letter of credit is received from a granting agency, it is notification that the funds are available to be drawn. The College will submit properly completed payment vouchers to the appropriate federal agencies.

Safeguarding of Funds

Safeguarding funds is the responsibility of the Business Office. All funds received by the College shall be properly recorded and deposited in the appropriate bank account at least semi-weekly or when deemed appropriate. Checks and cash which remain undeposited should be properly safeguarded and locked after business hours. As soon as the check is received by the Business Office, it will be stamped for deposit.

Bank Accounts

Proper segregation of duties shall be maintained. The bank reconciliation shall be assigned to an employee who is not involved in the daily cash transactions.

The transfer of funds, except for the general fund, between federal programs is specifically prohibited. Sums appropriated for the various line items per federal grants and contracts shall be applied solely to the objects for which they are specifically made.

All cash receipts (cash, checks, money orders, etc.) will be receipted by a Business Office employee that generates a numbered receipt, except cash received through direct deposit. When cash deposits are made the deposit total will equal the total receipts for the period covered by the deposit.



Direct deposits are recorded by using a general journal entry supported by the drawdown request or supporting documents and the bank statement.

All expenditures will be supported by a Purchase Order/Check Request and the appropriate supporting documentation.

All income including investment and interest income shall be reported to the Board quarterly or upon request of the Board.

Checks and Check Signers

All disbursements shall be made by pre-numbered checks.

All checks shall require two signatures. Authorized check signers include the Chairperson, one other member of the Board of Directors, the President, and Business Manager, although another NHSC employee may be selected by the Board of Directors to sign checks under certain circumstances as well. All check signers must be employed or on the Board of Directors for a length of 90 days before being granted the responsibility. Signing checks in advance of approval and the practice of drawing checks to cash are prohibited.

Check signers and business office personnel shall be bonded for at least \$25,000.

A list of checks outstanding ninety days or longer shall be prepared monthly by the Business Office. The list shall be reviewed by the Business Manager for determination of actions to be taken.

“Void after 120 days” shall be printed on the checks.

Check Voiding

When checks are voided before being distributed, the signature line shall be cut out and the word “Void” placed on the front of the check. The voided check shall then be placed on file in the voided check file.

Bank Reconciliation

Bank statements shall be reconciled against the general ledger monthly.

Departmental Responsibilities

As noted above, the Board entrusts the responsibility to develop the policies and procedures to the College’s administration. The development of these policies are to ensure the assets of the College are safeguarded, that the funds received by the College are expended in the most effective and efficient manner, and that are spent in accordance with the awarding agencies’ grant requirements and regulations. To meet



these objectives, the College's administration is required to establish an internal control system, and has delegated this responsibility to the Business Office. As part of a good internal control system, the Business Office has separated the responsibilities and duties between the office staff. The following lists the main duties and responsibilities of each position within the Business Office.

Accounts Payable

- Accounts Payable is responsible for maintaining records on all accounts payable and processing of all purchase orders and check requisitions, and payments of travel advances and closeouts.
- Maintains records of all accounts payable
- Makes payments to all vendor's accounts payable
- Processes all closed purchase orders and maintain records.
- Does filing, and performs other duties as necessary for the record keeping of accounts payable and purchase orders.

Property and Procurement

- The Property/Procurement/Administrative Assistant gathers all incoming correspondence, records all purchase orders/check requests, and submits the requests for the approval process. Tracks and monitors purchase orders, places the orders, and records and monitors the fixed assets.
- Maintains records of asset purchases and all incoming shipments.
- Maintains records of asset purchases to meet grant requirements.
- Does all ordering of purchase order requests.
- Responsible for inventory control.
- Works with Bookstore Manager to inventory all Bookstore materials.

Accountant Specialist/Grants and Contracts

- The Accountant Specialist/Grants and Contracts assists the Business Office Manager in monitoring status of College budgets including state, local, federal and contract funds.



- Assists and provides guidance to departmental personnel regarding budgets, expenditures and revenue reports.
- Assists in budget development planning and year-end closing.
- Consults with the Business Office Manager for necessary budget adjustments.
- Prepares reports that include expenditures, revenues, projections and trends.
- Prepares financial grant reports with grant program director (i.e. SF-425, 269, 272 reports)

Administrative Assistant/Bookstore Manager

- Administrative Assistant duties are the recording and distribution of all incoming and outgoing mail and correspondence.
- Administrative Assistant will log all items (i.e., purchase orders, check requests, budgets, request for staff, timesheets, etc.) entering or sent to the business office by other College staff, recording the date and time of receipt on the documents.
- As the Bookstore Manager oversees ordering, distribution, sale and inventory of student classroom books and supplies; keeps accurate financial records of other transactions of the bookstore.
- Maintains contact with Accounts Receivable related to student accounts receivable.
- Prepares Purchase Orders and places orders for curriculum materials as needed in the Bookstore.
- Maintains an inventory of all Bookstore materials.

Human Resources/Payroll clerk

- The Payroll Clerk prepares payroll according to established pay schedules and maintains attendance and time card records, payroll and personnel files for all employees at NHSC.
- Processes bi-weekly payroll.
- Maintains employee personnel records.
- Monitors employee benefit eligibility.



- Reviews bi-weekly timesheets for accuracy.
- Makes any required changes to employee information such as change of address, withholding or regular deductions.
- Processes child support deductions and garnishments, and requests checks for appropriate recipients for these funds.
- Records sick, personal and vacation time on payroll records of all employees.
- Explains benefit programs available to employees, processes and checks enrollment forms and forwards paperwork to insurance carriers and pension administrator in a timely manner.
- Reconciles payroll deductions.
- Prepares and records all federal payroll tax deposits and all payroll reports in a timely fashion.
- Prepares and submits quarterly payroll tax returns and reports after review by Business Office Manager and Accountant.

Student Accounts/Accounts Receivable

- The Student Accounts/Accounts Receivable oversees and maintains records on all records on accounts receivable and Student Accounts, keeps accurate financial records of transactions and financial aid for students, and is responsible for travel arrangements, and monitors the travel advances and closeouts.
- Maintains records of all accounts receivable.
- Makes payments to students.
- Makes travel arrangements and monitors travel advances, closeouts and routes to Accounts Payable or Payroll.
- Prepares periodic student billings,
- Invoices programs covering students.
- Receives and records payments for students.



- Records all payments and credits to student account.
- Distributes financial aid refund checks.
- Prepares monthly plus yearly student account receivable list and a yearly student list of who is served for audit purposes.
- Monitors student and employee accounts receivable and invoices accordingly.
- Sends out collection notices and recommends allowance for uncollectable accounts to Business Office Manager.

Business Office Manager

- Review all entries to the financial books and records and monitors the recording of financial transactions to ensure complete, accurate, and timely recording and minimize possibilities for misuse or misappropriation of College assets.
- Responsible for all bank accounts established to assure that revenues are deposited in the appropriate accounts and to assure that no account should be over drawn.
- Responsible to see that each bank account is reconciled monthly to maintain control over cash flow and expenditures.
- Responsible for maintaining a standard chart of accounts to provide consistency in financial reporting.
- Responsible for submitting indirect cost proposals in a timely manner and in accordance with federal regulations.
- Responsible for preparing and maintaining forecasts of revenue to be collected, for assuring that revenues are collected on a timely basis, and for taking necessary steps to curtail expenditures if actual revenues do not materialized as planned.
- Responsible for apprising department heads, supervisors and program directors of budget control problems so that corrective action may be taken.
- Responsible for initiating the process of conducting an annual audit of all College accounting records by an independent account firm.



Chief Financial Officer/Support Services

- The CFO oversees Business Office personnel and financial processes of the College and serves as a fiscal liaison with the President and Board of Directors in ensuring budgets are not exceeded.
- Responsible for the investment of College funds. Accurate accounting records will be maintained for all investments including information on yield expected and actual earnings, maturity dates and restrictions on use. Will carefully safeguard certificates or other evidence of ownership.
- Has overall responsibility for grants and program budgets by setting guidelines to be used by program directors for their contracts.
- Responsible for preparing and distributing financial reports to program directors, other department heads, the President and the Board. Financial reports will be prepared and distributed on a monthly basis.
- Submit a monthly financial report to the Board to include a balance sheet, revenue and expenditures report, investments, bank balances, delinquent receivables, loans and any other information requested.
- Responsible for supervising Human Resources and Bookstore staff.
- Responsible for oversight of the Facilities Manager and IT Director and makes certain those departments are operating appropriately.

Procurement

Nueta Hidatsa Sahnish College wants to control expenditures by obtaining the lowest cost (with satisfactory quality), by not allowing expenditures to exceed budgeted amounts. To ensure such, the Business Office will review all purchases against individual budgets to ensure unencumbered funds are available and are in compliance with grant requirements. However, it is the ultimate responsibility of the Program Directors and department supervisors to ensure that all program purchases are in compliance with federal, state and local contract requirements as they apply to NHSC policies and that the Business Office has the most current approved budget. Any expenditure in excess of the approved budget will not be permitted, unless accompanied by an approved budget modification.

Purchases that exceed budget will be returned to originator with the reason for denial.

Determining Allowability of Costs

As listed in OMB *Uniform Guidance*, allowability of expenses should be determined by considering the following criteria:



- they must be reasonable;
- they must be allocable to sponsored agreements under the principles and methods provided herein;
- they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and
- they must conform to any limitations or exclusions set forth in these principles or in the sponsored agreement as to types or amounts of cost items.

Please refer to the OMB *Uniform Guidance* for additional guidelines and policies relating to principles for determining costs applicable to grants, contracts, and other agreements with educational institutions. OMB *Uniform Guidance* also lists unallowable costs such as alcohol and entertainment.

Purchase Orders

Purchase Orders are to be used for planned purchases of equipment, supplies, and maintenance and repair services, subscriptions and miscellaneous purchases not requiring prepayment. Purchase of additional items not previously included on an original purchase order will have to be submitted on a new purchase order form, which also requires the same approval process as the original purchase order.

Purchase orders cannot be transferred to another vendor once the purchase order has been assigned a purchase order number. Should the vendor need to be changed, a new purchase order will need to be done and the other purchase order cancelled.

Open Purchase Orders will remain with Property/Procurement until the Purchase Order is closed. Once all items have been received and invoiced the purchase order is closed.

A complete inventory record of all equipment and instructional materials purchased are tagged and maintained by Property/Procurement. A physical inventory of College property will be taken at least annually and upon the closeout of a grant or contract.

Records on all property (including land) owned by the College will be maintained in the Business Office. The property listing for each program will be kept in the program folder with Property/Procurement.

Purchases of property must comply with accounts payable and purchasing policies, including regulations for competitive bids.

All purchases exceeding \$10,000 must have the President's approval and all purchases exceeding \$50,000 must have Board approval.

All purchase orders and check requests for senior management as beneficiary or vendor must have the President's signature.



Purchase of any item (or group of items) of equipment and other bulk items, unless they are determined to be from a sole source vendor (i.e., bookstore orders, utilities, etc.), will require bids as follows:

- Over \$10,000 - \$25,000 written proposals are required from at least three sources and approval by the NHSC President. An exception may be approved if three sources cannot be located.
- Over \$25,000 advertising for written bid is required. Approval by the NHSC Board of Directors is required if over \$50,000.

Refer to the Property Management section for further explanation of the policies regarding non-expendable property (i.e. construction), the bidding process, and the College's capitalization policy.

Unauthorized Orders

Any purchase made without proper approval will subject the purchaser to an obligation to reimburse the College or pay for the purchase.

Purchase Order/Check Request - Jenzabar

The College may use a web based requisition system, besides the paper Purchase Order documents for all purchase order and check request submissions. All purchase requests may use this system with the exception of Consultant Agreements which is addressed further in the purchasing process. Employees approved to submit purchase orders/check requests will have access to their specific fund codes in Jenzabar

The preparation of the Purchase Order/Check Request on Jenzabar includes:

1. A requisition name
2. Item number
3. Item description
4. Quantity
5. Price
6. Vendor ID - If the vendor is not in the system, the requestor must request a W-9 from the vendor and provide it to the Business Manager. Once the Business Manager enters the vendor in the Workplace system, the requestor may continue.
7. Fund Account
8. Priority: Purchase Order, Check Request, Travel, Stipend, or Reimbursement
9. Attachment of the proper supporting documentation. What will constitute proper supporting documentation depends on the type of purchase request that is submitted. The following list, **although not all-inclusive**, notes some of the



documents that would be required for a prudent person to be able to determine the legitimacy of the request:

- Agendas/itineraries, list of attendees, catalog listings, program/grant requirements, activity reports, etc.
- For check requests; original invoices, packing slips, receiving documents, etc.
- For check requests on pre-payment items, such as student emergency fund, petty cash, some student stipends; supporting documentation i.e. sign in sheets must accompany the check request before it is closed.
- For requests greater than \$50,000, minutes of the Board of Directors meeting showing approval must be attached.

Example: If a check is being requested for a Conference registration fee. The documentation would include the document that states the amount of the fee and where the check should be mailed to and a conference agenda.

All incomplete purchase order/check requests will be returned to the requestor.

Check Requisitions

Check requisitions are submitted through the same approval route as purchase orders as noted above, and the payment or check distribution timeline as noted below.

Check requisitions are to be used for the following types of purchases:

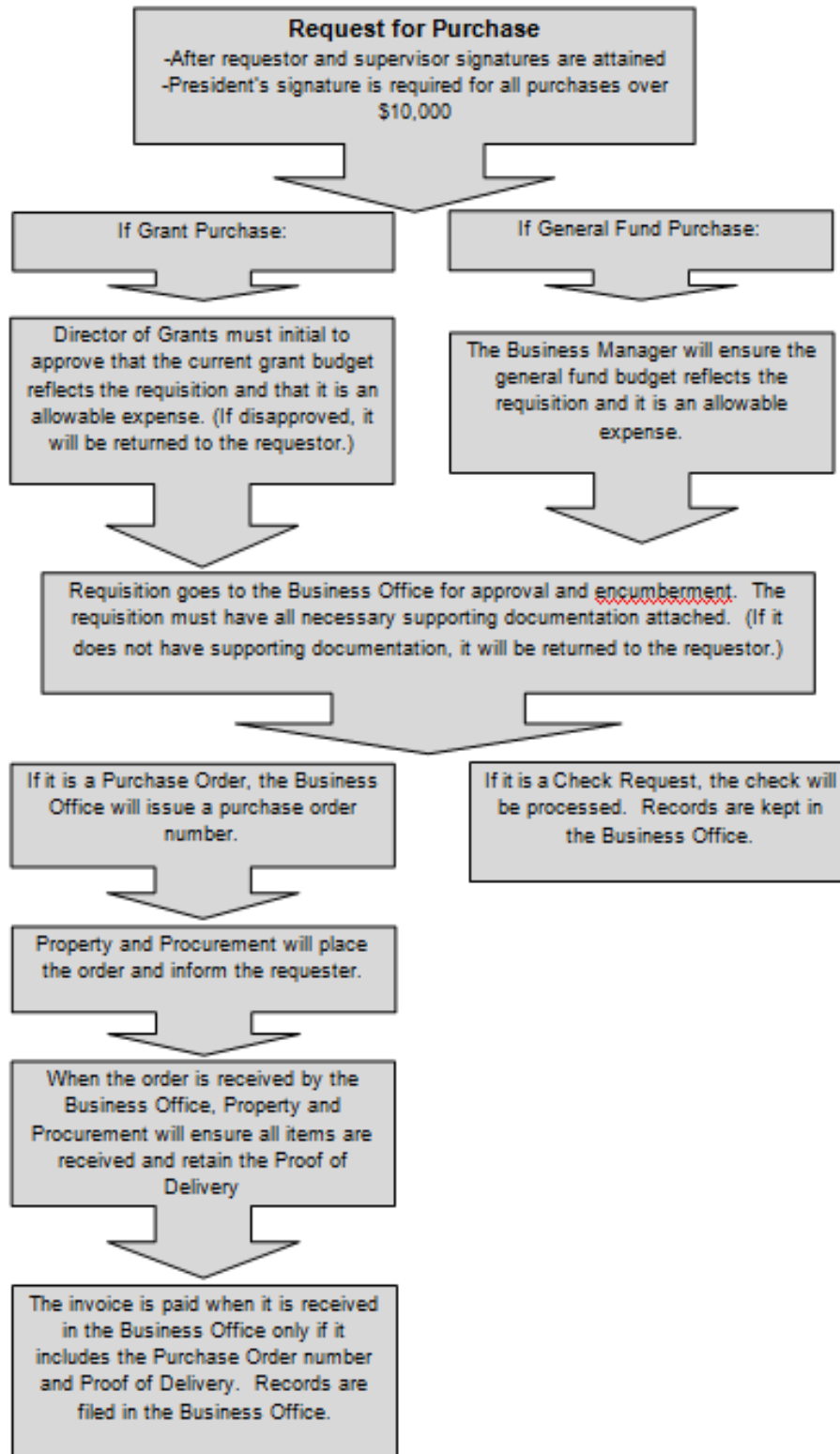
- Pre-payment is required. (Subscriptions, registration fees, etc.)
- Employee reimbursement for miscellaneous purchases with proper approval and documentation.
- Recurring bills-monthly lease agreements, rent, utilities, maintenance agreements, and consultant agreements.

Check requisitions for student stipends must be routed through the Financial Aid office.

All necessary support documentation must be attached to confirm the request. See the Purchase Order section above.



Purchase Request Process





Timeline/Schedule

Accounts Payable Week 1					
	Monday	Tuesday	Wednesday	Thursday	Friday
Program Manager Supervisor, PI				Final Approval of Purchase Order/Check Request on Workplace by 5:00 pm	
Accounts Payable Week 2					
Business Office Manager		Reviews listing & Purchase Orders/Check Requests for budget/grant compliance			
Accts Payable Procurement		Purchase Order numbers are assigned, PO copies distributed to requestors			
Accts Payable Procurement	Enters Check Requests into accounting system, prepares checks				Distributes Checks after 1:00pm

Receiving

1. All purchases will be delivered to the receiving room located in the Business Office.
2. Property/Procurement will sign for incoming shipments and inspect goods for conformity with specifications on the Purchase Order/Check Request copy.
 - deliver point is checked
 - damages are noted
 - Packing slip and purchase order are matched.
 - quantities listed will be counted (discrepancies are noted)
3. Property/Procurement tags all tangible personal property over \$500 with a NHSC number and documented.
4. Property tags will be maintained for each property item showing, at a minimum, a number, description, ownership, location, account number, date of acquisition, and cost (see Property and Equipment below for further detail required by Code of Federal Regulations).
5. The requesting department is notified of the shipment. If there are any damages or quantity errors associated with the shipment, the vendor is notified, and the



Business Office works with the vendor to rectify the situation. The requesting department can pick up their supplies or items when notified.

6. Property/Procurement attaches the packing slip, invoice, and other pertinent documents to the purchase order, and forwards it to Accounts Payable.

NOTE: If the property received is IT related (i.e., computer, laptop computer, printer, etc.), then the item(s) are turned over to the IT Dept. for setup before given to the recipient. The IT Director will sign the AP copy of the Purchase Order/Check Request for the items moving into the IT Department for setup, and will notify the requesting department when IT is finished with their procedures.

Property/Equipment

The purchase of the equipment and property is conducted according to Nueta Hidatsa Sahnish College's purchasing policies. In addition, the following criteria should be met:

- The purchase of the equipment and property should be necessary and allowable.
- The College should avoid purchasing duplicate items whenever possible and feasible.
- Purchase of equipment from external funding sources:
 - Should be approved by the sponsor.
 - Should meet the sponsor's guidelines.
- The competitive bidding process, when appropriate, should be employed when purchasing equipment and property.

All non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000.00 or more purchased from the general fund, shall be referred to as "Capitalized Equipment", and shall be capitalized. All other equipment shall be referred to as "Non-capitalized Equipment" and shall not be capitalized. Both categories of equipment will be recorded in the property and supply records (i.e., capitalized equipment that is tagged with bar coded tags and non-capitalized equipment will be tagged with numbered tags, or non-bar coded tags), in addition to the accounting records.

All items not considered equipment shall be classified as "Supplies", or materials. Supplies, materials, etc. may be purchased according to program contracts and budgets, or as considered necessary for the operation and administration of the College programs. Supplies, materials, and etc., are any expendable goods.

Property/Equipment purchased with federal funds may be established by the granting agency. Purchases of property and equipment with grant funds are recorded as expenditures of the fund making the purchase. The property and equipment is not



reflected in the financial statements or in a depreciation schedule. Property and equipment is moved to College's fixed asset account at the termination of the grant as its cost basis, and a depreciation schedule is set at that time.

According to Part 34, 74:34(f), of the Code of Federal Regulations (CFR), which states, "The recipients' property management standards for equipment acquired with federal fund and federally-owned equipment shall include all of the following:

1. Equipment records shall be maintained accurately and shall include the following information:
2. A description of the equipment
3. Manufacturer's serial number, model number, federal stock number, national stock number, or other identification number
4. Funding source of the equipment, including the award number
5. Whether title vests in the recipient or the Federal Government
6. Acquisition date or date received, if the equipment was furnished by the Federal Government) and costs.
7. Information from which one can calculate the percentage of Federal participation in the costs of the equipment (not applicable to equipment furnished by the Federal government)
8. Location and condition of the equipment and the date the information was reported.
9. Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates ED for its share."

Property should be used for the purpose originally intended. Equipment acquired for use on a sponsored project should be made available for use on other projects or programs providing that the use does not interfere with the project for which it was originally purchased.

Property acquired with federal funds with an acquisition value of \$5,000 or more needs to be monitored for a minimum level of use as required by *Uniform Guidance*. The College should tag and inventory all equipment within ninety (90) days of receipt, and keep separate inventory for each federal program. An



internal identification number will be allocated to the equipment; this number is also provided on the property tag.

Departments should make adequate provisions for the physical security of any equipment in its possession. Areas containing equipment should be locked after business hours or at other times when not in use. Special precautions should be taken for portable items and those of particularly high value.

Land, Buildings, and Building Improvements

All real property, including land, land improvements, structures and appurtenances thereto, excluding moveable machinery and equipment, shall be capitalized. Such expenditures shall be recorded in the accounting records. Subsidiary records shall be maintained to show the detailed accumulation of real property acquisitions.

Disposition of Equipment

When a program no longer needs a specific piece of equipment or if the equipment becomes worn out or obsolete, the Program Director of that program must notify the Business Office.

Any loss, damage or theft of equipment, the Program Director of that program must notify the President and the Business Office. The event shall be investigated and documented in writing by local police or other law enforcement officials and must be on file in the Business Office.

All transfers of property between programs and/or locations must be approved by the Business Office Manager and must comply with grant or contract requirements. *Notice of Transfers of Property must be sent to the Business Office ten days prior to the date of transfer.*

For property and equipment with a fair market value of more than \$10,000, advertisements for bids shall include the local surrounding area newspapers, in addition to the College website, KMHA, and email to all College email recipients, and word of mouth.

The following pertains to equipment that has a depreciated value based on the schedule set forth in this document:

- If equipment is transferred to another institution, the value of the equipment will be determined in accordance with the depreciation schedules.



Depreciation Methods

The Business Office will be responsible for calculation of depreciation schedules. Depreciation of property is computed on the straight-line method over the following estimated useful lives:

Buildings and land improvements	20 years
Machinery and equipment	5-20 years
Furniture and fixtures	5-20 years
Vehicles	5-10 years
Instructional and IT equipment	3 years

The beginning date for determining the depreciated value of equipment is July 1 of the current fiscal year. For example: if a piece of equipment is purchased November 30th, the beginning date for figuring depreciation will be July 1 of the current fiscal year.

The percentages for three-, five- and ten-year property are given in the following table:

1. Three-year property: 1st year-33%, 2nd year-33%, and 3rd year-34%
2. Five-year property: Each year – 20%
3. Ten-year property: Each year – 10%

Consultant/Contract for Services Agreement

Consultant agreements are to be used when services are needed on a short-term basis or intermittent basis. The agreement forms must be completed by the programs requesting the services and submitted for approval to the President. Consultant agreements over the amount of \$10,000 must be advertised for up to 2 weeks and be submitted for NHSC Board approval if the total amount will equal greater than \$50,000. The requestor and President will determine and document reasonable rates of accepted local compensation and other costs for the consultant. Consultant agreements must have a “Scope of Work” attached to the consultant agreement.

Non corporate Vendors

- Any **non-corporate vendors** are required to have a W-9 Request for Tax Payer Identification Form completed on file prior to cutting checks.

Consultants

- All consultants are required to fill out a W-9 as required for issuance of 1099.
- Payment for consulting services will be made only upon acceptance of the consultant’s interim work product or report or final work product and reports. Billings must be accompanied by supporting documentation regarding services performed and costs incurred



Services rendered should be inspected or reviewed by the user department to determine that the work was done in accordance with the purchase order or contract. Approval by the user department should be documented on the purchase order copy or stated in memo form and sent to the Business Office.

Nueta Hidatsa Sahnish College may use a consultant only if:

- There is a substantial need for the consulting services; and
- The institution cannot adequately perform the services with its own personnel or obtain consulting services through a contract with a state or governmental entity.

Types of services that may require a consultant agreement are:

1. Workshop Presenters or speaker fees
2. Grant Writing
3. Professional Services: legal, financial, technical support, etc.
4. Emergency services for maintenance, clerical, etc.
5. External Evaluation of programs



GRANT DIRECTED PROGRAM POLICIES and PROCEDURES

Please refer to the following sources for use of Federal Funds:

- *Uniform Guidance*
- https://www.whitehouse.gov/omb/grants_docs

Grant Development Policy

Pre-Award

The Nueta Hidatsa Sahnish College Office of Research and Development acknowledges that grants from tribal, federal, state and local government agencies, private organizations and foundations may provide support for the mission of the College. Therefore, College administrators, faculty and staff may apply for external funds using the following guidelines:

- Potential grant initiatives, projects, collaborations and other grant-related activities will be conducted through the Office of Research and Development;
- A grant must be consistent with the mission of the College and aligned with College goals and strategic priorities;
- Administrators, faculty and staff are responsible for obtaining pre-approval from the appropriate individual supervising the grant (Chief Financial Officer/Support Services, Vice-President of Academics, Vice-President of Student Services);
- NHSC Administrative Committee or President approves the submission of all grants submitted to external entities;
- Upon approval by the Administrative Committee, the Director of Research and Development will assist administrators, faculty and staff with the preparation of grant proposals and ensure compliance with grant guidelines, procedures, timelines and submission requirements;
- College personnel will provide the Office of Research and Development with information related to a grant submission.

Post-Award

If allowable, the Director of Grants should be added as an additional point of contact for the granting agency in order to ensure conveyance of information either from or to NHSC.

After the Award is submitted, the Director of Grants is to be included in any negotiation between the funding agency and the Project Director/Principal Investigator in order to keep accurate recording of grant expectations.



Once the original award letter is received by the Project Director/Principal Investigator or the College President, it must be forwarded to the Director of Grants for electronic storage in the Business Office files on the College network. The Director of Grants, along with the Project Director/Principal Investigator will then work with the Business Office to set up the fund account and budget line items for the grant.

During the award period, it is the responsibility of the Project Director/Principal Investigator to ensure that the goals of the grant are met, proper correspondence with the granting agency is maintained, and annual reports are filed. All reports filed with the granting agency need approval by the Director of Grants prior to submission. Any financial information submitted on the report requires back-up documentation for inclusion in the Business Office network files.

Annual Budgets will be required at the start of the grant funding period and modifications will be called for if budget line items are over expended. The budget amounts must match the award letters and include justification or approval from the program officer, if required, in the event of a modification.

The Project Director/Principal Investigator should work with the Director of Grants to ensure that his/her accounting of expenditures matches that of the Business Office. Any correspondence regarding budgeting, extensions, modifications, negotiations, or amendments should be forwarded to the Director of Grants for inclusion in the Business Office network files.

In the event that a Project Director/Principal Investigator should terminate employment at the College during the period of a grant, he/she should work with the Director of Grants to ensure completion and transfer of files to the new Project Director/Principal Investigator.

Cost Sharing

Cost sharing is the portion of project expenses related to a sponsored agreement that is contributed by parties other than the sponsor and not directly charged to the sponsored project account(s). This may include equipment grants, construction projects, or Interagency Personnel Agreements. Cost sharing may be required by the sponsor as a condition of receiving an award (“mandatory cost sharing”) or offered by the principal investigator (PI) by including it in the sponsored proposal document (“voluntary committed cost sharing”). **Caution:** It is the responsibility of the PI and the unit to evaluate the workload and budget implications of proposed cost sharing (i.e., mandatory or voluntary committed) and to ensure that the College’s cost-sharing commitment is met.



Policy Statement

Cost sharing must be proposed, approved, administered, and accounted for in a consistent and prudent manner. This includes understanding workload and cost implications of the cost-sharing commitment; determining when cost sharing is necessary and appropriate; and accurately recording and reporting cost-sharing expenses.

Reason for Policy

The College may provide resources in a "cost-sharing" arrangement to support a sponsored project. Contribution of such resources must be carefully considered and approved by the party with budgeting authority. Once committed, it is important to document the fulfillment of the university's responsibilities for cost sharing, and to maintain compliance with government and other regulations.

PRE-AWARD PROCEDURES

Cost-Sharing Commitment

Any College commitment to share in the cost of a project should be identified early in the proposal process. The College's cost share commitment must comply with this policy and with the criteria for acceptability. Funding sources for College cost share commitments must be identified and authorized prior to submission. **Caution:** Once the award is accepted, failure to comply with the cost-sharing commitment may result in a loss or return of project funds. Tracking of mandatory or voluntary committed cost sharing should be done regularly by units to prevent an over or under-contribution.

Establishing Cost-sharing Effort

Generally, there will be some level of committed faculty (e.g., Principal Investigator) or senior researcher effort directly charged or specifically designated for cost sharing to a sponsored project. For effort to be considered as covered under a sponsored agreement, it must be quantified in the proposal narrative, budget, and/or budget justification. The amount of effort must be realistic and should be determined on a project-by-project basis. **Caution:** The total of one's effort, including other College duties, cannot exceed 100 percent. In determining the appropriate level of effort subject to cost sharing, investigators should consider the following:

- The sponsor's requirement for cost sharing, if any
- The percentage of time spent on other sponsored projects
- The amount of effort devoted to other functions such as teaching and extension
- Whether the project involves a co-Principal Investigator
- The size of the project

Allowable Costs for Cost-Sharing

For expenses to be eligible for cost sharing, costs must be all of the following:

- Allowable and allocable under federal cost principles as per OMB *Uniform Guidance* for federal projects and the terms of the sponsored agreement;



- Necessary and directly related to the project objectives;
- For labor costs, certifiable in the effort planning and certification (plan confirmation) process.

The costs must not be any of the following (unless approved by the granting agency):

- Included as cost sharing for any other sponsored project;
- Payable by the same sponsoring agency under another award;
- Payable by a different sponsoring agency within the same governmental jurisdiction under another award (e.g., federal funds must not be used for cost sharing on another federal project)

POST-AWARD PROCEDURES

Accounting for Cost Sharing

All mandatory and voluntary committed cost-sharing expenditures of a sponsored project must be properly recorded and reported in the College accounting system.

To facilitate the tracking and reporting of mandatory and voluntary committed cost-sharing expenditures by specific awards, the PI and Business Office must track these cost-sharing expenditures by award with activity codes. If the period of performance on the project overlaps fiscal years, the Principal Investigator shall determine cost share commitments per fiscal year. The award letter distributed to the PI will provide the activity code and a reminder that the activity code must be used on any employee funding change forms, purchase orders, etc. where cost share is to be recorded. It is the responsibility of the PI to ensure that cost share expenses are transacted at the assigned activity code. To facilitate the accumulation of mandatory and voluntary committed cost-sharing expenditures, Principal Investigators should track expenditures.

In-kind contributions from third parties must be documented properly. Volunteer services should also be documented by the same methods to those used by the College for its own employees. Additionally, the basis for determining the valuation of personal service, material, equipment, buildings, and land shall be documented. Caution: The amount of cost sharing reported in the accounting system must be consistent with the amount in the award documents.

Documentation

Throughout a project's life and subsequent record retention period, the Principal Investigator and the Business Office must maintain sufficient supporting documentation to substantiate the mandatory and voluntary committed cost-sharing contribution to the project. This documentation may be required by sponsors and/or auditors. The specific type of documentation required is based on the nature of the award, the type of cost sharing (i.e. mandatory, voluntary, committed), the terms of the sponsored agreement, and other circumstances of the award. Note: Upon award, any effort committed as cost



sharing should be processed using a funding change form. Voluntary uncommitted effort does not have to be identified.

Indirect Cost

Nueta Hidatsa Sahnish College shall have an indirect cost allocation plan or a negotiated indirect cost rate approved by the grantor agencies.

The plan shall be prepared in accordance with the provisions of OMB *Uniform Guidance*.

Audit cognizance for the plan shall be established, and the rates accepted by all participating federal and state agencies.

Nueta Hidatsa Sahnish College shall have procedures that provide reasonable assurance that consistent treatment is applied in the distribution of charges as direct or indirect costs to all awards and grants.

Procurement with Federal Funds

The NHSC Business Office provides assistance in procuring goods and services in support of the College's mission to provide exemplary education and research opportunities. The NHSC Business office is committed to providing a high level of service to the faculty, students, and staff of Nueta Hidatsa Sahnish College while ensuring the procurement of goods and services is performed in an ethical, compliant, and efficient manner.

Codes of Conduct: Ethics

The NHSC Business Office as well as faculty and staff involved in the procurement process, as stewards of the College's resources, should have a strong sense of professional ethics and will abide by the Code of Ethics published by the National Association of Education Procurement (NAEP). www.naepnet.org

1. Give first consideration to the objectives and policies of NHSC.
2. Strive to obtain the maximum value for each dollar of expenditure.
3. Decline personal gifts or gratuities.
4. Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
5. Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
6. Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
7. Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.



8. Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit.
9. Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
10. Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
11. Foster fair, ethical and legal trade practices.

Conflict of Interest

As stewards of the College's resources, NHSC faculty and staff should perform their duties with the utmost professionalism. Employees should be honest, use fair business practices, and avoid conflicts of interest relating to the purchase of goods, services, and equipment. Accordingly, employees having a real or potential conflict of interest should not be involved in the selection, negotiation, or administration of contracts or agreements where a conflict of interest would exist. A conflict of interest would exist when an employee, his/her family member, business partner or organization has a financial or other interest and/or gain in the vendor selected. In the event that a conflict of interest or appearance of same exists, the employee should report the conflict to his/her supervisor.

Gifts, Gratuities, and Favors

NHSC employees may not solicit or accept any gift, gratuity, favor or anything of monetary value from contractors, vendors, or parties to subagreements that are or appear to be given to influence procurement of goods or services. Unsolicited gifts or gratuities of \$100 or less in value may be accepted. Acceptable items may include:

- Promotional items such as pens, pencils, tablets, cups, mouse pads, etc...
- Items serving as tokens of appreciation such as food stuffs such as candy, baked goods, and other miscellaneous items of nominal value.

Procurement Policy & Procedures

The following policies and procedures are provided as a reference when procuring goods and services.

- The Business Office and any members of the College community involved in the purchasing process should abide by the Code of Conduct listed above.
- Requestors should avoid purchasing unnecessary items.
- For purchases between \$10,000 - \$25,000, written proposals are required from at least three sources and approval by the NHSC President. For purchases over \$25,000 advertising for written bid is required and approval by the NHSC Board of Directors is required for purchased over \$50,000. An exception may be approved by the Board of Directors if three sources/quotes cannot be located.
- An analysis will take into account the allowability of the purchase.



- Purchases should be made in a manner that supports and facilitates the competitive bidding process and at the lowest cost consistent with quality, specifications, service, and product availability.
- All contracts need to be reviewed by the Business Office and may only be signed by authorized officials at the College.
- Requests for quotes and/or solicitation for goods and services should include the following components.
 - A clear and accurate description of technical requirements for the supply, equipment or service to be provided
 - A description of these (technical) requirements in terms of functions to be performed, including the range of acceptable characteristics
 - Specific features of “brand name or equal” required of the supply, equipment, or service
- The College is committed to providing equal business opportunities to minority owned, woman owned and small businesses. Whenever feasible, quotes and bids from these businesses should be solicited.

NHSC will comply with the procurement standards as set forth by the Office of Management and Budget *Uniform Guidance*

Determining Allowability of Costs

Allowability of expenses may be determined by considering the following criteria:

- The cost may be considered necessary and appropriate for the performance of a grant’s specific aims.
- The method of procurement of the goods/services was consistent with established institutional policies and practices.

Please refer to OMB *Uniform Guidance* for additional guidelines and policies relating to principles for determining costs applicable to grants, contracts, and other agreements with educational institutions.

For methods of procurement – see Fiscal Policies: Procurement

Meals

Because meals paid for by federal funds are often scrutinized by auditors, NHSC addresses it separately. This section applies only to working meals offered as part of a meeting or training put on by NHSC. Meals during travel as part of per diem, whether the travel is paid for by federal or general funds, are addressed in the Personnel Policy Manual

In order for lunch or dinner to be paid for with federal grants the following must be met:

- The meal is provided in conjunction with a training or meeting that occurs before AND after the meal.



- There must be an time-specific agenda of the training or meeting that includes an outline of what will activities will occur during the meal (i.e. round table discussion, presentation)
- An attendee list must be provided to the business office to be maintained with the meal purchase order.
- A clear invoice is provided to the business office for payment.
- A close approximation is provided for the ordering of meals. If the number of meals ordered and the number of attendees is a considerable difference, justification shall be documented with the invoice.
- Breakfasts shall not be paid for by federal funds.

Sub Awards

A subaward is an award issued under a larger sponsored research award for the procurement of specific services or program-related tasks. Issuance of a subaward under a federal prime award is subject to compliance with federal law. All subawards are subject to the terms and conditions of the larger sponsored research award and the normal purchasing requirements of Nueta Hidatsa Sahnish College.

NHSC as the recipient:

This agreement ties NHSC to a larger proposal submitted by another institution or group of institutions. The prime award is made to another institution or group of institutions, then a portion of it is distributed to NHSC to complete specific tasks as part of the larger proposal. When NHSC is part of a larger project, the management of funds is treated as a 'stand-alone' project, for financial management purposes. While the Principal Investigator may have specific technical and financial reports to submit to the larger project, internally the project is viewed financially as an independent project. Facilities and Administration Cost rates are calculated on the percentage negotiated between NHSC and the Federal government, not the hosting institution's rate.

NHSC as the grantor:

Work to be completed under the auspices of a NHSC or sponsored research award is contracted out to a third party. Usually, this third party is brought into the project because resources or skills for completing specific tasks are not readily available at the College. The intended use of the third party will be articulated in the approved proposal. Attempts to add new subawards to an existing project must have prior approval by the funding agency via their grants officer, in whichever documentation form they require. All questions concerning subawards should be referred to staff in the Principal Investigator. Once the proposal is awarded, the PI will prepare a subaward agreement, reflecting the specifics of the proposal (budget, work plan, etc.), the appropriate sponsor's terms and conditions and the policies and procedures of NHSC. Because



subaward agreements are written to assign a portion of the programmatic effort to another organization, that organization is responsible for managing the technical and administrative aspects of its scope or work and making progress to the NHSC Principal Investigator or Project Director, and financial reports to Grantor.

After an award has been made to NHSC, it may become necessary to issue a subaward not outlined in the originally funded proposal. The Principal Investigator must be willing to prepare in writing a letter to the sponsor in whichever documentation form they require that addresses the reason for selecting a particular subaward to complete the work.

Each Notice of Award should be reviewed for subawards by the Principal Investigator. If there is a subaward present in the sponsor's notice of award, the Principal Investigator is responsible to set up a Subaward Agreement.

Time and Effort/Activity Reports

Faculty and Professional Staff who are paid, totally or in part, by Federal Grant funds, must submit Activity Reports or Time and Effort Certification Reports to the PI and the Business Office on a semi-annual basis – January (for July – Dec of the preceding year) and July (for January – June) of each year, coinciding with the nearest pay period. The Activity Report or Time and Effort Certification Report must be signed by the employee and his/her supervisor. The Time and Effort Reports are to be compiled by the Director of Grants and Accreditation, supplied to the Business Office, and stored with each federal program's file. As directed by the National Science Foundation (6/15), Time and Effort Reports only reflect the employees' base pay and DO NOT include additional duties.

The fund codes and percentage of pay are completed on the Time and Effort Forms by the Director of Grants and Accreditation. The faculty or staff member then fill out a short description of duties, their actual percentage of effort, sign and date the form. The supervisor then has the responsibility to attest the employee's effort percentages and sign and date the form as well. If the time and effort do not match, the supervisor will meet with the Director of Grants and Accreditation and Human Resources Director to alter the employee's fund code percentages. Faculty paid by federal funds sign annual contracts and Personnel Action Forms, which indicate the fund code and federal program. As with all employees paid by federal funds, Time and Effort Forms give documentation of the actual effort put forth to that federal program.

If a full-time employee is paid for additional duties with federal funding, his/her hourly rate must be equivalent to the hourly rate of the base salary (12 month full time salary / 2080 hours) and he/she must have written approval by the federal awarding agency



before the additional compensation can be charged. Additional duty proof for payment and work scope can be found on separate Activity Reports in the Human Resources Office. The Activity Reports show support of the activities and hours worked as delineated on the Additional Duties Contract and include the fund codes for which the additional compensation should be charged.

Time and Effort Forms require the input and cooperation of the Director of Grants and Accreditation, the employee who is paid by the federal funds, and the direct supervisor of the employee. They are completed within 60 days of the end of the biannual evaluation period.

Award Related Income

Per OMB *Uniform Guidance*, program income means awardee gross income that is directly generated by a supported activity or earned as a result of the award. Program income includes, but is not limited to, fees received for services performed; the use or rental of real or personal property acquired under a federally funded project; the sale of commodities or items fabricated under an award; license fees and royalties on patents and copyrights; and interest on loans made with award funds. The interest earned on advances of federal funds is not considered program income. Unless otherwise provided in the specific awarding-agency regulations or the term and conditions of award, program income does *not* include the receipts of principal on loans, rebates, credits, discounts, etc., or interest earned on any of them.

Requirements

Federal awarding agencies apply the following standards in requiring recipient organizations to account for program income related to projects financed in whole or in part with federal funds.

Program income earned during the project period will generally be retained by the awardee and, in accordance with federal awarding-agency regulations or the term and conditions of the award, must be used in one or more of the following ways:

1. Added to funds committed to the project by the Federal Awarding Agency and Recipient and used for further eligible project or program objectives – This option applies automatically to award supporting research, unless the funding agency's award terms and conditions indicate another alternative or the recipient is subject to special award conditions. When the funding agency authorizes the disposition of program income as described here, any program income in excess of the stipulated limits must be used in accordance with paragraph 3 below.
2. Used to finance the Non-Federal Share of the project or program costs – This option may be available to non-research projects/programs if and when authorized by the funding agency. When the funding agency authorizes the



disposition of program income as described here, any program income in excess of the stipulated limits must be used in accordance with paragraph 3 below.

3. Deducted for the project or program's total net allowable costs on which the Federal Share of Costs is based – In the event the federal funding agency's regulations or award terms and conditions do not specify how program income is to be used, paragraph 3 shall automatically apply to all projects or programs except research.

Accounting for Program Income

Depending on the funding agency requirements and award terms and conditions, program income may be handled in one or more of the following ways:

- If the deduction alternative is to be followed or if the income is used to cover the costs incurred to produce the revenue under the sponsored agreement, the income should be directly credited to the sponsored fund code.
- If the additional funds or cost-sharing alternative is followed, a separate fund code must be established to account for and report the revenues.

Reporting Program Income

Project directors/departments should contract the funding agency's Grant Accounting Office for guidance on proper reporting/accounting procedures for program income *prior to the generation of any revenues derived from sponsored agreements.*

Grant Drawdown Procedures

NHSC accounts for grants with separate funding codes for each award. The grant accountant and Director of Grants & Accreditation keep a separate spreadsheet for each award in the Business Office drive, per quarter per fiscal year. The spreadsheet is based on the accounting system expenditures in Jenzabar.

When a drawdown is necessary (either quarterly, monthly, or subsequent to a large expense), the grant spreadsheet ("Multi" sheet, so named because it keeps track of multiple budget years) is updated with the expenses coded to the particular grant with the Jenzabar accounting system expenditures. The multi is broken into different general expense categories (i.e. salaries, fringe, materials/supplies, indirect). Prior to the drawdown, the indirect is calculated at the allowed rate and included in the expenses following a journal entry.

The amount is drawn by the Director of Grants & Accreditation either via the federal funding website or included on an invoice/request for funds and emailed/mailed.

Records of the grant drawdowns/requests with the listing of expenses accounted for during that period is maintained in the office of the Director of Grants & Accreditation. A



copy of the drawdown/request is also given to the Business Office to keep in the monthly bank file for reconciliation and to ensure that the revenue is properly assigned in the Jenzabar system.

Participant Support Costs

Participant Support Costs are costs paid to (or on behalf of) participants or trainees (but not employees) of a workshop, conference, seminar, symposium or other information sharing activity. These costs include stipends* or subsistence allowances, travel allowances and registration fees paid to the participants or trainees. Participants may include students, national scholars and scientists, private sector representatives, agency personnel, teachers and others who attend and participate in the sponsored activity.

*A stipend is not considered compensation for services normally expected of an employee.

These funds cannot be used to pay for costs of the project staff to travel to a conference, costs of bringing collaborators together for a meeting, etc. or for the Principal Investigator (PI) to attend a seminar, workshop or training event.

Participant support is provided by a number of federal agencies, however, the National Science Foundation (NSF) has the most restrictive policies governing expending and reporting of these funds. Therefore, the following policy is based on NSF requirements. (Adopted from NSF Grant Policy Manual 05-131. July 2005, Section 618.1)

Funds provided for participant support may not be used by the College for other categories of expense without the specific prior written approval of the sponsor. Therefore, the College will set up a project budget for participant support costs separately from other funds awarded by the sponsor.

Participant support allowances may not be paid to trainees who are receiving compensation, either directly or indirectly, from other Federal government sources while participating in the project.

Participant support costs are not eligible for Nueta Hidatsa Sahnish College indirect costs.

As an attachment to the purchase order or check request, the PI/PD must provide justification that describes the purpose for the costs.

Participant support costs will be established in a separate fund in order to meet any requirements to account for these costs separately, restrict budget changes and avoid charging indirect costs.



Stipend payments are not for work related activity or for an hourly rate; no services are required to be performed by the stipend recipients. It is a set amount of money to be paid directly to the participant as an incentive for recruitment and participation in a specific project. Since the grant student stipend payment is being processed through the Business Office, a W2 will be mailed out to the student at the end of the calendar year. Depending on the student's tax status – the stipend payment may be taxable.



NHSC PARTICIPANT SUPPORT POLICIES & PROCEDURES

The purpose of this section is to create a cohesive set of procedures and policies that are followed by all academic programs that fund students. The programs may fund students on different levels and come from different sources such as: federal grant agencies; state funds; or the College general fund. However, the following basic guidelines are to be consistent for each program.

Student Qualifications

When an academic program has confirmed that it has funding for students in a particular degree curriculum, the staff member who will act as director should discuss the arrangement with the Vice President of Academics. Together, they will determine the minimum qualifications that students must have to apply for the funding. Minimum qualifications may include GPA, class level, full time or part time requirement, experience, or willingness to participate in research, among others. The Program Director will document the specific set of qualifications in writing to be included with the student application.

Funding

If the funding is coming from a grant, the director will meet with the Director of Grants and Accreditation to confirm how many students can be funded for the upcoming year. If the funding is coming from a non-grant source, such as the College general fund, the director will meet with the Business Manager or CFO/Vice President of Support Services to confirm how many students can be funded for the upcoming year.

Application Process

All academic programs that fund students must require that students apply for acceptance. The director will prepare an application which will include the minimum qualifications for acceptance into the funding program. The application can be specific to the program but must require transcripts and letters of recommendation. The applications must be reviewed by a committee of at least three faculty and/or administrative staff. Some programs may choose to interview the candidates, which is recommended in order to prepare students in the interviewing process.

Acceptance

The committee will decide which candidates are to be funded as per their specific program's merit. The director will create acceptance or rejection letters for all of the students who applied. The letters must state that the student is accepted only after he/she signs the contract which outlines the requirements to remain in the program.



Contracts

Each student accepted to be funded is required to sign a contract which will specify the expectations of the program. Each program will have different conditions, but the contract must outline the GPA that is necessary to maintain in the program (and whether it is semester or cumulative), attendance requirements, whether the student must be full time, and other specifics to each program such as participation in research, cohort activities, or avoidance of drugs and alcohol. The contract must also state the consequences of not abiding by the requirements such as probation, loss of stipend, length of removal from the program, how the student can re-enter the program, and possibly more per program. The contract also must notify the student that the committee will meet at the end of each semester and re-evaluate the student for continued funding. Lastly, the contract MUST include a statement regarding FERPA. If students receive books, tuition, fees, and/or stipends, they MUST sign that they are agreeable the following employees seeing their student bills, attendance records, and/or cumulative GPAs on supporting documentation to the Business Office check requests:

- President
- Business Manager or CFO
- Guidance Counselor
- Director of Grants & Accreditation
- Program Director
- Advisor
- VP of Academics
- Director of Financial Aid
- Student Accounts
- Accounts Payable
- Administrative Assistant

At The Beginning of the Semester

- Each semester, copies of the acceptance letters AND contracts must be given to the Offices of Financial Aid, Student Accounts, and the Registrar, and also kept in the Program Director's office. The acceptance letter MUST explain the award including the payment of books, tuition, fees, and the actual amount of the stipend, if applicable. This must be completed by the second week of the semester to ensure proper billing by Student Accounts.
- Student Accounts creates the student's bill and provides a copy to the student and to the Program Director, who has generated the student's program award letter and as long as the student has signed a contract acknowledging the FERPA regulations and given permission for the College to disclose information to the Program Director and others. The director will submit the appropriate check request through the standard approval process for payment of the student bills. Some programs may require that a student's Title IV Pell funding be applied first to their bill before the program pays. The director should work with



the Director of Financial Aid and Director of Grants and Accreditation to ensure compliance of specific grant requirements and Title IV compliance.

Stipends

It is the director's job to ensure that paperwork is filed in a timely manner in the Financial Aid and Business Offices. As per policy in the *Fiscal Management and Grant Directed Program Policies & Procedures*, the final approved and completed paperwork must be received in the Business Office by 5:00 the Thursday of the prior week in order to get a check by Friday. If the stipend process includes additional time to go through the Financial Aid office, it is up to the director to time the process correctly and inform the students of the length of time it takes to process the paperwork as per College policy. All stipend programs will be on the same schedule, the 16th through the 15th of the month. The stipends cannot be submitted prior to the 15th of the month, except for special circumstances, such as holiday vacation. The stipends must be prorated to when classes are in session, unless students are given extra work, which must be detailed on the activity report.

For monthly student stipends, each Program Director awarding stipends creates a Purchase Order and attaches the following supporting documents, before submitting to the Business Office:

- Signed activity reports with GPA, Attendance, and activity constituting payment with student and director signature
- Copy of (grant) budget
- Matrix of students for the semester, their amounts, months, and totals
- Signed approval of attendance by the Guidance Counselor (see below)

The Business Office will process the stipends and give them to the director for dispersing. It is the responsibility of the Program Director to disseminate information, deadlines, and checks to the students. Students should not be contacting the Business Office directly.

Attendance And The Guidance Counselor

All programs that fund students will have an attendance requirement. In order to streamline the process of ensuring that students are attending class, the director will work with the Guidance Counselor and give a list of all students that are funded each month. As all faculty are required to enter attendance into Jenzabar with notifications going to the Guidance Counselor, the Guidance Counselor will approve students for funding each month who have the required attendance. The Guidance Counselor will also check each month to see that all students to receive a stipend have not dropped below credit requirements. If a student has dropped classes, the Guidance Counselor will notify the director.



Nueta Hidatsa Sahnish College strives to serve our students as our top priority. Communication between all involved staff members is essential to generating a smooth process and creating a welcome and satisfying experience for our students.