Grants Management Manual

Welcome to grants management! The fact that you are looking at the manual probably means that you have a grant funded or are anticipating grant funding in the near future. The manual is designed to help you with managing a grant after you have received an award. Procedures are described in a general way because it will be used by persons in different schools of nursing and universities. The general categories and directions should help you include in your own manual the information that you will need to manage a grant. Our recommendation is that you prepare a manual for you own school (if the school does not already have one) in cooperation with the school’s office of research that can be used by other faculty when they anticipate research funding. The manual focuses on the most common situations that are encountered with managing National Institutes of Health (NIH) grants. The Appendix includes examples of forms and procedures at the University of Iowa and the University of Missouri-Columbia.

There are other granting agencies and foundations that have their own procedures that may also be needed. Including all of the procedures in this manual from the many possible funding sources is not possible. Familiarity with NIH procedures, however, will provide orientation to the types of procedures that most funding agencies require.
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Steps in Grant Award Process

- Award notice received by Principal Investigator
- Give copy of award notice to Office of Nursing Research
- Review grant award and get clarification from granting agency
- Seek clarification from Office of Nursing Research as needed
- Send copy of award notice to all Co-Investigators
- Prepare for grant work
  - Order equipment
  - Hire staff
- Complete consultant agreements
- Review monthly expenditures and reconcile with University accounting reports
- Travel forms completed when traveling is required by the research
- Complete progress reports as required by the granting agency
- Submit continuation proposal if appropriate
- Complete close-out report and close-out activities
Getting the Award - The Notice of Award

Typically the funding agency mails or e-mails the Notice of Award to the Principal Investigator. The amount of the actual award may differ from the budgeted amount submitted by the Principal Investigator. Close to the same time the university office of grants management or sponsored programs (names vary across institute) will send the Principal Investigator and the grant accounting officer in the school a second copy of the award along with the university grant account number and other budget information. Grant funds can be expended after the grant application is submitted and prior to receiving the notice of award. The request must contain a commitment by the Dean of the School to cover the expenditures in the event the actual grant award is never actually received.

Review and Clarify the Award

Again, be sure to share a copy of the Notice of Award with the Office of Nursing Research in the school. Carefully read the conditions of the award, if there are any. Write down the phone numbers or e-mails of important contacts that are listed on the Notice of Award. These will likely come in handy to clarify any conditions of the award that may be described on the notice and as the grant activities proceed and questions arise.

Co-Investigators and Consultants

Notify the financial officer or grant accounting officer in the school of investigators and consultants on the team so that arrangements will be made to compensate them (or their school) for the % effort that they will be expending on the grant.

Who is Responsible?

The Principal Investigator has the ultimate responsibility and accountability for carrying out the research as proposed for the grant funding. Activities can be delegated including some of the management activities by a Project Manager, but
this does not relieve the Principal Investigator’s accountability for the timely implementation and completion of the project. Correspondingly, it is the Principal Investigator who gets the credit for the grant and research.
**Personnel**

**Support Staff**

Job descriptions should be prepared prior to the grant award for all support staff to be hired. Find out what the process is for hiring these staff in your school and university. Most schools have a personnel officer or an executive assistant in the administrative offices of the school that you can consult for assistance. You should provide the personnel assistant with a copy of the job description(s) and the salary(s) ranges for each position to be filled. A brief description (abstract) of the grant will also be helpful in the hiring process. It may be an advantage to share some positions, such as a Secretary, Data Manager, or Research Assistants with other grant awardees or a division or office in the school.

**Research Assistants**

The Office of Research in the school usually assists grant awardees with recruiting and employing research assistants. The Doctoral Program Director may also be helpful. It is usually best to hire Research Assistants for a minimum 25% appointment. The Principal Investigator should be aware of all personnel policies that apply to Research Assistants, including the provisions of a collective bargaining contract if graduate assistants are organized by a labor union on the campus.
Consultants

For payments exceeding $500 or more annually, a consulting agreement is required. Consultant travel is not included in the $500 annual allowance. Typically, the consulting agreement has to be signed by the Principal Investigator, the consultant, and the Office of Sponsored Programs in the University. University procedures for payment of consultants will need to be identified. Payment to consultants should be made after the consultation is completed.

Equipment and Supplies

Gaining familiarity with University and school procedures for the purchase of equipment and supplies is something that the Principal Investigator can do prior to getting the Notice of Award. Knowing the procedures and specific guidelines for procedures depending on the cost of items is important. This is an activity where the grant account number will be used repeatedly. The PI and staff should avoid making purchases with personal funds since most universities discourage reimbursement. All items purchased with grant funds, such as computers, copiers, etc. are the property of the university and are inventoried with the equipment marked with a university property serial number. The purchase of computers should be done through the school and/or university to ensure compatibility of hardware and software and technical support.

Important Points

1. Keep accurate and detailed records of all purchases with grant funds.
2. Be sure you and the research staff know the procedures and guidelines for purchasing items.

3. Be aware of the rules for purchases that require bids and those that do not. There will be an amount, such as $2000, that if exceeded for a purchase, must be let out for bids.

4. Items that can be procured or purchased within the university should not be purchased elsewhere. Most universities have General Stores where many items can be obtained and shared (e.g. Share equipment resources such as fax, copy machine, etc.)

**Payment of Subjects**

Consult the school’s financial officer and the university accounting office about the university’s procedures for compensating research participants (subjects). The university may want the subject’s name, social security number, and mailing address. Older subjects may not be comfortable providing their social security numbers, so you should ask if the university will waive this requirement under certain circumstances. For example, if the total amount of payments is less than a specified amount, the person’s social security number may not be needed. The procedures will also depend upon how the subjects are to be compensated. If a set amount, such as $5.00 bill, is to be included with a survey questionnaire when it is sent to a subject, the procedures will be different from those when payments and checks are later mailed to subjects. Again it is wise to learn about these procedures
before the work of the grant begins.
Travel

Whenever an employee of the university travels out of state, a travel form noting the persons who will be traveling, the destination, and reason for the travel is required by most universities. This is for university insurance purposes in case the traveler is involved in an accident and/or is injured while in another state. The form usually is required even if the individual traveler is not away on university business. Travel vouchers should be used when there is travel involving the grant project even if there will be no expense to the grant.

Other Grant Management Activities

Grant Project Records

It is a good idea to give careful thought to the organization and filing of grant records. The grant files should include the grant proposal, the grant award, the research instruments and measurement protocols used for the research, progress reports, manuscripts in progress and published, presentations on the research, the structure of the database and a data dictionary, grant personnel records, records of purchases, and grant accounting records. It is also a good idea to have the instructions for the use of each instrument or measure, a description of the measure, and any psychometric properties of the instrument or measure appended to each instrument/measure. It is advised that a log of events be maintained as the research progresses that includes what is accomplished but also any adverse events or adjustments in the research design and methods that may have been necessary.
This log will be very useful for preparing progress reports and for evaluating the integrity of the research as it is carried out.

**Expenditure and Other Reports**

The granting agency and university generate reports throughout the grant period according to their requirements. These reports are also helpful to the PI and Project Director in managing the grant.

**Monthly Grant Expenditure and Accounting Reports.** The university sends these reports to the Principal Investigator. The reports contain the amounts budgeted, actual expenditures, amounts encumbered, and the balance available. These reports are often difficult to reconcile depending upon the system used by the university. Usually there is a lag in the accounting and quite often there are mistakes, such as debiting the wrong grant account. For this reason it is advised that the PI and Project Director maintain their own spreadsheet of budgeted amounts and expenditures so that this accounting can be compared with the university monthly reports and to avoid spending in excess of the grant funds that are available.

**Rebudgeting Budgeted Categories.** It is possible to rebudget some grant categories with a request to the university or the granting agency. Rebudgeting out of a category (e.g., personnel, consultants, equipment, travel, etc) up to 25% of the total direct costs of the award for that year can be approved by the university if the grant award’s Terms and Conditions states that the grant is “included under
expanded authorities.” with larger amounts requiring approval by the funding agency. The university’s “Rebudgeting Request for Grants” form would be used for this (example in Appendix). The “expanded authority” is a federal policy that gives significant and broad authority over grant administration. It should be used when needed as long as the change in budgeted category does not involve a shift in the nature or scope of the grant project. If a shift is involved, approval will be needed by the granting agency. The university accounting department will be helpful in providing additional information about budget category adjustments that are allowed.

**Verification of Effort Reports.** Periodically, Verification of Effort Reports are sent to fiscal officers to document the work that is done and the reasonableness of charges to the grant. The PI will usually receive these but they are required for each person who is employed with grant funds. These should be completed carefully because they are needed by the university to fulfill federal requirements.

**Principal Investigator’s Share of Indirect Costs**

Most grant awards provide funds for direct and indirect costs to conduct the proposed research. Indirect costs are a % of the direct costs requested and are added to the direct costs to equal the total costs of the grant award. Indirect costs can be thought of as funds to compensate the university for overhead costs associated with administering, housing, and providing other university resources for the conduction of the research. Grants from the National Institutes of Health
and some other federal granting agencies usually include the highest percent of indirect costs. Universities vary in the way that indirect costs are used and distributed. Most often some portion of the indirect costs generated are returned to the Principal Investigator. The PI usually has a fair amount of discretion as to how the funds can be used, but they should be expended so that the PI’s scholarship and the school benefit. Travel, purchase of equipment, purchase of supplies, and books are often legitimate uses of the funds. The school’s fiscal officer will be able to advise on the funds available and the legitimacy of uses.

Additional Financing Resources

All principal investigators should be aware of additional funding mechanisms that are available from NIH. These include administrative, competing, and minority supplements. NIH has a program for administrative supplements to research grants to support individuals with high potential to reenter an active research career after taking time off for children or parents or attend to other responsibilities. These supplements are intended to encourage fully trained individuals to reenter research careers that are consistent with the program areas of NIH. Administrative supplements can be requested for existing NIH research grants to support full-time or part-time research by these individuals in a program to bring their existing research skills and knowledge up to date. Principal Investigators submit the requests for administrative supplements and there must be at least two years of support remaining at the time of the proposed beginning date.
of the supplemental funding. Minority supplements are also available from NIH to Principal Investigators with NIH grants for the support and recruitment of underrepresented minority individuals and students. Minority supplements can be requested for undergraduate minority students, graduate students, and faculty. The aim of these supplements is to attract and encourage minority individuals to enter and pursue biomedical and behavioral research careers in areas within the missions of all the awarding NIH components. For minority faculty in some cases the supplemental awards are $50,000 annually. More information about the supplemental grants is found on the NIH Internet home page:


Continuation of Grant Funds

The Principal Investigator must complete the PHS 2590 Form and the form must be received by NIH at least 2 months prior to the end of the current project year. NIH is to send the form to the PI automatically at least 4 months ahead of the end of the project year through the Office of Sponsored Programs. If the form does not arrive as expected, the PI should call the NIH Division of Research Grants (301-435-0896). The form requires updated information on estimated budget expenditures for the first year, budget revisions needed for the next year, any changes in support personnel, and a technical report on the progress of the project. Generally, up to 25% of the current year’s budget can be rolled forward into the
next budget year. Rationale must be provided to NIH if more that this amount is to be rolled forward.

Closeout

Before the grant project is completed, the PI will receive a notice indicating that the end of the grant is near and that current and projected expenses should be assessed. During the final 6 months of the grant period, the PI should make an effort to determine if the expended funds will equal the awarded budget. The school’s fiscal officer can assist in planning any changes in spending that may be needed to ensure that project needs are met. It is important to do this accurately so that there are neither grant funds left unspent at the end of the award period nor any spending that over-runs the award amount. If there are funds that will not be spent by the end of the grant award period, one year extension can be requested from NIH through Sponsored Programs. No cost extensions can also be obtained even if there are no grant funds remaining. Sponsored Programs has the authority to grant the one year extension if needed because this authority has been delegated from the Federal government. Final fiscal and scientific reports are required at the termination of the grant project, usually within 90 days.
List of Contacts

In this section of the manual it will be useful to investigators and project directors to have a list of helpful persons to contact for assistance of various types. These will include but not necessarily be limited to the following.

Granting Agency Program Officer  *name and phone number on award notice/letter*

Granting Agency Fiscal Officer  *name and phone number on award notice/letter*

University Sponsored Programs Office Accountant  *name and phone number*

School Fiscal Officer  *name and phone number*

School Computing Support Person  *name and phone number*

School Director of the Office of Nursing Research  *name and phone number*

School Grants Specialist in Office of Nursing Research  *name and phone number*

School Secretary in Office of Nursing Research  *name and phone number*