

# Manual of Policy and Procedures

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## PURPOSE

Consistent with the Board of Trustees' responsibility for oversight of all VSC finances, the purpose of this policy is to define and establish application, approval, acceptance, and monitoring processes for sponsored projects.

## DEFINITION

A sponsored project is an activity with a specific scope of work that is funded externally by public or private sources. These include grants, sponsored contracts, and





4. Accountability: The VSC shall provide effective control over, and accountability for, all federal funds, property, and other assets to ensure funds are used solely for authorized purposes. Accounting records shall be supported by documentation.
5. Budget Control: The VSC shall compare actual expenditures with budgeted amounts for each federal award.
6. Cash Management: The VSC shall follow a reimbursement method of payment for federal awards, unless specifically directed otherwise by the granting agency.



F. Time and Effort Documentation

Employees paid with external funds shall document the time they spend working on sponsored



### Appendix A: Allowability of Selected Items of Cost for Federal Grants

This chart lists selected items of cost contained in 2 CFR Part 200, Subpart E. Since many allowable costs have restrictions, VSC personnel responsible for charging expenses to federal grants should refer to the actual regulation for more guidance on whether a cost is allowable or not.

See <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E> for full descriptions of these categories.

| CFR Citation | Item of Cost                     | Allowability   |
|--------------|----------------------------------|--|
| 421          | Advertising and public relations | Allowable with restrictions.   |
| 422          | Advisory councils                | Unallowable unless authorized by statute or the federal awarding agency. |
| 423          | Alcoholic beverages              | Unallowable.   |
| 424          | Alumni activities                | Unallowable.   |
| 425          | Audit services                   | Allowable with restrictions.   |
| 426          |                                  |  |

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|-----|---|--|
| 449 | Interest  | Allowable with restrictions.   |
| 450 | Lobbying  | Unallowable unless specifically provided for in the award or prior approval obtained.  |
| 451 | Losses on other awards or contracts                       | Unallowable.   |
| 452 | Maintenance and repair costs                              | Allowable with restrictions.   |
| 453 | Materials and supplies cost, including computing devices  | Allowable with restrictions.   |
| 454 | Memberships, subscriptions, & professional activity costs | Allowable with restrictions. Unallowable for lobbying organizations and country club memberships.  |
| 455 | Organization costs  | Unallowable except with prior approval from the federal awarding agency.   |
| 456 | Participant support costs                                 | Allowable with prior approval from the federal awarding agency.  |
| 457 | Plant and security costs                                  | Allowable; capital expenditures subject to 200.439.  |
| 458 | Pre-award costs   | Allowable with prior approval from the federal awarding agency.  |
| 459 | Professional service costs                                | Allowable with restrictions.   |
| 460 | Proposal costs  | Allowable only as indirect costs.  |
| 461 | Publication and printing costs                            | Allowable with restrictions.   |
| 462 | Rearrangement and reconversion costs                      | Allowable as indirect costs. If charging as direct, it requires prior approval from the federal awarding agency. Budget justification must explain how facility modifications benefit the project. |
| 463 | Recruiting costs  | Allowable with restrictions.   |
| 464 | Relocation costs of employees                             | Allowable with restrictions.   |
| 465 | Rental costs of real property and equipment               | Allowable with restrictions.   |
| 466 | Scholarships and student aid costs                        | Allowable with restrictions.   |