

Regional Training: Grants Management and Reporting

Definitions

- Actual Expenditures:** The dollar amount actually spent for project expenses such as purchases, travel, salary and fringe, etc. Actual expenditures must be supported by actual invoices, receipts, billing statements, mileage logs, work tasks, etc. The amount claimed should be the actual amount spent for approved project activities and within the stated limitations of the District's fiscal policies.
- Allowable Costs:** A cost that is necessary and reasonable (not overpriced) for the performance of the sponsored project is an allowable cost.
- Costs must be allocable (chargeable or assignable) to a particular award. The cost may be incurred solely for the award or it may benefit both the award and other work at the organization in proportions that can be approximated through the use of reasonable methods.
- Costs must be allowable based on the limitations set forth in OMB Circulars A-21, A-87, and A-110.
- Budget:** Submitted in the grant proposal, the budget supports the project's scope of work. It is the best estimate of the dollar amount needed to carry out the project. The budget is usually divided into various categories such as travel, supplies, salaries and fringe benefits, etc. The budget may or may not include indirect costs. If awarded, the budget in the grant agreement includes the approved cost categories and amounts.
- Budget Revision:** When grant-supported projects are carried out, expenses may vary from the approved budget. If the variance is large enough, a budget revision is submitted to the sponsor. The revision asks approval for a shift of funds between budget categories/line

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items. Requests for a budget revision should be made prior to the costs being incurred. The grantee will be required to provide justification for the budget changes.

- Cost Reimbursable:** The grantee is reimbursed for actual expenses incurred for a project. The grant funds may be sent by check at the beginning of the project or may be reimbursed after the sponsor receives and approves of invoices. The expenses must be allowable, and all costs must have been incurred during the award period. Usually invoices must be submitted to the sponsor in order to be reimbursed. When the project is completed, any unspent funds are returned to the sponsor (if funds were received up front) or are not “drawn down” by future reimbursement requests.
- Cost Share:** The portion of the project costs that the grant recipient is required to provide is called cost share. Cost share (also called match) is considered mandatory if shown in the approved budget and the grantor requires the District to document the cost share provided. If the District fails to document the required cost share, the District may be required to return a portion of the grant funds. In some instances, the required cost share may be provided by a third party.
- Direct Costs:** Costs that can be easily identified as belonging to a specific project are direct costs.
- EASE System:** The ISU reporting system confirms staff effort on Federal and State sponsored programs and documents cost sharing (salary and fringe benefits) on sponsored programs.
- Expenditures:** This section of the award will indicate the agreed upon budget for the project, the type of agreement (fixed vs. cost reimbursable), and how often the invoices should be submitted. A statement regarding budget flexibility (i.e. the ability to move

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funds among line items without sponsor's approval) may also be included.

- Federal Award:** Grant or contracts can be awarded directly by a federal agency to an organization. If the District is the recipient, all correspondence is between the federal agency and the District.
- Federal Flow-through:** A federally-sponsored grant award may have the federal funds flow-through another institution prior to being received by the District. The District is considered a sub-recipient and all correspondence is between the flow-through institution and the District.
- Fee-based Income:** Funds may come into the District in the form of registration and/or user fees for Extension programs.
- Fixed Price:** A fixed price award is one where a fixed amount is to be received for an end product, service, or report. Any unspent funds existing after the project has been completed are not returned to the sponsor and are available for other appropriate uses.
- Gift:** Donated funds are given to the County Agricultural Extension District (District) for a specific purpose or to provide support for a broadly defined activity. The donor may ask for a brief summary of how the funds were used, but there is no expectation that any funds remaining at the end of the project will be returned to the donor.
- Grant Agreement:** A legal document is used for grant awards and details the terms and conditions of the award. The agreement must be signed by both the grant recipient and the sponsor. The Council Chair signs grant agreements for the District. This document may also be referred to as an award agreement, contract, memorandum of agreement, award letter or an award face sheet.

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- Grant Award:** Funds from private and public sources are designated to be used for a specific Extension project. An award agreement detailing the terms and conditions of the award is usually required and is signed by the authorized representative of the District and the award sponsor.
- Indirect Costs:** Costs that are incurred for a common or joint purpose benefiting more than one cost objective and which cannot be readily associated with a specific project are indirect costs. Indirect costs are also called “Facilities and Administrative Costs” or “Overhead Costs.”
- Key Personnel:** The key individuals who will be involved in the project may be identified by name or position. Those named may include the Project Director, Program Manager, and Administrative Point of Contact for the grantee (grant recipient) and the sponsor.
- OMB Circular A-21:** Circular A-21 establishes principles for determining costs applicable to grants, contracts, and other agreements with education institutions.
- OMB Circular A-87:** Circular A-87 provides the principles and standards for determining both direct and indirect costs applicable to Federal cost-based awards.
- OMB Circular A-110:** Circular A-110 establishes uniform administrative requirements for Federal grants and agreements awarded to institutions of higher education, hospitals, and other non-profit organizations.
- Project Period:** The project period is a defined period of time during which all of the costs associated with the grant award should be incurred completed. This is also called the “Period of Performance.”
- Reporting:** A paragraph in the award agreement summarizes the type and format of the required reports (i.e. program reports and

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financial), the report due dates, where the reports should be sent, and to whom the reports should be addressed.

Scope of Work:

Also known as the “Statement of Work” or the “Purpose” of the award, this section of the award agreement briefly describes what will be done during the project, including the responsibilities, activities, and end results, outcomes, and/or deliverables.