GENERAL

The Grant and Contract Accounting Department is responsible for assisting departments with the fiscal matters associated with project administration. This includes providing budgetary assistance as well as the financial management of the funds awarded to the College to ensure compliance with direct and indirect costing directives of the sponsoring agency. Files maintained include interim and final financial statements filed with the agency, copies of the original budget and any budget revisions, prior approval notices from the agency where applicable and any other correspondence relative to the fiscal management of the grant.

Services provided by the Grant and Contract Accountant do not relieve the Principal Investigator of his/her responsibilities concerning the financial aspects of a grant or contract.

For most grants and contracts, the date to begin activity is subsequent to the receipt of the official notification of award from the sponsor. No charges are to be made against existing accounts that are not permanent charges. Furthermore, Pre-Award Costs cannot be incurred in advance of the effective date of the award unless the exception is specifically recognized, defined and authorized by the award agreement. The official notification is in the form of electronic notification or a mailed or faxed officially signed document. Upon receipt of a formal notice of award the Grant and Contract Accounting Department reviews the details of the award and assigns a FOAPAL accounting code to the Award. The Fund code is a six digit number in the 2XXXXX series. Grants are always assigned 700000 for the Organization code except for Federal Work Study that is 110010 Organization code. The Fund hierarchy Report (FGRFNDH) is used to determine the numbers available to be assigned.

The Principal Investigator is notified via e-mail of the FOAPAL account code and other pertinent information. If not already provided, a budget breakdown in the college’s FOAPAL accounting code format is requested from the Principal Investigator. When provided, this is forwarded to the Controller for his review and approval to input into Banner by the Grant and Contract Accounting Department.
DEFINITIONS

A-21 Office of Management of the Budget (OMB) Circular: Establishes the principles for determining costs applicable to grants, contracts and other agreements with colleges and universities. These principles are to be used as a guide in the pricing of fixed price agreements and apply to direct costs and indirect costs for cost reimbursement grants and contracts.

A-110 Office of Management of the Budget (OMB) Circular: Provides a public declaration of the standards to be used by federal agencies and colleges and universities in the administration of grants and other agreements.

A-133 Office of Management of the Budget (OMB) Circular: States audit requirement and provides policy guidance to federal agencies and colleges and universities regarding the institution’s financial records, internal control structure and compliance with applicable laws and regulations.

Budget – A budget identifies the type of costs and estimated amounts needed to complete the project. The budget must be approved by the funding agency. This budget will be the basis for authorizing any expenditure on the project and the basis for seeking payment from the funding agency.

Budget Period – The length of time the award is active. Every award should have specified beginning and ending dates. All expenditures must be incurred or encumbered during this period. If expenditures fall outside this period, they cannot be reimbursed. In some cases, the funding agency may approve pre-award costs.

Contract – A contract is generally an agreement to provide a product or service that is of direct benefit to the awarding agency. Contracts provide for payments to the college, which cover allowable project costs or payment of a fixed price for satisfactory completion of the project.

Cooperative Agreement – A cooperative agreement is like a grant except that the federal government will be closely involved in the activity that is being funded, perhaps bringing government personnel to campus to work on the project.

Cost-Reimbursable Contract/Grant – The funding agency will reimburse the college for any actual, approved project costs, within whatever variances the funding agency allows.

Cost Sharing – Refers to costs of the program that the funding agency does not pay. It may be a Match, In-Kind Cost Sharing, or Unrecovered F&A (Indirect Costs). These costs are generally borne by the college or a non-federal source.
**Equipment** – Tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. Equipment may be a single item, a constructed item (fabricated) or several components that produce one unit.

**Facilities and Administrative (F&A) Costs** – Costs that are incurred for common or joint objectives and, therefore cannot be identified readily and specifically with a particular project, an instructional or any other activity are designated F&A. These costs are synonymous with “indirect” costs, as used in OMB Circular A-21.

**Gift** – Contribution from a private, non-governmental source, made without expectation of any product or service of a tangible or intangible nature in return.

**Grant** – A grant is an agreement to accomplish something for the public good in exchange for money, property or services. Most federal agencies use a grant document for research awards.

**Program Income** – This is income earned by the college that is directly generated by a supported activity or earned as a result of the contract or grant.
EXEMPLARY GUIDELINES

Most federal and non-federal agencies or organizations issue their own policy guidelines and directives defining acceptable costs for purposes of their program. Despite a great deal of commonality as to content, there are sufficient variations in policies to make it impractical to issue and maintain one hard and fast policy. Individual agency or organizational directives must be consulted for authoritative guidance.

Below are several items to provide clarification or guidance. Items not referenced should be addressed by sponsor policies:

Alcoholic Beverages – Costs of alcoholic beverages are unallowable.

Books and Periodicals – Customarily, such items are allowable as a direct cost when required for the conduct of a project. A brief justification on the requisition will likely preclude questions of relevancy and necessity.

Consultant Services – Proposed consultant charges are subject to particular scrutiny by a sponsor. The federal government permits such charges if budgeted in advance and if it can be documented that such services are essential and will be obtained from the most qualified person at reasonable and normal rates. All consulting services are to be obtained in concurrence with established College policy. Some of the established and more significant policy elements are as follows:

- Full-time employees are not authorized to be paid consultant fees by the College. This also applies to corporations and partnerships in which an employee serves as either a Principal or employee.

- Payments to former College employees for consultant services will be closely scrutinized and may require additional documentation to verify status as an independent contractor.

Consultant Travel - Both professional fees and travel expenses should be combined in one payment to consultants. However, all professional and consultant arrangements on contracts and grants must separately detail the amounts paid for fees and for travel and subsistence. This is necessary to demonstrate that sponsor agency limitations on daily consulting rates have not been exceeded. Combining everything into one is the preferred method of handling such payments, providing the sponsor agency permits the processing of such payments in this manner and providing that the travel allowance and associated allowances can be reasonably estimated. It should always be noted that air fare authorized is based on tourist or coach class.

Encumbrances Near Termination Date – Orders for supplies and equipment should be placed no later than sixty to ninety days prior to the account expiration date to ensure delivery and utilization. Items not received and/or utilized during the award period are routinely disallowed on an audit. If additional time is needed to complete the project, the
Principal Investigator would normally submit an official request for a no-cost date extension to the sponsor. Otherwise, the College should automatically cancel outstanding encumbrances.

Entertainment – Costs of amusements, social activities, entertainment and incidental costs are not allowed.

Equipment – The Grant and Contract Accountant is responsible for maintaining accountability for equipment acquired under grants and contracts in accordance with sponsoring agency directives and College policy. Equipment is defined as non-expendable property that costs $5000 or more (including installation charges and freight) and has a useful life of more than a year. Sponsor definitions of non-expendable equipment may vary as to the acquisition cost threshold. Most federal sponsors will utilize the definition contained in OMB Circular A-21, i.e., an acquisition cost of $5000 or more per unit. Purchases of specialized equipment are normally allowable with advance approval from the sponsoring agency. Purchases of general office furnishings, such as desks, chairs, tables, etc., will generally not be approved by a federal agency. When practical, equipment already in possession of the College will be utilized. Project funds are normally used to pay for only authorized equipment acquired sufficiently in advance of the ending date of the project period to be effectively used on that project. The Principal Investigator verifies that equipment received is as ordered and in good condition. Any discrepancies or damage should be immediately reported to the Purchasing Department. Responsibility for maintaining physical control of all equipment acquired under an award and safeguarding it against loss, damage, or unauthorized use, rests with the Principal Investigator.

Fringe Benefits – Salaries and wages are subject to employer-paid fringe benefits such as retirement, medical insurance, dental insurance and unemployment compensation. The fringe benefit amount charged is on an actual basis and may not remain the same in future years. Fringe benefits are not normally a part of salaries and wages and therefore, should be budgeted separately.

Participant Support – Participant support costs are direct costs for items such as stipends or subsistence allowances, travel allowances and registration fees paid to or on behalf of participants or trainees (but not listed grant employees) in connection with meetings, conferences or training projects.

Pre-Award Cost – Incurrence of project costs prior to the effective date of an award must be avoided. Such charges will be permitted only in exceptional cases and must be approved in advance.

Salaries and Wages – Salaries and wages are allowable as a direct cost to the extent that they are reasonable and conform to the established College salary and wage policy. All personnel involved in a project’s effort must be paid in accordance with College guidelines. The salary and wage categories and job classification on projects must be congruent with those established for all other employees of the College. Salary and wage
rates contained in a proposal, including projected increases, are budgetary figures. All personnel commitments are handled in conformity with established College salary and wage policies. Budgetary data does not in any way supersede such policies.

Subcontract and Sub-grant Effort – Some projects require the College to collaborate with other institutions or contractors. Such effort must be defined in the proposal and approved by the sponsor agency in advance. Subcontract or sub-grant documents must also be approved by the sponsor agency prior to finalization of any such agreement.

Supplies – Generally, grant and contract funds may be used to purchase supplies delivered on or after the beginning date of the project. Purchases made during the latter part of a project are subject to audit scrutiny and therefore must be sustainable from the viewpoints of relevance and usefulness to the project.

Travel – Travel expenses are allowable if authorized and in direct support of the project. All travel reimbursements are subject to College travel policies except in those few instances where more restrictive policies and limitations may be imposed by a specific award.
MONITORING BUDGETS AND EXPENDITURES

The College’s Banner Finance System allows for budgeting to specific expenditure accounts based on the restrictions of the sponsor. The Grant & Contract Accounting Department monitors the budget availability and the allowability of actual expenditures incurred for each grant fund. However, primary responsibility for following College and sponsor policies when incurring costs on a project resides with the Principal Investigator. If budget modification becomes necessary, approval to rebudget should be obtained prior to incurring the expenditure. Individual sponsors vary considerably in the amount of budgetary flexibility allowed. Some modifications require written approval of the sponsor. Information concerning sponsor restrictions is normally available in the sponsor’s guidelines.

All requisitions, invoices, professional and local travel forms, etc., are reviewed for the following:

a. Allowability of expenditures by relying upon regulations, manuals, correspondence, etc., as resources.

b. Authorized signatures.

c. Remaining budgets available according to Banner Finance.

d. Proper FOAPAL account assignment.

e. Completed paperwork with proper authorized signatures and supporting documentation.

The Banner Budget Status Report (FGRBDSC) and the Organization Detail Activity Report (FGRODTA) are reviewed monthly for budget overruns or unusual items such as the following:

a. Total revenue and expenses should not exceed the maximum amount authorized or budgeted.

b. The Open Encumbrances/Budget Reservations for open purchase orders may need to be adjusted to zero if the items have already been purchased, need to be cancelled or if the purchase orders have been open for a long period of time.

c. Research the source documents for erroneous charges such as journal entries or invoices paid.

d. To prepare correcting journal entries as needed.
REIMBURSEMENTS OF FEDERAL GRANTS AND CONTRACTS

Reimbursements to recipients of Federal grants and contracts are governed by a set of cost principles currently identified as OMB Circular A-21 “Cost Principles for Educational Institutions”. These cost principles serve three primary purposes:

a. They distinguish allowable from unallowable costs.
b. They describe the methods for calculating an indirect cost rate and allocating indirect costs, and
c. They establish accountability requirements for supporting charges to Federal grants and contracts.

ITEMS OF INDIRECT COSTS

Items of costs such as salaries of administrative and clerical staff, office supplies, postage and local telephone (including monthly service charges) are normally treated as indirect costs. However, for special purposes and circumstances, costs that are normally indirect may be directly charged. The following examples do not cover all situations:

a. Office Supplies – General office supplies, including paper, pencils, pens, tablets, file folders, binders or staples would not normally be allowable as a direct charge. Examples of office supplies which may be charged directly are special markers needed to label special samples or providing notebooks for a large number of workshop participants.
b. Postage – Costs of mailing correspondence pertaining to a project is an indirect cost. However, an example of a project for which postage may be allowable as a direct cost is survey research that may require mailing a large quantity of questionnaires to accomplish the goals of the project. Shipping costs not classified as ordinary postage are acceptable direct costs (i.e., FedEx, Airborne, etc.).
c. Printing costs should be charged directly to a project if, for example, there is a requirement to produce bound manuals or print project-related large reports.
d. Telephone Charges – It may be appropriate to charge basic telephone charges if a dedicated line is necessary solely for the performance of a project and it will be removed at the conclusion of the project.
FINANCIAL REPORTING

With few exceptions, agencies or organizations sponsoring projects require some form of financial reporting. Reporting requirements vary in frequency, format, due dates and detail. The Grant and Contract Accounting Department must comply with all financial reporting requirements once a grant or contract is accepted.

Some sponsors require interim reports, such as monthly or quarterly, for purposes of tracking the financial status of the project and for handling reimbursements due the College. The Grant and Contract Accounting Department normally prepares these interim reports without requiring input from the Principal Investigator or department unless matching is involved. The terms of the agreement will govern how frequently matching information must be gathered.

The College is required to submit a final report of expenditures generally 60 to 90 days after the termination date of an award. All authorized expenditures and outstanding obligations must be determined and resolved prior to preparation of this report. Accurate, timely and complete input from the Principal Investigator and department is essential to complete this report.

UNRECORDED OBLIGATIONS

Certain obligations will not be reflected in the monthly Banner Finance reports until paid, sometimes one or two months after the obligation is incurred. Therefore, such obligations must be carefully controlled. Examples include duplicating charges, departmental distribution of telephone charges, photocopy costs, travel, temporary help and similar services not subject to the encumbrance system.

These obligations must be carefully monitored, particularly near the end date of the award. Any obligations presented after the final report of expenditures has been filed must be paid from a source other than grant or contract funds.
CLOSE-OUT

Approximately 60 days prior to the termination date of a grant or contract review the status with the Principal Investigator to determine if a request for a No Cost Extension should be, or has been, filed.

All expenditures must be finalized for the budget period and any problems associated with the grant must be corrected so that the final report of expenditures may be completed with minimum complication.

Confirm the date all final paperwork is due.

Prepare final summary as required by the grant or contract.

RESPONSIBILITY OF THE PRINCIPAL INVESTIGATOR

The Principal Investigator should maintain detailed financial records for the project. These records are to be utilized when reviewing the College’s monthly financial reports, and when performing any other required administrative duty.

The Principal Investigator is responsible for monitoring amounts passed through to sub-recipients. This active monitoring is accomplished through review of reports and correspondence from the recipient, obtaining copies of their audit reports, site visits and other available information.

The Principal Investigator is responsible for the timely submission of all required documentation during the grant period, for example, Cost Sharing and Matching Funds.

The Principal Investigator is required to handle any problems associated with the grant within thirty to forty-five days of termination. The Grant and Contract Accounting Department assists in any way possible, but the main responsibility for internal problem solving resides with the Principal Investigator.
GENERAL GRANT ACCOUNTANT PROCEDURES
Revised 02/2009

Perform all post-award accounting and administrative functions related specifically to grants and contracts.

This includes assignment of a FOAPAL accounting code for Banner Finance’s General Ledger (G/L) and Subsidiary Ledger (S/L) upon receipt of a signed Notice of Award (NOA), Award Letter, Agreement or Contract. Each year, with the exception of continuation awards that cross fiscal years, new fund code numbers are assigned. The six-digit number always begins with a “2”. A FGRFNDH report is used to determine available funds. This detail and the name of the fund manager responsible for the grant/contract are given to the controller to create the account detail in Banner Finance. Send an E-Mail to the fund managers informing them of the newly established fund. Note that expenditures are processed through the S/L and payments or reimbursements are processed through the G/L. A separate listing of all active grant and contract funds, listing the fund manager responsible, is forwarded to all Business Office personnel and other divisions prior to the beginning of each fiscal year and as needed throughout the year.

Based on the budget provided with the award notification, budget detail is entered into the Banner Finance system by FOAPAL. The board-approved budget will be entered as the current year’s Original Budget Amount. If the award involves a multi-year grant and it crosses fiscal years, the amount entered as Original Budget would be the current year’s award (BD01) and the prior year unspent dollars carried forward would be entered as Adjusted Budget (BD02). Typically, the budget detail is submitted to the accounting staff by the fund manager. This detail is reviewed to ensure the FOAPAL accounts agree with the awarded budget detail. This is submitted to the Controller for his authorization to enter the data into Banner Finance. Excel files are created to reconcile the G/L balances for each award. Dependent upon the grant requirements, additional reports might be required as listed in the award notification or the Administrative and Financial Provisions and Assurances for reimbursement. All information provided with each grant, contract or award should be thoroughly reviewed and the requirements duly noted. For example, certain State awards require submission of a State of Texas Purchase Voucher according to a defined schedule. The grant accounting staff must determine what is required.

Monitor on a monthly basis the budget availability as well as the allowability of actual expenditures incurred for each grant fund. All requisitions, check requests, professional leave and local travel forms, etc., are reviewed for the following:

1. Allowability of the expenditure. Rely upon regulations, manuals, correspondence, etc., as resources for determining allowable expenses.
2. Authorized signatures.
3. Remaining budget available using Banner Finance FGIBDST or FGIBAVL. If there is not enough available for the expenditure, notify the fund manager
that a budget adjustment is necessary. Hold the paperwork or requisition until the adjustment is entered in Banner and approved. If the budget adjustment involves a change in a salary account code, the budget adjustment must be made by the grant and contract staff.

4. Proper FOAPAL account assignment for the expenditure.
5. Notify the grant manager of the need for supplemental information such as additional documentation, signatures, etc.
6. Completed paperwork with authorized signatures, documentation and budget available is initialed, dated and forwarded to the Controller for processing.

Additionally, the following functions must be performed:

1. Review the FGRBDSC, FGRODTA and FGRGLTA reports monthly for budget overruns, unusual items such as credit (negative) balances in expenditure accounts. The total revenue and expenses should not exceed the maximum amount authorized/budgeted. Also, review the open encumbrances.
2. Research source documents for errors and prepare correcting journal entries as necessary.
3. Be aware of the end date of each grant, contract or award. Three months before the end of the above, review all charges including any encumbrances remaining or items that have not been processed to ensure all allowable charges are booked. Most grants require the submission of a final expenditure report summarizing all charges to the awarding agency within 90 days after the end of the grant. This, or any other timeframe, will be detailed in the grant paperwork. Make sure all timeframes are met.
4. Notify the Revenue and Receivable Accountant/Cashier of all receivable amounts by providing the appropriate FOAPAL, the amount expected as well as the source. This is detailed in the “Eleventh Day of the Month” section, Item 2. Review the receivable monthly and follow-up, if necessary.
5. All salary charges paid by Federal or state funds must be reviewed and certified to ensure the salaries and wages are consistent with the percentage of time and effort contributed. Prepare monthly personnel activity reports for employees whose salaries are partially charged to one or more grants and at least semi-annually, reports for employees who work solely on a single grant. Submit to the supervisors involved for their review and certification of the distribution of wages. The report requires signatures by both the employee and the supervisor. This form is located on the (G:) drive.
6. Each time a new rate is negotiated between CCCCD and the Department of Health and Human Services (DHHS), a letter is received advising CCCCD of the agreed-upon rate as well as the due date for the next proposal. After the financials are prepared for the final year-end designated in this letter, grant staff submits a worksheet calculating a facilities and administrative cost proposal to the VP of Administration and CFO. Previously submitted worksheets are kept in a file in the grant staff’s office. To create the worksheet, update the indirect cost excel worksheet located on the (H) drive with figures from the appropriate CAFR. In addition to the Schedule of
Operating Expenses by Object (Schedule B) and Schedule of Fund Assets and Liabilities (Exhibit A), detail is also obtained from FGRODTA, FGRBDSC, FGRPDTA, and PHICHEK Banner reports. The VP of Administration and CFO forwards the completed worksheet and a cover letter to DHHS. At some point, DHHS contacts the VP of Administration and CFO and they agree on a rate.
The Accounting Department is responsible for ensuring that all accounting transactions are recorded in accordance with generally accepted accounting principles and other applicable state and Federal laws in a timely manner. Accounting also maintains/reviews the District’s system of internal controls to protect assets.

The department provides monthly budget/management reports via Banner Self-Service to organization/fund managers to assist them in tracking and accounting for their expenses. If an error is found by the organization/fund manager, he/she should promptly notify the Accounting Department via memo or e-mail.

Reports

The following mainframe reports are used to track and monitor budgets:

Chart of Accounts (FOAP):
FGRFNDH - Fund Hierarchy Report
FGRORGH – Organization Hierarchy Report
FGRACTH – Account Hierarchy Report
FRGPRGH - Program Hierarchy Report

FGRBDSC (Budget Status-current period) is the summary report of each account in the sub-ledger files and provides the following:
  a. Adjusted Budget
  b. Current Period Activity
  c. Year to Date Activity
  d. Budget Reservsations
  e. Available Balance

FGRODTA (Organization Detail Activity) is the detail report of each account in the sub-ledger files and provides the following:
  a. Budget Activity
  b. Transaction Activity
  c. Encumbrance Activity

FGRGLTA (General Ledger Detail) is the detail report of each account in the general ledger and provides the following:
  a. Beginning balance
  b. Ending balance
  c. Debits and Credits

FGRPDTA (Program Detail Activity) is a sub-ledger report by program code.
FGRCSCF (Comparative Statements of Revenues, Expenditures and Changes in Fund Balances) is used to:

a. to ascertain the financial status of the college
b. to ensure that the college is operating within its budget

Accounting manages the District’s cash and investment portfolio complying with the safety and liquidity requirements of the investment policy. The department also maintains relationships with the depository bank and credit card serving companies.

The Accounting Department is responsible for processing monthly entries, all of which are reviewed by either the Associate Vice President/Controller or the Associate Vice President of Financial Services and Reporting. Source documents for entries to be processed are sent by the following departments in order to record monthly entries:

a. Stockroom charges – Purchasing and Shipping Departments
b. Copier charges – Reprographics Department
c. Printing charges – Reprographics Department
d. Bookstore Sales – Bookstores
e. Telephone Allocations – Technical Services
f. Mailroom charges – Plant Operations
g. Cash receipts – Cashier/Bursar’s Office

The department’s goal is to complete the monthly closing process no later than the sixth working day of the month.

The department reviews all check requests, staff meeting reimbursements, and contract labor forms for budget availability, proper authorization, appropriateness and approves for payment before forwarding to Accounts Payable. All entries are reviewed by the Associate Vice President/Controller or the Associate Vice President of Financial Services and Reporting.

The college is required to have an annual audit performed by an independent external auditor. The Accounting Department is responsible for:

a. preparing all agreed-upon work papers to assist the auditors in their audit;

b. ultimately, to prepare financial statements on which the auditors will provide an opinion as to whether the financial statements present fairly, in all material aspects, the financial position of the college for a particular period of time.
ACCOUNTS PAYABLE

The Accounts Payable Department is responsible for the timely and accurate processing of payments to District vendors and reimbursements to employees.

Check Requests

Payments for goods and services not processed through Purchasing or Payroll should be submitted to the Business Office on a check request form. Forms are available in the Business Office (CYC) and the Cashier’s Offices (CPC, SCC or PRC). College checks for the payment of goods and services are prepared normally within seven (7) working days after receipt of the required documentation in the Business Office. Failure to submit the proper documentation delays the check writing process.

If extenuating and non-recurring circumstances create the immediate need for a check, an emergency check will be prepared. Such emergency requests must be submitted with supporting documentation to the Associate Vice President of Financial Services and Reporting. The supporting documentation must include a written substantiation of the emergency.

Check request forms are submitted for the following:

a. subscriptions
b. institutional memberships
c. books with an order form
d. postage for bulk mailings
e. newspaper ads
f. contract purchase orders for temporary employment services
g. vendor payments
h. college purchases

All other purchases should be processed through the Banner requisition system and payments will be made from vendor invoices. All invoices are required to bear a unique invoice number. Invoices will be compared and attached to the corresponding purchase order and receiving report. Any discrepancies shall be addressed with appropriate college personnel. Purchases for less than $50.00 should utilize petty cash. Generally, purchase orders will not be processed for purchases amounting to less that $50.00. If an individual obtains merchandise in a manner that does not follow established procedures, that individual enters into a private transaction with the vendor and assumes responsibility for payment.
Check requests must be submitted with proper back-up such as an order form, original invoice, original paid receipts, etc. All invoices will be checked for accuracy. Accounts Payable verifies check requests by:

a. comparing invoiced amounts with purchase order amounts
b. ensuring that state sales tax has not been charged
c. verifying that the items have been charged to the correct fund, organization, account, and program
d. confirming that the signature on the check request is an authorized signature
e. comparing the account number on the check request and the purchase order
f. verifying that necessary back-up documentation is attached

Budget funds should be available to cover expenditures. Since the college is exempt from Texas State Sales Tax, this will not be reimbursed on purchases. A Sales Tax Exempt letter must be presented to vendors for removal of sales tax for any college purchases. This letter can be obtained by contacting the Business Office.

**Check Distribution**

The checks and check register are generated on Tuesday and Thursday. The clerk compares the checks to the check register to ensure that the check numbers agree and that all checks are accounted for. The checks are matched with their backup. Vendor checks are normally sent directly to the payee. If the check needs to be mailed with the original back-up, a copy of the back-up as well as the original must be attached by the department before submitting the form to the Business Office for payment. The originating department should keep the canary copy of the check request and send the white copy to the Business Office. The address of the payee must be included on the request in order for the check to be mailed.
TRAVEL

In order to provide accountability of college funds in business related travel, the following has been established:

It is the policy of CCCCD that all official travel shall be properly authorized and in accordance with college travel regulations. Employees authorized to travel on college business shall be reimbursed for transportation and reasonable living expenses. Travel expenses for any travel not ultimately chargeable to the college will not be charged to, nor temporarily funded by the college.

Travel-related expenditures for employees and students of the college are accounted for in account codes 744210, 744220 and 755110.

Travel – Local (744210) includes travel within the North Texas area required to carry out regular duties and responsibilities which does not require an overnight stay or prepayment of registration. Only mileage and miscellaneous expenses as reported on a “Local Travel” form are reimbursable. Examples of miscellaneous expenses are parking fees, tolls and meals.

College employees who are required to travel on college business to a location other than their primary work location are entitled to reimbursement for excess mileage traveled when participating in college-related activities such as district-related meetings and conferences at locations other than the home campus or primary work location. Travel is reimbursed only when total miles traveled exceed the employee’s normal driving distance to and from their place of assignment for that day. The approved reimbursement rate for travel in a personal automobile is $.505 per mile. Parking fees and toll fees are reimbursed provided a receipt from the parking/toll agency is submitted. Reimbursement without receipts may be made provided a statement of actual expenditures, certified by the employee’s signature, is attached to the reimbursement request. Items for which neither receipt nor a reasonable explanation is provided will not be reimbursed. Mileage reports are approved by the appropriate fund manager, the dean or vice president and the Business Office.

Travel – Professional (744220) includes travel within or outside the North Texas area which requires the individual to either stay overnight or prepay a registration fee. Reimbursable expenditures may include such items as mileage, car rental, airline tickets, taxi fares, meals, parking, tolls, registration fees and lodging expenses.
The college will prepay conference registration fees provided the green copy of an approved “Professional Leave and Travel” form together with a copy of the conference registration form is submitted to the Business Office at least seven business days before it is needed. The check will be returned to the originator for mailing with the original registration form to the vendor. A completed “Professional Leave and Travel Request” form with a copy of the registration form attached must be submitted with original receipts and/or documentation of actual expenditures within ten days after the individual returns from the travel.

Maximum reimbursable rates (per diem) for meals when traveling in Texas are:

<table>
<thead>
<tr>
<th>Meal</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast</td>
<td>$ 8.00</td>
</tr>
<tr>
<td>Lunch</td>
<td>$ 12.00</td>
</tr>
<tr>
<td>Dinner</td>
<td>$ 16.00</td>
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</tbody>
</table>

All actual expenditures should be listed, accompanied by all supporting documentation such as the following:

a. the cancelled airline ticket even when prepayment has been made
b. itemized paid lodging receipts
c. receipts for ground transportation, car rental invoice, etc.

Field Trips (755110) include expenditures for groups of students, accompanied by instructors, on educational trips. Reimbursable expenditures may include transportation, lodging, meals, registration fees, tour fees, miscellaneous books, supplies or items required as part of the student field trip.

Missing account numbers, signatures or documentation will slow the processing of reimbursements.
**Time and Effort Reporting**

Office of Management and Budget Circular A-21 requires effort certification for all payroll charges to Federal contracts and grants of professional or support staff. These time and effort reports account for 100% of each individual’s effort even if he/she is part-time. These reports should reasonably reflect the activity for which employees are compensated and encompass all activities. The Grant Accountant is responsible for collecting, reviewing and maintaining the official file of Time and Effort Reports. CCCCD has elected to use a system of after-the-fact activity confirmation reports for all employees paid partially or in full by one or more awards, grants or contracts. The percentages reflected on the reports are based upon the amounts charged to grant and contract Funds in the CCCCD payroll system, which may, or may not, reflect actual effort expended.

A Time and Effort Report form (Personnel Activity Report) located on the (H:) drive (persactrpt.xls) is generated each month by the Grant Accounting Staff for each employee listed on the NHRDIST (Organization Payroll Distribution) monthly report the grant accountant runs on Banner. A form is prepared for each employee listed on the NHRDIST report and includes the employee name, payroll period and percentage or dollar amount of salary charged to the grant. A cover memo (form located on the H:drive (time and effort memo.doc)) is attached and the forms are distributed via Inter-office mail to the supervisor responsible for each employee. If a supervisor is responsible for more than one employee required to report time and effort, all of the reports should be attached to one memo, as opposed to one memo for each and every report.

The employee should indicate all of his or her activities during the pay period (i.e., project, general and administrative, etc.), thereby accounting for 100% of their time, and sign the report. Certification of the effort requires that the supervisor signing have first-hand knowledge of all the employee’s activities during the reporting period. The information reflects the actual activity as well as it can be measured, not the budgeted activity. The reports confirm, on a best-judgment basis, that the percentage distribution of effort for the period reported produce an equitable distribution of charges for employee’s activities and serve to substantiate the distribution of costs on a consistent basis. If actual time and effort differs significantly from the paid distribution (5 percent or more of total effort), an adjustment must be made. Temporary changes, however, may be ignored if they result in less than a 5 percent change in total effort measured over the entire academic semester. The completed reports should be returned to the Grant Accounting Department within ten days of the date listed on the report. They are then filed in folders sorted by grantee located in the Grant Accounting manager’s office.