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President S.O.P 102
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Superintendent / President 102: Post-Award Fiscal Management for Competitive Grants
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Reference:

[a] BP 3280 Grants
[b] AP 3280 Grants
[c] Uniform Guidance (2 CFR Part 200)
[d] Palomar College Grant Handbook
[e] Competitive Grant Lifecycle Monitoring Framework
[f] AP 6520 Security for District Property
[g] AP 3310 Records Retention and Destruction

Enclosure:

1) Competitive Grant Biannual Effort Certification
2) Multi-Funded Effort Report Form
3) Payroll Time and Effort Report Form
4) Competitive Grant Expenditure Request Form

1. Purpose

This Standard Operating Procedure (SOP) establishes processes for the post-award management and oversight of competitive grants.

2. Background

A competitive grant is funding given to the district by a federal entity, state entity, foundation, corporation, or nonprofit based on a merit-based, competitive process where the district submits a project proposal (hereinafter referred to as grant). In alignment with BP 3280 Grants (ref (a)) and AP 3280 Grants (ref (b)), the District must administer and spend grant funds in accordance with the grant agreement and all applicable regulations, including Uniform Guidance (2 CFR Part 200) (ref (c)), when applicable.

Each grant is assigned a team to manage and support the grant. The team includes but is not limited to: (1) Supervising Administrator; (2) Grant Project Lead; (3) Fiscal and Administrative (FAS) Accountants; (4) Institutional Research, Planning, and Grants (IRP&G) Grants Manager; and (5) grant-funded employees. Ref (d) Palomar College Grant Handbook provides additional details.

3. Cancellation

None

4. Applicability

This SOP applies to all District personnel that manage and support competitive grants. Sections 6, 7, and 8 also apply to federal non-competitive grants. The SOP supplements, and does not replace, applicable District Board Policies and Administrative Procedures governing fiscal operations, such as travel, purchasing, contracts, and budget management.

5. General Cost Principles

In accordance with Uniform Guidance (2 Code of Federal Regulations (CFR) Part 200, Subpart E – Cost Principles), all costs charged to a grant must be supported by adequate documentation and must meet the following standards:

- Allowable – necessary for the project and permitted under the grant terms and District policy,
- Reasonable – consistent with what a prudent person would pay under the same circumstances,
- Allocable – directly benefits the specific grant project being charge, and
- Non-supplanting – supplements, rather than replaces, existing institutional funds or activities.

These standards apply to both personnel and non-personnel costs, regardless of funding source, and form the basis for all expenditure approvals, accounting entries, and reimbursement requests under this SOP.

6. Personnel Effort Reporting

Grant-funded compensation must be paid directly to the employee performing the approved grant activities. Grant funds may not be used to pay for work unrelated to the grant. All salaries and wages charged to grants must reflect actual work performed and be supported by after-the-fact documentation in accordance with 2 CFR § 200.

The type of time and effort required documentation depends on the employee's assignment. See Table 1.

Table 1 Time and Effort Documentation by Employee Assignment

Assignment	Time and Effort Documentation
Salaried personnel funded 100% by one grant	Competitive Grant Biannual Effort Certification (Enclosure 1)
Salaried personnel with split funding (multiple grants and/or grant + non-grant) or in-kind effort[1]	Multi-Funded Effort Report Form (Enclosure 2)
Hourly or extra-duty employee paid for actual hours worked on a grant	Payroll Time and Effort Report Form (Enclosure 3)

[1] In-Kind Match is time, services, or resources contributed to a grant project that are not paid with federal funds and are counted as a matching contribution

6.1. Salaried Personnel (100% Assigned)

Salaried employees assigned 100% to a single grant must complete the Competitive Grant Biannual Effort Certification twice each year. The certification must be signed by the employee and the Supervising Administrator and the original retained in the project's shared repository (see Section 12).

6.2. Salaried Personnel (Split Funded)

Salaried personnel whose compensation is split across multiple funding sources, including multiple grants, a combination of grants and institutional funds (e.g., reassigned time), or cost-matching, must complete the Multi-Funded Effort Report on a monthly basis. The report is signed by the employee and the Supervising Administrator and the original retained in the project's shared repository (see Section 12). These certifications verify that reported effort aligns with approved duties. Any retroactive payroll changes must be pre-approved and supported by appropriate effort documentation.

6.3 Hourly and Extra-Assignment Personnel

Hourly and adjunct personnel, including adjunct faculty and counselors, short-term staff, student workers, and others paid based on actual hours worked, must document their time and effort using the monthly Payroll Time and Effort Report (TER) (Enclosure 3). The form is completed monthly and signed by the employee and the Supervising Administrator to certify accuracy.

The completed form must be submitted in accordance with the District's payroll processing procedures. See Section 7 for instructions on payment processing requirements. A copy of the signed Payroll Time and Effort form must be retained in the project's shared repository for audit and compliance purposes.

7. Payroll Processes

7.1 In accordance with ref (b) 2 CFR 200, salaries and fringe benefits (e.g., annual leave, sick leave, holidays, etc.) charged to federal grants must be based on records that accurately reflect the work performed, supported by a system of internal control, and reflects the employee's total activity. This SOP implements the federal timekeeping standards for all grants, regardless of funding sources (e.g., state, and local). Compensation for employees funded by a grant must be based on actual hours worked and be supported by documentation.

7.2 Grant-funded employees must submit a monthly Payroll Time and Effort Report (TER). These employees are generally required to complete 2 sets of reports to support: (a) salaries and benefits charged to a grant; and (b) time and effort dedicated to the grant. To reduce the administrative burden and minimize the risks of inconsistent reporting, the District consolidated these requirements into a single monthly Payroll TER (see Enclosure 1) for designated employees. The Payroll Office must process payroll payments based on the submitted monthly Payroll TER or absence report for federal grant-funded employees in the following pay groups:

- ADJ (Adjunct)
- ADM (Administrator)
- FAC (Faculty)
- CLS (Classified Employee)
- STM (Short-Term Employee)
- STU (Student Employee)

7.3 The Payroll Office is currently piloting the use of the monthly Payroll TER for federal grant-funded and federal categorical-funded employees. These employees are assigned to projects that begin with 1112XXX. Upon successful completion and evaluation of the pilot program, this SOP will be updated to extend the use of the monthly Payroll TER to all employees working on restricted funds. Employees who are not part of the pilot program should consult the IRP&G Grants Manager or Supervising Administrator for guidance on interim reporting and submission procedures until full implementation occurs. Table 2 details required reports for federal grants and categorical employees.

Table 2: Required Reports for Federal-Funded Employees

Pay Group	Pay or FTE Status	Assignment Description	Required Preauthorization[2]	Report Submitted to Payroll Office for Payment	Report Submitted to Grant Project Lead for Compliance
Classified (CLS)	Part-Time	Extra hours Off-salary hours	Preapproval from Dean/VP	Monthly Payroll TER (See Enclosure 3)	Copy of Monthly Payroll TER
Adjunct (ADJ)	Part-Time	Hours worked	Notice of Hourly Employment (NOHE)[3]	Monthly Payroll TER	Copy of Monthly Payroll TER
Short-Term (STM) Student (STU)	Hourly	Hours worked	None	Monthly Payroll TER	Copy of Monthly Payroll TER
Administrator (ADM) CLS Faculty (FAC)	Full-Time	Assigned 100% to a grant	None	Monthly Absence Report *(Hours not worked)*	Time and Effort Bi-annual Certification (See Enclosure 1)
ADM CLS FAC	Full-Time	Assigned to multiple-funded projects*	Memorandum of Understanding (MOU) for FAC reassigned time	Monthly Absence Report (*Hours not worked*)	Monthly Multi-funded Effort Report (See Enclosure 2)
CLS	Full-Time	Overtime hours	Preapproval from Dean/VP	Monthly Payroll TER	Copy of Monthly Payroll TER
FAC	Full-Time	Overload hours	NOHE for FAC overload hours	Monthly Payroll TER	Copy of Monthly Payroll TER

*Multiple funded projects occur when a full-time employee's salary is allocated to more than one funding source. Examples include, but are not limited to:

- A full-time employee whose salary is funded 20% from a federal grant, 20% from a state grant, and 60% from another federal grant.

[2] Preauthorization documentation must be retained with project grant records and should not be submitted to Payroll as part of the TER process unless requested.

[3] NOHE is a formal agreement that specifies the maximum amount of hours a faculty or adjunct can work on grant-funded or categorical-funded projects

- A full-time employee who salary is funded 50% from a grant and 50% from institutional funds for an in-kind match contribution.
- A full-time faculty with 20% reassigned time under a state grant. The faculty's salary is funded 20% from the state grant and 80% from institutional funds.

8. Non-Personnel Expenditures

All non-personnel costs charged to a grant must comply with the cost principles described in Section 5 and with 2 CFR § 200 and applicable District policies. In particular, non-personnel costs must be allowable, reasonable, allocable, and non-supplanting. The Project Lead must confirm allowability before initiating a purchase, particularly for costs that often require prior approval - such as food, hospitality, promotional items, or equipment.

The Competitive Grant Expenditure Request Form (Enclosure 4) must accompany all requests for purchases of goods or services, contracts, or travel expenses funded by a grant. By signing the form, the Project Lead confirms that the proposed expenditure:

- Supports the approved activities and objectives outlined in the grant proposal or workplan;
- Meets federal and District standards for allowability, reasonableness, and allocability as described in 2 CFR § 200; and
- Will directly advance the project's approved goals and outcomes.

The Supervising Administrator reviews the request for allowability and compliance with District and funder policies.

9. Invoicing and Drawdowns

9.1 Draw Down

The FAS Accountant(s) will request reimbursement for actual expenditures incurred for direct federal grant project(s) as specified by the awarding agency's system (e.g., Department of Education G5 grant management system). The fiscal accountant(s) completes this draw down process not more than monthly and not less frequently than quarterly for allowable costs incurred.

9.2 Invoicing

The FAS Accountant or the Career Technical and Extended Education (CTEE) Senior Grants Administrative Specialist will prepare invoices for any grantor requiring an invoice.

Prior to invoicing personnel cost, the FAS Accountant or the CTEE Senior Grant Administrative Specialist will reconcile supporting documentation with PeopleSoft salary expenditures. Supporting documentation includes, but is not limited to, the preauthorization documents and required reports shown in Table 1.

Prior to invoicing non-personnel expenditure cost, the FAS Accountant or the Senior Grant Administrator will verify that goods and services were delivered by reviewing delivery information in PeopleSoft.

9.3 Budget Adjustment

All budget adjustment requests submitted to the Budget Office must include supporting documentation that justifies the request. At a minimum, the budget adjustment request must include preauthorization documents or reports outlined in Table 1 where personnel costs are involved.

10. Institutional Oversight and Compliance Monitoring

The College uses a competitive grant lifecycle monitoring framework (Ref (e)) to support ongoing oversight of competitive grants. Fiscal Services, Supervising Administrators, and IRP&G review active grants no less than quarterly to assess risk, confirm budget-to-actual alignment, verify documentation, and ensure compliance with grant requirements. IRP&G also provides training, templates, and reference materials to support time and effort reporting and other post-award compliance requirements.

This SOP authorizes IRP&G to conduct independent, periodic, or risk-based testing of financial transactions for any competitive grant under its oversight to verify accuracy and compliance with 2 CFR Part 200 and District policy. Testing may include payroll, procurement, travel, cost transfers, and budget adjustments. Results of testing are documented and reported to the appropriate Assistant Superintendent/Vice President.

11. Asset Management

Ref (f) AP 6520 states that each member of the District faculty and staff shall be responsible for equipment under their control. The Warehouse is responsible for assigning a property control number via an asset tag for equipment costing more than $5,000. The Grant Project Lead should ensure that a property tag is affixed to equipment purchased with grants funds. Additionally, the Grant Project Lead must report stolen, lost, or missing property immediately to the Palomar College Police Department and Fiscal Services upon discovery. The Palomar College Police Department must investigate and fully document theft, loss, or inability to locate grant or categorically funded property in accordance with AP 6520.

12. Shared Repository

The Grant Project Lead must maintain a share repository for each project to store pertinent grant documents in the event of an audit. The Grant Project Lead should coordinate with FAS, Payroll, Human Resources, and/or other pertinent personnel to obtain copies of grant documents for storage in the shared repository. At a minimum, the shared repository should contain copies of the following documents:

- Supporting documents for personnel costs
    - Required Preauthorized Documents
    - Reports submitted to the Payroll Office for payment
    - Reports submitted to Grant Project Leads for time and effort compliance (See Table 1 for required reports)
- Invoices and supporting documents submitted to the grantor
- Supporting documents for non-personnel costs[4]
    - Competitive Grant Expenditure Request Form, travel paperwork, invoices, etc.

[4] If documentation supporting non-personnel costs are uploaded into the PeopleSoft system with the requisition, then the Grant Project Lead is not required to maintain a duplicate copy in the shared repository. The documentation in the PeopleSoft system will serve as the official record if the documentation in the system is complete, accessible, and retained in accordance with the grant agreements.

Grant Project Leads must provide authorized grant staff, including but not limited to the Grants Manager and the FAS Accountant, access to the shared repository. These records will support the district's regular financial audits, internal audits, external audits, and testing discussed in Section 10.

In accordance with ref (b) 2 CFR 200, the federal grants record retention is three years from the date of the final financial report is submitted. If an audit, claim, litigation or other action is initiated within the three-year retention period, the records must be retained until the action is fully resolved or until the retention period ends, whichever is later. If the grant award terms and conditions stipulate a longer retention period, then the Grant Project Lead must retain records by the longest retention period. See also AP 3310 – Records Retention and Destruction.

Enclosure 1: Competitive Grant Biannual Effort Form

Palomar College
Competitive Grant Biannual Effort Certification

This form must be completed annually by salaried employees whose entire effort (100%) is charged to a single federally funded or competitive grant project. Examples include faculty on full release time or staff positions fully supported by one grant. The form must be signed by both the employee and supervisor and retained with departmental grant records for audit purposes.

1. Fill in employee and project information.
2. Briefly describe major activities completed.
3. Employee signs to attest accuracy.
4. Supervisor reviews and certifies.
5. Retain the original in project grant records.

Last Name:	First Name:	Employee ID#:
Department:	Supervisor:	
Position:	Certification Period: From:	To:

Grant/Contract Number:	Grant Name:
Project Number:	Name of Funding Agency:

Distribution of Time: 100%

Description of activities completed (attach additional pages if needed):

I attest that the effort and activities reported accurately reflect the actual work performed in support of the specified project during the reporting period, and that the effort is in compliance with applicable federal, state, and institutional requirements.

Employee Signature: _____ Date: _____

I certify that I have first-hand knowledge of the work performed (or have verified through reliable records) and that this report reasonably reflects the employee's time and activities for the reporting period.

Supervisor/Administrator: _____ Date: _____

This certification satisfies the requirements of the Uniform Guidance for personnel expenses charged to federal awards, including the after-the-fact confirmation of actual work performed.

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Effort Certification

Employee Name: _____ **Month:** June

Position: _____ **ID:** _____

Department/Division: _____

Activity Category	
A	Regular Contract Activities
B	
C	
D	
E	
F	
G	
H	
I	

Instructions:
1. For each week, select the Project, identify the Activity, and document the number of hours worked.
2. Total hours must equal your total contracted hours. Round to the 1/2 hour.
3. Document Compensated Time Off with the number of hours for (H)oliday, (J)ury Duty, (V)acation, (S)ick Leave, (O)ther
4. At the end of the month, 'Save as PDF' and select sheet (Actual Size). Print, sign and date, and route to your supervisor.
5. Supervisor to sign and date. Original to remain with project files.

Grant List	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Totals
Regular Contract	A																																0.0
																																	0.0
																																	0.0
																																	0.0
																																	0.0
																																	0.0
																																	0.0
																																	0.0
																																	0.0
																																	0.0
																																	0.0
Total Hours Worked		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hours Off (Sick, Vacation, Jury Duty)																																	0.0
Holiday																																	0.0
Total Compensated Hours		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

I attest that the time and effort reported for each project or funding source accurately reflect the actual work I performed during this reporting period and reasonably reflect my total institutional activity (100%). This attestation is completed after the fact and is subject to the College's grant compliance and recordkeeping requirements.

_____ _____
Employee Signature Date

I certify that I have first-hand knowledge of the work performed (or have verified it through reliable records) and that this report reasonably reflects the employee's total

_____ _____ _____
Supervising Administrator Signature Title Date

Note: Completed after the reporting period in accordance with applicable provisions of the Uniform Guidance (2 CFR Part 200, as amended) and any sponsor-specific terms and conditions. See the College's TER SOP for section-level requirements (internal controls, compensation for personal services, cost sharing, and record retention).

Effort Reconciliation

Program	% Time Worked	% Time Funded	On Track	
Regular Contract	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
	0		0%	OK
Total % Funde	**0%**	**0%**		

Enclosure 3: Payroll Time and Effort Report Form

CLEAR REPORT

Payroll Time and Effort Report *(Pilot V1.1 for Federal Project 1112XXX)*

Last Name:						**First Name:**			**Employee ID:**	
Position:						**Department:**				
Pay Group: Select a Pay Group						**Period Start Date:**		**Period End Date:**		
Actg. String	**Code (Ltr)**	**Acct. (6 #s)**	**Dept. (6 #s)**	**Program (5 #s)**	**Project (7 #s)**	**Project Name**	**Hrly Rate**	**Total Hours**	**Total Excess**	**Total Sick**
1										
2										
3										

Instruction: Send original to Payroll. Copies to (1) Employee; (2) Supervisor; (3) Grant Project Lead.

Pay Group	Hours Worked	Excess Hours	Sick Hours	Reporting Period	Report Due Date *(Subject to change)*	Preauthorization Document *(Must be readily available for audit)*
ADJ	✓		✓	21st – 20th	4th of each month	NOHE
CLS Extra Hours (EH)*		✓		16th – 15th	16th of each month	Prior written approval from Dean/VP
CLS Overtime (OT)**		✓		16th – 15th	16th of each month	Prior written approval from Dean/VP
FAC Overload (OL)		✓		1st – 31st	13th of each month	NOHE
STM	✓		✓	25th – 24th	25th of each month	None
STU	✓		✓	16th – 15th	16th of each month	None

*For part-time CLS, 10-mo., & 11-mo. employees to report hours in **excess** of scheduled hours, or hours worked during off-salary time.
For full-time CLS to report overtime and holiday pay hours in **excess of 8 hours per day or 40 hours per week.

Clear Dates

Date	Actg. String	Hours Worked	Excess Hours	Sick Hours	Activity Description *(Example: Reviewed applications to select eligible students)*
Total (Auto)					

I attest that hours and/or effort reported accurately reflect the actual work performed during the reporting period, and that this effort complies with applicable requirements.

Employee Signature:
Date:

I certify that I have first-hand knowledge of the work performed (or have verified through reliable records) that this report reasonably reflects the employee time's and/or effort.

Supervisor Signature:
Date:

Enclosure 4: Competitive Grant Expenditure Request Form

Competitive Grant Expenditure Request Form

1) General Grant Information

Project Title:	
Project Number:	Performance Period:
Funding Agency:	
Project Lead Name:	

2) Expense Details

Requested Amount:	Budget Category:
Description:	

3) Justification

Grant-funded expenditures must meet the following criteria to be allowable under Uniform Guidance (2 CFR Part 200 Subpart E), funder requirements, and District policy. Please review each item and confirm that the requested expenditure satisfies all applicable standards:

a) Alignment with Approved Grant Activities

☐ *This expenditure directly supports the activities and objectives described in the approved grant proposal or workplan.*

b) Allowability under Grant and District Rules

☐ *This cost is necessary for the project and permitted under the grant terms, Uniform Guidance (2 CFR § 200), and applicable District policies.*

c) Reasonableness and Allocability of Cost

☐ *This cost is what a sensible person would pay for a similar item or service and can be clearly linked to, and directly benefits, the specific grant project being charged.*

d) Expected Outcome/Benefit:

Briefly describe how this expenditure will advance the project's approved goals and objectives.

4) Compliance & Risk Review

a) Funder Pre-Approval

☐ *Funder pre-approval requirements have been reviewed.*

☐ *Written approval has been obtained, if required.*

Project Lead Signature:

Date: