Frequently Asked Questions about Grants

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General Questions and About the Process

What is a grant?
A grant is an opportunity to further an organization's mission through a financial contribution that does not have to be paid back. Funders (often referred to as Sponsors) can be foundations, corporations, governments (local, county, state, federal) or special interests. Most grant applications require several elements, which often include an abstract, introduction, statement of need, goals and objectives, project description/methods, scope of work, timeline, letters of support, updated CVs, and a budget and budget narrative.

Why do sponsors provide grant monies?
The reason any sponsor is willing to pay for projects is to meet their own needs or to fulfill their mission. Compare the components of your project to the mission and need statements of the sponsor to ensure the best fit. If your project meets the sponsor's needs, you are much more likely to be successful. Link to funding opportunities here.

Why must I receive institutional approval *before* a grant is submitted to SCC?
There are two reasons for this requirement. First, a grant is a legal contract between the institution and the grant sponsor, therefore only those with institutional authorization may sign grant applications on behalf of the Board of Trustees. Secondly, there could be instances in which more than one person, department or program is applying for a grant competition. Some Sponsors limit the total number of applications an institution may submit- sometimes to only one. Should more than the allowable number be submitted, all applications would be disqualified from consideration resulting in a lot of your effort for no return and diminishing Southwestern's reputation with the sponsor!

What is the difference between a grant and a gift?
A grant is a sponsored award that generally requires a formal proposal, has a specified performance period or completion date, and an expectation for reporting on a specific deliverable or outcome to the sponsor. A gift is a voluntary donation of funds, services

or goods for which there is no expectation of reporting and no specific performance period.

What is the difference between a grant and a contract?
A contract is a legally binding document that serves as a procurement mechanism to acquire property or services for direct benefit or use of the sponsor. The idea originates with the sponsor. Contracts entail specific obligations and define specific details of the legal relationship between both the funding agency/sponsor and recipient. Contracts are a more restrictive mechanism for securing services than grants and may specify penalties for non-performance. Contracts may be awarded for research, assessment, specific work performance, instruction, training, and/or similar activities. A contract proposal generally includes a description of the project called the Scope of Work, a budget, the timeline for the work and the proposed reporting mechanism. Your work on a contract is included in your total Time and Effort calculation just like a grant. And, just like a grant proposal, you must receive institutional approval prior to submission.

What or who is a "Principal Investigator"?
Principal Investigator (P.I.) is the terminology used by some grant sponsors to describe the individual who is to lead the project or program and report the results. This is most often found within research and related grants as the project director is "investigating" a research question.

How do I find funding for my project?
You may search from a list of funders here or reach out to the Office of Institutional Advancement for additional help. If you can think of any sponsors that we need to add to our list, please email a_olson@southwesterncc.edu.

What can the Office of Institutional Advancement (OIA) do to help me?
The OIA is here to help you every step of the way. We will help you search for a funding opportunity that fits your project idea. We will help you formulate your budget and budget narrative, along with guidance from the Business Office. We will ensure that you have a checklist of items required and a timeline of when documents are due. Also, if you wish, we can review your proposal and offer constructive feedback. We will even submit your grant application to the Sponsor for you. It is possible that we may be able to help you write portions of the proposal narrative, but that depends on April Olson's availability and approval of the President's Cabinet. Please remember to follow the Grant and Contract Submission Process before starting any grant application process.

What limitations does the Office of Institutional Advancement have?
Our capacity and availability for writing your grant narrative is limited, since OIA only has one grant writer. April Olson may be committed to writing other grant proposals for SCC's leadership team or other faculty/staff members during the timeframe when your proposal needs to be written. Also, if the grant proposal is highly technical and requires specialized knowledge in your field, you would be the better person to write the grant. Please check on the Grant and Contract Submission Process whether you will be the grant writer or if you are requesting assistance.

What is an RFP?

RFP is short for Request for Proposal. An RFP is a document issued by a funding agency or sponsor to encourage organizations to apply for a grant. RFP's can also be called NOFA (Notice of Funding Announcement) or NOFO (Notice of Funding Opportunity). The RFP, NOFA, NOFO include important information about the grant proposal including the sponsor's name, title of funding opportunity, eligibility, maximum award amount, deadlines, funding opportunity description, cost-sharing, reporting, and other elements.

How much time do I have to prepare a grant application?
It depends on the Sponsor's deadline. Some Sponsors have a quick turn-around and others have rolling deadlines, meaning there is no specific due date. *Rule of thumb – start early!* Developing your proposal, researching, writing and preparing all the required application documents always takes longer than you think. Also, the OIA office needs time to review your application. Provide OIA your final grant application package **at least 10 business days** prior to the Sponsor's deadline. We need time to review all documents to ensure consistency with the RFP. This includes the narrative, scope of work, budget, budget narrative, letters of support, CVs and other required documents.

How do I find a partner for my project?
Many grant sponsors look for innovation and collaboration when considering projects for awards. If you have a project or program idea and would like to strengthen it through bringing partners into the proposal OR if the grant sponsors requires collaboration/ partnerships, please contact April Olson in the OIA. She will assist you with the identification of potential partners.

What do I need to know to get started?
Regulations: Grants and contracts are governed by numerous onerous regulations (red tape lol!), but the Office of Institutional Advancement (OIA) is here to assist you. Even if you are a seasoned grant director or principal investigator and don't need help with proposal development, contact April Olson early anyway to let her know that you intend to apply for a specific grant or contract. She can provide you with updates of institutional policies, federal, state and sponsor regulations about which you need to be aware prior to submission of your proposal. And, since every proposal must receive institutional approval, she will also help to shepherd yours through the process.

Read Grant and Contract Guidelines Carefully: If the program to which you wish to apply requires a Cost Share or Match, you must receive approval from your Supervisor/Department Chair and Dean, as well as the President's Cabinet for the commitment of College resources prior to submission.

Prep Work: Before you start working on your project, you'll want to do your homework to find out if what you propose has already been done, if the sponsor has an interest in funding this kind of project and/or if there are potential partners or consultants who have received funding for similar work. Also, determine if Southwestern is eligible. Do not be afraid to reach out to the sponsor with any questions. It is better to find out before you start the process whether your project is a good fit for the sponsor.

Submissions: Some grant programs/sponsors limit the number of applications from individual institutions and/or PI's, so it is critical that the OIA be made aware of

everyone who intends to apply for a grant or contract well ahead of the submission date. Why is this important? If we submit more proposals than a program allows, the sponsor can reject all proposals from Southwestern without review. Also, start the development process far in advance to receive institutional approval to proceed and so you have sufficient time to prepare. Keep in mind that all grants and contracts must receive institutional approval prior to submission!

<u>Writing the Proposal</u>: You don't have to write like Shakespeare to win a grant award. What makes the biggest difference is following the sponsor guidelines precisely and proofreading many times.

<u>Human Subjects Institutional Review Board (IRB)</u>: The Institutional Review Board (IRB) reviews research protocols, modify/approve protocols, ensure/waive informed consent, and conduct continuing reviews of ongoing research on behalf of the institution. All research conducted with human subjects by Southwestern faculty, staff, and students is subject to IRB review. Please note that the IRB approval process takes time, so you are encouraged to submit your request as soon as possible. See the following link for more information: SCC Institutional Review Board

Budget Questions

What are Direct Costs?
Direct costs are costs that can be identified specifically within a final cost objective. Examples include salaries and wages of those who dedicate effort to the project, fringe benefits (FICA, health insurance, State Unemployment Insurance, and Life Insurance), equipment, materials, supplies needed to conduct the scope of work, and travel costs.

What are Indirect Costs (or Facilities and Administrative or Overhead Costs)
Costs that are incurred that cannot be readily identified with a particular project. Most grants will not allow you to charge everyday operating costs such as administrative support, utilities, facility maintenance, paper, ink cartridges and office furniture to your project proposal. These are costs that should be covered through a negotiated rate agreement for Indirect or Facilities and Administrative Costs that may be allowable in your proposal budget. Southwestern has a Negotiated Indirect Cost Rate Agreement and must charge these costs to grants, as permitted by the sponsor, to pay for the services and expenses that you cannot otherwise pay through your grant budget. While this may seem confusing, April Olson in the Office of Institutional Advancement (OIA) will assist you with determining what is allowable in your project and with formulating your budget to ensure that all costs are covered within regulations.

Can general office supplies, i.e. telephone, paper, toner, clerical assistance, etc., be included as "supplies" on grants?
Not usually. Office supplies (pens, paper, notebooks, clips, stamps, envelopes, ink cartridges/copying toner, local telephone service, even clerical duties, etc.) are those costs that are incurred for usual activities of the College and, therefore, cannot be identified readily and specifically with a particular sponsored project. While one can easily recognize that a notepad might be "needed" for a project, it cannot be tracked and reported separately from routine use. Therefore, the federal cost principles expect

the College to absorb these charges by unrestricted operational accounts and recover those costs through the Indirect Cost (F&A) reimbursement process. This expectation holds true even where in some cases the federal sponsor imposes F&A rate restrictions on certain grant programs.

The F&A recovery process generates funds for the College as the sponsored projects are invoiced. These funds "replenish" the departmental (State) funded accounts from which the supplies, services, and clerical support were depleted in support of the project. From this perspective, it should not be difficult to understand why the sponsor expects the College to be reimbursed by the F&A cost recovery process.

Can I waive Indirect Costs on my project?
Policy 3.03.04 requires that all direct and indirect costs related to grants and contracts should be recovered to the fullest extent possible. Some grant sponsors prohibit charging Indirect Costs in your budget so you must read guidelines very carefully. If you wish to waive Indirect Costs in your grant budget you must seek appropriate institutional approval. Please contact April Olson in the OIA for specifics.

What are Modified Total Direct Costs?
Under a Modified Total Direct Cost indirect cost rate agreement, specific modification must be made to the Total Direct Costs prior to applying the negotiated rate. Modified Total Direct Costs include all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC for federal grants excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward more than $25,000 ($50,000 as of 10/1/2024). The OIA and OID will help you calculate the MTDC for your budget.

How do you calculate course buy-out for grants? When is it okay for a faculty member to buy-out time for a project or program? How do you calculate faculty release time?
Any buy-outs of courses and/or release time must be approved by your Direct Supervisor and Dean. Calculations may be handled within your department, but OIA will need to be notified as calculations will be included in your proposal budget.

What is "Effort" on a grant or contract?
Effort is the percentage of time engaged in Work-Related Activities such as grant or contract-sponsored projects, instruction, proposal preparation, or other administrative duties. Effort is not based on a 40-hour work week, but it is calculated as a percentage based on the total time spent on work-related duties for a specific period. (Note: Effort cannot total more than 100% for any reason.)

What is Effort Reporting?
Effort Reporting is the mechanism used to provide a sponsoring agency with reasonable assurances that salaries charged and/or cost shared to a grant or contract-funded project are appropriate and reflect a reasonable estimation of the actual time engaged in project activities (relative to the individual's total activities performed for the College).

It is the most audited area of grant activity and, therefore, the most important to report accurately when developing proposals as well as reporting on grants.

What is an in-kind contribution?
An in-kind contribution is a non-monetary contribution, such as goods and services, that benefit a project and are offered for free by the organization submitting the grant proposal. Examples of an in-kind contribution from a college could be office/laboratory space, equipment, staff time.

Are Participant Support Costs excluded from F&A cost calculations?
When preparing proposal budget/financial plans, several budget categories are excluded when arriving at the base amount to which the appropriate F&A rate is applied. Please ask the Office of Institutional Advancement for assistance.

When can faculty release time be counted as cost sharing? What determines when faculty release time can and cannot be included in the grant or cost sharing?
Refer to the sponsor's announcement or guidelines to determine requirements regarding cost sharing. Unless cost sharing is required by the sponsor's announcement, most federal agencies do not allow or expect the College to volunteer cost sharing of faculty release time, or other items for cost sharing.

What items should be included in the "equipment" section of the budget?
The College defines "equipment" as any tangible, nonexpendable property with an acquisition cost of $5,000 or more per unit. The federal government and other sponsors define the equipment threshold differently so please be alert for such differences before entering them into your proposal budget. For federal grants equipment is generally defined as having a useful life of more than one year and a per unit acquisition cost of $5,000 or more (this rule for federal grants will increase to $10,000 as of 10/1/2024).

What is "cost share"? Is the requirement for cost sharing and the amount required always established by the sponsor?
There are two terms, "matching" and "cost sharing," that are often used interchangeably. "Cost Sharing/matching" is used when the sponsor has specified a particular dollar to dollar (or ratio) requirement which you are to supply for the grant project from other sources to receive the sponsor funding, i.e., the sponsor has essentially established what the applicant will share. "Cost sharing/matching" therefore refers to any portion of the project's costs not borne by the sponsor. If your project requires cost sharing or matching, please contact April Olson.

Your Grant has been Awarded!

I have received a Notice of Award, now what happens?
Should the Award Notice be sent your email, please forward it immediately to April Olson of OIA (a_olson@southwesterncc.edu). Once the OIA receives a fully executed award document from the sponsor, a meeting will be scheduled with you to discuss how to manage your award funds. After that meeting is held, your award account will be set up by the Business Office.

When will my project account be set up?
Project accounts are created by the Business Office after receiving fully executed award documents. Sometimes the terms of the award must be negotiated between the College and the sponsoring agency so it may take several weeks from the time you receive notice of the award to the actual execution of the signed award documents. You will be kept informed of this process.

Who is responsible for reporting to the grant sponsor?
Narrative reports of project progress are the responsibility of the project/program director while financial reports will be submitted by the Business Office. As the project/program director, you must maintain meticulous records of your activities as well as expenditures for the purposes of reporting as well as in the event of program or financial audits. The Office of Institutional Advancement and the Business Office will assist you with establishing record keeping methods and with the preparation and submission of reports.

What if a student wants to submit a grant application?
The principal investigator (PI) for all grants is either faculty or staff. If a student approaches you with a funding idea you may work with the student to create a proposal, but ultimately faculty or staff will be the project lead. The Office of Institutional Advancement will submit the application on behalf of the faculty or staff.