Grants Development:
Pre-Award Policy, v. 2.0
# Grants Development: Pre-Award Policy

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<th>Version Number:</th>
<th>2.0</th>
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<tr>
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<td>Policy Author(s):</td>
<td>Office of Sponsored Program, Uniform Guidance Committee</td>
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<tr>
<td>Policy Owner:</td>
<td>Executive Director of Grants Development</td>
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<td>Policy Approver:</td>
<td>Executive Vice President, Academic &amp; Student Services</td>
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PURPOSE

This policy outlines Northern Virginia Community College's (NOVA, or the College) principles and guidelines toward the identification, selection, and application of sponsored programs during the pre-award process. It includes specific criteria for both internal and external requirements to ensure that the College remains compliant with applicable regulations in a manner consistent with NOVA's mission and strategy.

Failure to follow the practices detailed in this policy could lead to missed opportunities for key funding initiatives or receipt of awards misaligned with the College’s vision, resulting in stalled growth, damage to NOVA’s reputation, and/or misuse of College resources.

APPLICABILITY

This policy applies to programs related to the following sources of funds:

- Federal funds
- State funds
- Local funds
- Private funds
- Association funding

KEY ROLES AND RESPONSIBILITIES

Executive Vice President, Academic & Student Services

The Executive Vice President, Academic & Student Services is responsible for functional oversight of the College’s sponsored programs. In this capacity, the Executive Vice President, Academic & Student Services must verify that appropriate personnel, resources, and frameworks are in place to support the life cycle of each NOVA program while allowing for sustained growth.

Executive Director of Office of Grants Development

The Executive Director of Grants Development is responsible for programmatic oversight of the College’s sponsored programs. By monitoring and enforcing compliance regulations, maintaining working relationships with NOVA employees and external funding agencies, and providing experienced direction toward program development, the Executive Director of Office of Grants Development is responsible for daily management of the College’s ongoing programs as well as forthcoming opportunities for growth.

Assistant Director of Office of Grants Development / Grant Writers

The Assistant Director of Office of Grants Development and Grants Writers provide support roles in the identification, development, and execution of sponsored programs. They are responsible for assisting College employees in obtaining a sponsored program and providing knowledgeable information when necessary. Duties include identifying opportunities, assisting in preparation of the proposal, and providing programmatic and compliance oversight throughout the life cycle of the award.
The Principal Investigator / Project Director (PI/PD) is responsible for executing, managing, and monitoring the financial and programmatic activity related to a sponsored program. In the pre-award process, the PI/PD must understand the terms of the proposal as well as applicable regulations associated with the funding agency, and commit to full participation throughout the entire life cycle of the program.

The NVCC Educational Foundation (NVCCEF) is a separate entity from the College responsible for raising private financial support to augment programs and existing services, and attracting funds to develop new courses and programs. The NVCCEF works directly with the College’s Office of Grants Development to assist in the pre-award process, and offers competitive advantages given its status as a 501(c)(3) organization.

POLICY OVERVIEW

Summary

The Office of Grants Development, in coordination with the NVCCEF, is tasked with advancement of the College’s strategic goals through identification, cultivation, and solicitation of financial support in the form of sponsored program awards. Such programs may take the form of a grant, contract, or cooperative agreement, defined as:

- **Grant**: Assistance given to organizations for stated purposes or activities to be carried out without substantial sponsor involvement.
- **Contract**: A legal, binding agreement by which an entity purchases goods and/or services to achieve the program or project’s goals.
- **Cooperative agreement**: Agreement in which a governmental agency provides financial assistance or anything of value to carry out a public purpose and establishes a relationship with the organizations; substantial sponsor involvement is expected.

*Note:* Grants, contracts and cooperative agreements have different levels of oversight / responsibility and allowable reimbursement / reporting requirements.

In seeking an award, representatives from the Office of Grants Development, NVCCEF, and other College employees must maintain ongoing communication related to each of the sections in this policy to achieve desired outcomes.

Funding Opportunities

NOVA employees are encouraged to seek out opportunities for funding through the award of a sponsored program. Discovery of such opportunities may occur through existing relationships, networking events and public relations efforts, online tools and resources designed to identify prospective awards, and all other methods that allow the College to pursue funding. All opportunities, however, must be in alignment with NOVA’s strategy to achieve its mission, outlined in the Strategic Vision 2015: Gateway to the American Dream. While the identifier of the award and his/her supervisor must apply proper judgment in determining whether NOVA should pursue, it is the responsibility of applicable personnel in the Office of Grants Development, through designation of the President, to determine whether the opportunity is in line with the College’s mission. As such, all funding opportunities must be submitted to the Office of Grants Development for review and assessment before any additional tasks should be performed.

Confidential – Internal Distribution Only
Specific requirements outlined in Section 11 – Sponsored Programs of the Virginia Community College System (VCCS) Policy Manual are as follows:

“The Chancellor and/or college presidents shall determine the appropriateness of specific federal, state, or private sector grants to further the goals of the individual institutions and the VCCS. The cost-effectiveness and compatibility of specific projects with the college mission should be considered before making application. In all cases, funded projects shall be consistent with current SACS criteria for externally funded grants and contracts, and shall adhere to relevant state policies and procedures, including, but not limited to, those of VCCS and the State Council of Higher Education for Virginia.”

Analysis

If a funding opportunity would advance the College’s efforts toward achieving its mission, the program should be assessed to determine whether it should be pursued. To consider both quantitative and qualitative factors, a cost/benefit analysis must be performed and documented for all funding opportunities. Based on specific information in the program documentation, applicable personnel in the Office of Grants Development analyze (i) financial data by preparing cost estimates that explore associated revenues and expenses, as well as (ii) nonfinancial data that further define the benefits derived from execution of the award. Section 11 – Sponsored Programs of the VCCS Policy Manual offers the following requirements for financial analysis of matching funds specified in the program: “Budgetary information must be accurately determined to cover all necessary project operating costs. The use of college M&O monies for matching funds must be approved by the president or the president’s designee. A federal grant may not be used as matching funds for another federal grant.”

Specific criteria must be established and documented to evaluate whether the benefits of the program outweigh the costs. Consequently, the College may employ a systematic approach that offers consistent decision-making without preference or prejudice toward the employee identifying the opportunity, the agency providing the funding, and all other stakeholders involved in the process. The decision to pursue a sponsored program must be made prior to development of the formal proposal. The proposal itself is also subject to review by the Office of Grants Development prior to submission, detailed below.

The analysis, with applicable support and the original program documentation, must be provided to appropriate personnel for review and approval based on the monetary thresholds set forth in the delegation of authority below. All decisions must be documented in writing and supported by the cost/benefit analysis as well as the College’s feasibility in fulfilling all terms specified in the program.

Delegation of Authority

<table>
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<tr>
<th>Program Amount</th>
<th>Approvers (includes all prior thresholds)*</th>
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<tr>
<td>≥ $500,000</td>
<td>President</td>
</tr>
<tr>
<td>≥ $100,000, &lt; $500,000</td>
<td>Vice President, Finance Executive Vice President, Academic &amp; Student Services</td>
</tr>
<tr>
<td>&lt; $100,000</td>
<td>Executive Director of Grants Development, Budget Director</td>
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* The delegation of authority serves as the basis for the College’s approval process, but additional approvals may be required based on the specific terms of the award or the nature of the program (e.g. IT approval of technological requirements, Procurement approval of unique payment terms or vendor requirements, etc.).

Proposal Preparation / Program Staffing

For valid funding opportunities that are approved for pursuit, the College must develop the proposal in compliance with (i) specific instructions stated in the program documentation and (ii) applicable guidelines implied from federal, state, and local regulations. For programs in which a 501(c)(3) organization is required, the applicant must be the NVCCEF. Nonetheless, all tasks required for development of the proposal must be assigned to applicable personnel by the Office of Grants Development, and necessary efforts must be undertaken to verify timely and accurate completion of the proposal. Participation in these efforts may include Grants Writers, the PI/PD, and/or other members of the Office of Grants Development.

When staffing a program, the Office of Grants Development must use pre-established evaluation criteria to determine the merit of the PI/PD. If the proposed PI/PD is not qualified or unavailable to carry out the requirements of the program, a replacement must be selected and subjected to the same review. All staffing evaluations and decisions must be documented.

To establish accountability, the Office of Grants Development must educate all program participants of their roles and responsibilities toward fulfillment of the entire life cycle of the program. In the event that all related participants cannot be identified at the time of proposal development, the Office of Grants Development must acknowledge the risk and select responsible personnel as soon as feasibly possible to assume the roles and accountability inherent in participation of the program.

Review, Approval, and Submission

Upon completion, the proposal must be submitted to applicable personnel – noted in the Proposal Transmittal (Form 105-052) and required by the delegation of authority – for review and approval. If approved, personnel in the Office of Grants Development may submit the proposal to the funding agency using the method specified in the program announcement. A copy of the proposal, along with all supporting documentation and correspondence with the funding agency, must be retained in accordance with the guidelines established under the ‘Record Retention’ section of this policy.

Subrecipients

The use of subrecipients is permissible for programs that allow the flow through of resources to partners for goods, services, and other work for which funds have been made available. Identification and selection of subrecipients must be performed in accordance with the Code of Virginia’s Virginia Public Procurement Act (VPPA), the Agency Procurement and Surplus Property Manual (APSPM), NOVA procurement guidelines, and other federal and state laws and regulations. If the terms and/or conditions of a federal program conflict with the VPPA, NOVA must request and obtain a written determination from the Governor that the acceptance of the program’s funds is in the public interest.

Once selected, it is incumbent on the PI/PD or other senior official charged with oversight of the program to determine that the subrecipient (i) is eligible to
receive the pass-through funds, (ii) has a record of fiscally responsible management and stewardship of external resources, (iii) would be appropriate to serve in that capacity under the award sought or received, and (iv) does not impose a financial conflict of interest (see the ‘Grants Development: Financial Conflict of Interest Policy’ for more information). Such determination must be made using specific evaluation criteria related to the subrecipient’s financials, internal controls, accounting systems, compliance history, and reputation. If this information is not readily available, or if any uncertainty exists, appropriate personnel must perform a site visit to the subrecipient to obtain more information (see ‘Pre-Award Site Visits’ below).

As part of the evaluation, the decision-maker must also review the Excluded Parties List maintained by the Federal General Services Administration (GSA), currently housed on the System for Award Management (SAM). Listed business or individuals that have been ‘excluded’ (i.e. suspended or debarred) may not be selected as a subrecipient for any program that the College pursues.

The final decision must be documented and signed on the Subrecipients Collaborating / Partnering Form (Form 105-052) prior to submission of the proposal, verifying eligibility and fitness of the proposed entity to participate in the activity for which NOVA will serve as fiscal agent.

The document generated to formalize a third party relationship with another organization to perform substantive work based upon an award may take the form of a letter of agreement, memorandum of understanding, accord, subrecipient agreement, or another descriptor mutually agreeable to the sponsor and signatories. In any form, the document must clearly present the subrecipient’s role in the program along with associated budgets and other pertinent information. Such documentation must be retained in accordance with the guidelines established under the ‘Record Retention’ section of this policy.

Pre-Award Site Visits

In the event that a pre-award site visit is required or requested, the College must be prepared to oblige upon submission of the proposal. Site visits may occur at NOVA by the funding agency, or by NOVA at the subrecipient’s location. In either scenario, the Office of Grants Development, in coordination with the proposed PI/PD, must identify appropriate members of the site team to aid in the planning and implementation of the visit. To coordinate preparation, team meetings must be held as necessary to brief members on roles and responsibilities, logistics, and other pertinent information specific to the terms of the program.

To aid in the process, it is essential that members of the site team understand the evaluation process of the visit. Information about NOVA’s people, processes, technology, facilities, and finances must be readily available upon request. When NOVA performs a site visit at the subrecipient’s location, specific evaluation criteria must be addressed prior to the visit, and the results properly documented. After each site visit, to and by NOVA, meetings must be held between applicable program participants to identify follow-up requirements and acknowledge lessons learned that may be applied to future site visits. A site visit report should be prepared in either case to document necessary actions for continuation of the program.

Policy Deviation

It is recognized that on rare occasions there may be a need to deviate from this policy. In the event that this situation occurs, the reason for deviation must be clearly documented subject to the approval of the Executive Vice President, Academic & Student Services.
**Record Retention**

Documentation related to grants must be maintained for a three year period from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, unless exceptions apply according to 2 CFR 200, section 200.333. NOVA shall adopt the same requirements for all funding sources and all elements of the program, including pre-award records. The retention period generally starts at the close of the fiscal year covered by the award or at the time of final close-out, but may begin on a date unique to the award (e.g. from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report).

For pending, ongoing, or unresolved litigation, audits, or claims, documentation must be retained until completion, resolution, or negotiation of settlements in accordance with standard schedules. Destruction of records must be in accordance with policies and procedures of the [Records Analysis Section of the Library of Virginia](#).

**DEFINITIONS**

- **Contract**: A legal, binding agreement by which an entity purchases goods and/or services to achieve the program or project’s goals.

- **Cooperative agreement**: Agreement in which a governmental agency provides financial assistance or anything of value to carry out a public purpose and establishes a relationship with the organizations; substantial sponsor involvement is expected.

- **Grant**: Assistance given to organizations for stated purposes or activities to be carried out without substantial sponsor involvement.

- **Subrecipient** – An entity that receives a sub-award from a primary recipient; by assuming responsibility for programmatic decision making and adherence to applicable compliance requirements, the subrecipient is held accountable for the use of all funds provided by the sub-award.

- **501(c)(3) organization** – An organization that is organized and operated exclusively for charitable, religious, educational, scientific, or literary purposes, as well as testing for public safety, fostering national or international amateur sports competition, and preventing cruelty to children or animals.

**POLICY REVIEW**

This policy must be reviewed annually, commencing on the first anniversary of the policy’s effective date.
OTHER/REFERENCES

Circulars: Educational and Non-Profit Institutions Documents:
- OMB Uniform Guidance, Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Code of Virginia
- Title 2.2 Chapter 43, Virginia Public Procurement Act

Virginia Department of General Services’ Division of Purchases and Supply:
- Agency Procurement and Surplus Property Manual

VCCS Initiatives:
- Achieve 2015: Strategic Plan for Virginia’s Community Colleges

VCCS Policy Manual:
- Section 4 – Administration and Finance
- Section 11 – Sponsored Programs

Commonwealth Accounting Policies and Procedures Manual, section:
- 20605 – Federal Grants Management

Library of Virginia:
- Records Analysis Section

NOVA Initiatives:
- Strategic Vision 2015: Gateway to the American Dream
- Strategic Plan for Internationalization

Relevant NOVA Forms:
- Subrecipients Collaborating / Partnering Form (Form 105-148b)
- Proposal Transmittal (Form 105-052)

Relevant NOVA Policies and Procedures:
- Grants Development: Acceptance of Award Policy and Procedures
- Grants – Financial Policy and Procedures (Post-Award)

NVCCEF References:
- Home Page
- About the Foundation
- **Board of Directors**
- **Annual Planning and Evaluation: Administrative Units Reports**