

Grants Procedures Manual

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Notes:

INTRODUCTION

The Arkansas Cancer Coalition (ACC) staff wants you and your program to be successful. This manual is one tool to assist you in reaching that goal.

This manual is for the use of grant program managers/administrators and agency administrative staffs that are responsible for administering grant programs and/or preparing reports related to the grant funded program. Appropriate grantee agency staff should review the topics addressed in this manual and keep the manual handy for reference.

This manual has been prepared as a reference and guide for questions arising in the administration of grant contracts made by ACC. The provisions of this manual apply to all recipients of funding administered by ACC.

This manual includes essential elements of an effective grant management system to properly administer your grant and to properly record, control and monitor funds which your program receives for its operations.

SPECIAL CONDITIONS

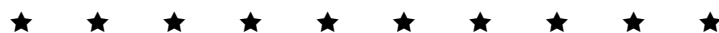
Grants funds through ACC are governed by this manual and appropriate federal laws, rules, and regulations which supersede this manual if different from this guideline. In some cases there are additional conditions that appear in the award document we receive from funding sources. As applicable, we may pass some of those conditions on to recipients of those funds.

TWO TYPES OF GRANT PROCEDURES

Grant Administrative Procedures are a set of detailed procedures grantees must follow for ALL grants. Examples of administrative procedures include those related to: financial management, expenditure reporting, contracting, procurement, records retention, etc.

Grant Programmatic Procedures are unique and specific to each individual grant program. Programmatic procedures are always consistent with the Grant Administrative Procedures, *but may be more strict*.

Programmatic procedures may be dictated by the agency or organization that funds a specific grants program. Examples of programmatic procedures include: unique grant application and award procedures, limits on expenditures and reimbursements, specific match, and cost sharing requirements, etc.



ACRONYMS

ACoS	American College of Surgeons
ADH	Arkansas Department of Health
AMA	American Medical Association
AARP	American Association of Retired Persons
ACC	Arkansas Cancer Coalition
ACCR	Arkansas Central Cancer Registry
ACS	American Cancer Society
BBB	Better Business Bureau
BCHP	Breast and Cervical Health Project
BRFSS	Behavior Risk Factors Surveillance System
BSE	Breast Self-examination
CEO	Chief Executive Officer
CCC	Comprehensive Cancer Control
CD	Corporate Development
CDC	Centers for Disease Control & Prevention
CID	Cancer Information Database
CIS	Cancer Information Specialist
COO	Chief Operating Officer
COPH	College of Public Health
CPS-I	Cancer Prevention Study I
CRC	Colorectal Cancer
CRC	Cancer Resource Connection
CRD	Community Resource Database
CRM	Constituent Relationship Management
CRN	Cancer Research Network
CSHE	Comprehensive School Health Education
DM	Direct Marketing
DASA	Division of Alcohol and Substance Abuse
DOH	Department of Health
ePRF	Electronic Payment Request Form
ETS	Environmental Tobacco Smoke

FDA	Food and Drug Administration
FY	Fiscal Year
HCP	Health Care Providers
HI	Health Initiatives
HIAT	Health Initiative Action Team
HS	Health Systems
IDC	Income Development Council
IOM	Institute of Medicine
IPP	Integrated Planning Process
LAF	Lance Armstrong Foundation
LTA	Local Tobacco Advocacy
L & D	Learning and Development
L & I	Department of Labor Initiatives
L&PG	Legacy and Planned Giving
MDC	Mission Delivery Council
MSABC	Making Strides Against Breast Cancer
NAAP	National Arthritis Action Plan
NBCAM	National Breast Cancer Awareness Month
NCCS	National Coalition for Cancer Survivorship
NCI	National Cancer Institute
NCIB	National Charities Information Bureau
NCIC	National Cancer Information Center
NDC	National Dialogue on Cancer
NEO	New Employee Orientation
NGRD	National Government Relations Department
NHIS	National Health Interview Survey
NIH	National Institute of Health
NPCR	National Program of Cancer Registries
PHM	Personal Health Management
POD	Past Officer Delegate
POW	Program of Work
PPS	Physician's Practice Strategy

PSA	Prostate Specific Antigen Test
PSA	Public Service Announcement
ROI	Return on Investment
SEER	Surveillance, Epidemiology, and End Results
SGYA	So Glad You Asked
SOS	Stamp Out Smoking
SSC	Shared Service Center
SST	Staff Strategy Team
TPCP/B	Tobacco Prevention and Cessation Program/Branch
T&A	Time and Attendance
T&E	Travel and Expenses
USDHHS	U.S. Department of Health and Human Services
WW	Working Well
WWW	World Wide Web
YRBS	Youth Risk Behavior Survey



DEFINITIONS

Allowable costs are those that meet all eligibility requirements established in the terms of the grant contract.

Amendment is a written document detailing the changes or revisions to the original terms of the grant contract. Amendment must be signed by the Authorized Signature Authority of the grantee organization and the Arkansas Cancer Coalition.

Close out means all administrative matters relative to a grant contract are reconciled in order to close the file.

Competitive solicitation is a process by which solicitations for proposals/applications are sought from a sufficient number of organizations to assure adequate, fair and open competition.

Contracted Service is a situation where independent contractors (not an employee of the grantee organization) are utilized for specific services on a fee basis. A contracted service requires a written formal agreement. The contract or agreement must state, at a minimum, the activities to be performed, the time schedule, the policies and procedures to be followed, the dollar limitation of the agreement, and the cost principles to be followed in determining what costs, both direct and indirect, are to be allowed. The contract or other written agreement **does not** affect the grantee's overall responsibility for the direction of the project and accountability to ACC. **Costs** include all charges made to the project, either as cash expenditures or as in-kind contributions.

Cost Reimbursement is a contract pricing method under which allowable and reasonable costs incurred by a grantee in the performance of a contract are reimbursed in accordance with the terms of the contract.

Effective date represents the earliest date eligible cost may be incurred. The Effective date is indicated in the grant contract. Effective date cannot predate the signature date.

Equipment (a.k.a. "Non-Expendable Personal Property") is tangible personal property with an acquisition cost of more than \$5,000/unit and a useful life of more than one year. Grant funds may be used to purchase or lease equipment only when it is essential to accomplishing the objectives of the grant project.

Expenses are cash disbursements or legal obligations incurred, but not yet paid (in accrual accounting) for goods or services related to the grant. Grantees are reimbursed for expenses incurred during the term of the grant contract.

Expiration date is the last date which costs may be incurred (accrued) and considered eligible. Any costs incurred after the expiration date are not eligible. The Expiration date is indicated in the grant contract.

F.T.E. (a.k.a. “Full Time Equivalent”) is a percentage of time an employee works, compared to a full time staff person. For example, if a full time employee works 40 hours/week (1 FTE); a person who works 10 hours week is a .25 FTE employee.

Fiscal Agent is an organization that agrees to enter into a grant agreement with ACC on behalf of another organization that is operating the program/providing the services as detailed in the grant contract. The legal relationship is between the ACC and the fiscal agent and as such, the fiscal agent must ensure the fiscal and programmatic conditions of the grant.

General Terms and conditions are those grant contract provisions that apply to all activities carried out under all grant programs administered by ACC.

Grant Contract is the formal written contractual arrangement, signed by authorized officials of ACC and grantee organization, and details the terms and conditions of the grant contract. It includes at a minimum, a face sheet, budget, scope of work and general terms and conditions.

Grantee is any entity paid by ACC providing goods and/or services under a grant contract.

In-kind contributions are property or services that benefit a project and are contributed to the grantee by a third party without direct monetary compensation. In-kind contributions include donated or loaned real or personal property, volunteer services, and employee services donated by a third party.

Indirect represents those costs that benefit more than one activity of the grantee that cannot be directly assigned to a task of the project. Indirect costs are not to exceed 10% of the total grant award amount.

Interagency agreement is a written contract between ACC and one or more entities including government agencies, non-profit organizations, state supported colleges and universities, etc., to perform all or part of the services under the grant contract. Interagency Agreements include Memorandums of Agreement (MOA), Memorandums of Understanding (MOU), and Inter-local Agreements.

Maximum grant equals the ceiling of the grant contract funding.

Personal property is property of any kind. It may be tangible (having physical existence) or intangible (such as patents, inventions and copyrights.) Personal property does not include real property. See real property definition.

Personal services are professional or technical services provided by a consultant. Generally, personal services are used to address a short-term need, resolve an unusual problem, expedite a special project, and/or bring specialized skills for which the grantee is not permanently staffed.

Prior authorization is documentation from ACC authorizing the grantee to incur project costs, or take particular actions. This permission is subject to certain conditions stipulated in the Prior Authorization Letter. Prior authorization is made before the execution of the grant contract.

Prevailing Wage is defined as the hourly wage, usual benefits and overtime, paid in the largest city in each county, to the majority of workers, laborers, and mechanics. Prevailing wages are established by the Department of Labor and Industries for each trade and occupation. They are reflective of local wage conditions.

Reduction in funds is when funding or authorization for the grant contract becomes unavailable and the grant contract is subject to amendment or termination.

Scope of work includes a detailed description of the project, including objectives with measurable tasks, deliverables and completion dates used to determine successful completion.

Subcontractor is an entity or organization, whose employees are not in the employment of the grantee, which is performing all or part of the services under the grant contract under a subcontract with the grantee.

Supplies are all tangible personal property other than tools or equipment.

Supplanting is to deliberately reduce state or local funds because of the existence of Federal funds. An example would be when state funds are appropriated for a stated purpose and federal funds are awarded for the same purpose, the grantee replaces its state funds with federal funds, thereby reducing the total amount available for the stated purpose.

Supplemental funding is additional funding that comes available for use in the project.

Termination is permanent withdrawal, before the expiration date, of the authority to obligate previously awarded project funds. It also means the voluntary relinquishment of that authority by the grantee.



THE GRANT PROCESS

GRANT APPLICATION

Every Arkansas Cancer Coalition (ACC) grant program has an application process; eligibility requirements are defined by enabling legislation, budget language or programmatic language.

Grant application packets contain not only instructions on how to apply for the grant, but also the unique procedures that apply to that particular grants program. These procedures may include:

- Statutory authorizations, restrictions and limitations;
- Grant funding periods and amounts;
- Rating and ranking criteria for grant awards and funding;
- Specific cost eligibility criteria; and
- Any additional reporting requirements.

GRANT APPLICATION FORMAT AND DEADLINE

The Arkansas Cancer Coalition will ONLY accept completed applications and supporting documents via electronic submission.

The ACC defines “deadline” for electronic submission as an “inbox date received” no later than the deadline date specified by the ACC.

ARKANSAS CANCER COALITION GRANT CONTRACT

Included in a ACC grant contract:

- The grantee's name and address.
- The grantee contact person and phone number.
- The Grant Amount is the ceiling on the amount of money that may be paid to the grantee under the terms of the grant contract.
- Effective Date means the earliest date on which eligible costs may be incurred. Any costs incurred before the Effective Date are not eligible.
- Expiration Date means the last date on which costs may be incurred or accrued and be considered eligible for reimbursement. Any costs incurred after the expiration date are not eligible.
- The Short Project Title briefly describes the project.
- Project Activities include the type of work to be done under the project.
- Sections that briefly describes the purpose of the contract.
- A section that lists the documents incorporated into the grant contract. These normally include the Budget; the Prior Authorization letter if applicable; the Scope

of Work; and the General Terms and Conditions. Other documents may be included, such as an Activity Report Form or other program-specific forms.

- A section for approval and signatures.
- A Budget that relates eligible costs to specific project activities and subordinate budget objects.
- A Scope of Work is the detailed description of the project. The grantee will perform the services defined in the Scope of Work in accordance with the budget, intermediate outcomes, performance goals, completion dates, the General Terms and Conditions, these Administrative Procedures, and applicable federal and state laws and regulations.
- Failure by the grantee to perform according to the Scope of Work or to comply with state or federal requirements may result in the reduction of funds or the termination of the grant contract.

CHANGES TO THE GRANT CONTRACT

The work your organization agrees to do under a grant contract may change during the life of the contract. A contract amendment is how the ACC and your organization formalize these changes and it then becomes a part of your grant contract. Any subsequent amendments are numbered sequentially over the life of the contract. A grant contract amendment is necessary whenever there is:

- 1) A revision in the Scope of Work or objectives of the project.
- 2) A decrease or increase in the Maximum Grant amount.
- 3) Whenever the Expiration Date is extended.
- 4) Whenever the Task Completion dates are changed.
- 5) A contract amendment is NOT required for administrative adjustments such as changes in grantee address or phone number, or changes in grant supervisors or contact person. Nevertheless, changes like these must be reported to the ACC grants program in writing.
- 6) Unilateral amendments are only signed by the ACC.
- 7) If you need to redistribute costs among the project activity categories of your grant budget, submit either a Budget Revision Form, or a letter of request detailing the budget changes, to the ACC. These documents must be signed by a person in your organization who is authorized to sign grant contract amendments. Your request must be approved by the ACC prior to requesting reimbursement for costs based on the revision.
- 8) Redistribution may be limited by the conditions of each specific grant program.
- 9) Indirect Costs are not to exceed 10% of the total grant award amount.

MONITORING GRANT COMPLIANCE

Progress made by grantees under their grant contracts is monitored in several ways: payment requests, activity reports, periodic reports of significant developments, site visits and final reports.

Grantees will be rated on a quarterly basis utilizing the following “Outcome Based Program Ratings” scale:

Effective: This is the highest rating a program can achieve. Programs rated Effective set ambitious goals, achieve results, are well-managed and improve efficiency.

Moderately Effective: In general, a program rated Moderately Effective has set ambitious goals and is well-managed. Moderately Effective programs likely need to improve their efficiency or address other problems in the programs’ design or management in order to achieve better results.

Adequate: This rating describes a program that needs to set more ambitious goals, achieve better results, improve accountability or strengthen its management practices.

Ineffective: Programs receiving this rating are not using dollars effectively. Ineffective programs have been unable to achieve results due to a lack of clarity regarding the program's purpose or goals, poor management, or some other significant weakness.

Results Not Demonstrated (RND): A rating of Results Not Demonstrated indicates that the program has not been able to develop acceptable performance goals or collect data to determine whether it is performing.

QUARTERLY REPORT

If a grantee report is not received by its due date, the ACC will withhold payment of subsequent reimbursement requests until the report is submitted. The ACC reserves the right to request supplemental activity reports based on Legislative or Budget-related requests. If the ACC does request an updated report, the grantee will be notified of the reason at the time of the request. Grant activity report format will be addressed in the grant contract.

FINAL REPORT

Grantees must submit a final report and other closing documentation required by the ACC within 10 days after the grant expiration date or other date specified in the grant contract. A final payment will not be made until the final report and other required documents are received. Grant final report format will be addressed in the grant contract.

REPORTING SIGNIFICANT DEVELOPMENTS

Events with significant impact on the project may occur between activity reports. Grantees must inform the ACC as soon as any of the following situations come to light:

- Any problems, delays or adverse conditions which will materially affect grantee's ability to meet project objectives, time schedules, or project tasks within established time periods. This disclosure will be accompanied by a statement of the action taken or proposed, and any assistance needed from the ACC to resolve the situation.
- Favorable developments that enable grantee to meet schedules or objectives sooner or at less cost than anticipated, or that produce more beneficial results than originally planned.
- Any changes in project staff or subcontractors.

TERMINATION AND SUSPENSION

Suspension means the temporary withdrawal of the authority to obligate previously awarded project funds pending either termination or corrective action by the grantee.

Termination means permanent withdrawal – before the expiration date – of the authority to obligate previously awarded project funds. It also means the voluntary relinquishment of that authority by the grantee. Termination is clearly defined in the General Terms and Conditions included with each grant contract.

The ACC may suspend all, or part of, the grant contract, and withhold further payments, or prohibit the grantee from incurring additional obligations of funds if the ACC has reason to believe that fraud, abuse, or violation of the law has occurred on the part of the grantee or a subcontractor in the performance of the grant contract.

The ACC may suspend all, or part, of the grant contract in the event the ACC determines the grantee has failed to comply with any material term of the grant contract, whether stated in a statute, regulation, plan, application, or elsewhere.

If the grantee does not commence the project within ninety days after the effective date of the grant contract, or by any date mutually agreed upon in writing, the ACC may suspend the grant contract.

Arkansas Cancer Coalition options upon termination or suspension

Termination for withdrawal of funding will be effective when the ACC sends adequate notice of termination to the grantee. When a grant contract is terminated or suspended, the ACC may take one or more of these actions:

- Temporarily withhold cash payments pending correction of the deficiency;
- Disallow all or part of the cost of the activity or action not in compliance;
- Request repayment of all or part of the funds already disbursed to the grantee;
- Withhold further grant contract awards; or
- Take other legally available remedies.

Allowable costs upon suspension or after termination

- Costs to the grantee incurred during a suspension or after termination of a grant contract are not allowable unless expressly authorized in the notice of suspension or termination.
- Other costs incurred during suspension or after termination that are necessary and not reasonably avoidable are allowable if the costs result from obligations which were properly incurred by the grantee before the effective date of suspension or termination, were not in anticipation of the suspension, and, in the

case of a termination, are non-cancellable, AND which would have been eligible if the grant contract had not been suspended or terminated.

Appeal process

The ACC Grants Program is authorized to make determinations of cost eligibility, to disallow costs, and to ensure compliance with grant contract terms and conditions and program guidelines. The written decision of the ACC Grants Program will be final unless the grantee mails or otherwise furnishes a written appeal to the ACC within thirty days of the receipt of the decision. In connection with appeal of any proceeding under this clause, the grantee will have the opportunity to be heard and to offer evidence in support of this appeal. The decision of the Executive Director or duly authorized representative for the determination of such appeals will be final. Appeals from the Executive Director's determination will be in accordance with procedures outlined in the General Terms and Conditions included in the grant contract. While awaiting the final decision on an appeal, the grantee is expected to continue progress on the project according to all terms of the grant contract and in accordance with the decision rendered. Administrative costs and other expenses incurred as part of an unsuccessful appeal are not allowable.

DIRECT, INDIRECT, ELIGIBLE, AND ALLOWABLE COSTS

The Arkansas Cancer Coalition will reimburse grantees only for direct and indirect costs that are allowable under the grant contract.

Direct costs

Those that can be assigned to a particular project activity and budget object contained in the grant contract, such as:

- Compensation of employees for the time devoted to the project.
- Cost of materials and equipment used specifically for the project.
- Costs of services furnished for the project by a subcontractor.
- Costs of administrative personnel who process vouchers, payroll, and other accounting activities specific to this project.

Indirect costs

Those costs incurred for a common purpose and not readily identifiable with a particular project activity. This includes costs incurred by grantee, as well as costs incurred by others who supply goods, services or facilities to your organization, such as:

- Costs of utilities for a facility shared by a project and other grant activities;
- Costs of supervisory personnel who oversee project activities as well as other grant activities.

Computing Indirect costs

- Grantee may account for indirect costs not clearly identified with a particular project activity in one of three ways:
 1. As “Indirect” by billing actual costs; or
 2. By calculating no more than 25 percent of each voucher’s direct costs for salaries and benefits.
 3. By calculating no more than 10 percent of the total grant award amount.

Grant programmatic procedures may limit your choices for computing indirect costs. Whichever of these methods your organization utilizes it must be identified in the contract budget and be used for the duration of the contract. Supporting documentation for indirect costs must be available for inspection in the Arkansas Cancer Coalition office.

IS IT DIRECT OR INDIRECT?

There is no universal rule for classifying certain costs as either direct or indirect; a cost may be direct with respect to some grant function, but indirect with respect to the grant project. However, it is essential that each item be treated consistently throughout the project either as a direct or an indirect cost as follows:

- If grantee utilizes an “Indirect” category in the contract budget it may direct bill all indirect costs which can be identified specifically with the project, and which are allowable under the contract. The grantee must compute these charges in the same way the charges would be computed if they were related to any other grantee activity.
- If grantee decides to use one of the two established indirect rates, it may request reimbursement for an amount equal to no more than 25 percent of each invoice voucher’s salaries and benefits, or no more than 10 percent of the total grant amount request. That amount is intended to include all costs in the categories listed in this section, which generally are not direct billed.
- These costs will generally be covered by the established indirect rate:
 - Office and operating supplies – office stationery/supplies, forms, cleaning supplies, etc.
 - Fuel consumed – to generate power or provide heat.
 - Small tools and minor equipment – calculators, fax machines, telephones, etc.
 - Professional services – janitorial, legal, etc.
 - Communication – basic telephone, cell phone, postage, etc.
 - Operating rentals and leases – rental costs for facilities or equipment, such as buildings or copy machines that are shared among all district activities.
 - Insurance – fire, casualty, theft, bonds, liability, etc.
 - Auto insurance is not allowed—this is covered in the mileage reimbursement.
 - Utility services.

- Administrative employee training expenses – registration fees, mileage, meal per diem, lodging, etc.
- Repairs and maintenance – labor and supplies to repair or maintain real and personal property.
- Audits – cost of audits necessary to administer and manage the project, including the cost of audits performed by the Office of State Auditor that are in excess of the cost covered by the Commission.
- Miscellaneous – subscriptions, memberships printing and binding, accounting programs or other software used for all district programs, etc.

ELIGIBLE COSTS AND THE DEFINITION OF ELIGIBILITY

- The Arkansas Cancer Coalition will reimburse grantee for costs that are allowable and eligible under your grant contract.
- An eligible cost is a project cost that meets all eligibility criteria established by the terms of the grant contract.
- Only eligible cash expenditures are reimbursable, in whole or in part, with ACC funds.
- If a cash expenditure is eligible, this implies that your organization will be reimbursed for it, in whole or in part.
- Eligible in-kind contributions and cash expenditures may be used to meet any match requirements of a grant.

Eligible costs meet the following criteria

- Be allowable costs under the terms of the grant contract.
- Be necessary and reasonable for proper and efficient administration of the specific grant project defined in the Scope of Work and not a general expense required to carry out the overall responsibility of the grantee.
- The ACC financial staff will not approve costs which are excessive for value received or otherwise unreasonable.
- Be authorized or not prohibited by federal, state, or local laws or regulations or the terms of the grant contract including the Scope of Work.
- They conform to the Project Budget and with any other financial limitations in the terms of the grant contract. Costs in excess of the budget and costs which do not conform to other restrictions are not eligible.
- Be incurred after the effective date and before the expiration date of the grant contract.
- Be net of all applicable credits (such as rebates, discounts, refunds). The amount which is eligible is the net cost after the credit is applied.
- Be documented. Costs which are not supported by invoices, time sheets or other required documentation are not eligible.
- Be consistent with policies and procedures that apply to other grant activities. A cost is not eligible if it is computed differently than it would have been if incurred as part of any other organization activity. Allocation of shared costs to the grant

contract must be based on a documented cost allocation plan that is consistently applied to all funding sources.

- Costs charged against the grant contract must not be charged against any other contract, subcontract, or other funding source in any past, present, or future period.

ALLOWABLE COSTS

These categories will apply whether a particular cost is treated as a direct or indirect cost. Failure to mention a particular cost does not mean that it is either allowable or unallowable. Specific grant program guidelines may further restrict the categories or costs that are allowable. In addition, some costs are allowable only under certain conditions. Allowable Costs include, but are not limited to, the following list:

- **Accounting**, including the cost of establishing and maintaining accounting and other information systems required for the management of projects.
- **Advertising**, including newspapers, magazines, radio and television programs, direct mail, trade paper, when the purpose of the advertisement is:
 - To recruit personnel needed for the project;
 - Notification of supervisor elections and appointment procedures;
 - To solicit bids for procuring project-related goods and services;
 - To dispose of scrap or surplus materials acquired during the project;
 - To advise the public about a project activity; or
 - For other purposes specifically provided for in the grant contract.
- **Audit service**, including the costs of audits necessary to administer and manage the project.
- **Communications**, including project-related costs incurred for telephone, cell phone calls or service, facsimile service, postage, messenger service, e-mail and similar expenses.
- **Compensation for personal services**, including wages, salaries, and supplementary compensation and benefits - paid currently or accrued - for services rendered under the grant contract, including compensation for employees of the grantee. Such compensation is allowable if:
 - It is reasonable for the services rendered, and consistent with compensation paid for similar work in the grantee's labor market;
 - It complies with applicable local, state or federal laws or rules governing procurement or merit system requirements;
 - It is not compensated by any other governmental entity, contractor, or subcontractor; and
 - It is documented according to payment request procedures.
- **Conference and meeting costs**, such as meeting room rental, registration fees, supplies, contracts with facilitators, when the primary purpose of the meeting is the dissemination of technical information relating to the project and the individual costs are in themselves allowable.
- **Educational materials**, such as brochures, pamphlets, videos, DVDs, etc., used for educational purposes.

- **Employee fringe benefits**, to the extent that total compensation for employees is reasonable. Compensation paid to employees during periods of authorized absences from the job (such as annual leave, sick leave, jury duty, military leave) and employer contributions (such as social security, employees' life and health insurance plans, unemployment insurance coverage, workmen's compensation insurance, pension plans) are allowable if they are provided according to an approved plan and their cost is equitably allocated to all related activities, including projects.
- **Equipment rental**, provided that the total cost during the project does not exceed the fair market value of the equipment and the costs are consistent with rental rates in the grantee's market.
- **Insurance**, including fire, auto, casualty, theft, liability, bonds, etc.
- **Light refreshments**, including coffee and/or any non-alcoholic beverages, conferences, or project tours, when the purpose of the event is to conduct official business, to provide formal training for employees or volunteers, or to view project sites and work continues throughout the period that refreshments are available. Reimbursement for light refreshments requires a receipt from the vendor and a list of attendees.
- **Maintenance and repair**, including costs incurred for normal preventive maintenance, necessary repair, and upkeep of property as required to maintain an efficient operating condition, but not costs for work which adds to the permanent value of the property or appreciably extends its designed life. This is not the same as normal operating costs, which include all costs for the day-to-day operation of a facility.
- **Office Supplies**, general office supplies necessary for the day to day operation of the grant, e.g., paper, pencils, clips, rubber bands, etc.
- **Payroll preparation**, including project-related costs of preparing payrolls and maintaining necessary related wage records.
- **Personnel administration**, including costs of recruiting, examining, certifying, classifying, training, establishing pay standards, and performing other project related activities.
- **Printing and reproduction**, including project-related materials such as forms, reports, manuals, and informational literature.
- **Procurement service**, including soliciting bids, preparing and awarding contracts, and all phases of Grant Contract administration to provide goods, facilities and services for projects.
- **Reference material**, directly related to the project.
- **Rental of office space**, in privately or publicly owned buildings, provided that the costs do not exceed the rental costs of similar facilities in the same locality.
- **Taxes**, or payments in lieu of taxes, that the grantee is legally required to pay.
- **Training and education**, the cost of training that directly benefits the project, i.e. technical training, etc. Reimbursement of training and education - related expenses will be made on a reimbursement basis.
- **Transportation**, including costs for freight, cartage, express, postage and other transportation costs relating to goods purchased, delivered, or moved from one location to another.

- **Travel**, including costs of transportation, lodging, subsistence, and related items incurred by employees and volunteers in travel status on official grant business that directly relates to the grant project. Payment will be made based on state employee travel reimbursement rates and policies. The ACC staff can provide information on current employee travel reimbursement rates and policies.
 - **Internal Revenue Service (IRS)** has determined, in some cases, meal allowances and reimbursements to employees are taxable fringe benefits. Grantee should check with the IRS, certified public accountants or the auditor for any changes in the rules regarding meal allowances.
- **Travel – vehicle operating costs** are allowable, either the actual costs or based on the current state mileage rate. However, the grantee must decide at the beginning of the grant which method to use for grant vehicle use, and then use only that method during the life of the grant.
- **Use allowances**, for equipment or facilities owned by the grantee, provided that the charge does not exceed the portion of acquisition cost that could be reasonably attributed to the project and does not exceed the rental rate for comparable equipment or facilities in the grantee's market.

UNALLOWABLE COSTS

Contact the Arkansas Cancer Coalition staff for a determination concerning specific costs for unique circumstances. The following costs are not allowable costs under a grant contract.

- **Bad debts**, including any losses arising from un-collectible accounts and other claims, and related costs.
- **Contributions to a contingency reserve**, including any funds set aside by the recipient in order to reimburse unanticipated costs.
- **Contributions and donations.**
- **Depreciation**, of facilities or equipment.
- **Duplication of costs**, The grantee certifies that work to be performed under the grant contract does not duplicate any work charged or to be charged against the same or any other grant contract, subcontract, or other source.
- **Entertainment**, including costs of amusements, social activities, and incidental costs relating to them (such as beverages, alcohol, rentals, transportation, and gratuities.)
- **Fines and penalties**, Including late fees charged by vendors, and any costs resulting from violations of, or failure to comply with federal, state, and local laws.
- **Fundraising** is not permissible.
- **Gifts**
- **Interest and other financial costs**, Interest on borrowings (however represented), bond accounts, cost of financing and refinancing operations, and legal and professional fees paid in connection to them, are unallowable except when authorized by state legislation.
- **Lobbying**, Or expenses related to lobbying.

All payments will be subject to a final audit, and the grantee will repay the Arkansas Cancer Coalition for any unauthorized or unallowable expenditures charged to the grant contract.

FINANCIAL PROCEDURES

Fiscal management

Standards for fiscal systems, The grantee must expend and account for project funds in accordance with state laws, Budget Accounting and Reporting System (BARS) and its own procedures. Accounting procedures must:

- Provide accurate and complete disclosure of the financial results of projects in accordance with all financial reporting procedures of the grant contract.
- Identify the source and application of project funds. Records must contain copies of all contracts, authorizations, obligations, assets, liabilities, expenditures, and income.
- Provide effective internal control and accountability for all project cash, real and personal property, and other assets. Grantee must adequately safeguard all such property and assure that it is used solely for authorized purposes.
- Conform to the project budget. Actual expenditures must be in accordance with line items in the grant contract budget.
- Conform to applicable cost principles detailed in all terms of the grant contract.
- Maintain appropriate supporting source documentation. This includes record of check numbers, invoices, purchase receipts, payrolls, time and attendance records, contract award documents, and vouchers sent to the Arkansas Cancer Coalition.

Standards for accounting records, Required accounting records include the following or their equivalent:

- A general ledger, which classifies, records, and summarizes all accounting transactions relevant to the project.
- An accounts receivable ledger, which records all funds (cash, checks, money orders) received by the grantee.
- An accounts payable ledger, which records all expenditures made by the grantee, including date, warrant or voucher number, payee, and purpose of the payment.
- The grantee will maintain books, records, documents, and other evidence of accounting procedures and project policies and practices that are sufficient to permit the preparation of reports required by the state of Arkansas and to permit the tracking of funds to a level of expenditure adequate to ensure that the funds have been spent in accordance with federal and state laws, regulations, policies, procedures, and the grant contract.
- These records will be subject at all reasonable hours to inspection, review or audit by the Arkansas Cancer Coalition or designated state officials and the State Auditor.

PAYMENT REQUESTS

No Expenses Incurred

- Grantee must submit an invoice voucher form monthly; **even if expenditures have not been incurred.**

Payment Requests

- Payment Requests will be processed based upon the submission of all required forms and supporting documents. Blank samples of each form may be obtained by contacting the Arkansas Cancer Coalition.

Standards for payment

- All grant contract funds will be disbursed as reimbursement for costs or obligations incurred. Grantees are expected to make payment of approved obligations on a cost reimbursement basis only.
- Approved eligible costs or obligations incurred will be considered to have been paid by the grantee at the time the grantee seeks reimbursement from the Arkansas Cancer Coalition.

Supporting documentation of costs

The grantee will maintain the following support documentation for each reimbursement request in a separate grant contract file that will be kept for six years after the expiration date of the grant contract:

- Salary and benefit rate sheets for each employee working under that grant contract will be submitted with the first reimbursement request and updated when there is a change.

- Signed copies of employee time sheets with the grant hours worked and the accompanying math used to reach the salary amount requested.
- Travel vouchers signed by the claimant and approved by an authorized grantee signer. If applicable, copies of lodging receipts must be attached.
- Copies of vehicle travel logs for vehicle use.
- Copies of proof of expenditures for non-personnel costs incurred such as invoices, bills, receipts, or canceled checks.

Submitting supporting documentation of costs

When expenditure questions and/or problems arise the Arkansas Cancer Coalition may request that the grantee submit supporting documentation.

Final request for payment

- The grantee must submit a final request for payment within fifteen days or no later than June 25, 2012 with satisfactory completion of the grant contract.
- Only expenses incurred before the expiration date of the grant contract are eligible for reimbursement.
- The last payment will be processed only after all required reports, final payment request and closing documents have been received by the Arkansas Cancer Coalition.
- The grantee will require any subcontractors funded entirely, or in part, under the grant contract to meet the above requirements when submitting requests for reimbursement under the subcontract.

GRANT CLOSE-OUT AND AUDITS

Close-out

- **Close-out** is the process by which all administrative matters relative to the grant contract are reconciled in order to close the file. The Arkansas Cancer Coalition will close out the project when all applicable administrative and programmatic requirements of the grant contract have been met, or when the project has been terminated.
- **Close-out does not affect:**
 - The Arkansas Cancer Coalition's right to disallow costs and recover funds on the basis of a later audit or other review;
 - The grantee's obligation to return any money due as a result of later refunds, corrections, or other transactions;
 - Records retention and access to records required under the grant contract;
 - Property management procedures under the grant contract;
 - Audit procedures under the grant contract.

- **Grantee responsibilities** Within 15 days after the expiration date, the grantee must submit all financial, performance, and other reports required under the grant contract. Required final reports include but are not limited to:
- **Final performance report** For the purposes of a final report, the grantee is required to utilize the specific grant program “Grant Activity Report” form as well as provide written commentary regarding the successes and challenges in the project. The form may also provide a place for the grantee to include a narrative summary of grant contract activities and accomplishments that are not captured elsewhere on the form.
- **Final payment request** (if applicable).
- **Invention disclosure** (if applicable).
- **Property inventory including plans for disposition.**

The Arkansas Cancer Coalition’s responsibilities

At or near the expiration date, grants staff will send out the closeout paperwork that includes a Grant Contract Final Report Format and final Invoice. These forms are to be completed by the grantee and returned to the Arkansas Cancer Coalition.

- Once the Arkansas Cancer Coalition receives back the close-out paperwork, the grant contract is closed on the Arkansas Cancer Coalition's books
- Failure by a grantee to return the close-out paperwork will result in withheld payments on current grant vouchers, and delays in executing future grant contracts.

Audits

Financial audits

- All funds paid to a grantee under a grant contract will be subject to an audit by the State Auditor and the Arkansas Cancer Coalition.
- All work performed under the grant contract and any equipment purchased, will be made available to the Arkansas Cancer Coalition and to any authorized state, federal or local representative for inspection at any time during the course of the grant contract and for at least three years following grant contract termination or dispute resolution.

Recovery of payments

- All payments to a grantee under the grant contract are subject to final audit by the Arkansas Cancer Coalition or a designee of the Coalition.
- The grantee will repay the Arkansas Cancer Coalition for any unauthorized or unallowable expenditures charged to the grant contract.
- The right of a grantee to retain monies paid to it as reimbursement payments is contingent upon satisfactory performance under the terms of the grant contract including satisfactory completion of the project described in the Scope of Work.
- In the event a grantee fails, for any reason, to perform obligations required of it by the grant contract, the grantee may, at the Arkansas Cancer Coalition's sole discretion, be required to repay to the Coalition all grant contract funds disbursed to the grantee for those parts of the project that are rendered worthless in the opinion of the Arkansas Cancer Coalition by such failure to perform.

PROPERTY & RECORDS MANAGEMENT

Copyrights

The Arkansas Cancer Coalition reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use and authorize others to use the copyright in any work developed wholly or in part, under the grant contract for the Arkansas Cancer Coalition or other state purposes. This license also applies to any copyright that a grantee or contractor purchases with state funds.

Publications

When the grantee or persons employed by the grantee use or publish information of the Arkansas Cancer Coalition; present papers, lectures, or seminars involving information supplied by the Arkansas Cancer Coalition; use logos, reports, maps or other data, printed reports, signs, brochures, pamphlets, etc., appropriate credit will be given to the Arkansas Cancer Coalition.

The Arkansas Cancer Coalition may, in its own discretion, release information regarding the grant and the grantee to the general public and news media. Grantee grants to the Arkansas Cancer Coalition a non-exclusive license to include grantee's name and any associated trademarks and logos in information pertaining to the grant that is released to the public.

RECORDS MANAGEMENT

The grantee will maintain complete program and financial records for each grant contract which provide an audit trail for all expenditures.

Financial records

All financial records including support documents such as time sheets, bills, and receipts will be filed as part of the financial records which will be kept in the grantee's office.

Length of retention

The grantee will comply with the records retention schedule for grantee as outlined in the Secretary of State's Records Management Guidelines and Records Retention Schedule, and in the grant contract document itself.

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END

Contact Information:

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