

Account Establishment Procedure	Procedure Number	11.2.2.2P
	Effective Date	November 28, 2017

1.0 PURPOSE

In accordance with Management and Oversight Authority Policy 11.1 and Sponsored Awards Policy 11.2, the purpose of this document is to provide procedures on the establishment of an account for all sponsored awards received by the College.

2.0 REVISION HISTORY

Adopted on: 11/28/17

Revised on: 04/18/23, 08/04/26

3.0 DEFINITIONS

- A. *Assistance Listing Number (ALN)* – The unique identifier assigned to a federal assistance program in the System for Award Management (SAM.gov) Assistance Listings. The ALN is used to identify and track federal financial assistance programs and is required for federal reporting, compliance, and audit purposes.
- B. *Budget* – A *budget* identifies the types of costs and the estimated amounts needed to complete the project. The budget must be approved by the funding agency and College. The budget will be the basis for authorizing any expenditure on the project and the basis for seeking payment from the funding agency. Any variances from the approved budget (beyond those permitted by regulation) must be authorized by the funder and reviewed by the College.
- C. *Enterprise Resource Management (ERM) System* – An enterprise resource management system is the business process management software that the College uses to manage the business functions related to technology, services and human resources.
- D. *Federal Award* – A sponsored award with funding from the federal government. Federal funding can be provided to the College through a variety of funding mechanisms, either directly from a federal agency or through a non-federal entity.
- E. *Non-Federal Entity* – As defined in 2 CFR 200.69, a state, local government, Indian Tribe, institution of higher education, or nonprofit organization that carries out a federal award as a recipient or subrecipient.
- F. *Project Budget Manager* – Individual designated by the College to manage the budget for the project (may be the same individual as the Project Manager/Principal Investigator).
- G. *Project Manager/Principal Investigator* – Individual designated by the College to manage the sponsored award.
- H. *Sponsored Award* – A sponsored award is the transfer of money or property from an external funder that requires performance of specific duties. The funding relationship usually reflects a joint partnership in setting/meeting project goals. Most governmental funding will be for the purpose of conducting a sponsored award. The funding mechanisms used to meet this purpose can include memoranda of understanding, grants, contracts, cooperative agreements, and other legally binding means of transfer.

4.0 PROCEDURES

A. Sponsored Award Account Establishment

- 1) Once a sponsored award has been accepted by the College in accordance with Approval and Acceptance Procedure 11.2.2.1P, the Senior Sponsored Contracts and Grants Specialist completes an "Authorization of Sponsored Award Account Budget" form in order to establish an account number, budget, and signature authority. The form, along with the award document and approved budget, is forwarded to the Budget Director.
- 2) The Budget Director establishes an account number, and a budget is loaded into the College's ERM to provide a comparison of budget to actual amounts. This process establishes the necessary accounts to segregate all award funds and expenditures from other sources of revenue/funding.
- 3) The authorization form, and attached documentation, is returned to the Senior Sponsored Contracts and Grants Specialist with the new account number and budget. The Sponsored Awards Services Office scans all documents (initiation form, budget, award document) and forwards relevant information to the appropriate individuals, including the Project Manager/Principal Investigator.
- 4) Upon receipt of the authorization form, Administration & Finance will record the authorized individuals identified on the authorization form as having signature authority over the referenced project.

B. Required Identification of Federal Awards

- 1) The Sponsored Awards Services Office maintains records containing the required Federal award identification information. Such records include, as applicable, the ALN and title, Federal Award Identification Number (FAIN), award year, name of the Federal awarding agency, and the name of any pass-through entity.
- 2) All information collected above also has supporting documentation. Supporting documentation, including, but not limited to, the original notification award letter, budget, and initiation form, is filed and maintained by award and award period in the Sponsored Awards Services Office.
- 3) Each project record contains the following documents (as applicable):
 - a. Authorizations
 - b. Obligations
 - c. Unobligated balances
 - d. Assets
 - e. Expenditures
 - f. Income
 - g. Interest