EGCM & Budget Set-up
Guidelines and Procedures

Procedures for Setting up Program Budgets and the Executed Grant Contract Memo (EGCM)

1) **The *Executed Grant Contract Memo (EGCM),* re-read your proposal and the accompanying grant agreement.**

   Due to the lengthy review process typical of most grant programs, there are usually several months (or more) between the time the proposal is written and the time when the project can actually begin. It is therefore very important to begin by re-reading the grant proposal, which outlines all of the activities proposed, a timeline for completing them, and the proposed budget and budget detail.

   The EGCM can serve as a guide; however, you should still carefully read the contract and any additional terms sent with the grant materials. Each funding source, whether it is federal, state, local, corporate, or private, has specific laws and/or rules which you must follow. These are usually referred to as the terms, regulations, or conditions of the grant and are outlined in the grant agreement or contract.

   The EGCM will include the grant name, grant number, the funding amount, information on setting up the budget, and an outline of any specific terms and due dates that you must adhere to.

   It is very important to remember that you, the college, and the District are bound by these laws, rules and regulations. Take the time to become familiar with them. Knowing what you can and cannot do, and how you must do it, will prevent problems later on and also protects you, the college, and the District.

2) **The Grants Office will contact key program personnel and/or staff to set up a grant start-up meeting, particularly if your project is complex or large, or if you anticipate changes since the proposal was written.**

   Once you receive an EGCM from the Grants Office, we encourage any program, particularly if your project is complex or large, or if you anticipate changes since the proposal was written, to work with the Grants Office to address any issues or concerns you may have regarding the implementation or administration of the new grant. Again, if you should receive the agreement directly, be sure to forward any original materials to the Grants Office.

Meetings with the Grants Office are highly recommended for new or complex grant projects, or if a project director is new to the field of grants. However, we are always willing to meet with project directors and their staff for any grant-related projects.

At the meeting with Grants staff, you will:

- Obtain a copy of the grant agreement and final copy of the proposal if you do not have them already.
- Have the opportunity to ask questions or receive clarification regarding the grant agreement and accompanying regulations.
- Review the objectives and timetable for implementation to determine if these are realistic.
- Discuss changes to the project and/or the budget and determine if pre-approval from the funding agency is necessary.
- Schedule interim and final report deadlines, including deadlines for internal review of these reports, and obtain copies of all report forms.

3) Submit a Budget to the District Accounting Analyst

The District's Accounting Analyst works within the Accounting Office at Central Services and is responsible for all restricted (Fund 12) accounts. All grant projects, whether competitive or categorical, are considered restricted revenue.

To create an account for your project, you must submit a budget on the Budget Summary Form to the Accounting Analyst. This form is available on the District's website at www.yosemite.edu/accounting.

To complete this form, simply copy the line items in your grant proposal budget to the District's form. Please keep in mind, however, that many grant proposals include specific budget forms that may not correlate exactly to the District's object codes; in that case, you will need to convert the budget line items to general ledger object codes. If you need help completing the form, please see the District training for Accounting Forms, or contact the Accounting Analyst.

You can then submit the Budget Summary, along with a copy of the EGCM, for approval. Once a completed Budget Summary has been submitted and approved, the Accounting Analyst will:

- Review the form with the Grants Office to ensure budget terms are in compliance with the grant contract.
- If the grant is new, establish an account number for the grant; and
- Enter the budget into the system.

When setting up grant budgets, please observe the following:

- Budgets ***must*** match the approved contract exactly.
- Money can be spent only for the items included in the contract.

- Money cannot automatically be moved from one account to another; the specific rules of that contract must be followed.
- You must consult with the District Accounting Analyst to move funds between object codes or accounts.
- For multi-year grants, separate accounts will need to be established for each year if the contract dictates that funds are not transferable from year to year.
- If a grant includes funds for Participant Support Costs (PSC), the project director needs to identify and provide a detailed justification of the participant support costs when setting up a budget, and a separate budget will need to be set up. The PSC budget should have the same account number string with just the Activity Code changed to differentiate the direct and indirect costs from the participant support costs.

The Accounting Analyst tracks project expenditures for accounting and audit purposes. The District Accounting Office maintains copies of all personnel, equipment, supplies, travel, and other expenditures charged to your project budget. Again, as project director, you are responsible for properly documenting all expenditures, including any matching funds.

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Questions:	Grants Office	Grant Support Specialist (X6576)
	Accounting	Accounting Analyst (X6517)