

Points for Purchases and Contracts related to GRANTS

Please read over the Grant Purchase Section VI from TBR's Contract Guideline G-030 located at the end of the document.

PURCHASES

1 - Purchases utilizing grant funding shall comply with the conditions of the grant and applicable state and federal guidelines. 23 – State grant purchases for goods or services shall not be made from vendors on the State of Tennessee Debarred Vendors list.

3 – Federal grant purchases for goods and services shall not be made from vendors on the List of Parties excluded from Federal Procurement and Non-Procurement Programs, available at www.sam.gov.

4 - If the vendor is not in our system, we will need a contact name and email to send a link to TBR's TSM (Total Supplier Management) portal. They will fill out the information regarding their business and payment requirements in this portal.

5 - Purchases which are expected to exceed \$25,000 per GRANT and/or INDEX code over a five (5) year period, will need either the quote summary sheet with three (3) quotes listed should be attached to the requisition or a Sole Source form if they are considered a sole source vendor.

6 – If a purchase is over \$25,000 and the vendor meets the Sole Source criteria as listed in TBR's Purchasing Policy 4.02.10.00 Section VI.A.11.b., an approved/signed Sole Source form along with a letter from the vendor should be attached to the requisition. The Policy can be found at this link: [https://www.roanestate.edu/webfolders/WESTDK2/Purchasing%20Policy%204_02_10_00%20\(TBR\).pdf](https://www.roanestate.edu/webfolders/WESTDK2/Purchasing%20Policy%204_02_10_00%20(TBR).pdf).

Example: The Nuclear Program has two grants, USDOL and NSF, and purchases out of the USDOL grant are \$30,000 over a 5 year period, a quote summary sheet with 3 quotes listed or a Sole Source form will need to be attached to the requisition for the USDOL grant. If the NSF grant purchases total for example, \$26,000, a separate Sole Source form or quote summary sheet with 3 quotes listed should be attached to the requisition for the NSF grant as well.

If funding for either grant is below \$25,000 over a 5 year period, no Sole Source form or quote is needed for that grant and/or index.

CONTRACTS

1 – The Contract Tips Document on Purchasing's webpage should be followed. Standard templates should be used if drafting a contract. The Personal Services, Workshop/Seminar Services, and ProForma contract templates links are under the Contract Information and Templates on Purchasing's webpage. <https://www.roanestate.edu/?10825-Links-for-RSCC-Purchasers>. Many times the vendor sends us a contract to review and sign.

2 – The contract will be uploaded into Dynamic Forms by the employee for the Contract Directors review.

3 - The Budget Manager /Grant Budget Manager will be listed on the Dynamic Form by the employee. There will also be a box next to the name to upload an email from the Budget Manager or Department Head stating they approve of the contract.

4 - The fund/index/org code where the services/goods involved in the contract will be charged should be entered in the Dynamic Form in the box provided.

5 – After the VP of the submitter’s division approves the form, the form goes to the Contract Director for review. If an amendment is needed, the Contract Director will send the amendment either to the submitter of the contract (If they have been working closely with them) or the Contract Director will send the vendor the amendment. Sometimes, negotiations will go back and forth between the vendor and the Contract Director before the final amendment and contract is signed. Once the amendment is approved and signed by the vendor, the Contract Director will upload the document in the Dynamic Form for that contract.

6 – The form is sent to the VP of Business and Finance to approve and sign for the President.

7 – The form will be sent back by email to the Contract Director for final approval. An email will be sent to the submitter from Dynamic Forms that the process is complete and all documents have been signed.

8 - The Submitter of a contract is responsible for sending the final grant/contract to everyone involved. The final documents can be downloaded from their Dynamic Forms library.

Please also refer to the Purchasing & Contracts Manual for all other Purchasing and Contract processes and guidelines.

G-030 Contracts Guideline VI. Grant Agreements

A. General Rules

1. The President or designee of an Institution is authorized to approve applications for grants from agencies or organizations; provided that, when matching funds or services in lieu of funds are required by the Institution, no application shall be made unless the operating budget provides the funds and/or resources necessary for the project.
2. The President is further authorized to accept the award of a grant and enter into agreements confirming grants, provided that agreements confirming the award of grants shall be subject to the requirements of this guideline.
3. The following procedures shall govern expenditures for personal, professional or consulting services pursuant to grant contracts:

a. Procedures

- (1) The Institution shall negotiate when possible to ensure that payments are appropriate to support the activity contemplated.
- (2) A written budget and work program shall be prepared and included in the grant agreement.

b. Contracts Representing Grants.

- (1) Grant contracts **not** involving federal money must include the following provision:
 - (a) "The contractor shall cause to be performed, in accordance with auditing standards prescribed by the Comptroller of the Treasury of the State of Tennessee, an audit of all its program(s) funded by this contract; provided, however, that any contract for such audit shall be subject to prior approval of the Comptroller of the Treasury of the State of Tennessee, and must be submitted on the standard contract to audit accounts' form published by the Comptroller of the Treasury. The audit may include and be combined with an audit of other programs of the contractor, and the existence of more than one contract between the contractor and any agency of the State of Tennessee shall not necessitate more than one (1) audit of the contractor's programs to be performed every two years."
- (2) Grant contracts involving Federal money must include the following provision:
 - (a) "The Grantee shall prepare and submit, within nine (9) months after the close of the reporting period, an annual report of its activities funded under this grant to the commissioner or head of the granting agency, the Tennessee Comptroller of the Treasury, and the Commissioner of Finance and Administration. The annual report for any Grantee that receives \$300,000.00 or more in aggregate federal and/or state funding for all its programs shall include audited financial statements. All books of account and financial records shall be subject to annual audit by the

Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Grantee may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit contract between the Grantee and the licensed independent public accountant shall be on a contract form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted auditing standards, the provisions of OMB Circular A-133, if applicable, and the Audit Manual for Governmental Units and Recipients of Grant Funds published by the Tennessee Comptroller of the Treasury. The Grantee shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Grantee shall be subject to the provisions relating to such fees contained in the prescribed contract form noted above. Copies of such audits shall be provided to the State Granting Department, the Tennessee Comptroller of the Treasury, the Department of Finance and Administration, and shall be made available to the public.”

c. Grant Contracts

- (1) Procurement by grantee--grant contracts which provide for reimbursement for the cost of procuring goods, materials, supplies, equipment or services shall contain the following provision:
- (a) “If the terms of this contract allow reimbursement for the cost of procuring goods, materials, supplies, equipment or services, such procurement shall be made on a competitive basis (including the use of competitive bidding procedures), when practicable.”

d. Federally Funded Grant Contracts

- (1) Procurement by contractor--when a grant contract provides that the contractor may make purchases and be reimbursed for its cost with funds derived wholly partially from federal sources, the following clause or one of substantially the same effect should be included:
- (a) "Reimbursement for the cost of procuring goods, materials or services shall be subject to the contractor's compliance with applicable federal procurement requirements."

e. Federally Funded Contracts

- (1) Compliance with federal regulations--if federal funds are used to support the contract, the following clause must be included:
- (a) "The contractor shall comply with all applicable federal regulations in the performance of duties under this contract."