



Medical Education & Research Costs (MERC) Grant Program

EXPENDITURE REPORTING GUIDELINES
Fiscal Year 2022 Clinical Training

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To obtain this information in a different format, call: 651-201-3838. Printed on recycled paper.

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MERC Expenditure Reporting Guidelines

MERC Grant Expenditure Reporting Overview

The Minnesota Department of Health (MDH) will collect clinical training expenditures as noted in Step 2 of the Medical Education and Research Costs (MERC) grant application process. Grantees are responsible for maintaining records (including, but not limited to, time certifications or time studies, payroll and purchasing records) that verify all expenses, whether categorized as direct or indirect, for six years from the end of the grant.

The Clinical Training Expenditure Manual provides step-by-step instructions to help training sites complete the required expenditure reporting for the MERC grant application.

Technical Assistance

For technical assistance contact MERC staff at health.merc@state.mn.us. All correspondence must reference the grant ID number.

Preparation Spreadsheet

Step 1: Review the MERC Expenditure Report Manual and complete the [Preparation Worksheet](#). The expenditures collected in the Worksheet will be entered into the application portal in the next Step. Sites should retain a copy of the spreadsheet as part of their records for auditing purposes.

The spreadsheet will assist FY2022 training sites in preparing clinical training expenditures that will be reported in the application portal. Please observe the following:

Worksheet categorization:

- Gray tabs — Provide additional information and instructions.
- Green tabs — Expenditure worksheets. Data entered on these worksheets will be used to guide users in completing expenditure reporting in the application portal.
- Blue tabs — For use in running calculations or attaching supporting documentation.

Spreadsheet includes:

- Technical Assistance (gray tab)
- Definitions (gray tab)
- MERC Expenditures (green tab)
- Preceptor Time Factor (green tab)
- Trainee Stipends & Benefits (blue tab)
- Preceptors Stipends & Benefits (blue tab)
- Direct Operating Costs (blue tab)
- Incurred by Teaching Hospital (blue tab)
- Indirect Costs (blue tab)
- Federal Indirect Rate Agreement (blue tab)
- Funding & Support Received (blue tab)
- Additional Worksheets 1, 2, 3, 4, 5, 6, 7, 8, & 9 (blue tab)

Calculations may vary slightly due to rounding. Figures are truncated where possible.

MERC Expenditure Reporting Guidelines

MERC Grant Portal

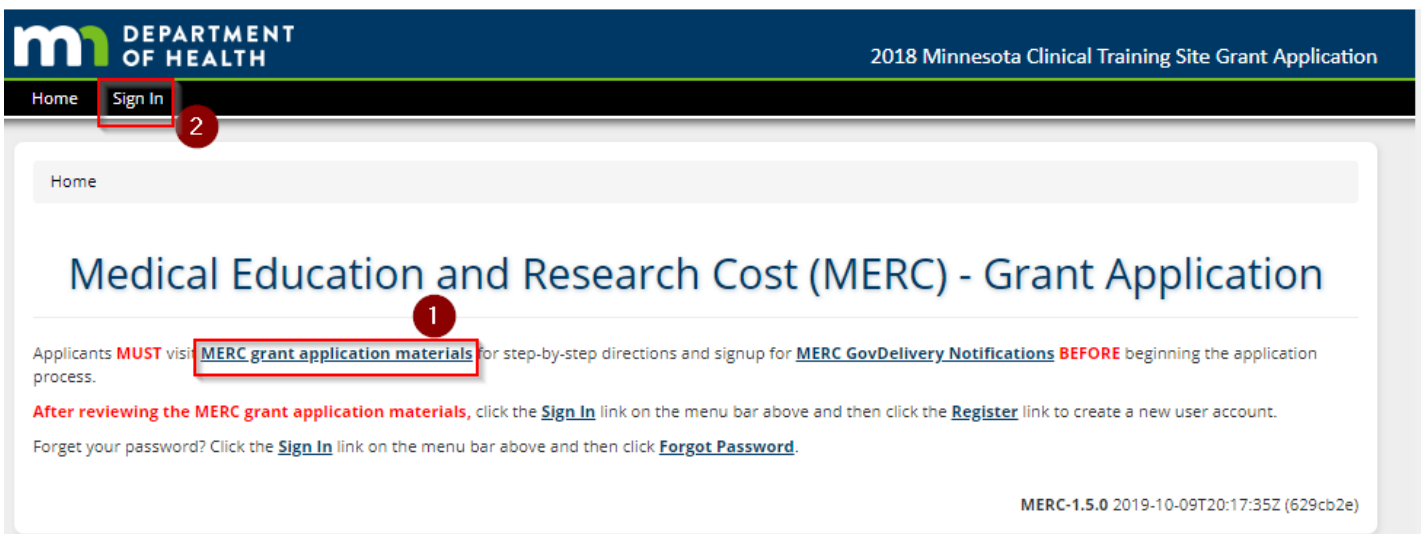
Step 2: Between November 15 – December 15, 2023, complete the expenditure report in the application portal <https://merc.web.health.state.mn.us>.

- The submission is due **December 15, 2023**.
- Late submissions will not be accepted.

Enter the application [portal](#).

- In the black menu bar at the top of each page, users will find quick links.
- Just below the black menu bar, links to previous pages will assist in navigation.
- Click, Sign In to begin.

Figure 1



1. At any time in the process, users can access the MDH website where grant materials can be found.
2. Click sign-in to begin.

MERC Expenditure Reporting Guidelines

Grant Applicant Registration & Sign In

- Representatives who previously registered and completed Step 1 of the grant application will log in using their email and password.

Figure 2

The screenshot shows the login interface for 'merc-realm' on the Minnesota Department of Health website. The page title is 'Log in to merc-realm'. It features an 'Email' field containing 'diane.reger@state.mn.us', a 'Password' field, a 'Remember me' checkbox, a 'Forgot Password?' link, a blue 'Log in' button, and a 'New user? Register' link. Two callout boxes with red arrows point to specific elements: one labeled '2' points to the email field with the text 'Enter email/password used in registration. [Password is case sensitive.]', and another labeled '1' points to the 'Register' link with the text 'Register as a new user.'

1. If the representative already registered during the application process, there is no need to register again.
2. Applicants who are already registered must enter their:
 - Email address.
 - Password.
 - Press, log in.

MERC Expenditure Reporting Guidelines

Figure 3

DEPARTMENT OF HEALTH

merc-realm

First name **1**

Last name

Email

Password

Confirm password

Register **2**

« Back to Login

Email verification

3

You need to verify your email address to activate your account.

An email with instructions to verify your email address has been sent to you.

Haven't received a verification code in your email? [Click here](#) to re-send the email.

Someone has created a Merc-realm account with this email address. If this was you, click the link below to verify your email address

[Link to e-mail address verification](#)

This link will expire within 15 minutes.

If you didn't create this account, just ignore this message.

- Each registered user must have a unique email address.
- This will be your username.
- Do not use personal email addresses.
- Email address should be with the organization you represent.

1. When **registering for the first time**, complete each field.
 - Usernames are based on email.
 - Each registered user must have a unique email address.
 - Email must be with the organization you represent.
 - Do not use personal email.
2. Press Register.
3. User must verify email address within 15 minutes of registration.
 - Check email associated with the registration and following the instructions in the email.
 - Email servers have been known to block system generated emails to guard against phishing. Check your junk mail folder if your system is blocking messages from reaching your inbox.

Passwords are case sensitive.

The application will remain active for 15 minutes without activity.

If left inactive, any unsaved data will be lost.

Sign Out

- Sign out is found on the top menu bar under the user's name.

MERC Expenditure Reporting Guidelines

User Profile

Each user completes a profile (name, job title, work phone, employer name, and their address at their place of employment). These fields are mandatory.

Figure 4

The screenshot shows a web application interface for managing a user profile. At the top, there is a navigation bar with the Minnesota Department of Health logo and the text '2018 Minnesota Clinical Training Site Grant Application'. Below the navigation bar, the page title is 'Manage User Profile'. The main content area is titled 'User Profile' and contains two sections: 'User Profile' and 'Employer Information'. The 'User Profile' section has the following fields: Login Name (diane.reger@state.mn.us), First Name (Diane), Last Name (Reger), Title (State Program Administrator - Coordinator), Email (diane.reger@state.mn.us), and Phone ((651) 201-3566). The 'Employer Information' section has the following fields: Name (State of Minnesota), Address 1 (PO BOX 64882), Address 2 (Enter employer address line 2), City (St. Paul), Select State (MINNESOTA), Zip Code (55164), and Postal Code (0882). An 'Update' button is located at the bottom of the form.

- All data in the profile must correspond to the registered user.
- The user will be asked to update (verify) their profile each time they access the application.
- Email/Username cannot be changed. If your email changes, register for a new account and contact health.merc@state.mn.us. Provide the Grant ID number in all correspondence.
- Press update to verify the information.
- Changes to the user's profile will be reflected throughout the application where the user is named.
- Ability to Manage User Profile is also available on the top menu bar and the Home Screen (See Figure 5).

MERC Expenditure Reporting Guidelines

Home Screen

- Link to instructions manual.
- Ability to manage user profile.
- Defines the applicant types.
- Applicant can access the relevant application by:
 - Clicking on the box under the applicant type.
 - Clicking Applications found on the top menu bar and selecting the relevant section.
 - Click Minnesota Clinical Training Site Grant Application to navigate to Clinical Training Site Application Expenditure Report.

Figure 5

DEPARTMENT OF HEALTH

2019 Minnesota Clinical Training Site Grant Application

Home Admin Applications diane.reger@state.mn.us

Home

Minnesota Clinical Training Site
Minnesota Teaching Program
Minnesota Sponsoring Institution

Medical Education and Research Cost (MERC) - Grant Application

Grant Application

Please refer to the [instructions](#) before beginning the application.

[Manage User Profile](#)

Minnesota Clinical Training Site

Where the students/residents gain clinical training experience in an inpatient or ambulatory patient care setting in Minnesota. A clinical training site is the Minnesota Health Care Program (MHCP) enrolled practice address where training occurred.

Minnesota Clinical Training Site Grant Application

Minnesota Teaching Program

Accredited Minnesota teaching program at a Minnesota institution that enrolls trainees and is responsible for the trainee's overall education. Teaching program coordinates clinical training for their enrolled students/residents at clinical training locations.

Minnesota Teaching Program Grant Application

Minnesota Sponsoring Institution

A hospital, school, or consortium located in Minnesota that sponsors and maintains primary organizational and financial responsibility for a clinical medical education program in Minnesota and which is accountable to the accrediting body.

Minnesota Sponsoring Institution Grant Application

Use either method to access the Minnesota Clinical Training Site Application.

MERC Expenditure Reporting Guidelines

Minnesota Clinical Training Site

Step for this section:

1. Click on Clinical Training Site Application.

Figure 6

DEPARTMENT OF HEALTH

2019 Minnesota Clinical Training Site Grant Application

Home Admin Applications diane.reger@state.mn.us

Home / Minnesota Clinical Training Site

Minnesota Clinical Training Site

Clinical Training Site Tasks

- [Request Access to Represent Clinical Training Site](#)
- [Manage Access to Clinical Training Site](#)
- [Clinical Training Site Demographics Managed by Representative](#)
- [Clinical Training Site Application](#)
- [Reports](#)

Proceed to the Application to complete Step 2.

MERC Expenditure Reporting Guidelines

Clinical Training Site Applications

Representatives who manage multiple clinical training sites may find it helpful to use the sort/search functions.

- Sort alphabetically using the up/down arrow in the table header (#1 in Figure 7).
- Search by site name, grant application ID, or by the status of completing the report in the search box (#2 in Figure 7).

Open Step 2 of the application process by clicking the Report Expenditures button on the right (#3 in Figure 7).

- Sites with fewer than 0.1 FTEs are not eligible. The portal will display a message indicating an expenditure report has not been requested. No expenditure button will appear.

Figure 7

The screenshot displays the 'Clinical Training Site Applications' portal. At the top, there is a navigation bar with the Minnesota logo and the text '2019 Minnesota Clinical Training Site Grant Application'. Below this is a breadcrumb trail: 'Home / Minnesota Clinical Training Site / Clinical Training Site Applications'. The main heading is 'Clinical Training Site Applications'. Below the heading, there is a search bar (labeled #2) and a 'Show 10 entries' dropdown. The main content is a table with columns: 'Training Site', 'Training Year', 'Teaching Program and Sponsoring Institution', and 'Action'. The first row shows a site for 2019 with 'Expenditures Not Submitted' and a message: '** This site does not meet the minimum 0.10 FTE requirement, the site is not eligible for a grant. **'. The second row shows a site for 2019 with 'Expenditures Submitted' and a 'Report Expenditures' button (labeled #3). The table also includes sort arrows (labeled #1) in the 'Training Year' header.

Training Site	Training Year	Teaching Program and Sponsoring Institution	Action
[Redacted]	2019	Teaching Program (Type) Expenditures Not Submitted Total FTEs: 0.0962 Expenditures Not Requested ** This site does not meet the minimum 0.10 FTE requirement, the site is not eligible for a grant. **	View Application Amend Application
[Redacted]	2019	Teaching Program (Type) Expenditures Submitted Total FTEs: 9.2302	View Application Amend Application Report Expenditures Grant Verification

MERC Expenditure Reporting Guidelines

Report Expenditures

Enter the expenditures prepared/collected in the Excel spreadsheet into the application portal.

The application portal breaks the expenditure report into the following sections:

- Site Application Information
- Expenditure Report Requirements
- Direct Costs
- Indirect Costs
- Expenditure Summary
- Signature of Authorized Representative

Site Application Information

The information in this section summarizes the initial grant application.

Figure 8

Site Application Information

Training Site: [REDACTED]
Type: [REDACTED]
Location: [REDACTED]
Address: [REDACTED]
MERC ID: [REDACTED]

Sections can be minimized at users discretion.

Trainee Type	Sponsoring Institution	Teaching Program	Trainee Setting	Fulltime Equivalent (FTE) Clinical Trainee
Advanced Practice Nurses	[REDACTED] Status: SP-SUBMITTED	[REDACTED] Status: TP-SUBMITTED FTEs: 0.0886	AMBULATORY	0.0886
Advanced Practice Nurses	[REDACTED] Status: SP-SUBMITTED	[REDACTED] Status: TP-SUBMITTED FTEs: 0.4967	AMBULATORY	0.4967
Advanced Practice Nurses	[REDACTED] Status: SP-SUBMITTED	[REDACTED] Status: TP-SUBMITTED FTEs: 0.1058	AMBULATORY	0.1058

Total Site FTEs: 0.6911 FTE total

Expenditure Report Requirements

Sites meeting the FTE requirements are required to submit clinical training expenditures to continue the application process.

If a training site meeting the FTE requirements chooses to withdraw their grant application and forgo reporting expenditures, follow the steps below to close the application process before **December 15, 2023**.

MERC Expenditure Reporting Guidelines

Withdrawing the Grant Application

By withdrawing the grant application, the site will no longer be eligible for funding.

Steps for withdrawing grant application (Figure 9):

1. Click, 'Withdraw Grant Application'.
 - Alert message warns the representative of their confirmation to withdraw the grant application.
2. Representative authorization - click the box to certify approval to withdraw the grant application.
3. Authorized Representative's information will populate and serve as an electronic signature once certification box has been checked.
4. Click, 'Withdraw Grant Application' to submit.

Figure 9

The screenshot displays the 'MERC Grant Clinical Training Expenditures' application interface. It includes a 'Print Expenditures' button and a 'Site Application Information' section. The 'Expenditure Report Requirements' section contains a warning message about the withdrawal process, marked with a red circle '1'. Below this is the 'Signature of Authorized Representative' section, which includes a certification checkbox marked with a red circle '2'. The form fields for Name, Title, Email, and Date Signed are also marked with a red circle '3'. At the bottom, there are 'Save' and 'Withdraw Grant Application' buttons, with the latter marked with a red circle '4'.

MERC Grant Clinical Training Expenditures

Items with an * are required. Print Expenditures

Site Application Information

Expenditure Report Requirements

Total Site FTE is 72.5543. This facility meets the minimum total FTE of 0.10.
Expenditure reports will be accepted until 5 pm on December 20, 2019. Grant applicants must adhere to the expenditure deadline to qualify.
Grant amounts are determined based on the eligibility criteria and formula defined in Minnesota Statute 62J.692. Available funding will not exceed the facility's reported clinical training expenses for qualifying MERC programs and trainees.

Withdraw Grant Application **1**

1 I certify that the clinical training site I represent is opting out of the required clinical training expenditure report by withdrawing their MERC grant application. By withdrawing, I understand the site will not be eligible for a grant. This will close the grant application.

Signature of Authorized Representative

I certify that I am an authorized representative approved by the facility named above. I have sufficient knowledge about the facility's MHCP enrollment, identification numbers used for Medicaid billing, and clinical medical education costs. I attest that the training facility hosted clinical trainees in fiscal year 2018. I am aware that the data I provide in the application and expenditure report will be used for grant eligibility and calculations. The data included is accurate and I will comply with all laws related to MERC statute 62J.692. **2**

3 Name: _____
Title: _____
Email: _____
Date Signed: _____

4 Save Withdraw Grant Application

MERC Expenditure Reporting Guidelines

Direct Costs

Direct costs are costs for activities, goods, or services that benefit, and can be traced, to a specific project.

As much as possible, grant funds should support direct costs that correspond with program activities (as opposed to direct costs that correspond with administrative activities, as described in ‘Operating Costs Directly Related to Training MERC Eligible Trainees’).

Student/Resident Trainee Stipend & Benefits

Trainee stipends are the salary or allowance paid to the residents/students of the program(s). Benefits are compensation provided to the residents/students in addition to their salary or allowance.

Only expenditures for trainees associated with the MERC grant application can be claimed.

1. Enter in trainee stipends and benefit amount for each applicable trainee type. Only use whole numbers. (#1 in Figure 10)
2. Click “Calculate Totals” to sum the cost category for Student/Resident Trainee Stipends & Benefits before proceeding to the next section. (#2 and #3 in Figure 10)

Figure 10

The screenshot displays the 'Direct Costs' section, specifically the 'Student/Resident Trainee Stipends & Benefits' sub-section. It features a table with the following data:

Trainee Type	FTE Clinical Trainees	Trainee Stipends/Benefits (Annual)
Advanced Practice Nurses	0.6911	\$ 0.00

Annotations in the image include:

- A red box labeled '1' highlights the input field for the stipend/benefit amount (\$ 0.00).
- A blue callout box points to this field with the text: "Enter the stipends/benefits paid to trainees during the application period."
- A red box labeled '2' highlights the "Calculate Totals" button.
- A red box labeled '3' highlights the total amount displayed at the bottom: "Student/Resident Stipends & Benefits: \$0".

MERC Expenditure Reporting Guidelines

Faculty/Preceptor Stipends & Benefits

Salary and benefits paid (at a reasonable rate) are permitted to faculty/preceptors for direct clinical training.

1. Click “?” in the table heading for detailed descriptions.
2. Complete all fields (\$0 if none).
3. Tab or use the scroll bar at the bottom of the section to navigate.
4. Click “Calculate Totals” to sum all figures.

Figure 11

Faculty / Preceptor Stipends & Benefits

Please use the scroll bar below to scroll right to view Flat Teaching Stipend Paid and Preceptor Training Costs.

Time Factor Methodology
A. Extra time added to the preceptors day
B. Hospital Medicare Cost Report
C. Patient care department data/preceptor time studies

Trainee Type	FTE Clinical Trainees	Preceptor Stipend & Benefits (Average Annual) ?	Preceptor Time Factor ?	Time Factor Methodology ?	Calculated Faculty FTE ?	Calculated Faculty Cost	Flat Teaching S Paid ?
Medical Students	0.5576	\$ 0.00	0.0	%	---Select--	0.0000	\$0

Scroll bar

Calculate Totals

Total Faculty / Preceptor Stipends & Benefits: \$

Click 'Calculate' Once Figures are Entered

Preceptor Stipends & Benefits (Average Annual)

The average annual salary/benefits for preceptors.

- If there are multiple preceptors, add their annual salary together then determine the average by dividing the total annual salary by the number of preceptors. (use whole numbers).
- If faculty are paid a flat stipend, see Flat Teaching Stipend.

Preceptor Time Factor

The percent of time the preceptor spends in direct training.

- Use the time factor methodology worksheet and the data prepared in the Excel spreadsheet to complete the time factor.
 - Generally, those who serve as faculty/preceptor do not solely focus on teaching, and often their primary duties include other clinical or administrative services; therefore, the time factor for clinical training is not 100%. The only exception to this is when the cost of teaching reflects a hospital's Medicare Cost Report where the salary has already been adjusted and the costs associated with other services removed.

MERC Expenditure Reporting Guidelines

Time Factor Methodology

Indicate methodology used for each Trainee Type.

- Methodology A: Extra Time Added to the Preceptor’s Clinical Day for Precepting
- Methodology B: Hospital’s Medicare Cost Report (Hospital only)
- Methodology C: Patient Care Department Data /Preceptor Time Studies

Calculated Faculty FTE

A preloaded formula calculates the faculty FTE based on the FTE trainee count multiplied by the preceptor time factor.

Calculated Faculty Costs

The calculated portion of faculty stipends/benefits determined based by the time factor and methodology attributed to direct training.

Flat Teaching Stipend

Flat stipend paid to the preceptor (by a teaching hospital) specifically for time spent in direct teaching. (The time factor does not affect this amount.)

Preceptor Training Costs

Training costs associated with training-the-trainer for precepting. This does not apply to other training for the preceptor. (The time factor does not affect this amount.)

Operating Costs Directly Related to Training MERC Eligible Trainees

Click “?” in the table heading for detailed descriptions.

1. Enter in cost for each of the cost categories. Tab or scroll to the right to move through the section.
2. Click “Calculate Totals” to sum cost categories.

Figure 12

The screenshot shows a web-based reporting interface for MERC Expenditure Reporting. The main table is titled "Operating Costs Directly Related to Training MERC Eligible Trainees". The table has the following columns: Trainee Type, Trainees, Admin Costs (?), On Boarding Cost Trainee (?), Clinical Trainee Costs (?), Operating Costs (?), and Total. There are two rows of data: Medical Residents (13.0) and PharmD Residents (35.0). Each row has input fields for each cost category, with a dollar sign and the text "Enter whole doll". A red box highlights the input fields for Admin Costs, On Boarding Cost Trainee, Clinical Trainee Costs, and Operating Costs for both rows. A blue callout bubble points to the "?" icons in the column headers, stating: "? provide details of costs included in this cost category". At the bottom of the table, there is a "Calculate Totals" button with a red circle containing the number 2. Below the button, the total amount is displayed as "Total Operating Costs Directly Related to Training MERC Eligible Trainees: \$0.00" with a red circle containing the number 3. A blue callout bubble points to the input fields, stating: "Enter costs - use only whole numbers" with a red circle containing the number 1.

Trainee Type	Trainees	Admin Costs ?	On Boarding Cost Trainee ?	Clinical Trainee Costs ?	Operating Costs ?	Total
Medical Residents	13.0	\$ Enter whole doll	\$ Enter whole doll	\$ Enter whole doll	\$ Enter whole doll	\$0.00
PharmD Residents	35.0	\$ Enter whole doll	\$ Enter whole doll	\$ Enter whole doll	\$ Enter whole doll	\$0.00

Calculate Totals

Total Operating Costs Directly Related to Training MERC Eligible Trainees: \$0.00

Expenses directly related to training MERC eligible trainees.

MERC Expenditure Reporting Guidelines

Administrative Support Costs

Direct costs for activities, goods, or services that correspond with administrative functions directly related to training MERC eligible trainees. This includes costs related to administrative record keeping, administrative materials, administrative support staff, supplies, postage, and printing.

When administrative costs benefit can be traced to a specific MERC related training, they should be categorized as direct costs. If administrative costs benefit more than one project and cannot be traced to a specific MERC related training program they should be categorized as indirect costs.

Grantees should minimize administrative costs so that grant funds support direct costs that are related to MERC training program activities.

Examples of administrative costs categorized as direct costs:

- A portion of the organization's administrative support, accounting, or human resources, calculated by tracking time spent by staff on a MERC related program.
- A portion of the organization's occupancy costs, calculated by applying a square footage cost total to the amount of physical space used solely for MERC related grant program management and activities.

Examples of administrative costs categorized as indirect costs:

- A portion of the organization's administrative support, accounting, or human resources, when an internal system does not allow time to be tracked by project.
- A portion of the organization's occupancy costs when it is not feasible or reasonable to calculate by project.

On-Boarding Costs Trainee

Include initial and recurring costs related to Accreditation Council for Graduate Medical Education (ACGME), certification, testing, lab coats, computer equipment, software, cell, pager, recruitment, and advertising.

Clinical Trainee Costs

Include costs related to malpractice insurance, conference training and travels, dues, subscriptions, books, food, parking and mileage, skills labs and simulation center, student/resident housing stipends, orientations, receptions, retreats, library, and IT/email/software licensing.

Operating Costs

Include costs related to fees paid to program sponsor(s), call room lease, security, housekeeping, non-preceptor clinical support staff related training, and MMCGME fees.

MERC Expenditure Reporting Guidelines

Cost Incurred by Other Organizations

This section only applies to costs incurred by teaching hospitals and expenses that have been incurred during the clinical training cycle that were paid by a third party.

Examples of costs incurred by other organizations:

- Trainee stipends and benefits incurred by the teaching hospital for an outlying clinic.
- Hosting fees incurred by teaching hospital for an outlying clinic.

If the third-party organization has also applied for the grant, only one applicant, not both, can report expenses. The third-party organization must be named in the expenditure report.

MDH recommends that expenses related to trainee FTEs be reported under the clinical training site where the training occurred; this ensures the costs associated with the trainees have a defined accounting trail.

Click “?” in the table heading for detailed descriptions.

1. Enter in cost for each of the cost categories.
2. Enter name of teaching hospital in the “Name of Teaching Hospital” field.
3. Click “Calculate Totals” to sum all cost categories.

Figure 13

The screenshot shows a web form titled "Cost Incurred by Other Organizations". Below the title is a note: "Only applies to costs incurred by teaching hospitals for an outlying clinic of the hospital." The form contains a table with the following columns: "Trainee Type", "FTE Clinical Trainees", "Trainee Annual Stipends & Benefits", "Hosting Fees for MERC Eligible Trainees", "Name of Teaching Hospital that Incurred the Expenses", and "Total".

Trainee Type	FTE Clinical Trainees	Trainee Annual Stipends & Benefits	Hosting Fees for MERC Eligible Trainees	Name of Teaching Hospital that Incurred the Expenses	Total
Medical Residents	13.0	\$ Enter whole dollar	\$ Enter whole dollar c	Enter Hospital Name	\$0.00
PharmD Residents	35.0	\$ Enter whole dollar	\$ Enter whole dollar c	Enter Hospital Name	\$0.00

At the bottom of the form, there is a "Calculate Totals" button and a summary line: "Total Cost Incurred by Other Organizations: \$0.00".

Numbered callouts and text boxes are present:

- 1: A red circle with the number 1 is placed next to the "FTE Clinical Trainees" column header.
- 2: A red circle with the number 2 is placed next to the "Name of Teaching Hospital that Incurred the Expenses" column header.
- 3: A red circle with the number 3 is placed above the "Calculate Totals" button.
- 4: A red circle with the number 4 is placed next to the "Total Cost Incurred by Other Organizations: \$0.00" summary line.

Text boxes with blue borders and blue text provide instructions:

- "Enter in costs- Use only whole numbers" (pointing to the cost input fields).
- "Enter in name(s) of Teaching Hospital" (pointing to the hospital name input fields).

MERC Expenditure Reporting Guidelines

Funding & Support Received

Financial resources provided by the government, person, or organization to support the training of residents/students at the clinical training site.

The funding the organization receives from these sources reduces the clinical training expenditures claimed for the grant. Previous MERC grants should not be included.

Examples of clinical education and training support:

- Medicare direct medical education.
- Incurred direct cost on behalf of other organizations.
- Federal or State GME grants or GME support.
- GME donations.
- GME private grants.

Click “?” in the table heading for detailed descriptions.

1. Enter clinical education and training support costs for each of the cost categories.
2. Click “Calculate Totals” to sum cost categories.

Figure 14

Do **NOT** include MERC Grants.

Trainee Type	FTE Clinical Trainees	Medicare Direct Medical Education ?	Incurred Direct Cost on Behalf of Other Organizations ?	Federal GME Grants & Support ?	State GME Grants & Support ?	Other GME Support ?	Total
Medical Residents	13.0	\$ Enter whole	\$ Enter whole dollar	\$ Enter wh	\$ Enter wf	\$ Enter wf	\$0.00
PharmD Residents	35.0	\$ Enter whole	\$ Enter whole dollar	\$ Enter wh	\$ Enter wf	\$ Enter wf	\$0.00

1 (points to input fields)

2 Calculate Totals

Enter in costs - use only whole numbers

3 Total Funding & Support Received: \$0.00

MERC Expenditure Reporting Guidelines

Indirect Costs

Indirect costs are costs for activities, goods, or services that benefit more than one project and cannot be traced to a specific program. These costs are often allocated across an entire agency and multiple programs.

In accordance with federal and state requirements, MDH has limits on the amount of indirect costs that can be billed to each grant so grant funds can be used to support direct costs related to program activities.

- As much as possible, grant funds should support direct costs.
- Grant applicants cannot submit only indirect costs.
- Operating expenses reported under direct costs must not be duplicated under indirect costs.

Indirect Cost Rate

An indirect cost rate is a percentage used to distribute indirect costs to all of an organization's programs that benefit from them. Applicant cannot claim indirect costs in excess of the indirect cost rate that applies to their organization. Applicant must submit and retain on-file the corresponding documentation of that indirect cost rate as outlined below:

Non-Federally Negotiated Indirect Rate

If the site does **NOT** have a federally negotiated indirect cost rate, the site can claim up to **10%** of the grantee's modified total direct costs.

- Applicants must disclose expenses that are included in the indirect portion of the expenses.
- Modified total direct costs (MTDC) consists of direct salaries, wages, and fringe benefits. MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of sub-awards that exceeds \$25,000, as applicable.
- Applicants are responsible for making sure costs are consistently charged to avoid charging the same eligible expense to the grant twice or 'double dipping.'

Steps for completing this section:

1. Click "NO" if there is not a federally negotiated indirect cost rate agreement.
2. Enter percentage of indirect cost rate claimed. (0 to 10 percent)
3. Provide a list of the indirect expense categories being claimed.

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Figure 15

The screenshot shows the 'Indirect Costs' section of a reporting form. At the top, there is a question: 'Does site have a federally negotiated indirect cost rate?' with radio buttons for 'YES' and 'NO'. The 'NO' button is selected and highlighted with a red box and a callout bubble containing the number '1' and the text: 'Click "NO" if site does NOT have a federally negotiated indirect cost rate agreement.' Below this is a section for 'Indirect Cost Rate (cannot be greater than 10% without a federal rate agreement):'. It features a text input field with a percentage sign and a callout bubble containing the number '2' and the text: 'Site can only enter up to 10% of indirect cost rate'. Below the input field is a link labeled 'No Federal Negotiated Rate'. Underneath is a paragraph of text explaining the 10% rule. At the bottom, there is a section titled 'List Indirect Expenses Categories' which contains ten text input fields, each with the placeholder text 'Enter Indirect Expense Category'. A red box highlights this entire section, and a callout bubble containing the number '3' and the text: 'Provide a list of indirect expenses categories.' points to the list.

Federally Negotiated Indirect Rate

If the site **has** a federally negotiated indirect cost rate, the site may claim indirect costs up to, but not exceeding, the site's federally negotiated indirect cost rate agreement as applied to the grantees modified total direct costs.

- Grantees must submit proof of the federally negotiated indirect cost rate agreement.
- Grantees are responsible for ensuring that the rate is not applied to direct costs that are excluded from the indirect rate.

Steps for completing this section (Figure 16.1 and 16.2):

1. Click "Yes" if site is claiming a federally negotiated indirect cost rate.
2. Enter in federally negotiated cost rate percentage.
3. Enter in federally negotiated indirect cost rate cap if applicable.
4. Upload a pdf copy of the federally negotiated indirect cost rate agreement.
5. Click box to certify document uploaded matches the indirect rate being claimed, applicable caps, and

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applicable exclusion reported.

6. Enter in indirect rate exclusions if applicable – use only whole numbers.
7. Click “Calculate Totals” to sum Federally Negotiated Indirect Rate Exclusion.
8. The amount will total after Step 7.

Figure 16.1

Indirect Costs

Does site have a federally negotiated indirect cost rate? **1** YES NO

Indirect Cost Rate (cannot be greater than 10% without a federal rate agreement): **2**
 Enter percentage as digit such as 10 or 1.2: %

Indirect Rate Exclusions

Applicants with a federally negotiated indirect cost rate, indicate the percentage of indirect rate cap and attach a PDF copy of the federally negotiated indirect rate agreement. Applicant must identify direct costs that are named in the federal rate agreement as excluded from the indirect rate. Percentage cannot be applied to exclude costs. Applicant is responsible for assuring indirect costs do not include items excluded from the federally negotiated rate agreement.

Federally Negotiated Indirect Cost Agreement Cap (if applicable): **3**
 \$ 0

Federally Negotiated Indirect Cost Rate Agreement **4**
 Upload pdf of the federally negotiated indirect cost rate.

+ Select file to upload:

I have verified the expenditures submitted reflect the federally negotiated indirect costs rate agreement and exclusions. **5**

Filename	Download	Remove
No data available in table		

Figure 16.2

Federally Negotiated Indirect Rate Exclusions

Federally Negotiated Indirect Rate Exclusions (if applicable, enter total amount of direct costs that are excluded from indirect rate agreement)

Trainee Type	FTE Clinical Trainees	Indirect Rate Exclusions
Advanced Practice Nurses	6.0	\$ Enter whole dollar or 0 6

7 Calculate Totals

Total Federally Negotiated Indirect Rate Exclusions: \$0.00 **8**

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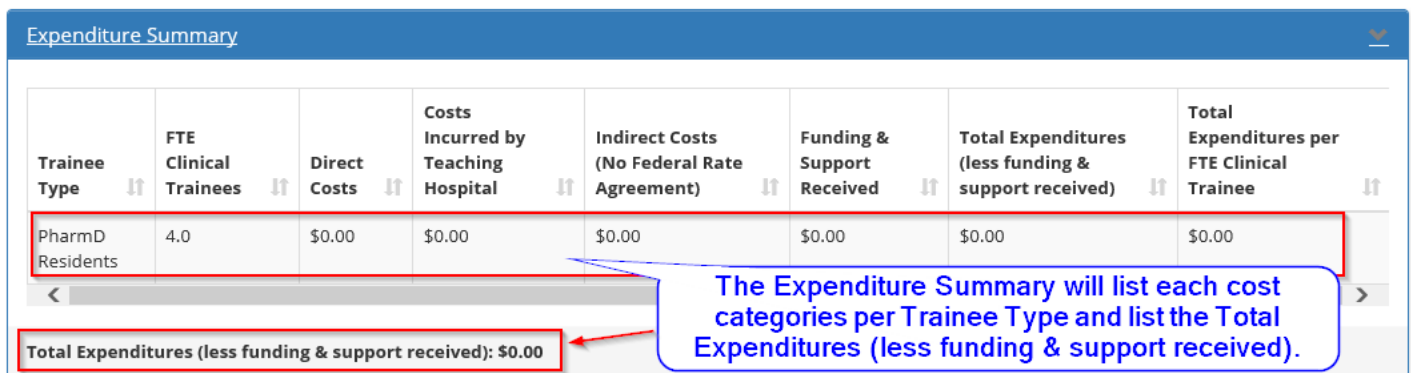
Expenditure Summary

Expenditures are summarized in a table.

- Direct Costs (student/resident trainee stipends & benefits, faculty/preceptor stipends & benefits, and operating costs directly related to training MERC eligible trainees)
- Costs Incurred by Teaching Hospital
- Indirect Costs
- Funding and Support Received
- Total Expenditures (less funding and support received)
 - Expenditure per FTE Clinical Trainee (Total Expenditures / FTE Count)

Slight variations may exist when comparing the spreadsheet totals to the application portal totals due to rounding/truncating functions.

Figure 17



Trainee Type	FTE Clinical Trainees	Direct Costs	Costs Incurred by Teaching Hospital	Indirect Costs (No Federal Rate Agreement)	Funding & Support Received	Total Expenditures (less funding & support received)	Total Expenditures per FTE Clinical Trainee
PharmD Residents	4.0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Expenditures (less funding & support received): \$0.00							

Signature of Authorized Representative

DOUBLE CHECK EXPENDITURES BEFORE SUBMITTING. The figures are part of the grant application and can impact the site's grant.

1. When submitting, representative must certify that the information is accurate and complies with all laws related to MERC statute 62J.692.
2. Contact information will auto populate and serve as an electronic signature.
3. Optional "Save" button if user is not ready to sign/submit.
4. Click "Submit Expenditures" to submit the expenditure report to MDH.

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Figure 18

Signature of Authorized Representative

I certify that I am an authorized representative approved by the facility named above. I have sufficient knowledge about the facility's MHCP enrollment, identification numbers used for Medicaid billing, and clinical medical education costs. I attest that the training facility hosted clinical trainees in fiscal year 2018. I am aware that the data I provide in the application and expenditure report will be used for grant eligibility and calculations. The data included is accurate and I will comply with all laws related to MERC statute 62J.692.

1

Name: **2**

Title:

Email:

Date Signed:

3

1) Click box to certify Training Rep whom is authorized to complete this report. 2) Name, Title, Email and Date of Signature will automatically populate once box has been click with Rep's info. 3) Click "Save" to save work. 4) Click "Submit Expenditures" once report is ready to be submitted.

Submit Expenditure

Once expenditures have been successfully submitted, print a copy, and retain for six years.

Figure 19

Home / Minnesota Clinical Training Site / Clinical Training Site Applications / MERC Grant Clinical Training Expenditures

MERC Grant Clinical Training Expenditures

Items with an * are required.

Once expenditure report has been submitted, click "Print Expenditures" button to print report.

i Grant Application Expenditures have been submitted.

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Reports

Once expenditures are submitted, representatives save Expenditures in Excel format.

Figure 20

