

# Grant Application & Administration Policy

## I. Purpose

To establish a process for centralized oversight and monitoring of all federal, state, local and foundation grant funding while maintaining compliance with the applicable funding source and ensuring responsible use of all grant funds.

## II. Policy Scope

This policy applies to all federal, state, local and foundation grant funding sources.

## III. Procedures

A. **Administrative Changes to Procedures:** It is the responsibility of the Finance Department to maintain, update or revise this policy.

B. **Grant Research, Identification, and Development:**

1. The Project Manager's responsibilities include, but are not limited to: the initial notification and coordination with other departments who may participate in some phase of the Grant Application; coordination with the Grants Coordinator; being present at City Council for presentation of the Grant Application and providing data to the Grants Coordinator for the preparation of required status reports.
2. The Grants Coordinator shall monitor documentation for compliance with grant requirements as serve as the Project Manager for specified interdepartmental grants. Responsibilities may include, but are not limited to, the following: identifying, requesting and forwarding grant information to the appropriate departments; providing technical assistance to departments regarding the Grant Application and the administrative process; receiving all original Grants Agreements and facilitating the execution of the documents; providing a monthly grants status report to the City Manager; preparation of the memorandum to the City Manager and/or City Council presenting the Grant Application's background, discussion, analysis and recommendation; monitoring expenditures; and; maintaining the documentation record for compliance with grant and audit requirements.
3. The Project Manager is responsible for meeting with the Purchasing Manager, if necessary, during the Grant Application process, to ensure that related grant purchases follow the City's Procurement Policy and that any grant requirements are addressed and incorporated in the purchasing bid, Request for Proposal and/or contract.
4. The Project Manager is responsible for ensuring that the cash match and in-kind services are clearly identified and applied during the application process to enable proper documentation throughout the grant implementation and closeout process, including identification in the City's adopted budget.
5. If grant revenues and expenditures monies, including a cash match, have not previously been identified in the annual budget, a budget amendment request shall be submitted by the Project Manager to the Finance Department. All budget

amendments shall be submitted in a timely manner in order to keep the budget current with respect to the financial status of the grant.

6. For grants requiring less than \$50,000 in City cash match, the City Manager may approve the submission of the grant application. If the grant requires \$50,000 or greater in City cash match, approval for the application submission must be obtained by City Council.
7. City Council must approve applications and awards when required by the Grantor entity regardless of the amount (if any) of City match.
8. Regardless of the authorizing official/body, the City Manager shall be made aware of all grant applications and awards in order to make City Council aware of all grant activities.
9. Should the Grant Application due date preclude staff's ability to obtain City Council approval prior to submittal of the application, the City Manager may authorize the filing of the application with the agenda item presented on the next available City Council agenda.

**C. Grant Award, Acceptance, and Execution**

1. The Grants Coordinator shall in a timely manner review grant award notification and submit for execution by the City Manager.
2. Once executed, the Grants Coordinator will forward the executed document to the Grantor.
3. If required by the Grant Program, the Grants Coordinator will prepare the Memo and Resolution for the acceptance of the grant and submit to the City Manager and City Council for approval.
4. The fully executed original Grant Agreement (executed by the City and the Grantor) shall be received by the Grants Coordinator and a copy forwarded to the appropriate department.

**D. Grant Administration/Implementation**

1. Upon receipt of the fully executed Grant Agreement, the Project Manager will coordinate an account number with the Finance Department. No monies shall be encumbered or spent until approved by the Grants Coordinator.
2. It is imperative that the Project Manager has a thorough understanding of all compliance requirements stated in the Grant Agreement, including any audit requirements. If there are questions on any of the requirements, it will be the Project Manager's responsibility to obtain an explanation or training on that requirement. Questions should be directed to the Grants Coordinator.
3. The Project Manager is responsible for the expenditure of grant funds in accordance with the City's established policies. All invoices shall require the correct account number. The Project Manager is responsible for obtaining the required authorization for all costs related to the applicable grant.

4. If the Project Manager is procuring an item in compliance with the Grant Agreement, approval from the Purchasing Manager is required. All requisitions are to be sent to the Purchasing Department and should follow standard City procurement procedures.
5. Grant receipts and expenditures must be maintained in accordance with federal, state and local guidelines/laws applicable to the agreement and generally accepted accounting principles for local governments.
6. A Grant Reimbursement Request shall be prepared by the Grants Coordinator in accordance with the Grant Agreement or on a timely basis following the expenditure of funds and submitted to the Grantor.

**E. Grant Monitoring/Reporting**

1. The Project Manager shall forward to the Grants Coordinator all information of a statistical, programmatic, or fiscal nature according to the reporting frequency (e.g. monthly, quarterly) as required in the Grant Agreement. The Grants Coordinator shall review and compile all report information and submit to the Grantor agency.
2. For any requests for changes in the scope, budget, or schedule of the project, the Project Manager shall prepare such request and submit to the Grants Coordinator for review and submittal to the Grantor.
3. When the Grant Agreement of Grantor requires public review and/or City Council for revisions, the Grants Coordinator will prepare the agenda item with appropriate documentation.
4. Once the Project Manager and the Grants Coordinator have both determined that all performance has been satisfactorily completed and all grant related conditions and specifications have been met, the Final Close-Out Documents will be prepared and submitted by the Grants Coordinator.
5. Grant program and financial records shall be maintained by the Grants Coordinator for a minimum of three years (or longer as may be mandated by the Grant Agreement) from the date of "close out" as designated by the Grantor entity.
6. Information on all awards of federal or state funds must be submitted to the Grants Coordinator. This includes non-monetary awards such as equipment or work performed on the City's behalf.

**IV. Annual Audit**

Federal and state grants are subject to annual audits by the City's external auditors and must comply with certain standards.

**A. Reconciliation**

1. After the end of the fiscal year, the Grants Coordinator will prepare the Schedule of Expenditures and Federal Awards and State Financial Assistance (SEFA).

2. Project Managers are required to coordinate with the Grants Coordinator to ensure the accuracy of all information being reported.
3. The Grants Coordinator will coordinate any requests for information for the external auditors.

**B. Other Audit Requirements**

1. The Grants Coordinator will be responsible for the coordination and distribution of the audit report to each granting agency.
2. If there are any findings related to the grant reported by the external auditors in the Single Audit Report, the Project Manager handling the grant will be required to assist the Grants Coordinator in preparing a written response. In addition, the Project Manager will be responsible for taking the appropriate steps to ensure that the situation is corrected and will not recur in future years. If there are recurring deficiencies related to the same Grant or Grants with the same department, the Project Manager may be subject to disciplinary action in accordance with the City's personnel rules and regulations.