

# Grants Management

## **OVERVIEW**

The City may receive Federal financial assistance from a grantor agency through grants or cooperative agreements. Throughout this manual, federal assistance received in any of these forms will be referred to as a federal “award.”

## **PREPARATION AND REVIEW OF PROPOSALS**

Individual departments are responsible for preparing proposals for projects that the department intends to pursue in accordance with City bid procedures. However, all proposals shall be reviewed by the Finance Director or Assistant Finance Director prior to submission to government agencies or other funding sources to ensure the proposed budget includes all appropriate costs. Final proposals shall be reviewed and approved in writing by the City Council and the Department Heads.

## **POST-AWARD PROCEDURES**

After an award has been made, the following steps shall be taken:

1. Verify the specifications of the grant or contract. The Finance Department shall review the terms, time periods, award amounts, and expected expenditures associated with the award. A *Catalog of Federal Domestic Assistance* (CFDA) number shall be determined for each award. All reporting requirements under the contract or award shall be summarized.
2. Create new general ledger account numbers. New accounts shall be established for the receipt and expenditure categories in line with the grant or contract budget.
3. Gather documentation. See the following Document Administration section for details.

## **COMPLIANCE WITH LAWS, REGULATIONS, AND PROVISIONS OF AWARDS**

The City recognizes that as a recipient of federal funds, the City is responsible for compliance with all applicable laws, regulations, and provisions of contracts and grants. To ensure that the City meets this responsibility, the following policies apply with respect to every grant or contract received directly or indirectly from a federal agency:

1. For each federal award, an employee within the department responsible for administering the award will be designated as “grant manager.”
2. Each grant manager is encouraged to attend a training on grant management prior to beginning his or her role as a grant manager (or as early in their functioning as a grant manager as practical). Thereafter, all grant managers shall attend refresher/update courses on grant management as deemed appropriate by the applicable Department Head.

3. The grant manager shall take the following steps to identify all applicable laws, regulations, and provisions of each grant and contract:
  - a. Read each award and prepare a summary of key compliance requirements and references to specific laws and regulations.
  - b. Review *2 CFR Part 200 Appendix XI, Compliance Supplement* (updated annually) published by the Office of Management and Budget (OMB) for compliance requirements unique to the award and for compliance requirements common to all federal awards.
  - c. Review the section of the *Catalog of Federal Domestic Assistance* (CFDA) applicable to the award.
  - d. The grant manager will communicate grant requirements to those who will be responsible for carrying them out or are impacted by them.
4. The Finance Department shall forward copies of applicable laws and regulations to the grant manager (such as OMB regulations, pertinent sections of compliance supplements, and other regulations).
5. The grant manager and/or the Finance Department shall identify and communicate any special changes in policies and procedures necessitated by federal awards because of the review of each award.
6. The grant manager shall take all reasonable steps necessary to identify applicable changes in laws, regulations, and provisions of contracts and grants. Steps taken in this regard shall include, but not be limited to, reviewing subsequent grant and contract renewals, reviewing annual revisions to *2 CFR Part 200 Appendix XI, Compliance Supplement*, and communications with federal awarding agency personnel.
7. The grant manager shall inform the Finance Department of applicable laws, regulations, and provisions of contracts and grants. The grant manager shall also communicate known instances of noncompliance with laws, regulations, and provisions of contracts and grants to the auditors. The Finance Department will then communicate this information to the independent auditors.

## **DOCUMENT ADMINISTRATION**

For each grant/award received by the City from a federal, state, or local government agency, a master file of documents applicable to the award shall be prepared and maintained. The responsibility for assembling each master file shall be assigned to the grant manager assigned to administer the program.

The master file assembled for each government award shall include all the following documents (including originals of all documents received from the awarding agency):

1. Copy of the initial application for the award and corresponding budget
2. All correspondence to and from the awarding agency post-application, leading up to the award
3. The final, approved budget and program plan, after making any modifications
4. The grant agreement and any other documents associated with the initial making of the award

5. Copies of pertinent laws and regulations, including awarding agency guidelines, associated with the award
6. Subsequent grant modifications (financial and programmatic)
7. Copies of program and financial reports
8. Subsequent correspondence to/from the awarding agency
9. Results of any monitoring visits conducted by the awarding agency, including resolution by City of any findings arising from such visits
10. Correspondence and other documents resulting from the closeout process of the award

The preceding grant document file shall be organized into four sections as follows:

1. Pre-award documents
2. Post-award documents, including reports
3. Laws, regulations, and agency guidelines
4. Audit/monitoring-related documents

On the inside front cover of the grant document file shall be a Summary of Critical Award Provisions, prepared by the grant manager. This summary shall include, at a minimum, the following:

1. Key compliance requirements, including citations of applicable laws and regulations
2. Important deadlines
3. Correspondence contact information at the awarding agency

The original grant document file shall remain in the office of the grant manager in a locked filing cabinet. The grant manager shall maintain a separate file of frequently requested documents that shall consist of photocopies of the documents included in the secure grant document file. The purpose of this file of copied documents is to limit the potential for loss of valuable documents. Any other City employee making a valid request for access to grant documents shall be provided with the file of copied documents and shall be asked to sign this file out of the grant manager's office.

### **CLOSEOUT OF FEDERAL AWARDS**

The City shall follow the closeout procedures described in 2 *CFR* 200.343 – 345, *Closeout*, and in the grant agreements as specified by the granting agency.

The City and all subrecipients shall liquidate all obligations incurred under the grant or contract within 90 days of the end of the grant or contract agreement.