

ATTACHMENT 51

**St. Louis County
Grant Administration Manual**



As approved by the St. Louis County Administration Department on August 23, 2019



Grants Administration Manual

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PURPOSE, SCOPE, AND AUTHORITY

PURPOSE

The purpose of this manual is to establish uniform guidelines instructing St. Louis County (“County”) personnel in the pursuit of grant funding and the management of grant awards. The manual describes the grants administration policy and procedures of the County associated with:

- Grant Identification, Application, and Tracking
- Grant Award Notification, Review, and Acceptance
- Grant Oversight and Monitoring
- Grant Accounting and Reporting
- Grant Subrecipient Monitoring
- Grant Close-out

SCOPE

It is the responsibility of County Departments (“Departments”) to follow grants administration policy and to supplement such with policies and procedures that detail their grant proposal seeking process and the proper execution, management, and close-out of the County’s grant awards; and report on the status of grants in a manner that assures transparency and accountability to County Council (“Council”), grantors, and the public.

The County will maintain a Grants Administration Manual that sets forth County procedures for administering all awards and pass-through awards in keeping with the requirements of the Uniform Guidance and other applicable statutes, rules, regulations and guidance documents. The provisions contained in this manual are applicable to all County officers, employees, agents, contractors and sub-grantees who perform functions associated with any award or pass-through award.

This manual is not intended to be an exhaustive listing of all rules, regulations, or laws relating to grants administration, but is a guide of standardized procedures to direct Departments in the application and management of grant proposals and awards. All respective Departments are responsible for the creation and maintenance of internal procedures that will be used in conjunction with established County standards. Additionally, each Department is responsible for ensuring that personnel administering grants are trained on applicable regulations governing their respective grant awards. Training may be provided by the grantor agency, an outside qualified vendor, or through internal resources. At a minimum, personnel administering federal grants must be trained on the requirements of 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.



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Definition of a Grant in St. Louis County

A grant is a multi-defined instrument used by government or private entities to subsidize programs and projects that fit within the funding criteria of each respective grantor. Due to their multi-defined characteristic, “grants” can be awarded in the form of: loan contracts, loan guarantees, cooperative agreements, joint participation agreements, contract for services, private contributions, interlocal agreements, and other types of contractual documents. Grants can be unrestricted or restricted, to be used by the recipient in any fashion within the parameter of the recipient organization's activities or for a specific purpose by the grantor. Typically, grants are intended to support a public purpose. Procurement of goods or services for the direct benefit of the organization, and not for a broader public purpose, is generally awarded in the form of a contract.

A grant is defined as financial assistance awarded to the County from an external entity to carry out a public purpose of support or stimulation, or when specifically identified by the awarding agency, as a “Grant” at the time of award.

GOVERNING FEDERAL LAWS AND REGULATIONS

- Federal Grant and Cooperative Agreement Act of 1977, as incorporated in Title 31 Section 6304 of the U.S. Code.
- 2 CFR Chapter I, and Chapter II, Parts 200, 215, 220, 225, and 230 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards (a.k.a. the Uniform Guidance). This is often referred to as the Super Circular. Includes former Single Audit Act of 1984 as amended in 1996.
- 2 CFR Part 200, Appendix XI, Compliance Supplement.

GOVERNING COUNTY POLICIES AND PROCEDURES

- Chapter 101: General Administrative Provisions
- Chapter 107: Purchasing
- Chapter 201: Personnel
- Chapter 203: Conflicts of Interest

UPDATES AND REVISIONS

This document contains federal, state and county policies that may be revised over time as regulations change, new tools emerge, new processes are designed, and risks change. The Fiscal Management Division will review the procedures described herein and in continued collaboration with the Department’s it serves, update this document, as necessary, or as circumstances dictate.



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ST LOUIS COUNTY GRANTS ADMINISTRATION POLICY

PURPOSE

Grants are an exceptional way to fund County projects; however, they come with the expectation that all work, including the management of the grant award, will follow the highest standards of regulatory and budgetary requirements of the grantor and the County. Failure to comply with such requirements can lead to a loss of goodwill, the return of awarded funds and/or fines and may also jeopardize future funding from granting entities. Inadequate review of grant proposals or grant awards as well as poor compliance with terms and conditions of grant agreement(s) may lead to County spending unbudgeted General Revenue funds to support a grant project inconsistent with overall strategic direction or may commit the County to unbudgeted General Revenue spending beyond the grant period. The purpose of this policy is to set forth guidance for the application of grant proposals and the administration of grants awarded that ensures the efficiency and impact of grant funded programs, services, and capital improvements; limits exposure to grant related legal liability; and assures grantors and the public that the County shall discharge its responsibilities with the highest of standards.

POLICY

In accordance with Council policy, the County will seek grant funding for activities and assets that are determined to further core County functions or that provide for activities and assets that are in the best interest of the County and its residents. All Departments shall participate in a uniform grants administration program that will adequately assess grants prior to submission and ensure that grant award and administration functions follow the highest standards of the grantor or the County.

Grants pursued must be consistent with County mission and strategic priorities, and no grant shall be accepted without approval of the Council. Grant applications shall provide reasonable and realistic outcomes to best assess the impact and efficacy of grant activities or deliverables. All grants will be tracked in a manner that assures transparency and accountability to the Council, grantors, and the public.

Funding Analysis

Grants that align with the strategic priorities of the County shall be analyzed by Departments to examine the total effects and costs to the County due to matching requirements or new operating costs; allowance of indirect costs; whether General Fund revenues are necessary to cover the gap between cash expended and revenues received; and whether County General Fund revenues are necessary to support the project after the expiration of the grant.



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Analysis of Grant Renewals and Continuations

At the end of the initial grant period, all grants shall be evaluated by the Department to determine the extent to which the grant project has produced desired benefits. Such an analysis shall include a review of actual costs to determine whether using General Fund revenues associated with the grant could be better used for other purposes that are better aligned with the County's mission and strategic priorities. Multi-year grants shall also be evaluated for cost effectiveness, i.e., a comparison of the project's cost to its key outcomes/benefits to determine the extent to which the projects have produced positive, meaningful outcomes that provide cost effective services or improvements.



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ROLES AND RESPONSIBILITIES

All County personnel who are engaged in the preparation of grant proposals and administration of grant awards, including staff responsible for grant funded assets, serve an important role ensuring that all grant terms, conditions, and regulatory requirements are met.

Below are the “key players” in the management and administration of grant funded projects received by the County and a representational list of the responsibilities.

Note: The role definitions are general in nature and each Department may separate the responsibilities into one or multiple roles or positions.

COUNTY COUNCIL

All grant awards require authorization by the Council prior to acceptance. Council authorization is evidenced by ordinance prepared by the County Counselor’s office.

COUNTY COUNSELOR

The County Counselor’s office provides legal advice, counsel, and legal representation to the Council and the Departments of the County.

All grant contracts and agreements authorized by ordinance require legal review, including agreements, modifications, extensions and subawards with agencies and subcontractors.

COUNTY AUDITOR

The County Auditor advises and assists the Council in conducting continuing studies of the operation of County programs and services. The County Auditor’s work may include audits of all aspects of the County’s offices and officials.

FISCAL MANAGEMENT

Fiscal Management, under the division of Administration, oversees grants from the financial and reporting perspective. Fiscal Management has responsibility for Accounts Payable, Accounts Receivable, and General Ledger functions. Fiscal Management also annually produces the SEFA (Schedule of Expenditures of Federal Awards) and assists the external auditors as they perform the Single Audit.



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DEPARTMENT DIRECTOR

The Department Director has programmatic and fiscal responsibilities for a designated department. He or she ensures adequate resources are provided to staff for the appropriate conduct of grant award, management, and administration functions, and supervises staff members who may serve as Department Fiscal Manager, Grant Coordinator/Program Manager, Grant Accountants, and support staff with grant-related functions. (The levels and roles of staffing within any particular department are determined by the number and size of the Department's grant program.) Responsibilities include:

1. Establishing departmental standard operating procedures to ensure the following:
 - Ensure that department personnel are properly trained and qualified to carry out the tasks related to administering the grant.
 - Ensure the accuracy of programmatic reports.
 - Ensure that critical reporting timelines are met.
 - Ensure the grant compliance with all applicable regulations.

2. Identify a Grant Coordinator/Program Manager for each grant and ensure the following:
 - Ensure each Grant Coordinator/Program Manager is familiar with the grant guidelines.
 - Complies with the parameters outlined in this manual.

DEPARTMENT FISCAL MANAGER

Department Fiscal Manager enforce policies and procedures, providing organizational oversight and accountability, as related to grant compliance. Department Fiscal Manager provide a centralized point of contact for assistance with the identification, preparation, distribution, and submission of grant documents.

Department Fiscal Manager provide training on the components and use of this manual; as well as, tools to manage grants and comply with federal, state and local requirements. Outside professionals may be brought in to assist with training as needed. Specific programmatic training is often provided by Grantor agencies. County personnel are encouraged to attend grant specific training.

It is each Department's responsibility to ensure staff working with grants are properly trained on grants management and compliance requirements, including fiscal and programmatic compliance. This also includes training required and provided by the granting agency.



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GRANT COORDINATOR/PROGRAM MANAGER

The Grant Coordinator/Program Manager is the departmental designee responsible for the administration of the grant and ensures that the processes and procedures outlined in this manual are followed. The Grant Coordinator/Program Manager may be the department's Grants Accountant, Project Manager or other individual assigned to coordinate all grant-related activities within the department and is the primary contact for grant related inquiries.

Following is a list of the Grant Coordinator/Program Manager's responsibilities:

1. Research program requirements prior to submitting a grant application.
2. Arrange sign-on permissions for internet access at grant site.
3. Determine if the department has the capacity to properly implement and manage each program associated with a grant.
4. Coordinate the preparation and submission of a grant application.
5. Verify multi-departmental processes and procedures are properly followed, i.e. purchasing procedures, records retention etc.
6. Coordinate and monitor subrecipients.
7. Establish a thorough tracking, reconciliation, and reporting process.
8. Submit timely and accurate agency reporting.
9. Monitor the performance and outcomes of the programs associated with a grant.
10. Coordinate, prepare, and participate in all required monitoring reviews and audits.
11. Provide the proper closeout and coordinate the retention of required program records at the conclusion of each grant.
12. Maintain program related documents including contracts as appropriate.

The Grant Coordinator/Program Manager will be responsible for communicating program status and outcomes with various levels of staff and management; and with representatives at local, state and federal agencies, as applicable.

GRANT ACCOUNTANT

A Grant Accountant typically will reside within the Department receiving a grant. The Grant Accountant is responsible for managing the financial requirements and maintaining the award records. Although some tasks may be delegated, the Grant Accountant is the chief accountable person for the overall fiscal conduct of the grant award and for representing the accounting of the project to the grantor. Following is a list of responsibilities for the Grant Accountant:

1. Prepare budget portion of grant requests in coordination with Grant Coordinator/Program Manager and/or Department Director.
2. Request grant project numbers and accounts be set up by Fiscal Management.



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3. Submit all required documents necessary to satisfy periodic reporting requirements on a timely basis.
4. Prepare and submit financial reports in accordance with grant requirements and deadlines.
5. Request grant reimbursements in accordance with grant awards contract.
6. Provide financial information, statistical data, and analysis as needed and necessary.
7. Monitor the funding and expenses associated with the grant including subrecipients.
8. Coordinate, prepare, and participate in all required monitoring reviews and audits.
9. Provide the proper closeout and retention of required fiscal records at the conclusion of each grant.
10. Place fiscal related documents as appropriate.
11. Communicate the financial status of the grant to the Grant Coordinator/Program Manager, Department Director and Fiscal Management.



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PRE-AWARD - GRANT IDENTIFICATION, APPLICATION, AND TRACKING

GRANT SEEKING PROCESS

The grant seeking process begins with the development of Department grant strategy planning, a pre-application assessment and review. The Department initiating the grant application performs a review to assess whether:

- The funding opportunity aligns with Department core mission and County strategic priorities.
- The Department has the required match (cash/in-kind).
- The program/project is sustainable without additional funding.
- The Department is able to fund potential long term operations and maintenance costs without budgetary increases.

Written approval from Council is required prior to the Department's acceptance of grant funds. Each grant will be reviewed and analyzed by the initiating Department in consultation with the Department's Director, Grants Coordinator/Program Manager and Grant Accountant.

APPLICATION PREPARATION & SUBMISSION

Preparing the application is primarily the responsibility of the Department. There are certain essential elements necessary for successful submission of a grant application.

Writing the Grant Proposal

It is the initiating Department's responsibility to prepare and submit the grant proposal application. Read the grant guidelines thoroughly. Grant application guidelines identify what to include in the respective grant proposal, and it is critical to understand the grantor's requirements and to follow grant application guidelines explicitly. Request a sample/template contract in order to budget for contract award compliance. Structure, attention to specifications, concise, enthusiastic/persuasive writing, and a reasonable budget, with justification narrative, are the critical elements to be considered during the writing stage.

Grant guidelines typically identify:

1. Submission deadlines.
2. Grantee eligibility.
3. Funding goals, priorities, and ceilings.
4. Proposal format: forms to use, page limitations, page margins, line spacing, etc.



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5. Budgets and budget justification narrative.
6. Proposal evaluation process, criteria, timetables.
7. Point(s) of contact.
8. Required certifications and assurances.
9. Any and all other submission requirements.

Submitting the Grant Proposal

Electronic proposal preparation and submission is becoming the norm for grants administration. The Grants Accountant/Program Manager and/or Department Fiscal Manager will assist in coordinating roles designated for external web-based grant portals and may involve County Counselor, Fiscal Management, and/or individual departments in the process. Please allow sufficient time to ascertain that the County is properly registered in a particular grant portal. It is important that the appropriate programmatic and fiscal personnel are established within these systems for access and award application/management.

GRANT FILE STORAGE REQUIREMENTS

File management is an important aspect of grants management. Auditors will refer to the documentation as well as financial data when auditing a grant program. The grant documents should be stored, preferably electronically, in a safe place where all information related to a grant can be found quickly and easily. All relevant correspondence associated with the grant will be stored using naming conventions that are effective for data mining and retrieval.

Each Department is responsible for ensuring that any and all auditable records are maintained in accordance with the County's Departmental Record Retention Schedules. There may be additional (longer) retention requirements mandated by federal, state, and/or local statute, grant agreement, and/or other contractual obligations.



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AWARD NOTIFICATION, REVIEW, AND ACCEPTANCE PROCEDURES

Grant agreements are legal contracts. It is the County's responsibility to carry out grant activities and/or deliverables and to accomplish its objectives, while adhering to the regulatory and budgetary terms and conditions prescribed by the grantor in the grant agreement. Failure to do so exposes the County to legal liability and compromises current and future grant funding. The County carries a significant legal and ethical responsibility when accepting grant funding, and management of grant awards requires heightened awareness throughout the organization.

AWARD NOTIFICATION, REVIEW, AND NEGOTIATION

1. If the grantor intends to negotiate the award and in particular reduce the budget, the proposed scope of work may be commensurately reduced to ensure the grant can still be accomplished within the revised budget or timeframe proposed by the grantor.
 - a. If the award terms are negotiated to the initiating Department's satisfaction, the Department must request that the grantor provide the changes in writing. The changes may be incorporated in the grant agreement or contract, memorandum of understanding, and/or any other related grant documents.
 - b. In the event that the Department determines it cannot perform the scope of work as revised or with a decreased budget, and cannot arrive at an agreeable position, the Department can choose not to accept the award. This will occur through written correspondence from the initiating Department that will clearly specify the reason(s) the award is being declined.
2. Once the award scope and budget are agreed upon, an award will be presented by the grantor. The grant award or grant contract may be delivered to the County through hardcopy or email to the identified Department Director, Grant Coordinator/Program Manager or the individual listed on the application. Grantor agencies are also using electronic portals for grant applications, submissions and award management.

AWARD AND PROJECT SETUP IN MUNIS

MUNIS is the County's financial software that is used for grant accounting. In addition, MUNIS provides multi-year tracking of budgets, expenditures, and revenue for user-defined projects such as grants, capital improvements and special programs.

1. Upon receipt of a fully executed grant agreement, Fiscal Management shall ensure that a grant segment is created in MUNIS. Grant numbers and naming conventions are assigned and managed by Fiscal Management to avoid duplication and indistinguishable names.



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2. The initiating Department ensures approval to accept the award is completed by the date required by the grantor for full execution.
3. The initiating Department maintains the following grant documents:
 - a. Grant application
 - b. Grant award notification
 - c. Executed grant agreement/contract
 - d. Addendums or modifications to contract
 - e. Sub-recipient agreements
 - f. Status Reports or other Programmatic Reports
 - g. Financial Reports
 - h. Final or Close-out Reports
 - i. Monitoring or Audit Reports
 - j. Grant Reimbursement Payments/Funds Received/Draws
 - k. Purchasing documents and authorizations
 - l. Correspondence with awarding agencies

COUNTY COUNCIL APPROVAL AND ACCEPTANCE

1. The initiating Department is responsible for ensuring approval to accept the award is completed by the date required by the grantor for full execution.
2. The initiating Department Director prepares and submits the grant award to the County Executive which must include specific information regarding the award under consideration. Key points to include in the request are:
 - a. Requesting Council approval of the grant award.
 - b. Amount of the award.
 - c. Amount of required matching funds, if any.
 - d. Grant period.
 - e. Description of the project or program funded by the grant.
 - f. Expected outcomes of the project.
 - g. Grant account number.
3. The County Executive writes a letter for review by the County Counselor, Budget Director, and Director of Administration before submission to Council.
4. The item is placed on the Council Agenda. The Council either accepts the grant funds awarded and the appropriation of funds or declines.



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5. Following Council execution and appropriation of the grant award, the County Executive signs and approves an ordinance. The initiating Department is responsible for submitting the grant agreement and related documents to the grantor.



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MANAGING THE GRANT

MONITORING AND OVERSIGHT OF THE GRANT

Compliance Monitoring

The post-award activity of an awarded County grant is overseen by Department Fiscal Manager and Grant Accountant through regular communication with Grants Coordinator/Program Manager. Department Fiscal Manager and Grant Accountant will be responsible for:

1. Monitoring activities under the grant scope of work to assure compliance with applicable requirements and to ensure that performance expectations are being achieved. Monitoring of the grant must cover each program, function or activity. The Grant Coordinator/Program Manager is responsible for ensuring that activities comply with the Terms and Conditions of the grant agreement/contract and ensuring that required reports are submitted by or before the specified deadlines in the award agreement.
2. The Grant Coordinator/Program Manager is the liaison with the grantor regarding program performance, operational requirements and monitoring, and will supervise all programmatic (operational) aspects of the grant in accordance with the terms and conditions of the grant. He or she is responsible for conducting or coordinating all internal program monitoring and ensuring preparation and submission of all required program reports by or before the specified deadlines in the award agreement.
3. The Fiscal Manager and Grant Accountant are responsible for ensuring that essential support and control is provided to the recipient department so that the grant awarded ends successfully and in compliance with all budgetary policy and procedures.

FISCAL ACCOUNTABILITY

Management of Federal Cash

The County will request payments to cover expenses and invoices in accordance with the grant draw-down requirements.

Receipt and Use of Grant Funds

1. No grant funds shall be disbursed until approved by the Council, a grant account has been created in MUNIS, and required documentation is complete.
2. Grant funds may only be used for grant related expenses and expended within the period of performance identified in the grant agreement.



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3. Departments receiving grant funds shall adhere to County policy and procedures regarding revenue collection and accounting and reporting of grants received by the County.
4. Modifications or reallocations to the awarded budget that alters the grant amount or moves funds from one budget line item to another must adhere to grantor and County policy and procedures.
5. Grant funds awarded to the County shall not be used to supplant an existing expense so that current funds can be diverted to another use, unless such use of grant funds is explicitly identified as allowable in writing by the grantor in the grant award.
6. All income resulting from a grant funded project or program shall be managed and maintained as established in the grant agreement.
7. All procurement activity associated with grant funded projects or programs shall follow the grantor and County policy and procedures for procurement of goods as outlined in Chapter 107 which contains the County's purchasing procedures and policies and is available on the County's Intranet site.
8. All property and equipment acquired through grant funds shall follow the grantor and County policy and procedures for property or inventory control.
9. All grant and related matching revenues and expenditures shall be recorded in the MUNIS accounting platform.

Equipment and Real Property Management

1. Equipment purchased with grant funds shall be used exclusively during the life of the grant for the project or program for which it was acquired.
2. Equipment purchased with grant funds must be properly maintained and safeguarded, and equipment records must be maintained per County inventory policy and procedures. It is the Grant Coordinator/Program Manager's responsibility to notify Fiscal Management when fixed assets are purchased with grant funds and must be identified as a grant funded acquisition on the fixed asset inventory.
3. Recipient department must comply with the grantor's requirements to report annually or per designated time period on the status of equipment and real property acquired with grant funds. All reporting requirements will be coordinated with the Department Fiscal Manager and Grant Accountant.



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4. After the grant award is closed and equipment is no longer needed for its originally authorized purpose, the Grant Coordinator/Program Manager or equivalent at the recipient department shall request disposition instructions from the grantor and follow County policy and procedures for property and inventory control. All disposition requirements will be coordinated with the Department Fiscal Manager and Grant Accountant in accordance with Capital Asset policies.
5. Grant purchased equipment and real property acquired with federal funds must also comply with 2 CFR 200.313, 200.314 and 200.329 UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS.

Expenditure Monitoring/Award Reconciliation

It is critical to the overall success of a project that grant funds are expended accurately. After initial setup, grant awards should be reconciled on a monthly basis to ensure:

1. Expenditures are allowable, allocable, necessary, and reasonable based on terms and conditions of the grant award.
2. Expenditures are adequately supported by documentation.
3. Evaluation for a budget revision or amendment is assessed. Requests to Grantor agencies for budget revisions or amendments need to be made in writing with the grantor agency approval also in writing.
4. Expenditures are recorded and charged to the correct grant and/or general ledger account in MUNIS.
5. Award spending is commensurate with the project timeframe.

Reconciliation involves checking expenditures/revenues recorded in General Ledger; and also checking revenues billed during a reporting/billing period against expenditures charged to the project during the same period.

Cost Transfers

Incorrectly posted charges to grant funded projects must be corrected within regulated time constraints, which is why routine (monthly) account reconciliation is critical. Failure to transfer incorrectly posted charges in a timely manner may result in the expense being disallowed for grant reimbursement.

Cost Sharing/Matching

1. The source of cost share must be identified at award setup and tracked for reporting.



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2. Cost sharing (a.k.a. matching) is provided either through cash or expenditures, in-kind services, or via a third-party commitment. For federally funded grant awards, all cost sharing/match must be in accordance with 2 CFR 200.306.

According to 2 CFR 200.306 for all federal awards, any shared costs or matching funds and all contributions must be accepted as part of the County's cost sharing or matching when such contributions meet all of the following criteria:

- a. Are verifiable from the County's records;
- b. Are not included as match/contributions for any other Federal award;
- c. Are necessary and reasonable for accomplishment of project or program objectives;
- d. Are allowable under the Cost Principles of 2 CFR 200;
- e. Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs;
- f. Are provided for in the approved budget when required by the Federal awarding agency.

Earned Program Income

Some grant programs contain tasks or objectives that may result in program income. It is important that program income be anticipated and disclosed in the grant proposal budget, which should include a plan for utilization that identifies the method of use. The plan should also include use of income collected in excess of expenditures. If program income is not disclosed at the proposal stage, the grantor must be promptly notified that the project will generate income and determine how income is to be used.

Typically, program income could come from fees collected for services performed or registration fees for conferences or workshops. Such fees can also be generated through subawardees and must be accounted for in the same manner. Government revenue such as taxes, special assessments, levies, fines, and other such revenues raised by the county or subawardee is not considered program income unless the revenues are specifically identified in the Federal award or Federal awarding agency regulations as program income.

Program income may be used for a project in several ways depending upon the grantor agency's requirements.

- Additive: Program income is added to funds committed to the project by the grantor and used to fulfill eligible project or program objectives.
- Cost Share: Program income is used to finance a share of the project or program.
- Deductive: Program income is deducted from the total project or program budget.



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If the grantor agency does not specify in its regulations or the terms and conditions of the award, or give prior approval for how program income is to be used, program income must be deducted from total allowable costs to determine the net allowable costs. Program income that the County did not anticipate at the time of the grantor award must be used to reduce the grantor award and the County match (if applicable) rather than to increase the funds committed to the project.

All program income must be accounted for during the performance period of the award and be reported per the method of utilization approved by the grantor. Failure to disclose program income may require that all program generated income be treated as Deductive.

Use of program generated income resulting from a federal grant funded project/program shall comply with 2 CFR 200.307.

Support of Salaries and Wages

Compensation for personnel services on federal grants must be based on payrolls documented through standard County policy and procedures. The consequences of noncompliance with employee time and effort certification may be the disallowance of such charges to the grant. Federal grants require accounting for 100% of one's time even if all of one's time is not allocated to the grant project (2 CFR 200.430).

Salaries and wages of employees used in meeting cost sharing or matching requirements of federal awards must be supported in the same manner as those claimed as allowable costs under federal awards. The consequences of noncompliance with employee time and effort certification may be the disallowance of such charges to the grant.

Where an employee works on single or multiple awards (including federal and non-federal), a distribution of their salaries/wages and fringe benefits must be supported by a personnel activity report that:

- a. Reflects an after-the fact distribution of the actual activity of the employee.
- b. Accounts for total compensated activities.
- c. Be prepared at least monthly and coincide with one or more pay periods.
- d. Must be signed by the employee or supervisor *who has first-hand knowledge of the work performed by the employee.*
- e. Or any other format accepted or deemed acceptable by the granting agency.

Where an employee works solely on a single award, charges for his/her salaries and wages will be supported by periodic certifications that the employee worked solely on that program for the period identified. This certification will be prepared at least semi-annually and will be



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signed by the employee and supervisor *who has first-hand knowledge of the work performed by the employee.*

GRANT REPORTING

Every award has reporting requirements specified in the grant agreement. It is critical that all reports are complete, accurate, and submitted per the specified dates outlined in the agreement. Accurate and timely reporting is critical to maintaining a good relationship with the grantor. Requirements and procedures are established to ensure that grant funds are expended and accounted for in a method that provides accuracy, uniformity, and consistency. Late or inaccurate reports may negatively impact current or future funding and result in Single Audit findings.

Types of Reports

- Performance/Progress/Narrative/Status: The recipient Department's Grant Coordinator/Program Manager is required to regularly submit to the grantor and retain performance reports that reflect grant-funded operational progress as required by the grant agreement.
- Financial: The Grant Accountant and Department Fiscal Manager are required to regularly submit and retain financial reports that reflect a grant's fiscal health as required by the grant agreement and supporting documents.
- Close-Out: Dependent upon the conditions of the grant contract, after the expiration or termination of the grant, the Grant Coordinator/Program Manager in collaboration with the Grant Accountant and Department Fiscal Manager is required to submit all financial, performance, and other reports required in the grant conditions.

Frequency of Reports

It is ultimately the responsibility of the recipient Department to be sure reports are submitted by deadline. The Grant Coordinator/Program Manager is responsible for completing reports in a timely manner and for the report submission to the grantor. The Grant Coordinator/Program Manager, Grant Accountant and/or the Department Fiscal Manager may submit the documents to the grantor, depending upon the level of service for the recipient Department and the type of report involved. If the agreement does not specify the reporting period, the Grant Coordinator/Program Manager must determine from the funding entity the timeframe for report submission.



GENERAL STANDARDS FOR SUPPORTING DOCUMENTATION

Costs claimed by the County under its grants must be allowable, allocable and reasonable, and must have adequate documentation to support charges to the grant. Expenditures under most cost reimbursement grants are governed by the cost principles established by federal, state, and other grantors and must conform to respective policies, grant special provisions and County policies.

1. Typical grant transactions may include personnel costs, purchase of equipment and supplies, costs for contracted services, grant income or revenue, etc. Grantees must submit documentation of eligible expenses and proof of payment for expenses incurred during the reporting period.
2. Documentation of eligible expenses may include copies of invoices, receipts, payroll or labor reports, or other proof that complies with federal and state audit standards. Proof of payment of expenditures may include a copy of a credit card receipt, receipt showing cash payment, cancelled checks, bank statements, or other proof that complies with federal and state audit standards. A supplemental accounting record may accompany the receipts and cancelled checks.

FILE MANAGEMENT, ACCESS AND RETENTION

Document Management and Storage

Important documents that chronicle the application, receipt of award, and all management related documents and correspondence through award closeout should be maintained. The following sections should be looked at as a tool for departments indicating the types of related documents to keep and a recommended file structure that captures the essential elements of your proposals and awards, unless otherwise directed by the grantor:

- a. Proposal Submission
 - Proposal guidelines and supporting legislation
 - Application approval or designated authority document
 - Signed grant application or submitted copy for web-based applications
 - Information used in the preparation and support of the grant proposal
 - Correspondence related to the grant proposal
- b. Award
 - Grant award letter or contract with budget and special conditions
 - Council Approval for acceptance



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- Grant amendments, modifications, extensions, cancellations and terminations and correspondence related to the award
- c. Financial
 - Purchase orders
 - Invoices
 - Grantor approvals for items such as budget reallocation, changes to scope, procurement and contractor/vendor selection
 - Personnel time and effort worksheets
 - Reconciliation of allowable expenditures
- d. Reports
 - All reports to grantor – performance, progress, status, financial, quarterly, annual, final, etc.
 - Evaluation forms and data
 - Project Closeout documents
 - Monitoring and audit reports
- e. Subrecipient Documents (if applicable)
 - Subrecipient contract
 - All site visit and/or monitoring activity documentation
 - Any subrecipient correspondence
 - Risk assessment
- f. All other pertinent or necessary information to show compliance with the award terms and conditions

Grant Closeout

The grant closeout is a critical piece in the life cycle of a grant. It is the process by which the County performs all necessary administrative and financial actions to satisfactorily complete all requirements set forth in the grant agreement. Preparation for close-out usually begins 60 to 90 days prior to the end date of the grant to accurately forecast expenses and make any adjustments to accounting entries. Generally, the close-out process addresses the physical completion of work, and the administrative and financial requirements for closeout.

Funding Advances from Grantor

Grants are primarily processed as reimbursement by the County unless the funding entity requires funds be advanced. For grant funding that has been advanced, at the end of the qualified grant period(s) any unexpended investment income, unexpended advances and/or grant revenue in excess of qualified grant expenditures shall be returned to the granting entity or used per written approval from the granting agency. For federal grants, refer to 2 CFR 200.345 to determine how to calculate the amount due to the federal agency. In all circumstances, direct



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communication with the granting entity is recommended to mutually agree upon the calculation for return of funds.

Record Retention and File Maintenance

Records pertinent to a grant award relate to those retained in hard copy and/or electronic formats. Departments will follow guidelines provided in the grant agreement with the granting agency and/or the County's Departmental Record Retention Schedules, but in all instances grant files are to be maintained for a minimum 3 years after submission of the final grant report.

Personally Identifiable Information

Federally funded grant records must also comply with 2 CFR 220.82 which requires safeguarding data records against unauthorized alterations including Personally Identifiable Information (PII). PII is defined to include a person's name in combination with information such as a social security number, passport number, credit card number, bank number, health records, and similar information. PII required to be disclosed by law is excluded.

GRANT MODIFICATIONS, EXTENSIONS, OR CANCELLATIONS

During the course of a grant's lifetime, there are times when changes are necessary to either the budget or the project scope-of-work. Most of these changes, typically called grant amendments, are allowable, but it is important to follow the procedures written in the grant agreement or in the guides provided by the grantor. These changes must be pre-approved by the grantor agency before they are considered eligible. Documentation on all requests and amendment approvals should be maintained by the Department.

Approval Procedures (Unless grant agreement/grantor states otherwise)

Grant Modifications

1. Written confirmation from the grantor before any money is spent on items different from what was approved in the original budget. Also, project activities that deviate from those originally proposed in the grant application shall be documented and receive prior approval from the grantor before instituting these changes.
2. Budget amendments or similar documentation affecting the grant budget shall be entered into MUNIS for proper tracking.



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Cancellations

In the event a grant must be terminated before the original completion date or returned to the grantor prior to project initiation, standard practices for closing out a grant will be completed. In each of these cases, the initiating Department should first contact the Grant Accountant and/or Department Fiscal Manager to discuss the impact on future funding from the grantor agency.



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GRANT SUBCONTRACTING AND SUBRECIPIENT MONITORING

The County will regularly encounter situations where it does not have the workforce capacity to adequately fulfill all of the grant objectives and must seek out other entities to perform certain functions. These activities will be obligated in the form of a subcontract or subaward. In addition, during the course of the grant award, certain materials and supplies and equipment may be purchased through various contractors.

In instances where federal funds are expended, it is important that subrecipients and contractors be defined accurately, as there are specific requirements the County must comply with based on the designation as provided in 2 CFR 200.330. Accurate classification of subrecipients and contractors is critical to a program's success and integrity.

SUBRECIPIENT

Subrecipients. A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:

- a. Receiving entity determines who is eligible to receive financial assistance.
- b. Has its performance measured in relation to whether objectives of a Federal program were met.
- c. Has responsibility for programmatic decision making.
- d. Is responsible for adherence to applicable Federal program requirements specified in the Federal award.
- e. In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

CONTRACTOR

Contractors. A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor as specified in 2 CFR 200.22. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the contractor:

- a. Provides the goods and services within normal business operations.
- b. Provides similar goods or services to many different purchasers.
- c. Normally operates in a competitive environment.
- d. Provides goods or services that are ancillary to the operation of the Federal program.
- e. Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.



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In determining whether an agreement between the County and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the County must use judgment in classifying each agreement as a subaward or a procurement contract.

SUBAWARDS

Subaward contracts to subrecipients will include the following information:

1. Federal Award Identification
 - a. Subrecipient name;
 - b. Subrecipient unique entity identifier;
 - c. Federal Award Identification Number (FAIN);
 - d. Federal Award Date of award to the County by the Federal Agency or passthrough entity;
 - e. Subaward Period of Performance Start and End Date;
 - f. Amount of Federal Funds Obligated by the current contract from the County to the subrecipient;
 - g. Total Amount of Federal Funds Obligated to the subrecipient by the County including current obligation;
 - h. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
 - i. Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the pass-through entity;
 - j. CFDA Number and Name;
 - k. Identification of whether the award is R&D; and
 - l. Indirect cost rate for the Federal award (including if the de minimis rate is charged per 2 CFR 200.414).
2. Requirements imposed by the County on the subrecipient so that the Federal award issued in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;
3. Any addition requirements that the County imposes in order for the subrecipient to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;
4. An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the County and the subrecipient (in compliance with 2CFR200.331), or a de minimis indirect cost rate as defined in 2CFR200.414 Indirect (F&A) costs;
5. A requirement that the subrecipient permit the County and auditors to have access to the subrecipient's records and financial statements as necessary for the County to meet the requirements of 2 CFR 200.331; and



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6. Appropriate terms and conditions concerning closeout of the subaward.

Subrecipient Risk Assessment

The County shall evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring as identified in 2 CFR 200.331, which may include consideration of such factors as:

1. The subrecipient's prior experience with the same or similar subawards;
2. The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with 2 CFR 200 Subpart F – Audit Requirements, and the extent to which the same or similar subaward has been audited as a major program;
3. Whether the subrecipient has new personnel or new or substantially changed systems; and
4. The extent and results of Federal awarding agency monitoring (i.e. if the subrecipient also receives Federal awards directly from a Federal awarding agency).

Special Subaward Conditions

The County may impose specific subaward conditions upon the subrecipient based upon the evaluation of risks as described below:

1. When a subrecipient has a history of failure to comply with the general or specific terms and conditions of a Federal award;
2. When the subrecipient fails to meet expected performance goals contained in a Federal award; and
3. When the subrecipient is not otherwise responsible

Additional award conditions may include such items as:

- a. Requiring payments as reimbursements rather than advance payments;
- b. Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;
- c. Requiring additional, more detailed financial reports;
- d. Requiring additional project monitoring;
- e. Requiring the subrecipient to obtain technical or management assistance; or
- f. Establishing additional prior approvals.

In the event that specific subaward conditions are imposed, the Department will notify the subrecipient as to the nature of the additional requirements, the reason why they are being imposed, the nature of the action needed to remove the additional requirement, if applicable,



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the time allowed for completing the actions if applicable, and the method for requesting reconsideration of the additional requirements imposed.

SUBRECIPIENT MONITORING

The County will monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that the subaward performance goals are achieved. The Departmental Grant Coordinator/Program Manager is responsible for subrecipient monitoring. Subrecipient monitoring shall include:

1. Reviewing financial and performance reports required in order to comply with the Federal award;
2. Follow-up to ensure that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient detected through audits, on-site reviews, and other means; and
3. Issue a management decision for audit findings pertaining to the Federal award provided to the subrecipient.

The County may use the following monitoring tools to ensure proper accountability and compliance with program requirements and achievement of performance goals:

1. Provide subrecipient with training and technical assistance on program-related matters; and
2. Perform on-site reviews of the subrecipient's program operations.

Based on the results of the subrecipient's audits, on-site reviews or monitoring activities, the County may consider taking enforcement action against noncompliant subrecipient which may include the following remedies:

1. Temporarily withholding cash payments pending correction of the deficiency;
2. Disallow all or part of the cost of the activity or action not in compliance;
3. Wholly or partly suspend or terminate the Federal award;
4. Initiate suspension or debarment proceedings as authorized under 2 CFR Part 180; 5. Withhold further Federal awards for the project or program; and
6. Take other remedies that may be legally available.

All grant requirements placed upon the County will flow-down to any subrecipient, and it is the prime grantee's responsibility to ensure subaward compliance with the prime grant provisions. All subawards issued under federal grants must contain language requiring subrecipients to fulfill the prime grant requirements.



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1. The Grant Coordinator/Program Manager will advise subrecipients of requirements (including but not limited to financial and non-financial reporting) imposed on them by federal laws, regulations of the flow-down provisions of the prime contract or grant agreement, and any supplemental County requirements imposed depending on a level of risk determination by the County.
2. The Grant Coordinator/Program Manager, along with applicable County grant-related service personnel, will monitor the subrecipient's use of grant funds and issue a written report summarizing the results and any corrective actions needed.
3. The Grant Coordinator/Program Manager, along with applicable County grant-related service personnel, will ensure that the County receives annual audit reports from any subrecipients required to have an audit in accordance with 2 CFR 200.
4. Upon receipt of an unfavorable audit report from a subrecipient, the Grant Coordinator/Program Manager, along with the Grant Accountant and Department Fiscal Manager, will confirm that the subrecipient has taken appropriate and timely corrective action. If a material weakness or other reportable condition exists, monitoring of the subrecipient will be more frequent and management actions will be taken as appropriate.
5. All subawards for which monitoring is mandated shall be reviewed regularly throughout the year, and at a minimum must include:
 - a. Advising subrecipients of all applicable federal laws and regulations, and all appropriate flow-down provisions from the prime agreement
 - b. Routine receipt and review of technical performance/progress reports
 - c. Routine review of expenses-to-budget
 - d. Periodic on-site visits, or regular contact, if necessary
 - e. The option to perform "audits" if necessary
 - f. Review of audit reports filed by subrecipients and any audit findings
 - g. Review of corrective actions cited by subrecipients in response to their audit findings
 - h. Consideration of sanctions on subrecipients in cases of continued inability or unwillingness to have required audits or to correct non-compliant actions

SUBAWARD CLOSEOUT

An integral part of subcontract monitoring is close-out of the subcontract at the end of the project period. In general, a subcontract is closed when all deliverables have been met and the final payment has been made.



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PROCUREMENT AND SUSPENSION AND DEBARMENT

1. The County and its subrecipients shall not award grant assistance to applicants that are debarred or suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549.
2. It is the responsibility of the Department to ensure that any potential contractor or subcontractor or subawardee that will be funded through a grant award is not prohibited from receiving federal or state funds due to suspension or debarment. A person or entity debarred or suspended is excluded from federal financial and non-financial assistance and benefits under federal programs and activities. Debarment or suspension of a participant in a program by one agency has government-wide, reciprocal effect.
3. The Grant Coordinator/Program Manager will ensure that the federal Excluded Parties List System (EPLS) site and the state Convicted/Suspended/Discriminatory/Complaints Contractor Lists are checked prior to entering into any contractual relationship or use of services.
 - a. Excluded Parties List System (EPLS): The System for Award Management (SAM) is the official federal system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.
 - b. LEIE: The U.S. Department of Health and Human Services Office of Inspector General maintains a list of all excluded individuals and entities called the List of Excluded Individuals and Entities. These individuals and entities are excluded from providing services for federally funded health care programs.



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OTHER IMPORTANT FEDERAL GUIDELINES AND NATIONAL POLICY GUIDANCE

OFFICE OF MANAGEMENT AND BUDGET (OMB) UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

1. 2 CFR Part 200 (also referred to as the Super Circular or Uniform Guidance) contains the most significant changes to occur to federal grants administration in recent history. Effective 12/26/2014, the regulation establishes uniform guidance for all entities receiving and administering federal awards, as well as auditors responsible for auditing federal awards programs. It combines several grant-related federal guides into a single-source document. Specifically, it replaces guidance from the following documents.
 - a. Administrative Guidance. The Super Circular replaces previous guidance found in Circulars A-102 (the common rule), Circular A-110, and Circular A-89.
 - b. Cost Principles. Replaces guidance found in Circulars A-21, A-87, and A-122.
 - c. Audit Requirements. Replaces guidance found in Circulars A-133 and A-50.
2. All Grant Coordinator/Program Managers, Grant Accountants and Department Fiscal Manager must follow the guidelines established in 2 CFR Part 200 when administering federal grants. To reference the most recent version, go to www.ecfr.gov and search under Title 2.

DUNS NUMBER

The Federal government requires that all applicants for Federal grants, cooperative agreements, and subawards, with the exception of individuals other than sole proprietors, have a Data Universal Numbering System (DUNS) number to better identify organizations that are receiving funding under grants and cooperative agreements, and to provide consistent name and address data for electronic grant application systems.

St. Louis County's Duns and Bradstreet number is 07-591-3061.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

As of October 1, 2010, all federal grants of \$25,000 and over are subject to the FFATA subaward reporting requirements. Prime awardees are required to upload the subrecipient information in the FFATA Sub-Award Reporting System (FSRS) <https://www.fsrs.gov/index>. Subrecipients must maintain an active registration in the System for Award Management (SAM) in order to receive federal funding.



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1. The Grants Coordinator shall notify the Grant Accountant and Department Fiscal Manager when a FFATA reporting form is requested by the granting agency.
2. The Grants Accountant and Department Fiscal Manager shall complete a FFATA Subaward Reporting Form for all applicable subaward obligations in the amount of \$25,000.
3. The recipient department shall enter the information through the Federal reporting system.
4. Per the Act, a prime awardee must provide:
 - a. The prime awardee DUNS number and the DUNS number of any sub-awardee(s).
 - b. The names and total compensation of the five most highly compensated officers of a prime or sub-awardee entity, if the entity in the preceding fiscal year: (1) Received 80 percent or more of its annual gross revenues in federal awards and \$25,000,000 or more in annual gross revenues from federal awards; and (2) the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. See § 2(b)(1).

FEDERAL REQUIREMENTS FOR CONSTRUCTION PROJECTS

It is the responsibility of the recipient Department to ensure compliance with the following federal requirements involving construction-related projects. Departments should plan accordingly to ensure that adequate time, funding and staffing are available to carry out these additional responsibilities. These requirements shall flow-down to all subcontractors funded through a grant award. Federal grant programs can waive some of these requirements, careful review by the Department of all conditions and terms of the grant agreement/contract is needed.

Davis-Bacon Act

The Davis-Bacon Act is a federal law that established the requirement for paying prevailing wages on public works projects. All federal government construction contracts, and most contracts for federally assisted construction over \$2,000, must include provisions for paying on-site workers no less than the locally prevailing wages and benefits paid on similar projects. The Department's assigned Grant Coordinator/Program Manager must provide Purchasing with a copy of the current prevailing wage determination issued by the Department of Labor to be included in the solicitation. The Grant Coordinator/Program Manager will also be responsible for receiving and reviewing weekly certified payrolls from contractors and subcontractors to ensure compliance with the current wage determination. In addition, the Grant Coordinator/Program Manager will also be required to conduct on-site interviews of workers who are payed under contracts with Davis Bacon requirements.



Uniform Relocation Assistance Act

The Uniform Relocation Assistance Act (a.k.a. Uniform Act) of 1970 is a federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The Uniform Act's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federally funded projects.

Buy American Act

Buy American Act requires U.S. Government to prefer U.S. made products in its purchases. It does not necessarily mean a product has to be purchased in America but does give preference to domestic construction material.

National Environmental Policy Act (NEPA)

NEPA is a federal law that mandates assessment of the impacts on the environment of construction funded with federal dollars.

American Iron and Steel Act (AIS)

Requires recipients of certain federal funds to use iron and steel products that are produced in the United States for the construction, alteration, maintenance, or repair of a public water system or treatment works.

CONFLICT OF INTEREST

As a part of the grant application process, the grant preparer must positively state on any grant form, when asked, that there is an absence of a financial or other interest or affiliation held by them or a member of their immediate family in the funding agency or in companies from which goods and services will be obtained under the supported activity. For Federally-funded grants, conflict of interest language must be included in the application; and, if a potential conflict of interest is identified during grant administration, the Grant Coordinator/Program Manager must disclose the potential conflict, in a timely manner, in writing, to the applicable Federal agency or pass-through entity.

In general, two types of conflict of interest must be considered:



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1. Employee Conflict of Interest. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. Monetary, administrative, and/or loss of grant funds are disciplinary actions that may be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.
2. Organizational Conflict of Interest. Organizational conflict of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the nonfederal entity is unable or appears to be unable to be impartial in conducting a procurement action involving the related organization.

Should there be an employee or organizational conflict of interest within the County, the initiating Department shall disclose, in writing, to the federal awarding agency or pass-through entity in accordance with applicable federal awarding policy.

LOBBYING

The cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements, or loans is an unallowable cost. Departments seeking federal funds for projects must disclose the lobbying activities. Use Federal form SF-LLL Disclosure of Lobbying Activities when applying for Federal funding.

NATIONAL POLICY REQUIREMENTS

County staff shall adhere to National Policy Requirements affecting grants. It is also the responsibility of Grant Coordinator/Program Manager to ensure that subgrantees adhere to applicable policies. A sample of the policies are provided below, but are not intended to be all-inclusive.

Civil Rights

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, et seq. and its implementing regulations provide that no person shall be subjected to discrimination on the basis of race, color, or national



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origin under any program or activity that receives federal financial assistance. In most cases, when a recipient receives Federal financial assistance for a particular program or activity, all operations of the recipient are covered by Title VI, not just the part of the program that uses the Federal assistance.

Equal Services Provider

The County is an equal employment and services provider. All grant decisions are based on merit and program need, and not on race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, weight, religion, creed, physical or mental disability, marital status, veteran status, political affiliation or any other factor protected by law.

Limited English Proficiency (LEP)

Language for LEP individuals can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by federally funded programs and activities. Title VI and Title VI regulations require that recipients take reasonable steps to ensure meaningful access to the information, programs, and services they provide.

American with Disabilities Act (ADA)

In the broadest sense, it requires that state and local governments be accessible to people with disabilities. The County will not discriminate against qualified individuals with disabilities on the basis of disability in the provision of services, programs or activities.

OCCURRENCES REQUIRING IMMEDIATE NOTIFICATION

Key Personnel Changes

Promptly notify the grantor agency, Department Director, Grant Accountant, and Department Fiscal Manager upon the resignation, termination, or retirement of any Grant Coordinator/Program Manager or other key grant program staff member to ensure that proper retention of information and continuous grants management occurs during the transition period. Grantor approval is required to modify key grant personnel.

Notice of Audit, Monitoring Visit or Review

Promptly notify the Chief Accounting Officer and Department Director upon receipt of a notice by the recipient department of a site or monitoring visit to be performed by the grantor. The Fiscal Management Division may assist in the preparation of grantor site visits, reviews, or audits.



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EXTERNAL AUDITS

The Council engages independent auditor(s) to review the County's financial reports and grant reports for compliance and deficiencies. These auditors are managed by the County Auditor and annually review the CAFR (Comprehensive Annual Financial Report) and SEFA (Schedule of Expenditure of Federal Awards).

Federal Single Audit Act

Federal audit and annual reporting requirements are contained in 2 CFR Part 200 Subpart F (200.5 Compliance and Audit Requirements.) Non-federal entities expending \$750,000 or more in a year in federal awards are required to have a single or program-specific audit conducted for that year, performed by an outside auditor. It is important that all grant activity and any changes to the grant are well documented to facilitate any audit. Audit findings made during the audit are provided to the grantor, which could prompt an audit by the grantor.

The following activities are the fourteen types of compliance requirements considered in every audit conducted under 2 CFR Part 200 Subpart F, and are found highlighted throughout this manual:

1. Activities: Allowed or Unallowable
2. Allowable Costs/Cost Principles
3. Cash Management
4. Compliance with Terms & Conditions (e.g. Davis-Bacon Act)
5. Eligibility
6. Equipment and Real Property Management
7. Matching, Level of Effort, Earmarking
8. Period of Availability of Federal Funds
9. Procurement, Suspension and Debarment
10. Program Income
11. Real Property Acquisition and Relocation Assistance
12. Reporting
13. Subrecipient Monitoring
14. Special Tests and Provisions

Granting Agency or Pass-Through Agency Audits

Each grantor and/or pass-through agency may have different terms they use when conducting reviews of programs they fund. However, no matter the term used, the agency is reviewing documentation that substantiates whether the County is in compliance with the terms and



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agreements associated with the specific grant or subaward. These reviews are usually more programmatic in nature although the associated fiscal monitoring can be more detailed. The fiscal monitoring is usually more specific than the single audit in that the reviewing agency requests a number of individual client files and all related programmatic and fiscal documentation to determine allowable services as well as costs.

INTERNAL AUDITS

County Audit

Internal auditing is an independent appraisal activity that evaluates whether management has effectively and efficiently carried out its responsibilities. The Audit Division provides independent, objective and unbiased assessments of the County government practices. The Division applies a systematic and disciplined approach to evaluating the County government operational, compliance, and fiscal risks; examines management control practices; and assesses strategic business governance activities. Through this evaluation activity, recommendations are made to improve operations in a written report.