

City of Palm Coast

# Grants Management

Policy



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**Date**

# City of Palm Coast – Grants Management Policy

## OVERVIEW

The City of Palm Coast has implemented the following Policy and Procedures to ensure all grants (federal, state, county, and private) awarded to the City are effectively and efficiently researched, applied for, appropriated, and monitored.

## DEFINITION AND PURPOSE

The definition of a grant for purposes of this policy is as follows: an award of financial assistance in the form of money or property by a funding source including the federal government, state government, other local governments, non-profit agencies, and private businesses and citizens that the City has the ability to accept or reject.

The purpose of the grant procedures outlined in this document is:

1. To ensure proper oversight of all funds appropriated by the City.
2. To minimize the City's risk of non-compliance with grant requirements.
3. To ensure proper administration and accounting for all grants.

The purpose of this Policy is to establish internal controls and guidelines for the research, application, acceptance, and financial administration of all grants awarded to the City and to assist in providing accurate and complete disclosure of the program and financial results of each grant.

## SCOPE

This policy is applicable to any City of Palm Coast program or department preparing and submitting grant applications to agencies outside the City government for funds, materials, or equipment to be received and administered by the City.

*While this Policy is intended to include standard procedures, some provisions will not apply to certain grant agreements and/or Departments. Such cases will be treated as exceptions.*

The Procedures are presented in two main categories addressing the following areas of the grant cycle:

### Pre-Award

Grant Research and Grant Application

### Post-Award

Award Acceptance, Grant Accounting and Budgeting, Annual Audit, Grant Extensions, Closeout

## ROLES AND RESPONSIBILITIES

Each Department should actively pursue grant resource opportunities; maintain an active grant portfolio; and utilize grant funds to supplement and enhance the long-term goals and objectives of the City.

Each Department is responsible for locating grant funding sources; determining the appropriateness of the grant; preparing required documentation for application submittal; and managing of programmatic or day-to-day functions.

The application, acceptance, and administration of grants should be coordinated with the Finance Department. The Director of every Department is accountable for all grants within his/ her departmental jurisdiction. Each grant shall have a Project Manager identified.

Finance will compile a report of expenditures coded to the grant accounts and provide invoices, proof of payment, and other financial documents needed for reimbursement. Finance will also be responsible for end of year financial reporting of grant activity and related single audit.

***Each Department Director shall:***

- a) Designate a Project Manager for every grant awarded to the Department.
- b) Implement awarded grant projects according to the terms and conditions of the award contract/agreement.
- c) Ensure that the Project Manager tracks grant awards and consults with the Finance Department to communicate all grant related events (i.e. notices received from granting agencies, extensions, amendments, budget revisions, etc.).
- d) Ensure that the Project Manager knows the correct expenditure organization codes for each grant and how to monitor funding using prescribed procedures.
- e) Ensure that the designated Project Manager has a thorough understanding of the grant reporting requirements and reimbursement review process and submittal timeline.
- f) Ensure that project reporting requirements and deadlines for submission are observed.

## **PRE-AWARD PROCEDURES**

All grant applications will be tracked in the ERP system.

**Process:**

- a) Department identifies grant that they intend to pursue.
- b) Department submits the Director approved Grant Processing Request Form (Appendix A) to Finance and City Manager's office for consideration.
- c) Upon approval from the City Manager's office, the department prepares the funding request/application and applicable documentation as outlined by the grantor requirements and enters the grant information into the ERP system.
- d) Department includes the application in an agenda for Council approval and subsequent authority for the City Manager to accept the award, **PRIOR TO** application submission.
- e) The Project Manager of the assigned grant is responsible for submitting applications directly to the funding agency.

## **POST-AWARD PROCEDURES**

All grant awards and corresponding contracts must be officially accepted by the City Manager as outlined in the resolution by Council. Additional Council approval of award may be required by the granting agency. It is the responsibility of the Department to place the acceptance on the Council agenda. Subsequent increases in cost may require additional Council approval, as determined by the City Manager.

**Process:**

- a) The Project Manager will notify the City Manager's office and Finance regarding the official acceptance of the grant award
- b) Delivering the Executed Agreement - Once the Grant Agreement is executed, the Department Director or assigned Project Manager is responsible for delivering the document to the Granting Agency. **No funds may be expended for grant purposes until the agreement has been signed and executed by both parties.**
- c) Receiving the Fully Executed Agreement - The fully executed original agreement (executed by the City and Granting Agency) is received by the grantee Department and a copy is uploaded to the grant in the ERP system.
- d) Purchasing policy and procedures should be followed for the purchase and spending of the grant award. The funding source needs to be identified in the procurement checklist.

## **GRANT ACCOUNTING AND BUDGETING**

- a) All grants must be entered in the City's financial system for tracking purposes and given a unique organizational code for expenditure and revenue.
- b) Grants that are paid in advance by the funding agency and require interest to be reported and/or remitted to the funding agency must be kept in separate funds from grants that are paid on a reimbursement basis.
- c) For City match to be included as part of a grant agreement, amendment/modification, the Department must identify where, in the current or future budgets, the match will be met.

- d) Grant receipts and expenditures must be maintained in accordance with federal, state, and local guidelines/laws applicable to the agreement (federal statute, state statute, local laws/ordinances, federal, state, guidelines). If differences exist between guidelines/laws, the department is to utilize the most stringent requirement (e.g., record retention, travel, inventory).
- e) All reports of a statistical, programmatic or fiscal nature are the responsibility of the administering department, with technical assistance available from Finance, according to the reporting frequency (e.g., monthly, quarterly) established by the funding agency.
- f) Record retention and disposition of applicable records shall be coordinated with the City Clerk's Office.

## **ANNUAL AUDIT**

- a) Audits of grant funds will be conducted in accordance with the grant agreement and appropriate laws.
- b) The Audit of Federal funds is governed by the Single Audit Act, 31 USC 7505 which states: "The Director, after consultation with the Comptroller General and appropriate Federal, State, and local government officials, shall prescribe policies, procedures, and guidelines to implement this chapter." OMB Circular A-133 describes the non-Federal entity's responsibility for managing Federal assistance programs and the auditor's responsibility with respect to the scope of audit.
- c) The Audit of State funds is governed by Florida Statutes Chapter 215.97 which establishes uniform State Audit requirements for non-state entities receiving State Financial Assistance. The Auditor General has issued regulations to be followed - Rules of the Auditor General - Chapter 10.550.

## **EXTENSIONS**

In the event that a grant extension is needed for the completion of a grant project, a grant extension request must be submitted to the granting agency in a timely manner as soon as known and well before the deadline.

- a) Requesting a Grant Extension - The Project Manager is responsible for completing the extension request. This may require the Project Manager to compose, sign, and mail out a formal letter requesting a grant extension; completing an extension request on the granting agency's form; and securing the City Manager's signature.
- b) Submitting a Grant Extension Request to a Granting Agency – At the time the Project Manager submits an extension request to a granting agency, this request must be forwarded to the Finance Department.
- c) Receiving a Grant Extension – After receiving an approved grant extension from a granting agency, the fully executed/approved extensions must be uploaded to the ERP system. This ensures proper accounting and the continued ability to expend from grant accounts.

## **CLOSEOUT**

Each grant has specific closeout procedures to which the City must adhere to. Upon completion of the grant, if applicable, the Project Manager can submit a final report to the Finance Department. At a minimum the Project Manager is required to notify the Finance Department that the grant is now closed.

# GRANT PROCESSING REQUEST FORM

## Department of Finance

DATE :				
DEPARTMENT:				
GRANT PROGRAM:				
GRANTING AGENCY:		AGENCY CONTACT:		AGENCY PHONE NO:
IF FEDERAL GRANT... CFDA #		EXAMPLE OF NUMBER Dept: Department of Education (Agency No.) 84.XXX (Grant Program No.)		
PROGRAM TITLE:				
FUNDING REQUEST:				
FEDERAL	STATE	LOCAL MATCH	OTHER	TOTAL REQUEST
IF LOCAL MATCH IS REQUIRED, ARE FUNDS AVAILABLE IN DEPARTMENT BUDGET? Y/N				
ACCOUNT TO WHICH THE MATCH WILL BE CODED:				
INDIRECT COSTS? Y/N		AMOUNT		
REIMBURSEMENT GRANT? Y/N				
FINANCIAL REPORTS PREPARED BY:		REQUEST FOR FUNDS SUBMITTED BY:		
Department/Consultant                      Finance		Department/Consultant                      Finance		
PROJECT MANAGER:				
PHONE:				EMAIL:
DEPT. DIRECTOR OR THEIR DESIGNEE APPROVING SUBMISSION:		SIGNATURE:		DATE:

Finance to complete the section below