

CITY OF WHITE SETTLEMENT



GRANT SUBMISSION & ACCEPTANCE POLICY

PREFACE

From time to time, various city departments have the opportunity to seek, apply for and receive grant funding for, but not limited to federal, state and local sources. In an effort to support and advance the mission, goals and objectives of the City of White Settlement, this policy establishes standard practices and procedures to create uniformity, economy, efficiency and effectiveness in the proper management and accounting of such grants.

It is the recommendation of our independent auditors that our main policies be reviewed by the Finance Director for updates in relation to our internal control practices.

REVIEW & CITY MANAGER APPROVAL

March 2021

I. PURPOSE

To establish standard practices and procedures to create uniformity, economy, efficiency and effectiveness in the proper management and accounting of grants including, but not limited to federal, state and local sources.

II. POLICY

In an effort to support and advance the missions, goals and objectives of the City of White Settlement, city departments shall from time to time have the opportunity to seek, apply for and receive grant funding.

All solicitations for external funding, whether they require or make promise of matching funds from the City, must receive approval from the Finance Department as well as approval from the appropriate Department Director, City Manager and/or City Council, prior to application submission.

III. GRANT OFFICIALS

It is the policy of the City that each Department Director designate a Project Manager to maintain stringent control over all funds administered by their department and to ensure that all funds are used only for authorized purposes and managed in accordance with the City's budget, and financial policies and procedures. It is also the responsibility of the Project Manager within each department to maintain control over all documentation necessary to facilitate and manage the awarded grant. The Project Manager will also provide the Finance Department of all documentation. All grants are required to have three different grant officials.

A. Authorized Official

- 1) Only the City Manager, or an authorized designee, shall be authorized to sign all grant documents and be listed as the authorized official on behalf of the City of White Settlement.

B. Project Manager

- 1) The Project Manager shall be responsible for the day-to-day operations of the project. Each department within the city may have a different project manager per grant. The Project Manager must be a city employee and will have sole responsibility for program reporting.

C. Financial Officer

- 1) The Financial Officer is required to be the Finance Director for the City of White Settlement. This person shall be responsible for maintaining financial records,

account for all grant funds, supplying required financial reports as deemed necessary and providing all information during any and all grant funding audits.

III. GRANT SEARCH

- A. Each department within the City is responsible for monitoring grant announcements to identify new grant opportunities and actively pursue specific grants for existing or potential projects and/or programs and disseminating that information throughout the department.
- B. Each department shall be responsible for developing its project, program and research ideas.
- C. Each department shall be responsible for reviewing funding agencies, compare the types of proposals and the amount of funding awarded with the goals of your project.
- D. Departments should weigh the reporting and compliance costs when searching for grants. Not all grants are worth the added staff time in maintaining the grant.

IV. GRANT SUBMISSION

- A. There may be several application processes each year depending on funding. When grant opportunities are discovered, each department shall be responsible for preparing a calendar for the grant application process. Special attention should be made to application deadlines.
- B. Once grant opportunities are identified, project managers must obtain approval from the Finance Department as well as from the appropriate Department Director, City Manager and/or City Council, prior to application submission. In the event that the City Manager deems it necessary to seek City Council approval, each department is responsible for the preparation and submission of a Staff Memo and supporting resolution to Council for the consideration of funding.
- C. The Finance Department will aid Project Managers in the financial structure of the proposed projects. In order to successfully do such, the Project Manager must be knowledgeable of the financial and administrative requirements of the grantor agency, application instruction, and all other financial aspects of the proposed grant. Project managers and/or grant writers may submit applications to the Finance Department for review and analysis for accuracy and compliance with all applicable financial rules and regulations, including any applicable cash match requirement. The applications may be returned to the Project Manager as necessary for any revisions.
- D. The Project Manager will obtain all appropriate signatures and submit the grant applications, as well as any supporting documentation to the grantor agency by the submission deadline. The Project Manager shall also coordinate with other city

departments should their involvement be required upon grant award and acceptance.

V. GRANT ACCEPTANCE

- A. Should funds be awarded, each grant must be scheduled for City Council acceptance and/or acknowledgement. In the event the City Manager deems acceptance necessary, the Project Manager shall prepare a packet and place the grant on the appropriate City Council agenda. The City shall officially accept each grant by completing all administrative requirements and obtaining appropriate signatures as specified in the Statement of Award. Each grant awarded outlines acceptance deadlines. Special care must be met to meet these deadlines.
- B. In cases where a local or other match is required by the city, the City Manager and Finance Department must work closely together with the Project Manager in order to meet the financial requirements of the grant.

VI. ESTABLISHING & MAINTAINING BUDGETS

- A. Once grants have been accepted and/or acknowledged by the City Council, the Finance Department shall set up the appropriate accounting/budget requirements, which will allow the city department to properly manage grant funds. Special care must be taken in that each grant has its own specific terms and conditions of expending funds.
- B. Expenditure and revenue reports shall be monitored by the Project Manager and Finance Department on a monthly basis for problems or errors. Necessary adjustments to the accounting system should be made at that time by the appropriate personnel.

VII. PAYMENT AUTHORIZATIONS

- A. All expensed funds, to include invoices, travel requests, purchase requests, etc., will be reviewed by the Project Manager to ensure that the appropriate line items are utilized according to grant application budget.
- B. The Finance Department shall have exclusive authority to deposit all grant funding received into appropriate accounts designated by Finance Department personnel.
- C. The Finance Department shall ensure that appropriate accounting measures are met to provide payments for each expense within the grant process and according to the City's Purchasing Policy.
- D. The Finance Department will assign general ledger numbers to segregate revenues and expenses unique to each project and budget category.
- E. As deemed necessary, the Finance Department shall produce monthly accounting reports in accordance with grant requirements.

- F. The Finance Department shall have exclusive authority to schedule, attend and monitor outside auditing of grant funds. All appropriate financial documents will be produced by finance department for audits.

VIII. GRANT REIMBURSEMENT

Grant funds cannot be obligated before the beginning or after the end of the grant period. Furthermore, each granting authority will provide specific requirements for the entity requesting reimbursement of funds and/or advanced funding. However, in an effort to ensure funds are reimbursed and received in a timely manner, please note the items below in reference to the following areas:

A. Travel Costs

- 1) Reimbursement is based on a cost for reasonable and allowable expenditures. Special attention should be made to the terms and conditions of your grant. Travel expenses to include mileage, per diem and lodging must comply with state and Internal Revenue Service (IRS) travel requirements, unless otherwise stated in your grant requirements.
- 2) Should travel be required for training, proof of attendance and/or training certificates must be maintained.
- 3) Records and supporting data must be documented for travel expenditures.

B. Salaries

- 1) Contact the Finance Department in order to calculate appropriate salary and/or benefits for the grant budget.
- 2) Maintain accurate record of timecards, including name of personnel, hours worked, assignments processed and signature of personnel and supervisor for each grant funding expended.
- 3) Maintain accurate records for volunteers, including name of volunteer, hours worked, assignments processed and signature of volunteer and supervisor for each grant project.
- 4) Maintain log of daily activities performed for all hours worked.
- 5) Clear distinction must be made for all personnel to accurately differentiate between time spent on grant activities and time spent on other activities.
- 6) Overtime compensation to any personnel must be budgeted and/or approved prior to payment.

C Purchasing

- 1) While each grant may have specific guidelines, any and all purchases must also comply with the City's Purchasing Policy.
- 2) An inventory of all items purchased through external funding must be updated and maintained by the Finance Department, with particular attention paid to the categorization of capital assets.

IX. GRANT REPORTING

- A. Project Managers must report their progress in meeting goals, objectives and measures stated in their application. These progress reports are used to comply with local, state and federal requirements.
- B. Each grant will outline the necessary reporting requirements. The Project Manager will take every precaution to meet these deadlines.
- C. The Project Manager will prepare and provide the necessary reports to each department in order to obtain the appropriate information and signatures as required by the grant.

X. GRANT CLOSING

- A. Closure is initiated by the Project Manager as outlined by the grant. The following steps shall be monitored by the Project Manager:
 - 1) Ensure that all grant funds have been properly recorded and a final Financial Status Report submitted.
 - 2) Ensure that all grant funds have been properly recorded and any other reports submitted as required.
 - 3) Demonstrate that all budgeted expenditures have been captured and grant funds have been used appropriately.
 - 4) Ensure that the grantor has accepted all required reports. This includes completion of final expenditure report and inventory reports for any equipment purchased with grant funds. The inventory total must equal the total equipment as reported on the final expenditure report. Any unused funds disbursed from the grantor agency must be returned with the final report.
 - 5) All expenditure reports for the granting agency have been reconciled to the City's accounting system.

- 6) Request disposition of equipment purchased with grant funds, following grant requirements and city's disposition policy.
- B. Once these items are complete, the Project Manager should notify the Finance Department that the grant should be closed within the city's accounting system. It is also the Finance Department's responsibility to closely monitor the overall status of all grants and work with each city department to ensure appropriate closure.

XI. RECORDKEEPING

- A. Each department must maintain all grant records, supporting documents, statistical records, and all other records pertinent to your grant for at least three (3) years following the closure of the most recent audit report or submission of the final expenditure if the audit report requirement has been waived. Records should be retained in their original format.
- B. While each department is responsible for maintaining the aforementioned items, the Finance Department will maintain any and all grant documents related to the reimbursement of funds, as well as other basic documentation for auditing purposes (e.g., copy of grant application, award letter, other supporting documentation, etc.).
- C. If any litigation, claim, negotiation, audit, or other action involving grant records has been started before the expiration of three years, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three (3) year period, whichever is later.
- D. Grantors may require retention periods in excess of three (3) years. Departments must ensure they comply with retention requirements specified by each grantor.
- E. Retention requirements extend to books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel and payroll records, cancelled checks, and related documents and records.