



Grant Policies and Procedures for the

**Finance Department
County of Roanoke, VA**

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County of Roanoke Grant Policies and Procedures

Finance Department

SECTION 1: 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 County 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 to the County.
2. To minimize the County's risk of non-compliance with grant requirements.
3. To ensure proper administration and accounting of all grants.

SECTION 2: SCOPE

This policy is applicable to any Roanoke County program, department, Constitutional Officer, or division preparing and submitting grant applications to agencies outside the County government for funds, materials, or equipment to be received and administered by the County or by an agency for which the County acts as fiscal agent. The goals and objectives of the County departments should be established early in the planning process and should not change based on changes in the availability of different funding sources sought and received. If grant policies and regulations conflict with regulations and policies of the County, the federal and state regulations will prevail unless they are less restrictive than County policies-where County policy prevails.

No grant will be accepted that will incur management reporting costs greater than the grant amount. Such costs include, but are not limited to, indirect costs, overhead and any other items needed to administer the grant. Any unapproved submittal by any County program, department, Constitutional Officer, or division in violation of these grant procedures shall not bind the County.

SECTION 3: CENTRAL RESPONSIBILITY

The County Administrator authorizes the Finance Department to promulgate any procedures that minimize the County's risk for non-compliance with grant requirements and for providing support to requesting agencies. The Finance Department will maintain the back-up file for all grants in order to facilitate management reporting and overall monitoring. The required central grant file will be maintained by the department seeking grant funds and must be retained in accordance with Library

of Virginia retention standards. See <http://www.lva.virginia.gov/agencies/records> for specific requirements and further details on record retention.

For Federal Grants, the department should ensure compliance with the Federal Office of Management and Budget (OMB) general requirements and any other state and/or federal requirements specified in the grant conditions. The Finance Department will review expenditures for obvious non-compliance and will act as liaison with independent auditors. All County programs, departments, Constitutional Officers, and divisions shall submit any/all grant information required by the Finance Department to carry out its oversight responsibilities.

SECTION 4: GRANT APPLICATION PROCEDURES

- 4.1 The County program, department, Constitutional Officer, or division desiring to submit a grant application soliciting funds will prepare the request as outlined by the grantor's requirements. Grant applications will be reviewed by the departments seeking grants in order to make an independent assessment of all financial aspects of the application to ensure funds availability. The department director or their designee should sign the grant application as approval that funds are available and that they are supportive of the fiscal impacts to their department. The department applying for the grant should make every effort to project all initial and ongoing costs associated with the grant program including but not limited to: staff support, needed assistance for computer systems, office space, utilities, systems furniture, vehicles, office equipment, office supplies, computer software and hardware, and/or telephone charges.
- 4.2 Upon the department completing its financial assessment, they shall prepare and submit a Grant Processing Request Form (Appendix A) to the Finance Department with the original grant application, along with any required assurances and conditions prior to submitting the application to the grantor agency for approval. The purpose of this application notification to Finance is to eliminate duplication of submissions by County agencies for the same grant, to allow Finance to maintain a comprehensive list of pending grant applications as well as active grants, to provide assistance as appropriate to departments in the preparation and administration of grants, and to ensure availability of matching funds, where applicable. The Finance department will obtain the County Administrator's approval and notify the department that the application has been approved. Finance will also send a Memorandum of Understanding if necessary on the Grant's requirements to the department applying for the grant and will assist departments on inquiries concerning compliance issues.
- 4.3 The Finance Department will request additional information or revised submittals if needed. The Finance Department will work with the departments to ensure the availability of funds.

For those grant applications where a Board report has not been submitted within a reasonable time, Finance will follow up with the applicable department to see that the proper Board procedures are followed.

- 4.4 Any grant pertaining to technology will be required to complete a Technology Service Request (TSR) Form and forward it to the Communications and Information Technology Department (CommIT) before applying for the grant (See the CommIT intranet site for details.) Roanoke County's Software/Hardware standards and CommIT staffing must be considered for any software/hardware purchases. CommIT must make assurances that any equipment/software purchased will be technologically compatible and can be supported in years to come.
- 4.5 If the grant is incorporated into the Adopted Roanoke County Budget and appropriated, then no additional Board approval is required for the application and acceptance of the grant; however, supporting documentation to assist in monitoring of the grant should be forwarded to the Finance Department.
- 4.6 All grant award acceptances must have approval from the County Administrator and the Board of Supervisors, under the provisions of this policy. This action will involve preparation of a Board of Supervisors agenda item for inclusion on the next regular meeting agenda for consideration. In order for an item to be considered at a board meeting, the department must forward the required Board report and any necessary documentation to the Clerk to the Board of Supervisors office in accordance with Board of Supervisors agenda procedures. Please refer to the Board of Supervisors intranet site for additional information on the Board action agenda process.
- 4.7 In the event that a grant application is denied by the grantor, a copy of the letter of denial shall be forwarded to the Finance Department for their records.

SECTION 5: GRANT ACCEPTANCE PROCEDURES

- 5.1 Whenever possible, all requests for acceptance of grants of a recurring nature should be submitted to the Budget Department through the normal budget process that must be approved by the Board of Supervisors.
- 5.2 The grant award letter/acceptance agreement (notification received detailing the amount of the grant awarded, grant assurances and special conditions, and the guidelines that must be followed to comply with the grant requirements) will be forwarded to the Finance Department, who will review the grant award for reporting requirements, special conditions, and deadlines related to administering the grant.

- 5.3 If deemed necessary by Finance and time permits, the Finance Department may forward the grant award letter/agreement to the County Attorney for legal review of any clauses or grant special conditions to ensure compliance with particular federal or state laws.
- 5.4 In order for expenditures to be processed against a grant, a budget appropriation must be established through Board Action. The department requesting a grant will prepare a Board of Supervisors agenda item requesting appropriation of grant funds, unless the grant has already been approved by the Board of Supervisors as part of the adopted annual budget process. The County Administrator will authorize the grant acceptance through the Board of Supervisors voting quorum.
- 5.5 Upon obtaining a copy of the Board action approving a grant, the Finance Department will assign an account code to the grant and the applicable department will be notified of the account code. For reimbursable grants, all reimbursement requests should be copied and forwarded to Finance, noting the applicable account code for the receipting of the funds. Finance will notify the Treasurer of such anticipated receipts of revenue for those reimbursements made to the County.
- 5.6 Departments should notify the Finance Department if:
 - (a) There is a subsequent alteration in the funding configuration;
 - (b) There is a subsequent alteration in the County's financial obligation;
 - (c) Grant funds will be carried forward into the next fiscal year;
 - (d) There is any notification that the grant will be terminated.
- 5.7 Departments shall process Personnel action/status forms at year end for those grants that have new account numbers each year, to eliminate necessary future adjustments.
- 5.8 Departments are responsible for ensuring that all funds are expended or encumbered prior to the end of the grant period in order for funds to be used adequately and not lost in future award periods.

SECTION 6: GRANT MONITORING AND REPORTING

6.1 Monitoring of Grants

- 6.1.1 Departments are responsible for continuous monitoring of the financial status of grants. The Finance Department will provide departments with on-line access of monthly financial reports for such monitoring. Departments must review the monthly financial reports and notify the Finance Department promptly of any discrepancies noted and/or any additional reports needed.

- 6.1.2 Line item budget amendments must be approved prior to grant expenditures being made in order to avoid lost grant funds when/if amendments are denied. Line items can go negative as long as the grant account is not negative in total, but the department should remember that expenditures must be reported to the grantor by line item and must be allowable in the line item reported and spent.
- 6.1.3 Departments must also monitor grants for compliance with all applicable federal, state, and local regulations and ensure that grant expenditures are in compliance with grant procurement policies and procedures. For example, equipment procured with grant funds must be disposed of in accordance with the terms of the grant and OMB Circular A-87 requires payroll costs to be supported properly based on the percentage worked on the grant. Federal grants must meet requirements set out in OMB Circulars A-87, A-102, and A-133 or the Uniform Grant Guidance, as applicable. Departments should contact Finance if assistance is needed with compliance issues.

6.2 Grant Reporting

- 6.2.1 The requesting department is responsible for providing financial reports to grantors. If it is determined that the report preparation is to be handled by the Finance Department, this must be indicated on the Grant Processing Request Form.
- 6.2.2 Departments handling grant reporting are responsible for complying by the due dates with all reporting requirements of the grant including financial reporting and reimbursement requests. All reimbursement requests should be copied and forwarded to Finance for review and monitoring of timeliness of revenue reimbursements.
- 6.2.3 Timely requests for reimbursements are crucial to maximize the financial benefits of the grants to the County. Grant reimbursements should be completed timely and in accordance with the requirements of the specific grant.

SECTION 7: INDIRECT COSTS

Grant applicants may request indirect costs if the application guidelines do not require a federally approved indirect cost rate and indirect cost are allowed in the grant. Departments should contact the Finance Department for assistance with identifying and calculating indirect costs for inclusion in grant applications. These funds may be used by the Finance Department to offset costs in overseeing the grant including staff time, external auditor expenditures, etc.

SECTION 8: NEW PERSONNEL

Any new personnel positions to be created as a result of grant funding must be approved by the County Administrator and properly classified by Human Resources. Departments are to promptly notify Payroll each July of coding changes needed for those persons being charged to grants since grant codes may change each year. (Coding changes are noted on personnel action/status forms and turned into Human Resources by the applicable departments.)

Where employees are 100% federally funded by a grant, salaries and wages will be supported by semi-annual certifications stating that the employee worked solely on that program for the period covered by the certification. The certification must be signed by the supervisory official having firsthand knowledge of the work performed by the employee. Where employees are partially federally funded, their daily tasks must be listed on Daily Activity Logs provided by the grantor to support the percentage of time spent working on the grant. Distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards. For example, someone working 75% out of federal funding and 25% out of local funding must complete the daily activity log to substantiate the percentages.

SECTION 9: GRANT-RELATED PROCUREMENT AND POLICY ISSUES

The department's purchasing agent must be notified that federal funds are involved for all purchases with federally funded grants, regardless of the dollar amount involved.

Any purchases, of any amount, made with Federal grant funds must comply with the following requirement:

A copy of the required certification related to the suspension and disbarment of the vendor **MUST** be obtained before any funds are spent. This copy must be kept with the grant Central file, and be available for the County auditors when requested. This information is available on the System for Award Management web page and can be accessed at the following address: <http://www.sam.gov/>. From there, go to Search Records at the top left of the page, and search for your vendor by name. You will receive a message showing whether or not your vendor is excluded. If excluded, you may not purchase from that source. If there are no records matching the search request, you may purchase from that vendor, assuming all other purchasing and grant requirements have been met. In either case, please print out the pages for your grant file, to show compliance with this requirement.

The Finance Department also needs to be notified so that assets acquired using Federal funds can be properly identified. Equipment items purchased with Federal funds that cost \$5,000 or more are to be tagged when purchased so that proper disposal procedures can be followed when items are

sold or sent to surplus. Federal equipment should be inventoried at least every 2 years in order to be properly safeguarded against theft, damage, or loss. Inventory records should be maintained in accordance with State Library Regulations. Also, land purchases made with grant funds often have land use restrictions which will be discussed with the County Attorney's office to ensure restriction compliance. When assets acquired with Federal funds are no longer used in the grant program (i.e., grant has expired, asset was lost, stolen, or damaged, or asset became idle) the grantor must be notified. The Federal Government may be due a portion of the proceeds for equipment items with a book value of \$5,000 or more at the time of disposition. If the federal agency is compensated for the current fair market value of the item, the equipment may be retained by the agency.

Grantees should follow the County's and/or grantor's policies and procedures for all practices including procurement for the selection of contractors and vendors. If grant applications have special conditions, a copy of such must be given to Procurement and Finance for assistance in compliance monitoring. If grant guidelines require grantees to abide by different procurement procedures other than those adopted by the County, the grantee should resolve the situation with the County Purchasing Division of Finance prior to submitting the application. As a rule, the federal and state regulations prevail unless less restrictive than County policies-where County policy prevails.

SECTION 10: CLASSIFICATION OF GRANT REVENUE

All federal, state and local grant revenue should be receipted as revenue as opposed to as expenditure refunds in order to be in compliance with approved grant policies. Budgets of expenditures for revenues received are obtained through Board action as previously described in above paragraphs.

SECTION 11: YEAR-END PROCEDURES

Indicate clearly on your July and August vouchers which fiscal year (prior or current) they are to be posted to. Only goods and services received prior to June 30th can be posted back to the prior year. Reconcile July and August expenditures promptly since these adjustments can only be made until the end of August, this is due to audit timing and materiality of expenditures.

Ensure all funds are expended or encumbered prior to the end of the grant period in order for funds to be used adequately and not lost in future award periods.

SECTION 12: COUNTY ADMINISTRATOR EXEMPTION

The County Administrator may exempt any grants from this policy at his/her sole discretion.



GRANT PROCESSING REQUEST FORM

Department of Finance

Appendix A

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 & PROGRESS REPORTS PREPARED BY: Department	Finance	REQUEST FOR FUNDS SUBMITTED BY: Department	Finance	
PROJECT DIRECTOR:				
PHONE:	FAX:	EMAIL:		
DEPT. DIRECTOR OR THEIR DESIGNEE APPROVING SUBMISSION:	SIGNATURE:			DATE:
REVIEWED & APPROVED BY FINANCE:	SIGNATURE:			DATE:
REVIEWED & APPROVED BY COUNTY ADMINISTRATION:	SIGNATURE:			DATE: