

To: Seattle City Councilmember Tim Burgess
Chair, Government Accountability and Finance Committee

From: David G. Jones, City Auditor

Date: April 19, 2013

Re: Centralized Grants Management

Purpose

You requested a short fact sheet that summarizes the experience of jurisdictions that use a centralized grants management system. You noted that you are interested in all phases of the grants management process, including:

Pre-Application: Identifying sources of grant funding and determining the potential fit, feasibility, and impacts of grants.

Application Development: Developing proposals and preparing grant applications.

Financial Management: Financial reporting, billing and receipt of funds, ensuring all charged costs are allowable, and managing assets.

Grant Compliance: Ongoing monitoring and ensuring adherence to grant requirements.

Evaluation: Assessing the effectiveness of the grant-funded program.

In particular, you would like to know if consolidation of grant management is common in other jurisdictions across the country, how it works, and what are its advantages and disadvantages.

Conclusions

We found that jurisdictions vary in the extent to which their grants management programs are centralized. For those jurisdictions that have centralized some aspects of their grants management, we found that each jurisdiction had tailored their approach to address the particular challenges they faced.

For example, **if strategic fit and advance notice of financial commitments are the key challenges**, a system that requires departments to respond to key questions before applying for a grant could be the answer.

If the need for regular, entity-wide financial and management reports is the issue, a centralized grants management database might be key.

However, if an entity **desires to maintain a decentralized approach but wants to ensure that all departments are managing grants consistently and effectively**, than perhaps a centralized Grants Coordinator who acts as a trainer, resource and support is what's needed.

Finally, if **compliance with financial, program and grant-specific requirements is a concern**, strengthening the centralized monitoring role may be the right approach.

How common is centralized grants management?

For the 15 jurisdictions in our sample, we identified whether the responsibility for each major phase of the grants management process was:

Decentralized – Departments have primary responsibility for the major tasks.

Decentralized with Oversight – Departments have primary responsibility for the major tasks, with oversight from a central office.

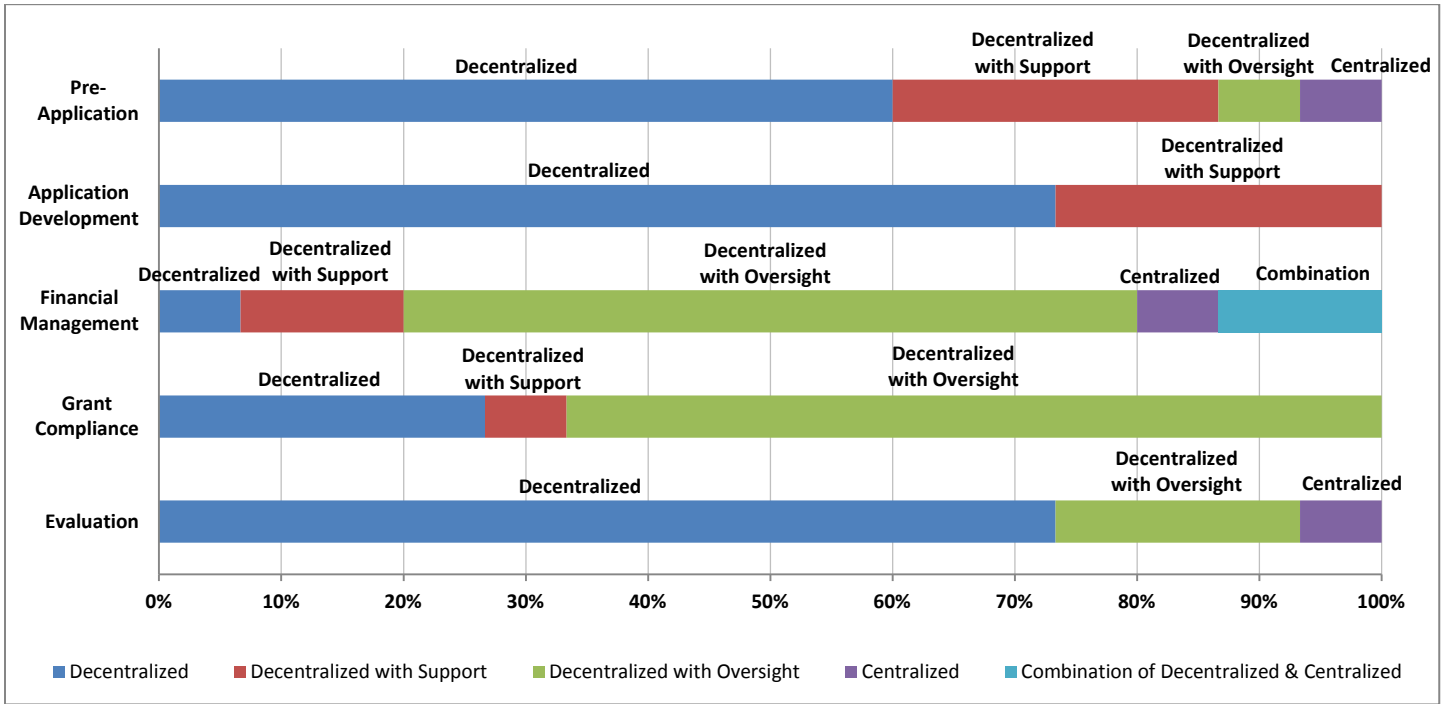
Decentralized with Support – Departments have primary responsibility for the major tasks, but are supported by a central office with grants management expertise. For example, centralized grants management staff could, among other things, help departments identify sources of grant funding, outline the key questions departments should ask before pursuing grants, and/or help develop or review grant proposals.

A Combination of Decentralized and Centralized – Some tasks are handled by departments and others are handled by a centralized grants manager. For example, departments may complete compliance reporting for state and local grants, while a grants manager handles all reporting for federal grants.

Centralized – A grants management office or coordinator has primary responsibility for the major tasks.

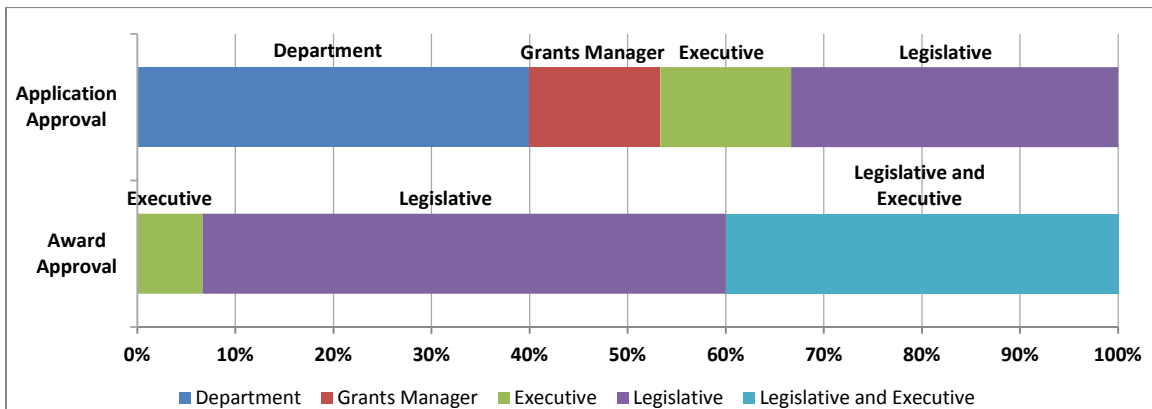
Table I below shows how the responsibilities for the tasks in each major phase of the grants management process were distributed among the jurisdictions in our sample.

Table I. Location of primary responsibility for grants management in 15 local jurisdictions



In addition, we identified which governmental units, if any, were responsible for approving both grant applications and awards. As Table II shows, for the 15 jurisdictions we surveyed, there is more variety in the types of units that approve grant applications than those that approve accepting grant awards. While 100 percent of the jurisdictions we surveyed require some sort of executive or legislative approval to accept grant awards, only sixty percent require such approval for grant applications.

Table II. Approval authority for grant applications and awards in 15 local jurisdictions¹



Note 1: In some of the jurisdictions we interviewed, the approval authority for grant applications and awards varies by type and amount of grant. In Table II, we categorized jurisdictions by the highest level of approval required.

Promising Practices in Grants Management

Promising Practice 1:

Requiring departments to answer key questions up front helps ensure that grants are consistent with the entity's strategic goals, policymakers have advance notice of the financial and staffing commitments associated with the grant, and potential organizational and community impacts have been considered.

Three jurisdictions we contacted require department staff to answer key questions before applying for grants: Loudoun County, VA; Prince William County, VA; and the Metropolitan Government of Nashville and Davidson County, TN.

For example, in Loudoun County, VA, department staff must get a department director's approval before proceeding with a grant application, then complete a grant application form and submit it to the County's Budget Office for review and approval¹. The grant application form asks for information in three categories:

1. Basic Information

Grant amount, funding source, need for local match, authorized uses of funds, whether equipment will be received or purchased as part of the grant program, the grant period, renewal provisions, number of FTEs funded, and special conditions.

2. Grant Program Information

A description of the program to be funded, whether it is a new program or an expansion of an existing program, whether the program is aligned with the department's management plan, and whether a similar program is already provided in the community.

3. Impact on and need for resources

Estimated impact on: the grant program manager's workload and staff in other departments and the need, if any, for additional office space, furniture, County vehicles, telephones, and/or hardware and software.

Departments must also certify on the grant application form that they have discussed the grant with any other departments that may be affected by the grant. The Budget Office then decides whether to recommend the grant application to the County Administrator, who must approve all grant applications before they can be submitted.

¹ See Appendix I for a copy of Loudoun County's Grant Procedures and Grant Application Summary form.

Promising Practice 2:

A centralized grants management database can improve communication among stakeholders, strengthen internal controls over financial and program compliance, and facilitate financial, compliance, and management reporting.

Four jurisdictions we contacted use centralized databases: Loudoun County, VA; the Metropolitan Government of Nashville and Davidson County, TN; Mesa, AZ; and Surprise, AZ.

For example, Surprise, Arizona uses a commercial database, AFI's *GrantNavigator*, to search, track and monitor grants. They have additional research database systems like eCivis, grants.gov and other local list serves. The Grant Administrator uses the *GrantNavigator* tool to disseminate grant opportunities to internal staff. Staff members then have an opportunity to pursue grants that are compatible with the city's goals. If internal staff want to pursue a grant, they hold a pre-application meeting to ensure that the grant requirements can be met. Upon award, the Grant Administrator hosts a post-application meeting to ensure that the grant contract award can be fulfilled. *GrantNavigator* allows the Grant Administrator and project manager to input specific grant milestones, requirements and budgetary logs with their associated due dates into the database. Internal email ticklers are set up to remind staff of due dates. The system has the ability to run reports that highlight items that are overdue so that staff can continually address outstanding issues.

In another case, the City of Mesa, Arizona recently purchased a new financial management system that includes a grants life cycle component. Once this system is up and running, it will allow all departments to record and track grant information related to grant identification, application, and award. Once a grant has been awarded, the system moves the information to its financial module. According to their Grants Coordinator, a centralized listing of all grants facilitates the oversight and monitoring aspects of grants management.

In a third case, Loudoun County, VA, uses an online system called eCivis to search for grant opportunities as well as track grant awards and related documents.

Promising Practice 3:

Centralized grants management coordinators can enhance the effectiveness of the application process and improve program compliance by providing training, resources, and support to departments.

In the City of Mesa, AZ, even though departments have the primary responsibility for both grants development and grants management, the Grants Coordinator provides training and resources and can provide support during key phases of the grants process. For example, to help departments identify grant funding, the Grants Coordinator is developing a SharePoint site to gather data on grants. To help departments make

decisions about whether to pursue grant funding, the Grants Coordinator created a feasibility checklist, with key questions². The Grants Coordinator also provides training on how to complete commonly requested state and federal forms and how to submit applications online, and is available to review Request for Proposals (RFP) proposals.

The University of Washington's Office of Sponsored Programs (OSP) provides another good example of the kind of comprehensive support that can be offered to grant applicants and managers throughout an organization. For example, their user-friendly website (www.washington.edu/research/osp/) has information on:

- Finding Funding
- Preparing Proposals
- Managing Awards
- Policies, Procedures and Guidance
- Learning Opportunities

To help University of Washington researchers and investigators find funding, the OSP website has links to 132 different grants sponsors. Researchers can enter a search query into any of these databases, activate an email alert service, or subscribe to an RSS feed reader. The website also provides links to online guidance and forms needed to write proposals, such as what to consider when preparing proposals and assembling the application package; important UW numbers, codes, rates and facts needed to complete a proposal; tips for working with private funders; and an explanation of how cost sharing works at the university.

Additionally, the site provides access to training, including a core curriculum on basic competencies for working in research administration, contact information for University peer mentors by grant type, orientation for new faculty, and a faculty development series.

Promising Practice 4: *Centralized grants administration can create greater staffing efficiency by allowing staff to specialize in their areas of expertise. For example, grants administrators can focus on financial and grant compliance and program staff can focus on managing programs and operations.*

In Yakima County, WA, the Department of Grants Management (DGM) was created to ensure fiscal and programmatic accountability of federal and state funds, property, and assets awarded to Yakima County. To do this, the DGM developed a policies and procedures manual for the County that sets forth policies in 13 areas, such as accounting for revenue and expenditures, budgeting, reports, and close-out. Further, the DGM conducts regular financial and legal compliance reviews of all departments

² See Appendix II for a copy of the grant/project feasibility checklist.

receiving grants and their sub-recipients. Through these reviews, the DGM determines whether an entity is in compliance with the County’s policies and procedures, federal, state, and local laws, and the grant agreement requirements. To support departments receiving grant funds, DGM accountants prepare federal financial reports and special budgeting reports for management review.

Similarly, in Loudoun County, VA, the Grants Accountant in the Department of Financial Services plays a monitoring role by reviewing all grant-related financial reports before the department submits them to the grantor agency. In Prince William County, VA, the Finance Department provides oversight by reviewing reports and monitoring activity within the County’s automated system.

Potential Advantages to Centralized Grants Management: Meeting Goals

Our discussions with grants management coordinators from 15 local jurisdictions suggest that the effectiveness of grants management programs has become increasingly important because elected officials and policymakers need to ensure that the following goals are met:

1. Managers and staff direct their efforts toward obtaining grants that are consistent with the jurisdiction’s strategic priorities;
2. The jurisdiction does not miss grant funding opportunities;
3. Policymakers have advance knowledge of the financial and staffing commitments tied to grants *before* they are accepted;
4. Policymakers and managers consider the potential “hidden” impacts grant-funded programs may have on the community and its’ resources *before* grants are accepted; and
5. The jurisdiction does not lose grant funding or incur penalties because of non-compliance with grant requirements.

We found that centralized grants management can help achieve these goals. For example, our first promising practice, requiring departments to answer key questions up front, helps ensure that grants are consistent with the entity’s strategic goals, policymakers have advance notice of the financial and staffing commitments associated with the grant, and potential organizational and community impacts have been considered—goals 1, 3, and 4 above.

Promising practice three, having centralized grants management coordinators act as a resource to departments, can enhance the effectiveness of the application process and improve program compliance—goals 2 and 5 above. Promising practices two and four—use of a centralized grants management database and allowing for greater staff specialization—may also contribute to the achievement of goal 5, which is to ensure that all grants are in compliance, preventing loss of funding or the imposition of penalties.

Potential Disadvantages to Centralized Grants Management

Based on our research, we identified the following potential disadvantages to centralized grants management:

1. Increased oversight and less flexibility could discourage departments from seeking grant funding;
2. Centralized review processes could delay grant applications past the application deadline and result in loss of grant revenue;
3. Preparing grant applications for review could create additional work up-front for program staff; and
4. Funding centralized grants managers and software could increase costs.

Some of these potential disadvantages were addressed by the jurisdictions we interviewed. For example, the second potential disadvantage, —the possibility that grant applications could be delayed past their due dates by a more lengthy review process, had been addressed by all of the entities we contacted with centralized grants management programs. Each of these jurisdictions had implemented controls, such as conditional approval, to prevent the problem.

Additionally, the concern that a review process could create additional up-front work for program staff could be balanced by reducing the amount of time program staff must spend preparing financial reports (see Promising Practice #4) or by the additional support they receive from centralized grants coordinators (see Promising Practice #3).

Due to the many factors that affect whether departments pursue grants and are successful in obtaining them, we were unable to assess whether jurisdictions with greater centralization and oversight in their grants management processes experienced a reduction in grant applications. Our research also did not address how centralized grants management programs are funded.

Scope and Methodology

To gather data on grants management and obtain referrals to jurisdictions with innovative approaches to grants management, we contacted representatives from the Government Finance Officers Association (GFOA), the Washington State Auditor's Office, the Grants Professional Association, and two consultants in the field of grants management. These sources provided us with the names of government entities throughout the United States known to be proactive and innovative in their grants management approaches. We also contacted a number of Washington and Pacific

Northwest jurisdictions during our survey, and three jurisdictions³ from other parts of the United States that are comparable to Seattle in terms of size.

We contacted a total of 15 jurisdictions to learn about their grants management processes and obtained copies of their grants policies and procedures. We evaluated these jurisdictions' approaches to grants management to identify promising approaches and to determine which aspects of their grants management programs, if any, were centralized or had centralized support or oversight. We also reviewed GFOA's draft white paper on Best Practices in Grants Management. The summary recommendation from this report states:

The Government Finance Officers Association (GFOA) recommends that governments encourage grant-seeking by staff, but also recognize the potential risks of grants and take steps to manage those risks. Finance officers need to establish processes and policies to promote awareness that grants normally come with significant requirements. Further, the processes and policies should ensure that the awareness exists not only throughout the life of the grant, but also in advance of the grant award, for example, during the application phase of the grant.

GFOA draft white paper: Best Practice: Grants Management and Administration (2012)

³ These cities are: Austin, TX; Boston, MA and San Francisco, CA. We also called New York City and Cleveland, OH, but eliminated them from our sample because their grants management programs are completely decentralized or are currently in transition.

**Appendix I: Loudoun County
Grant Procedures**
(in effect as of December 1, 1998; revised August 2012)

Introduction.....	2
The Board of Supervisors’ Fiscal Policy	2
Preliminary Issues	
Grant Program Planning	3
Grant Funding – the Local Match.....	3
Hidden Costs.....	4
Grant-Funded FTE and Staff	4
Non-Cash Grants.....	4
Potential Conflicts with County Policy	5
Department Head Approval.....	5
Submitting a Grant Application	5
Review of the Grant Application.....	5
Acceptance of the Grant.....	6
Management of Grant Funds.....	7
Renewal of Grant Funds	7
Termination of the Grant.....	7
Grant Close-Out.....	7

Grant Application Summary Form.....	8
Sub-Recipient Checklist.....	10

Introduction

These procedures describe Loudoun County Government's grant application and acceptance processes, and are to be used for all grants processed through the County. For the purposes of this document, the term "grant" is defined as funding or goods/services that are derived from the Federal government, Commonwealth of Virginia, other localities, or other private or public sources. Grants may be funded from various streams or made in various forms. Some of the more common grants are described below.

- A **categorical grant** is for narrow and defined purposes, such as a grant award to be used for the purchase of radar devices for the Sheriff's Office.
- A **block grant** serves a broad functional area, such as funds for technical assistance, training and research for the purpose of developing accountability-based sanctions for juveniles in the court system.
- A **project grant** provides funds for specifically defined needs and is awarded for a specific term. An award of \$35,000 to operate a transitional housing project for one year is an example of a project grant.
- A **private or non-profit grant** refers to the funding source and may or may not be one of the types described above.

The Board of Supervisors' Fiscal Policy

The Board of Supervisors' Fiscal Policy outlines the County's overall philosophy and policy related to grant funding and programs. The Fiscal Policy promotes intergovernmental aid (grant funding) as a possible revenue source. The Policy also contains broad guidelines that establish the parameters for the review, application and acceptance of grant funds:

"The County should routinely identify intergovernmental aid funding possibilities. However, before applying for or accepting intergovernmental aid, the County will assess the merits of a particular program as if it were funded with local tax dollars. Local tax dollars will not be used to make up for losses of intergovernmental aid without first reviewing the program and its merits as a budgetary increment. Therefore:

- All grant applications must be approved by the County Administrator upon recommendation by the Budget Office prior to submission.
- Grants may be accepted only by the Board of Supervisors.
- No grant will be accepted that will incur management and reporting costs greater than the grant amount."

These procedures outline the administrative steps necessary to achieve and implement the Board's Fiscal Policy.

Preliminary Issues

Grant Program Planning

Identification of and application for an outside funding source should coincide with a project planning and development process. This process should include defining the scope, service delivery, and goal of the program or service. The purpose of the grant application should complement the mission of the department which is sponsoring the project. The scope and goals should be established early in the planning process and are not subject to change as different funding sources are sought and received. The following questions should be considered:

- Does the County Administrator and Board Supervisors want to provide this service?
- Does the program fit within the department's management plan?
- Will management and administrative costs associated with the program exceed the grant amount?
- What initial and/or ongoing staff resource, operational, replacement or other costs are associated with the program?
- Will staff resources from other departments (such as DIT or General Services) be needed to implement and/or manage this program?
- Will the grant funding pay for all costs during the life cycle of the grant?
- Does the sponsoring department understand that the program and related staff positions may be abolished if the grant is terminated and that substitution with general county funds is not an option?
- If this grant is for a good to be purchased that conflicts with Loudoun and the Commonwealth's procurement policies, is it worth pursuing?

Grant Funding – The Local Match

Some grantors require that they not be the sole funding source for a project, and that a local match may be a requirement. If applicable, the type and level of local match should be specified by the grantor. Local matches may include a cash match or an in-kind match. Cash matches are local government funds and in-kind matches may include, but are not limited to, staff hours, space, equipment, professional and non-professional volunteer hours which are calculated at a rate set or agreed upon by the funder., and donated professional services (architectural, medical, planning, legal and others).

Departments must have sufficient funds, staff and resources available within existing appropriations to fund the local match. If not, the sponsoring department must contact its Budget Analyst to determine if other funds are available or could be requested from the Board of Supervisors.

Hidden Costs

Often costs beyond those of any required local match arise during implementation and management of a grant funded program. While the costs may be in the form of additional dollars needed, they may also be in the form of additional workload or other requisite resources. These costs need to come from general funds.

The department applying for the grant should make every effort to project all initial and ongoing costs associated with the grant funded program, which may include, but are not limited to: office space, utilities, systems furniture, vehicle, office equipment, office supplies, computer hardware and software, and/or telephones. Departments shall plan for future costs associated with the replacement/upgrade of any computer hardware or software. A hidden cost may include staff from support agencies during the management phase of a grant funded program, such as staff support, either initial (staff to build two new systems furniture workstations) or ongoing (continual assistance from DIT to manage a new computer program obtained with

grant funding). Within the County, the most frequent departments which would provide programmatic support would be General Services and Information Technology.

As much as possible, departments should attempt to forecast these “hidden costs” to ensure that sufficient funds are available and to ensure that the impact on other staff has been planned.

Grant Funded Positions

Some grants include funding for program staff. When this is the case, the following issues should be considered.

- **Employment Status** - If staff positions are created and filled using grant funding, the positions will be created as County Long Term Temporary positions. The decision as to the employment status (regular or temporary) of grant-funded positions is made by Management and Financial Services and the County Administrator. Typically, positions that are wholly or partially grant-funded are temporary in nature, and the employees hired into the positions are assigned temporary employment status. Once positions are classified, all related County policies apply. Offer letters to individuals being hired into these positions should state that the position is grant supported and that the existence of the position is dependent upon continued grant funding.
- **Costs** – There may be immediate and/or future costs related to a position’s employment status. For example, if created as a long-term temporary position, the cost of some benefits must be factored in. In terms of salary increases, both temporary and regular positions would receive any future scale adjustment increases, while regular positions would likely receive any future performance based salary increase. These costs should be projected and factored into the grant costs and project management plan.
- **Timeframe** – The length of time needed for the job classification, advertising, and hiring processes should be taken into consideration when projecting the implementation timeline of the grant funded program.

Non-Cash Grants

Some grants, particularly where the County is a sub-recipient, do not have a cash component but provide goods or services. Frequently, these grants are for specialized equipment. When participating in these programs, the department must maintain thorough documentation of the process involved, including information on procurement, acceptance, inventory control, warehousing, and distribution of the goods and services. Grants of this type should be documented in the same manner a cash grants.

Potential Conflicts with County Policy

Certain aspects of a grant may create a potential conflict with County policy. For example, a grant may provide funding for a nine-month temporary employee with benefits. This is a potential conflict with County policy which does not provide benefits to positions that are short-term and temporary in nature (such as the nine-month temporary). Another example would be a grant that requires purchasing/using the services of a specific vendor. This is in conflict with the County and Commonwealth purchasing resolutions, statutes, and policies which ensure fair and competitive procurement.

In both of these examples the County policy or regulation will prevail, not the provisions stipulated in the grant. Staff must review grant applications in the context of County policies and regulations, raising potential conflicts with the appropriate staff person(s) as soon as possible.

Department Head Approval

Staff shall discuss all pertinent grant conditions and programmatic implementation issues with the respective Department Head, and apply for a grant only if the Department Head is aware and supportive of the potential programmatic, operational and fiscal impact to their department of the grant-funded service. Staff should proceed with the grant application only if the Department Head fully concurs.

Submission of a Grant Application

Once the Department Head approves submission of the grant application, the responsible staff shall:

1. Complete all grant application forms required by the funding source.
2. Leave the signature space blank if the grant application requires the signature of the County Administrator/ Chief Appointed Official (the application will be signed at a later date by the County Administrator).
3. Obtain the department head's signature on the grantor forms if the grant application does not require the signature of the County Administrator/ Chief Appointed Official.
4. Discuss the impact of grant management with other departments (DIT, HR, General Services, etc.) that may be affected by the prospective program.
5. Submit copies of the grant application and a completed copy of the Grant Application Summary Form to:
 - a. The Budget Analyst, who reviews grant applications for the County Administrator. This information must be submitted to the Budget Analyst at least one week before the grant application deadline to allow for sufficient review time, and
 - b. The Department of Management and Financial Services, Finance and Accounting Division.

Review of the Grant Application

As stated in the County's *Fiscal Policy*, all grant applications must be approved by the County Administrator (regardless of the amount). County Administrator approval occurs through his signature on the Grant Summary Form. If the grantor requires the signature of the County Administrator on the grantor forms, he will sign these also. Otherwise, the appropriate Department Head should sign the grantor forms.

County Administrator approval is not needed for preliminary letters of intent or for renewal funding that is regularly provided to the County using an established formula.

On behalf of the County Administrator, the Budget Analyst reviews grant applications, consulting with other staff (such as Human Resources, Purchasing, General Services, etc), as needed. This review may include:

- An assessment of the service/good, particularly in the context of the department's management plan, overall County programs, and the Board's Strategic Plan.
- Identification of any hidden costs or policy conflicts.

- An analysis of positions funded by the grant, to include impact on existing positions, verification of job classification, and employment status.

The Budget Analyst will forward the grant application and Grant Summary Form to the County Administrator. The County Administrator will indicate either approval or disapproval on the Grant Summary Form. After the Form has been signed, the Budget Analyst will keep the form on file, sending a signed copy to the Department of Management and Financial Services, Finance and Accounting Division and the department staff contact. The Budget Analyst will then return the grant application to the responsible staff for grant submission.

Though required in the past, it is no longer necessary to notify the Board of Supervisors of grant applications unless the application requires a resolution of support or public hearing prior to application submission.

Acceptance of the Grant

Upon notification of grant award is received, the responsible staff shall:

1. Send a copy of the award letter to
 - a. the Budget Analyst,
 - b. the Treasurer's Office Investment Officer, **and**
 - c. the Department of Management and Financial Services, Finance and Accounting Division. Management and Financial Services will assign an index code and a revenue sub-object code to the grant, and will inform the Budget Analyst and the Treasurer's Office Investment Officer of the assigned code(s).
2. Prepare and submit to the Budget Analyst a fund balance budget adjustment (BA) that estimates and appropriates the additional revenue and expenditures associated with the grant.
3. Prepare information that describes the budget adjustment. An example is provided below:

BA-13572 estimates and appropriates \$28,852 in the 1998 State V-STOP grant, which funds 90% of costs associated with a sexual assault case management program. The 10% local match requirement will be provided through existing department allocations.
4. Submit the BA information to the Budget Analyst, who will forward the information (as part of the Administrative Items Report) to the next appropriate Board of Supervisors' meeting. Subsequent Board approval of the Administrative Items Report constitutes Board acceptance of the grant funds.
5. Send a copy of the Grant Application Summary Form to any internal operations agency (DIT, General Services, HR, etc) involved with or affected by the grant. These agencies must be contacted so that they may assist with program start-up and/or the hiring of staff.

If the grant requires regular positions, the department must prepare an Action Item, requesting approval of the positions by the Board of Supervisors (Administrative Items Report).

Management of Grant Funds

Departments must keep grant funds in balance and must closely monitor grant funds to ensure that they are used only for the intended purpose. Departments must ensure that all grant financial reports have been reviewed by Financial Services **prior** to submission to the grantor agency. If the County is a subrecipient of funds or goods/services through an award to another entity, all the County's policies related to fiscal management, inventory, and reconciliation shall be followed. If Loudoun will be providing funding/equipment to sub-recipients, a memorandum of understanding must be obtained between Loudoun County and the sub-recipient that outlines the grant requirements. No purchases can be made until a signed agreement has been received.

Contact your Budget Analyst and the Department of Management and Financial Service's Finance and Accounting Division if: 1) there is a subsequent alteration in the funding structure; 2) there is a subsequent alteration in the County's financial obligation; 3) grant funds will be carried forward into the next fiscal year; or 4) there is any notification that the grant will be terminated.

Renewal of Grant Funds

If the grant is renewed by the grantor, contact the department's budget analyst. A budget adjustment shall be prepared and information similar to that described on page 7 (#3) shall be required for inclusion in the Administrative Items Report. The Grant Application Summary Form is necessary only if there are changes to the funding structure, local match, or programmatic use of the funds.

Termination of the Grant

When notified of grant termination, contact your Budget Analyst immediately. There is no guarantee that general funds are available or may be used to fill in the gap where grant funds have been lost. This also applies to continuation of grant-supported positions. Upon completion of a grant and close out, the funded program ends as does continued employment of staff in the grant-funded FTEs in accordance with appropriate County Policy. Any request for continuation of the program using general funds should be submitted as an enhancement in the subsequent budget process or as an action item through the appropriate Board Standing Committee. Equipment procured with grant funds must be disposed of in accordance with terms of the grant.

Grant Close-Out

Upon completion of project or term expiration of the grant, the project manager shall ensure that the following occurs:

1. All funds must be disbursed or returned to the grantor. The purchase order needs to be closed and the file documented.
2. A summary of the program outcome and all supporting documentation need to be in the file.
3. Files shall be retained for five years from the date that the project is closed. Auditing of project files receiving federal funds must be made readily available.
4. If the County of Loudoun is acting as a grantor, fiscal agent or administrator of a grant to a subrecipient and there was an issue of malfeasance or nonfeasance during the contract, the project manager shall work in conjunction with senior County staff in determining whether or not debarment proceedings against the grant recipient should be initiated.

Grant Application Summary Form

Basic Information

Name of grant: _____ Dept. name: _____

Dept. Head signature _____ Date _____

Name of grant program manager/staff contact: _____ Ext. _____

Amount of grant funding: _____ Grant application due by: ____/____/____

Grantor: _____ State _____ Federal Grant Type: ____ New ____ Continuation

Local match required?: ____yes ____no Type and amount of local match: _____ cash
_____ in-kind

Describe the authorized uses of funds: (Salary & benefits, Supplies, Contractual Services Travel, Other)

Local match funds available in existing department appropriations: ____ yes, index code _____ ____ no

Does this grant involve the receipt or purchase of equipment? ____ yes ____ no

If so, briefly describe: _____

Grant time period: _____ to _____

Are there any provisions to renew beyond this time period? ____yes ____no

If yes, what are they and how will they be funded? _____

Are there any special conditions or provisions related to "maintenance of effort" (conditions or provisions that require the County to maintain this program after grantor funding is no longer available? ____yes ____no

If yes, what are they? _____

Are there any other special conditions or provisions? ____yes ____no

If yes, what are they? _____

of FTE funded through the grant: _____ Preliminary job classifications: _____

Grant Program Information

Brief narrative of program to be provided using grant funds: _____

Is this grant an expansion of an existing program, if so what index codes are associated? _____ If this is a new grant, identify the program code/ user code where the new index codes will be setup. _____

How does this program fit in the context of your department's management plan? _____

Is this (or a similar) program provided by any other County or school agency? _____yes _____no

Impact on and Need for Resources

How will the grant program manager's workload be affected by this grant? _____

What staff in other departments will be needed to implement or support this program? _____

Have you contacted those departments to discuss this grant? _____yes _____no

Is your existing office space sufficient to accommodate the new staff? _____yes _____no

Will additional office space be needed? _____ yes _____ no

If yes, how much office space? _____

Will you need any reconfiguration of existing office space? _____ yes _____ no

Will any new or additional systems furniture be needed: _____ yes _____ no

Will a County vehicle be needed: _____ yes _____ no If yes, how often? _____

What new or additional office equipment or furniture is needed? _____

How many new telephones and/or phone lines are needed? _____

What additional computer hardware or software will be needed? _____

Will the hardware or software be supplied through the grant? _____yes _____no

If yes, will the hardware/software be updated/replaced (using grant funds) as needed or required? _____yes _____no

Will any reconfiguration of existing computer hardware be needed? _____yes _____no

Will any of the following be needed: Mainframe access? _____ yes _____ no
E-mail? _____yes _____no
Voicemail? _____yes _____no

Do not write in this space

Budget Analyst Recommendation: _____approve _____disapprove

Budget Analyst Comments: _____

Budget Analyst Signature: _____ Date: _____

Grants Analyst Recommendation: _____approve _____disapprove

Grants Analyst Comments: _____

Grants Analyst Signature: _____ Date: _____

County Administrator Decision: _____approve _____disapprove

County Administrator Signature: _____ Date: _____

SUB-RECIPIENT CHECKLIST

When the county is acting as fiscal agent (“pass through”) for competitive or formulary grants to other entities, the department managing the grant must ensure that transfers of funds and/or equipment are handled appropriately. Note that the specifics of handling issues related to sub-recipients are determined by the requirements of the funding entity. In addition, the department should adhere to existing fiscal policies of the County.

The department managing the grant should maintain documentation on the following information for the grant program and all sub-recipients:

- Schedule of disbursement
- Required report submissions and dates
- Inventory controls in place
- Procurement compliance (both county and federal)
- Following labor requirements (FLSA, Davis-Bacon, Section 3, etc.)
- Diversity in procurement and contracting (MBE, WBE)
- A system and process for project/program compliance tracking
- Copy of 501(c)(3) certification (if applicable)
- Annual independent audit
- Compliance with excluded parties list verification
- Compliance with BPOL verification
- ACCORD or similar insurance verification

**All documentation should include any program identification numbers, such as the Grant’s CFDA (Catalogue of Federal Domestic Assistance) Number for a federal grant.

A cooperative agreement or memorandum of understanding should at *minimum* include the following terms:

- Clearly define the roles of the county and sub-recipient
- Include schedule of disbursement, report submission
- Date of grant expiry and, if applicable, renewal options
- Consequences of noncompliance, mal- and misfeasance, etc.
- Audit provisions
- Reference and incorporate grant submission and award
- Record retention requirements
- Specify the sub-recipient and county’s contract administrators

Review of the memorandum of understanding shall be routed through the following prior to execution:

- Sponsoring department’s director
- Department’s budget analyst
- Accounting staff handling grant program
- County Attorney (if applicable)
- Department’s procurement liaison

For further questions or assistance contact the grants staff in the Budget Office of the Department of Management and Financial Services.

DRAFT-City of Mesa

GRANT PROJECT FEASIBILITY/PLANNING CHECKLIST

✓ **Demonstration of Need**

- What is the issue, problem or community need to be addressed?
- Do you have data to demonstrate the need?
- What are the tangible and/or intangible benefits?
- Does the project align with the COM mission *and* funding source (if identified) mission/goals?

✓ **Planning**

- What is the scope of the project (target population or area to be served, time period)?
- What specific services or products will be delivered/provided?
- Are these achievable?
- Who are the shareholders (internal and external to COM, such as local community agencies, businesses, school districts)?
- Have your department manager and city manager been engaged in the project planning?
- Does the project require City Council approval and resolution prior to submission?

✓ **Resource Requirements**

- Will the project require additional personnel/positions?
- If the project requires existing staff time, do we have the capacity for that?
- What are the material and related costs (equipment, supplies) and will they be covered by grant funding?
- What are the project technology needs?
- Will there be a need for facilities/office space?
- Does the grant require Partnerships/Strategic Alliances and are these in place?
- Will the project commit the City to a multiple year maintenance commitment?

✓ **Existing Models**

- What are factors of success?
- What are the potential barriers of implementation (legal, political, regulatory, technological)?

✓ **Measurement of Success**

- What improvements can be expected as a result of this project?
- How will they be measured (evaluation tool) to ensure accountability?

✓ **Financial Resources**

- What is the estimated budget amount?
- Is there budget in place, or do you need to adjust budget for this project?
- Is match required?
- Will this project generate revenue? How?
- How will this project be sustained?