
	<b>ADMINISTRATIVE POLICIES AND PROCEDURES MANUAL</b>		<b>SUBJECT: Grant Administration Policy and Procedure</b>	
	NUMBER: BF-24	REVISIONS: 1	EFFECTIVE DATE: June 30, 2015	PAGE: 1 OF 6
	SUPERSEDES: BF-24, Rev. 0 (October 1, 2006)		APPROVED BY:   Donald Cooper, City Manager	

**BF-24.0 PURPOSE:**

The purpose of this directive is to establish departmental guidelines for *new* Federal, State and Local Grant Applications; Grant Agreements; and, to define the responsibilities of Grant Administration. This policy and procedure does not apply to yearly reoccurring City Grants, (*i.e., Community Development Block Grant, State Housing Initiative Partnership Grant*).

**BF-24.1 OBJECTIVE:**

To coordinate and streamline the administrative efforts of City Departments during the overall grant process.

**BF-24.2 POLICY**

**A. Grant Applications**

**a. Identification of Grant Opportunities:**

- i. City Departments are encouraged to explore funding opportunities that are compatible with the mission and strategic plan of the City of Delray Beach, and meet the objectives and funding needs of the department.
- ii. City Departments are authorized to identify and pursue grant opportunities by preparing written or on-line grant applications for new grant funding for programs that are under their jurisdiction; however, the City Departments are not authorized to execute the grant application or submit the online grant application to the grantor without the City Commission approval.
- iii. The City may contract with certain consultants that will be authorized to identify and pursue grant opportunities for City Departments; however, these consultants are not authorized to execute grant applications or submit the grant application to a grantor without the City Commission approval.

**b. Approval for Grant Applications:**

- i. All grant applications must be approved by the City commission.
- ii. The initiating Department shall prepare a Consent Agenda Request to the City Manager. The Agenda Request should include:
  1. A description of the grant request
  2. Any required Local Cash Match or In-Kind Match
  3. Any other special conditions

**4. The unsigned Grant Application form**

- iii. The Consent Agenda Request with supporting documents is to be submitted through the departments designated Approver via *Novus Agenda*.
- iv. The Budget Office is notified of the Consent Agenda Request needing budgetary approval through *Novus Agenda* and will review the request for the following:
  - 1. Local Cash Match (*if applicable*) – Determine if the City has available funds to satisfy the local cash match and shall identify the type/source of the cash match and denote it on the Consent Agenda Request form for Commission approval.
  - 2. If the Grant is Reimbursable – Determine if the city has available funds to upfront the grant expenditure(s) until the grant funding is reimbursed.

Once reviewed, the Budget Office shall approve/deny the request item via *Novus Agenda*.

- v. The City Manager shall review and approve (*if satisfactory or return it to the initiating Department*) the Consent Agenda Request and, shall forward approved documents to the City Clerk for placement on the Commission agenda.
- c. **Emergency Exception(s):** In the event of an emergency (*example: If the grant application deadline cannot be met due to a Commission meeting date conflict, etc.*), a grant Consent Agenda Request and supporting documentation, requiring the City Commission approval, may be submitted directly to the City Manager for approval to execute the written or on-line grant application in-advance; and, to submit the grant application to the grant agency. **IMPORTANT: The initiating Department is responsible for placing the item on the first subsequent Commission meeting for approval.**

**IF THE GRANT APPLICATION HAS BEEN APPROVED BY THE CITY COMMISSION, THE GRANT AGREEMENT, IF RECEIVED, WILL BE HANDLED AS FOLLOWS:**

**B. Grant Agreements**

- a. **Exceptions** – A grant agreement/contract **does not require** the City Commission approval under either of the following conditions:
  - i. The grant application was previously approved by the City Commission; and, the scope of the application did not change significantly
  - ii. The Local Cash Match or the In-Kind Match did not change from the previously approved grant application.
- b. **Initiating Department**
  - i. Shall submit the unsigned grant agreement to the City Attorney for legal sufficiency review/approval (*if required*) before the grant agreement is executed.
  - ii. Shall submit a written request to the City Clerk to coordinate the execution/signature process for the grant agreement in accordance with the grant agency instructions. The initiating Department shall attach the original unsigned grant agreement. The City Clerk is responsible for submitting the partially executed grant agreement to the grantor for signature.
  - iii. Upon receipt of the fully executed grant agreement from the grantor, the initiating department is responsible for distributing the fully executed grant agreement as follows:
    - 1. **Receipt via Mail** –
      - a. Submit the **original** fully executed Grant Agreement to the City Clerk.
      - b. Retain a **copy** in the departmental grant file.



2. Receipt via Internet –
  - a. Print a copy of the Grant Agreement and submit the printed copy of the online fully executed Grant Award, Grant Agreement, and/or Grant Award documents to the City Clerk.
  - b. Retain a printed copy of the entire grant award package in the grant file.
- c. **City Clerk** – Shall retain the **original** fully executed Grant Agreement in the City Clerk's Office and shall submit copies to:
  - i. The initiating department
  - ii. The Finance Department to be kept in the Grant file.

### **BF-24.3 FINANCE / ACCOUNTING**

- A. **Grant Fund** – to be established in such a manner as to be easily identifiable within the City's Financial System. The following procedure applies when the grant is awarded:
  - a. The Finance Department shall establish and or assign a grant revenue account number and a grant expenditure account number in accordance with the grant requirements. The administering Department shall be notified.
  - b. The Finance Department shall assign a specific project number to a grant in the Project Master file to track the grant activity and will notify the administering Department of the project number.
  - c. The Finance Department shall establish the grant budget by processing a budget transfer to budget the grant revenue and the grant expenditure only if the grant budget was not already included during the Budget Process. Copies of the Budget Transfer form shall be retained as follows:
    - i. Original within the Budget Office
    - ii. Copy with the Finance department's grant file
    - iii. Copy with the administering Department's grant file
- B. **Receipts & Expenditures** – will be maintained in accordance with Federal, State, and Local guidelines/laws applicable to the agreement as well as Generally Accepted Accounting Principles.
- C. **Monitoring** – The finance department shall be responsible for the financial aspects of the grant award and will monitor the grant agreement and the grant reporting (*Exceptions where the Department will submit their own reporting must be established at the commencement of a new grant*). The Finance Department shall also provide technical assistance to the administering department as needed.
  - a. **Grant Reports** – The Finance Department is responsible for preparing the financial reports and submitting the financial reports to the grantor by the designated due dates as set forth in the grant agreement. (*In Instances where the Department is responsible for preparing/submitting their own, the Department must submit a copy of the financial report(s) to the Finance Department for auditing purposes*).
    - i. A copy of the grant report(s) shall be maintained in the Finance Department
    - ii. A copy of the grant report(s) shall be submitted to the administering Departments
  - b. **Reimbursement Requests** – The Finance Department will prepare the required grant reimbursement request documents to receive reimbursement from the grantor in accordance with the grant agreement and or the grant award document. (*In instances where the Department is responsible for preparing their own grant reimbursement request, the Department must submit copies of the entire grant reimbursement request package to the Finance Department for auditing purposes*).

- i. Copies of the entire grant reimbursement request package shall be retained in the Finance Department's Grant file
  - ii. Copies of the entire grant reimbursement request package shall be submitted to the administering Department.
- c. **Draw down Requests** – The Finance Department is responsible for drawing down grant funds in a timely manner for reimbursable grant funds in accordance with the grant award and or the grant agreement.
- d. **Receipt of Grant Revenue** – The Finance Department shall receipt in all grant revenue checks to the appropriate grant revenue account and shall record grant revenue that is electronically wired into the City's master treasury accounts.
- i. A copy of the miscellaneous cash receipt (*MCR*) or the transmittal remittance advice shall be retained in the Finance Department's Grant file
  - ii. A copy of the miscellaneous cash receipt (*MCR*) or the transmittal remittance advice shall be submitted to the administering Department.
- e. **Close-Out Reports** – The Finance Department shall work in conjunction with the administering Department to prepare the necessary close-out reports and/or final documents to officially close out a grant project.
- f. **Grant Roll Forward Balances** – The Finance Department is responsible for bringing forth the grant remaining balance(s) from a prior year into the current fiscal year in accordance with the Budget Transfer Policy.
- g. **Audit** – Upon request by Management, the Finance Department shall perform an audit of the grant award in accordance with the established grant award and/or the grant agreement.

#### **BF 24.4 ADMINISTERING DEPARTMENT**

The administering department that initiates the grant application and receives the actual grant award is ultimately responsible for administering the grant and the grant activities in accordance with the approved grant budget, established grant guidelines and terms and conditions of the grant award and or grant agreement. The administering department must adhere to Federal, State, and Local guidelines/laws applicable to the grant as well as City Purchasing Policies and Procedures.

- A. **Grant Reports** – The administering Department is responsible for preparing and submitting the required statistical reports, programmatic reports, progress reports, and status reports (*if applicable*) to the grantor in accordance with the grant award and or the grant agreement.
- a. A copy of the report shall be retained in the administering Department's grant file.
  - b. A copy of the report shall be submitted to the Finance Department
- B. **Budget Modification(s) and Grant Extension(s)** – Requests for budget modifications and requests to extend the grant period shall be prepared by the administering Department
- a. A copy of the approved request(s) shall be maintained by the administering Department
  - b. A copy of the approved request(s) shall be submitted to Finance
- C. **On site Monitoring Visit** – If an administering Department receives an on-site monitoring visit from an outside grant agency (*Federal, State or Local*) and receives a written report from the grant agency regarding the visit, the administering department is responsible for distributing the agency written report as follows:
- a. The original report shall be retained in the administering department's grant file.
  - b. A copy of the report shall be submitted to the Finance Department for audit purposes.



- c. A copy of the administering Department's written response to the grant agency's monitoring report shall be retained in the administering Department's grant file; and, a copy shall be submitted to the Finance Department for audit purposes.
- D. **Fiscal Year Grant Budgeting** – The administering Department is responsible for entering the grant revenue budget, grant expenditure budget and the required local cash match (*if applicable*) during the budget process when any of the following conditions occur:
  - a. A grant application was submitted to a grant agency during the current fiscal year; however, the grant will be awarded and expended in the next fiscal year.
  - b. A grant was awarded during the current fiscal year; however, the grant expenditure(s) will be expended in the next fiscal year.
  - c. The City has received a written letter of commitment from a grant agency to fund a project in the next fiscal year.

**BF 24.5 ANNUAL EXTERNAL AUDITS:**

Audit of all grant funds (*Federal, State and Local*) will be conducted in accordance with the grant agreement and the appropriate laws.

- A. **Federal Single Audit Act** – All non-Federal entities that expend \$500,000 or more of Federal awards in a year are required to obtain an annual audit in accordance with the Office of Management and Budget, Circular A-133.
- B. **Florida State Single Audit Act** – Any non-State entity that expends \$500,000 or more of State financial assistance in a year is required to have a state single audit, Florida Statue 215.97.

**BF-24.6 TERM DEFINITIONS:**

**Chief Executive Officer (CEO)** – The City of Delray Beach, City Manager

**Closeout** – A grant activity involving review of all documentation, financial records and reports in conjunction with final submission of all necessary reports to the granting agency. A grant is not officially closed until a formal letter stating that closeout has occurred has been received.

**Governing Body** – The City of Delray Beach, City Commission

**Grant** – A payment in cash or in-kind made to provide assistance for a specified purpose, the acceptance of which creates a legal duty on the part of the grantee to use the funds or property made available in accordance with the conditions of the grant.

**Grant Agreement** – A legally binding contract between the City of Delray Beach and the Grantor that clearly outlines the purpose and the terms and conditions and/or requirements of the grant.

**Grant Application** – A required written or internet based document or form that is completed to request grant funding.

**Grant Award** – A formal or informal written or internet based notification from a grantor that officially awards a grant to a grantee

**Grant Close-out Report** – A grant document(s) that is required by the grantor (*if applicable*) that is specified in the grant agreement to officially close out a grant award

**Grant Drawdown** – An internet based procedure to request advance or reimbursable grant funds from a grant agency. The grant funds are electronically wired into the City's master treasury account.

**Grant Report** – Are typically programmatic reports (*via telephone, written form/document, e-mail or internet based*) or financial (*fiscal*) reporting (*via written form/document or internet based*) that provide information regarding the status of a grant award. These reports are normally required by a grantor and the instructions for each are stipulated in the grant award and/or the grant agreement when applicable.

**Grant Signature Authority** – The Mayor and the City Manager possess the legal authority to officially execute a grant application and to execute a grant agreement and/or grant award document(s). The grant application and the grant agreement will clearly specify which official is authorized to execute the grant document(s).

**Grantee** – The official recipient of the grant. For purposes of this policy and procedure, the term “Grantee” is the City of Delray Beach. The City of Delray Beach is a municipal form of government or municipality and is identified by a specific employer Tax Identification Number. The City of Delray Beach is not a 501(c) not for profit agency.

**Grantor** – The official name of an individual, organization, foundation, government or agency that is awarding the grant

**Head of the Governing Body** – The City of Delray Beach, Mayor

**Matching Funds** – Generally used to refer to a statutorily specified percentage of program or project costs that must be contributed by another source or sources in order to be eligible for funding from the grantor.

**Source Documentation** – The original records that back up general ledger reports such as cancelled checks, paid bills, payroll and attendance records, contract and sub-grant award documents, etc.