

**CALHOUN COUNTY
BOARD OF COMMISSIONERS
POLICY STATEMENT**

SUBJECT: Grants	DATE APPROVED: 4/14/2020	EFFECTIVE: Immediately	POLICY NO. 241
		REPLACES: Policy 241 of 11/17/16	

- I. **PURPOSE:** The purpose of this policy is to establish procedures for grant applications, approval, acceptance, implementation, compliance, and reporting. For this policy, grants are financial awards subject to requirements imposed by the awarding agency.

- II. **AUTHORITY:** The Calhoun County Board of Commissioners

- III. **RESPONSIBILITY:** The Office of the Administrator/Controller, as the County’s Chief Financial Officer, shall be responsible for the implementation and administration of this policy. This policy applies to all Calhoun County employees and Elected Officials.

- IV. **POLICY:**
 - A. Grant Application
 - 1. Grant applications requiring legislative body approval and all grants with a potential award of over \$25,000 in a calendar year must be approved by the Board of Commissioners prior to submitting the application. Grant applications for awards \$25,000 and less and those not specifically requiring Board of Commissioners approval may be approved by the County Administrator/Controller.
 - 2. All grant applications must be forwarded to the Office of the Administrator/Controller - Finance Department for review prior to submission. The Finance Department will help confirm accuracy of assumptions and calculations, the inclusion of indirect costs as appropriate, budget and staffing implications and any cash match requirements.
 - 3. Elected Officials/Department Heads must identify sources of required match funds and/or grant program costs that may exceed the potential grant award amount and coordinate with the Office of the Administrator/Controller – Finance Department to request appropriate budget and staffing changes needed to fully fund the proposed program or project.
 - 4. Grants that allow for reimbursement of indirect costs must include these costs in the grant application budget. Indirect costs must be estimated by using the annual County Cost Allocation Plan.

B. Grant Award

1. Official notification of grant awards and executed copies of grant contracts must be submitted to the Office of the Administrator/Controller - Finance Department to initiate setup of General Ledger accounts and budgets. If a previously approved grant is awarded increased funds by the granting agency, official notice of the additional funding must be forwarded to the Office of the Administrator/Controller - Finance Department to be kept with official grant financial records. Additional funding may also require approval of the County Administrator/Controller and/or Board of Commissioners depending on the budgetary and staffing impacts.
2. News releases of the grant award must be submitted to the County's Communications Manager to be reviewed by the Office of the Administrator/Controller as the Board of Commissioners' designated Public Information Officer.

C. Financial Compliance

1. The Office of the Administrator/Controller - Finance Department will establish a new fund and business unit or new business unit within the appropriate departmental fund for the approved grant. The department will provide a detailed listing of all revenue and expenditure accounts in accordance with the grant budget line items for proper monitoring of the grant funds within the County's general ledger system.
2. All grant contracts must direct the grantor to send grant funds to the Calhoun County Treasurer, 315 West Green Street, Marshall, MI 49068. The Office of the Administrator/Controller - Finance Department will provide the Treasurer's Office with all the appropriate grantor and revenue account number information to insure proper receipting of grant funds.
3. Grant funding does not exempt any purchase from the Board of Commissioners' Purchasing Policy #405. All grant purchases must be made following this policy.
4. The County is responsible for maintaining an inventory of fixed assets purchased with grant funds. The County must make the fixed assets physically available for inspection during a grantor's audit. The sale or disposal of these assets must be in compliance with the grantor's requirement. The sale or disposal must be coordinated with the Office of the Administrator/Controller - Finance Department to ensure proper record keeping is maintained. All fixed asset acquisition, sales or disposals are recorded in the County's listing of fixed assets.
5. Each grant must have an individual designated as Project Manager. The Project Manager is responsible for fulfilling the program requirements of the grant and promptly submitting the required program monitoring reports to the funding agency. The form, content, and scheduling of these reports is usually specified in the terms of the grant contract. Copies of all progress and final reports must also be sent to the Office of the Administrator/Controller - Finance Department.

6. Project Managers are responsible for ensuring that charges to the grant correctly represent materials received or services rendered, that they are allowable under the grant and its budget, and that all grant transactions comply with internal and external regulations, policies and procedures. Program Managers should consult with the Office of the Administrator/Controller - Finance Department for questions and assistance with grant management, including matters of employee time tracking and allocation, and other cost allocation methods.
7. A Calhoun County Deputy Controller may be designated by the County Administrator/Controller as the grant Fiscal Officer for grants. The Grant Fiscal Officer will coordinate with each department to determine responsibilities for fulfilling the financial reporting requirements of the grant, including completing timely and accurate monthly/quarterly Financial Status Reports (FSR) and requests for grant budget amendments. Grant compliance requires reconciling the FSR's to the general ledger and accruals for the revenue on a monthly/quarterly basis. The FSR and reconciliation, and requests for grant budget amendments, must be completed by or reviewed by the Office of the Administrator/Controller - Finance Department and signed by the Administrator/Controller or designee.
8. All federal grants are subject to the Federal Office of Management and Budget's Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Title 2 CFR (Code of Federal Regulations) Part 200, referred to as the "Super Circular" guidance. The "Super Circular" can be found online at <http://www.ecfr.gov>.
9. When grant funds are not expected to be totally expended by the grant year-end, it is the responsibility of the grant Project Manager to notify the Office of the Administrator/Controller - Finance Department that these grant funds are requested to be carried forward to the new grant fiscal year. A copy of the grantor's written approval for such carryover must be provided to the Office of the Administrator/Controller - Finance Department. If approval is not granted, remaining grant funds must be returned to grantor.
10. In certain cases, where the grant award is conditioned upon the department having in place a policy that could directly limit, impact or otherwise control the operation of the department while performing services pursuant to the grant, the department may adopt an operational policy conforming to the grant requirements. The adoption of this departmental operational policy does not require Board of Commission approval if all of these conditions apply:
 - a. The policy is either: not required by state or federal law; or if required by law, its application is limited to the specific operations, activities or functions funded by the grant.
 - b. The policy applies only to the department applying for the grant.
 - c. The policy is approved by (A) the County Administrator/Controller, and (B) prepared or approved by the County Corporation Counsel.

11. All grants are included in the annual County audit. It is the responsibility of the Office of the Administrator/Controller - Finance Department to have on file: a copy of the executed grant contract, copies of all FSR's, a reconciliation of revenues and expenditures to the general ledger, and proper year-end accruals. The Office of the Administrator/Controller - Finance Department will maintain a Schedule of Expenditures of Federal Awards for review by the County's independent auditors.