

CITY OF APPLETON POLICY	TITLE: GRANT ADMINISTRATION POLICY	
ISSUE DATE: 07/06/05	LAST UPDATE: June 2010 February 2013	SECTION: Finance
POLICY SOURCE: Finance Department	AUDIENCE: All City Employees	TOTAL PAGES: 5 + Grant Tracking Form
Reviewed by Attorney's Office Date:	Finance Committee Approval Date: July 28, 2010 February 13, 2013	Council Approval Date: August 4, 2010 February 20, 2013

I. PURPOSE

To establish a common procedure for all City of Appleton Departments when both applying and accounting for any type of grant funding. Focus criteria includes: 1) solicitation of funds for programs that are consistent with the goals of the City; 2) administration of grant funds awarded in the most efficient manner (including annual audit, single audit, and grant specific compliance requirements); and 3) regular evaluation of the performance of the program(s) receiving funding.

II. POLICY

This policy establishes procedures addressing both the content, accounting and compliance responsibilities associated with each respective grant, in addition to procedures for acceptance and ongoing administration of awarded funds until grant close out. The policy pertains to all agencies, departments or offices of the City, and those committees, boards or commissions that manage or operate other City properties, installations or activities, unless otherwise provided by statute.

III. GRANT APPLICATION PROCEDURES

A. Grant Administration/Notification

Notification of grant applications must be sent to the Finance Department via electronic submission of *PART #1* Grant Tracking Form (attached). This form addresses the following review criteria:

- 1.) Consistency with overall program goals of the City;
- 2.) Local match requirements and/or other budget impacts;
- 3.) Personnel requirements to implement objectives of the grant;
- 4.) Identification of responsible staff for program compliance and fiscal monitoring;
- 5.) Applicant Department Head; and
- 6.) Department of Finance notification.

B. Committee and Common Council Notification/Approval

Committee of Jurisdiction and Common Council notification prior to grant application will be required only if personnel will need to be added to the table of organization in order to accept the grant reported informationally to the Committee of Jurisdiction prior to application.

C. Criteria for Applications Involving Outside Subrecipient Agencies

For grants where the City is a pass-through agency of funding being distributed to subrecipients, it is pertinent that the capability of the potential subrecipient agencies be examined. Thus, if an agency that has not previously received grant funds from the City of Appleton expresses interest in participating in one of our grant funding sources, that agency will be subject to a screening conducted by a Finance Department representative and staff directly involved in implementation and spend down of associated grant funds. The screening will involve:

1. Examination of Agency Documents. The agency seeking to become a subrecipient will be asked to submit the following items to the City for review and verification:
 - a. Federal Tax Identification Number
 - b. Articles of Incorporation/Bylaws and Mission Statement
 - c. Administrative Structure Chart
 - d. Board of Directors/Officers Roster
 - e. Agency Budget/Financial Statements (from previous fiscal year).
2. Interview of Potential Subrecipient. A panel consisting of a Finance Department representative and others directly associated with administration of the grant will conduct an interview with agency representative(s) to address both general agency capacity and appropriateness of activities planned to be accomplished with grant funds if they are awarded.

Upon completion of this screening, the interview panel will make a recommendation related to the capacity and appropriateness of the agency to carry out activities funded under the grant sought. This recommendation along with the *PART #1: Grant Tracking Form* will be submitted to the applicable Committee of Jurisdiction as an action item by the applying department.

IV. GRANT ACCEPTANCE PROCEDURES

A. Grant Administration/Finance Department Notification

Upon notification that the applicant department was successful in obtaining grant funding, they shall electronically submit the following to the Finance Department:

- *Part #2: Grant Tracking Form* (attached)
- Award Notification Letter from the Grantor/Funder including grant agreement to determine if single audit regulations will apply
- Budget Amendment Form OR Budget Page Reference for the Grant (to show that a budget amendment is not needed).

B. Committee and Common Council Notification/Approval

No matter the amount, all new grants awarded to the City of Appleton must be presented to the applicant department's Committee of Jurisdiction for approval before a grant agreement is executed. In doing so, the aforementioned Grant Tracking Form shall be included as an attachment to the action item on that committee agenda. Applicable budget adjustments will be placed on the Finance Committee Agenda at the same time. Recurring annual grants do not need to be approved after initial approval unless increased workload responsibility resulting in addition of staff or funding is more than \$100,000.

Furthermore, the following grant types must also be approved, via an action item, by the Finance Committee:

1. Grants of \$100,000 or more
2. Grants that will fund additional staff from approved budget (see Section V-D).

V. GRANT TERM RESPONSIBILITIES

A. Grantee Department Financial and Reporting Responsibilities

The grantee department maintains full responsibility for fully reading and understanding the requirements of the grant contract, meeting deadlines and complying with grant program requirements. In doing so, the grantee department will be responsible for maintaining the following documents in a single grant file:

1. Original Grant Application
2. Copy of Executed Grant Contract/Agreement with Original filed in Clerk's Office
3. Payment Requests/Activity Reports Provided to the Grantor/Funder
4. Documentation of Grant Amendments
5. And any other pertinent documentation relevant to the administration of the grant.

The grantee department must be prepared to share this file with the Finance Department at the same time requested for internal monitoring and specifically during the external financial and single audit as well as any regulatory inquiries or investigations.

For reimbursement grants, the grantee department will be expected to submit payment requests to the granting agency with a scanned copy provided to the Finance Department. Departments will be responsible for maintaining documentation supporting all reimbursement requests. The Finance Department can assist with reimbursement requests if needed. Reimbursement should be requested in as timely manner as possible but no later than forty-five (45) days from the date expense incurred.

B. Financial and Program Reporting Reviews

1. Financial Review:
 - a. On an on-going basis, the grantee department will monitor the accuracy of expenditures, and grant expenditure/financial reporting requirements.
 - b. The Finance Department may perform random audits throughout the grant term to ensure City compliance with grant and/or single audit requirements.

2. Program Review:
 - a. On an on-going basis, the grantee department and a Finance Department designee will monitor activity related to meeting objectives/requirements of the grant.
3. Performance Measures:
 - a. Grants in excess of \$100,000 shall be required to have at least one performance measure contained in the grantee department's budget.

Any financial, program, and/or performance issues identified will be brought to the attention of the grantee department head for discussion and deficiencies will be reported to the Mayor and Finance Director. Failure to follow procedures can result in discipline up to and including discharge.

C. Procurement

Any procurement activities that will take place as part of a grant award shall follow all City purchasing policies and procedures. If the procurement requirements of a grant are stricter than those of the City of Appleton, then those requirements must be followed. Grantee departments are encouraged to consult with the Purchasing Manager in the Finance Department.

D. Grant-Funded Staff

If grant funds will be used for the hiring of personnel, the grantee department must contact the Human Resources Department to determine employee status and to start the selection process. Any person hired to fill a grant-funded position is subject to all applicable City policies.

VI. SPECIAL SITUATIONS/CIRCUMSTANCES

A. Unsolicited Grant Funds

For unsolicited grant funds, or those offered to a City department without an application process, in excess of \$10,000, the recipient must follow the instructions in Section IV, Grant Acceptance Procedures.

B. Declining Grant Funds

For declining any grant funds, the applicant department shall request approval to decline from both the Committee of Jurisdiction and the Finance Committee. In doing so, a memorandum explaining the reasons for declining funding shall be included as an attachment to the action item on both committee agendas.

C. Items Received in Lieu of Grant Funds (Donations)

For donated items or in-kind services (i.e., materials/equipment) with a market value in excess of \$10,000, the recipient department shall informationally notify the Committee of Jurisdiction of the said donation(s), in addition to providing written documentation of the monetary value of the donation(s) and a related budget adjustment to the Finance Department within thirty (30) days of receipt in order to assess whether there are any compliance items to monitor or single audit implications.

D. Critical Timing Issue

If a situation arises where the Grant Administration Policy will not accommodate the timeframe in which to apply or accept a grant, the Finance Director, Mayor and Department Director responsible for the grant can expedite the process and/or acquire the appropriate authorization in order to apply for or accept a grant. Critical Timing Issue utilization will be monitored, however, so that it is not used as a method to avoid compliance with the intent of the Grants Administration Policy. Any decisions made will be reported out to the Committee of Jurisdiction and Finance Committee at the next available meeting.

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