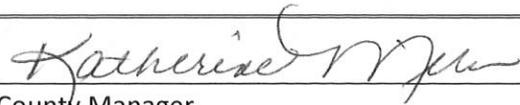


Subject: Policies and Procedures for Grant Management	
 County Manager	Effective Date: 12/5/17

I. PURPOSE

This Grant Management Policy and these Grant Management Procedures promote consistency in grant management for Santa Fe County (County), from the application to the final closeout process. Grant acquisition and management require collaboration and cooperation between departments. Grant funding is required for the County to provide the services county residents benefit from. The procedures set forth herein outline specific steps required when applying for grant funding, executing the grant document with proper signatures, and accomplishment of the requirements in the grant proposal. To ensure collaboration and cooperation in the acquisition and administration of grants, this policy is subject to regular updates and continuous changes.

II. THE GRANT SECTION OF THE FINANCE DIVISION

The Grant Section of the Finance Division (Grant Section) operates at the direction and under the supervision of the Finance Division Director, who interfaces with the County Manager’s Office and county departments. The Grant Section reviews, accounts for and reports on all funding agreements proposed or active throughout the County. The activities of the Grant Section shall not conflict with or impede the day to day operations or administration of grants and other funding agreements by the departments.

At all times the Grant Section shall ensure that grant requirements are achievable in an appropriate timeframe prior to grant acceptance and administer the grants once awarded. The Grant Section is committed to the progress of county government for the benefit of the citizens of Santa Fe County.

III. SCOPE

- A. The grant section shall work within the operational phases of grants management.
 - 1. The Grant Section shall review any grant application 30 days prior to grant submission deadline to ensure that all requirements of the application are

met before the application is submitted. Grant Section consideration of grants submitted after the deadline will be on a case by case basis. The Grant Section shall ensure that applications are processed through the Purchasing routing system and are timely presented to the County Manager and/or Board of County Commissioners for approval and acceptance.

2. The Grant Section will work with departments and the budget section to ensure that matching funds are identified prior to grant application submission.
3. The Grant Section shall maintain a digital copy of the application in an application database as a hyperlink, and shall also maintain data about the funding source, grant manager assigned, amount of funds awarded, type of project funded, etc.

B. The Grant Section shall review any grant award made by a grantor to the County and ensure that the award follows the County process to formalize the award for County purposes.

1. The Grant Section shall ensure that awards are processed through the Purchasing routing system and are timely presented to the County Manager and/or Board of County Commissioners for approval and acceptance.
2. The Grant Section shall ensure that prior to accepting a grant award, the steps necessary to establish a budget have been taken or will be taken upon acceptance of the grant.
3. The County Manager may direct the Grant Section to administer a grant for a period of time.

C. The Grant Section shall monitor all grants and the performance of each department responsible for the work required by the grant award or agreement.

1. The Grant Section shall administer all grants that have been awarded to other departments and elected offices.
2. The Grant Section shall report any and all deviations immediately to the Finance Director and County Manager that diverge from County process and policy that could result in a negative finding, loss of grant funding, or action against the County.
3. At the request of the Finance Director as a result of a report from the Grant Section, the County Manager may issue a directive to bring a department into compliance with its grant award.

D. The Grant Section shall review and document the closing of grants that have reached their term.

1. The Grant Section will ensure that all reporting is in compliance with the governing grant agreements and other grant requirements.

2. The Grant Section will comply with document retention in accordance with the retention schedule set forth within the applicable grant agreement and any applicable federal or state laws and the Santa Fe County Records Retention Schedule.

IV. APPLICABILITY

This procedure applies to all County staff who apply for and/or receive grant funding for the County.

V. AWARD AND EXECUTION

The Grant Section shall provide guidance and direction to departments that have received a grant award. Additionally, any agenda item moving through the award process shall be placed on an agenda only if it has a signature from the Finance Director.

1. Agenda packets moving forward for approval by the Board of County Commissioners and the County Manager shall be endorsed by the Finance Division Director and Capital & Grants Manager or designee.
2. The Grant Section shall ensure that all agenda packets have the required items for approval. These items include, but are not limited to: the agenda caption and memo, the executive summary, the unexecuted grant documents that have been reviewed by Finance and Legal, and any other documents needed by the County Manager or the Board of County Commissioners.
3. After the grant is fully executed, the Grant Section shall ensure that all agenda packets have the required items for budget approval. These items include, but are not limited to: the agenda caption and memo, the budget resolution, the executed grant, and any other documents needed by the County Manager or the Board of County Commissioners.
4. The department representative and Finance Division Director shall appear at the scheduled Board of County Commissioners meeting to answer questions regarding any grant application, grant agreement, or budget adjustment resolution on the agenda.
5. Some funding documents require that they be returned to the grantor for "last signature". The Grant Section shall provide guidance regarding this process.

VI. Monitoring and Reporting Phase

The Grant Section shall review active and closed grant files for compliance with the respective requirements.

1. The Grant Section shall conduct a compliance review according to a schedule approved by the capital and grants manager. Unscheduled compliance reviews may be required by the County Manager.
2. At a minimum, a scheduled bi-annual compliance review for each department shall be conducted by the Grant Section.

3. Departments are to cooperate with the Grant Section to ensure proper reviews occur.

II. **Grants Compliance**

Each department director shall designate a grant point of contact for each federal, state, city or private grant. The point of contact works in conjunction with the Grant Section regarding all grant-related matters. An alternative grants contact should be designated to handle grant related issues in the event of the absence of the primary contact.

The core objectives of compliance are to:

1. Ensure compliance with all federal, state, city and private grant funding agencies.
 2. Ensure the existence and implementation of proper internal controls.
- A. **Compliance Reviews:** To ensure compliance with all federal, state and county laws, regulations and compliance requirements, the Grant Section shall conduct quarterly on site “programmatic” compliance reviews for each department and within the office of each elected official within the County. The review is intended to identify any control deficiencies or material weaknesses and help to remediate and mitigate the identified risks. The final results will be reported by the Finance Division Director to the County Manager.
- B. **Review Process:** The Grant Section compliance review will include review of reimbursement packets submitted to funding agencies to provide reasonable assurance that grant awards are expended only for allowable activities and that the cost of goods and services charged to federal, state and private foundation awards are in accordance with the law.

III. **SPECIFIC STEPS AND REQUIREMENTS**

- A. Policies and Procedures – The department awarded the grant will maintain current copies of the following policies and procedures applicable to each grant in a readily accessible manner and backed up on the department server.
1. Policy Documents
 - Santa Fe County Finance Manual
 - Procurement/Purchasing Manual
 - Travel/Per-Diem Policy
 - Fixed Assets Policy
 - Payroll Policy
 - New Mexico State Procurement Policy
 - Equal Employment Opportunity (EEO), Policy
 - Conflict of Interest Policy
 - Drug Free Workspace Policy
 - Nondiscrimination Policy

- OMB Uniform Administrative Requirements Cost Principles Audit Requirements
- Code of Federal Regulations (CFR's) see agreement specifications
- New Mexico Anti-Donation Policy
- Uniform Guidance – 2CFR§200

- B. Expenditures – each department's point of contact shall develop an allowable cost checklist upon acceptance of each grant awarded to the department. Written approval must be obtained from the grantor regarding any questionable expenditure **BEFORE** such expenditure is incurred. Only allowable costs shall be submitted to the grantor agency for reimbursement. Such expenditures shall not exceed the budget limits of the grant agreement and must be properly documented as charged against the correct grant award. Any transfer of grant expenditure from one grant to another shall be justified in writing and approved by the funding agency.
- C. Reimbursements and Reconciliation – each department shall maintain reimbursement receipts or documentation reflecting all reimbursements made by the grantor funding agency for each grant within the department's central location for grant records.

Reimbursement Documents:

- All State/Federal reimbursement forms
- Invoices
- Receipts
- Check/ACH payments
- Reports (e.g. payroll, progress, timesheets)

- D. Payroll and In-Kind Match Documentation – all payroll transactions related to reimbursement requests for grant activities shall be properly justified in writing and comply with the governing grant agreement. A clear and concise audit trail must be maintained with regard to such payroll transactions to ensure all payroll transactions related to reimbursement request for grant activities including in-kind or matching funds shall comply with the governing grant agreement. Percentages for salaries and benefits shall comply with the percentage established by the grantor funding agency.

Financial Documents:

- Authorized signatures
- Expenditure reports/Encumbrance reports
- Proof of reconciliation
- Purchase Order copy
- Invoices and check/wire copy
- Reimbursement request, form/cover letter
- All required match documentation
- Payroll documentation (signed timesheets, payroll reports)

- E. Reports – each department shall ensure timely submission of all required progress reports, including Federal Financial Reports (FFR). Each report must be submitted utilizing the forms provided by the funding agency.

Reporting Documents:

- Progress Reports (narrative)
- Financial Status Reports (completed monthly, quarterly, semi-annually, annually)
- Inventory Reports (\$5,000 and above)
- Payroll Report
- Annual Audit Reports (Sub-recipient who receive federal funding of \$750,000 or more)
- General Ledger reports related to specific grant activity
- Performance Measurements
- Evaluations (e.g. grantor, vendor)
- Closeout Reports (financial and narrative)
- Inspection Reports
- Analysis and Plans (e.g. comprehensive, fair housing, etc.)
- All required federal and state reporting forms

- F. Procurement – each department’s point for contact shall ensure the procurement of any goods, materials, supplies, equipment, and/or services is made in accordance with the provisions of the applicable grant agreement, county policy, or state statute. For each active grant the following documents should be maintained in an organized file at a central location within the department.

Procurement documents:

- Procurement/acquisition requirements
- Sole Source justification (if applicable)
- Notice to proceed (if applicable)
- Approval of equipment purchases
- Funding agency approval (if applicable)
- Internal approval (if applicable)

- G. Assets – each department’s point of contact is responsible for ensuring the proper accountability, maintenance, management, and inventory of all property acquired by the respective department wherein grants funds were utilized in the acquisition, including a comprehensive list of any and all property disposed or considered surplus.

Asset documents:

- Inventory list/reports
- Agency approval of equipment purchases
- Backup documentation on equipment purchases (e.g. receipts, quotes, etc.)
- Disposal/transfer forms

- H. Correspondence – each department’s point of contact is responsible for maintaining all correspondence pertaining to each funding opportunity (including but not limited to: vendors, granting agencies, sub-recipients, departments and the public as a hold.)

Correspondence documents:

- Memos/Letters
- E-mail
- Advertisements

- I. Sub-Recipient Monitoring – each sub-recipient will be monitored by the department’s point of contact; the Grant Section shall conduct programmatic reviews on a random basis.

For each sub-recipient or sub-grantee, the grants point of contact shall:

- (1) Execute a sub-recipient agreement/contract approved as to form by legal staff.
- (2) Require each sub-recipient to implement internal controls that mirror the internal controls of Santa Fe County and include:
 - (i) Acceptable financial management system
 - (ii) Acceptable procurement process
- (3) Maintain an accurate and comprehensive list of each approved sub-recipient/sub-grantee.
- (4) Require each sub-recipient who receive federal funding of \$750,000 or more to provide a copy of its financial audit; and report any findings, debarments or suspensions.
- (5) Verify that the sub-recipient reflects the grant in its financial audit. The Grant Section can assist in this.

- J. Training – the Grant Section shall conduct an annual training for each department related to compliance and the procedures that govern the grant application process. Each department’s contact must attend or request outside training if/when applicable.

- K. Technical Assistance - The Grant Section will provide technical assistance for any related compliance matter, provided that reasonable notice is given requesting such assistance.

- L. Agency Compliance Audits – Each department will immediately notify the Grant Section of any notification of compliance or monitoring visits to be conducted by the grantor funding agency. Any issues needing to be addressed or corrected shall take place prior to the grantor funding agency’s visit; the Grant Section will be present at each visit.