Grants: Overview of Internal Processes

September 9, 2011

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Agenda

- **Welcome and introductions**
- **Meeting goal and purpose**
- **Current grants review process in county**
  - Suggestions for Grants Tracking
- **Review of roles in applying, awarding and implementing grants**
  - OMB, OCA, CEX, and Finance's roles
- **Current state of grants documents review**
- **Next steps, wrap-up and follow-up items**

Meeting Purpose

- **To develop a more strategic approach to the management of the grant application and grant award process. This will allow for a better decision making process about grants and allow the County to better answer a number of important questions including:**

  – What the County's overall success ratio for grant applications?

  – Which strategies are more successful in winning grant awards?

  – What type or level of grant is appropriate to apply for given the cost of administering the grants?

  – Are there departments that have a demonstrated success rate higher than others and, if so, what best practices can be shared?

  – What types of grant documents necessitate review by OMB, OCA, and CEX?

Terminology for Grants Meeting

- **Grant Application or "Application"**
  - Set of documents that Department completes to apply for grant

- **Grant Award/Agreement/Contract or "Award Documents"**
  - Set of documents that specify Department may be receiving grant funds. Documents detail the grant amount budget and conditions for spending.

- **Implementation Process**
  - Process where departments expend grant funds and administers grant funded programs.

General Overview of Grants

- **Types of Grants**
  - Formula vs. Categorical
  - Operating/Program vs. Capital (Bricks/mortar, facility grants, renovations)
  - Grants with or without local match or in-kind requirements (requires County Funds)
  - Typical and Non-Typical (Typical: funds awarded directly to Montgomery County; Non-Typical- Bi-County/Regional: grants are awarded or applied for on behalf of the region)

- **Funding Sources**
  - Federal
  - Local
  - State
  - Nonprofit
  - Regional/Bi-County
  - Foundation

- **Time Frame for most Grants**
  - Single fiscal year
  - Multiyear (several years with extensions)
  - Timeframe (Federal Fiscal Year, State/County Fiscal Year, Calendar Year, and any other)

- **Types of Documents a Grant Generates**
  - Application
  - Memorandum of Understanding (MOU)
  - Amendments to MOUs
  - Budget Adjustment/Modification
  - Contracts
  - Renewal
  - Extension
  - Award

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General Overview of Grants in the County

FY10 grants fund $112,869,812 and capital fund $13,257,919 in 277 grants.
FY11 grants fund $119,666,582 and capital fund $31,921,383 in estimated 275 grants.

Grant Dollar Amounts Expended
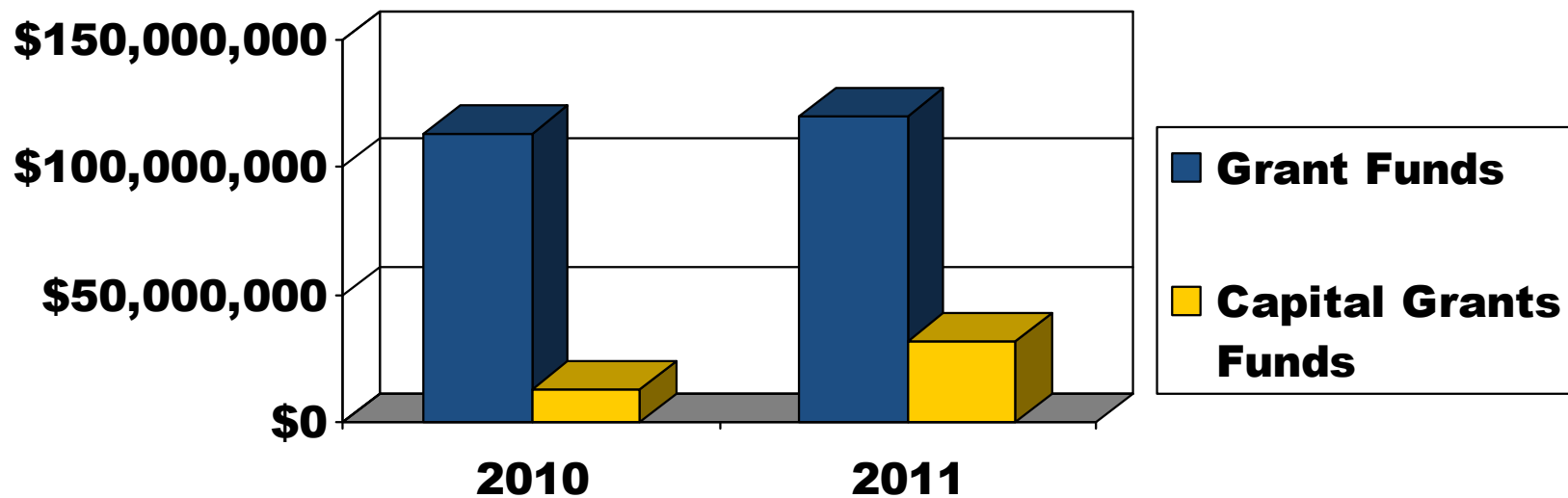
General Overview of Grants

OMB role in grants

- Serve as clearinghouse for all grant application, grant renewals, grant modifications, and grant awards.
  - Departments are supposed to inform OMB of the outcome of the grant application and the grant award amount.
- Assist departments in the review of a grant application, grant renewal, grant modification, and grant award.
- Monitor Federal and State legislation or regulations that could impact upon present and potential County grant sources*

OCA role in grants

- Review and approve any new grant application or grant award/contract requiring signature as to form and legality.

ACAO in CEX role in grants

- Review and approve all grant applications or grant renewals, grant modification, and grant awards.

Finance role in grants**

- Assist departments in the financial aspects of grants, manage financial reporting for granting agencies.

Source: Administrative Procedures 7-1, August 15, 2006, Full AP in Appendix

*This is also the role of the Office of Intergovernmental Relations

** Implied from Administrative Procedures 7-1.

Overview of Grant Data Available

Currently no one department tracks if an application results in a grant award. This results in the current inability to accurately estimate at the County level, how many grants applied vs. received year-over-year.

CountyStat used OMB data and contacted departments to determine grants applied versus grants received for FY10.

In FY10, Departments applied for at least 84 grants and received 68 grants, for an estimated 80% success rate.*

Discussion on Grants Process and Internal Departments

The following discussion on internal departments roles in grants will be limited to selected departments in the following grant areas of application, award, implementation, and audit.

In short, the areas in blue are sections that this presentation will be discussing. Each stage will be described in later detail.

Phase/Departments	Application	Award	Implementation	Audit
Departments	X	X	X	X
ACAO	X	X		
OCA	X	X	X	
OMB	X	X	X	
Finance			X	X
Procurement			X	
Human Resources			X	

This presentation is designed by asking selected internally facing departments their input on this review.

The costs to departments that implement or apply for grants were not considered for this presentation.

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Estimates for FY11 Costs of Grants by Internal Departments

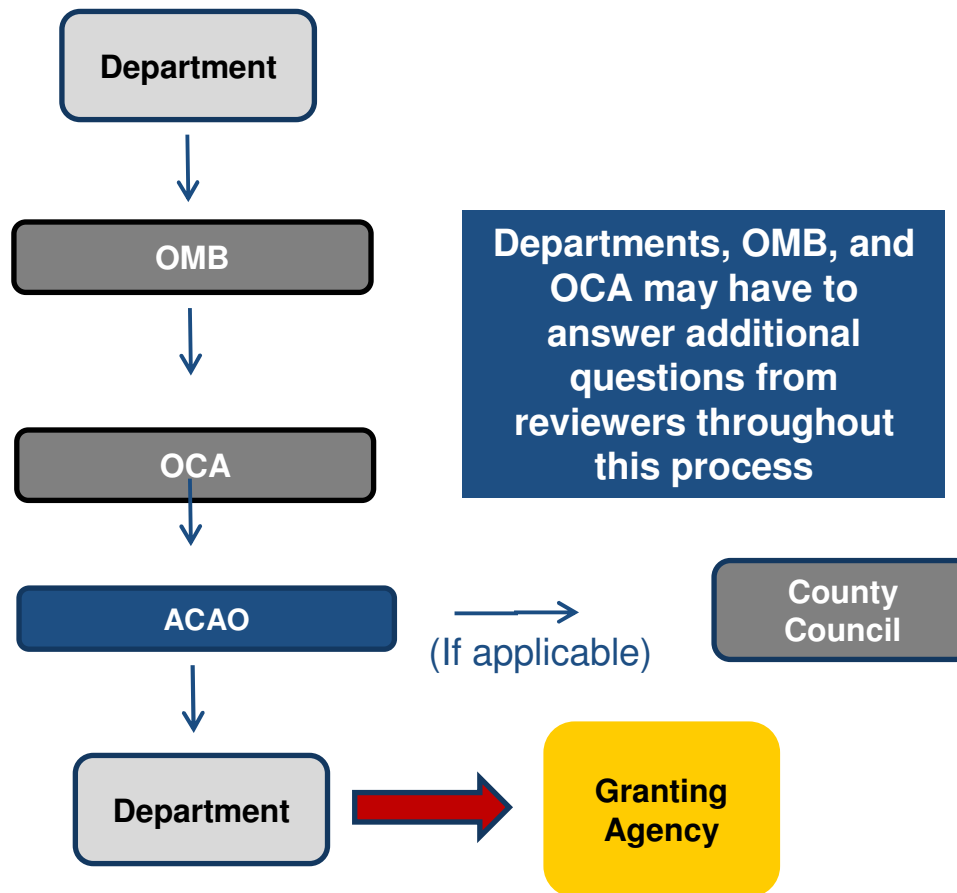| Departments	Grant Phase	Costs
ACAO	Application/Award	$2,172
OCA	Application/Award	$128,405
OMB	Application/Award	$98,742
Finance*	Implementation	$407,566*
Total		$636,885

For FY11 estimated total of personnel costs across these departments in selected areas total $636,885

*Note: Finance is the only department listed where dedicated staff has grants work as 95% of their workload.

These costs are limited to the specified discussion areas in previous slide 9.

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Grant Application Process

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  │  Department  │
  └──────────────┘
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          ▼
  ┌──────────────┐          ┌─────────────────────────┐
  │     OMB      │          │ Departments, OMB, and   │
  └──────────────┘          │ OCA may have to         │
          │                 │ answer additional       │
          ▼                 │ questions from          │
  ┌──────────────┐          │ reviewers throughout    │
  │     OCA      │          │ this process            │
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  │     ACAO     │ ──────────────────►      │   County     │
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  │  Department  │ ═══════► │   Granting   │
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Grant Application Process

Step 1: Department Prepares Grants Package

Step 2: OMB Reviews Grant Application Package

Step 3: County Attorney Reviews Grant Application Package

Step 4: ACAO Approves/Disapproves Grant Application Package

(If Applicable) County Council Notification

Step 5: Department Sends Grant Applications to Granting Agency or if applicable, submits electronically

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Office of Management and Budget (OMB) Role in the Grants Application Process

- Monitor that a complete package is received from the department.

- Comprehensive assessment for data integrity and internal consistency of the grant application/award/renewals/MOU, etc.

  - Assure numerical accuracy of budget data.

  - Identification of unfunded programmatic costs, secondary costs, "match" requirements, or future obligation for local dollars to sustain grant program.

  - Reviews for potential indirect cost exclusion or at less rates than required

- Prepare recommendation for ACAO on whether or not to approve the package as submitted by the department.

- Conduct County Council notifications for Operating and CIP grants (as of FY12)
  - "For a new grant of more than $200,000 or formula-driven award of more than $200,000 for a new program; or,
  - The grant or award would require the appropriation of new tax-supported funds in the current or any future year; or,
  - The grant application or proposal to spend formula-driven funds will create a new position in County Government."

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Office of Management and Budget (OMB)
Issues and Concerns with Application Process, Suggested Solutions

Issues

- Inadequate review time
  - Tight deadlines and "drop-everything" to review
- Occasionally, grant review process is not followed.
- Significant increase in the number of grant documents reviewed 2005-2011, while OMB workyears over the same period decreased from 31.7 to 24.5, effectively reducing resources.
- Incomplete applications
- Uneven quality of grant review packages from departments.
- No minimum dollar threshold exists to apply for grants, or centralized guidelines for grant seeking
- Senior Leadership support for grant review process deadlines needs improvement
- Indirect Costs excluded or at a lesser rate than required by the county.
- Decentralization of grant seeking by departments may translate into missed opportunities.

Suggested Solutions

- Develop a threshold for grant seeking
- Need to revise the AP 7-1 on grants and review the whole process.
- Provide documentation as to why indirect costs are excluded or at a less rate than required in grant review package.
- Consider allocating resources to grant seeking, grant application, grant tracking and grant review.

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Role of Office of County Attorney in Grants Application Process

- Reviews documents for form and legality (includes applications, awards, agreements, contracts, memoranda of understanding—anything that the CAO or ACAO will need to sign)

- Reviews the following items:

  - Is the document complete? (no blanks—either explanation in cover memo or n/a notation)

  - Is the document on behalf of Montgomery County and for CAO signature? (not the department or commission and not for a director or designee's signature)

  - Are there any legal citations that conflict with County law? These may appear in the terms and conditions accompanying the application or award.

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Office of County Attorney
Issues and Concerns with Application Process
Suggested Solutions

Issues

- Departments leave little time for review process—last-minute reviews interrupt other assignments handled by the office and create inefficiencies
- Limited resources for high increase in grant reviews
- Incomplete applications
- Quality of the applications vary based on differing expertise—departments with experience have little or no trouble, while first-time preparers need more guidance than time permits

Suggested Solutions

- Establish an earlier deadline for submitting the documents for review by OMB, OCA, and CAO, if applicable.
- Identify one or two individuals within each department as the contact and handler of the documents to ensure consistency and avoid mistakes
- Departments need to determine the available resources within the department for preparing the application and later administering the grant—depending on the amount of the grant, the cost-benefit analysis may weigh against seeking or accepting the grant (e.g. $2,500 grant that requires monthly reports)

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Role of Assistant Chief Administrative Officer (ACAO) in Grants Application Process

- Approves or disapproves submission of a grant application or renewal application.

- ACAO coordinates with OMB, on Council Notification, as applicable.

- ACAO and OMB coordinate, in consultation with department staff, any responses to Council about grant applications.

- Coordination and advice regarding non-typical grant applications (e.g., ARRA grants and grants for which County applies on behalf of another entity).

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Assistant Chief Administrative Officer (ACAO) Issues and Concerns with Application Process, Suggested Solutions
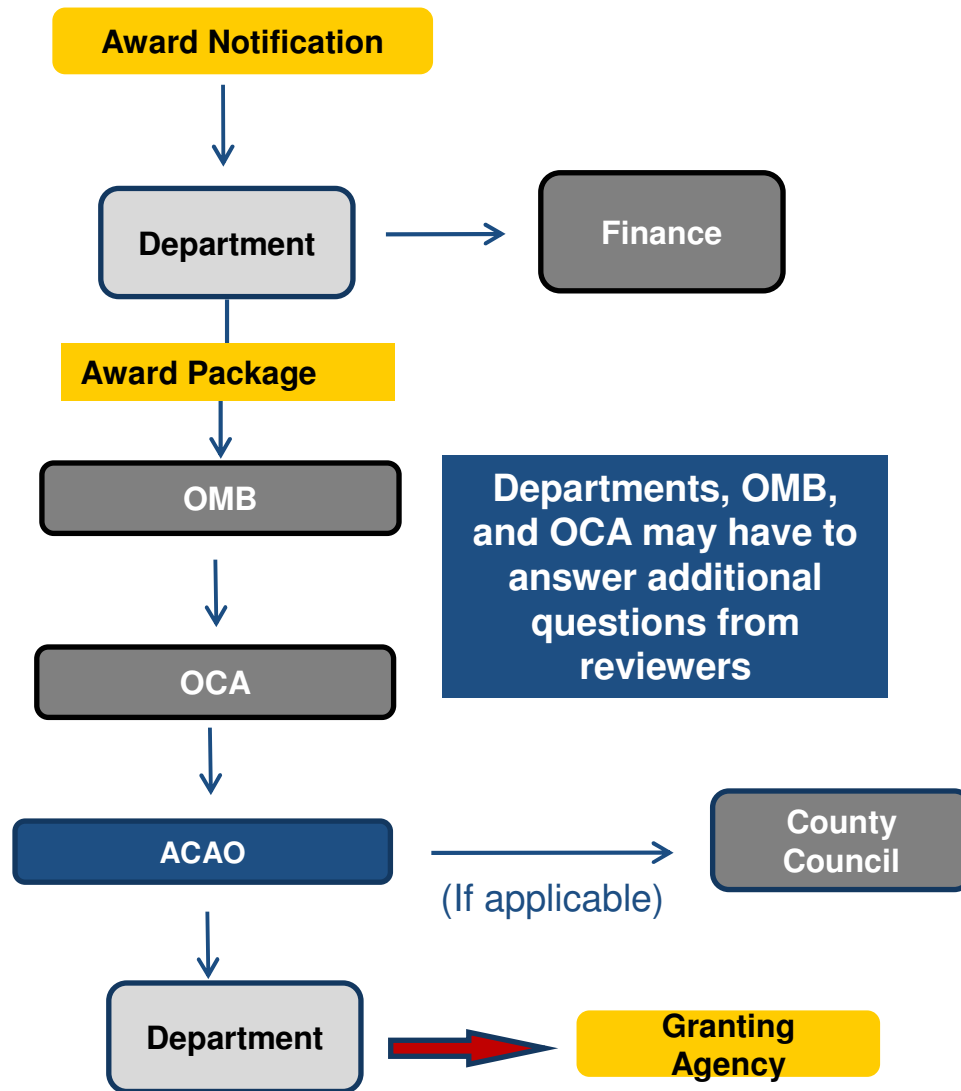
Issues

- County does not track important baseline data regarding grants that would be helpful in making decisions about managing grant application process (e.g., # of grants applied vs. received, dollar amount received, completive v. formula, local match, etc.)

- Departments do not provide enough time for OMB, OCA, and ACAO review and approve grant related packages

Suggested Solutions

- Add a performance criterion to each department's performance plan to increase accountability for timely submission of grant applications and other related documents to OCA, OMB, and ACAO for review and approval.

- Identify data elements for the County to better understand the grant application process and establish a tracking system for these data elements (i.e., an Excel spreadsheet maintained by OMB that tracks # of grant applications, # of grants received, total grant dollars received, competitive vs. formula, amount of local match, etc.)

- Establish threshold criteria for grant related documents that require OCA, OMB, and ACAO review. For example, require review for any grant that triggers Council notification requirements or grant that exceeds a certain dollar amount. But allow department to handle other grant related documents without going through the review process.

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Grant Award Process

Award Notification

↓

Department → **Finance**

↓

Award Package

↓

OMB

Departments, OMB, and OCA may have to answer additional questions from reviewers

↓

OCA

↓

ACAO → **County Council**

(If applicable)

↓

Department ⟹ **Granting Agency**

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Grant Award Process

Step 1: Department receives notice of Award, informs Finance.

Step 2: Department forwards Award notice to OMB

Step 2: OMB Reviews Award notice

Step 3: County Attorney Reviews Award notice

Step 4: ACAO Approves/Disapproves Award notice

(If Applicable) County Council Notification

Step 5: Department Sends Signed Award Acceptance to Granting Agency

Office of Management and Budget (OMB) Role in Award Process

- Monitor that a complete package is received from the department.

- Comprehensive assessment for data integrity and internal consistency of the grant award, MOU, etc.

  - Assure numerical accuracy of budget data.

  - Identification of unfunded programmatic costs, secondary costs, "match" requirements, or future obligation for local dollars to sustain grant program.

- Prepare recommendation for ACAO on whether or not to approve the package as submitted by the department.
- Conduct County Council notifications for Operating and CIP grants (as of FY12)
  - "The application is for a new grant of more than $200,000 or formula-driven award of more than $200,000 for a new program; or,
  - The grant or award would require the appropriation of new tax-supported funds in the current or any future year; or,
  - The grant application or proposal to spend formula-driven funds will create a new position in County Government."

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Office of Management and Budget (OMB)
Issues and Concerns with Award Process, Suggested Solutions

Issues

- Inadequate review time
  - Tight deadlines and "drop-everything" to review
- Occasionally, review process is not followed
- Information about the Award comes from various sources
- County may receive grant funds and awards as part of a regional or bi-county allocation; an "earmark" or as "sub-grantee" without directly submitting an application, and therefore no centralized review for secondary impacts, future obligations or other future fiscal impacts. (e.g. the UASI grant, Homeland Security allocations)
- Award details may have new information/restrictions (supplanting, EEO conditions)
- Granting agencies generally do not allow for administrative positions within departments to administer grant programs, and therefore general fund positions underwrite administrative tasks.

Suggested Solutions

- OMB should not review grant awards when a department "certifies" that the award mirrors the grant application.

Role of Office of County Attorney in Grants Award Process

- Reviews documents for form and legality (includes applications, awards, agreements, contracts, memoranda of understanding—anything that the CAO or ACAO will need to sign)

- Reviews the following items:
  - Is the document complete? (no blanks—either explanation in cover memo or n/a notation)
  - Is the document on behalf of Montgomery County and for CAO signature? (not the department or commission and not for a director or designee's signature)
  - Are there any legal citations that conflict with County law? These may appear in the terms and conditions accompanying the application or award.

- For agreements, contracts, and MOUs, reviews the following items:
  - Are there any legal citations that conflict with County law or provisions in the conditions that need to appear in the document? These may appear in the terms and conditions accompanying the award and may include prohibitions against supplanting, reporting requirements, and lobbying restrictions.

  - Is the scope of work clear and consistent with the application or award?
  - Is the term or period of performance clear?
  - Is the compensation provision stated clearly?

Office of County Attorney
Issues and Concerns with Award Process, Suggested Solutions

Issues

- Departments leave little time for review process—last-minute reviews interrupt other assignments handled by the office and create inefficiencies
- Limited resources for high increase in grant reviews
- Incomplete applications
- Quality of the applications vary based on differing expertise—departments with experience have little or no trouble, while first-time preparers need more guidance than time permits

Suggested Solutions

- Establish an earlier deadline for submitting the documents for review by OMB, OCA, and CAO, if applicable.
- Identify one or two individuals within each department as the contact and handler of the documents to ensure consistency and avoid mistakes
- Departments need to determine the available resources within the department for preparing the application and later administering the grant—depending on the amount of the grant, the cost-benefit analysis may weigh against seeking or accepting the grant (e.g. $2,500 grant that requires monthly reports)

Role of Assistant Chief Administrative Officer (ACAO) in Award Process

- Approves or disapproves submission of, modification, award, MOU or Certification Letter.

- ACAO coordinates with OMB, on Council Notification, as applicable.

- ACAO and OMB coordinate, in consultation with department staff, any responses to Council about grant awards.

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Assistant Chief Administrative Officer (ACAO)
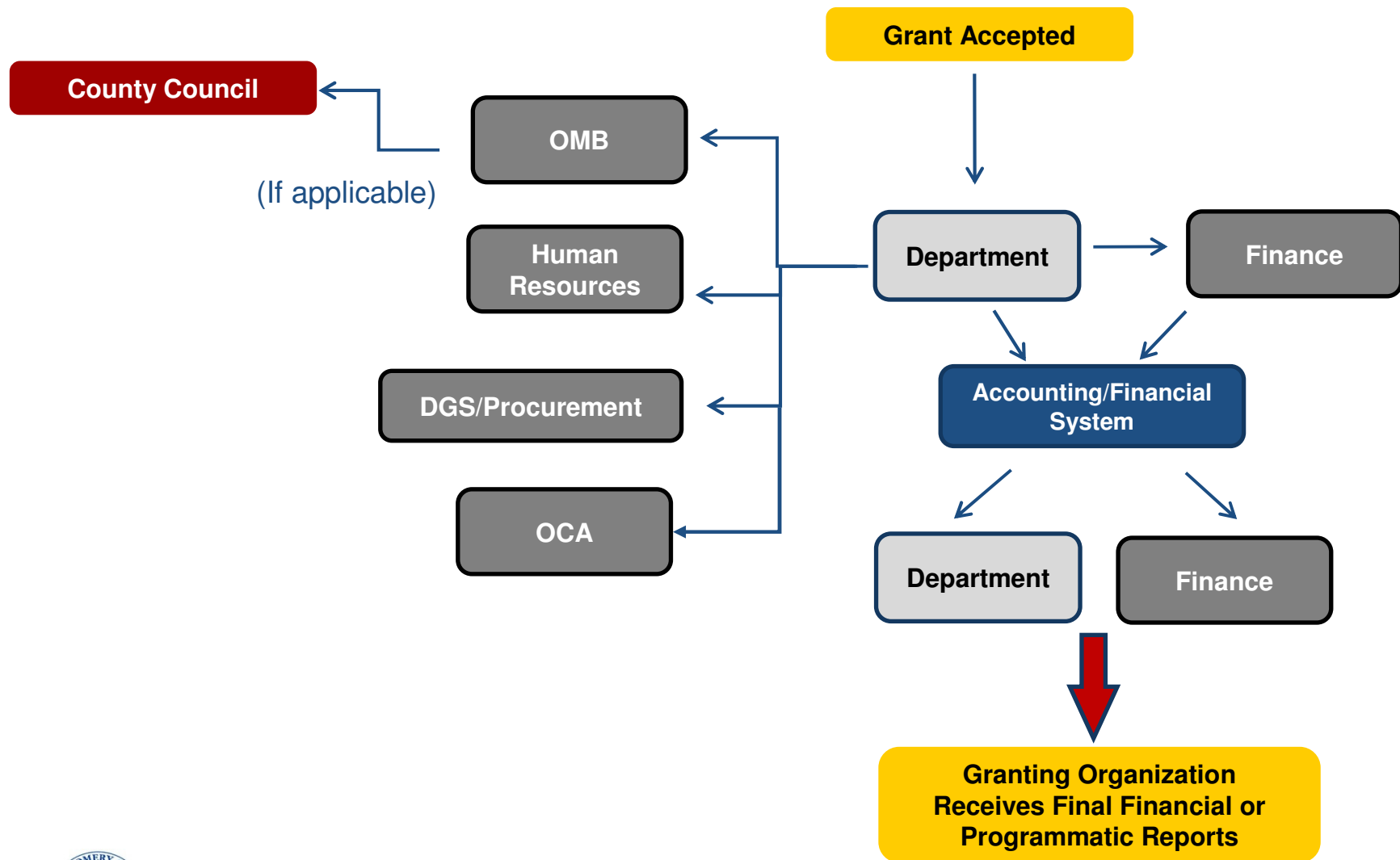# Issues and Concerns with Award Process, Suggested Solutions

Issues

- County does not track important baseline data regarding grants that would be helpful in making decisions about managing grant application process (e.g., # of grants applied vs. received, dollar amount received, completive v. formula, local match, etc.)

- Departments do not provide enough time for OMB, OCA, and ACAO review and approve grant related packages

Suggested Solutions

- Add a performance criterion to each department's performance plan to increase accountability for timely submission of grant applications and other related documents to OCA, OMB, and ACAO for review and approval.

- Identify data elements for the County to better understand the grant application process and establish a tracking system for these data elements (i.e., an Excel spreadsheet maintained by OMB that tracks # of grant applications, # of grants received, total grant dollars received, competitive vs. formula, amount of local match, etc.)

- Establish threshold criteria for grant related documents that require OCA, OMB, and ACAO review. For example, require review for any grant that triggers Council notification requirements or grant that exceeds a certain dollar amount. But allow department to handle other grant related documents without going through the review process.

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Implementation Process

Grant Accepted

County Council

OMB

(If applicable)

Human Resources

DGS/Procurement

OCA

Department

Finance

Accounting/Financial System

Department

Finance

Granting Organization Receives Final Financial or Programmatic Reports

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Implementation Process

Step 1: Grant Accepted

(If Applicable) County Council Supplemental Process

Step 2: Department establishes grant in accounting system

Step 3: Department implements the grant through coordination with:
- OMB
- Human Resources
- Procurement
- OCA

Step 4: Finance assists Department in financial reporting on grants

Step 5: Grant funds expended and program administered by departments

Step 6: Department and Finance "close-out" grants

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Department of Finance Role in Implementation Process

- Assist Departments in establishing grant award in financial system.
- Finance personnel reviews the Notice of Grant Award to understand
  - (a) terms of the grant – avoid loosing grant funds at the end of grant term,
  - (b) compliance requirements – avoid unallowable costs,
  - (c) grant financial reporting accurate and timely,
  - (d) most grants are cost reimbursable-ensure timely submission and payment of grant billings, support departments in grant audits by State, Federal agencies and others.
- Review, approve, sometimes submit "draw downs" to the granting agency.
- Prepare and submit the required financial reports to the grant agency.
- Grant Audits

Issues

- Ability of departmental staff to manage grants varies greatly.
  - Finance can be merely technical assistance, sometimes Finance is directly overseeing the grant's finances.

Suggested Solutions

- Centralizing financial grant administration – more efficient use of specialized personnel.

Role of Office of the County Attorney in Implementation Process—Issues and Solutions

Overall Process:

– Review agreements, contracts, and MOUs for form and legality

Issues/Concerns with Process:

– Conditions of the grant may not be included with the documents being reviewed— some grants require certain language to appear in all contracts using the funds

– Conditions of the grant may have a reporting requirement—the agreement, contract, or MOU must use compatible dates for reports from the vendor in order to comply with the substance and timing of the reporting requirement.

– Insurance and indemnification—some granting authorities ask the County to indemnify them—the County cannot do so without limitations, but often proposes to do so within the limitations of the Local Government Tort Claims Act

Solutions to Issues and Concerns:

– Check with Risk Management on all insurance and indemnification issues

– Include a copy of the grant conditions with all document reviews (contract, agreements and MOUs)

– For departments with separate grants administrators and contract administrators, make sure the two administrators share the conditions and keep each other updated on the use of the grant.

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Office of Management and Budget (OMB) role in Implementation Process

Overall Process:

- Appropriate Grant Funds (Revenues and Expenditures) to determine if a County Executive or Council Supplemental is necessary

- Approve Position Actions

- Grant Budget Modifications (Budget Entries)

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Overview of Grant Documents Review Trends

GRANT REVIEW TRENDS (FY05 to FY11)
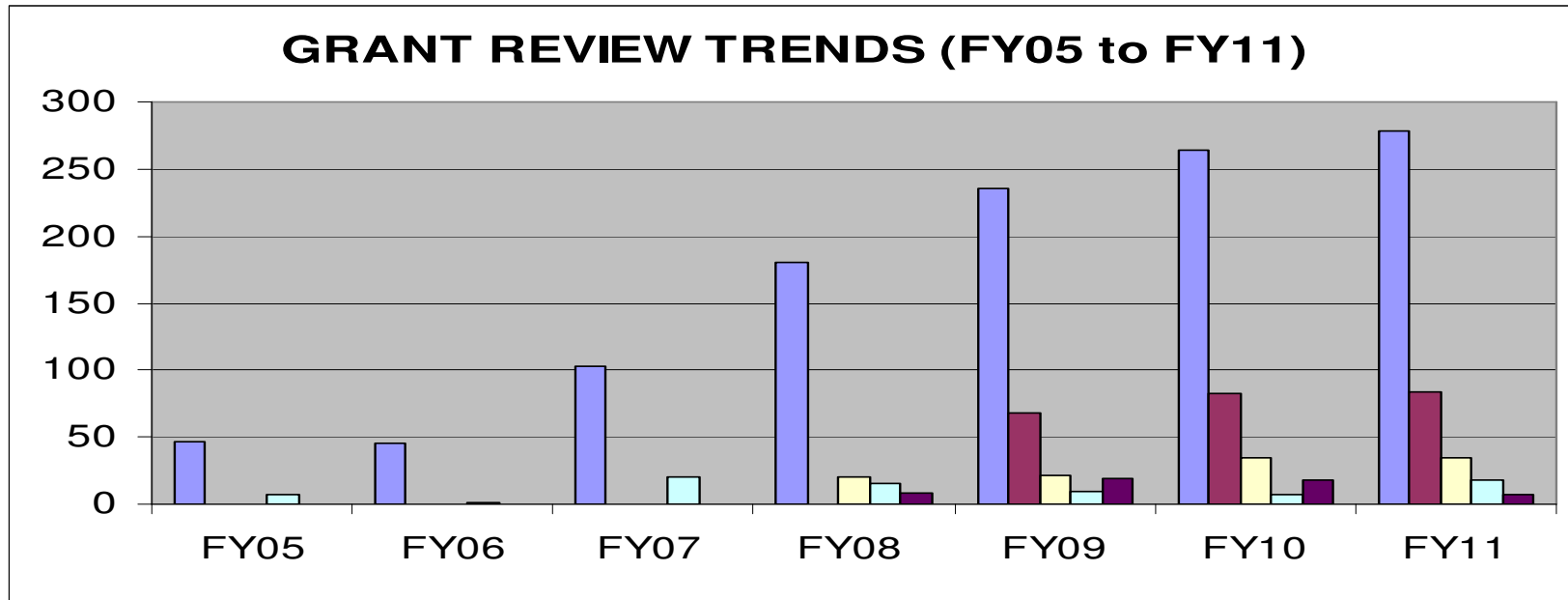
	FY05	FY06	FY07	FY08	FY09	FY10	FY11
Total Grant Documents Reviewed	47	46	103	181	235	264	278
Less than 3 days for OMB Review	-	-	-	-	68	82	84
Council Notifications	-	-	-	20	21	35	35
Match => $250K	7	1	20	16	10	7	18
Awards => $500K	-	-	-	8	19	18	7
Yr over Yr "Total grant documents" percent change		-2%	124%	76%	30%	12%	5%

Source: OMB

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Overview of Grant Documents Reviewed
Why Statistics may be understated

In FY10, OMB reviewed 264 grant documents.

Note, multiyear grants may have been operating at the same time, but not included in the 264 grant documents. Therefore, grant activity may be higher due to multi-year grants crossing fiscal years.

- County may receive grant funds and awards as part of a regional or bi-county allocation; an "earmark" or as "sub-grantee" without directly submitting an application – thus correlation between grant applications and grant awards is not a 1:1

There is no one size fits all when counting grants or grant activity because of non-typical grant activity.

Summary of Recommended Solutions to Overall Grants Process

- Implement a tracking system for grants applied and grants awarded, with additional data points of interest (e.g., amount sought, amount awarded, local match, number of new positions).

- Create threshold criteria for documents to separate out documents that need to be reviewed by OMB, OCA, and ACAO versus document that do not need to go through that review process.

- Increase department accountability of grant documents reviewed in less than three days via monthly reports or performance plans.

- Review and revise Administrative Procedures 7-1 regarding grants as necessary to reflect decisions about review criteria, tracking, etc.

Note: Revised recommendations in the forthcoming Follow-up Memo.

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Wrap-Up

- Follow-up Items

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Appendix

The following slides in the appendix are detailed reviews of the costs associated with the below departments in those specific areas noted in blue.

Examining Internal Costs for Grants

Phase/Departments	Application	Award	Implementation	Post-Award
Departments	X	X	X	X
ACAO	X	X		
OCA	X	X		
OMB	X	X	X	
Finance			X	X
Procurement			X	
Human Resources			X	

Appendix

OMB Grant Application and Award Review Estimated Costs For FY11

Types of Grants	Avg time for review	Cost Ranges		Documents Reviewed	FY11 Workload Hrs (assumes max. times)	Cost per Document Type
		Low	**High**			
Application/New	1 - 4 hrs	$56.83	$227.32	69	276	$62,740
Renewal	1 - 2 hrs	$56.83	$113.66	60	120	$13,639
Award	0.5 - 1.5 hrs	$28.42	$85.25	51	76.5	$6,521
Others:						
Amendment/Extension	0.5 - 1.5 hrs	$28.42	$85.25	50	75	$6,393
Memorandum of Understanding (MOU)	0.5 - 1.5 hrs	$28.42	$85.25	27	40.5	$3,4562
Budget Adjustment/Modification	0.5 - 1.5 hrs	$28.42	$85.25	21	61.5	$2,685
Total				275	619.5	$95,431
Council Notification Process	0.5 hrs	$88.29	$88.29	25	12.5	$1,103
OMB Technical Support	25 hrs	$88.29	$88.29			$2,207

Total: $98,742

OCA Grant Application and Award Review Estimated Costs For FY11

Types of Grants	Avg time for review	Cost Ranges		Documents Reviewed	FY11 Workload Hrs (assumes max. times)	Cost per Document Type
		Low	High			
Application/New	0.5 - 4 hrs	$25.04	$200.32	69	276	$55,288
Renewal	0.5 - 2 hrs	$25.04	$200.32	60	120	$24,038
Award	0.5 – 1.5 hrs	$25.04	$200.32	51	76.5	$15,324
Others:						
Amendment/Extension	0.5 – 1.0	$25.04	$200.32	50	50	$10,016
Memorandum of Understanding (MOU)	0.5 - 4 hrs	$25.04	$200.32	27	108	$21,635
Budget Adjustment/Modification	0.5	$25.04	$200.32	21	10.5	$2,103
Total				275	641	$128,405

Total: $128,405

CEX Grant Application and Award Review Estimated Costs For FY11

Types of Grants	Avg time for review	Cost Range	Documents Reviewed	FY11 Workload Hrs (assumes max. times)	Cost per Document Type
Application/New	.50 hrs	$27	69	34.5	$932
Renewal	.32 hrs	$17	60	19.2	$326
Award	.32 hrs	$17	51	16.32	$277
Others:					
Amendment/Extension	.32 hrs	$17	50	16	$272
Memorandum of Understanding (MOU)	0.5 hrs	$27	27	13.5	$365
Total			257	99.52	$2,172

Total: $2,172

Source: Information from CEX, Format from OMB

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Finance Grant Pre-Implementation and Implementation Estimated Costs For FY11

Types of Activities for Management by Finance

- Reviewing NGA: (compliance requirements, grant term, due dates), creating grant file

- Tracking Reimbursements, recording revenues, returning grant funds

- Preparing and Submitting Financial Reports (indirect, workers' comp, JEs, etc)

- Exchange information with Department Counterparts

- Subrecipients: reviewing MOUs, compliance requirements

- Reviewing/posting journal entries   - Grants budgets, review, post amendments

- Data gathering for Single Audit - confirmations, etc   Appendix - Yearly Closing

-Reviewing payroll postings (26/yr)

Types of Personnel Involved	Avg time for review	Cost Ranges per grant		FY11 Workload Hrs (assumes low times and 150 grants)	Total Cost
		Low	High		
Grant Accountants	40 - 120 hrs	$2,045	$6,136	6,000	$306,803
Manager	10 - 30 hrs	$671	$2,015	1,500	$100,763
Total				7,500	$407,556

Source: Information from Finance, Format from OMB

Total: $407,566

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		NO. 7-1	
MONTGOMERY COUNTY ADMINISTRATIVE PROCEDURE		PAGE 1	OF 5
Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850		DATE 8/15/2006	
TITLE Grant Application		CAO APPROVAL	

PURPOSE

1.0   To establish guidelines for a department to seek, coordinate and process all Federal, State and private/foundation entity grant applications, rewards, modifications and awards.

POLICY

2.0   Montgomery County will apply for all available public and private grant assistance as determined by the Chief Administrative Officer (CAO) that does not create an unacceptable long term commitment for County funding, or commit the County to a local match in which the County cannot financially meet that grant match.

DEFINITIONS

3.0   Grant - A legal instrument reflecting a relationship between the Federal and/or State government or private/foundation entity and Montgomery County, when the purpose is the transfer of money, property, services or anything of value in order to accomplish a public purpose.

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3.1   Department - The department submitting a Federal, State or private/foundation entity
             grant application for the County to receive grant benefits.

3.2   Indirect Cost Rate – That component of the total cost for a service that is provided by,
             and budgeted within, another agency (e.g., legal support, personnel). Indirect costs
             established by OMB are calculated as a percentage of personnel costs of the organization
             receiving the service, according to a formula approved by the Department of Health and
             Human Services for Federal grants. Indirect costs in the Special Revenue Fund and
             Enterprise Fund are transferred to the General Fund.

GENERAL

4.0   A grant should be revenue neutral to the County, i.e. the tax-supported grant program
             costs incurred will not exceed grant revenues. The department must include indirect
             costs, rent, or equipment, e.g. computers, in all new grant requests containing personnel
             costs.   The department must apply the full Indirect Cost rate established by OMB, unless
             the granting entity requires the County to apply a different indirect cost rate in
             establishing the grant benefits.

4.1   If the grant requires a County match, the department must absorb the match within its
             existing budget appropriation.

4.2   If the grant is a multi-year grant application, or the annual local match is over $50,000,
             or the granting entity specifies that the local match needs to be separately appropriated,
             the OMB Director must approve the grant application prior to the department transmittal
             to the Office of the Chief Administrative Officer (CAO). Any recipient for a local match
             by the County must be subject to the appropriation of funds for future years.

CountyStat

4.3   The County may appropriate monies needed for the Future Federal/State/Other Grants Non-Departmental Account (NDA), which provides for a new grant application, grant renewal, grant award, or grant award modification without requiring the complete County Council Supplemental Appropriation process. All new grant funding must come from the NDA. Guidelines for use of the NDA are in the annual County operating budget appropriation resolution, and allow a fund transfer from the NDA to fund a grant program request, if funds are available in the NDA, and if one of the following four conditions is met:

A.   the amount of the new grant is $200,000 or less;

B.   funds for the program were appropriated in a prior fiscal year;

C.   funds for the program were appropriated in the current fiscal year appropriation resolution; or

D.   funds for the program were appropriated by the Council in a supplemental or special appropriation in the current fiscal year.

Any program that does not meet one of the four conditions listed above must complete the County Council Supplemental Appropriation process.

RESPONSIBILITIES

5.0   Department

A.   Determine the availability of Federal, State and private sources of grant funds for proposed programs and expansion of existing programs.

B.   Submit any grant application, renewal, modification and award requiring signature by the Chief Administrative Officer or designee to the Office of Management and Budget (OMB).

C.   Designate an employee to provide interdepartmental grant assistance and act as a liaison to OMB.

D.   Inform OMB of any Federal and State legislation or regulations that may impact upon a grant program, and provide an assessment of the potential impact.

E.   Include full indirect cost rates in grant requests for all new grant applications, grant renewals, grant modifications, or grant awards if permitted by the granting entity. Also include workers' compensation and unemployment rates in the grant requests, as part of fringe benefits. These rates may be obtained from the Department of Finance, Controller Division, Grants Unit.

F.   Inform OMB of the outcome of the grant application and the grant award amount.

G. Identify whether the grant will result in the County acting as a pass-through agent to any entity qualifying as a subrecipient under Federal OMB Circular A-133. A department may have to provide this information to the Department of Finance, in the event the grant is awarded, and establish certain communications, required by OMB Circular A-133, with the subrecipient entity.

5.1   Office of Management and Budget (OMB)

A. Serve as a clearinghouse for all grant applications, grant renewals, grant modifications, and grant awards.

B. Assist departments in the review of a grant application, grant renewal, grant modification, or grant award.

C. Monitor Federal and State legislation or regulations that could impact upon present and potential County grant sources.

5.2   Office of Intergovernmental Relations

A. Monitor Federal and State legislation or regulations affecting present and potential County funding sources.

B. Coordinate contacts with Federal and State legislative delegations whose assistance is required to expedite the grant funding process.

5.3   Office of the County Attorney

Review and approve any new grant application or grant award/contract requiring signature as to form and legality.

5.4   Chief Administrative Officer (CAO) or Designee

Review and approve all grant applications, grant renewals, grant modifications, and grant awards.

PROCEDURES

6.0	Department	Submit a grant application, grant renewal, grant modification, or grant award to OMB for review.
6.1	Office of the County Attorney	Review and approve any new grant application or grant award/contract requiring signature as to form and legality.
6.2	Office of Management and Budget	Review the grant application, grant renewal, grant modification, or grant award and submit it to the CAO for review and approval.
6.3	Chief Administrative Officer or Designee	Approve or disapprove submission of the grant application, grant renewal, grant modification, or grant award.

6.4   Department

After the CAO approves a grant renewal, grant modification, or grant award, send a copy of the grant application and award letter to the Department of Finance, Controller Division, Grants Unit. If, under the terms of the grant award, the County will act as a pass-through agent to another organization that qualifies as a subrecipient, include a statement to this effect in the packet to Finance.

Establish new grant index code(s), grant number, and detail by completing an Index Code/Grant Request form and submit it to OMB.

Coordinate with the Office of Human Resources (OHR) to update a Position Profile Form (PPF) or a Position Action Form (PAF) for each employee whose time will be charged to the new grant.

Submit the index code, grant code, and detail to each affected employee responsible for charging time to the grant and making expenditures against the grant.

If applicable, coordinate with Finance to make appropriate required communications to subrecipient organizations.

For a grant requiring a contract with an outside vendor, prepare a grant contract, in accordance with normal contracting procurement procedures.

		Coordinate with OMB to ensure the resulting grant contract includes appropriate Federal and State references, as required by the grant, or by law or regulations.
6.5	Office of Procurement	For a grant requiring a contract with an outside vendor, review, approve and sign, or disapprove, a resulting grant contract, in accordance with normal contracting/procurement procedures.
6.6	Office of Management and Budget	For a grant requiring execution of a document of acceptance, process acceptance document and return to the requesting department for forwarding to the granting agency.
6.7	Department of Finance	Prepare and submit the required financial reports/invoices to the granting agency, or, if Finance has authorized delegation of such responsibilities to the department, then review and approve such reports/invoices prior to submission to the granting agency.

DEPARTMENTS AFFECTED

7.0   All County Departments