

LIVINGSTON COUNTY GRANT POLICY

RESOLUTION #2016-03-044

LIVINGSTON COUNTY, MICHIGAN

APPROVED: 3.21.16

RESOLUTION #2013-09-281

APPROVED: 9.16.13

RESOLUTION #105-023

APPROVED: 1.18.05

PURPOSE AND SCOPE: The purpose of this Policy is to establish procedures for grant applications, approval, acceptance, implementation, compliance and reporting. The intent of the Board of Commissioners is to ensure fiscal and administrative accountability of Federal and State funds, property, and other assets awarded to Livingston County. For the purpose of this policy, a grant is a financial award that is subject to requirements imposed by the awarding agency.

APPLICATION OF POLICY

The Grant Policy applies to all Livingston County employees and Elected Officials.

SECTION I - GENERAL POLICY

GRANT APPLICATION: Grants with a potential award of over \$25,000 in a single calendar year require approval by the Livingston County Board of Commissioners prior to submission of the grant application. Grant applications for awards under \$25,000 may be approved by the County Administrator. All completed grant applications must be forwarded to County Finance for review prior to submission.

- The County Financial Officer, or his/her designee shall be designated as the grant fiscal officer for all grants. Copies of the grant award letter and the executed grant contract, including approved budget if applicable, shall be uploaded and made viewable in the Content Management System (TCM) in the County's Financial Enterprise Resource Planning (ERP) system.
- Departments or grantees must direct grantor to send grant funds directly to the Livingston County Treasurer. All Financial Institution information related to the grant application must be completed by the Livingston County Treasurer's Office.
- Grants requiring a local cash match must be made known and coordinated with County Finance. Sources for matching funds must be identified within the existing department budgeted object codes or a request submitted and authorization received from the Board of Commissioners for the amount or percentage of cash match required.
- Grants that allow for reimbursement of indirect costs must include these costs in the grant application budget. Indirect costs estimation shall incorporate the County's annual Cost Allocation Plan.
- Grants that allow for reimbursement of administrative time and other costs related to administering the grant shall have those expenses clearly recorded in the Project Ledger within the ERP system to ensure full reimbursement to the County.
- Grants requiring expenditure budget to be included with the application or annual request must submit the proposed budget to County Finance for a technical review prior to submission to

determine the accuracy of the calculations, completeness of reimbursable expenses identified, and development of accurate calendar year budgets for inclusion in the County's Operating Budget.

GRANT MANAGEMENT: Each grant must have an individual designated as Grant Manager and have that person identified in the Project Ledger Master File in the County's Munis ERP system. Each department is responsible for requesting their grant funds, fulfilling the financial reporting requirements of the grant, and ensuring the proper revenue allocation has been performed.

Livingston County is responsible for maintaining an inventory of fixed assets purchased with grant funds, as well as making such fixed assets physically available for inspection during a grant audit. The sale or disposal of these assets must be in compliance with grant requirements as well as the County Fixed Asset Policy and must be coordinated with County Finance. All grant purchases must be made in accordance with the Livingston County Purchasing Policy.

GRANT ACCOUNTING: Fiscal control and fund accounting procedures shall be established to assure the proper dispersal of and accounting for grant funds. Such procedures shall ensure that all financial transactions are conducted and records maintained in accordance with generally accepted accounting principles with the following objectives.

- Maintain financial records in the County ERP system ensuring that the General Ledger and Project Ledger contains sufficient detailed information to accurately account for grant revenue, expenditures, assets, liabilities, and obligated balances.
- In accordance with GASB-33, grant revenue should be consistently matched with related expenditures for the same time period using the modified accrual basis accounting method.
- Budgetary Control – Timely reporting of comparison between planned and actual performance.
- Grant Monitoring – Timely financial reporting and reconciliation to monitor financial progress and check accuracy of grant reporting throughout the life of the grant.

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 2 CFR 200 (referred to as "Super Circular") guidance. The "Super Circular" can be found online at <http://www.ecfr.gov>.

All federal grants, including those grants that are administered through a state "pass-through" agency, must be included on the County's Single Audit Report.

The County's timekeeping system should utilize the ERP Project Ledger, where possible, to track employee time attributable to a grant that provides such funding or requires that such time be tracked. If the ERP Payroll with Project Ledger function isn't utilized for timekeeping, the department's tracking method and process must be on file with County Finance.

The existence of grant funds does not exempt County personnel from conducting project activities in accordance with County policies and procedures. Regulations and reporting requirements of the funding agency are in addition to, and not a replacement for, County policies and procedures.

SECTION II - RESPONSIBILITIES OF COUNTY PERSONNEL

GRANT MANAGER: The Grant Manager is responsible for fulfilling the program requirements of the grant and promptly submitting the required program monitoring reports to the funding agency. Progress financial and final reports must be uploaded to the County's ERP Content Management system to be accessible by County Finance.

The Grant Manager shall work in conjunction with the designated Grant Financial Manager to review financial transactions, such as contract invoices, vouchers, travel reimbursements, purchase documents, and various other documents that obligate Livingston County. When reviewing documents, the Grant Manager is responsible for verifying the following:

- Charges to the grant correctly represent materials received or services rendered;
- Charges represent activities that are allowable under the grant and comply with the budget that is established for the grant;
- Funds are available in the grant to cover authorized charges; and
- That the transactions comply with all relevant internal or external regulations, policies and procedures.

The Grant Manager is responsible for quarterly reconciliation of revenue and expenditures reported on grant financial reports to the County ERP System financial reports. A copy of this reconciliation shall be sent to County Finance prior to submission to the funding agency.

Grant Managers shall submit detail to be included in the Schedule of Expenditures of Federal Awards for grants that are subject to the Single Audit annually, no later than March 15th of each year. The Schedule of Federal Awards shall include:

- CFDA Number
- Federal Agency
- Contact information for State pass-through agency
- Contract number or identifier for State pass-through funds
- General Ledger Revenue and Expenditure object codes
- Project Ledger Funding and Expense Strings
- Calendar year grant expenditure amount
- Award amount and calendar year revenue received

Grant Managers shall be responsible for notifying County Finance, who will work in conjunction with the County Payroll department in setting up the appropriate project codes to be used to track employee time, where possible.

Grant Managers shall also be responsible for reconciling the hours reported on grant financial reports with the employee time reported through the County's time tracking system.

COUNTY FINANCE: County Finance shall assist the County's auditor with the proper reporting of grants and will be responsible for preparing the Schedule of Expenditures of Federal Awards for the annual Single Audit.

County Finance will work in conjunction with the Treasurer's office in setting up the appropriate general ledger revenue and expense object codes in the ERP System to ensure proper recording of grant funds.

RESOLUTION #2016-03-044	APPROVED: MARCH 21, 2016
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RESOLUTION ATTACHED

RESOLUTION

NO: 2016-03-044

LIVINGSTON COUNTY

DATE: March 21, 2016

RESOLUTION TO AMEND THE COUNTY GRANT POLICY – COUNTY ADMINISTRATION

WHEREAS, County Administration has determined the need for the Grant Policy, originally approved on January 18, 2005 and amended with resolution 2013-09-281, to be updated; and

WHEREAS, the policy requires all federal grants to use the MUNIS project ledger and be subject to the Schedule of Expenditures of Federal Award guidelines and audit; and

WHEREAS, the Federal Office of Management and Budget revised the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards under 2 CFR 200 guidance into one document referred to as “Super Circular”. The County’s policy was revised to refer to this guidance; and

WHEREAS, updates have been made to the policy language to clearly state this policy applies to all County employees and Elected Officials; and

WHEREAS, the policy revision directs Departments to supply budget and expenditure information prior to submission of applications and financial status reports to funding agencies, to the County Finance department.

THEREFORE BE IT RESOLVED that the Livingston County Board of Commissioners hereby adopts the attached amended Grant Policy for Livingston County.

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MOVED: Commissioner Griffith

SECONDED: Commissioner Dolan

CARRIED: 7-0-2 Absent (Domas, Parker)