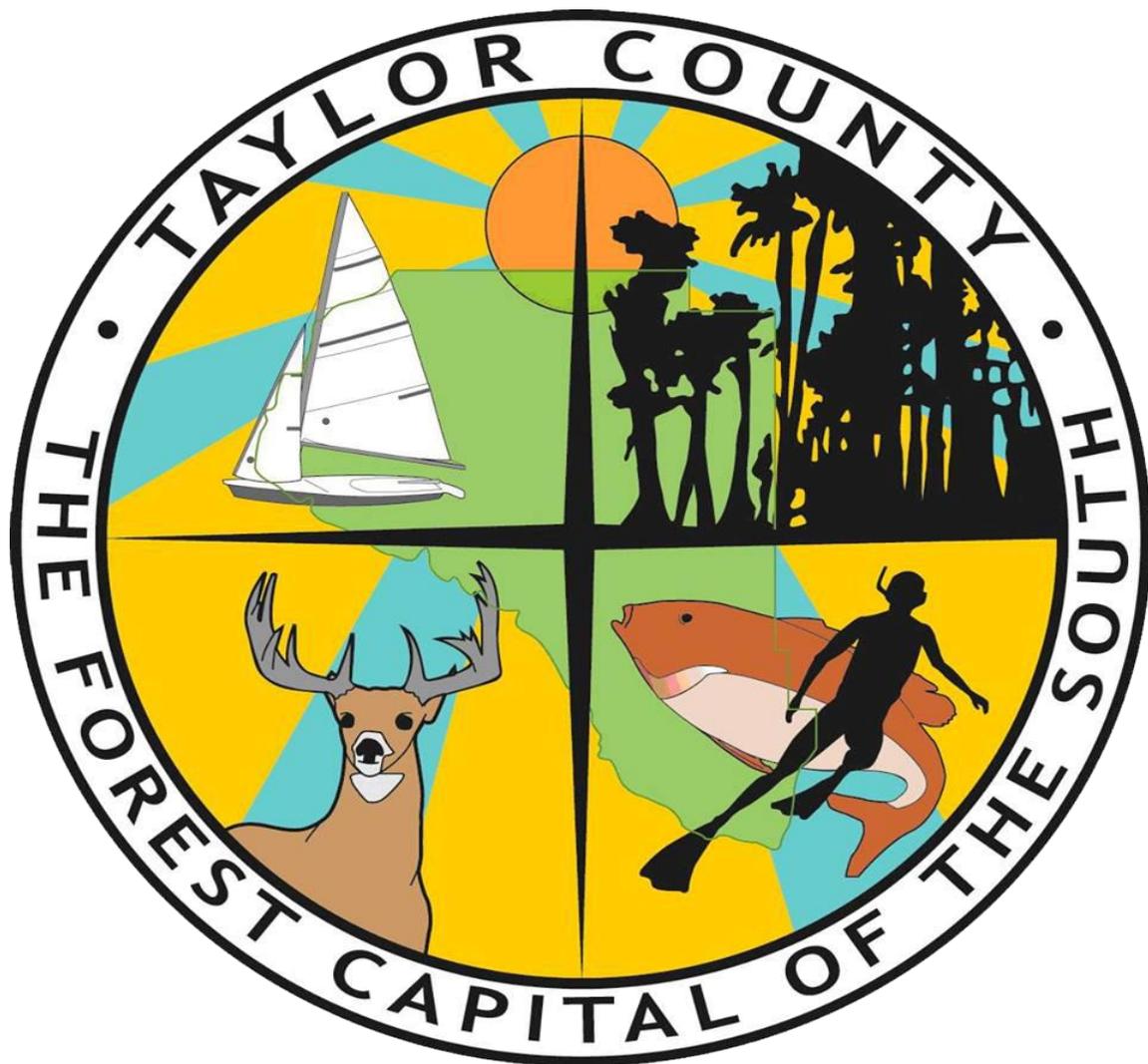


TAYLOR COUNTY

GRANT MANAGEMENT PLAN FOR THE ADMINISTRATION OF FEDERAL AND STATE GRANT AWARDS



ADOPTED DATE:

**TAYLOR COUNTY
GRANT MANAGEMENT PLAN
FOR THE ADMINISTRATION OF FEDERAL GRANT AWARDS**

I. SCOPE

This **Grant Management Plan** (Plan), along with the comprehensive policies and procedures, applies to all Federal and State grants awarded to the Taylor County Board of County Commissioners (BOCC). Grants that are awarded to the Board or directly to a constitutional officer, and processed directly by other constitutional offices, will be managed as a sub-recipient under Section IX of this Plan. The policies and procedures are developed for the following six main operations categories.

- 1) Grant Application/Offer
- 2) Grant Award
- 3) Grant Monitoring
- 4) Grant Accounting and Reporting
- 5) Grant Sub-Recipient Monitoring
- 6) Noncompliance Procedures

II. PURPOSE

The purpose of this Plan is to assist in providing accurate, current and complete disclosure of the program and financial results of each Federal and State grant within the existing budgetary accounting and reporting framework. This Plan provides the following guidelines to ensure the following:

- 1) Federal and State grant are properly authorized by the BOCC.
- 2) Grants have been properly budgeted by the County Finance Department in order to maintain budgetary controls.
- 3) Transactions involving Federal and State grants are in accordance with the provisions of the Federal Office of Management and Budget Circulars, Executive Orders, other Federal laws, and all applicable Florida State Statutes and Laws of Florida.
- 4) Grant transactions are properly identified in the accounting records in order to maintain accounting and reporting controls.
- 5) Grant financial reporting requirements are monitored for compliance.
- 6) Official accounting records required by grant agreements are maintained to the extent possible in a centralized location.

III. GOVERNING LAWS AND REGULATIONS

FEDERAL

- 1) Federal Grant and Cooperative Agreement Act of 1977, as incorporated in Title 31 Section 6304 of the U.S. Code
- 2) Office of Management and Budget (OMB), 2 CFR Part 200, et al. Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards
- 3) Government Auditing Standards issued by the Comptroller General of the United State Government Accountability Office
- 4) Davis-Bacon Act, as amended
- 5) All applicable Presidential Executive Orders
- 6) All applicable grantor program guidelines, including U.S. Department of Treasury RESTORE Act Financial Assistance Standard Terms and Conditions and Program-Specific Terms and Conditions, amended August 2017

STATE

- 1) Florida Statutes, Chapter 125-County Government
- 2) Florida Statutes, Chapter 287-Consultants' Competitive Negotiation Act (CCNA)
- 3) Florida Administrative Code
- 4) Rules of the Auditor General, Chapter 10.600, Audits of State Grant and Aid Appropriations
- 5) Florida Single Audit Act, Florida Statutes 215.97

COUNTY

- 1) Taylor County Purchasing/Procurement Policy
- 2) Taylor County Personnel Policy
- 3) Taylor County Anti-Fraud Policy
- 4) Taylor County Finance Policy
- 5) Taylor County Drug Free Workplace Policy
- 6) Taylor County Code of Conduct Policy and Certification
- 7) Taylor County Conflicts of Interest Policy and Certification
- 8) Taylor County Risk Assessment, Inventory Control and Tangible Property Policies
- 9) Taylor County Safeguarding Personal and Identifiable Information Policy

IV. DELEGATION OF AUTHORITY

ADMINISTRATIVE AUTHORITY

Responsibility for programmatic administration of the grants within County government rests with the Department that applied for the grant, although the official recipient under the grant is the BOCC. All grants awarded to Departments under the County Administrator and constitutional officers must be included in combined countywide reports under Federal and State reporting guidelines. The BOCC signs all grant applications, amendments, modifications and agreements, However, the BOCC may delegate authority to sign grant-related documents to the County Administrator, Finance Department, Grants Manager, constitutional officers and project managers.

ACCOUNTING, MONITORING AND FINANCIAL REPORTING AUTHORITY

The Finance Department is responsible for the official financial records of the BOCC and, in that capacity, is responsible for maintaining adequate records to ensure compliance with Federal and State accounting and reporting requirements for all grants administered by Departments under the Board of Commissioners. The constitutional officers are responsible for maintaining adequate financial records to ensure compliance with Federal and State accounting and financial reporting requirements for all grant administered by them.

Allowable and Unallowable costs will be defined as those allowable and unallowable costs indicated in the Federal Uniform Administrative Requirements, Cost Principles and Audit Requirements 2 CFR Part 200 and the applicable grant award agreement. Once identified as allowable, costs will be posted as an expenditure to the applicable grant. For costs to be considered allowable to a grant project, it must be determined to be reasonable and be given consistent treatment through application of those generally acceptable accounting principles appropriate to the circumstances and conform to any limitations or exclusions set forth in these principles or in the sponsored agreement as to types and amounts of cost items. Any unallowable costs will be charged, as appropriate to the department responsible for the administration of the grant received.

Direct and indirect costs will be defined as those identified in the Federal Administration Register and the applicable grant contract. Direct costs are those costs necessary to perform the project's stated scope of work will be expensed against the applicable grant. Project accounting will be utilized to record direct and indirect costs for the appropriate grant. Indirect costs will be assessed to the appropriate department responsible for the administration of the grant received. Direct costs may include: salaries and fringe benefits of staff and other personnel directly engaged in performing the project's scope of work, supplies and materials necessary for performing the project's scope of work. In addition, direct costs may include other such costs such as travel, contractual, printing, long distance telephone and other directly related costs necessary for performing project within its specified scope of work. If allowable under grant, capital equipment may be purchased along with any service/maintenance agreements on capital projects.

Administrative costs will be treated as direct costs when they meet certain conditions to demonstrate that they are directly allocable to the grant.

The chart of accounts for the allowable, unallowable, direct and indirect costs associated with a particular grant is based on the chart of accounts as outlined in the Uniform Accounting System Manual for Local Governments issued by the State of Florida Department of Financial Services Bureau of Financial Reporting. The responsibility of determining whether an expenditure is allowable or unallowable, direct or indirect is delegated to the Grants Manager and the Finance Department as required by §200.439. If a Project Manager is appointed expenditures will be reviewed by the Grants Manager and/or Finance Department which ever may be applicable.

Compensation and benefits will be charged to the grant as administrative costs and treated as direct costs when the expenditures demonstrate they are allocable to the particular grant. Only those compensation and benefits as allowable by the Uniform Administration Requirements and the terms of the applicable grant will be charged to that grant.

Reporting on all grant revenues and expenditures will be in compliance with generally accepted accounting principles (GAAP), the laws of the State of Florida, the laws of the Federal Government and any reporting required by the specific grant agreement.

The Finance Department will authorize user access to the accounting and financial system. Access will be limited to those personnel who are duly authorized to utilize the system. County personnel who are directly involved in the activities related to the utilization of grant funds are limited to Finance Department approved access in the accounting system for grants management and reporting. All charges and adjustments are made by the authorized personnel in the Finance Department.

Safeguards against system compromise and/or destruction have been put into place by the Finance Department. The Finance Department accounting system servers are located in the basement of the Courthouse with limited access. The Board of Commissioners computer system servers are located on the 2nd floor of the Administrative Complex with limited access. Appropriate backup systems are in place both onsite and offsite. The County IT Department Director is the only authorized administrator of the BOCC online operating system, network, application and physical layers. The IT Director assigns passwords to authorized personnel and can override, terminate and change these passwords upon employee changes.

Proper segregation of duties are currently in place to ensure adequate internal controls of accounting procedures to prevent fraud and misappropriation of grant funds. All expenditures will require appropriate documentation and authorization from personnel with approval authority. All expenditures will be reviewed by the Finance Department prior to any disbursements.

The County Administrator's office will notify the Finance Department and the County IT Director immediately of an employee job change. The County IT Director will maintain a list of all personnel with access to any and all Federal grants, the required web accesses and passwords to them. Upon notification of job change, termination or other change, the IT Director will immediately terminate permissions on all web addresses, computer access, if required and notify Administration of completion of task. Departments impacted by employee changes will immediately assess the rights of employee access. The Finance Department and IT Director have administrative rights that allow complete termination of employee permissions in the case of an employee leaving employment or changes to permissions of employees in systems determined by job position and responsibilities.

Personnel authorized access to Federal grant websites, will be given set permissions for each grant award. The accesses will be limited to those necessary to operate, approve and

maintain grants as required. Authorized staff will be given permissions to enter data, upload documents and submit reporting as required. Authorized staff should ensure data is correct and appropriate. All grants entered and/or approved electronically, must be submitted to the information agenda of the Taylor County Board of County Commissioners for entry into the record as the legal document approved and in force at all times. All grant modifications or changes to grant terms must also be approved by the Board.

External System threats have been alleviated to the extent possible by the installation of antivirus software and the use of firewalls.

Data recovery and the ability to continue business operations, has been ensured by the use of both onsite and offsite backup systems. Business continuity is assured as the accounting system has the ability to be accessed from a remote site utilizing a virtual private network (VPN). In the event of an emergency, accounting functions can be processed remotely.

In the event there is a receipt of excess funds on any Federal grant, the Finance Department will return such excess funds as expeditiously as possible. The funds will be returned in the manner required on the notification of excess funds.

As indicated previously, project accounting will be utilized to track the revenues (incomes) and expenditures. Any income received for grant purposes will be recorded to such grant and utilized in accordance with any grant agreement.

Any debts determined to be owed to the Federal Government, will be promptly paid in accordance with any debt agreements with the Federal Government or in accordance with instructions provided to the county upon notification of the existence of such debt.

Any cash drawdown process relative to Federal grants will consider the need to coordinate the timing of the drawdown with prior internal approvals so that funds that are required and the cash flow needs of the grant project are matched. Drawdowns will also be submitted and reviewed on the basis of any specific grant agreements. The fiscal activity of the grant will be monitored on a continuous basis. If necessary, careful planning for cash flow in the project will be budgeted and requirements assessed before any drawdowns are requested. Any grant funds received from a drawdown will be utilized to pay grant activities as soon as practical after receiving grant funds. The Finance Department along with the County Administrator's office will perform a self-assessment on an annual basis, at a minimum to evaluate any potential risk of the internal control environment of the county.

Personnel in the Finance Department, the Grants Manager and Project Manager (if applicable) are responsible for staying current on all Federal regulations. The County will engage external independent auditors to perform requisite audits in the preparation of audited financial statements as required by Florida Statutes, federal regulation and the Single Audit Act. The county does not have an internal audit department; however, the Finance Department performs a pre-audit on all expenses prior to payment to ensure proper coding and compliance with GAAP, relative contracts, budgetary compliance and

any grant agreements. This pre-audit and review is performed in an effort to prevent findings by external auditors. Upon receipt of any observations identified in an external audit, the Finance Department in coordination with the County Administrator will formally respond in writing to the reporting auditors and will either confirm or dispute the findings. If the findings are found to be valid, the Finance Department will indicate the corrective actions to be taken to resolve any deficiencies. The Director of Finance will log and monitor any external findings and corrective actions. If corrective actions are not being followed, the Director of Finance will notify the County Administrator of noncompliance and suggest further corrective action.

V. GRANT APPLICATION/OFFER PROCEDURES

The grant application / offer section includes all functions associated with obtaining a grant when a pre-application or an application of any format is required. Most of these are the responsibility of the originating department, which includes locating grant sources, determining the appropriateness of the grant to the county and preparation of the Agenda Package. The Grants Manager will provide a centralized office (Point of Contact) for official contact, distribution and submission of grant documents. This applies to all grant applications whether they are hard-copy, electronic or prepared by third-party administrators.

PROCEDURES:

- 1) The appropriate county department will coordinate with applicable County staff to determine the necessity of the application for any specific grant.
- 2) The County will appoint a Project Manager (if applicable) to assume the responsibilities of monitoring the grant if the grant will not be administered by the Grants Manager.
- 3) The appropriate county department will prepare the initial draft of the grant application, which includes at a minimum the following:
 - a) The federal or state agency from which funds originate.
 - b) The program name and Catalog of Federal Domestic Assistance (CFDA) or Catalog of State Financial Assistance (CSFA) number.
 - c) Any requirements relating to the grant that would require additional scrutiny by the Board, (i.e., matching, source of matching, certificate of insurance, special retention) or reporting requirements and any other special consideration that has to be met to obtain the grant.
- 4) Appropriate county staff who will contribute programmatic information will review the draft.
- 5) If applicable, the draft may be reviewed by the County Attorney for legal compliance issues.

6) The Grants Manager or initiating department will modify the draft from information provided by the County Administrator, department heads, County Attorney, and other appropriate personnel.

7) The Grants Manager will prepare an Agenda Request to be included in the Agenda Package for the grant. The Agenda Package consists of, but is not limited to:

- a) the Agenda Request,
- b) the grant application, if applicable,
- c) any supporting documentation relative to the grant application, and,
- d) required original copies of the items noted above,

i. If the application is a “hard-copy”, the initiating department or third-party Administrator will forward the “hard-copy” application and the associated Agenda Package to the Grants Manager for review. The Grants Manager and Project Manager (if applicable) will review the application and determine the appropriate contacts, addresses, and other pertinent data to be included on the application. The Grants Manager will forward the Agenda Package to the County Administrator’s office to be included on the next Board Agenda for BOCC approval. Upon approval, the Grants Manager will submit the original application (s) to the granting agency, with a file copy (Record) to be retained in the Grants Department and a copy sent to the Project Manager (if applicable) for his/her file. A copy of the grant will also be provided to any other applicable staff who may be involved in the development of the grant application or the administration thereof if awarded.

ii. If the application is “electronic”, the initiating department or third-party Administrator will forward a copy of the Agenda Package to the Grants Manager. The Grants Manager and Project Manager (if applicable) will review the application and determine the appropriate contacts, address, and other pertinent data to be included on the application. Included in the recommendation on the Agenda request will be a statement for approval of electronic submission and delegation of electronic signature authority by the Board to the Grants Manager. After reviewing the Agenda Package, the Grants Manager will forward the information to the County Administrator’s office to be included on the next Board Agenda. Upon approval by the Board, the Grants Manager, Project Manager or if applicable to third-party administrator will apply for the grant. If possible, the Grants Manager will print a hard-copy of the electronic application. A copy will be maintained as the original record in the Grants Office and Project Manager (if applicable) for his/her file.

8) Grants Manager, County Engineer, Project Manager, and applicable staff will identify any/all environmental and permitting requirements and so document them.

9) “EMERGENCY PROCEDURES”

This procedure should be used **ONLY** in the rare cases when time is a critical element for submittal of the grant application. In no circumstances should this procedure be utilized

to bypass the normal procedures noted above. However, if time is of a critical nature, and after approval from the County Administrator, the Grants Manager or appropriate staff such as a Project Manager or County Engineer will obtain the Chairman's signature and submit the application to the granting agency. The Grants Manager or applicable staff will prepare an Agenda Package with the application included for approval and ratification by the Board at the next meeting. If the Board disapproves the grant application, then the Grants Manager or appropriate staff will notify the granting agency that the County withdraws its submittal.

VI. GRANT AWARD PROCEDURES

The grant award section includes the initial accounting procedures required when a grant is awarded. Most of these functions will be processed by the Grants Manager or the Finance Department and includes communicating with the funding agencies, establishing revenue and expenditure departments/accounts and providing applicable county departments with information relating to the grant.

PROCEDURES

- 1) The grant is awarded by the funding source or by acceptance of grant offer.
- 2) The original (Record) copy of the fully executed grant award document will be maintained by the Grants Manager with a file copy going to the Finance Department and appropriate staff which may include the Project Manager and County Engineer for his/her file
- 3) Initial accounting procedures.
 - i. Ensure that the grant is established in the financial system with the Finance Department. This will include the determination of the appropriate fund and account numbers for financial entries in accordance with the grant agreement. Unallowable costs and cost overruns, upon identification, will be reclassified to regular expense departments of the County. Each grant will be evaluated to define, track and report direct costs and indirect costs, in accordance with the grant agreement. Administrative and personnel costs will be defined, tracked and reported individually according to current procedures. Records relating to employee compensation is retained in both the County's Human Resources and Finance Department's payroll section.
 - ii. Prepare a Grant Application Review and Administration Form which contains data relating to the various requirements of the grant, summarizes the general and specific requirements needed for compliance and sets up a time table for completion of the grant requirements and reporting filing.
 - iii. Prepare and maintain a file for each grant that will be available for inspection by the internal, independent, and any State and Federal auditors.

4) The Grants Manager provides copies of the Grant Application Review and Administration Form containing the information gathered in Step A to the Project Manager (if applicable) and other staff who may be involved in the administration or project completion of the grants scope or work.

5) The Grants Manager communicates with the funding agency to obtain information concerning the source of funds for the grant. (i.e. CFDA or CSFA number, federal funding percentages, state grants and aids percentages, etc.)

6) The Finance Department updates the Schedule of Expenditures of Federal Awards and State Financial Assistance with information concerning the grant.

7) The Grants Manager enters information about the grant on a master grants schedule to aid in maintaining monitoring and reporting schedules throughout the life of the grant.

8) In the unlikely event that the County would perform cash advance activities under federal awards, the County would abide by the following Uniform Guidance procedures.

a) §200.305 (b)(5) To extent available, the County would disburse funds available from program income (including repayments to a revolving fund) rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments.

b) §200.305 (b)(7) Standards governing the use of banks and other institutions as depositories of advance payments under Federal awards.

c) §200.305 (b)(9) Interest earned up to \$500 per year may be retained by the County for administrative expense. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System through an electronic medium using either Automated Clearing Housing network or a Fedwire Service payment.

VII. PROCUREMENT PROCEDURES

1) The County will use its own documented purchasing procedures which reflect applicable State and local laws and regulations, provide that the procedures also conform to Federal law and compliance with the procurement standards set forth in 2 CFR Part 200.

2) The County will maintain oversight to ensure that contractors perform in accordance with terms and conditions and specifications of their contract.

3) The County will maintain standards codes of conduct covering conflicts of interest and government the performance of its employees engaged in selection of awards and contract recipients. No employee, officer or agent can participate in the selection, award or administration of contract support by a Federal award if he/she has a real or apparent conflict of interest.

4) The County will utilize procedures to avoid acquisition of unnecessary or duplicate items. All purchase decisions will be made based on a cost benefit analysis such that materials are purchased in the most economical manner possible, as required by §200.323.

5) When feasible and cost effective, the County will seek to use Federal excess and surplus property on Federal projects.

6) When feasible and appropriate, the County will obtain materials and goods through state and/or federal contracts to take advantage of economies of scale and efficiency.

7) The County will maintain appropriate records of all purchases sufficient to detail the history of purchases.

8) Contractors or participate in the development of draft specification, requirements, statements or work and invitations for bids or requests for proposals will be excluded from competing for those procurements funded by Federal awards.

9) Methods of purchase will be conducted by the following means:

a) Procurement of small purchases, or acquisition of supplies and services, and the dollar amount does not exceed \$1,500 per each item may be awarded without soliciting written bids/quotes. Three written bids/quotes are required for purchases from \$1,500 to \$25,000. Procurement of purchases, or acquisition of supplies, equipment, or services over \$25,000 require competitive bids.

b) Procurement by bid or request for proposals in accordance with exiting County purchasing and bid policy which allows for advertisement for bid or request of proposals, sealed bid processes. Openings for all sealed bids for federally funded projects will be open to the public at the time and place advertised. A fixed price contract will be awarded to the lowest responsible bidder and written notification will be delivered to the successful bidder, as required by §200.320(d).

c) In compliance with §200.325 for large capital projects over \$150,000 the minimum bonding requirements will be include the following: (a) a bid guarantee from each bidder equivalent to five percent of the bid price; (b) a performance bond on the part of the contractor for 100 percent of the contract price; and (c) a payment bond on the part of the contractor for 100 percent of the contract price.

10) All procurement transactions will be conducted in a manner not restrictive to competition. The County will not place unreasonable requirements on firms in order for them to qualify to do business, as required by §200.319.

11) The County will take all necessary steps to assure that disadvantaged businesses, minority businesses, women's business enterprises and labor surplus firms are used when possible, as required by §200.321.

VIII. ACQUIRED PROPERTY PROCEDURES

The Acquired Property Procedures outlines the procedures that will be taken when Federal awards are used to acquire property which includes real property, equipment and other capital improvements and supplies (inventory).

1) Real Property

a) If the County acquires real property with Federal award funds, the title to such property remains bested in the County as required by §220.312. The use of real property acquired will be for the purpose provide the award for as long as needed for that purpose and the County cannot dispose of the property or encumber its title or interest without permission of the Federal Government, as required by §200.311 and §200.312.

b) When the real property is no longer needed for its original purpose authorized by the Federal award, the County will obtain disposition instructions form the awarding agency and will present the alternatives for disposition of such property. The alternative for disposition may be: retain the property, sell the property or transfer the property to a third party.

c) Upon disposition, the County will calculate the interest of the Federal awarding agency and return the interest based on the alternative of disposition selected, as required by §200.305(b)(9).

d) The status of any real property acquired by federal awards will be reported to the awarding agency no less frequently than annually.

e) The County will provide the necessary and appropriate insurance coverage for all real property acquired through a federal award per §200.310.

2) Equipment

a) Title for equipment purchased with federal awards will be held in the name of the County and will be used for the specific project for which it was approved until the project ceases or until the equipment is no longer need for the project.

b) Equipment acquired under federal award will not be encumbered without the specific approval of the awarding federal agency.

c) Equipment acquired under a federal award will be identified in the capital assets record of the County as such and will be disposed of in accordance with State laws and procedures, when such procedures are no less restrictive than Federal law. Prior to disposition of any equipment or capital improvements acquired by federal awards, the County will seek permission from the awarding agency to dispose of the item(s). Items with fair market value exceeding \$5,000 may be sold or retained by the County. The County will remit to the

awarding agency its interest in the property less \$500 or 10% of the proceeds, whichever is less, for its selling and handling expenses, as required by §200.313.

d) Disposed items with a fair market value exceeding \$5,000 or less may be retained, sold or otherwise disposed of without further obligation to the federal government.

e) The County will provide the necessary and appropriate insurance coverage for all equipment purchased through a federal award per §200.310.

3) Supplies (inventory)

a) Title to the supplies will be in the name of the County. Expensing of the supplies will be done in a manner that qualifies under requirements of GASB and generally accepted accounting procedures, as required by §200.313.

b) At the completion of a project, residual inventory of unused supplies exceeding \$5,000 in total aggregate value are not needed on any other federal award, the County may sell or use the inventory but must compensate the Federal government its share of the unused inventory.

IX. GRANT MONITORING PROCEDURES

The grants monitoring section includes the functions relating to the monitoring of the grant activities. The Grants Manager is responsible for the financial accuracy and coordination of the monitoring program and is responsible for providing the programmatic (operational) function which encompasses compliance with the terms and conditions of the grant.

PROCEDURES

The Grants Manager is responsible for developing a monitoring plan using the general and specific requirements of the grant. The Grants Manager will develop a timetable for internal monitoring and will enter this timetable in the master grant schedule.

1) The Grants Manager will review the executed grant documents and notify appropriate staff of the required program or financial reporting task to be performed. This will be accomplished by the use of an addendum to the Grant Control Form. See section VI. (3)(ii).

2) The Grants Manager will supervise all programmatic aspects of the grant in accordance with the terms and conditions of the grant. He/she will be responsible for conducting all internal program monitoring and preparation of any program reports. A signed report documenting any findings and corrective action taken will be kept with the Grants Manager's original grant files. Copies of the report will be given to County Administrator, Finance Department, and Board of Commissioners if applicable or required.

- 3) The Grants Manager is the Liaison with the granting agency regarding program performance, operational requirements and monitoring.
- 4) The Grants Manager will be the coordinator of any monitoring visits by the grant funding agency. The Grants Manager will notify the Finance Department and the independent auditors of all monitoring visits by a granting agency prior to the visit. This notification shall indicate financial records needed, if any, during the monitoring visit. The Grants Manager will provide the Finance Department with reports that are issued as a result of the monitoring visit.
- 5) The Grants Manager will supply the information needed by the external auditors for the annual single audit.
- 6) The Grants Manager will provide to each employee involved in a grant with the Anti-Fraud document and signature page. This document will be retained in the grant documents for review.
- 7) Periodic review of Federal Grant regulations will be done.

X. GRANT ACCOUNTING AND REPORTING PROCEDURES

The grant accounting and reporting section relates to the functions dealing with the monthly, quarterly and yearly accounting and reporting requirements. In order to facilitate the orderly, timely and accurate accounting, reporting and auditing of federal and state grant transactions, the Office of Grants in conjunction with the County Departments and their designees will strive to ensure the following:

- 1) An effective tracking system is initiated by routing all approved grants (with an original document) to the Grants Manager.
- 2) Appropriate budgetary and accounting controls are in place to separately identify grant transactions.
- 3) Appropriate administrative controls are in place to ensure that costs claimed are in compliance with appropriate grant requirements. The Grants Manager is responsible for reviewing all information for financial accuracy, and will assist the Finance Department in preparing the Schedule of Expenditure of Federal Awards and State Financial Assistance. The Grants Manager or other appropriate staff is responsible for authorizing purchases, reporting to Federal agencies of grant awards of purchased property or disposition of property, with grant funds, and preparing reimbursement requests.
- 4) The Grants Manager or other appropriately designated staff will also assemble all quarterly state and federal reports, or other reports as may be required, per the award agreement.

5) The Grants Manager will notify the appropriate staff of the required reporting interval required for performance reports by the Federal awarding agency.

6) If there are any significant events that affect the grant, that occur during the project, the Grants Manager will notify the granting agency by letter of the event and request guidance on report requirements. A copy of the notification will be forwarded to the appropriate staff if applicable. These events include, but are not limited to: problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken or contemplated, and any assistance or producing more or different beneficial results than originally planned.

7) Financial records, supporting documents, statistical records and all County records pertinent to a Federal award will be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of submission of the quarterly or annual report, respectively.

8) Financial records, supporting documents, statistical records and all County records pertinent to a Federal award will be collected, transmitted and stored in open and machine readable formats and made accessible to authorized representatives of the Comptroller of the United States, and the pass-through entity for as long as the records are retained.

PROCEDURES

1. Monthly Procedures

A) The Grants Manager or Project Manager, as appropriate, will provide authorization, documentation, special conditions or language as required for purchases needed to carry out the requirements of the grant. The Purchasing Department and County Administrator's office, using standards required by the various grants, will authorize and approve all purchases.

B) The Grants Manager or Project Manager, as appropriate, will prepare requests for advances only if required by the granting agency. The Grants Manager or Project Manager, as appropriate, will maintain record keeping to ensure that advanced funds are expended within the required time frame.

C) The Grants Manager or Project Manager (if applicable) will be responsible for preparing all requests/reports for reimbursement from the funding agency. He/she will assure that the requests/reports are accurate, complete and include required supporting documentation. This will include the completion and submission of required and necessary reports and forms in accordance with individual grant agreements. All reports/requests will be reviewed, approved, and signed by the Board Chairman or personnel as so authorized in the grant agreement/contract.

D) The Finance Department will be responsible for reviewing costs claimed to ensure accurate posting to the general ledger and for compliance with the provisions of the grant. Any necessary revisions will be forwarded to the originating department for review and correction before being submitted to the granting agency by the Grants Manager or appropriate staff.

E) Once the costs claimed have been verified on a reimbursement request, then the Finance Department will record the appropriate entries for a receivable in the general ledger accounts.

F) The reimbursement requests will be signed and submitted by mail or electronically as directed in the grant agreement by the Grants Manager or authorized personnel. A copy of the signed reimbursement request will be provided to the Finance Department.

G) Grant funds will be received and recorded by the Finance Department.

H) If there are any significant events that affect the grant, that occur during the project, the Grants Manager or appropriate staff will notify the granting agency by letter of the event and request guidance or report requirements. A copy of the notification will be forwarded to the Finance Department.

2. Quarterly Procedures

A) Quarterly reimbursements and reports are prepared using procedures similar to the monthly procedures using information from the prior three months.

B) The Grants Manager will notify the applicable staff such as a Project Manager or the County Engineer of the reporting interval required for performance reports by the Federal awarding agency. These reports will not be more frequent than quarterly, not less frequent than annual, except in unusual circumstances, where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports are due 90 calendar days after the reporting period; quarterly or semiannual reports are due 30 calendar days after the award reporting period, or as required by the Federal awarding agency before the anniversary date of multiple year Federal awards. There must be a request for an extension of the due date for any performance reports, if justified, and sent to the Federal awarding agency.

3. Annual Procedures

A) Any annual reimbursements and reports are prepared using procedures similar to the monthly procedures

B) The Grants Manager will notify the applicable staff such as a Project Manager or the County Engineer of the reporting interval required for performance reports by the Federal awarding agency. These reports will not be more frequent than quarterly, not less frequent than annual, except in unusual circumstances, where more frequent reporting is necessary

for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports are due 90 calendar days after the reporting period; quarterly or semiannual reports are due 30 calendar days after the award reporting period, or as required by the Federal awarding agency before the anniversary date of multiple year Federal awards. There must be a request for an extension of the due date for any performance reports, if justified, and sent to the Federal awarding agency.

C) The Finance Department is responsible for maintaining the Schedule of Expenditures of Federal Awards and State Financial Assistance and will provide a copy to the independent county auditors by November 1st of each year. The Finance Department will be the liaison between the external auditors and the departments.

D) The Finance Department is responsible for ensuring that the copies or notifications of the Annual Financial Report (AFR) are distributed or available to the appropriate granting agencies in accordance with their required due dates.

E) The Finance Department maintains records related to the acquisition of capital assets and real estate. Therefore, the Finance Department will submit to the awarding agency, on no less than an annual basis, a report as to the status of any real estate properties purchased with Federal funds.

4. Grant Close Out Procedures

The Grants Manager, with the assistance of applicable staff is responsible for assembling a "project completion package." This package will contain the following:

A) The final federal and state grant report will be signed by the Chairman, Grants Manager, Finance Director, or authorized staff. The final performance report is due 90 calendar days after the period of performance end date. There must be a request of an extension of due date for any performance report, is justified and sent to the Federal agency.

B) All grant funding agency monitoring reports from visits occurring during the life of the grant. All records in reference to grants will be retained according to Florida Statutes for records retention and County policies.

C) Subrecipient Closeout

- a) Verify fulfillment of any cost-sharing requirements
- b) Verify receipt of invoice marked "Final"
- c) Obtain all final reports
 - i. Programmatic
 - ii. Financial
 - iii. Property
 - iv. Other per award terms
- d) Obtain signed Refunds, Rebates, Credits Form (if necessary)
- e) Audit Subaward (if necessary)

- f) Verify that Subrecipient has filed an audit report (or equivalent) through subaward end date
- g) Adjust County records if necessary to reflect changes in subaward costs

XI. GRANT SUBRECIPIENT MONITORING

The Grants Manager is responsible for identifying to the Subrecipient the Federal and/or State award information, monitoring the Subrecipient activities, ensuring required audits are performed and requiring corrective action on audit findings, evaluating risk for non-compliance, and evaluating the impact of Subrecipient activities on the County's ability to comply with applicable Federal and/or State regulations. The County may perform as the recipient, subrecipient or contractor concurrently as allowed by §200.330.

PROCEDURES

1) The Grants Manager will follow the current Taylor County Board of County Commissioner's procurement and bid policies for all Federal and pass-through entity grant related subawards required. In addition to those policies, the following procedures will be used.

a) Proposal Stage: Before any bid, RFQ or RFP is advertised per current County procedures, a clear Statement of Work and a Budget will be developed, as appropriate for the bid type, list all requirements of the County for bid compliance, identify appropriate contacts for the project, and any other appropriate documentation necessary for the subaward. The bid, RFQ, or RFP will be developed to meet all requirements of Appendix II §200.201 and §200.332.

b) Pre-Award Stage: Upon receipt of bids, the appropriate County staff will review the Prime Award for any changes, communicate with program representatives, validate/review subaward methodology, and conduct a subrecipient risk analysis based on the bids received, in addition to review and selection of the subrecipient by a committee approved by the Board of Commissioners.

i. Risk Analysis:

1. Shall be based on past performance of a subrecipient and the financial reliability. For new subs with no prior history, additional monitoring may be required.

2. Verification with federal databases will be done to ensure subrecipient is not debarred, suspended or a specially designated national (such as Federal Audit, Clearinghouse A-133 <http://harvester.census.gov/sac/> or The Defense Contact Audit Agency www.dcaa.org/dcaa-compliance on For-Profit entities)

3. A review of the most recent financial statements of the organization will be done. Potential indicators of high-risk may include; program complexity, percentage passed-through, dollar value of the award, history and new personnel or systems.

4. If audit findings are found, interpretation of OMB circulars should be sought.

5. The Grants Manager and/or other appropriate staff shall indicate if the findings relate to the subaward with the subrecipient, or to same CFDA number. Do the findings relate to the Research and Development cluster of funding?

6. Audit reports will be reviewed for detail or findings and corrective action plans:

a. A-21/A-122 Allowable Costs

b. Time and Effort Reporting

i. Certification of Effort

ii. Matching/Cost Sharing

iii. Cost Transfers

iv. Late Technical, Financial Reports

v. Property and Equipment inventories

7. Implement Corrective Action Plan – May require progress reports from subrecipient on corrective action plan and yet-to-be developed internal controls at stipulated intervals.

a. Subrecipient: Submit plan of corrective audit deficiencies to the pass-through entity, with specific activities and due dates.

b. Appropriate County staff: Reviews adequacy of their proposed plan and issues a management decision.

c. Subrecipient: Conforms with steps listed in the corrective action plan.

d. Appropriate County staff: Monitor's subrecipient's progress to ensure full compliance with steps and dates and takes appropriate follow-up action (including sanctions) in cases of inability or unwillingness to come into compliance.

8. Depending upon finding and nature of subaward research, develop special terms and conditions in subaward agreement.

a. This may include requiring extra contact between designated County staff or more frequent technical reporting.

b. May also require expenditure backup materials be provided to invoices or add deliverables to contract terms and tie the receipt of those to invoices.

c. May also require on-site monitoring (technical and financial)

d. Adding more stringent termination or stop-work language for failure to comply with requirements.

9. Upon completion of the above items, the County will write a management decision letter for inclusion into the grant documents.

2) The Grants Manager or appropriate County staff will ensure the following:

a) Notify the subrecipient, in writing, upon execution of the contract, of the award information and requirements imposed by the laws, regulations and provisions of contract or grant agreements pertaining to the program. This will include the requirements of the David-Bacon Act. Additionally, the County will comply with all provisions in Appendix II of 2 CFR Part 200.

b) Will monitor the subrecipient use of Federal or State funds and issue a written report summarizing the results and any corrective actions needed, to the Board of County Commissioners on a quarterly basis at a minimum.

i. Monitoring may consist of site visits, regular contact, interviews, meetings and examinations of the subrecipient.

1. Program Progress reports will be required on a monthly basis.

2. If applicable, site visits will be done at least quarterly by the Grants Manager or designated appropriate County staff.

a. Designated County staff will visit site of the subrecipient

b. Designated County staff will consist of programmatic and administrative and financial personnel

c. The designated staff will review progress, facilities, and region-specific activities

d. The administrative and financial personnel will look at systems and test a small number of transactions

e. Ensure that the language, costs, and limited experience of past reviews are monitored

3. This site visit will be followed by a desk audit

a. Select a manageable number of transactions to review

b. Request full documentation of those transactions chosen and require they be provided in an organized and timely fashion, usually within 14 business days.

c. Evaluate documentation and ensure it meets or exceeds the standards for the County and the project

d. Provide feedback to the subrecipient on findings. Work with sub to ensure the award needs are met

4. Award modifications occur as needed.

5. Require prior approvals for tasks in the subaward.

6. Ensure subrecipient is submitting acceptable invoices on time.

a. Ensure invoices are submitted in accordance with subaward requirements.

b. Ensure that duplicate costs or invoices have not been submitted.

c. Ensure invoices only contain expenses that are:

1. Allowable
2. Allocable
3. Reasonable

d. Verify costs are incurred within the period of performance.

e. Ensure expenses are aligned with the technical progress.

f. Verify cost sharing is appropriately reflected, if required.

g. Requiring that the subrecipient be subject to an annual single audit.

c) If there is a need to modify any portion of the subaward, the Grants Manager or appropriate staff will seek the approval of the Board of County Commissioners, providing them the purpose for the modification, the difference in funding amounts, change in the scope of the subaward, and the complexity/time extension required to complete the modification.

d) The Grants Manager or designated appropriate staff will ensure that the County receives annual audited reports from subrecipients as required in OMB Circular A- 133 and OMB 2 CFR Chapter 1, Chapter II Part 200, et al. Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. In addition, the Grants Manager or designated staff will ensure that the subrecipient has performed corrective actions on deficiencies identified in the audit and will report to the Board of County Commissioners on an annual basis at a minimum. The County staff will ensure the effectiveness, reliability and compliance, review monitoring policies and procedures. A test of award will be completed no less than quarterly to ensure the information provided to the County is properly identified and that only allowable activities have been approved. The Grants Manager or designated staff will test for subrecipient audit documents to make sure the information is completed and documents on any necessary corrective action needed. A written report will be included in the grant documents.

XII. NONCOMPLIANCE PROCEDURES

The Grants Manager or appropriate designated staff such as the Project Manager or the County Engineer will notify the County Administrator's office, and/or the Board of Commissioners and the County Finance Department in writing upon noncompliance with the Grants Administration and Accounting Policy and Procedures. The notification will be copied to the County Administrator and Finance Department. The Administration, and/or Board of Commissioners and the County Finance Department will notify the employ that is monitoring the project to cease all operations until a solution on how to bring the project back into compliance is realized, or a modification of the project terms, to being the project into compliance, has been approved by the granting agency and the Board of Commissioners.

XIII. EFFECTIVE DATE

This policy is effective as of _____, 2017.

