

RESOLUTION 11-1

WHEREAS, on June 11th, 2019 the Sangamon County Board approved an update to the policies and procedures to provide assurance that grant awards are approved and managed in accordance with applicable Federal, State, and County level grant requirements; and,

WHEREAS, those policies and procedures need to be amended in order to correct deficiencies in the previous document language and maintain compliance with State and Federal grant regulations; and,

WHEREAS, this updated policy addresses all deficiencies currently identified in the policies and procedures,

NOW, THEREFORE, BE IT RESOLVED by the Sangamon County Board members on this 13th day of February 2024, that the Sangamon County Grant Management Policy (attached) is hereby amended.

Approved by the Finance Committee, February 13th, 2024.

_____ Chairman, Finance Committee

_____ Chairman, Sangamon County Board

ATTEST:

County Clerk

RECEIVED
2660

FEB 07 2024

Andy Goleman
SANGAMON COUNTY AUDITOR

Finance Committee Resolution

Policy – Grant Management

Purpose

Sangamon County receives a significant amount of financial assistance in the form of grants from the Federal and State governments, as well as from other entities. The receipt of such assistance is governed by numerous Federal and State laws, regulations and administrative mandates which are defined, or cited, in the grant agreements with the awarding entity. In order to continue receiving such assistance, the County is required to establish a system of internal controls which provides reasonable assurance that departments are managing their grant programs in compliance with the applicable mandates. A department's failure to ensure compliance with such mandates could result in the loss of grant assistance and the repayment of grant funds, and could also impact grants awarded to all other departments of the County.

The purpose of this policy is to summarize the assignment of organizational responsibilities within the County which have been established to ensure that the appropriate County officials are aware all grants awarded to County departments; to coordinate the County's oversight and management of grant programs; and to ensure compliance with relevant grant requirements. All elected offices, departments, and component units for which the County is financially accountable shall comply with the requirements set forth in the policy. Exceptions to this policy must be approved by the Finance Committee.

This policy becomes effective upon approval by the County Board on February 13th, 2024, and replaces the "Grant Policy" approved by the Sangamon County Finance Committee on May 10th, 2022.

Policy Requirements

- I. Applications, Acceptance of Grant Awards and Grant Amendments**
 - A.** All grant applications, and the acceptance thereof, regardless of funding source must be approved according to the following schedule before the grant application can be submitted to the grantor for processing:
 - a. Application and acceptance of grants less than \$3,500 require department head approval only;
 - b. Application and acceptance of grants from \$3,500 to \$29,999 require oversight committee and Finance Committee approval;
 - c. Application and acceptance of grants of \$30,000 or more require oversight committee, Finance Committee and County Board approval
 - B.** The County Administrator is authorized to approve grant applications when grant funding opportunities arise on short notice and committee and/or County Board approval cannot be obtained prior to the due date of the grant application. In such instances, the grant application must be reported to the appropriate oversight committee, Finance Committee and/or County Board, as specified in Section A., at their next regularly scheduled meeting(s).

- C. To ensure the timely acceptance of grant awards, one resolution document may be used to request committee approval and/or County Board approval to apply for and accept the grant if awarded by the grantor agency. Resolutions should be routed for approval through the oversight committee, then to the Finance Committee (if necessary), then to the County Board (if necessary)

Resolutions requesting approval to accept grant awards must identify who is authorized to sign required documents to execute the grant agreement. This should be the County Administrator, unless the grantor agency requires the signature of a different County official or other signature authority has been approved by the County Board Chairman. After a grant agreement has been signed by the designated County official, authority to sign financial reports, billing requests and other routinely required grant documents is delegated to the director of the department receiving the grant.

A completed "Grant Approval" form must be attached to all resolutions requesting approval to apply for and accept grant awards. This form is available on the Auditor's page of the County's intranet. The purpose of the Grant Approval form is to capture standard information needed to evaluate grant proposals. Specific information which must be recorded on the Grant Approval form includes:

1. Identification of grantor agency
2. A brief summary of the grant program and its benefits to the residents of the County
3. Anticipated grant revenue and the amount and source of funds needed for matching funds
4. A brief description of any legal requirements imposed on the County by entering into the grant agreement
5. A budget breakdown showing estimated personnel and other costs associated with the grant

Departments may obtain copies of sample grant resolutions from the Auditor's Office.

- D. In a limited number of instances, grants for ongoing programs automatically renew each year and formal applications are not required by the grantor to continue to receive grant funding. For example, the State now considers the statutory distribution of motor fuel tax funds to be a grant, but does not require an application to receive such funding nor does the State currently issue notices of award for such grants. Committee and/or Board approval is not required to continue participation in these ongoing grant programs. However, on an annual basis, departments must provide their oversight committees and the Finance Committee with fiscal summaries of these grant programs. Departments should work with the Auditor's Office to develop the format of such summary reports.
- E. Amendments to grant awards must be approved by the County Board if the amendment increases the grant award by \$30,000 or more. Amendments which change the value of the grant award by \$3,500 to \$29,999 may be approved by the oversight committee and Finance Committee. Amendments which change the value of the grant award by less than \$3,500, transfer funds among budget lines, and/or make minor changes in the grant which do not change funding levels may be approved by the department head. The County Administrator is authorized to approve

grant amendments when the approval of such amendments is required before the next regularly scheduled meeting of the County Board (or oversight and Finance Committee). In such instances, the approved amendment must be reported to the Board and appropriate committees at their next regularly scheduled meetings.

- F. The State's Grant Accountability and Transparency Unit (GATU) now issues Notices of State Award (NOSAs) to grant applicants to inform them that their applications have been accepted. NOSAs identify the amount of the pending grant award and may list specific actions the applicant must agree to implement to receive a grant. GATU requires an official of the grant applicant to electronically accept all NOSAs before the State will process the final documents to execute a grant. All NOSAs for grant awards to County departments must be accepted by the County Auditor's Office. Before accepting a NOSA, the Auditor's Office shall confirm that the County Board (and/or oversight and Finance Committees) approved the acceptance of the grant and shall review any specific actions required by GATU to receive the grant award to ensure that the appropriate County officials are aware of and concur with the implementation of such actions.
- G. No employee, management officer, or agent for Sangamon County will be permitted to participate in the selection, award or administration of a contract supported by a grant award if there is a real or apparent conflict of interest.
- H. No contractor that develops or drafts specifications, requirements, statements of work or requests for proposals shall compete for such procurements.

II. Grant Management Responsibilities

A. Departments that have been awarded grants from the Federal or State governments or from other entities are responsible for being aware of the requirements associated with the receipt of such grants. Departments must follow policies and procedures established by the County and maintain internal controls to ensure that their grants are managed in compliance with all applicable requirements. All Federal or State grants shall be subject to the cost allowability standards articulated in OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for awards*. Allowability standards must meet the general requirements established in 2 CFR § 200.403(a) through §200.403(g). Where applicable, participant eligibility shall be determined. Departments may develop their own grant policies and procedures applicable to their agency. These policies and procedures must at a minimum include provisions to ensure that:

1. Meet all requirements of 2 CFR Part 200 as applicable.
2. Only allowable costs are charged to grants.
3. Required fiscal and programmatic reports are submitted to the grantor agency in a timely and accurate manner.
4. Programmatic activities must be allowable per the grant agreement and comply with State and Federal regulations.
5. Be necessary and reasonable for the performance of the Federal or State award and be

allocable thereto under these principles.

6. All grant activities deliverables and performance measures are adequately documented and such documentation is retained in accordance with grant requirements.
 7. All procurement transactions for grant programs are processed in accordance with the County's procurement policies and procedures which have been developed to comply with Federal and State government requirements, beginning with 2 CFR § 200.318 through 2 CFR § 200.326.
 8. Where applicable, when procuring goods or equipment, departments must review potential sub-recipients, contractors, and vendors for applicableness under the provision 2 CFR Part 184 Buy America Preferences for Infrastructure Projects, as well as, the Federal Transit Administration Third Party Contracting Guidance – Circular 4220.1F.
 9. All equipment and other assets that are purchased with grant funds are reported to the Auditor's Office for entry into the County's fixed asset system and physical inventories of such equipment are performed on a biennial basis as required by Federal and State grant regulations.
 10. All sub-recipient and/or contractor eligibility determinations must be accordance with 2 CFR § 200.331 and shall be documented. The recipients of sub-grants are adequately monitored with any associated risk also monitored.
 11. Utilizing SAM.gov, all sub-recipients and/or contractors receiving payments of grant funds in excess of \$25,000 must be reviewed and documented by the department or requested review from the County Auditor's Office, for Debarment and Suspension standard under 2 CFR § 600.113.
 12. Grant receipts are managed in accordance applicable cash management requirements.
 13. Grant objectives are achieved in an efficient and effective manner.
- B. Departments may use the project/grant module of the County's accounting system to document their expenditures, including personnel expenditures, matching cost and receipts for grant programs. Reports from this system, rather than separately maintained spreadsheets, should be used to prepare requests for grant reimbursements and other fiscal reports required by the grantor agency or County Auditor's Office. Exemptions to this requirement may be authorized by the Auditor's Office in instances where departments can demonstrate that the County's accounting system does not meet their grant reporting needs.
- C. The Auditor's Office shall be responsible for coordinating the preparation and distribution of the County's annual Single Audit and other audits which are required by the Federal and State governments in accordance with 2 CFR § 200.501 Audit Requirements. As part of this responsibility, the Auditor's Office shall prepare the required Schedule of Expenditures of Federal Awards (SEFA) and Consolidated Year-End Financial Report (CYEFR). These two grant schedules will be prepared using information provided by departments which receive grant funding. Departments are responsible for ensuring the accuracy of the financial information provided to the Auditor's Office.
- D. The Auditor's Office shall coordinate the annual preparation of indirect cost rate proposals for the County's grant programs and will assist departments, as needed, in submitting such proposals to the State for its approval.

- E. The Auditor's Office may provide technical assistance and advice to other departments of the County on grant related matters. As part of this effort, the Auditor's Office shall assist departments in their efforts to provide staff training on grant related topics.

11-7

Approved by Finance Committee:

February 13th, 2024

_____, Chairman

Approved by Sangamon County Board:

February 13th, 2024

ATTEST:

_____, County Clerk

_____, Chairman, Sangamon County Board