

RESOLUTION ARB2024-0012

Approval of Grant Funds Policy

Whereas, County entities may adopt, amend, rescind, and administer rules on matters within their respective jurisdictions, as established by the County Charter, the County Code, or general law; and

Whereas, Section 205.09(A) of the Cuyahoga County Code establishes the Cuyahoga County Administrative Rules Board; and

Whereas, per Section 113.02(G) of the Cuyahoga County Code, the Administrative Rules Board is given approval authority over rules promulgated by County entities based on a determination of: (1) whether the requesting entity has the authority to adopt, amend, or rescind the rule and (2) whether the proposed rule conflicts with the County Code; and

Whereas, the Cuyahoga County Fiscal Office administers a Grant Funds Policy;

NOW, THEREFORE, BE IT RESOLVED BY THE ADMINISTRATIVE RULES BOARD OF CUYAHOGA COUNTY, OHIO:

Section 1. The Uniform Guidance Policy, as attached, is hereby enacted as part of the Cuyahoga County Administrative Code.

Section 2. The Resolution shall go into immediate effect and remain in full force and effect until rescinded by the Administrative Rules Board.

Section 3. It is found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were passed in an open meeting of this Board and that all deliberations of this Board that resulted in such formal actions were in meetings open to the public and in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

The foregoing resolution was duly adopted on October 17, 2024.



Audrey Bucholtz
Clerk of the Board



CUYAHOGA COUNTY

Fiscal Office

GRANT POLICY

ADMINISTRATION OF GRANT FUNDS

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ADMINISTRATION OF GRANT FUNDS

PURPOSE

For purposes of this policy, a grant is an award of financial assistance in the form of money or property by a funding source including the federal government, state government, other local governments, non-profit agencies, private businesses, and citizens. For the purpose of this document, Grant Managers is the generic term used to refer to all personnel, from all the different Divisions, Departments, Boards, Commissions, and Agencies assigned to the administration of grants for Cuyahoga County.

The purpose of the grant procedures outlined in this document is:

1. To ensure proper oversight of all funds appropriated to the County.
2. To minimize the County's risk of non-compliance with grant requirements.
3. To ensure proper administration and accounting of all grants.

SCOPE

This policy is applicable to all Cuyahoga County programs, funds, agencies, boards, and commissions that are not legally separate and for which the County of Cuyahoga (the primary government and reporting entity) is financially accountable. This policy is binding in the maintenance, administration, and financial management of financial awards or grants. It serves as a reference for all award programs administered by the County and also includes subgrants awarded by the County to subrecipients.

Grant Managers (GM) should also reference their grant agreements for guidance. If grant policies and regulations conflict with regulations and policies of the County, the federal and state regulations will prevail unless they are less restrictive than County policies, in which case the County policy will prevail. GMs must also ensure that all subrecipients comply with program regulations and requirements as noted on the grant agreements.

Grants are awarded to the County and not to the individual departments. Acceptance of a grant by the County signifies the County's willingness to assume responsibility for the administration of the funds in accordance with the terms specified by the awarding agency in the grant agreement.

No grant will be accepted that will incur management reporting costs greater than the grant amount. Such costs include, but are not limited to, indirect costs, overhead and any other items needed to administer the grant. Any submittal by any County program, department, division, board, or commission in violation of these grant procedures shall not bind the County.

CENTRAL RESPONSIBILITY

The Fiscal Office is responsible for creating policies and procedures that minimize the County's risk for non-compliance with grant requirements and for providing accounting and grants management support to requesting agencies. Copies of grant awards must be provided to OBM and Financial Reporting along with the other required documents noted in the *Grant Acceptance Procedures*. No grant funds may be spent prior to notification by OBM and/or Financial Reporting that the grant activity code has been setup. The Fiscal Office will maintain a listing of all grants in order to facilitate management reporting and overall monitoring. The individuals responsible for the administration of a grant will maintain all grant related paperwork and files. The required central grant file will be maintained by the department seeking grant funds and must be retained in accordance with the County's record retention policy (see County Record Retention Policy).

The grant managers have primary responsibility for writing grant applications. They must, therefore, determine the appropriateness and value of proposals to be submitted, observe all required policies and procedures and apply sound business practices to grants administration.

Due to the numerous pre- and post-award requirements of grants, each County Department is responsible for ensuring that their assigned GMs are knowledgeable of applicable laws, regulations and policies. For each grant program, there must be appropriate personnel and resources assigned to perform all official functions including but not limited to:

- Development of guidelines, application instructions, and program plans
- Attaining approval/legislation to apply, accept and expend grant funds
- Establishment of goals for new programs or activities
- Implementing approved changes in existing grant programs
- Development and distribution of program announcements
- Providing guidance to review committees
- Assuring that the budget, financial plan and business administration aspects of applications reflect project needs and program requirements
- Management and resolution of any programmatic and fiscal concerns, deficiencies and special conditions, prior to an award
- Conducting and documenting monitoring visits for compliance with program regulations
- Conducting project closeout activities
- Conducting audits of sub-grantees
- Cooperating with post-program audits

For Federal Grants, the department should ensure compliance with the Federal Office of Management and Budget general requirements and any other state and/or federal requirements specified in the grant conditions. The Fiscal department will review expenditures for obvious non-compliance and will act as liaison with independent auditors. All County programs, funds, agencies, boards, and commissions shall submit any/all grant information required by the Fiscal Department to carry out its oversight and reporting responsibilities.

AWARD TYPES

Cuyahoga County receives grants from Federal, State, County and private agencies. Grants can be classified on the basis of type of activities supported (research, training, service, etc.), degree of discretion allowed by the awarding office (mandatory or discretionary), reimbursement basis or up-front basis, and/or the method of determining amounts of award (negotiated basis or formula).

More than one of these terms may be used to characterize any particular grant. Listed below are the major award types administered by the County. This list is not an exhaustive list of all available grants or all funds awarded to the County.

Block Grant

Lump sum of money given to a State or local governing agency based on a formula to be spent in generally eligible areas. Purposes are broadly defined and few restrictions are mandated from the funding source. Restrictions can be imposed by the re-granting agency.

Categorical Grant

Funds given through an agency of the Federal or State government with administrative regulation attached and received after an application and contract. This grant type is aimed at accomplishing a special purpose in a content area or to address a specific target group.

Continuation (Non-Competitive) Grant

A continuation grant is where funds are available for a subsequent budget period in a multi-year grant. Applications are required and are on availability of funds and satisfactory performance in the previous year(s) of the grant.

Direct Grant Awards

This type of grant award usually occurs when an agency or non-profit corporation volunteers to provide funding of a specific program for a specific purpose. This type of funding is unsolicited by the grant managers of a County department/division.

Discretionary Grant

A grant (or cooperative agreement) for which the federal awarding agency generally may select the recipient from among all eligible recipients, may decide to make or not make an award based on the programmatic, technical or scientific content of an application, and can decide the amount of funding to be awarded.

Entitlement Grants

Grants that provide financial benefits (or sometimes special government-provided goods or services) to an indefinite (but usually rather large) number of potential beneficiaries whenever they meet eligibility conditions that are specified by the standing law that authorizes the program. (i.e., Social Security,

Medicare, and Medicaid, Veterans' Administration programs, unemployment compensation, food stamps, etc.)

Fixed Amount Award

A type of grant agreement under which the Federal awarding agency or pass-through entity provides a specific level of support without regard to actual costs incurred under the Federal award. This type of Federal award reduces some of the administrative burden and record-keeping requirements for both the non-Federal entity and Federal awarding agency or pass-through entity. Accountability is based primarily on performance and results.

Formula Grant

Allocations of federal funding to states, territories or local units of government determined by distribution formulas in the authorizing legislation and regulations. To receive a formula grant, the entity must meet all the eligibility criteria for the program, which are pre-determined and not open to discretionary funding decisions.

Formula grants typically fund activities of a continuing nature and may not be confined to a specific project. Common elements in formulas include population, proportion of population below the poverty line and other demographic information.

Supplemental Grant

A supplemental grant issued subsequent to a previously awarded grant for the purpose of adding funds to the initial award. The period of performance generally remains the same.

PROGRAM DESCRIPTION

Below is a list of programs administered by the County on a reoccurring basis. The list is not exhaustive.

Community Development Block Grant (CDBG)

The United States Department of Housing and Urban Development (HUD) grant that is used to provide decent housing and a suitable living environment, and to expand economic opportunities. No less than 70 percent of CDBG funds must be used for activities that benefit low- and moderate- income persons. In addition, each activity must meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

Emergency Shelter Grant (ESG)

The HUD grant that provides funds to (1) meet the costs of operating emergency shelters, (2) provide essential services to homeless individuals, (3) avert the increase of homelessness through homeless prevention activities and, (4) rehabilitate homeless facilities.

Home Investment Partnerships Program (HOME)

The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

The program was designed to reinforce several important values and principles of community development:

- HOME's flexibility empowers people and communities to design and implement strategies tailored to their own needs and priorities.
- HOME's emphasis on consolidated planning expands and strengthens partnerships among all levels of government and the private sector in the development of affordable housing.
- HOME's technical assistance activities and set-aside for qualified community-based nonprofit housing groups builds the capacity of these partners.
- HOME's requirement that participating jurisdictions match 25 cents of every dollar in program funds mobilizes community resources in support of affordable housing.

Housing Opportunities for Persons With AIDS (HOPWA)

The HUD grant that provides housing assistance and supportive services necessary for low-income persons with HIV/AIDS and their families in order to prevent homelessness. HOPWA funds may be used to assist in the creation, operation and utilization of all forms of housing, including emergency housing, shared housing arrangements, apartments, and single room occupancy dwellings and community residences. Additionally, short-term assistance can be provided to enable a person to stay in his or her own home.

Economic Development Initiative (EDI)

The HUD grant to local governments that can be used to enhance both the security of loans guaranteed through the EDI Fund and the feasibility of the large economic development and revitalization projects they finance. A local government may use an EDI grant to provide additional security for development loans and to make the project more feasible.

Empowerment Zones (EZ)

A competitively awarded HUD designation that uses tax incentives and flexible grants to strengthen community-based partnerships, create economic opportunities and sustain community development in designated EZ/EC areas.

Edward Byrne Memorial Justice Assistance Grant (JAG)

The Byrne Memorial Criminal Justice Block Grant program, funded through the Bureau of Justice Assistance, assists state and local governments in reducing the incidence of crime and increases the effectiveness, fairness and coordination of law enforcement and criminal justice activities at all levels of government. The agency receives several million dollars each year to use as seed money to address criminal justice and law enforcement issues.

Juvenile Justice and Delinquency Prevention

The Juvenile Justice and Delinquency Program administers Federal grants to state and local agencies that have programs to address five major juvenile issues: the removal of status offenders (school truants and run away youth) from detention centers; the removal of juveniles from adult jails and lockups; juvenile delinquency; runaway and homeless youth and the disproportionate confinement of minority youth.

Paul Coverdell Forensic Science Improvement Grant (Coverdell)

The Coverdell program awards grants to states and units of local government to help improve forensic science and medical examiner/coroner services, including services provided by laboratories operated by states and units of local government.

Violence Against Women Program (VAWA)

The VAWA program provides assistance to combat violent crimes against women through more effective law enforcement, prosecution, and services to victims. The program provides funding to support efforts to improve the criminal justice system's response to violence against women.

Urban Area Security Initiative (UASI)

The UASI program, funded by the Department of Homeland Security's Federal Emergency Management Agency (FEMA), is intended to provide financial assistance to address the unique multi-discipline planning, organization, equipment, training and exercise needs of high-threat, high density urban areas, and to assist these areas in building and sustaining capabilities to prevent, protect against, mitigate, respond to, and recover from threats or acts of terrorism.

State Homeland Security Program (SHSP)

The SHSP program is funded by the Department of Homeland Security's FEMA to assist state, tribal and local preparedness activities that address high-priority preparedness gaps across all core capabilities and mission areas where a nexus to terrorism exists.

GRANT APPLICATION PROCEDURES

1. The department desiring to submit a grant application will prepare the grant request as outlined by the grantor's requirements. The department applying for the grant will obtain their Director's and/or Board approvals prior to grant submittal. For grants that require a cash match, the department will ensure availability of matching funds.
2. If the grant is a competitive grant, prior to submittal to the grantor, the GM shall submit the grant information to the Department of Regional Collaboration to ensure that the County departments are not competing against each other for funding and/or to combine multiple requests as needed. If the grant is a competitive grant, the GM shall complete a Grant Opportunities form online <https://forms.office.com/g/k1UCm3ZSPb>. The information provided will automatically be directed to the Grants Supervisor in the Department of Regional Collaboration.
3. The department applying for the grant will provide revised submittals or provide additional information to the grantor as required.
4. All grant award acceptances must have approval from the County Executive, Board of Control, and/or County Council. Boards and Commissions must have approval from their Boards to accept awards.
5. Certified Assurances are administrative guidelines found in grant agreements that must be followed by the County. The County has policies for all of the common assurances, listed below, which are required by most awarding agencies. Departments must refer to the regulations cited in

their particular grant to ensure that any additional assurances required by the grant have been addressed. For certifications that require legal review, submit questions to the Law Department via Matrix. For civil rights and workplace related certifications, contact the Compliance Coordinator in the Department of Human Resources. Departments must also ensure that the appropriate assurances are passed through to subgrantees and contractors and that they have received signed copies of the required assurances from subgrantees and contractors. Below is a summary of the common assurances found in grant agreements.

- a. Non-Discrimination Requirements - Certification of compliance by subrecipients with all applicable civil rights non-discrimination requirements, including an Equal Opportunity Plan, if required to maintain one.
- b. Drug-Free Workplace Certification - Certification, prior to receiving an award, that the subrecipient maintains a drug-free workplace, or, in the case of a subrecipient who is an individual, certify that his or her conduct of award activity will be drug-free.
- c. Lobbying Certification - Certification, prior to receiving an award, that the subrecipient does not violate the government-wide common rule which places restrictions on the use of Federal money for lobbying purposes.
- d. Civil Rights and Legal Certification – Certification, prior to receiving an award, that the subrecipient will comply with applicable civil rights laws and nondiscrimination provisions. The HR Department will ensure recipient and subrecipient compliance with civil rights laws. The Law Department will ensure the recipient and subrecipient are in compliance with all legal certifications. Pertinent "methods of administration" to ensure compliance include matters such as policies and procedures for reviewing complaints of impermissible discrimination, and for monitoring compliance with civil rights laws.

GRANT ACCEPTANCE PROCEDURES

1. Upon receiving notice from the grantor regarding a new award, all departments must complete its requisite process for obtaining approval to accept the grant funds. For executive agencies, approval to accept the grant funds comes from Board of Control.
2. GMs must review and understand all special conditions, which include terms and conditions of the award, prior to acceptance. Most awards include special conditions concerning compliance with directives, compliance with audit requirements and the submission of an Equal Employment Opportunity Plan. GMs should, therefore, impose similar special conditions and restrictions on subgrantees and contractors. Failure to comply with special conditions by subgrantees or contractors must result in withholding of funds until the special conditions are properly cleared.
3. Once approval to accept the grant funds has been authorized by the Board of Control (or other designated board approval), the department must complete the Grant Setup Request Form (Appendix A).
4. Once the Grant Award Processing Form has been completed and the authorized signatures obtained, the departments must submit the Grant Setup Request Form to OBM and follow the

OBM procedures for setting up new grants (Appendix B) ([add hyperlink for OBM process once it is finalized](#)).

5. In order for expenditures to be processed against a grant, a budget appropriation must be established. The department must follow the OBM procedures for requesting a budget appropriation for the new grant award. ([add hyperlink for OBM process once it is finalized](#))
6. Departments should notify the Fiscal Office for any of the changes noted below. For executive agencies, the Board of Control will also need to approve the changes noted below, with the exception of the changes in funding configuration:
 - a. There is a subsequent change in the funding configuration;
 - b. There is a subsequent change in the County's financial obligation;
 - c. There is any notification that the grant will be terminated; and
 - d. There is an extension in the grant award date.
7. Departments are responsible for ensuring that all funds are expended or encumbered prior to the end of the grant period in order for funds to be used adequately and/or not lost in future award periods.

GRANT MONITORING AND REPORTING

Monitoring of Grants

1. Departments are responsible for continuous monitoring of the financial status of grants. The Fiscal Department will setup activity codes for all grants. The activity codes will allow the departments the ability to be able to properly monitor each of their grants. Departments must review the monthly financial reports and notify the Fiscal Department promptly of any discrepancies noted in the activity codes.
2. Budget adjustments/amendments must be approved prior to grant expenditures being made in order to avoid lost grant funds if amendments are denied. Line items can be negative as long as the grant account is not negative in total, but the department should remember that expenditures must be reported to the grantor by line item and must be allowable in the line item reported and spent.
3. Each grant award must be accounted for separately in its own separate activity code. Commingling funds is prohibited on either a program-by-program basis or a project-by-project basis. Funds specifically budgeted and/or received for one project must not be used to support another.
4. Grant managers must provide written certification that awarded funds will not be used to supplant local funds. Awarded funds must be used to supplement existing funds for program activities and

not replace those funds which have been appropriated for the same purpose. If there is a potential presence of supplanting, the grant manager must supply documentation demonstrating that the reduction in non-grant resources occurred for reasons other than the receipt, or expected receipt, of Federal funds.

5. Departments are responsible for monitoring grants for compliance with all applicable federal, state, and local regulations and to ensure that grant expenditures are in compliance with grant procurement policies and procedures. For example, equipment procured with grant funds must be disposed of in accordance with the terms of the grant and OMB Circular A-87 requires payroll costs to be supported properly based on the percentage worked on the grant. Federal grants must meet requirements set out in OMB Circulars A-87, A-102, and A-133 or the Uniform Guidance Policy (*add hyperlink once approved by ARB*), as applicable. Departments should contact the Fiscal Office if assistance is needed with compliance issues.
6. Other Department grant accounting responsibilities include:
 - a. Reviewing Financial Operations: GMs must be familiar with and periodically monitor the financial operations, records and accounting of their grants as well as those of subgrantees
 - b. Recording Financial Activities: GMs are required to track, record and be familiar with all grant financial activities as well as those of subgrantees
 - c. Reconciling Financial Activities: GMs are responsible for reconciling the data on their quarterly grantor report submissions to the Lawson financial reporting system. A reconciliation noting any differences should be available upon request

Grant Reporting

1. The requesting department is responsible for providing financial reports to grantors.
2. Departments handling grant reporting are responsible for submitting all required reports to the grantor by the due dates, this includes all financial reporting requirements of the grant and all reimbursement requests.
3. Timely requests for reimbursements are crucial to maximize the financial benefits of the grants to the County. The departments are responsible for monitoring the timeliness of revenue reimbursements. Grant reimbursements should be completed in a timely manner and in accordance with the requirements of the specific grant but drawdowns must be completed at least quarterly and when possible, the departments should request advances from the grantors.
4. Expense adjustments should be completed at least quarterly and should be processed no later than 45 days after the close of the quarter.
5. Departments must ensure that all awards are properly obligated or spent by the end of the grant period. If funds are not properly obligated or spent within the set timeframes, they will lapse and revert back to the awarding agency, unless a grant extension extending the spend period has

been approved by the grantor.

6. Departments should refer to their grant agreements on guidance when requesting extensions. Departments should not wait until the end of the grant agreement to request an extension. If the grant agreement is silent on the topic, the award extension request should be sent to the grantor stating the need for the extension and indicating the additional time required to spend the awarded funds. In order to extend the grant in the accounting system, Financial Reporting will require a copy of the official signed document from the grantor or an email from the grantor granting the extension of the grant period.
7. Once the grant period has ended and all expenses have been paid and all revenue has been received and deposited, the Department can start the process of closing out the grant. Detailed instructions for closing out grants are detailed in the OBM policy for Guidelines and Procedures for Requesting Grant Closeout (Appendix C).

CASH MANAGEMENT

Methods and procedures for being reimbursed for grant expenditures are outlined in the individual grant agreements. Because payment methods differ by grant, all GMs must be familiar with the reimbursement process of the individual grants they administer.

The GMs methods and procedures for reimbursement must minimize the time elapsing between the actual reimbursement and the disbursements of the funds. These procedures must include the proper monitoring of cash management activities to ensure the appropriate draw throughout the grant period. The Department must follow their grant agreements procedures on how to get reimbursed in a timely manner.

All federal, state and local grant revenue should be receipted as revenue as opposed to expenditure refunds/reductions in order to be in compliance with approved grant policies

As per grant agreements, interest income must be accounted for, reported and used in accordance with the grant agreement. As specific policies differ from grant to grant, the GM must become knowledgeable of individual grant requirements.

Departments can also be awarded grants that advance the award funds up front. Departments must ensure that proper procedures are being followed in accordance with the grant agreement.

Financial Reporting monitors negative cash balances in grant activity codes regularly to ensure that Departments are requesting timely reimbursements from the grantor. Financial Reporting will contact the GM to ensure reimbursements are made in a timely manner in accordance with the grant agreement.

INDIRECT COSTS

Grant applicants may request indirect costs if the application guidelines do not require a federally approved indirect cost rate and indirect cost are allowed in the grant. The County has an indirect cost rate plan. The most recent indirect costs rate plan can be obtained by contacting OBM. Departments should contact OBM for assistance with identifying the indirect costs for inclusion in grant applications.

These funds may be used to offset costs in overseeing the grant including staff time, expenditures, etc.

TIME AND EFFORT REPORTING

Departments should use the Detailed Grant Timesheet or Daily Activity Logs provided by the grantor to document the time charged to grant(s). The timesheet or activity logs must be signed by the employee and the supervisor.

All departments who receive grants (federal and non-federal) that pay for personnel salaries and wages should have procedures in place for timekeeping purposes and to ensure the payroll charged to various grants match the actual time spent working on the grant(s).

Generally, employees who charge their time to multiple funding sources, whether multiple federal awards or a mix of federal and non-federal programs, complete time sheets which include the following information:

- Number of hours worked in each program for each day
- Total number of hours worked during the payroll period
- Employee's signature
- Signature of employee's supervisor

Paid time off such as vacation and sick leave, is an allowable cost to a federal award, unless otherwise stated in the Notice of Award. Paid time off must be equitably charged to all funding sources an employee works on during the time period the time off is taken.

Departments are responsible for providing training on the proper use of the Detailed Grant Timesheet or Daily Activity Logs provided by the grantor. Once the training is completed by the department, grant personnel should sign an acknowledgment form stating they have received and understood the training and use of the timesheet.

Where employees are 100% federally funded by a grant, salaries and wages will be supported by semi-annual certifications stating that the employee worked solely on that program for the period covered by the certification. The certification must be signed by the supervisory official having firsthand knowledge of the work performed by the employee. Where employees are partially federally funded, their daily tasks must be listed on Daily Activity Logs provided by the grantor to support the percentage of time spent working on the grant. Distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards. For example, someone working 75% out of federal funding and 25% out of local funding must complete the daily activity log to

substantiate the percentages.

Deviations from this policy must be communicated to Financial Reporting in writing for approval and must meet the requirements of 2 CFR 200.430 ([add hyperlink once approved by ARB](#))

Use of Consultants

GMs must ensure that consultants can document and substantiate their requested daily fee, regardless of the maximum amount allowed in a grant.

GRANT-RELATED PROCUREMENT AND POLICY ISSUES

Given the processes that must be followed in the preparation of contracts and the timing required for approval, GMs must ensure that enough time has been allowed for processing the contract and obtaining approvals before the actual work is to be performed.

Departments should follow the County's and/or grantor's policies and procedures for all practices including procurement for the selection of contractors and vendors. If grant guidelines require grantees to abide by different procurement procedures other than those adopted by the County, the grantee should resolve the situation with the Purchasing Department and/or the Fiscal Office prior to submitting the application. As a rule, the federal and state regulations prevail unless those policies are less restrictive than County policies then the County policy prevails.

Any purchases, of any amount, made with Federal grant funds must comply with the following requirement:

A copy of the required certification related to the suspension and disbarment of the vendor MUST be obtained before any funds are spent. This copy must be kept with the grant file and be available for the County auditors when requested. This information is available on the System for Award Management web page and can be accessed at the following address: <http://www.sam.gov/>. From there, go to Search Records at the top left of the page, and search for the vendor by name. You will receive a message showing whether or not your vendor is excluded. If excluded, you may not purchase from that source. If there are no records matching the search request, you may purchase from that vendor, assuming all other purchasing and grant requirements have been met. In either case, please print out the pages for the grant file, to show compliance with this requirement.

Each GM must submit annually an inventory listing of federally-owned equipment/property in its custody to the Federal awarding agency. However, a physical inventory of the equipment/property must be taken and the results reconciled with the equipment/property records at least once every two years in order to properly safeguard the assets against theft, damage, or loss. When assets acquired with Federal funds are no longer used in the grant program (i.e., grant has expired, asset was lost, stolen, or damaged, or asset became idle) the grantor must be notified. The Federal Government may be due a portion of the proceeds for equipment items with a book value of \$5,000 or more at the time of disposition. If the federal agency is compensated for the current fair market value

of the item, the equipment may be retained by the agency. See Cuyahoga County Federal Grant Award Equipment Policy ([add hyperlink once approved by ARB](#))

Land purchases made with grant funds often have land use restrictions which should be discussed with the County Law Department or Board or Commission Legal Counsel to ensure restriction compliance.

COMPETITIVE SUBGRANT/SUBAWARD PROCESS

Under Uniform Guidance Section 2 CFR §200.331, the County has requirements when acting as a pass-through entity and thus sub-awarding federal funds. The County is also required to implement a risk assessment process.

Departments should follow the Uniform Guidance Policy requirements for all subawards (whether federal or nonfederal where appropriate).

All rules and regulations must be passed through to subgrantees. GMs must bind subgrantees to requirements imposed upon them by Federal statute, State statute, County requirements, private funders, signed contracts or County Ordinances. Also, every subgrant awarded must also include a provision for compliance with policy in their subgrant agreement.

Subgrant Funding Process

All subgrants must include activities to be performed, time schedules for financial and program reporting, project policies and the flow-through requirements that are applicable to the subgrantee. Refer to the County's Uniform Guidance Policy on Subawards for further guidance ([add hyperlink once approved by ARB](#)) or Uniform Guidance Section 2 CFR §200.331

The Department must ensure that priority areas or projects related to funding have been developed and communicated as part of the subgrant application process and any other information deemed applicable by the Department. All continuation projects must be required to demonstrate adequate levels of performance as part of the continuation requirement. As a general rule, requests for funding increases should not be honored in the subgrant process.

All subgrantees should be notified that funding depends upon the following:

- Availability of funds
- Confirmation that the project is meeting its objectives
- The timely submission of all required reports
- Evidence of required matching funds

Projects not officially underway within a specified timeframe, usually 90 days of the starting date on

the subgrant award package, should be reconsidered for funding.

Advance Public Notice

The competitive subgrant process must include provisions for providing the public with advance notice, by appropriate means, of intended funding priorities for all subgrant programs. In some instances, the notice must be followed by a comment period where citizens have the opportunity to have their opinions on the funding appropriations heard.

Subgrant Application Process

The subgrant application process must be standardized. Departments must develop and use standard application forms which include, but is not limited, to the following:

- Standard Fact Sheet
- Program Overview Narrative
- Program Objectives which address physical, economic, social, financial, institutional or other problems requiring a solution and demonstrate the need for the assistance
- Expected Benefits/Results
- Standard Assurances
- Strategy which outlines the plan of action pertaining to the scope and detail
- Geography/Population Served
- Personnel Qualifications
- Evaluation Process which provides quantitative projections of the accomplishments to be achieved, data to be collected and maintained and criteria to be used to evaluate success of the project
- Standard Budget Information/Categories

Subgrant Review Process

Departments must develop and document subgrant review processes which ensure consistency when reviewing submitted applications from potential subgrantees. These review processes must include standard checks for compliance with grant regulations and subgrant directives as well as the process for making recommendations to the appropriate County personnel. The Department should have a final decision process. All applicants must then be notified, in writing, of the status of funding or continuation funding they applied for in a timely manner.

The Department must ensure that subgrants are not awarded to applicants that are debarred, suspended, excluded from, or ineligible for participation in any assistance programs. This includes the development of procedures that also ensures that subgrantees are aware of, and do not award contracts to, those parties or entities deemed ineligible. Failure to comply may result in reduction or elimination of funds.

Additionally, subgrantees with a contract from a prime federal awardee must have a Unique Entity ID (formerly DUNS number). Awarded subcontracts greater than \$30,000 must be reported through the Federal Funding Accountability and Transparency Act (FFATA).

Subgrant Award Adjustments

The Department must notify subgrantees immediately of any anticipated adjustments in the amount of an award from the original grantor. The subgrantee should also advise the Department of any adjustments. This notice should be provided as early as possible in the funding period and any required reductions in funding should only be for periods after the notice was provided. Prompt, written notice must be provided to subgrantees by the Departments and vice versa explaining any adjustments as a result of, but not limited to, any of the following:

- Change in project site
- Changes to the total cost of the project
- Change in approved budget categories in excess of 10% of the total award
- Change of project manager
- Addition of an item to the project budget requiring prior approval
- Change in project period
- Change in the scope of the programmatic activities of the project
- Delay in commencement of project activities

SUBRECEIPIENT MONITORING AND SITE VISITS

The Uniform Guidance policy for federal grants has established subrecipient monitoring procedures that must be followed for federal grants, both direct awards and pass-through grants. It is recommended that these same procedures be followed for non-federal grants.

GMs have full responsibility for grant projects and results achieved under the grants. The GM must monitor the performance of grants to assure adherence to performance goals, time schedules and other requirements or terms of the grants. Each GM must ensure, before subgrants are awarded, that monitoring personnel are assigned and that procedures are in place prescribing how the monitoring duties are to be performed. Monitoring actions include but are not limited to:

- Checking to ensure receipt of financial, performance and other required reports

- Review of identified programmatic or fiscal concerns
- Assuring subawards are administered in compliance with requirements
- Review of performance reports
- Ensuring required audits are performed, corrective action is taken, and audit reports are on file

GMs must check the specific subgrant requirements and/or refer to the Uniform Guidance Policy on Subrecipient Monitoring for further guidance ([add hyperlink once approved by ARB](#)).

Each GM must also ensure the existence of standardized monitoring forms which adequately document each visit. Each monitor must record findings and recommendations of the visit. If the monitor concludes that further action is appropriate or required, these items must be described in full on the form and the appropriate person assigned for follow up and resolution. The findings and recommendations of the subrecipient monitoring and site visits must be forwarded to the Fiscal Office.

PROGRAM EVALUATION

An evaluation plan is a written document that states the objectives of the evaluation, the questions that will be answered, and the information that will be collected to answer these questions and when collection of information will begin and end. This plan should also detail the practices and procedures for successfully conducting the evaluation.

Most awarding agencies are becoming increasingly concerned about results and have, therefore, included evaluation requirements to ensure that grantees can produce measurable results. Most grant applications today require plans for determining the degree to which objectives are met and methods are followed. Each GM must check the individual regulations and requirements of the grant that they administer.

All County subgrants should contain an evaluation plan. GMs should be able to identify effective programs or subgrants to know what works, disseminate the results of these programs for others to potentially replicate and incorporate the results into ongoing competitive subgrant processes.

These plans must, at a minimum, meet and include the following:

- Process for evaluating accomplishment of objectives
- Process for making required modifications over the course of the program
- Identification of evaluator
- Evaluation criteria
- Data gathering process
- Identification of any test instruments or questionnaires to be used

- Description of the data analysis process
- Description of how evaluation will be used for program improvements
- Description of evaluation reports to be produced

AUDIT

If the County expends \$750,000 or more in Federal funds (from all sources including pass-through subawards) in a fiscal year, an audit will be conducted in accordance with the Uniform Guidance policy.

Financial Reporting and/or OBM will compile the Schedule of Expenditures of Federal Awards (SEFA). When compiling the SEFA, Financial Reporting and/or OBM will contact the GM via email to confirm the federal grants listed on the SEFA including the Assistance Listing number (formerly CFDA Number), pass-thru number if applicable, the amount passed through to subrecipients and the total federal expenditure which is taken from the grants trial balance in the accounting system. GMs are responsible for verifying all the information presented in the SEFA.

Timely action on audit findings, including follow up and documenting corrective action, is the responsibility of GMs. GMs are also responsible for ensuring that appropriate audit reports are received from subgrantees, if applicable by the grant agreement. Since audits with questioned cost findings may result in cost disallowance and require the County to make repayments, GMs must understand all compliance rules and regulations.

Financial Reporting will file the SEFA with the Federal Audit Clearinghouse and other designated agencies. The following are possible audit findings that must be avoided:

- Untimely report submissions
- Lack of documentation
- Inadequate monitoring of subrecipients
- Inadequate time/effort reports
- Inaccurate reports
- Commingling of funds
- Excess cash on hand
- Unallowable costs
- Inappropriate changes

- Conflicts of interest

In addition, assuring grant compliance should be a continuous activity of all GMs. Adverse audit results can be minimized by applying the following guidelines:

- Understand all compliance regulations
- Understand grant agreement
- Maintain communication with grantor contact personnel
- Assure that you have updated compliance guidelines
- Ensure compliance of all subgrantees
- Ensure that all appropriate personnel, including management, are aware of compliance regulations

There are other directives from the State and Federal government that offer further guidance on grant management as noted in the Guidance section of this policy.

YEAR-END PROCEDURES

Indicate clearly on your January and February invoice which fiscal year (prior or current) the expense is to be posted to. Only goods and services received prior to December 31st can be posted back to the prior year for the accrual reports. Reconcile January and February expenditures promptly since these adjustments can only be made until the end of February, this is due to audit timing and materiality of expenditures.

Ensure all funds are expended or encumbered prior to the end of the grant period in order for funds to be used adequately and not lost in future award periods.

As grant funds are subject to audit by federal or state representatives, the agencies/departments are responsible for notifying the Fiscal Officer upon notice that a grant will be audited by an outside auditor or entity.

GRANT CLOSEOUT

All expenditures applicable to awards must be incurred prior to the end date. The GM must ensure that all charges, including the cash match, were properly recorded. The GM must monitor the grants expenses throughout the life of the grant to ensure that the grant is being expended in a timely manner.

The GM must become familiar with the grant agreement in order to submit the final report by the date indicated in the grant agreement. The final report should indicate the amount for reimbursement. This amount of reimbursement should be the grants negative cash position.

If the GM needs to post an entry soon after the grant has expired and the entry relates to the grant period and is allowable, the GM needs to contact Financial Reporting to extend the date.

Financial Reporting allows a 90 day grace period to close out the grant. However, this 90 day grace period does not supersede the timeframe requirements of a grant.

To ensure that all financial obligations of a grant or contract have been met prior to closing, the GM must perform a budget analysis to ascertain that all commitments to the grant or contract have been properly charged to the grant or contract. This budget analysis must be done in a timely manner. All cash disbursements and expenditures must be reconciled before closeout. The following is a list, not meant to be all inclusive, of steps GMs should adhere to when closing out a grant in accordance with their grant agreement:

- Review grant agreement for special close out requirements.
- Ensure all obligations/expenditures are properly reported including all chargebacks and other expenditure adjustments
- Perform a final reconciliation to request reimbursement for any funds due to cover expenditures and obligations (incurred prior to the grant expiration date and liquidated no more than 90 days after the grant expiration date) at grant closeout
- Perform Final Drawdown of Funds. Upon completion of grant, request final payment for reimbursement of expenditures made within the approved period in conjunction with the final financial status report
- Return unused grant funds
- Cash balance should be zero after being fully reimbursed
- Submit Final Financial Status Report
- Program Income Report, if applicable
- Final Progress Report
- Prepare Special Reporting
- Final Inventory Report – Note: reporting continues throughout the useful life of the asset even if the grant period has ended
- Final Audit Report
- All records are retained that support expended funds. The retention periods must meet

the requirements specified by the grantor and at a minimum meet the County records retention policy (Appendix D)

- Decertify encumbrances
- All appropriation (budget) free balances must be decreased to match actuals by Budget Edit group and/or as required by grant
- Remaining budget should be zero, the GM must do a budget adjustment if necessary
- Send request to Financial Reporting to inactivate the related activity code

Financial Reporting monitors expired activity codes to ensure that they are closed out properly and in a timely manner. Therefore, Financial Reporting will contact GMs at least annually requesting updates on cash balances and the status of expired activity codes.

GUIDANCE

GMs should refer to their grant agreements for additional guidance. There are other directives from the State and Federal government that offer further guidance on grant management. Below is a list of items GMs can refer to in addition to their grant agreements. The links can be copied into the internet browser. This list is not meant to be all inclusive.

UG from the Federal Government:

http://www.ecfr.gov/cgi-bin/text-idx?tpl=/cirrose/Title02/2cfr200_main_02.tpl

Federal Award Compliance Control Records from the State for Federal Grants:

<https://ohioauditor.gov/references/practiceaids/faccrs.html>

The Ohio Compliance Supplement: <https://ohioauditor.gov/references/compliancemanuals.html>



GRANT SETUP REQUEST FORM

Program Name:	
Grantor:	
Grant Number:	
Grant Name:	
Grant Start Date:	
Grant End Date:	
Grant Liquidation Date:	
Total Grant Amount:	
Board of Control (BOC) No.:	
B.O.C. Approval Date:	
Prepared by:	
Date Prepared:	
Department/Division:	

FUNDING REQUEST:

FEDERAL	STATE	LOCAL MATCH	OTHER	TOTAL REQUEST
If Local Match is required, are funds available in department current budget? (Yes or No)				
If Local Match or Other, what is the other source of Cash Match?				
If yes, which accounting unit(s) and general ledger account(s) should revenue and expenditures be coded?				
Is the grant reimbursement? (Yes or No)				
Can Indirect cost be charged to the grant? (Yes or No)				
If yes, which accounting unit(s) and general ledger account(s) should expenditures be coded?				

BUDGET SUMMARY FORM

Budget Category	FY1	FY2	FY3	FY4	FY5
Revenue					
Total					
Salaries					
Fringe Benefits					
Other Expenditures					
Controlled					
Client Services					
Capital					
Debt Service					
Total					
Transfers Out					
Total					

EXAMPLE:

FORCASTED DETAIL BUDGET BREAKDOWN (FY___)

*Please complete for each Fiscal Year (FY) if the amount varies. Add additional general ledger (GL) accounts and rows as needed.

Revenue

Revenue:

GL Account	GL Account Description	Description	Amount
45000-0000	Federal Grant Revenue		
	Total		

Personnel

Position(s)	Annual Salary	Est. % of Effort	Total Cost
Position 1			
Position 2			
Total			

Salaries:

GL Account	GL Account Description	Item/Service Description	Amount
55010-0000	Salaries - Regular	See above	
	Total		

Fringe Benefits:

GL Account	GL Account Description	Item/Service Description	Amount
51100-0100	OPERS-Regular		
51350-0000	Hospitalization		
	Total		

Other Expenditures

Other Expenditures:

GL Account	GL Account Description	Item/Service Description	Amount
52000-0000	Office Supplies		
55130-0000	Contractual Services		

	Total		

Controlled:

GL Account	GL Account Description	Item/Service Description	Amount
54650-0000	Indirect Cost		
54850-0000	Printing Chargeback		
	Total		

Client Services:

GL Account	GL Account Description	Item/Service Description	Amount
56050-0000	Housing Assistance		
	Total		

Capital:

GL Account	GL Account Description	Item/Service Description	Amount
70000-0000	Equipment Purchase		
	Total		

Debt Service:

GL Account	GL Account Description	Item/Service Description	Amount
80000-0000	Bond Principal Payment		
	Total		

OBM PROCEDURE FOR REQUESTING AND SETTING UP NEW GRANTS

1. Once a department receives notice from a grantor regarding a new award, the agency should complete its requisite process for obtaining approval to accept the grant funds. For executive agencies, this means seeking approval from the Board of Control (BOC).
2. Once approval to accept the new grant has been obtained, the agency should complete a *New Code Request Form*, available on the Infor landing page under ERP Resources [Infor HRSD \(inforcloudsuite.com\)](https://inforcloudsuite.com). Unless directed by the County Fiscal Officer, each grant award accepted by the County should be established with a unique accounting string (i.e., accounting unit and activity code) to enable proper accounting and avoid comingling of funds. Limited exceptions may occur and will be addressed on an individual basis.
 - a. Please note the *New Code Request Form* is also used to request new activity code (see Activity Procedures). Unlike FAMIS, the activity structure of Infor Lawson Financials does not require that a new accounting unit be established for each new grant.
3. Submit via email to OBM, the completed *New Code Request Form* to the OBM Administrator. Additionally, the following documents must accompany the *New Code Request Form*:
 - a. Award letter,
 - b. Fully executed grant agreement, if available,
 - c. Proof of grant acceptance (BOC approval) from step #1,
 - d. Application, if applicable,
 - e. *Budget Adjustment Form* for new grant appropriation, and
 - f. If a grant (Cash) match is required, a *Budget Adjustment Form* and *Cash Transfer form* is required,
 - g. Fund Balance Report (i.e.RW100) for Cash Match,
 - h. Complete and submit "Forecasted Grant Budget Summary" form or a similar budget form. (see Appendix A)

If any of these documents are unavailable, please note the reason why in the email.

Departments may submit a *New Code Request Form* and associated documentation simultaneously with step #1 above to expedite the grant setup process.

4. OBM Administrator will validate the documentation and send the Award Letter, Grant Agreement and Proof of grant acceptance to Financial Reporting via email to journalentry@cuyahogacounty.us. Financial Reporting will create the new grant setup in Infor Lawson Financials and notify the agency when complete. The process for setting up a new grant is as follows:
 - a. Creation of new posting activity codes via AC10.1.
 - b. Completion of AC07.1, which prohibits transactions from posting to a grant activity that originate from any accounting unit other than the one identified by the agency on the *New Code Request Form*.
5. OBM will collect all relevant appropriation requests and submit them to County Council for approval via the fiscal agenda.
6. Once the fiscal agenda has been approved by County Council and signed by the County Executive, OBM will upload the signed resolution as supporting documentation for the FB40 screen. OBM will then release the FB40 request.
7. Create activity budget headers and add applicable revenue and expense accounts via AC20.2 as identified on the Budget Adjustment Form. Budget headers for Budget #1 (Original Approved Budget) and Budget #2 (Current/Amended Budget – the active budget). Grants and Projects are set up in Budget #3.
8. Financial Reporting will post the FB40 request via FB190, release the AC21.2 request via AC22, and post the AC21.2 request via AC190. It may take one additional business day for the new appropriations to show in Infor Lawson Financials. Agencies can begin spending against their grant at this point.
9. (OBM only) If a grant match is required, it is now the Fiscal Office's policy that a transfer occur to move cash from the original source to the grant accounting string. Revenue accounts 90000-0400 for *Transfers In* should be used for the accounting string receiving funds and 95000-0400 for *Transfers Out – grant match* should be used for the accounting string representing the original source of the match funds. The cash transfer will be entered via GL40.1. Additionally, an appropriation increase or transfer is necessary to facilitate this cash transfer, please first enter this request via FB40.
 - a) Note: There must be available appropriation in the "Transfers Out" line for the Cash transfer out accounting unit.
10. OBM will notify the department when the process is complete and the grant budget is available.

OBM Procedure To Close Out Grants

Once the grant period has ended and all expenses have been paid and all revenues have been collected and deposited, the department can then start the process of closing out the grant.

The following steps are required for reducing the appropriation:

1. The agencies must send a copy of the Budget Adjustment Form, Lawson AC297, and final financial and programmatic report with the requests to close a grant or project to show that the ending balances is \$0.
2. If encumbrances or commitments remain, the department must liquidate them according to the Cuyahoga County Procurement Threshold Ordinance (No.0219-0003). The balances must be \$0 before the grant can be closed out.
3. If cash remains, the department must transfer or send the remaining funds (if stated in the grantor agreement) back to the original proper funding source. Unless stated otherwise, per the grantor. The department must liquidate them according to the Cuyahoga County Procurement Threshold Ordinance (No.0219-0003) (*see below process for returning unspent funds*).
4. If appropriation is still remaining after all cash has been transferred out or spent an appropriation reduction needs to be completed and sent to OBM via the Budget Adjustment form, to be added to the Fiscal Agenda.
5. If the grant was overspent, the department will be required to identify a proper funding source to cover the amount overspent on the grant to receive approval to use to cover the amount.

OBM will collect all relevant appropriation requests and submit them to County Council for approval via the fiscal agenda.

1. Once the fiscal agenda has been approved by County Council, OBM will upload the signed resolution as supporting documentation for the FB40 screen. OBM will then release the FB40 request and approve the AC21.2 request in succession, and finally email Financial Reporting at journalentry@cuyahogacounty.us to request that the FB40 request be posted and the AC21.2 be released. The requesting agency or department must be copied on this email.
2. Financial Reporting will post the FB40 request via FB190, release the AC21.2 request via AC22, and post the AC21.2 request via AC190. It may take one additional business day for the appropriations reductions to show in Infor Lawson Financials.
3. (OBM only) If a grant match was required, it is the Fiscal Office's policy that a transfer occur to move remaining cash back to the original source (to the grant accounting string).

Revenue accounts 90000 - 0400 for *Transfers In* should be used for the accounting string receiving funds and 95000 - 0400 for *Transfers Out-Grant Match* should be used for the grant (being closed) accounting string. The cash transfer will be entered via GL40.1. Additionally, an appropriation increase or transfer is necessary to facilitate this cash transfer, please first enter this request via FB40. Note: There must be available appropriation in the "Trans Out" line for the Cash transfer out accounting unit. All cash transfers must be approved via the Fiscal Agenda.

PROCESS TO RETURN UNSPENT FUNDS TO THE GRANTOR

1. If the amounts to be paid exceed the minimum payment threshold as per County policy, submit a manual encumbrance request to the Assistant Fiscal Officer and Controller for approval.
2. The County requires returned funds to be processed as an expenditure to GL account 58325-Return of Unspent Funds to Grantor (Other Expense). If interest is earned on the funds and is required to be remitted to the grantor, then add a second line on the manual encumbrance to charge the interest to GL account 58330-Interest Earnings Due to Grantor. The use of these accounts should be clear to the grantor that the funds are being returned and are not being spent on programming.
3. A budget is required to process the payment. If the grant award was fully budgeted, then the available budget should cover the payment. If the grant was not fully budgeted, then the agency will need to work with OBM to request Council approval to add remaining budget.

RETURN OF UNSPENT FUNDS TO THE COUNTY FROM A SUBRECIPIENT

When a Subrecipient returns funds to the County that they were not able to spend the funds must be deposited into the expense account that the payment posted to, regardless of the year it was paid, because all grants are on lifetime budgets. This will reduce the expense to the actual amount utilized by the subrecipient.