

CITY OF SPOKANE ADMINISTRATIVE POLICY AND PROCEDURE	ADMIN 0430 -16- 01 LGL 2014-0010
TITLE: GRANTS AND FINANCIAL ASSISTANCE GUIDE EFFECTIVE DATE: March 31, 2014 REVISION EFFECTIVE DATE: January 1, 2016	

1.0 GENERAL

1.1 The purpose of the Grants and Financial Assistance Guide is to establish, implement and maintain meaningful oversight and coordination of grant and financial assistance awards throughout the entire award life cycle; thereby increasing award related revenue, limiting the City's exposure to grant related legal liability, and improving the efficiency and impact of programs and services funded and provided through awards of financial assistance.

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2.0 DEPARTMENTS/DIVISIONS AFFECTED

This policy shall apply to all City departments and divisions.

3.0 REFERENCES

None

4.0 DEFINITIONS

4.1 "Financial Assistance" is comprised of federal, state and local / private formula and project grants, entitlements and cooperative agreements, as

well as federal and state loans and direct payments wherein the purpose is the transfer of money, property, services or anything of value to the City of Spokane for public benefit. It also includes federal and state contracts and any other contract/agreement being supported with federal or state funds. It does not include donations. City departments and offices should contact the Director of Grants Management & Financial Assistance for assistance in determining whether an award should be classified as a grant or donation.

5.0 POLICY

- 5.1 The City of Spokane pursues and obtains grants and other awards of financial assistance to provide and enhance services the City has determined to be beneficial to the citizens of Spokane and to reduce City taxpayer burden in supporting those services.
- 5.2 The City of Spokane Director of Grants Management & Financial Assistance oversees the Department of Grants Management and Financial Assistance and ensures fiscal and programmatic accountability and compliance for awards of financial assistance made to the City of Spokane. Specifically, this position is responsible for:
 - a. Establishing internal controls to safeguard federal, state and local / private grant assets and ensure their proper use;
 - b. Establishing written policies and procedures that clarify responsibilities for submitting applications, accepting and administering approved awards;
 - c. Developing and managing systems to coordinate the identification of funding resources and track the entire lifecycle of grants and other financial assistance awards;
 - d. Establishing written policies and procedures to ensure compliance with funding requirements as defined by funding agencies, the Code of Federal Regulations and the State of Washington;
 - e. Assisting City departments with interpretation and application of City, state, federal and other funder policies and requirements;
 - f. Providing regular compliance review of all financial assistance awards and award subrecipients to determine if they are in compliance with the requirements of federal, state and local laws, City policies and requirements of the award documents;

- g. Serving as a training and technical assistance resource for City elected officials, department heads and their staff;
- h. Serving as the Authorized Organization Representative for the City of Spokane relative to awards of financial assistance; and
- i. Maintaining the central DUNS and SAM registration for the City of Spokane which is used by all City departments and offices.

5.3 The department or division designated by the Mayor to receive and administer the financial assistance award is ultimately responsible for complying with all provisions, terms and conditions of the agreement.

5.4 The Mayor may make minor revisions, additions, or deletions to these procedures without City Council approval.

6.0 PROCEDURE

See Appendix

7.0 RESPONSIBILITIES

The Director of Grants Management and Financial Assistance is responsible for administering this policy and procedure.

8.0 APPENDICES

City of Spokane Grant and Financial Assistance Guide

APPROVED BY:



 City Attorney

1/7/16

 Date



 Director of Grants & Financial Assistance

1/8/16

 Date



 City Administrator

 Date

CITY OF SPOKANE

GRANTS AND FINANCIAL ASSISTANCE GUIDE

EFFECTIVE MARCH 31, 2014

REVISED JANUARY 1, 2016

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SECTION ONE: ADMINISTRATIVE/PRE-AWARD PLANNING

ROLES AND RESPONSIBILITIES

Purpose:

The purpose of this policy is to establish the roles and associated responsibilities of the various City of Spokane divisions, departments and their staff involved in the grant and financial assistance life cycle.

Policy:

City of Spokane divisions and departments and their staff whom occupy positions of responsibility with respect to grant and financial assistance activity have specific roles and responsibilities that they are required to perform and uphold both ethically and in the best interests of the City.

Procedures:

1. Office of the Mayor

The Mayor has sole responsibility for final execution and acceptance of grant and financial assistance awards and approval of projects and programs that they support. As such, the Mayor or his/her designee is the Authorized Organization Representative (AOR) for purposes of the execution of grant and financial assistance awards.

Proposals for funding often require the name and contact information for the senior authority for the City of Spokane. In these cases, the name and requested information of the Mayor shall be provided. If an electronic signature is required in lieu of a written signature, this should be coordinated and approved through the Department of Grants Management & Financial Assistance, which department will also be responsible for maintaining any associated login and password information on behalf of the Mayor's Office.

2. Department of Grants Management & Financial Assistance

The Department of Grants Management & Financial Assistance (GMFA) provides centralized management, oversight and other support services to City-wide activities involving the application, administration, reporting and closeout of grants and financial assistance awards. Additionally, GMFA provides centralized consultation and coordination with City administration and the City Council, to strategically identify and manage the grants and financial assistance opportunities to be pursued by the City and region. Therefore, all grant and financial assistance activity must be routed through GMFA in accordance with this Grants and Financial Assistance Guide.

GMFA is responsible for maintaining the central DUNS, and System for Award Management (SAM) registration for the City of Spokane which is used by all City

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departments and divisions. The Director of GMFA shall serve as the City's E-Business Point of Contact for this purpose.

Additional responsibilities of GMFA include strategic award planning, training of internal customers, establishing and maintaining effective internal controls over grants and financial assistance awards, promotion of funding opportunities, technical assistance, maintenance of informational web pages, identifying and investigating compliance issues that may arise with respect to the management of City grants and financial assistance awards, and mediation towards collaborative grant submittals between internal/external agencies, organizations and individuals. Other responsibilities are indicated throughout this Guide.

3. Accounting Department

The Accounting Department is responsible for establishing unique program numbers and/or detail codes for each award in the accounting system to ensure that associated revenues and expenses are tracked appropriately and individual award funds are not commingled with other funds. This includes the establishment of proper revenue and expense accounts. Additionally, this department is responsible for processing accounting transactions, including drawdowns of award funds, preparation of financial reports and processing payments to subrecipients and vendors after approval of appropriate award/program management personnel in the recipient department and/or personnel of GMFA as provided in this Guide. Other responsibilities are indicated throughout this Guide.

4. Legal Department

Grant and financial assistance agreements are different from many other contracts in that there is little or no negotiation involved. In the vast majority of circumstances, the City will either sign the agreement or decline the award. Despite the City's lack of bargaining power in this regard, it is nevertheless prudent to conduct a legal review of award agreements to ensure that all of the terms of the agreement are legally enforceable. The City's Legal Department shall review the terms and conditions of the award as an initial step in the award acceptance process in coordination with GMFA.

5. City Departments and Divisions Receiving Awards

The City department or division that receives the award is responsible for all aspects of the award lifecycle including planning for award acquisition, preparation and submitting funding proposals, preparing ordinance requests to accept awards and budget funds, developing award implementation plans, managing award programs, preparing, reviewing and submitting reports to awarding agencies, and properly closing out award projects, as detailed throughout this guide and in compliance with all award terms, conditions and applicable regulations.

The department shall designate the individual who will serve as the Award Manager and in this capacity is the primary person responsible for the day-to-day award administration and compliance. This person may be the same, or in addition to, the overall Project Manager.

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In some instances such as with the Community, Housing Human Services Department, Award Manager responsibilities share be a shared function between the award recipient department and the Grants Management & Financial Assistance Department. In those instances, a documented structure designating specific responsibilities shall be developed and implemented.

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CONFLICT OF INTEREST

Purpose:

Conflicts of interest can damage the reputation and credibility of the City. Further, the appearance of a conflict of interest can be just as damaging to the City's reputation and credibility as an actual conflict. The purpose of this policy is to avoid an appearance, or actual, conflict of interest or breach of trust by an official or employee of the City.

Policy:

No employee, officer or agent of the City of Spokane shall have any interest, financial or otherwise, direct or indirect, or have any arrangement concerning prospective employment that will, or may be reasonably expected to, bias the design, conduct or reporting of a grant or financial assistance funded project on which he or she is working.

In addition, no employee, officer or agent of the City of Spokane may participate in the selection, or in the award or administration of a contract supported by a grant or other award of financial assistance to the City of Spokane if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:

- An employee, officer, or agent of the subrecipient;
- Any member of an employee's, officer's, or agent's immediate family;
- An employee's, agent's or officer's partner; or
- An organization which employs, or is about to employ, any of the identified in the preceding section.

Officers, employees or agents will not solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subawards. Any additional prohibitions relative to real, apparent, or potential conflicts of interests made by an awarding agency must be complied with.

Any real, apparent, or potential conflicts of interests involving City employees, officers or agents, or subrecipients of the City, shall be reported to the Director of Grants Management & Financial Assistance. The Director shall disclose in writing any potential conflict of interest related to a federal grant to the federal awarding agency or pass-through entity in accordance with applicable federal awarding agency policy.

Procedure:

The Department of Grants Management & Financial Assistance shall develop and implement conflict of interest certifications for use under federal grants and financial assistance awards and provide related training and technical assistance.

SECTION ONE: ADMINISTRATIVE/PRE-AWARD PLANNING

The assigned Award Manager in the City department or division receiving the award shall ensure that in the use of award funds, officials or employees of the City and nongovernmental recipients or subrecipients shall avoid any action that might result in, or create the appearance of:

- a) Using his or her official position for private gain;
- b) Giving preferential treatment to any person or organization;
- c) Losing complete independence or impartiality;
- d) Making an official decision outside official channels;
- e) Affecting adversely public confidence in the program funded by the award in particular and the City in general;
- f) Any violation of this provision is governed by Spokane Municipal Code Chapter 01.04 Code of Ethics.

Any questions or concerns in this regard shall be referred to the division director or department head and the Director of Grants Management & Financial Assistance.

SECTION ONE: ADMINISTRATIVE/PRE-AWARD PLANNING

LETTER OF SUPPORT REQUESTS FROM EXTERNAL ORGANIZATIONS

Purpose:

External organizations frequently seek support from the City for applications they intend to submit to funding agencies. Requests for such support often are made to City staff, directors or officials who may be unaware of whether other City divisions or departments are competing for the same grant opportunity or supporting another external organization's application. Additionally, there may be other reasons why it would not be in the City's interests to provide support. The purpose of this policy is to establish a process and standards for providing a letter of support for a grant or financial assistance application to external organizations.

Policy:

Letters of support for a funding application prepared by an external entity, and for which the City is not a collaborating partner who will receive or contribute money, property, services or anything of value (including in-kind), if awarded, shall be forwarded to the Director of Grants & Financial Assistance (GMFA) for review and approval. Copies of all letters of support shall be maintained by the GMFA Department.

If the City is a collaborating partner, who will receive or contribute money, property, services or anything of value (including in-kind), the policy and procedures in Section Two, Pre-Application, of this Guide shall be followed.

Procedure:

1. Upon receiving a request from an external organization for a letter of support for a grant or other financial assistance application, the appropriate division director or department head must decide whether to support the request.
2. If the division director or department head determines not to support the request, the external organization should be notified in writing that the City will not provide a letter of support.
3. If the division director or department head supports the request, he/she must inform the Director of GMFA. This notification should include a draft letter of support and a copy of the Notice of Funding Announcement (NOFA) or Request for Proposals/Qualifications (RFP/Q) the application is being submitted in response to, as well as a brief written summary of whether the mission and activities of the requesting organization, and the proposed project the letter would support, are consistent with City priorities, and whether the proposed project or the letter of support has the potential for future obligations by the City. This may all be submitted via email.
4. The Director of GMFA shall verify whether another City department or division is pursuing the funding in the Award Management Database, or if a supporting letter may conflict with a known application or previous funding history of another

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community agency. This information shall be forwarded to the division director or department head.

5. A summary description of requested letters of support shall be included in the weekly Grants/Financial Assistance Report prepared by the Director of GMFA and submitted to the Cabinet and City Council.
6. Any potential conflicts, other significant concerns and feedback should be communicated to the division director or department head and the Director of GMFA.
7. If there are no unresolved conflicts or other significant concerns in the five (5) days subsequent to the release of the weekly report, the letter of support may be signed by the division director or department head the following week. The Director of GMFA should be provided a copy of the final letter of support for retention in the central grants and financial assistance files.

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AWARD MANAGEMENT SYSTEM

Purpose:

The Award Management System is a software tool to assist in the management of grant and financial assistance awards to the City throughout the entire award lifecycle; improve coordination; enhance oversight; identify and successfully acquire new funding sources; and provide a snapshot of the current Citywide grant and financial assistance landscape. The purpose of this policy is to describe the use of the Award Management System and to establish the responsibilities for entering the required award related data, along with requirements for maintaining and updating that data.

Policy:

An award record shall be created in the Award Management System for each funding opportunity a City employee identifies for application, or for each award received that may not have been applied for. This award record shall constitute the master award file and shall contain all documentation needed to demonstrate compliance and performance.

Each record shall include all information requested in the Award Management System as applicable to the associated award, including the application and supporting materials, all reports submitted and the associated supporting documentation, award documents and associated amendments, subawards and the associated invoices and supporting documentation as well as all subrecipient financial and program reports, the due dates of all required reporting, relevant information from the implementation plan, and completion dates of all tasks and deliverables.

The award record in this system shall serve as the master award file. Each award record shall be updated upon any change to the status of the award and/or the information previously entered.

Procedure:

1. Assigned members of the Award Management Team will ensure that the award documents and materials they are responsible for drafting or approving are uploaded into the Award Management System in the most recent or final version, as well as completion dates of all tasks and deliverables.
2. Upon any change to the status of an award and/or information previously entered into the Award Management System, the Award Manager shall ensure that the associated award record is updated.
3. The Department of Grants Management & Financial Assistance will be responsible for conducting a final review of the award record upon notification of closeout and ensuring that the award record is complete and accurate.

SECTION ONE: ADMINISTRATIVE/PRE-AWARD PLANNING

INTERNALLY COMPETING APPLICATIONS

Purpose:

Funding agencies generally will not consider any proposal from an applicant if that applicant has submitted more than one proposal during the same funding round. This is especially true for federal and state grantors. Therefore, it is imperative that the potential for multiple submissions to the same funding agency during the same funding round is resolved. The purpose of this policy is to identify the procedure for resolving such conflicts.

Policy:

The City shall not submit multiple applications to the same funding agency during the same funding round unless explicitly allowed by the funder and approved by the Director of Grants Management & Financial Assistance (GMFA). In the event that multiple departments or divisions intend to submit an application to the same funder during the same funding round, and the funder will not accept more than one (1) application from the City, the Director of GMFA shall be the final arbiter of which department or division will submit the application.

Procedure:

1. Upon identifying the potential for the submission of multiple applications to the same grantor during the same funding cycle, the Director of GMFA shall seek to determine whether the funding agency permits multiple submissions. If the grantor allows multiple submissions, the departments or divisions may continue the application process as provided in Section Two of this Guide.
2. If the funder does not allow for multiple submissions, the Director of GMFA shall meet with the departments or divisions in question and seek to determine whether a collaborative approach is feasible. If a collaborative approach is feasible, a joint application can then be pursued as provided in Section Two of this Guide.
3. Should a collaborative approach prove infeasible, the Director of GMFA shall notify the Chief Financial Officer and identify the scenario, including her/his analysis and recommendation in the Review/Consideration section of the Weekly Grants/Financial Assistance Report distributed to the Cabinet and City Council.
4. Upon receiving feedback from the Chief Financial Officer and/or Cabinet and City Council, the Director of GMFA will notify the departments and divisions as to which application may be submitted.

SECTION ONE: ADMINISTRATIVE/PRE-AWARD PLANNING

EXTERNAL NOTIFICATIONS

Purpose:

Many funding agencies, especially nationally competitive federal award programs, will not favorably consider multiple proposals from a single region as it is viewed as a demonstration of a lack of community coordination and collaboration. Therefore, it is important that the City coordinate with other local governments and community partners to ensure that the most competitive, strategic funding proposal is submitted to benefit the residents of the City of Spokane.

Policy:

The Director of Grants Management & Financial Assistance (GMFA) will notify and coordinate with Spokane County, other local municipalities and community partners, as appropriate, when a City department or division is pursuing a funding opportunity for which more than one (1) application submission for the region would likely result in funding declinations for all applicants and a potential loss of funding to the region.

Procedure:

1. The Director of GMFA will send an email notification via the Award Management System when a City department or division has identified a funding opportunity it intends to apply for which has the potential to draw competing applications from other jurisdictions or partners.
2. Notification may also be sent when there is an opportunity to partner to strengthen an application being prepared.
3. The Director of GMFA and the division director or department head of the City department seeking to apply for funding shall meet with any external entities also considering application to work towards an amicable resolution that identifies the most competitive, strategic applicant and potential opportunities for partnership.
4. Any external conflicts will be identified in the Weekly Grants/Financial Assistance Report distributed to the Cabinet via the Chief Financial Officer and City Council.

SECTION ONE: ADMINISTRATIVE/PRE-AWARD PLANNING

ADMINISTRATION/MAINTENANCE OF AWARD SYSTEM REGISTRATIONS

Purpose:

Most award programs have requirements or options for submitting funding applications, applicant agency registrations, etc. through electronic systems. In order to submit the application or maintain the agency registration, the individual submitting the application or registration must be approved as an Authorized Organization Representative of the City of Spokane for this specific purpose.

Policy:

Federal grant applications submitted through grants.gov require the individual submitting the application to be an Authorized Organizational Representative of the City of Spokane for this purpose. Authorization can only be granted by City's E-Business Point of Contact for its DUNS/System for Award Management (SAM) registration.

The Director of Grants Management & Financial Assistance (GMFA) shall serve as the City's E-Business Point of Contact and shall be responsible for maintaining the central DUNS and System for Award Management (SAM) registration for the City of Spokane which shall be used by all City departments and offices.

Procedure:

1. The Director of GMFA shall maintain the annual and any ongoing updates and registration requirements for the City of Spokane in the central DUNS and System for Award Management (SAM).
2. City departments and divisions submitting federal applications for funding or seeking to accept non-competitive awards shall ensure that the single DUNS number maintained by the Director of GMFA is used in all application and award documents. The Award Manager or person preparing the application should contact the GMFA Department and confirm the correct DUNS number to use.
3. In order to submit a grant application through the Federal grants.gov system, the individual submitting the application must be an Authorized Organizational Representative (AOR). In order to be registered as an AOR for this purpose, go to www.grants.gov and follow the instructions describing how to prepare to apply for funding opportunities through grants.gov. The AOR registration process has three steps that must be taken in order as follows:
 - a. Registration with the Credential Provider
 - b. Registration with grants.gov
 - c. Authorization as an AOR by the City's E-Business Point of Contact
4. Once registration with the credential provider and with grants.gov has been completed, an email will be sent to the Director of GMFA as the E-Business Point of Contact. The Alternate E-Business Point of Contact is the GMFA Administrator.
5. The E-Business Point of Contact will authorize the request.

SECTION ONE: ADMINISTRATIVE/PRE-AWARD PLANNING

6. All applications submitted through grants.gov must comply with the standard policies and procedures for application submission as described in Section Two of this Guide.
7. Once authorized, the AOR has the authority to electronically sign applications and the required certifications and/or assurances that are necessary to fulfill the requirements of the application process so long as the application submission was approved by the Director of GMFA and the appropriate division director or department head.

SECTION TWO: RESEARCH AND APPLICATION

STRATEGIC PURSUIT OF OUTSIDE FUNDING

Purpose:

In order to coordinate the City's grants and financial assistance activities effectively, the Department of Grants Management & Financial Assistance (GMFA) must have knowledge of prioritized department and division needs that potentially can be met through grants and other awards of financial assistance. This knowledge will allow the GMFA Department to coordinate common needs among agencies and divisions, plan for submission of proposals to regular cyclical funding opportunities, and be pre-positioned to assist the departments and divisions in the submission of proposals to those opportunities when they arise. Finally, such knowledge allows the GMFA Department to identify the potential for parallel or redundant submissions, as well as areas for potential collaboration. The purpose of this policy is to promote a strategic approach to the pursuit of outside funding and to enhance the City's ability to coordinate grant and financial assistance activity on a City-wide scale.

Policy:

Applications for grant and financial assistance and their awards shall align with existing City strategic plans and processes. Awards typically support activities in three categories: 1) capital; 2) operating; and 3) program. Applications and awards for capital should align with the City's 6-Year Capital Strategic Plan. Applications and awards for operating and program support should align with other existing plans such as the Annual Action Plan (HUD) and the 6-Year Transportation Plan. In addition to these plans, each City department or division that seeks outside funding should undergo an annual strategic planning process for grant and financial assistance acquisition and produce a prioritized list of needs that can potentially be met through this funding. Budgets and brief narrative statements should be developed for each of the needs, as should goals and objectives that, once achieved, will address the identified need.

Procedure:

1. Departments shall conduct an annual needs assessment during the budget process which identifies needs that can potentially be met through grant and financial assistance funding.
2. The identified needs should be prioritized and a timeframe assigned to them, indicating whether they are short-term or long-term priorities.
3. Goals and measurable objectives should be identified that, once met, will address each identified need.
4. Brief narratives should be developed, including a description of activities, personnel, equipment, facility and other resources that will be required.

SECTION TWO: RESEARCH AND APPLICATION

1. Budgets should be developed to identify the overall cost, City funds available, and the existing funding gap that potentially could be met through outside funding. In addition, potential outside funding sources should be identified, if known.
2. This documentation should be submitted to the Director of GMFA during the annual budget process.
3. The Director of GMFA will collate this information into an Annual Grants & Financial Assistance Strategic Plan that will be presented to the City Council in conjunction with a budget presentation at a study session.
4. The development of this Plan will assist City departments and divisions, including the GFMA Department, to match identified needs and their solutions with funding opportunities that arise on a regular basis. In addition, this will pre-position the City to submit an application when Notices of Funding Availability are published.

SECTION TWO: RESEARCH AND APPLICATION

PRE-APPLICATION & RENEWALS

Purpose:

The purpose of this policy is to ensure that applications or renewals for funding submitted by or on behalf of the City are aligned with an established City priority, are not in competition with other internally-prepared applications or external applications supported by the City, and the City is prepared and willing to meet all of the applicable terms and conditions.

Policy:

The City of Spokane recognizes that grants and other financial assistance provide significant resources to enhance the quality and quantity of its public services, facilities and infrastructure. The City will seek financial assistance for activities that further core City functions or that fund programs which are in the best interests of its citizens. In most circumstances, the benefits and impact of financial assistance will be examined prior to application and the City will decline submitting applications for funding determined not to meet this criteria, or which comes with requirements that the City is unable or unwilling to fulfill. Funding applications and requests for renewals may be completed, signed, approved and submitted by department heads and division directors only after receiving authorization from the City's Director of Grants Management & Financial Assistance (GMFA) or her/his designee.

Procedure:

1. Upon identification of a potential funding source under consideration, a City employee will create a record in the City's Award Management System indicating that the funding source is under consideration and assigning the award to a project. If there is a matching requirement, this should be noted in the narrative Notes section, including the potential sources of match.
2. A notification will automatically be generated by the system to the appropriate department and/or division head as well as GMFA Department.
3. The GMFA Department will review the funding announcement and proposed project to verify:
 - a. Alignment with existing, written strategic plans as provided under Section 2 of this Guide;
 - b. No other internal department is also considering the opportunity;
 - c. No known external agencies are also considering applying and whether the City has pledged to support these efforts;
 - d. No other concerns can be identified at this stage.
4. Any concerns identified through this initial vetting process will be discussed with the employee who has identified the funding opportunity and the department or division head, as appropriate.

SECTION TWO: RESEARCH AND APPLICATION

5. The Director of GMFA will include a listing of awards under consideration in the Weekly Grants Management & Financial Assistance Report produced each Monday.
6. If the appropriate department or division head approves moving forward with the application, the employee responsible for preparing the application shall change the status in the Award Management System to reflect that he/she intends to apply for the award. All status fields should be completed, including the proposed source(s) of the match, if applicable, and whether any new positions will be added. In addition, any project team members should be added so they will receive notifications about the status.
7. A notification will automatically be generated by the system to the appropriate department and/or division head as well as to the GMFA Department.
8. Upon receipt, the GMFA Department will update the status in the Weekly Grants Management & Financial Assistance Report provided to the Cabinet via the Chief Financial Officer and City Council.
9. Any questions or concerns will be communicated to the Director of GMFA and the appropriate division or department head.
10. After a five (5) day review period, the Director of GMFA will approve or disprove the application based on feedback and discussion in response to the weekly report.

SECTION TWO: RESEARCH AND APPLICATION

APPLICATION SUBMISSION

Purpose:

The Grants Management & Financial Assistance (GMFA) Department is responsible for tracking and reporting on all grant and financial assistance activity for the City of Spokane and monitoring compliance. The purpose of this policy is to provide the Director of Grants Management & Financial Assistance with the information needed to ensure accurate tracking and reporting as well as compliance monitoring.

Policy:

The Director of Grants Management & Financial Assistance shall have sole authority to approve the submission of grant applications, unless the funding agency specifically requires legislative approval, in which case, the Director of GMFA will recommend approval to the City Council who shall provide additional formal approval. All applications submitted should provide for full cost recovery to the extent possible and be signed by the authorized City personnel.

Procedure:

1. Before submitting a funding application, City departments or divisions intending to submit an application should follow the policy and procedural requirements in Section One: Administrative/Maintenance of Award System Registrations, and Section Two: Pre-Application & Renewals, as specified in this Guide.
2. If granted AOR status for purposes of submission, the department or division employee preparing the application may electronically sign the application and required certifications and/or assurances. The application may also be signed by the department director or division head.
3. Once completed, a copy of the application must be uploaded into the Award Management System and the status of the award record changed to submitted.
4. Completion of applications is the responsibility of the applicant department or division. Staff in the Department of GMFA may provide technical assistance with the application, as needed.
5. Departments should coordinate with their assigned staff in the Accounting Department on the budget development and application budgets should be developed so as to ensure full cost recovery to the extent possible.

SECTION THREE: AWARD ACCEPTANCE

AWARD ACCEPTANCE

Purpose:

Award agreements are legal contracts. It is the City's responsibility to carry out the funded project and/or activities associated with an award to accomplish its objectives, while adhering to all of the terms and conditions prescribed by the funding agency. Failure to do so increases the City's exposure to legal liability and compromises current and future grant and financial assistance funding for all departments. The purpose of this policy is to ensure that all relevant City departments and divisions are made aware of award notices in a timely fashion and standardize the procedure for, and document the acceptance or decline of grant and financial assistance awards made to the City.

Policy:

All grant and financial assistance awards made to the City of Spokane shall be reviewed and approved by the Director of Grants Management & Financial Assistance prior to formal acceptance, approval and signature by the City of Spokane.

The Department of Grants Management & Financial Assistance shall be provided a copy of any grant or financial assistance award documents within two days of receipt for review of all associated terms and conditions. Following the Department of GMFA review, the Legal and Accounting Departments shall be forwarded a copy from GMFA with a recommendation of acceptance or rejection. Upon concurrence of the Legal and Accounting Departments, the award must be formally accepted by the City Council unless subject to the City's Minor Contract Authorization Policy & Procedure.

Procedure:

1. Upon receipt of an award notification, a copy of the award letter and/or contract must be uploaded into the Award Management System by the recipient department or division. If the contract is over the minor contract threshold as established in the City's Minor Contract Authorization Policy & Procedure, the original documents requiring signature shall also be forwarded to the Director of Grants Management & Financial Assistance. The assigned staff member in the recipient department or division shall complete an Agenda Sheet in OnBase. The agenda item type selected should be "Contract – Grant/FA." The submitting department will be Grants & Financial Assistance.
2. The person completing the Agenda Sheet must notify the Director of Grants Management & Financial Assistance when it is completed.
3. If the award is under the minor contract threshold as established in the City's Minor Contract Authorization Policy & Procedure, the original award letter and/or

SECTION THREE: AWARD ACCEPTANCE

- contract and the completed Minor Contract Summary Sheet shall be forwarded to the Director of Grants Management & Financial Assistance.
4. The Director of Grants Management & Financial Assistance will identify any concerns or recommend acceptance.
 5. Upon acceptance, The Department of GMFA will coordinate with the Legal Department for a legal review and approval, as well as the Accounting Department and obtain their signatures on the Summary Sheet and on the contract documents, if required.
 6. In cases where a local or other match is required, or there are associated unrecovered costs, the Agenda Sheet shall also specify the source of funding by accounting name, program code, title or other identifying characteristics.
 7. In those circumstances where local or other match commitments are made by an entity other than the City of Spokane, a formal written agreement whereby the outside entity commits to meet the match requirement shall also be executed unless the outside entity will also be receiving pass through funding under the award, in which case the match commitment shall be included in the formal written funding agreement between the City and the outside agency as a term and condition of funding.
 8. If over the minor contract threshold, the Director of Grants Management & Financial Assistance will forward the contract or other award document to the City Clerk for consideration by the City Council and signature.
 9. If under the minor contract threshold, the Department of Grants Management & Financial Assistance will forward the contract or other award document and the Minor Contract Summary Sheet back to the Award Manager for signature by the division head or department director.
 10. The recipient department or division shall forward the documents onto the City Clerk.
 11. The Director of Grants Management & Financial Assistance will attend the Advance City Council Briefing and the department director or division head receiving the award should be in attendance also.
 12. The City Clerk shall assign an OPR number and file the documents and send electronic copies to Grants Management & Financial Assistance, Accounting and the recipient department or division.
 13. The Department of Grants Management & Financial Assistance will upload the electronic copy into the Award Management System.
 14. The City Clerk will forward the executed award document(s) to the funding agency, if provided. Otherwise, the recipient department or division shall forward the document or submit electronic acceptance. When a fully executed copy is returned, the Award Manager shall replace the award document in the Award Management System with a copy of the fully executed document(s) and ensure that the City Clerk has the final original signed document.

SECTION THREE: AWARD ACCEPTANCE

AWARD MANAGEMENT TEAM

Purpose:

To facilitate the successful implementation of an award project, an Award Management Team will be identified. The individual members and their associated responsibilities and deadlines will be tracked in the Award Management System and used as an oversight tool for the Department of Grants Management & Financial Assistance.

Policy:

An Award Management Team will be established upon acceptance of an award. The individual members, their associated responsibilities and deadlines, will be established and the award implementation plan and award terms and conditions will be reviewed. This implementation plan will include, at a minimum, the goals and objectives to be achieved, the project timeline, milestone events, an anticipated expenditure schedule, as well as roles and responsibilities. This will be documented in the Award Management System and monitored by the Department of Grants Management & Financial Assistance.

Procedure:

1. Upon notification of an award, staff in the Department of Grants Management & Financial Assistance shall convene an orientation meeting to include the Award Manager from the recipient department or division and any other assigned staff, and the Accounting Manager and any other assigned staff, as well as other key individuals.
2. The award implementation plan and terms and conditions will be reviewed at this meeting, as well as the approved budget. The goals and objectives will be identified, as well as the associated timelines; milestone events, anticipated expenditures schedule, and roles and responsibilities will be identified and documented in the Award Management System.
3. The Department of Grants Management & Financial Assistance will assign the project management team in the Award Management System and task out deadlines.

SECTION THREE: AWARD ACCEPTANCE

BUDGETING & FINANCIAL SETUP

Purpose:

To identify the process of establishing a budget associated with a grant or financial assistance funded project.

Policy:

The Department of Grants Management & Financial Assistance determine whether an award made to the City of Spokane shall be classified as a federal, state, pass-through or other grant or contract, or other designation. The Accounting Department shall be responsible for assigning unique program numbers to each individual grant or financial assistance award to ensure that funds are not comingled with other funds and setting up the proper revenue and expense accounts in the City's financial system.

Procedure:

Once an award has been approved by the Department of Grants Management & Financial Assistance and an award type determination has been made, the Accounting Manager in the Accounting Department will set up the proper revenue and expense accounts in the accounting system. A unique program number will be assigned to each award, which enables reports to be run on individual awards.

SECTION FOUR: POST-AWARD ADMINISTRATION

REVENUE AND RECEIPTS

Purpose:

The purpose of this policy is to identify the avenues through which award funds can be accepted and received.

Policy:

The default method of payment selected for all awards of financial assistance shall be reimbursement, unless the award is for an immediate, one-time expenditure or the only method of payment allowed by the funder is an advance payment. The basis for selecting another method of payment shall be discussed with the Director of Grants Management & Financial Assistance (GMFA) who must approve the alternate method of payment prior to selection or draw down. Cash reimbursement shall be made only after actual costs have been incurred and the expense recorded in the general ledger or City payroll accrued in the payroll subsidiary ledger. All funds received shall be recorded as revenue in the grant program.

The City of Spokane's preferred method of receipt is Electronic Fund Transfers (EFTs). EFTs are wired to the City Treasurer and automatically deposited into the appropriate account. When a check is received rather than an EFT, the check shall be taken to the Accounting Department for deposit within twenty four (24) hours of receipt.

SECTION FOUR: POST-AWARD ADMINISTRATION

PROGRAM INCOME

Purpose:

The purpose of this policy is to identify the treatment of program income associated with grant and financial assistance activity.

Definition:

Program income is gross income earned by the City of Spokane or its subrecipients that is directly generated by a supported activity or earned as a result of a grant or other award of financial assistance during the period of performance.

Program income includes, but is not limited to, income from fees for services performed, the use of rental or real or personal property acquired under grants and financial assistance, the sale of commodities or items fabricated under a grant or award of financial assistance, license fees and royalties on patents and copy rights and principal and interest on loans made with award funds.

Interest earned on advances of Federal funds is not program income, nor are rebates, credits, discounts and interest earned on any of them unless specified in the agreement or associated program regulations.

Policy:

Program income shall be recorded and used in accordance with program requirements, the Federal OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Federal awarding agency laws, program regulations and the provisions of the contract or grant agreement pertaining to the program.

City departments/divisions may earn program income to defray program costs and any net proceeds (income received less the cost to generate the income) must be deducted from the allowable award expenditures before billing the funding agency for the net expenditures. Program income must be used for the purposes of and under the conditions applicable to the award. Unless specified by the awarding agency, program income must be used as earned and expended as soon as possible.

With prior funding agency approval, program income may be used to meet any non-award matching funds requirements or for additional allowable and allocable award activities. This approval must be in writing and documented in the Award Management System.

SECTION FOUR: POST-AWARD ADMINISTRATION

Procedure:

1. The designated Award Manager in the department or division receiving the award is responsible for contacting the Grants Management & Financial Assistance (GMFA) and Accounting Departments to discuss the activity that will generate program income and its relationship to the grant or contract and how the program income shall be recorded. If this is known at the time the award is received, this discussion should occur during the initial meeting of the Award Management Team.
2. Dependent upon the awarding agency requirements, program income may be used in one of three methods:
 - a. **Deduction** - deduct program income from total allowable costs to determine the net allowable cost on which the funder's share of costs is based. Program income shall be used for current cost.
 - i. **EXAMPLE:** The initial project budget was \$100,000. \$10,000 of program income is earned. The adjusted project budget amount from the sponsor is reduced to \$90,000 after gross program income is taken into account. Total project costs remain at \$100,000. (\$90,000 on the parent budget and \$10,000 on the program income sub-budget.)
 - b. **Addition** - add program income to the funds committed to the award agreement. Program income shall be used for the purposes and under the conditions of the award agreement.
 - i. **EXAMPLE:** the initial project budget was \$100,000. \$10,000 of program income is generated. The total project costs may now be \$110,000. (\$100,000 expensed on the parent budget and \$10,000 expensed on the program income sub-budget.)
 - c. **Cost Sharing** - Program income may be used to meet the cost sharing or matching requirement of the award agreement. The amount of the award remains the same.
 - i. **EXAMPLE:** The initial project budget was \$100,000 with cost sharing/match committed at \$20,000. \$10,000 of program income is generated. The expenditure of the program income may be used to account for \$10,000 of the committed cost sharing.

If the award is silent on the treatment of program income, the Addition Method generally applies and is the default method for applying program income. The GMFA Department shall be the final arbiter as to how to record the program income. This shall be documented in the Award Management System and the Accounting Manager notified.

Regardless of the accounting method used, program income may be used only for allowable and allocable costs in accordance with the applicable cost principles and the terms and conditions of the award.

3. The Accounting Department shall be responsible for depositing program income and calculating net program expenditures after using program income when

SECTION FOUR: POST-AWARD ADMINISTRATION

preparing drawdown requests and financial reports. Program income shall be recorded under a separate revenue code under the grant program number if using the Deduction or Addition method. It shall be coded under the match program number if using the Cost Sharing method.

4. The Award Manager in the recipient department or division shall monitor program income levels when approving drawdown requests and reviewing financial reports.
5. Unless otherwise allowed in writing by the awarding agency, program income funds remaining in the project or program income account after the project has terminated will be returned to the awarding agency. If the Award Manager in the department or division receiving the award wishes to use these funds to further project or program objectives, a no cost extension of the award should be requested. This request should be entered into the Award Management System and the GMFA Department notified for approval prior to the funding termination date.
6. Unless funding regulations or award terms and conditions specify otherwise, there is no obligation to the funding agency for program income earned after the end of the award period. However, income earned during the award period but received up to sixty (60) days after the end of the award period must be treated as program income received during the award period.

SECTION FOUR: POST-AWARD ADMINISTRATION

DRAWDOWNS

Purpose

The purpose of this policy is to ensure that all drawdowns or other reimbursement requests made under grants or financial assistance awards are fully supported and reimbursements are only requested for necessary, reasonable, allowable and allocable costs.

Policy:

Drawdown or other reimbursement requests shall be prepared by the Accounting Department with supporting documentation to verify the allowability and allocability of the expenses. The reports will be verified for accuracy and compliance and approved by the Award Manager in the City department or division receiving the award and/or the Grants Management & Financial Assistance (GMFA) Department prior to the drawdown or reimbursement request being made or submitted. The Accounting Department shall submit the drawdown request, unless the filing of a financial report constitutes a reimbursement request, in which case the Award Manager and/or GMFA Department shall be responsible for submittal as identified based on risk status.

Procedure:

1. The assigned personnel in the Accounting Department as designated in the initial Award Management Team assignments shall prepare the drawdown or reimbursement request using the form or system designated in the award documents.
2. The request shall include an analysis and documentation of program income received as of the request date. Program income shall be applied prior to calculating the drawdown amount.
3. A report from the City's accounting system documenting revenues, expenditures and program incomes received, as well as a budget vs. expenditures report and other support documentation shall be attached to the drawdown or reimbursement request prepared on the form or printed out from the designated system.
4. The drawdown or reimbursement request shall be uploaded into the Award Management System for review and approval by the Award Manager and/or the Department of Grants Management & Financial Assistance based on risk status.
5. The Award Manager and/or personnel in Grants Management & Financial Assistance shall review and approve the drawdown request in the Award Management System, and in hard copy, if required by the funder within 24 hours.
6. The drawdown request will be submitted by the Accounting Department after approval and a copy of the final submitted request and submission date shall be uploaded and noted in the Award Management System.
7. If a financial report constitutes a reimbursement request, the report will be submitted by the Award Manager, who shall also ensure a final copy of the

SECTION FOUR: POST-AWARD ADMINISTRATION

submitted request and submission date is uploaded and noted in the Award Management System.

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EXPENDITURES AND DISBURSEMENTS

Purpose:

The purpose of this policy is to ensure that all expenditures paid under grants or financial assistance awards are necessary, reasonable, allowable and allocable costs and supported by source documentation.

Policy:

City departments/offices shall use applicable Federal OMB cost principles, agency program regulations and the terms of award and subaward agreements to determine the necessity, reasonableness, allowability, and allocability of costs. A cost is necessary if it is required to effectively carry out the funded program and activity and meet the associated goals and objectives. A cost is reasonable if it does not exceed what a prudent person would incur under similar circumstances. A cost is only allowable if adequately documented and supported by accounting records and source documentation, such as purchase orders, vouchers, invoices, payroll allocation reports, payroll summaries, timesheets, etc. A cost is allocable to the extent the goods or services benefit the program or activity.

The specific requirements for activities allowed or unallowed are unique to each program and are found in the laws, regulations and the provisions of the contract or grant agreement.

Procedure:

1. The Award Manager in the department receiving the grant or financial assistance award shall review and approve in writing all invoices and expenditures charged to the award. All invoices submitted must be accompanied by supporting documentation sufficient so that the Award Manager may verify the necessity, reasonableness, allowability and allocability of the costs
2. The Award Manager's review shall include a determination that the costs are consistent with policies, regulations and procedures of the City of Spokane and verify that the expenses are not included as a cost or used to meet cost sharing or matching requirements of any other financial assistance program, unless specifically allowed.
3. The Award Manager shall sign the invoice or voucher and submit it to the Accounting Department for processing.
4. The Accounting Department is responsible for processing the payment in accordance with generally accepted accounting principles and City of Spokane policy and procedures.

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5. The Department of Grants Management & Financial Assistance shall advise and assist the Award Managers in verifying the necessity, reasonableness, allowability and allocability of the costs, if needed.
6. If an award is deemed high risk by the Department of Grants Management & Financial Assistance, staff in this department may have final responsibility and sign-off on the necessity, reasonableness, allowability and allocability of the costs prior to processing by the Accounting Department.

SECTION FOUR: POST-AWARD ADMINISTRATION

MATCHING OR COST-SHARING CONTRIBUTIONS

Purpose:

The purpose of this policy is to ensure that any matching or cost-share contributions required and reported under grant and financial assistance awards meet the requirements of Federal OMB Circulars, award conditions and terms that are applicable.

Definition:

Cost sharing or matching means the portion of project costs not paid by grant or other financial assistance funds.

Policy:

All matching or cost-sharing contributions (including cash and third party in-kind) shall be fully documented and verifiable in City financial records to the extent possible and in the Award Management System. The contributions shall be tracked and monitored to ensure that they cannot be included as contributions toward, or paid under, any other grant or financial assistance project or program unless expressly allowed and verified by the Department of Grants Management & Financial Assistance. The contributions shall be necessary and reasonable for proper and efficient accomplishment of the project or program objectives and must be allowable and provided for in the approved award budget.

Documentation of all matching and cost-sharing contributions shall be maintained in the Award Management system and will be included as supporting backup documentation for financial reports and/or drawdown of funds.

Procedure:

1. The Award Manager is responsible for obtaining supporting records to document the allowability, allocability and reasonableness of any and all match provided by third parties and/or in-kind match. This documentation shall be uploaded to the Award Management System and the Accounting Department notified to ensure that they are included in any financial reports.
2. Any cash match or City contributions will be fully documented in the City financial system and supporting documentation provided by the Accounting Department when financial reports are prepared.

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PROCUREMENT

Purpose:

The purpose of this policy is to clarify that all procurement activity associated with grant or other financial assistance funds must be consistent with City of Spokane Municipal Code Chapter 07.06, administrative policy and procedures, and all of the provisions, terms and conditions of the grant or financial assistance award.

Policy:

The Award Manager in the City department or division receiving the grant is responsible for complying with all of the provisions, terms and conditions of the grant or financial assistance award, including all applicable terms and conditions of the funding requirements relating to the acquisition process used. The City of Spokane's Purchasing Policy and Procedures as codified under Spokane Municipal Code Chapter 07.06 as well as the administrative policy and procedures titled, Purchases of Goods and Services under the Public Bid Dollar Thresholds and Purchasing Cards, shall be followed, provided that they conform to applicable Federal, State and local law and regulations and standards identified. If there is a discrepancy between the City's policy and procedures and the award regulations and provisions, the most restrictive requirement must be followed.

Procedure:

1. The Award Manager should plan on completing a competitive solicitation process.
If the City is a grantee or subgrantee under a Federal grant or other award of financial assistance, all procurement of goods and services from both vendors and subrecipients is subject to a competitive process which must be documented. If the Award Manager in the recipient department or division determines that competitive procurement is infeasible, or otherwise deems that it is not required, he/she shall contact the Department of Grants Management & Financial Assistance for technical assistance and approval prior to submitting a requisition to the Purchasing Section and/or entering into a purchase contract or agreement.
2. The Award Manager must research all award provisions as related to the intended procurement and extract all applicable language (specifications, terms and conditions, grant requirements, etc.) which must be included in the competitive solicitation document (Invitation to Bid, RFP, RFQ or RFI) to ensure compliance. All relevant information, provisions, restrictions, terms and conditions of the award (including any pertinent reference numbers such as, but not limited to, the CFDA number – Catalog of Federal Domestic Assistance Number) must be included on the requisition and/or the Project Request Sheet (Project or Professional Services Request Form - Requisition) at the time that the

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project is submitted to the Purchasing Section to initiate the procurement process.

3. If the purchase is being made under a Federal grant or award of financial assistance, the Award Manager shall check and verify suspension or debarment via the Federal System for Award Management (www.sam.gov) to determine if the vendor/contractor (including any subcontractors) is ineligible for the award of the contract and document the research and certification effort in the Award Management System. Verification of active CCR registration in www.sam.gov shall also be verified and documented for all subawardees.
4. Additionally, if the purchase is being made under a Federal grant or award of financial assistance, and the bid specifications provide for a specific brand name, or other requirements that limit competition, the specifications must be approved by the Department of Grants Management & Financial Assistance before being published or distributed.
5. If a sole source is declared under a grant or other award of financial assistance, this must be approved by the Department of Grants Management & Financial Assistance in writing prior to the contract or purchase being completed. Documentation of this approval will be maintained in the Award Management System.

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SUPLANTING

Purpose:

The purpose of this policy is to protect the City from the revocation of grant or other financial assistance funds and exposure to legal liability associated with improper use of funds.

Policy:

Grant and other financial assistance funds awarded to the City of Spokane can only be used to supplement (augment) current funding and shall not be used to supplant (replace) an existing expense so that local funds can be used for another purpose unless explicitly identified as allowable in writing by the awarding entity and approved by the Department of Grants Management & Financial Assistance.

Procedure:

Award Managers and Accounting staff preparing and establishing budgets for grants and financial assistance awards shall ensure that funds are used to support new program/project costs and not to support ongoing costs previously or currently supported with local funds. If any questions or concerns arise in this regard, the Department of Grants Management & Financial Assistance shall be contacted for final guidance.

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AMENDMENTS

Purpose:

Amendments to awards, whether issued in the form of an official contract amendment or more informally in the form of a letter from the awarding agency, are legal contracts. As such, it is the City's responsibility to carry out the funded project and/or activities associated with an award in compliance with all revised or new terms and conditions contained in the amendment. The purpose of this policy is to ensure that all relevant City departments and divisions are made aware of award amendments notices in a timely fashion and standardize the procedure for, and document the acceptance or declination of amendments of awards made to the City.

Policy:

Awards are often amended to shift allocated funds from one cost category to another, increase or decrease the budget, change the performance period or to alter the programmatic requirements. All award amendments are subject to approval by the recipient department or division director and Department of Grants Management & Financial Assistance. Furthermore, amendments must follow the City's Minor Contract Authorization Policy and Procedure or be approved by the City Council.

If additional funding is awarded, Award Managers should use caution to ensure that no award funds are expended prior to acceptance of the Amendment and budget approval and appropriation by the City Council.

Procedure:

1. When requesting a programmatic amendment, rebudget, or an extension to the award period, the Award Manager, shall input the request into the Award Management System for approval by the Department or Division Director and the Department of Grants Management & Financial Assistance.
2. When an amendment is received, the Award Manager shall upload the document into the Award Management System within two days for approval/acceptance by the Department or Division Director, Accountant and the Department of Grants Management & Financial Assistance.
3. The Department of Grants Management & Financial Assistance will forward the document to the City's Legal Department for review with a recommendation of acceptance and rejection.
4. If the amendment meets the requirements of the minor contract process as defined City's Minor Contract Authorization Policy and Procedure, the amendment may be signed by the Department or Division Director after all of the approvals are received and a copy of the fully signed award document shall be provided to the City Clerk and uploaded into the Award Management System.

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5. If the amendment does not meet the requirements of the minor contract process, the Award Manager shall prepare and file the City Council agenda sheet and route it for signature.
6. The Accounting Department shall prepare an EBO, if needed.
7. The agenda packet shall go before the City Council standing committee and the full City Council for approval.
8. The City Clerk's Office shall sign and attest the grant, obtain the Mayor's signature, scan and file the documents and distribute electronic copies to the recipient department, Accounting, and Grants Management & Financial Assistance.
9. The Award Manager shall submit the signed documents to the funding agency, and upon receipt of a fully signed around copy of the agreement, provide the original copy to the City Clerk and upload a copy into the Award Management System.

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PROPERTY MANAGEMENT

Purpose:

The purpose of this policy is to properly identify, track, transfer and dispose of property acquired under a grant or other award of financial assistance. This policy applies to fixed assets (tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit), as well as non-consumable supplies and materials such as furniture, computers, printers or other items that would be considered small and attractive assets

Definitions:

Fixed Assets: Tangible or intangible, nonexpendable property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. This includes land, buildings (facilities), equipment and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alternations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

Non-Consumable Supplies and Materials/Small and Attractive Assets: Items that fall below the City's capitalization level of \$5,000 and are particularly vulnerable to loss. These items include, at a minim, all sets with a unit cost of \$300 or more in the following commodity codes: (6651) - optical devices, binoculars, telescopes, infrared viewers and rangefinders; (6710-6730) - cameras and photographic projection equipment; (7012) - desktop computers; (7013) - laptops and notebook computers; (7014) - tablets and smart phones; (7730) - television sets, DVD players, Blue-ray players and video cameras; and (major group 10) – weapons, firearms, signal guns and accessories. This listing is not all-inclusive and additional items with a unit cost of \$300 or more that are vulnerable to loss as identified by the department or division receiving the award, Accounting Department and/or Department of Grants Management and Financial Assistance.

Policy:

All property purchased under grants or other awards of financial assistance that meet the City's definition of fixed assets and all non-consumable supplies and materials/small and attractive assets shall be subject to the following:

1. **Property Records** – All property purchased or otherwise received under grants and awards of financial assistance should be tagged and must be entered into the Fixed Asset System maintained by the Accounting Department with a description of the property, serial number or other identification number, the source of funding for the property (including the award identification number),

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- who holds title, the acquisition date, and cost of the property, percentage of federal participation in the project costs (if acquired under a federal award), location, use and condition of the property, and any ultimate disposition data, including the date of disposal and sale price of the property.
2. **Physical Inventory** – A physical inventory of the property must be taken and the results reconciled with the Fixed Asset System annually and upon the closeout of the award. The inventory is subject to verification from the Department of Grants Management and Financial Assistance, other Finance staff, auditors and other third parties engaged by Finance.
 3. **Control System** – Any loss, damage or theft to any of the property must be reported to the Accounting Department and Department of Grants Management & Financial Assistance within 48 hours of discovery. A follow-up investigation will be implemented by the department or division in control of the asset with the support of the Accounting Department and Department of Grants Management & Financial Assistance.
 4. **Maintenance** – The department or division in control of the property shall ensure adequate maintenance procedures are implemented to keep the property in good condition.
 5. **Disposition** – When original or replacement property acquired under a grant or award of financial assistance is no longer needed for the original project or program or for other activities currently or previously supported by the funding agency, the department or division seeking to dispose of the property shall contact the Department of Grants Management & Financial Assistance for guidance and approval. GMFA shall ensure that any property sold, passed through to another entity, or otherwise disposed of, is done in accordance with applicable awarding regulations and procedures, including the notification of the funding agency, when appropriate for approval or further direction. In addition, GMFA shall advise the department or division controlling the asset and the Accounting Department of any restrictions related to the income received from the sale.
 6. **Replacement** – If property is damaged, no longer in working condition, or other circumstances arise and it is replaced by the manufacturer under warranty, the original property should be noted as disposed in the Fixed Asset System and the replacement property entered with all of the identifying award information used for the original asset. The Department of Grants Management & Financial Assistance and Accounting Manager shall be notified of these instances within 48 hours of occurrence.

Procedure:

1. Upon paying an invoice for property purchased under grant and other financial assistance awards meeting the definition of fixed assets or Non-Consumable Supplies and Materials/Small and Attractive Assets above, the Accounting Department will forward an asset tag to the department or division in control of

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- the asset and verify all of the identifying information required to be entered into the Fixed Asset System.
2. If property is received that is passed through to the City by another entity under a grant or financial assistance award, if not previously provided, a copy of the award agreement or pass-through award information should be entered into the Award Management System as a new grant and the Department of Grants Management & Financial Assistance notified. The award will be processed as provided for under the Award Acceptance policy.
 3. The entry into the Fixed Asset System should identify the status as GRA if the property is purchased or passed through under a federal or state grant and meets the definition of a fixed asset.
 4. The entry into the Fixed Asset System should identify the status as SNA if the property is purchased or passed through under a federal or state grant and meets the definition of non-consumable supplies or small and attractive assets.
 5. The Accountant assigned to the controlling department or division shall coordinate with the department or division to conduct an inventory of its property annually. This will include providing a list of all property that the department or division is responsible for as identified in the Fixed Asset System.
 6. Any known loss, damage, theft or other material changes in the status of the property shall be made known to the Accounting Manager and Department of Grants Management and Financial Assistance by the controlling department. This includes changes in location and/or obsolescence.
 7. If the controlling department or division intends to dispose of any property purchased under a grant or financial assistance award, the Department of Grants Management & Financial Assistance shall be notified as soon as possible for guidance and approval.
 8. The Department of GMFA shall review the awarding regulations and procedures, including notifying the funding agency when appropriate, for approval or further direction.
 9. The Department of GMFA shall approve the disposition in writing and document it in the Central Award System. GMFA will also advise the department or division controlling the asset and the Accounting Department of any restrictions related to the income received from the sale, including returning sale proceeds to the funding agency, and follow-up to ensure that appropriate internal controls are in place to comply with the provisions.
 10. The Accounting Manager shall be responsible for ensuring that the ultimate disposition data, including the disposition date and sale price of the property is entered into the Fixed Asset System.

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TRAVEL UNDER FEDERAL GRANTS

Purpose:

The purpose of this policy is to ensure that all travel charged to federal grants is allowable and in compliance with federal travel requirements and specific grant award guidelines.

Policy:

All travel under federal grants shall be conducted in accordance with City travel policy and federal travel guidelines, as well as the grant program requirements. If a difference between the City reimbursement rate and the allowable federal reimbursement rate as defined by the General Services Administration (GSA) exists, the more restrictive of the two shall be applied and charged to the grant. The Award Manager shall be responsible for ensuring that all grant travel is allowable under the grant and pre-approved by the federal granting agency, when required. Such approval shall be requested and received in writing and maintained in the official grant file. In addition, the Department of GMFA shall review and approve all travel charged to federal grants prior to the submission of a reimbursement request to confirm the allowability and allocability of the expense to the grant.

Procedure:

1. City staff performing travel under federal grants shall complete a travel request form and include required backup documentation in accordance with City Travel Policy.
2. The travel request form shall be submitted to the employee's supervisor for approval as well as the assigned grant program manager who shall verify the allowability, allocability and reasonableness of the travel under the federal grant, including securing prior written approval of the funding agency, if required.
3. The program manager shall upload a copy of the travel request and any prior approvals obtained from the funding agency into the Award Management System and notify the Department of GMFA that a secondary approval is required.
4. The Department of GMFA shall perform a secondary review of the travel request to ensure that the travel is allowable, allocable and reasonable under the grant award and any required prior approvals have been appropriately obtained and documented.
5. A final review of the actual travel expenditures shall be completed by the program manager and Department of GMFA prior to submission of a reimbursement request to the federal funding agency. This primary and secondary review shall be documented in the Award Management System.

SECTION FOUR: POST-AWARD ADMINISTRATION

MONITORING & COMPLIANCE

Purpose:

The purpose of this policy is to ensure that all grant and financial assistance activities are managed according to the City's Grants Management & Financial Assistance Guide, to ensure full compliance and strategic management of current and future grant and financial assistance awards throughout the entire award lifecycle, and to reduce the City's exposure and legal liability with respect to mismanagement or lack of compliance with grant and financial assistance policies, requirements and associated regulations.

Policy:

City departments and divisions that apply for, and receive, grant and other financial assistance awards are responsible for managing their funded projects and programs in compliance with all award terms and conditions as well as associated federal, state and City regulations and policies and procedures.

The City's Director of Grants Management and Financial Assistance oversees the Department of Grants Management and Financial Assistance and in this capacity oversees fiscal and programmatic accountability and compliance for any and all grant and financial assistance awards made to the City of Spokane and its respective divisions and departments.

The City has adopted a risk-based approach to grants and financial assistance monitoring and compliance which is developed and administered by, the Director and staff of Grants Management & Financial Assistance Department. The criteria and associated risk status, as well as the involvement GMFA Department is identified below:

Full Compliance/Low-Risk (Green) Status

- Initial Grant File Review Completed by GMFA
- Grant File Complete
- Recurring Grant Program/Award
- Managed by Experienced Personnel
- Clear Performance Goals (Program/Financial), Indicators and Milestones which are being Measured and Met
- No concerns identified by GMFA or the department managing the grant program
- Recent monitoring review/visit with no concerns identified

The City Department receiving the grant uploads grant documents into the Award Management System as specified by the Grants Management & Financial Assistance Guide. Grant files are reviewed periodically by the GMFA Department for compliance with program and other funding regulations. GMFA Department provides technical assistance to the recipient department as requested.

SECTION FOUR: POST-AWARD ADMINISTRATION

Under Review/Medium-Risk (Yellow) Status

- Monitoring Concerns Identified
- New Personnel Managing Grant (Program/Financial)
- Significant Match Requirements
- New Reporting Requirements
- Significant Subawards or Contracts or Eligibility Requirements
- Unclear Performance Goals (Program/Financial), Indicators and Milestones or Identified Goals, Indicators and Milestones Behind Schedule or Not Being Measured
- Federal Program Identified as Higher Risk in Compliance Supplement

The GMFA Department shall perform a quarterly review of the award file as uploaded in the Award Management System to verify compliance and technical assistance needs. Additionally, the GMFA Department shall provide technical assistance to the recipient department as requested.

Out of Compliance/High-Risk (Red) Status

- Audit Findings
- Monitoring Findings
- Missed Deadlines
- Reporting Errors
- Complex/New Award
- Lack of Performance Goals (Program/Financial), Indicators and Milestones or Identified Goals, Indicators and Milestones Not Being Met

The GMFA Department shall provide ongoing technical assistance and training to the recipient department throughout the award lifecycle. Additionally, the GMFA Department shall provide a second layer of review and oversight throughout the award lifecycle, including but not limited to, reviewing and approving financial and programmatic reports prior to submission, monitoring achievement of performance milestones and goals, and reviewing internal controls and implementing new processes and systems. The review and oversight of the GMFA Department shall be documented in the Award Management System and required certifications may not be signed until the review conducted by the GMFA Department is completed and fully documented.

Procedure:

1. The Director of Grants Management & Financial Assistance will review existing internal controls and establish new and/or strengthened controls when necessary to safeguard federal, state and local/private grant and financial assistance assets and ensure their proper use.

SECTION FOUR: POST-AWARD ADMINISTRATION

2. The Director of GMFA shall establish written policies and procedures that clarify responsibilities for researching funding opportunities, submitting applications and accepting and administering grants and financial assistance awards.
3. The Department of GMFA shall develop and manage systems to coordinate the identification of funding resources and track and manage the entire lifecycle of the grants and other financial assistance awards.
4. The Director of GMFA shall establish written policies and procedures for adoption by the Spokane City Council to ensure compliance with funding requirements as defined by funding agencies, the Code of Federal Regulations and the State of Washington.
5. The Director and staff in GMFA will assist Award Managers and their respective division and department directors with the interpretation and application of City, state, federal and other funder policies and requirements.
6. The Director and staff in GMFA will provide regular compliance reviews of all financial assistance and grant awards to determine if they are in compliance with applicable federal, state and local laws, City policies and award documents.
7. When conducting compliance reviews, the Department of GMFA will implement a risk-based approach and categorize awards in one of three statuses: 1) Full Compliance/Low Risk; 2) Under Review/Medium Risk; and 3) Out-of-Compliance/High Risk. Based on the criteria developed, division or department heads or Award Managers may also recommend specific awards be classified in Medium Risk or High Risk Status.

SECTION FIVE: SUB-AWARD CONTRACTING & MONITORING

SUBAWARDS

Purpose:

The purpose of this policy is to ensure that subawards are correctly identified under grants and other awards of financial assistance and award and City requirements are appropriately included in the contracts.

Policy:

City departments or divisions intending to enter into contracts for goods and services under grants and financial assistance awards shall determine whether the person or entity they intend to contract with is a vendor or a subrecipient and retain this written determination in the Award Management System. If technical assistance is needed in this regard, the Award Manager shall consult with the Department of Grants Management and Financial Assistance.

All subawards entered into under awards of federal financial assistance shall be made only after completion of a fully documented competitive selection process, unless otherwise approved by the Department of Grants Management and Financial Assistance and written approval obtained from the funder as determined by GMFA.

All subawards entered into under grants and other financial assistance awards, and any amendments thereto, shall be prepared on a template provided by the Grants Management and Financial Assistance Department and submitted to GMFA for approval. GMFA will coordinate with the Legal Department for a legal review and signature. The approval and signatures of GMFA and the Legal Department shall be obtained prior to the contract being sent to the subrecipient agent.

Procedure:

1. The Award Manager is responsible for ensuring that a fully documented competitive selection process is implemented for any awards made under federal grants and financial assistance awards and any other awards that contain this requirement.
2. If a competitive process is not possible or will not be conducted, this must be approved by the Department of Grants Management & Financial Assistance and written approval must be obtained from the funder as determined by GMFA prior to a contract being developed. Simply identifying a subrecipient by name in an application does not constitute funding agency approval of a non-competitive process.
3. The Award Manager is responsible for determining whether the entity or person he/she intends to contract with is classified as a vendor or subrecipient. A

SECTION FIVE: SUB-AWARD CONTRACTING & MONITORING

Vendor/Subrecipient Determination Checklist form may be obtained from the Department of Grants Management & Financial Assistance for this purpose. GMFA will also provide additional technical assistance upon request.

4. The Award Manager shall be responsible for submitting a Subrecipient Contract Request Form to GMFA.
5. The GMFA Department shall prepare the subrecipient contract and ensure that the contract includes any and all pass through requirements, including required federal award information, if applicable, and audit requirements. GMFA.
6. The subrecipient contract shall contain the source of the funds being awarded, including CFDA number, if applicable, and the DUNS number of the subrecipient.
7. The Department of GMFA shall verify the DUNS number and active SAM registration of the subrecipient if federal award dollars are involved.
8. A clear, well-defined scope of work, outcomes and performance measures, as well as reporting and billing timelines must be included in the agreement. Additionally, the agreement must specify the particular records the subrecipient must maintain and submit to the City in order to assist the City in meeting its recordkeeping and reporting requirements. If the subrecipient may receive program income as a result of the project, the disposition of the income received must also be addressed.
9. Reporting responsibilities for subrecipients that receive or purchase equipment or other capitalized items with federal funds, including providing a copy of their inventory annually. The inventory must include the CFDA number of the grant which purchased the equipment, if applicable, and other award identification information, description of the property, serial or other identification number, the source of funding, who holds title, the acquisition date, cost of the property, percentage of federal participation in the costs (if acquired under a federal award), location, use and condition of the property, and any ultimate disposition data, including the date of disposal and sale price of the property.
10. GMFA will coordinate with the Legal Department for review and an original contract with appropriate signatures approving as to form will be transmitted to the subrecipient for signature.
11. The recipient department or division is responsible for obtaining the signature of the appropriate division or department head and Accounting Manager if a Minor Contract Summary Form ("blue sheet") is used and filing the original signed document and Minor Contract Summary Form with the City Clerk. GMFA should be included on the Distribution List on the Form.
12. If the contract exceeds the minor contract threshold, the recipient department or division will prepare the Agenda Sheet and route it for approval via OnBase upon receipt of the signed contract from the subrecipient.
13. Amendments to subawards may be approved by the department or division head after consultation with the GMFA Department so long as they do not change the overall amount of the award. A Subrecipient Contract Request Form detailing the requested and a Minor Contract Summary Form must be sent to the Department of GMFA for approval and creation of a contract amendment. The GMFA Department will also obtain approval from the Legal and Accounting Departments.

SECTION FIVE: SUB-AWARD CONTRACTING & MONITORING

14. The Award Manager shall ensure that final copies of fully signed award documents and all amendments are uploaded into the Award Management System after receipt from the City Clerk.

SECTION FIVE: SUB-AWARD CONTRACTING & MONITORING

FFATA REPORTING

Purpose:

The purpose of this policy is to ensure City compliance with the Federal Funding Accountability and Transparency Act.

Policy:

The Award Manager or his/her designee shall be responsible for reporting all subawards supported with federal funding and which are greater than \$25,000 into the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS) by the end of the month following the month in which a subaward or obligation was made and, for contracts, the month in which a modification was issued that changed any previously reported information or increased the threshold of the award to the \$25,000 reporting threshold under the Federal Funding Accountability and Transparency Act.

Procedure:

1. The Award Manager and/or his/her designee shall report subawards and/or any amendments meeting the FFATA threshold of \$25,000 by the end of the month following the month in which the contract or amendment was signed by a designated City official as provided for under this Guide.
2. If more than one subaward contract is entered into with an agency or individual under a single federal award, the combined award amount should be taken into consideration when determining reporting requirements under FFATA. I.e. if a single agency is awarded two different subawards in the amount of \$15,000 each under a single federal grant, the contracts are subject to reporting under FFATA.
3. A pdf copy of the report shall be uploaded into the Award Management System by the person submitting the FFATA report.
4. Any questions regarding applicability or reporting requirements under FFATA should be referred to the Department of Grants Management & Financial Assistance for technical assistance.
5. The Department of Grants Management & Financial Assistance will provide oversight monitoring of FFATA reporting in the Award Management System.

SECTION FIVE: SUB-AWARD CONTRACTING & MONITORING

SUBRECIPIENT MONITORING

Purpose:

The purpose of this policy is to ensure that the activities of all subrecipients are appropriately monitored in compliance with laws, regulations and the provisions of contracts or grant agreements and the identified performance goals are achieved.

Policy:

At the outset of every subrecipient contract and for each fiscal year during the contract performance period, the recipient department or division shall perform a risk assessment and implement an appropriate monitoring plan to assess project performance, including program objectives, eligible activities and benchmarks, financial management, including allowability and allocability of costs. Monitoring of subrecipients may consist of on-site or remote techniques, or a combination thereof, based on results of the risk assessment.

The Department of Grants Management & Financial Assistance shall be notified of any concerns or weaknesses identified and will assist in the development and oversight of a corrective action plan. In addition, GMFA shall be responsible for conducting subrecipient audit reviews during the contract performance period.

All risk assessments and monitoring activities, including corrective action plans, will be documented in the Award Management System.

Procedure:

1. Upon awarding a subrecipient contract and each fiscal year thereafter during the contract performance period, the Award Manager shall perform a risk assessment of the subrecipient and develop a monitoring schedule accordingly. The Award Manager shall consult any guidance materials provided by the funding agency in this regard and may also contact the Department of Grants Management & Financial Assistance for technical assistance.
2. Throughout the contract performance period, the Award Manager shall monitor his/her subrecipients by implementing the following oversight:
 - a. **Budget Control** – Compare actual expenditures/outlays with budgeted amounts.
 - b. **Expenditure Verification** – Ensure that all expenditures billed are supported by source documentation to include, but not limited to, cancelled checks, invoices, time and effort records or certifications, payroll records, contract and subaward documents, etc.

SECTION FIVE: SUB-AWARD CONTRACTING & MONITORING

- c. **Allowable Costs** – All subaward expenditures shall be reviewed to determine that the costs billed are in accordance with program requirements.
 - d. **Performance** – The Award Manager shall monitor regular performance reports and verify that subrecipient performance is adequate. When performance concerns arise, the department shall notify the Director of Grants Management & Financial Assistance his/her department or division head and develop and document an appropriate action plan. Actions that may take place in response to a deficiency include, but are not limited to:
 - i. Issuing a letter of warning and putting the subrecipient on notice that additional action will be taken if the deficiency is not corrected or is repeated;
 - ii. Recommend, or request the subrecipient to submit a corrective action plan; and
 - iii. Suspension of the disbursement of funds for the deficient activity.
 - e. **Cash Management** – Ensure subrecipients are paid on a reimbursement basis only unless specifically authorized by the Director of Grants Management and Financial Assistance.
 - f. **Property Management** – If property is purchased or passed-through under the subaward, verify fixed asset records on an annual basis during the period of performance and at award closeout, to ensure that the CFDA number of the grant which purchased the equipment, if applicable, and other award identification information, description of the property, serial or other identification number, the source of funding, who holds title, the acquisition date, cost of the property, percentage of federal participation in the costs (if acquired under a federal award), location, use and condition of the property, and any ultimate disposition data, including the date of disposal and sale price of the property is being tracked.
3. The Department of Grants Management & Financial Assistance shall monitor the **Audit Requirements** as specified in the subrecipient contract, including obtaining and reviewing all subrecipient's audit reports within 30 days after issuance, but no later than nine months after the end of the audit period and reviewing for compliance and verifying submission to the Federal Audit Clearinghouse (FAC) if federal money is involved. If an audit finding exists for noncompliance or a determination that a lack of internal controls may affect compliance, the City will require a corrective action plan and may perform additional monitoring tasks. A management decision will be issued in writing to resolve the issue within six months.
 4. The Award Manager will notify the Department of Grants Management & Financial Assistance and/ his/her department or division head of any non-compliance issues and concerns.
 5. The Department of Grants Management & Financial Assistance will assist the Award Manager in the development and oversight of a respective corrective action plan.
 6. All subrecipient monitoring activities and corrective actions plans will be documented by the responsible individual(s) in the Award Management System.

SECTION SIX: REPORTING & CLOSEOUT

PROGRAM REPORTS

Purpose:

To ensure that the program results and associated reporting of grant and financial assistance supported activities are accurate, current, complete and made in accordance with the specific reporting requirements of the award or subaward and any and all associated regulations.

Policy:

The Award Manager shall prepare program reports with supporting source documentation, including subrecipient reports. The reports will be reviewed by the department or division head and/or the Director of Grants Management & Financial Assistance and signed, if required. Copies of reports submitted will be retained in the Award Management System.

Procedures:

1. All program reporting deadlines will be input in the Award Management System and tasked out to the Award Manager or other appropriate personnel in the recipient division or department as designated in the initial Award Management Team assignments.
2. The assigned personnel shall prepare the report in accordance with the reporting guidelines as uploaded to the Award Management System. The report should include supporting documentation as appropriate.
3. The Department of Grants Management & Financial Assistance shall provide technical assistance if requested.
4. The completed report, including supporting documentation shall be uploaded into the Award Management System for review and approval by the department director or division head. A hard copy shall also be forwarded if required for submission to the funding agency.
5. Dependent upon risk status, the report may also need approval of the Department of Grants Management & Financial Assistance.
6. The Award Manager shall obtain the signature of the division or department head on the report, if required, and submit it to the awarding agency as required and note the submission date in the Award Management System.
7. If the funding agency has designated the use of a separate reporting system, all reports may be maintained in that system rather than duplicated in the Award Management System upon at the discretion of the Department of Grants Management & Financial Assistance.

SECTION SIX: REPORTING & CLOSEOUT

FINANCIAL REPORTS

Purpose:

To ensure that the financial results and associated reporting of grant and financial assistance supported activities are accurate, current, complete and made in accordance with the specific reporting requirements of the award or subaward and any and all associated regulations.

Policy:

The Accounting Department shall prepare financial reports with supporting source documentation to verify the allowability and allocability of the expenses. The reports will be verified for accuracy and compliance by the Award Manager in the City department or division receiving the award and signed by the department or division head and/or the Director of Grants Management & Financial Assistance.

Procedures:

1. All financial reporting deadlines will be input in the Award Management System and tasked out the appropriate personnel in the Accounting Department as designated in the initial Award Management Team assignments.
2. Prior to preparing the financial report, the assigned accounting personnel shall analyze the expenditures vs. income received for the reporting period, including any program income received.
3. The assigned accounting personnel shall prepare the report in accordance with the reporting guidelines as uploaded to the Award Management System. The report shall include supporting documentation to back up all of the revenue and expenses reported, including, but not limited to, drawdown requests, program income calculations, copies of invoices paid, payroll documentation and a report showing actual revenue and expenditures printed directly from the financial system. If match is reported, the associated supporting documentation shall also be included.
4. Expenses that have not posted to the general ledger at the time of the report preparation will not be reported except under exceptional circumstances (to be determined and approved by the Department of Grants Management & Financial Assistance on a case-by-case basis).
5. The Department of Grants Management & Financial Assistance shall provide technical assistance if requested.
6. The completed report, including supporting documentation shall be uploaded into the Award Management System for review and approval by the Award Manager and/or the Department of Grants Management & Financial Assistance. A hard copy shall also be forwarded if required for submission to the funding agency.

SECTION SIX: REPORTING & CLOSEOUT

7. The Award Manager shall review the report and the supporting documentation to verify that all of the expenses reported are allowable and allocable and adequately supported.
8. Dependent upon risk status, the report may also need approval of the Department of Grants Management & Financial Assistance.
9. The Award Manager shall obtain the signature of the division or department head on the report and submit it to the awarding agency as required and note the submission date in the Award Management System.
10. If the award has been determined to be high risk by the Department of Grants Management & Financial Assistance, GMFA may assume responsibility for signing and submitting the report in coordination with the recipient division or department head.
11. A copy of the financial report, including appropriate approvals, shall be uploaded into the Award Management System.

SECTION SEVEN: AUDITS & REVIEWS

REVIEWS & MONITORING VISITS

Purpose:

The purpose of this policy is to ensure that the City provides all needed documentation and verification of compliance to any funding agencies or their designees conducting reviews, monitoring or technical assistance support on City grants and other financial assistance awards.

Policy:

Award Managers shall ensure that the Grants Management & Financial Assistance Department and the Accounting Department are made aware of any scheduled reviews, monitoring or technical assistance visits made by their funding agency or designees. The Award Manager shall forward to the Director of Grants Management & Financial Assistance any advance documentation requests, including risk assessments, compliance checklists, etc. and the Director of GMFA shall be responsible for coordinating the City's official response. The Director of GMFA shall also be responsible for developing and overseeing corrective action plans to any recommendations or weaknesses identified.

Procedure:

1. Award Managers shall forward any notices of on-site or off-site reviews, monitoring or technical assistance events as soon as practical to the Department of Grants Management & Financial Assistance.
2. The Department of Grants Management & Financial Assistance will provide technical assistance in preparation for the visit, including reviewing the award file in the Award Management System, providing the reviewer audit access to the Award Management System and coordinating the official response to risk assessments, compliance checklists and other advance documentation requests.
3. The Department of Grants Management & Financial Assistance will provide technical assistance and overall compliance support to the Award Manager and the recipient City department or division during the review or visit.
4. The Award Manager shall upload any monitoring reports into the Award Management System and notifying the Director of Grants Management & Financial Assistance.
5. If any weaknesses or recommendations are identified, the Director of GMFA shall be responsible for developing and overseeing an improvement plan, as appropriate, in coordination with the Award Manager.

SECTION SEVEN: AUDITS & REVIEWS

AUDITS

Purpose:

The purpose of this policy is to ensure that the City obtains an annual Single Audit and participates with any other audits conducted by funding agencies and their designated auditors to verify its compliance with all applicable rules, regulations and Circulars.

Policy:

The City of Spokane is responsible for obtaining audits in accordance with the Single Audit Act of 1984 (31 U.S.C. 7501-7) and Federal agency implementing regulations. The Director of Grants Management & Financial Assistance shall serve as the primary point of contact with the state auditors for the Single Audit and shall be responsible for the developing and overseeing the implementation of any corrective action plans. The final Single Audit Report shall be submitted to the Federal Audit Clearinghouse within the earlier of 30 days after receipt or nine months after the City's fiscal year end. The Accounting Department shall be responsible for electronically submitting the Single Audit Report.

The Director of Grants Management & Financial Assistance shall also serve as the primary point of contact for any other audits conducted by funding agencies and their designated auditors on the City's awarded grants and other financial assistance and shall be responsible for developing and overseeing the implementation of corrective action plans.

The City of Spokane will make the master award file and any and all supporting documents available for review upon request by the awarding agency, its Inspector General, the Comptroller General of the United States or any other audit agencies designated by the funding agency.

Procedure:

1. The Accounting Department will compile and prepare of the Schedule of Federal Financial Assistance (SEFA) and may coordinate with the Department of Grants Management & Financial Assistance for a secondary review.
2. The Director of Grants Management & Financial Assistance shall serve as the primary point of contact with the state auditors for the Single Audit and will assist City departments and divisions receiving grant and financial assistance funding with compliance oversight and technical assistance to comply with audit requirements in accordance with OMB Circular A-133.
3. The formal Single Audit Exit Conference shall be schedule to occur in conjunction with a Finance Committee meeting.

SECTION SEVEN: AUDITS & REVIEWS

4. Within the earlier of 30 days after receipt or nine months after the City's fiscal year end, the Accounting Department will electronically submit the Single Audit Report to the Federal Audit Clearinghouse.
5. In addition, the Director of Grants Management & Financial Assistance shall serve as the primary point of contact for audits conducted by funding agencies and their designated auditors.
6. Auditors will be provided access to the Award Management System by the Department of Grants Management & Financial Assistance for purposes of reviewing master award files and verifying internal controls.
7. In instances of concerns identified, whether included in a formal management letter or only provided orally, and/or audit findings, the Director of Grants Management & Financial Assistance will assume primary responsibility for development of a corrective action plan in coordination with the affected departments or divisions and submitting the plan to the auditor, funder and any other appropriate reviewing agencies. In addition, the Director of GMFA will follow-up with the City departments or divisions to ensure that the appropriate corrective action has been implemented.

SECTION EIGHT: CLOSE-OUT & RECORDS RETENTION

CLOSE-OUT

Purpose:

The purpose of this policy is to ensure that all required final documents are submitted and conditions met to ensure the proper close-out of grants and financial assistance awards.

Policy:

After the expiration or termination of an award, the Department of Grants Management & Financial Assistance shall oversee the close-out process to ensure that all required reports are submitted, actions taken and conditions met to ensure proper compliance.

Procedure:

1. The Department of Grants Management & Financial Assistance will monitor period of performance ending dates in the Award Management System and reconvene the designated Award Management Team within 90 days of the end of the period of performance to review close-out requirements.
2. If performance under an award will end at an earlier date or has been terminated for any reason by the recipient department or division or the funding agency, the Award Manager shall notify the Department of Grants Management & Financial Assistance as soon as possible to ensure proper close-out procedures are implemented.
3. At the Award Team meeting, close-out requirements shall be reviewed, roles, responsibilities and timelines established and the resulting deadlines and workflow input into the Award Management System. Examples of required actions including analyzing expenditures vs. income received during the award period; reconciling records to ensure that expenditures or equal to, or less than budget, and that cash received, appropriately adjusted, equals expenditures and verifying inventory records of subrecipients who received property under the award.
4. All close-out documents will be uploaded to the Award Management System and reviewed and approved by the Department of Grants Management & Financial Assistance prior to submission.
5. The Award Manager is responsible for submitting all final documents to the awarding agency after approval by the Department of Grants Management & Financial Assistance.

SECTION EIGHT: CLOSE-OUT & RECORDS RETENTION

RECORDS RETENTION

Purpose:

The City of Spokane is responsible for ensuring that complete award records, including all supporting documents to prove the allocability and allowability of revenues, expenditures, obligations, program income, interest, assets, authorizations and unobligated balances must be retained for audit purposes in accordance with federal, state and specific award requirements.

Policy:

The official award file, including but not limited to the contact and amendments, applications, statistical records, subawards, program and financial reports, income and expenditures, requests for reimbursement, and all associated supporting documentation, will be maintained in the Award Management System as designated by the Department of Grants Management & Financial Assistance. The Award Manager and designated members of the Award Management Team are responsible for establishing and maintaining this record and ensuring it is complete by uploading and updating all award documents. Records in the electronic Award Management System will be maintained indefinitely.

Supporting original documents such as original signed contracts will be maintained by the Award Manager for three (3) years or the required retention period specified in the award agreement, or the retention schedule prepared by the Secretary of State, whichever is longer.

Additional supporting records such as the fixed asset records for real property and equipment acquired with grant or financial assistance funds will be retained for three (3) years after disposition. Indirect cost rate proposals and cost allocation plans will be retained for three (3) years following the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

The retention period begins following the submission date of the audit report covering the entire award period, or until all issues resulting from litigation, audit/audit resolution, or claims have been resolved, whichever is later.