



Grants Policy and Procedures County of Muskegon, Michigan

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SECTION 1: DEFINITION AND PURPOSE

The definition of a grant for purposes of this policy is as follows: An award of financial assistance in the form of money or property by a funding source including the federal government, state government, other local governments, non-profit agencies, and private businesses and citizens that the County of Muskegon (the County) Board of Commissioners has the power to accept or reject.

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

1. To ensure proper oversight of all funds appropriated to the County.
2. To minimize the County's risk of non-compliance with grant requirements.
3. To ensure proper administration and accounting of all grants.
4. Assurance of internal compliance controls that meet the expectations for federal grant funding administration provided by OMB Super circular 2 CFR 200.

For the purposes of this policy, it's important that definitions of grant management staff be defined as well. Both the Grants Policy, as well as the compliance supplement specifically refers to three categories of employees within a department. Terms listed below are specific to grant award activity, defined in OMB Supercircular 2 CFR 200. A department may use different employee classifications, it's imperative that each department identify the following three equivalents on the Grant Processing Request Form to ensure compliance and accountability.

1. **Program Coordinator** refers to federal grant award management staff, the employee coordinating and executing any grant related activities as documented in the federal grant contract.
2. **Program Supervisor** refers to any employee overseeing federal award grant management staff, this may be a supervisor, director or elected official.
3. **Department Analyst** refers to any employee responsible for the accounting of federal grant awards, this may be specific to larger departments, or it may fall within the budget staff of the Accounting Office.

All federal grant awards will require that all three staff members responsible for the management and administration of the award are listed prior to Board acceptance.

SECTION 2: SCOPE

This policy is applicable to any County program, department, Elected Official, or division that uses the County's central accounting system and is part of the same internal control structures as the County primary government ("Departments"). This includes component units outside the primary government, such as the Land Bank Authority and the Office of the Drain Commissioner, who are subject to the primary government's internal controls. (This policy does not apply to the Muskegon County Road Commission, a component unit of the County whose governing board is responsible for establishing and maintaining its own separate internal control structure.) This policy covers program activities including the preparation and submission of grant applications to agencies outside the County government for funds, materials, or equipment to be received and administered by the County or by an agency for which the County acts as fiscal agent. The goals and objectives of the County Departments should be established early in the planning process and should not change based on changes in the availability of different funding sources sought and received. If grant polices and regulations conflict with regulations and policies of the County, the federal and state regulations will prevail unless less restrictive than County policies-where County policy prevails.

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

SECTION 3: CENTRAL RESPONSIBILITY

The County Administrator authorizes the Office of Grants Coordination (OGC) to promulgate any procedures that minimize the County's risk for non-compliance with grant requirements and for providing support to requesting agencies. The OGC will maintain a supporting documentation file for all grants in order to facilitate management reporting and overall monitoring.

For Federal Grant Awards, the initiating Department is responsible to ensure compliance with the Federal Office of Budget and Management (OMB) general requirements and any other state and/or federal requirements specified in the grant conditions. All County programs, departments, Elected Officials, and divisions shall submit any/all grant information required by the OGC to carry out its oversight responsibilities.

SECTION 4: GRANT APPLICATION PROCEDURES

The County program, department, Elected Official, or division desiring to submit a grant application soliciting funds will prepare the request as outlined by the grantor's requirements. A grant application will be reviewed by the Department(s) seeking the grant in order to make an independent assessment of all financial aspects of the application to ensure funds availability. The department applying for the grant is responsible for developing projections of all initial and ongoing direct and indirect costs associated with the grant program including but not limited to: staff wages and fringes, needed assistance for computer systems, office space, utilities, systems furniture, vehicles, office equipment, office supplies, computer software and hardware, telephone charges and/or allocations of indirect costs.

Upon the Department completing its financial assessment, the Department shall prepare and submit a completed *Intent to Apply Form* (Appendix A) to the OGC. A purpose of this notification to the OGC is to ensure that Departments are not competing within and outside of the County's organizational structure. Any parties interested in applying for grant awards must follow the outlined approval process below:

1. Grants over \$25,000, federal grants, or any grant requiring cash or in-kind matching funds must be pre-approved by the County Board of Commissioners.
2. Any County program, department, Elected Official and staff seeking grants over \$25,000, federal grants or any grant requiring cash or in-kind matching funds must submit a motion to the appropriate committee and the Board of Commissioners requesting approval to submit the grant application.

All grant award acceptances must have approval from the appropriate Board committee and the County Board of Commissioners, under the provisions of this policy. This action will involve preparation of a Board

of Commissioners agenda item for consideration at the next meeting of the appropriate committee and a subsequent County Board meeting. Due dates and deadlines for agenda item submission may be found on the County website.

In the event that a grant application is denied by the grantor, a copy of the letter of denial shall be forwarded to the OGC for its records. Grants that require a local match must be coordinated through the OGC. If a local match is to be provided by the County government, such funds must (a) be identified in the budget to provide the match, or (b) provided by a budget amendment.

Most grants require the submission of a program cost budget. The OGC should review this portion of the grant request prior to submission. Grant applicants should contact the OGC to request a technical review of grant proposal budgets.

SECTION 5: GRANT ACCEPTANCE PROCEDURES

Whenever possible, requests for acceptance of a grant of a recurring nature should be submitted to Budget staff for Board of Commissioners approval through the annual budget process. The grant award letter/acceptance agreement (notification received detailing the amount of the grant awarded, grant assurances and special conditions, and the guidelines that must be followed to comply with the grant requirements) will be forwarded to the OGC, who will review the grant award for reporting requirements, special conditions, and deadlines related to administering the grant.

Upon OGC approval, Departments shall prepare Board agenda materials for the appropriate committee and Board of Commissioners approval for acceptance and signature of grant contracts. Upon obtaining a copy of the Board action approving a grant, the Accounting Office will assign a chart of general ledger accounts to the grant and the applicable Department will be notified of the GL account code. For reimbursable grants, all reimbursement requests should be copied and forwarded to the Accounting Office, noting the applicable account code for the receipting of the funds. The initiating Department will notify the Treasurer's Office (with copy to Accounting Office) of such anticipated receipts of revenue for those reimbursements made to the County.

Departments should notify the Budget staff if:

1. There is a subsequent alteration in the funding configuration
2. There is a subsequent alteration in the County's financial obligation
3. Grant award funds may be carried forward into the next fiscal year; official notification and budget amendment to carry forward dollars would be required.
4. There is any notification that the grant will be terminated.

Departments are responsible for ensuring that all funds are expended or encumbered prior to the end of the grant award period.

SECTION 6: GRANT MONITORING AND REPORTING

Grant Monitoring

Departments are responsible for continual monitoring of the financial status of grant awards. Departments must prepare, review and submit any periodic financial status reports and notify the Accounting Office promptly of any discrepancies noted and/or any additional reports needed. If any "off-system" accounting records are maintained, it is the responsibility of the Program Coordinator to ensure that the programs internal records agree to the County's accounting records.

If grant funds have not been fully expended by fiscal year end, it is the responsibility of the Program Supervisor to notify the Accounting Office that budget funds need to be carried forward to the new fiscal year, and to confirm the amount of such carry-forwards. Carry-forwards of grant award funds will be made at the maximum allowable amount based on the grant award agreement and/or OMB Super circular 2 CFR 200 compliance supplement guidance.

Program Participant Eligibility

Federal grants awards will only benefit those individuals and/or groups of participants that are deemed to be eligible. Initial eligibility determinations will be made by the Program Coordinator following the eligibility requirements of the program. Sufficient documentation to support these determinations will be retained and made available to administration, auditors, and pass-through entities or grantor agencies, upon request. It is the responsibility of the Program Coordinator to maintain complete, accurate, and

organized records to support eligibility determinations.

Grant Reporting

The requesting Department generally manages the program activities of a grant award and is therefore responsible for providing financial status reports and other reports to grantor agency and/or pass-through entity. If it is requested that the preparation of grant financial reports be handled by the Accounting Office, this must be indicated on the Grant Processing Request Form. Departments handling grant reporting are responsible for timely compliance with all reporting requirements of the grant including financial reporting and proper preparation and submission of drawdown requests for reimbursement of authorized grant expenditures. The drawdown reimbursement request mechanism is preferred over the payment-in-advance mechanism for receiving grant award payments. Drawdown requests for cash reimbursement of allowable grant expenditures must be made at least monthly, unless an alternative longer interval is specified and permitted under a specific grant award. Drawdown reimbursement requests must be substantiated by sufficient support to justify the request, including general ledger reporting that reconciles (a) recorded grant expenditures and (b) recorded grant revenues to (c) the drawdown amount requested. A drawdown request is a financial transaction that generates a receivable from the awarding agency or pass-through entity, therefore a journal entry to record the grant revenue and receivable should be prepared at the time the draw request is made and submitted immediately for review and posting to the Accounting Office, with copy to the Treasurer's Office. All supporting documentation must be attached to the accrual journal entry, including general ledger reporting, copies of final signed (paper) or submitted (online) financial status reports, and agency/pass-through entity confirmations received. All cash receipts from grant award should always be credited to the receivable from the awarding agency or pass-through entity that is established at the time of the draw request. Audit-preparation work papers should be provided to assist the Accounting Office in completion of federal and/or state grant award summaries on a timely basis.

SECTION 7: INDIRECT COSTS

It is County policy for Grant applicants to request reimbursement of central services indirect costs unless reimbursement of indirect cost is specifically prohibited. The Accounting Office develops a County-wide Central Services Indirect Cost Allocation Plan that is used by the County to claim indirect costs as charges

against grant awards and contracts. The Indirect Cost Plan is prepared based on audited expenditures from the second preceding year in compliance with the Federal Office of Management and Budget regulations. For the first two fiscal years of a grant award, departments should contact the OGC for assistance with identifying and calculating indirect costs for inclusion in grant applications. The agreed upon rate for all federal award contracts to entities without a negotiated indirect rate is 10%, however the County's Indirect Cost Plan preparer may be able to provide justification for a higher rate for the initial two years of a federal award's activities.

SECTION 8: PERSONNEL

Any new personnel positions to be created as a result of grant funding must be approved by the County Board and properly classified by Human Resources. Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications – at least semiannually – that the employees worked solely on that program for the period covered by the certification. These certifications must be prepared at least semi-annually and be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. If an employee works on multiple cost objectives, the preferred method of documentation is for salaries and wages to be supported by Personnel Activity Reports (PARs). An employee is considered to work on multiple cost objectives if they work on:

1. more than one Federal award
2. a Federal award and a non-Federal award
3. a Federal award with specific earmarking (set-asides) or matching requirements
4. an indirect cost activity and a direct cost activity
5. two or more indirect activities which are allocated using different allocation bases; or
6. an unallowable activity and a direct or indirect cost activity

For employees working on multiple cost objectives, PARs must reflect the following standards:

1. After-the-fact record: The PAR must be created after the work has been executed. Projections of how an employee is expected to work or position descriptions would not be sufficient.

2. Total activity: The PAR must account for the total activity for which each employee is compensated, including part-time schedules or overtime.
3. Monthly: The PAR must be prepared at least monthly and must coincide with one or more pay periods; and
4. Signed and dated: The PAR must be signed and dated by the employee and supervisor.

If an employee wishes to use a method other than semi-annual certification for PARs they must obtain prior approval from OGC and maintain alternate records that accurately reflect the work performed in compliance with section 430(l) of 2 CFR 200. It is never permissible to for salaries and wages to be charged to federal grant awards based solely on budget percentages or budget amounts.

SECTION 9: GRANT-RELATED PROCUREMENT AND POLICY ISSUES

The County's Purchasing Office must be notified that federal funds are involved for all purchases using Federal grant award funding, regardless of the dollar amount involved. Any purchases, of any amount, made with Federal grant award funds must comply with the following requirement:

A copy of the required certification related to the suspension and disbarment of the vendor MUST be obtained before any funds are spent. This copy must be kept with the grant file, and be available for when requested by auditors. This information is available on the System for Award Management web page and can be accessed at the following address: <http://www.sam.gov/>.

The Accounting Office also needs to be notified so that assets acquired using federal funds can be properly identified. Equipment items purchased with Federal grant award that cost \$5,000 or more are to be tagged when purchased so that proper disposal procedures may be followed when items are sold or sent to surplus. Federal equipment should be inventoried annually in order to be properly safeguarded against theft, damage, or loss. Also, land purchases made with grant funds often have land use restrictions which will be discussed with Corporate Counsel to ensure restriction compliance. When assets acquired with Federal grant awards are no longer used in the grant program (i.e., grant has expired, asset was lost, stolen, or damaged, or asset became idle) the grantor must be notified. The Federal Government may be due a portion of the proceeds for equipment items with a book value of \$5,000 or more at the time of disposition. If the federal agency is compensated for the current fair

market value of the item, the equipment may be retained by the agency.

Grantees should follow the County's and/or grantor's policies and procedures for all practices including procurement for the selection of contractors and vendors. If grant applications have special conditions, a copy of such must be given to the Accounting Office and OGC for assistance in compliance monitoring. If grant guidelines require grantees to abide by different procurement procedures other than those adopted by the County, the grantee should resolve the situation with the Accounting Office prior to submitting the application. Generally, the federal and state regulations prevail unless less restrictive than County policies-where County policy prevails.

SECTION 10: CLASSIFICATION OF PROGRAM INCOME

All Federal, state and local grant revenue should be recorded as revenue (not, for example, as a refund of expenditures) in compliance with generally accepted accounting principles (GAAP) and grant requirements. Budget appropriations for grant expenditures are obtained by way of Board action. Any Program Income (as defined in §200.307 of the Super Circular) that is earned by a federal grant award program shall be used in the manner stipulated by the terms and conditions of the federal award. Ordinarily, unless instructions to the contrary are received from the Federal agency or pass-through entity, Program Income must be deducted from total allowable costs to determine the net allowable costs. In this circumstance, Program Income must be used for current costs unless the Federal awarding agency authorizes otherwise.

SECTION 11: YEAR-END PROCEDURES

All accounts payable invoices for goods or services received near the end of the fiscal year should be processed for payment promptly. Expenditures paid after September 30 for goods or services received on or before September 30 should be coded with a post date in September, so that the Accounts Payable system will accrue the expenditure and trade payable. It is important that a final draw be calculated, documented, submitted and accrued as close to September 30 as possible so that the grant award revenue is recorded in the appropriate period as the related expenses as soon as possible, so that the general ledger will properly reflect the nature of grant balances and transactions.

Every effort should be made to expend grant award funds on authorized purchases aligned with grant objectives prior to the end of the grant period.

Muskegon County Policies and Procedures Compliance Supplement

Muskegon County refers to authoritative guidance when administering federal grant awards. OMB's annual compliance supplement provides detail to specific activities addressed by the OMB Supercircular requirements for federal award recipients. Each section provides more specific detail for federal award management, as well as policy reference to ensure Departments are aware of where full policy information may be found.

Those policies and procedures established by the Muskegon County Board of Commissioners may be found at: <http://www.co.muskegon.mi.us/boardofcommissioners/policies.htm> . When referenced in this supplemental guidance, the following policies are generally mentioned.

1. Accounts Receivables and Debt Collections Policy #2007-362
2. Code of Conduct Policy #2010-54
3. Financial Policies of Muskegon County #2010-536
4. Grant Management Policy #2011-165
5. Muskegon County Board of Commissioners Personnel Rules
6. Purchasing Policy #2003-478
7. Responsible Engineering and Constructions Contracting Policy #2007-512

As with any supplemental guidance, staff is in place to assist any Departments that may have further questions or require technical assistance. Staff in both the OGC and Accounting Office is available to assist Departments with any federal award management compliance standards established with the OMB Supercircular requirements.

Activities Allowed/Unallowed and Allowed Costs/Cost Principles

The following Board approved policies have been established to ensure federal award management compliance:

1. Purchasing Policy #2003-478
2. Financial Policy #2011-165
3. Grant Management Policy #2011-165

General implementation guidance is provided below.

1. All grant expenditures will be in compliance with OMB Super circular 2CFR 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," State law, Government policy, and the provisions of the grant award agreement will also be considered in determining allowability.
2. Grant funds will only be used for allowable expenditures considered reasonable and necessary for the administration of the grant-funded program.
3. Grant expenditures will be approved by the Department Supervisor initially through the purchase order process, and again with the bill or invoice is received. This will be evidenced by signature or initials and date on the invoice.
4. Accounts payable disbursements will not be processed for payment by the Program Coordinator until necessary approval has been obtained through electronic systems approval process.

Cash Management

The following Board approved policies have been established to ensure federal award management compliance:

1. Cash Management Policy #

General implementation guidance is provided below.

1. The County's grants are typically awarded on a reimbursement basis. As such, program costs will be expended and disbursed prior to requesting reimbursement from the grantor agency.
2. Cash draws will be initiated by the Department analyst who will determine the appropriate draw amount based on balances and transactions recorded in the general ledger. Documentation of how this amount was determined will be retained, signed and dated and included with support documentation

of the journal entry that records the draw.

3. Each cash draw will be reviewed by Department Supervisor who will sign/initial and date the paperwork as evidence of review.
4. The physical draw of cash will be recorded by the Department analyst in the County's financial management system and through any other means required by the grant agreement.
5. Supporting documentation for a copy of the cash draw paperwork will be filed along with approved paperwork described above and retained for audit trail purposes.

Davis- Bacon Act

The following Board approved policies have been established to ensure federal award management compliance:

1. Financial Policies of Muskegon County #2010-536
2. Purchasing Policy #2003-478
3. Reasonable Engineering and Constructions Contracting Policy #2004-512

To ensure compliance with the Davis-Bacon Act, the Equal Employment Opportunity Office completes random tests throughout the fiscal year.

Equipment and Real Property Management

The following Board approved policies have been established to ensure federal award management compliance:

1. Financial Polices of Muskegon County #2010-536
2. Purchasing Policy #2003-478

General implementation guidance is provided below.

1. All equipment will be used in the program for which it was acquired or, when appropriate, other Federal programs.

2. When required, purchases of equipment will be pre-approved by the grantor or pass-through agency. Program Coordinator will be responsible for ensuring that equipment purchases have been previously approved, if required, and will retain evidence of this approval.
3. Equipment records will be maintained, a physical inventory of equipment shall be taken, and an appropriate system shall be used to safeguard equipment.
4. When equipment with a current per unit fair market value of \$5,000 or more is no longer needed for a Federal program, it may be retained or sold with the Federal agency having a right to a proportionate amount of the current fair market value.
5. Proper sales procedures shall be used that provide for competition to the extent practical and result in the highest possible return.

Matching, Level of Effort and Earmarking

Muskegon County defines "matching," "level of effort," and "earmarking" consistent with the definitions of the OMB Super circular 2 CFR Part 200 Compliance Supplement:

1. Matching or cost sharing includes:
 - a. Requirements to provide contributions (usually non-Federal) or a specified amount or percentage of match Federal awards.
 - b. Matching may be in the form of allowable costs incurred or in-kind contributions (including third-party in-kind contributions).
2. Level of effort includes :
 - a. a specified level of service to be provided from period to period
 - b. a specified level of expenditures from non-Federal or Federal sources for specified activities to be maintained from period to period
 - c. Federal funds to supplement and not supplant non-Federal funding of services.
3. Earmarking includes:
 - a. Departments are required to document the minimum and/or maximum amount of

percentage of the program's funding that must/may be used for specified activities, including funds provided to subrecipients.

- b. Earmarking may also be specified in relation to the types of participants covered.

The following Board approved policies have been established to ensure federal award management compliance:

1. Grants Management Policy #2011-165
2. Financial Policies of Muskegon County #2010-536

General implementation considerations are outlined below.

1. Compliance with matching, level of effort, and earmarking requirements will be the responsibility of the Program Coordinator.
2. Adequate documentation will be maintained to support compliance with matching, level of effort, and earmarking requirements. Such information will be made available to administration, auditors, and pass-through or grantor agencies, as requested.

Period of Availability

The following Board approved policies have been established to ensure federal award management compliance:

1. Grants Management Policy #2011-165
2. Financial Policies of Muskegon County #2010-536

General implementation considerations are outlined below.

1. Costs will be charged to an award only if the obligation was incurred during the funding period (unless pre-approved by the Federal awarding agency or pass-through grantor agency).
2. All obligations will be liquidated not later than 90 days after the end of the funding period (or as specified by program requirements).

3. Compliance with period of availability requirements will initially be assigned to the individual approving the allowability of the expense/payment. This will be subject to review and approval in the central office as part of the payment processing.

Procurement, Suspension and Debarment

The following Board approved policies have been established to ensure federal award management compliance:

3. Grants Management Policy #2011-165
4. Financial Policies of Muskegon County #2010-536
5. Purchasing Policy #2003-478

General implementation considerations are outlined below.

1. Purchasing and procurement related to Federal grants will be subject to the general policies and procedures of the County as documented and approved by the Muskegon County Board of Commissioners.
2. Contract files will document the significant history of the procurement, including the rationale for the method of procurement, selection of the contract type, contractor selection or rejection, and the basis of contract price.
3. Procurement will allow for full and open competition.
4. The County is prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred.
5. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (i.e., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria. All nonprocurement transactions (i.e., subawards to subrecipients), irrespective of award amount, are considered covered

transactions.

6. The County will include a suspension/debarment clause in all written contracts in which the vendor/contractor will certify that it is not suspended or debarred. The contract will also contain language requiring the vendor/contractor to notify the County immediately upon becoming suspended or debarred. This will serve as adequate documentation as long as the contract remains in effect.
7. At the time a new business entity is added to the vendor database and again whenever a purchase requisition/purchase order is created, the Accounts Payable /Purchasing team checks the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) for whether the vendor is currently suspended or debarred at that time. The results are stored as an attachment to the vendor record in the vendor file. A potential match will be followed-up on immediately.
8. If a vendor were to be found to be suspended or debarred, the County would immediately cease to do business with the vendor.

Reporting

The following Board approved policies have been established to ensure federal award management compliance:

1. Grants Management Policy #2011-165
2. Financial Policies of Muskegon County #2010-536

General implementation considerations are outlined below.

1. Reports will be submitted in the required frequency and within the required deadlines.
2. Reports will be completed using the standard forms (as applicable) and method of delivery (i.e., e-mail, grantor website, postal service, etc.).
3. Regardless of the method of report delivery, a copy of the submitted report will be retained along with any documentation necessary to support the data in the report. The report will evidence the

- date of submission in order to document compliance with timeliness requirements.
4. Financial reports will always be prepared based on the general ledger using the required basis of accounting (i.e., cash or accrual). In cases where financial data is tracked outside of the general accounting system (such as in spreadsheets or paper ledgers), this information will be reconciled to the general ledger prior to report submission.
 5. Any report with financial-related data will either be prepared or reviewed by the Program Supervisor.
 6. Preparation of reports will be the responsibility of Program Coordinator. All reports (whether financial, performance, or special) must be reviewed and approved prior to submission by a knowledgeable superior, which depending on the grant awarded may be required to be an administrator or Board member. Both the preparer and reviewer will sign and date the report and retain this documentation.
 7. Copies of submitted reports with preparer and reviewer signatures and data will be filed with supporting documentation and any follow-up correspondence from the grantor or pass-through agency. Copies of all such reports will be made available to administration, auditors, and pass-through or grantor agencies, as requested.

Subrecipient Monitoring

Any federal awards for which the County acts as pass-through entity for paying subrecipients will meet the following subrecipient monitoring requirements to ensure compliance with OMB Super Circular 2 CFR 200. This procedure addresses the institutional responsibilities and assists Program Coordinators and Department business personnel to ensure that subrecipients comply with applicable Federal laws and regulations and with the provisions of any sponsored award that govern the subaward agreement.

Basic Principles

Monitoring – Muskegon County Responsibilities to subrecipients:

1. Informing the subrecipient of all applicable federal laws and regulations and all appropriate flow-down provisions from the prime award;
2. Reviewing the subrecipients audit results via the Federal Audit Clearinghouse (<http://harvester.census.gov/sac>) or by other means;

3. Reviewing any corrective actions cited by subrecipients in response to their audit findings, where the audit findings are related to the County's subawards to the subrecipients; and,
4. Issuing a management decision on subrecipient's audit findings within three (3) months after receipt of the audit results and ensuring the subrecipient takes appropriate and timely corrective action.

General Considerations

Muskegon County Subrecipient Monitoring responsibilities are shared among the following groups:

1. **Program Coordinators** have the primary responsibility for monitoring subrecipients' progress, including subrecipient technical progress reports, and ensuring Subrecipients abide by Federal regulations, and meet programmatic objectives outlined in the prime award terms and conditions.
2. **Department Budget Analyst** is responsible for assisting Program Coordinators in their monitoring responsibilities, reviewing subrecipient invoices, identifying and following up on questionable expenditures, if necessary, and maintaining documentation of Department monitoring efforts
3. **Office of Grants Coordination (OGC)** is responsible for ensuring that the County's subrecipient monitoring policies and procedures comply with federal and other applicable regulations and that those procedures are applied consistently. OGC is responsible for conducting subrecipient risk assessments, assisting in the developing monitoring plans, and reviewing results of subrecipient audit findings, corrective action plans, and other issues brought to their attention. OGC may provide further training and guidance in interpreting regulations and subrecipient award terms and conditions.

Procedures

Program Coordinators and Budget Analysts should use the following subrecipient monitoring procedures:

Proposal Stage - When collaboration with an outside organization is under consideration during proposal development, the Program Coordinator and Budget Analyst should:

1. Review the statement of work of that collaborator in accordance with the Muskegon County Grants Policy.

2. Obtain a budget, budget justification, and statement of work from the collaborator, and review each document in accordance with project
3. Provide OGC with a summary of the subrecipient relationship and expected program or award deliverables from all proposed subrecipient organizations prior to proposal submission.

Subaward Management - During this phase, the Program Coordinator and Budget Analyst are responsible for:

1. Submitting a copy of the Subaward Agreement to the OGC.
2. Verifying that technical progress reports are being received and that work performed by Subrecipient is acceptable and conducted in a timely manner;
3. Maintaining regular contact with the Subrecipient regarding technical aspects of the project;
4. Performing site visits as necessary to review programmatic records and activities
5. Reviewing invoices regularly and documenting their review. Such documentation may include for example: Program Coordinator initials or authorizing signature on invoices, email communications, or approval stamps;
6. Submitting any modifications to Subaward contracts, including an updated and executed agreement to the OGC.

Subaward Closeout - At the conclusion of the Subaward Agreement, the Program Coordinator and Budget Analyst are responsible for ensuring the final technical report is received, and all project objectives/goals have been met to satisfy prime award program requirements.

The Office of Grants Coordination has established a subrecipient monitoring procedure as follows:

Proposal Stage - When the collaboration with an outside organization is included in a proposal to an external sponsor, OGC should:

1. Review the statement of work to confirm nature of relationship as that of a Subaward
2. Ensure that all required materials are received from Subaward and that they comply with sponsoring agency proposal requirements.

Subaward Management - Prior to issuing a new Subaward Agreement, OGC should:

1. Retrieve audit reports from Federal Audit Clearinghouse (FAC) and conduct an initial subaward risk

assessment of past audit performance.

2. Inform Subrecipient of CFDA#, DUNS, Federal Award ID Number (FAIN), total amount of parent award and award date, federal awarding agency name, award determination (*in accordance with 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"*)
3. Provide 10% de minimis facilities and administrative cost rate for those subrecipient organizations without a federally negotiated facilities and administrative cost rate agreement or an indirect cost allocation plan
4. Incorporate all applicable federal, sponsor, and County terms and conditions into Subaward Agreement
5. Verify that Subaward organization and Subaward Program Coordinator are not debarred or suspended from receiving Federal funds
6. Verify Subaward cost share commitment is documented and certified by Subaward organization, as applicable
7. Review Subaward organization audit reports from FAC annually and issue management decisions in response to any audit findings within (3) month period

Subaward Closeout - After the Subaward has concluded, OGC should:

1. Verify with Muskegon County Program Coordinator that all final technical progress reports and project deliverables have been received
2. Collect all required closeout materials from subrecipient
3. Obtain from Subrecipient a final certification of project effort [*in accordance with 2 CFR 200*]
4. Issue final modification, if applicable, to de-obligate any outstanding balance on the Subaward Agreement.



Intent to Apply Form - Appendix A

Questions?
 Please contact
 Connie Maxim-Sparrow
 Grant Coordinator
 Phone: 231-724-6808

For Internal Use	Received Date	Routed Date	Pre-Approved			Applicant Notified
			Yes		No	

Please fill out electronically and submit to the OGC at least **three (3) weeks prior** to the deadline by: Email: Accounting.Grants@co.muskegon.mi.us or Fax: 231-724-6673 or Mail: Connie Maxim-Sparrow, Administration

Program Coordinator: _____ **Program Supervisor:** _____

Telephone: _____ **Email:** _____

Tentative Project Name: _____ **Department:** _____

Grant Program Name: _____ **Deadline:** _____

Anticipated Request Amount: _____ **Total Project Budget:** _____

Other Anticipated Sources of Funding? Please identify type (in-kind, cash, other grants) and source.

Population to be served by Grant Project: Include number and characteristics.

What need(s) will your grant proposal address? Include relevant data or note if data assistance is needed. What is the overall goal of your proposed project? What are the related objectives?

What activities will be implemented to meet the need(s), goals and objectives of your project?

--

How will you evaluate the impact of your project? Make sure this is aligned with your goal.

--

How will grant funds be used?

--

How will you continue the project once grant funding ends?

--

I certify that the information provided accurately reflects the planned grant application.

--	--

Signature of Program Coordinator

Date

I have reviewed this Intent to Apply and agree with the stated intentions:

--	--

Signature of Program Supervisor

Date

I have approved application for the program:

--	--

Signature of Grants Coordinator

Date

Grant Processing Request Form

Appendix B

Accounting Office

DATE :				
DEPARTMENT:				
GRANT PROGRAM:				
GRANTING AGENCY:		AGENCY CONTACT:		AGENCY PHONE NO:
IF FEDERAL GRANT CFDA #			EXAMPLE OF NUMBER Dept: Department of Education (Agency No.) 84.XXX (Grant Program No.)	
PROGRAM TITLE:				
FUNDING REQUEST:				
FEDERAL	STATE	LOCAL MATCH	OTHER	TOTAL REQUEST
IF LOCAL MATCH IS REQUIRED, ARE FUNDS AVAILABLE IN DEPARTMENT BUDGET? Y/N				
ACCOUNT TO WHICH THE MATCH WILL BE CODED:				
INDIRECT COSTS? Y/N			AMOUNT	
REIMBURSEMENT GRANT? Y/N				
Program Coordinator:			Analyst:	
RESPONSIBLE FOR ALL FINANCIAL & PROGRESS REPORTS			RESPONSIBLE FOR ALL REQUEST FOR FUNDS/DRAW DOWNS	
Program Supervisor:				
RESPONSIBLE FOR APPROVAL OF ALL PURCHASES, FINANCIAL REPORTS AND DRAW DOWNS				
PHONE:		FAX:		EMAIL:

PROGRAM SUPERVISOR RESPONSIBLE FOR PROGRAM ADMINISTRATION:	SIGNATURE:	DATE:
REVIEWED & APPROVED BY GRANTS COORDINATOR:	SIGNATURE:	DATE:
REVIEWED & APPROVED BY DIRECTOR OF FINANCE:	SIGNATURE:	DATE: