



FISCAL POLICY MANUAL

POLICY RE-3 Policies and Procedures for Grants
APPROVED: Auditor-Controller-Treasurer-Tax Collector (ACTTC)
AUTHORITY: Auditor-Controller-Treasurer-Tax Collector
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I. PURPOSE

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

II. POLICY

This policy is applicable to any County of Sonoma program, department, or division, including dependent districts, preparing and submitting grant applications to agencies outside the County 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 should be established early in the planning process and departments are responsible for ensuring compliance with all applicable federal, state, and local laws and regulations. Departments are responsible for compliance with the Office of Management and Budgets (OMB) guidance on administrative requirements, cost principles, and audit requirements for federal awards.

III. RESPONSIBILITIES & PROCEDURES

A. Grant Application and Acceptance

1. All grant award acceptances must have approval from the County Administrator's Office (CAO) and/or the Board of Supervisors (BOS). Many grants have a local matching requirement and departments should work with their CAO analyst to determine the appropriate level of approval.
2. The department is responsible for securing working capital and/or establishing other financing arrangements associated with grant proceeds that are received on a reimbursement basis to ensure adequate positive cash flows. This may require departments to work with the CAO.
3. The grant application shall be reviewed by the department seeking a grant in order to make an independent assessment of all financial aspects of the application to ensure the availability of funds.
4. The County program, department, or division desiring to submit a grant application soliciting funds will prepare the request as outlined by the grantor's requirements.
5. The department director or designee should sign the grant application as approval that funds are available and that they are supportive of the fiscal impacts to the department.

6. The department applying for the grant should project all initial and ongoing costs associated with the grant program.

B. Grant Monitoring and Reporting

1. Departments are responsible for continuous monitoring of the financial status of grants and ensuring that all funds are expended or encumbered prior to the end of the grant period in order for the funds to be used adequately and not lost in future award periods.
2. Department must also monitor grants for compliance with all applicable federal, state, and local regulations and ensure that grant expenditures are in compliance with the County's and/or grantor's policies and procedures for all practices including procurement for the selection of contracts and vendors.
3. The requesting department is responsible for providing financial reports to grantors.
4. For any periodic reporting on federal awards which requires approval of the Auditor-Controller-Treasurer-Tax Collector, departments must provide the report and supporting documents to ACTTC two weeks prior to the report's date due to ensure adequate and timely review.
5. Departments are responsible for complying with due dates for all reporting requirements of the grant including financial reporting and reimbursements requests.
6. As a rule, the federal and state regulations prevail except when less restrictive than County policy, in which case County policy prevails.

C. Audit Requirements for Federal Awards

1. Auditor-Controller-Treasurer-Tax Collector (ACTTC) will act as liaison between departments and auditors for purposes of complying with the audit requirements set forth in Subpart F of the OMB guidance.
2. Departments are responsible for follow-up and corrective action on all audit findings. If applicable, ACTTC staff shall work with departments to ensure the County takes appropriate action.

IV. ADDITIONAL POLICIES/GUIDANCE

1. OMB guidance – 2 CFR Chapter I, and Chapter II, Part 200, et al.:

<http://www.gpo.gov/fdsys/pkg/FR-2013-12-26/pdf/2013-30465.pdf>

2. County's subrecipient monitoring policy:

<http://www.sonoma-county.org/auditor/pdf/fiscal> policy/re subrecipient monitoring compliance OMB circular.pdf