



Grants Administration - Compliance Insight & News

THE MOST CHALLENGING PART OF GETTING A GRANT HAPPENS AFTER IT'S AWARDED.

After all the research, paperwork, writing and waiting, you have finally received your grant. As anyone with grants experience can tell you, a large percentage of the work has just begun.

Administering your grant correctly may be more challenging than creating a winning grant application. Fortunately, the Grants Administration team can provide you with the technical assistance you need to manage your grant effectively and stay in compliance with funders' requirements.

IT'S IMPORTANT TO HAVE DEDICATED GRANT ADMINISTRATION PERSONNEL.

Just as the process of applying for a grant is very specialized, grant administration has its own highly specific set of skills—that are substantially different from those needed to obtain your grant in the first place.

Grants Administration has years of experience in the field of grant administration. We understand the rules and guidelines created by grant originators, and we are familiar with all federal and state regulations governing grant administration.

Grant administration is a time consuming and difficult task. Work with the Grants Team, and we'll make it seem easy.

OUR APPROACH TO GRANT ADMINISTRATION.

Successful grants development requires more than writing grants. Without formal, written policies and procedures, there is a risk that staff may overlook issues, including required reporting requirements. Formal guidelines are important because they provide standardized practices, which ensure consistency and transparency citywide.

Grants Administration and Finance have and continue to develop standard federal grant administration policies and procedures, and internal controls. Additionally Grants Administration encompasses:

- Assisting to identifying funding sources;
- Discussing project feasibility and sustainability;
- Identifying liability issues;
- Project planning and management;
- Budgeting monitoring;
- Serve as a point of contact to funding agencies and Congressional offices;
- Ensure compliance by tracking programmatic process and fiscal expenditures;
- Facilitate grant close-out between City Departments and funding sources;
- Monitoring and sustaining the checks and balances mechanism, for ensuring that all implemented grants remain in compliance with the terms and conditions of the funding source and the Federal Office of Management and Budget laws and regulations.

The processes identified above are facilitated through the receipt and review of grant activity reports and through Federal Compliance and Quality Assurance standards. Effective internal controls provide assurance that departments are adhering to established procedures that ensure grant resources are optimized and used appropriately to meet the objectives of the grant-funded programs.

The grants administrator is not to administer all grant programs nor write every grant proposal. Rather, the grants administrator's role should be to seek funding opportunities that strategically match the city's objectives, inform program leaders about grant opportunities, guide grant seekers in following proposal guidelines, review and edit document proposals, ensure financial and ethical integrity of the program, and implement necessary processes for appropriate management of granted funds.

SINGLE AUDIT REPORT ON COMPLIANCE APPLICABLE TO MAJOR PROGRAMS AND ON INTERNAL CONTROLS PER OMB A-133.

Kafoury Armstrong auditors have completed their audit of the city's compliance with requirements applicable to federal and state programs and projects for fiscal year 2010. Federal audit and annual reporting requirements are contained in OMB Circulars A-87 (Cost Principles) and OMB Circular A-133 (Compliance and Audit Requirements), both available on the Grants web pages.

Audit findings made during the A-133 audit are provided to the grantor, which could prompt an audit by the granting agency. The following activities are the fourteen types of compliance requirements considered in every audit conducted under OMB Circular A-133:

• 1 - Activities Allowed or Unallowed	• 8 - Period of Availability of Federal Funds
• 2 - Allowable Costs/ Cost Principles	• 9 - Procurement and Suspension and Debarment
• 3 - Cash Management	• 10 - Program Income
• 4 - Davis-Bacon Act	• 11 - Real Property Acquisition and Relocation Assistance
• 5 - Eligibility	• 12 - Reporting
• 6 - Equipment and Real Property Management	• 13 - Subrecipient Monitoring
• 7- Matching, Level of Effort, Earmarking	• 14 - Special Tests and Provisions

The audit disclosed no instances of noncompliance, which were material in all material respects, the city has complied with its requirements; however, the audit has once again disclosed a significant deficiency in internal control that was not considered to be a material weakness that is being remedied. In particular, recent samples of project files revealed that:

- Management used an unexpected percentage of grant proceeds in the application and budget for administrative costs, but failed to support the percentage with proper documentation.

The Audit recommends the City develop an overhead allocation plan based upon current costs and allocated on a reasonable basis and all documentation supporting such allocations be retained for audit.

Managements response/action to finding: The City will develop an overhead allocation plan based upon current costs and allocated on a reasonable basis and all documentation supporting such allocations will be retained. The City of Fernley will apply to the appropriate Federal agency for an indirect costs rate that will bring this issue to a final resolution.

Status: On December 17, 2010, Finance and Grants contracted with Integrity Business Solutions and Consulting, LLC, a firm specializing in Indirect Cost Rate Proposal preparation for governmental entities. The City is applying for the indirect cost rate through the Department of Interior in accordance with the requirements of Federal award(s) to which they apply and 2 CFR Part 225 (formerly OMB Circular A-87) "Costs Principals for State, Local and Indian Tribal Government."

Ensure Our Success!

The more grants and grant dollars received by the city significantly increases our need to be fully aware of our grant management requirements. If you have any questions or concerns as you initiate your grant funded project contact Kathy Orsley or myself for further guidance on management and compliance of your grant awards.

THE IMPORTANCE OF TIMELY REPORTING.

Reporting project results both technically and financially is essential to successful completion of project objectives. It is also important from the perspective of requesting reimbursement from grantors, since most grant funds awarded to the city are provided on a cost reimbursement basis, and until the city requests reimbursement it does not get paid.

Preparation, compilation, and delivery of reports are the responsibility of the departmental staff assigned to the project. Generally, Project Managers prepare technical progress and financial reports, and Finance Officers prepare the financial draws.

Timely submittal of reports is critical for a number of reasons:

- 1) Generally, awards come with specific reporting requirements and schedules. Adherence to these schedules indicates good grant management.
- 2) On cost reimbursable awards, typically in order to invoice for expenditures a financial progress report must be submitted. This is important so that the city receives project funding revenues in a timely manner.

Invoicing

Invoicing, or requests for reimbursement requirements are also generally defined in the award document. For cost reimbursable awards, reimbursements can usually be requested on a monthly or quarterly basis. Monthly reimbursements are preferred. It is important to ensure that we have a steady stream of grant revenue coming back to the city soon after expenditures have been made.

SELECTIVE GRANT WRITING.

Best practices in grant seeking are those that are formally driven by Council priorities, strategic plans or identified needs. Grant funds should not be sought simply because money is available, rather, departments should identify community funding priorities and seek grants for programs and projects that help advance departmental and Council priorities and goals.

There is a risk in allowing the availability of grant monies to drive departments' programs and projects. First, although a grant may fully fund the program, programmatic and administrative tasks can be time consuming and may prevent staff from taking on higher priority projects. Second, if grant funds expire, community expectations may make it difficult for the City to discontinue the program. City resources may then be committed to funding lower priority programs rather than new, innovative projects that directly fulfill broad, strategic goals.

Use of one-time grant funds for ongoing operational costs is never a good budgeting strategy, but we recognize that it has been essential in the past several years. This includes the past expenditure of stimulus and appropriation funds. Given the expected depletion of appropriations over the next several years, it is critical to plan your program grant funding needs strategically.

GRANTS WRITING TIPS AND GUIDANCE WEBPAGE.

Finding new sources of revenue is always important to fund new programs and strengthen ones existing, and grants are a great source of hidden resources. In case you're new to grant writing or just want a refresher to hone your skills, visit the Grant Writing Tips and Guidance link on the Grants webpage.

Calendar of Grant Opportunities

If you plan to submit a proposal, please contact Grants Administration to avoid duplication of efforts among departments.

The information contained in this publication regarding specific grant programs, and grant deadlines are subject to change by the funding agency at any time. Some grant applications require extensive research and planning prior to development and submission to the funding source. Grant preparation for projects of this nature should begin between 3 to 6 months prior to the anticipated deadlines - so we must be cognizant of posted announcement and deadlines for submitting applications. Grants Administration will collaborate with you to determine a reasonable timeframe between grant development and the imposed deadline.

Funding Opportunity	Deadline(s)	Program
Aetna Foundation Grant Programs	02.15.11	Human Services, arts and leisure
Andy Warhol Foundation for the Visual Arts: Curatorial Grant Program	93/01/11	Arts
Bikes Belong Coalition Grants Program Grants Program	04.29.11 08.26.11	Public Works
Community Foundation of Western Nevada http://www.cfwnv.org	12.31.14	Arts, Human Services
Cord Foundation (Nevada)The E. L. Cord Foundation) 418 Flint Street Reno, NV 89501 <i>This foundation does not maintain a website.</i>	12.31.14	Arts, Human Services
Department of Energy: Vehicle Technologies Program Wide Funding Opportunity Announcement Grant	2/28/2011	Fleet
Economic Development Assistance Programs - Public Works, Economic Adjustment Assistance, and Global Climate Change Mitigation Incentive Fund Economic Development Assistance Programs	03.10.11 06.10.11 09.15.15	Community Development submitted App for 3/10/11 round. App rated complete and competitive by EDA 1/3/11
Ewing Marion Kauffman Foundation: Entrepreneurship (Kansas City, Missouri / U.S. Nationwide)	12.31.13	Economic Development
State of Nevada Tourism Grant http://travelnevada.biz/	4/15/2011	Economic Development/Chamber
National Urban and Community Forestry Challenge Cost-Share Grant Program National Urban and Community Forestry Challenge Cost Share Grant Program	03.04.11	Parks
New Era Rural Technology Competitive Grants Program http://www.nifa.usda.gov/funding/rfas/new_era.html	04.15.11	USDA
State Energy Program Formula Grants http://www1.eere.energy.gov/wip/eecbg.html	05.18.10 07.01.10 08.03.10	Community Development
The Energy Foundation: http://www.ef.org/home.cfm	12.31.11	Buildings, Renewables
Grants.gov Provides a unified site for interaction between grant applicants and the U.S. Federal agencies that manage grant funds.		All federal grants