

City of Los Alamitos

Administrative Regulation

Regulation:	1.17 (previously 9.1)	 Bret M. Plumlee, City Manager
Title:	Grant Management	
Authority:	City Manager	
Date:	August 1, 2016	
Revised:		

1. Purpose: The City of Los Alamitos recognizes that grant funding provides significant resources to enhance the City's ability to provide services and activities not otherwise available. The City will seek grant funding for activities that are determined to further City functions or that provide activities which are in the best interest of City residents. The City will examine the benefits of grant funding prior to application and decline funding determined not to meet the above criteria. The purpose of this policy is to:

- Provide procedures related to the requirements for application and contracts for grants; and
- Ensure that City departments are accountable for proper grant documentation, administration and activities.

2. Application: This Policy applies to all grant funding.

3. Regulation:

Grant Application

Timely grant application/submission to agencies is the responsibility of the department/division. The grant application must be submitted to the City Council for consideration and approval prior to submittal to the funding agency.¹

Grant Contract/Requirements for Approval

Prior to acceptance of any funding or expenditure of funds on any grant activity, a written contract is required.

Compliance with Grant Requirements

The City department/division is responsible for compliance with all aspects of grant requirements (terms), including monitoring to ensure that:

- grant activities/projects are properly accomplished;
- grant accounting/recording is accurate;

¹Except for those grants that are within the authority of the City Manager.

- performance reports are complete and submitted per terms of the grant;
- request for reimbursement (drawdown) are accurate and submitted on schedule (or as soon as possible after completion of related grant activities).
- Sub-recipients are in compliance with OMB circular A-133 regulations and provisions of the grant program requirements (if applicable).

Maintenance and Monitoring of Grant Files

The official grant file including a copy of the signed contract and all documents associated with the grant, including but not limited to the contract and amendments, application, activity reports, request for reimbursement, fiscal reports, and other correspondence will be professionally maintained by the initiating department/division.

Grant monitoring is a critical management tool to determine whether departments/grantees have implemented the funded program, achieved the outlined objectives, and properly expended funds.

Grant Revenues/Expenditures

The City Council must authorize acceptance of grant funds, approve matching funds, and authorize the City Manager (or designee) to execute all necessary documents. Upon direction from the City Council, the Administrative Services Department is responsible for increasing revenues and increasing an appropriation of the same amount to the proper accounts.

All grant revenues will be deposited to revenue accounts specific to the grant and grant year. The Administrative Services Department will create and maintain grant identification specific to each grant and provide tracking of activity (revenue, expenses, and accruals).

For reimbursement-based, multi-year grants, both revenues and expenditures are budgeted in the year during which the grant activity will be performed. Reimbursements for grant activities performed in one fiscal year and not actually received until the next fiscal year will be accrued.

The department/division is responsible for ensuring that grant revenues are deposited into the proper revenue accounts immediately upon receipt. The department/division is responsible for monitoring and ensuring that grant expenses are recorded in the proper expenditure accounts.

Matching Funds

Funds provided for match must be in addition to and, therefore, supplement funds that would otherwise be made available for the stated program purpose. Matching funds must be obligated by the end of the grant period.

Procurement

When goods or services must be procured in order to accomplish the goals of the grant program, City procurement policies and procedures will be followed.

Close Out

Official close out of a grant should occur when the awarding agency determines that the City (grantee) has completed all applicable administrative actions and work required under the grant. Grants should be closed out when the grant has expired (reached the end date) and all open administrative, compliance, legal and audit issues have been resolved. A federal awarding agency may choose to close a grant administratively if the grantee fails to provide the required documents, is no longer a valid operating entity, is non-responsive or fails to cooperate. Within 90 days after the end date of the award or any approved extension (revised end date), the department grant administrator must submit the required close-out documents (final progress/financial report) to the grantor (funding agency). Prior to submission of these documents, the department grant administrator should request final payment for reimbursement of expenditures made within the approved period in conjunction with the final financial status report.

The grant recipient (department/division) must promptly refund any balances of unobligated cash that the grantor has advanced or paid and that is not authorized to be retained by the recipient for use in other projects. If award funds must be returned to the grantor at award close-out, the department grant administrator should remit a check (via the Administrative Services Department) with a cover letter indicating the grant award number and the unobligated balance.

Retention and Maintenance of Records

In accordance with the requirements set forth in the Federal Office of Management & Budget (OMB) administrative requirements circulars, all financial records, supporting documents, statistical records and all records pertinent to the award shall be retained by the department/division for at least three (3) years from the date of submission of the final expenditure report. Retention is required for purposes of State/Federal examination and audit.