

Collin County Policy for Administering Grants

A. Purpose:

The purpose of this policy is to serve as the framework for departments and offices to follow when applying for grants and negotiating the terms and conditions of the agreements and/or contracts to ensure optimum financial and administrative arrangements for Collin County. The Policy is not intended to discourage departments, offices, and employees from seeking grant funding as a means to support various services and programs. Rather, it is intended to provide consistent guidelines for grant administration, better coordination in the grant-seeking activities of the County, tracking the outstanding commitments to provide County matching funds, and to enhance Commissioners Court acceptance of grants conforming to this Policy.

B. Scope:

The policy applies to all departments, offices, and employees of Collin County.

C. Policy:

Collin County receives significant funding from Federal, state, and local agencies annually. The following policy statements will ensure that the County is managing grants properly:

1. All grant solicitations must have prior approval by Commissioners Court.
 - a) Departments or officials must submit completed grant documents twenty-eight (28) days before targeted Commissioners Court meeting to Budget and Finance Office (BFO) for review.
 - b) The grant policy timeline will be strictly adhered to for all grants. New grants will not be given waivers. Grant timeline waivers may be granted by the County Administrator or his or her designee for grant renewals or amendments if the grantor's deadlines do not align with the grant policy timeline.
2. The Grant Review Committee as defined in Section E. must review grant applications and contracts before a grant is placed on the agenda for Commissioners Court approval.
 - a) Prior to acceptance of the grant application, all forms provided by the Grant Review Committee must accompany the application clearly stating matching requirements, personnel, information technology, current and long-term financial impact, etc.
3. Commissioners Court must formally accept all grant awards prior to any funds being expended.
 - a) Prior to award acceptance of the grant, all forms from the Grant Review Committee must accompany the award clearly stating matching requirements, personnel, information technology, current and long-term

financial impact, etc.

4. Proposals should support the overall mission and goals of the County (refer to attachment 1) and conform to County Policies and Procedures and relevant State and Federal statutes and regulations including applicable procurement statutes.

Department and offices with the assistance of the Grants Review Committee will negotiate grant agreements to meet County goals, IT Technical Standards, compensation and grading policies, and all applicable policies.

- a) Budget and Finance Office (BFO) will conduct a cost/benefit study to determine the appropriateness of Collin County pursuing a particular grant.
 - b) BFO will ensure alignment with Commissioners Court goals for any program or services offered through the grant.
 - c) IT will evaluate technical solutions for integration and enterprise approach in order to reduce potential increases to on-going support and maintenance.
 - d) For grants that include personnel, Human Resources will determine appropriate pay levels, titles, pay grade, and salary.
5. Departments/Offices will clearly define any matching requirements required by Collin County during the application process. Departments must request anticipated grant matching funding in their fiscal year budget.
 - a) If the department does not have matching funds appropriated, the department should identify savings within their budget for the matching funds.
 - b) If a department anticipates applying for a grant, the department should request funding through the budget process for that anticipated grant award for the new or renewal grant.
6. Collin County will utilize the County financial system to track, monitor, and report all grant financial activity and PeopleSoft will be used to track personnel. All grant activity must be closed out within 90 days of the original or amended grant end date.
7. Collin County will be in full compliance of all terms and conditions of the grant. Departments that have grants that are not in compliance with all terms and conditions of the grant or County grant policies will be evaluated by the Grant Review Committee as to whether it will be approved for additional grants.
8. This policy may be amended as needed.

D. Guidelines

Grants from public or private sources received during this fiscal year are budgeted by the Commissioners Court upon certification of the revenue by the County Auditor, §111.043, Tex. Local Gov't Code. Application for grants must be submitted in accordance with the following rules.

1. General Considerations

When applying for a grant, the following need to be considered:

- a) Include indirect costs in the grant budget unless the grantor specifically disallows indirect cost rates. For grant applications that are submitted to Commissioners Court after the effective date of this policy, the application shall include the negotiated indirect cost rate (NIDCR) as identified by the Auditor's Office. For grants that are applying for a grant amendment or continuation for a grant that was submitted before the effective date of this policy, the grant budget should include the de minimis indirect cost rate as defined by the granting agency. If a grant does not allow for indirect costs, the department shall provide BFO with all relevant documentation for the grantor's disallowance of indirect costs.
- b) Grant funds used for positions should be consolidated into as few positions as possible. Split-funded positions (multi-grant funded or grant/general fund funded) are to be minimized and used sparingly. Departments should make every effort to include all position costs (IT equipment, furniture, travel, materials, etc.) within the grant.
- c) Grant funded positions will be eliminated if the grant is not renewed or is canceled. If a grant is unexpectedly canceled, grant funded positions will be terminated the next business day after the notice by the grantor. If a department wants a grant funded position to be funded through the general fund, the request must be made during the annual budget process.
- d) Grant-funded equipment will not be included on the repair/replace list except certain equipment that is related to life/safety, as determined by BFO (i.e., bullet-proof vests). The grant is responsible for any expenses related to the upkeep or replacement of grant-funded equipment or other capital items.
- e) Grantors may require matching funds for the grant. The matching funds can either be a cash match or an in-kind match. Cash matches are funds that the county must expend in addition to current program or budgeted spending levels. In-kind matches are existing budgeted funds that are eligible to meet the required local grant match. In-kind match, when eligible, is preferred to an additional cash match. BFO and the Grant Review Committee will work with the department or official to determine the best match option.

2. Grant Application Approval

- a) Applications must receive Commissioners Court approval prior to submitting the application to the agency awarding the grant. Before an application can be placed on an agenda, the Grants Review Committee must review the grant. Application approval documents provided by the Grants Committee are available on the County's intranet, *mycc*. A grant application must include documentation of any assurances, report requirements, personnel, and equipment.
- b) All forms provided by the Grant Review Committee as well as a digital

copy of the grant application must be submitted to the BFO 28 days prior to the planned Commissioners Court meeting at which the office or department wishes the grant to be included on the agenda.

- c) BFO will review the grant documents for Commissioners Court policies compliance and form completion. BFO will provide a fiscal analysis of the grant, what matching funds are required, and the funding source for said matching funds. When the documents are in good order, BFO will submit the grant documents to the Grants Review Committee for review. When the Grants Review Committee review is complete, the department will be notified of the Committee's recommendations.
- d) For a grant that is eligible to be renewed, the department must contact BFO the greater of ninety (90) days prior to the expiration of the grant or when the grant application or renewal notice is issued.
- e) If the Grant Review Committee recommends that the grant be included on a forthcoming Commissioners Court agenda, BFO will be responsible for submitting the agenda item.
- f) If this policy is not followed, the County Administrator or his or her designee may withhold a grant award from the agenda if he or she notifies the originating department.
- g) One-time Grants, which are actually start-up grants for new programs or services, will be noted the grants summary sheet and agenda to Commissioners Court. Program costs, which Departments/Offices wish to continue once the grant funding has been exhausted, will be identified and reported to Commissioners Court at the time of submittal for consideration. The Department/Office must present analysis and information relating to new program goals and objectives with relevant outcome measures to Commissioners Court to assist in deciding whether the County should fund expenses for the project or program from other County funds following the exhaustion of the grant funds.
- h) The above timelines will serve as a guide for most grant submissions. Exceptions will be considered on a limited and case by case basis.

3. On-Going Grant Application

From year to year, Departments/Offices may receive grant funding from the same Grantor for the continuation of a program. These grants must be included in the department's annual budget request with the anticipated local matching funds. Grants will be reviewed annually by the Commissioners Court during the annual budget workshop. On-going grant applications or renewals must go through the process outlined in (1) to be submitted to the Commissioners Court.

The following should be considered during negotiations for on-going grants.

- a) Grantors may reduce funding (a reduction in funding) during the grant period or from one grant period to another. Any reduction in grant funding should follow the procedure outlined in D.I.c. Commissioners Court permission is required for the County to reallocate or re-budget funds to make up for the grant's reduction in funding.
- b) Grants often do not increase their funding year-over-year. This level funding will increase the cost to the County of the program if there are employees in the grant because of annual increases to wages and benefits. Departments and officials should make every effort to lessen the effect of level funding on the County.
- c) The amount of funds the County contributes to a program that are beyond the required match is the County subsidy. Grants with level funding but increased program costs will require the County to subsidize the grant program. Any County subsidy for a grant program will be evaluated by Commissioners Court during the budget workshop. Departments and officials should reduce any potential or increased County subsidy by right-sizing the program and services to the grant award.
- d) Any expenses charged to the grant that are deemed by the Auditor's Office or the grantor as ineligible will be charged to the department or official's budget.

4. Outstanding Grant Applications

BFO maintains a summary of outstanding grant applications and matching fund commitments. This summary is submitted to Commissioners Court as an attachment to the regular Grant Agenda Item. Departments that are notified of the denial of a grant application should inform BFO so that the outstanding grant application is accounted for and reflected in the summary.

5. Receipt and Implementation of Awarded Grant / Grant Contract Approval

Upon receipt of written notification of the award, the recipient department is to submit the Award Notification to the Grant Review Committee 28 days before the proposed Commissioners Court agenda. An award notification document provided by the Grants Committee is located on the County's intranet, *mycc*.

If the Grants Committee recommends acceptance, BFO will submit the acceptance information to a Commissioners Court agenda.

If this policy is not followed, the County Administrator or his or her designee may withhold a grant award from the agenda if he or she notifies the

originating department.

The Auditors Office will establish an account for the use of the funds and notify the department grant recipient of all account numbers and project codes.

6. Grant Amendments

Departments seeking to amend the grant budget, program, activities, or services must receive approval from the Grant Review Committee before an amendment may be submitted to the grantor, the Commissioners Court, or the Auditor's Office.

A department will submit the requested amendment to the Grant Review Committee and any amendment forms provided by the Grants Review Committee located on mycc for this purpose.

If the Grant Review Committee recommends the grant amendment, BFO will submit the amendment to a Commissioners Court agenda or to the granting agency, depending upon the grant.

If this policy is not followed, the County Administrator or his or her designee may withhold a grant amendment from the agenda if he or she notifies the originating department.

7. Authorization for Reimbursed Grants

Many of the grants received by the County require expenditures of County funds until those expenditures are accepted and reimbursed by the grantor. All expenditures for reimbursable grants that have been approved by the Commissioners Court and for which revenue has been certified by the County Auditor are authorized until grant funds are available for reimbursement. Offices or departments should request an advance payment rather than agree to a reimbursement arrangement whenever possible. If grant expenses are not accepted by the grantor, the department is responsible to cover any costs incurred but not reimbursed through their budgeted funds.

8. Closing out Grants

At grant year end, each Department/Office shall work with BFO and the Auditor's Office to close out its respective grants. This includes preparing and submitting any required final reports to the Grantor Agency and either returning excess funds or requesting final reimbursement for the grant year. The County Auditor's Office is responsible for submitting a financial and activity reports to a granting agency. The grant recipient department is responsible for submitting all grant closing documentation required by the granting agency in a timely manner to BFO and the Auditor's Office to ensure that this deadline is met and grants are accurately closed on the financial system. The official close out date is determined by the Grantor. The department, official, and Auditor's Office shall retain financial records, supporting documents, statistical records, and all

other records pertinent to an award for a period requested by the grantor or three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as authorized by the awarding agency. The close of a grant officially ends at the end of the audit period.

9. Financial Considerations & Reporting Requirements

When preparing your proposal, keep in mind the following:

- a) Personnel salaries and fringe benefits must be consistent with the current county compensation plan and county benefit costs. Grade, title, and salary of the grant-funded positions are subject to Human Resources approval to ensure they are consistent with the Collin County compensation philosophy and placed appropriately in the pay scale. Departments should make every effort to match requested grant funded positions to existing county positions. If a requested position has duties outside of existing positions, additional time may be required to determine compensation. Upon appointment and after any grant renewals or amendments, the department is required to obtain a letter of acknowledgment from the employee, as provided by the Grants Review Committee, which states the position is grant funded, and the employee's employment at the County is contingent on the continued funding of the grant. The department must file a copy of the executed acknowledgement form with Human Resources.
- b) If personnel costs are a part of the grant, Human Resources will recommend the appropriate position, salary, and corresponding benefits. The County pays some benefit costs for all employees, including part-time hourly. Long term care and short-term disability are excluded from part-time hourly benefits. Personnel and benefit costs must include an estimate of future increases over the period of the grant at a rate determined by the BFO.
- c) Grant positions' paid time off (PTO) accrual structure is dependent on the grantor and may require an employee to use all available PTO within each fiscal, grant, or calendar year. A grant position can only accrue PTO as allowed by the grantor, and if there is funding to pay the approved PTO at the end of the grant. Human Resources may authorize a department to allow grant employees to use accrued PTO before the end of the probation period. PTO accrued before the effective date of this policy, or employees funded through state CSCD and Juvenile grants, as part of the department's standard operations, are exempt from this requirement.
- d) The department, BFO, and the Auditor's Office will monitor grant expenditures. BFO will notify the Grant Review Committee when a department has expended grant funds, a position's funding has been exhausted, or is no longer funded.

The grant recipients in conjunction with BFO and the Auditor's Office are

responsible for monitoring the expenditures to ensure that they are in compliance with the grantor's requirements. The grant program expenditures must adhere to the approved budget and must be submitted and made according to county procurement procedures. This includes submitting expenditure requests timely to allow ample time to comply with competitive procurement processes so that products/services may be procured and received well before the grant expiration.

- e) The recipient department is responsible for submitting monthly reports to BFO and the County Auditor on the progress of the grant funded activities, effort reporting, cost-sharing, and any in-kind contributions. The County Auditor and BFO will prepare and submit the monthly reports to the grantor, along with the claim for funds.
- f) Collection of funds during the life of the grant is the responsibility of the Auditors Office. On a monthly basis, it is the responsibility of the grant recipient department to submit to the Auditors Office all information required to claim the funds.
- g) For grants that require program income to be tracked, the department will track and work with BFO and the Auditor's Office to ensure compliance with all program income requirements and its usage.
- h) Technical requirements must be consistent with County IT standards. IT will recommend appropriate technical design. Technical training and monitoring to support the grant funded solution will be required as part of the package to support and maintain. Technical dependencies and integration points will be noted in the grant review. Upon grant award, technical dependencies will drive service delivery.
- i) At the time of closing the project, any balance remaining in the account will be disbursed by the Auditors Office in accordance with the grantor's requirements.

10. Direct Cost of Accounting

Please contact the County Auditor for assistance in estimating the direct cost of accounting. Include the estimate in the grant application if the cost is reimbursable. Departments/offices should seek reimbursement for direct accounting costs when applicable.

11. Travel Policy

Expenditures related to travel will only be reimbursed for allowable expenditures and will follow the travel policy guidelines for that specific grant. Expenditures that are deemed unallowable for the grant will not be reimbursed.

12. Performance Measures

All grants should have performance measures. These measures should reflect the current activity of the department or office in the area where grant assistance is requested, as well as the expected impact of the grant on the department's activities. If the grant is for a new program, performance measures should be supplied for the new program. Departments/offices are expected to report relevant outcome measures on the performance of a grant in regular intervals, as determined by BFO and the Auditor's Office, to meet the requirements of the grantor and Commissioners Court.

13. Revenue Certification

Once the contract has been signed by all parties (including the grantor, if that was not done prior to Commissioners Court approval), the office or department must forward the originals of the contract signed by all parties to the grantor. A copy of the fully executed contract must be submitted to the Commissioners Court staff, BFO, the County Auditor, and the Purchasing Office. The County Auditor certifies revenue upon receipt of the fully executed contract.

14. Budget Adjustments

All budget adjustments must comply with the grantor's requirements for budget adjustments. Any budget adjustments requiring prior grantor approval are not processed until that approval is received. If a grantor de-obligates funding or a portion of funding, a budget adjustment form must immediately be sent to BFO and the County Auditor in order to reduce each affected revenue and expenditure line item.

15. Permission to Continue

If a grant renewal contract is not received prior to the effective date of the grant and grant employees are requested to continue on the payroll, offices or departments must submit a Permission to Continue memo to BFO at least twenty-eight (28) days prior to the end of the grant that is to be renewed. BFO will notify the Grants Review Committee of any permission to continue is requested and provide the department's memo. The department's memo notifies the Commissioners Court that payroll expenses are requested to continue and indicate the expected date that the contract will be signed. This rule applies only to the renewal of grants that have been received in previous years, and for which verbal or written assurance of continuation from the grantor has been received. All verbal assurances should be memorialized as an email or email(s) between the department, BFO, and Audit. A Permission to Continue is only appropriate to allow departments/offices to continue to fund payroll for employees where the grant has an ongoing commitment, and there is an unusual, non-recurring delay in receiving a final executed contract.

At the time a Permission to Continue memo is submitted to BFO, the department or office should request a budget adjustment to move existing

department or office budgeted funds to the grant fund. Departments or offices may also request an allocation from budgeted reserves to the grant fund until the grant process is finalized. Grant funds may be used to repay any funds allocated by the Commissioners Court for the Permission to Continue. Revenue will be certified by the County Auditor when all the normal requirements for a grant contract have been met. Revenue for new grants will not be certified and expenditures cannot be made until a grant contract has been signed.

E. Grant Review Committee

The Grant Review Committee (GRC) is comprised of one or more representatives from each of the following departments/offices: Budget and Finance (BFO), County Auditor, Information Technology (IT), Purchasing, and Human Resources (HR).

The purpose of the Grant Review Committee (GRC) is to assist Commissioners Court in an advisory capacity by considering and providing recommendations on all grant applications, grant awards, budget adjustments, and grant contracts submitted for Court approval.

The responsibilities of the committee are defined below:

- i. Review and approve all grant applications and contracts before a grant is placed on the agenda for Commissioners Court approval.
- ii. Provide departments with application, approval, and amendment grant forms.
- iii. Provide a summary to Commissioners Court which will accompany an application and award notification, clearly stating matching requirements, personnel, information technology, current and long-term financial impact, etc.

