

Policies and Procedures

The Grant Development and Submission Process



GRANTS MANAGEMENT UNIT

Reviewed and Approved by Grants Management Unit

Rev [07/17](#) [de](#)

Introduction

Purpose

This manual was prepared to establish policy and procedure guidelines for the administrative management of research and sponsored projects. It was prepared after careful review of the previously existing policies and procedures that the Fresno Police Department must follow in accordance with state and federal agencies.

Project administration may appear somewhat inflexible to someone involved with the research side of a grant. However, certain policies and procedures must be followed, otherwise a project can be seriously jeopardized – and cancellation becomes a very real possibility.

Within this framework, the Grants Management Unit is committed to making the process easier. The Grants Management Unit acts as a liaison between the Police Department and the funding agencies. If you have problems or do not understand a particular process –please *contact the Grants Management Unit as soon as possible*. The Grant Management staff will explain, help, and try to work out whatever unique circumstances are inherent in your particular project.

General Information

External funding for law enforcement, research, personnel, technology, other Police Department programs, and for personnel enhancement is critical for the health and safety of the community. In the Fresno Police Department, the Grants Management Unit works to provide assistance to sworn and civilian staff throughout the many stages of the funding process.

During the pre-award process, *members* of the various police units work directly with the grant management staff forming a grant team. *If specifically required by the funding agency*, prior to application submission, a Council Report is prepared *authorizing the Chief of Police or his designee to apply for the grant*. *All Council Reports are approved by the City Attorney's Office prior to being entered into Granicus* by the Grants Manager in coordination with the Project Director. When a grant has been awarded, the Chief of Police or Grants Manager receives the grant award document *from the funding agency*. The Grants Manager sets up a project account and sends notification to the Project Director. Upon receiving the notification letter, a Council Report is *prepared for City Council approval and acceptance of the grant award*. *If needed, an Annual Appropriations Resolution is prepared* to appropriate the *awarded grant* funds in the City's budget. The Department's *Budget Analyst* is notified of the award and sent a copy of *the* spending plan. Resolutions are submitted for the appropriate budget amendments. The Council *Report* and *Resolution* also serve as notification to the City *Manager* and *Council* of the department's grant activities.

Grants Management Unit

The purpose of the Grants Management Unit is to increase the level of research and funding in the police department by assisting staff in obtaining external funding for: special projects; additional police presence in problem areas; enhanced technology and additional equipment; increased traffic enforcement; and, many other law enforcement related activities.

The Grants Management Unit reports to the Deputy Chief of the Administrative Services Division. Grants Management Unit personnel work closely with Deputy Chiefs, Captains, Lieutenants, Sergeants and staff who are involved in grant funded activities.

Grants Management Unit Responsibilities

This unit has the responsibility for all pre-award activity and provides or coordinates the following services:

- ◆ Serves as department liaison with the Policing Districts to transition contracts to post award status;
- ◆ Negotiates all grants;
- ◆ Conducts funding source searches for staff;
- ◆ Provides initial contact with Federal and State agencies, seeking direct contracts;
- ◆ Assists staff with grant proposal development;
- ◆ Coordinates all pre-award activity related to submission of staff proposals for external funding;
- ◆ Assists in the preparation and submission of all grant proposals (including: document formatting; word processing; budget review; form completion; and, department routing for approvals);
- ◆ Provides electronic submission of proposal when required by funding agency;
- ◆ Provides “boilerplate” data on demographics of the City and department;
- ◆ Publishes grant summary reports;
- ◆ Notifies Project Director of grant award;
- ◆ Mails and disseminates all required governmental reports with regards to proposals
- ◆ Provides staff support for committee for research and creative activity;
- ◆ Prepares *Council Reports* and *Resolutions for council*;
- ◆ Files required fiscal reports on a timely basis with state, federal and other agencies; monitors the filing (by the project director) of technical and activity reports required by the funding agency;
- ◆ Monitors account expenditures and provides assistance in maintaining budget controls;
- ◆ Oversees the data input into the city's accounting and tracking system;
- ◆ Assists with the budget, contract interpretations and follow up;
- ◆ Operates within the guidelines, rules and regulations of the Fresno Police Department and the State and Federal or local funding agencies;
- ◆ Provides responsible oversight for compliance with, and fulfillment of any contract or grant agreement the Police Department enters into; *and*
- ◆ Acts as a central clearing house for all grant related activity.

Project Director Responsibilities

The Project Director is responsible for compliance with the policies and procedures established by the department and the funding agency.

The policies and procedures set forth in this manual are designed to minimize administrative time, avoid over-expending budget categories, and ensure proper allocation of funds.

Specific responsibilities of the Project Director include but are not limited to:

FISCAL

- Authorize all expenditures and keeping a tight control on expenditure approval authority;
- Reports grant activity to the Grants Manager on a timely basis;
- Contacts the Grant Manager as soon as possible when there is a need to change or revise a major program objective and/or revise any budget expense category (budget flexibility depends on the funding agency and may vary);
- Makes certain that appropriate project staff have a good understanding of the grant project guidelines and objectives;
- Ensures that reporting of time and labor related to the grant is being submitted timely and accurately;
- Monitors the placement and purchase of all grant related equipment;
- Assists with audits by the funding agency related to the grant project;
- Is authorized to sign grant agreements; *and*
- Works closely with the Grants Management Unit for compliance on all grant related activities.

Programmatic

- Ensures program goals are met;
- Formulates annual program budget;
- Ensures that appropriate project staff have a good working knowledge of this handbook; *and*
- Assumes any and all programmatic responsibilities with regards to individual grants.

Establishing Accounts

Grants and Contracts

A grant is an instrument containing a minimum of limiting conditions to support specific activities. A contract is a specific agreement to procure goods and/or services. Grant support ideas originate and *are* defined by the grantee; *whereas* contracts contain work requirements specified by the awarding agency.

Establishing an Account for a Grant

When the department has been notified that a grant has been awarded, the *Department's Administrative Manager* is also notified. The *Administrative Manager* and the *Grants Manager* will discuss the budget and any other necessary information. If personnel are being hired, the *Personnel Manager* in Personnel and Training must be notified, as well as the *Department's Administrative Manager*. Job descriptions, classifications, salary, and plans for recruiting should be formulated once written notification of the award has been received.

After the award document is received by the Grants Management Unit, a new chartfield maintenance *form* is *completed* to establish a new *Org* which identifies the grant project *and/or Project ID and Activity codes are created within an already established org, depending on the grant award. The Grants Manager will make the determination on which Fund, Org and Project will be used.* The “*Org*” number identifies the department and or division section to which the project is assigned, along with any subsidiary codes assigned, if necessary. *In the event additional funding is received for a grant, which already has an identified “Org”, a new Project Activity Code will be established to differentiate the additional funding.*

Prior to acceptance of a grant agreement and/or funding the City Attorney's *Office* must review the application and special conditions. Prior to accounts being established, the project must be approved by the City Manager and City Council by a resolution which amends the *Annual Appropriations Resolution (AAR)* and/or the *Position Appropriation Resolution (PAR)* and/or authorizes execution of the agreement.

Terminating an Account for a Grant

Each funding agency will provide close-out or final report information for the grant. The funds must be expended or encumbered (committed) by a purchase order before the termination date of the project *in accordance with the grant guidance for the program.* Some funding agencies do not automatically extend the time allowed for expending grant funds. No-cost extensions are sometimes allowed, but it is the *Project Director's* responsibility to notify the *Grants Manager* to *request an extension with* the funding agency. In order to allow for the preparation time, the letter must be prepared 60 days prior to the termination date of the grant/contract period and be signed by the *Project Director* and/or *Chief* and a copy sent to the *Administrative Manager*. It is important that project staff, the *Grants Manager*, and *Administrative Manager* work closely together so *the* full benefit of the award can be received prior to the ending date.

Personnel Services

Hiring Grant Funded Employees

The Department's *Administrative* Division, including the Personnel *Bureau*, is located on the second floor in the City Hall Annex at 2326 Fresno Street.

Personnel services are available to help project directors with staffing needs. As soon as the Grants Management Unit is notified that an award is pending, a *Management Analyst* will contact the particular unit to determine what needs exist. The actual hiring of employees cannot take place until a fully executed agreement is received, but much of the work can take place prior to that time (i.e. writing job descriptions, deciding classifications/salary, and starting the recruiting process). In that way, once the award is actually received, you will be ready to hire your staff and start work as soon as possible.

The Personnel *Bureau* manages the records and data entry of all persons paid with funds generated by grants. The personnel policies and procedures are designed to comply with the various *Federal* and *State* regulations. Failure to comply with, or follow proper personnel practices may negatively impact project employees hired under your contract and result in legal penalties, which could include the cancellation of the grant.

A *Task Group ID* number is assigned by Personnel, to those employees assigned to a grant project. The salaries and fringe can then be reported in the expenditure column under that *Org* and project number for the grant. Additionally, when the project ends the employees must be taken out of that *Task Group ID* or project. Project Directors will have to inform the Personnel *Bureau* of those changes to their units.

Time Sheets are used as a positive reporting process for grant funded personnel. Personnel are assigned/cost to the General fund as a default; the time sheets will allow the system to redirect the grant personnel's budgeted, allowable costs to the appropriate grant fund and project ID. This eliminates the unbudgeted personnel costs (i.e. premium pay, worker's *compensation*, vehicle allowance etc.) from being charged against grant funds.

Overtime that is worked in a grant project must be indicated and reported by use of OTTO and coded specifically to that grant in order to be charged to the grant. Project Directors will have to ensure the use of the OTTO system for all overtime related grant activity. If OTTO is not accurately completed the overtime will not be charged against the grant and we will not be reimbursed by the funding agency. *All overtime worked on a grant should be entered into the OTTO system as "cash." If an employee enters the overtime as "time," the system will default to cash so the employee will be paid in that pay period for the overtime worked.*

Disbursement of Project funds

Basic Requirements for Disbursements

Successful and efficient disbursement of project funds requires an understanding of the basic procedures of the disbursement process (i.e. check requests, purchase orders, equipment, travel, community relations, petty cash/miscellaneous advances, stipends, tuition reimbursement, consulting agreements, and other related topics).

The following sections describe the basic requirements for project fund disbursements, and include explanations about related subjects.

BASIC REQUIREMENTS FOR DISBURSEMENTS

The [Project Director](#) or other authorized personnel must sign all expenditure requests and is responsible for budget expenditures.

Generally, all expenditure requests for supplies must be processed at least 30 days before the end of the grant period. Please check with the [Grants Manager](#) for requirements of each grant.

SALES & USE TAX

All purchases made with out-of-state vendors will be subject to use tax even if the invoice does not include sales tax. This is a requirement of section 6202 of the Sales & Use Tax Law.

Check Requests

Payment Authorization

The request for check or payments must be submitted through the business office with appropriate authorization from [the Project Director](#), [Grants Manager](#) and associated fund, [org](#) and account numbers.

Community Relations Authorization

Community relations expenses are usually reimbursed on the basis of actual costs incurred. Allowable costs are those deemed ordinary, reasonable, and necessary for the pursuit of the department's community relations. Federal Grants need to specify that the reimbursement for food was for the following (food expense may or may not be allowed depending upon specific grant guidelines):

- ◆ Working lunch
- ◆ Conference
- ◆ Training

The authorization form must include:

- ◆ Date
- ◆ Cost center name
- ◆ Address
- ◆ Vendor name
- ◆ City, state, zip
- ◆ Invoice number
- ◆ Invoice date
- ◆ Invoice amount
- ◆ Cost center, object, subsidiary
- ◆ Dollar amount per cost center
- ◆ Check distribution instructions
- ◆ Justification
- ◆ Purpose
- ◆ Relationship
- ◆ Names of all persons in attendance

The *Project Director* must sign the authorization form. *Project Directors* requesting self-reimbursement must also obtain a signature from the Chief *or designee*.

Purchase Orders

Purchase orders are processed through the Business Office prior to placing the order with the vendor. Complete and legible purchase order request forms avoid errors and delays. When requesting a purchase order or voucher it must be date stamped at the time it is provided to accounts payable, a copy is retained for the grant project file and accounts payable logs into their tracking system. The following information must be included on all requisitions:

- ◆ Date
- ◆ Vendor Name
- ◆ Address
- ◆ City, State, Zip
- ◆ Dollar Amount
- ◆ Project Identification Number
- ◆ Org Number
- ◆ P.O. Distribution
- ◆ Shipping instructions
- ◆ Shipping address

- ◆ Description, quantity, unit price, amount (**Please include sales tax**)
- ◆ Authorized signature

The purchase order request will be authorized by the [Grants Manager](#) and forwarded to the [Business Office Accounts Payable](#) for processing. A copy of the purchase request is to be sent to the [Project Director](#) and kept in the project file in the [Grants Management Unit](#).

Equipment

Capital Equipment

Equipment is defined below but please check with the [Grants Management Unit](#) about the project's specific requirements and criteria.

Capital equipment is defined as any item with a unit value of \$5,000 or more and useful life of two or more years. This value includes all costs necessary for its intended use – such as price paid, sales tax, freight, assembly, installation, and testing.

Prior to purchasing equipment, [the Project Director](#) should obtain verification (from the [Grants Management Unit](#)) that the desired equipment has prior approval from the funding agency. Equipment purchased with Federal Funds of \$5,000 or greater will be logged and [asset](#) tagged by [project staff](#) per OMB circular A-122 regulations.

Details regarding purchasing procedures are found in the [City of Fresno Purchasing Manual](#).

The [Project Director](#) is responsible for the use, maintenance, protection and storage of all equipment. Thefts, losses, and damages must be reported immediately to [the Grants Management Unit](#).

At no time does any purchased property become the personal property of the [Project Director](#). All purchased property is the property of the Police Department and an asset I.D. number will be attached for inventory purposes except as follows:

INVENTORY/DISPOSITION

- Equipment purchased with federal funds is the property of the funding agency until released by the agency. A City property tag (over \$5,000) will be placed on such equipment for control and inventory purposes until the equipment is returned to the government or donated to the City of Fresno.
- Equipment purchased from industry funding grant or contract that specifically states that equipment belongs to the industry.
- Equipment may not be moved from the original location or disposed of without prior approval from Chief's office. Equipment must be used exclusively for project activity.

Travel

Travel Arrangements

The Police Department travel policy follows the same general rules as the City of Fresno.

A Training Request Form (TRF) will be filled out by project staff and routed through their chain of command. Once approval is gained, the TRF must be routed for approval by the Grants Manager and then to the Regional Training Center for travel arrangements to be made. Project personnel should not pay personally for any expenses of fellow travelers.

Travel Claims

Within 10 days of completing your travel, you must submit a travel expense claim to cover the costs of the trip less any advances received.

Upon return from training or conferences, please provide the *Regional Training Center* a copy of the class certificate, schedule of events, or any receipts pertinent to the training. Original receipts are required for the following:

1. Airplane travel
2. Travel by a surface common carrier
3. Parking charges
4. Hotel accommodations
5. Automobile rental
6. Conference registration if paid on-site
7. Any other expense pertaining to the trip

The following information is required on all claims:

1. Claimant's name
2. Project identification number that pertains to the grant, if applicable
3. Department name and location
4. Date/time -- the day of the month and the time of departure from home or place of business. Time returned
5. Transportation
 - a) Cost of transportation – list airfare, rental car, etc.
 - b) Between what points – from Fresno to _____ and return
 - c) Carfare, tolls, parking
 - d) Private car use -- list number of miles, amount of reimbursement requested, and the car license number
 - e) Insurer

- ◆ Business expense – conference fees paid-on-site, business calls. These expenses need to be explained. Telephone calls need to list date, place number called, and parties
 - ◆ Remarks or details – list the purpose of the trip. Please be specific
 - ◆ Signature of claimant
 - ◆ Claim total – please be sure to show the total expense to the project then deduct any advances, etc.
 - ◆ Signature of authorizing agent – project director or department head
 - ◆ Date
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Tuition and Registration Fee Requests

Payment requests for tuition/class, conference registration fees must be submitted to the [Project Director](#) for approval. Required information includes:

- ◆ Name
- ◆ Social security number
- ◆ Course/conference title
- ◆ Course dates
- ◆ Registration fees
- ◆ Project identification number to be charged

Grant funds expended for tuition or conferences must be specifically provided for in the grant award and approved budget.

Independent Contractors/Consultants

There are occasions when projects require specialized services that can best be provided through the services of independent contractors and consultants. Examples of independent contractors and consultants include professional services, attorneys, construction contractors, training instructors, phlebotomists, computer programmers or other persons and firms offering services for a fee. Regulations of the project's funding source must permit such expenditures. It's important to contact *the Grants Manager* when considering the use of independent contractors/consultants.

Generally this requires sub-recipient monitoring and audit regulations as applicable. It is imperative *that* certain language is included in any contract for the protection of the City and to ensure the contract/provider is fully *appraised* of the conditions of grant funding and have agreed to comply.

Method of Payment

The Vendor/Consultant must submit an invoice to the *Project Director or the Business Office* of the Police Department. The invoice must be approved by the Project Director and the Grants Administrator prior to payment *to ensure that proper grant related coding is applied*. The invoice is then forwarded to the Business Office with their signature of approval for processing.

Accounts Receivable/Cash Receipts

Grants and Contracts

Grants and contracts are generally not funded up front; the City of Fresno appropriates the funded amount budgeted into the appropriate *Fund, Org, Account, and Project ID Number*. After receiving an award notification letter, a *staff* report to council is prepared for appropriation of *fundings* from the general fund. The City bills for reimbursement of expenses either on a monthly, quarterly or semi-annual basis, *dependent* upon the requirements of the funding agency. Certain agencies fund the money up front, such as Justice Assistance Grants or, on occasion, special grant projects. These funds have certain requirements for their deposit, such as being placed into interest bearing or trust accounts. These requirements and restrictions are outlined in the conditions of the grant award and must be monitored carefully.

The City pays the project expenses, then invoices the funding agency *for grant reimbursement*. It is critical to follow the guidelines set forth within the award document or contract so that prompt payment of expenses can occur. It is critical that the fund balance is managed on all grant funds to minimize negative fund balance and/or negative interest accruals.

Transfers/Journal Entries

Occasionally, it will be necessary to transfer expenditures, encumbrances or revenue from one *Fund, Org, or Account* to another. These are *Journal Entries (JE)* and are made by the Business Office. When charges have been erroneously made to the wrong category, a *Journal Entry* is made to correct

it. If the grant fund will not receive reimbursement for an expense it becomes a general fund obligation and must be moved via JE.

Reports

Grant Reports

At the request of the Project Director or grant project personnel, the Grants Management Unit will send a detailed expenditure report or expense worksheet which reflects activity for the grant project.

The Project Director will review the report for any discrepancies in expenditures.

Each quarter a project status report and detail transaction report will be prepared. The information details the expense of each project. This information is entered onto the quarterly financial status reports required by each funding agency. This information is used for reimbursement requests and is typically due 30 days after the end of the quarter.

Payroll reports are analyzed bi-weekly to ensure the grant payroll is an accurate reflection of those individuals being paid with grant funding and /or overtime grant operations.

Some reports or reimbursement requests are due 5, 10, or 30 days after the end of the quarter. You must always refer to the conditions and requirements of the funding agency. The project status reports include, *but are not limited to:*

- ◆ Period covered by report
- ◆ Project name
- ◆ Project award amount
- ◆ Project period
- ◆ Funds, orgs and accounts
- ◆ Period expenditures
- ◆ Balances of project
- ◆ Amount of reimbursement request
- ◆ Match amounts if applicable

The financial status reports reflect the encumbrances as well as current expenditures and match payments.

Quarterly financial and programmatic reports are completed either via a web portal, scanned and emailed to the funding agency's program coordinator, or original documents with wet signatures sent via U.S. mail. It is dependent on the funding agency, which method is chosen for each program.

Some funding agencies require periodic progress or activity reports. These could be monthly, *quarterly, bi-annually* and/or *annually*. The Project Director is responsible for ensuring that all information is provided to the Grants Management Unit for processing.

Direct and Indirect Costs

Direct costs are easily identified for individual projects and include costs such as salaries, fringe benefits, travel, supplies, and equipment. Direct costs are committed and spent by an action of the [Project Director](#).

Indirect costs are those related to managing the project, but which are not specific to a particular project. The indirect cost recovery rate is based on the actual costs that the City incurs *and is developed within the Budget and the Management Studies Division for the City of Fresno*.

Match Requirements / Cash and In-kind

Some grants require a cash match based upon a percentage of the actual grant award or total project cost. This type of match must be pre-approved by council before [acceptance](#) the grant, unless we have established an account, such as asset forfeiture funds, that will support this cost.

Other grants may require an in-kind match for already budgeted services. A percentage of staff's time *or operations expense, such as postage, telephone, etc.* may be allocated toward the grant as an [in-kind match](#). All match funds must be able to be tracked by support documentation *just as direct costs are* documented and substantiated.

Grant Definitions

1. **Direct Costs** are *attributed to the production of specific goods or services. In most grant awards, they are categorized* as personnel costs, travel expenses, contractual services, non-expendable property or other direct costs. These are expenses which can be charged directly as a part of the cost of a product or service or of a government unit or operating unit.
2. **Indirect Costs** *represent the expenses of doing business that are not readily identified with a particular grant, contract, project function or activity, but are necessary for the general operation of the organization and the conduct of activities it performs.*
3. **Indirect Cost Rates** are determined in accordance with Federal OMB Circular A-21. Indirect cost rates normally are expressed as percentages of total direct costs (%TDC), or as a percentage of direct costs of salaries and fringe benefits (%SW&B). *The City of Fresno's Indirect Cost Rate (IDC) is identified annually by the Budget and Management Studies Division for the City of Fresno.*
4. **Cash match** requires prior council approval and is restricted to the same use as other funds under the guidelines of the grant. *Cash match* includes cash spent for project related costs. This is *generally* a percentage of the grant award amount as designated in the award documents. This amount must also be included in the appropriation amendment resolution.
5. **In-kind match** is the valuation of in-kind services. It is the value of something received or provided that does not have a cost associated with it. Third party contributions may count toward satisfying match requirements if it is an allowable cost by the funding agency. This may also be a percentage of the grant award amount but it is based on the existing services or costs established or budgeted by the City. The in-kind match can come from, budgeted personnel who will be contributing time toward the activities of the grant office supplies, operating costs for vehicles and/or office equipment.
6. **Supplanting** *is reducing the amount of local general fund dollars because that expense will be shifted into the grant. The majority of all Federal, State and Local foundation funding strictly prohibit supplanting. Grant are designed to supplement existing general funds not replace them.*
7. **Commingling of funds** *is generally prohibited by funding agencies.* Accounting systems of all recipients must insure that agency funds are not commingled with funds from other Federal, *State or Local* agencies. Funds specifically budgeted and /or received from one project may not be used to support another.