

Financial Grants**SCOPE**

City agencies should seek and apply for grants whenever possible in order that the City's financial burden will be decreased and its public service enhanced. It is the responsibility of each agency to investigate the availability of grant funds, obtain information and application materials from the grantor, prepare the required application documents and notify the appropriate parties of the intent to submit a grant application. A grant is an agreement between a governmental or private agency, also called the grantor, and the City, also called the grantee, whereby the grantor provides funds in whole or in part to the grantee to carry out specified programs, services and/or activities.

GRANT SOURCES

The Following sources of information should be consulted relative to availability of grant funds:

- The Catalog of Federal Domestic Assistance.
- The Maryland Congressional Delegation.
- The City's representative in Washington D.C
- The National League of Cities.
- The National Association of Counties
- Specialized professional associations in various functional fields, e.g., GFOA, AOHA, APWA, etc.
- The FAPRS system of the Office of Management and Budget, Washington, D.C.

GRANT RESPONSIBILITIES

General and specific responsibilities in applying for and securing grants are discharged by the Department of Finance, Law and Planning, as well as the Civil Service Commission when the awarding of a grant necessitates personnel actions. The requesting agency must furnish certain materials to these Departments for review and comment. All submissions and reviews must be in keeping with the grant application timetable.

DEPARTMENT OF FINANCE

The Department of Finance must exercise certain responsibilities for evaluation and

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implementation in grant application and award. The Department is responsible for:

- Determination of the need for the service or public work, its benefit to the City and its consistency with City policies and priorities.
- Determination of the grant project's impact upon other agencies and/or any commitments required therefrom, the conflicts which may arise, and its wisdom, effectiveness, duplication or inefficiency.
- Coordination of grant activities with the City's Washington representative, the Maryland Congressional delegation and federal and State agencies, as necessary.

Bureau of the Budget and Management Research:

- Examines fully the budgetary fiscal impact of the grant, the availability of funds and appropriations, and the need for supplemental appropriations.
- Estimates the commitment required of the City and its resources.

Accounting Operations:

- Ascertains the accounting and record-keeping required, the billing and collection procedures, the method of payment, and the overhead computations.
- Accounts for and monitors the collection of funds due, and secures timely reports concerning these collections.

LAW DEPARTMENT

- Explores fully the legal implications of each grant, the requirements of federal, State, and City laws and regulations.
- Determines the feasibility and desirability of conforming with these laws and regulations.

DEPARTMENT OF PLANNING

- Reviews all grant applications to ensure proper coordination among City agencies.
- Reviews grant applications under the OMB-A95 federal procedure when required.

CIVIL SERVICE COMMISSION

- Review grant applications which require personnel actions in order to plan administrative actions required to create a position, recruit candidates and/or prepare testing

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requirements.

PAYMENT METHODS

The method of payment for grant financed programs may be optional or negotiate for maximum possible payments at the earliest possible dates. The payment methods listed are prioritized as to benefit to the City. This order must be observed during any negotiations concerning methods of payment.

- Total advancement of grant funds.
- Partial advancement of grant funds; further payments by draw-down against a letter of credit.
- Partial advancement of grant funds; further payments upon receipt of bills.
- Reimbursement of costs on basis of periodic bills.

GRANT PAYEE

When a grant has been secured and payment method determined, there are two means by which the City may receive the funds or payments. They include all payments by CHECK and by LETTER OF CREDIT. The DIRECTOR OF FINANCE, BALTIMORE CITY, is the payee on all payment methods.

Check

Agencies must inform the grantor of the proper City payee on all checks. The payee must be the Director of Finance, Baltimore City.

Letter of Credit

When the method of payment of grant funds is to be drawn against a LETTER OF CREDIT, agencies must inform the grantor that the LETTER OF CREDIT must be issued in favor of the Director of Finance, Baltimore City.

APPROVAL PROCESS

If the grantor, as part of the grant application process, requires the City to officially approve the contracting agency and/or designate an authorized representative, the City agency seeking the grant must submit the grant application to the Board of Estimates and request such approval and/or designation. The requesting City agency must also submit for acceptance to the Board of

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Estimates all grants which have been approved by a federal, State, or private agency, prior to the legal execution of any agreement relative to the grant and use of funds.

GRANT MANAGEMENT CONFERENCE

Upon the acceptance of a grant by the Board of Estimates, the agency's assigned budget analyst will convene a Grant Management Conference, if deemed necessary. The Grant Management Conference will consist of the following parties:

- Official grant representative from the grantee agency.
- Grantee agency's budget analyst from Bureau of the Budget and Management Research
- Designated representative from Accounting Operations.
- Designated representative from the Department of Audits
- Designated representative from the Civil Service Commission when the awarding of a grant necessitates personnel actions.
- Designated representative(s) from other agencies involved in the administration of the grant.

The Grant Management conferees will determine the details of the Management of the grant with respect to the application and grant approval documents.

The management plan will detail reporting systems, accounting systems, reimbursement systems, records systems, personnel action requirements, coordination among agencies and determination of process for resolution of grant problems.

If a Grant Management conference is deemed necessary, then the analyst shall notify all concerned parties in a MEMO.

GRANT REPOTING

The grantee agency will be responsible for the preparation on a timely basis of all narrative and statistical reporting required by the conditions of the grant.

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FINANCIAL REPORTING AND ACCOUNTING

The Department of Finance is responsible for all accounting and collection of money due the City. Specifically, Accounting Operations will have general supervision and control of all accounting. and bookkeeping in regard to grants. However, it may delegate certain responsibilities to grantee agencies, provided that proper safeguards are established and maintained. Normally, a grantee agency prepares appropriate financial reports.

GRANT CLOSE-OUT PROCESS

Revenues and expenditures of operating grants will not be closed out annually, but will be shown in a cumulative manner until such time as an operating grant is totally concluded. Grants must be closed out within the time limits specified by the grant. Delay or failure to close out a grant will be reported promptly by Accounting Operations to the grantee agency. The grantee is responsible for requesting final inspection of the grant program or project.

Unless otherwise required by the terms of the grant, the final audit will be conducted by the City Auditor. If an audit is to be conducted by federal, state, and/or independent auditors, the City Auditor must be notified of the time and location of such audits as soon as the agency has received such information. The agency must accomplish this notification immediately by telephone and by MEMORANDUM (28-1418-5007).

If an exception taken to any City expenditure or practice by a non-City auditor is not resolved, the grantee agency must immediately notify the City Auditor and the City Solicitor of the situation.

If an adult exception exceeds 5% of the grant or \$5,000, whichever is less, the grantee agency must immediately notify the Mayor’s Office, Attn: Chief of Staff.