

TOWN OF RICHMOND

GRANT MANAGEMENT AND PROCUREMENT POLICY

PURPOSE:

The purpose of this grant writing policy is to allow the Selectboard to make sound decisions regarding grants that are applied for either for the Town or through the Town, and to plan for future expenses related to the items and services that pertain to the grant.

The Town of Richmond shall adhere to all applicable Town Accounts Payable and Personnel policies in addition to Federal rules embodied in the Uniform Grant Guidance at 2 CFR 200 (UGG).

POLICY REQUIREMENTS:

Grant Application Requirements:

Prior to applying for a grant, the interested individual(s) must provide the Selectboard with the need for the grant, and the present and future costs associated with the grant. The Selectboard must vote whether or not to pursue the grant funding. If the Selectboard votes to pursue the grant, the Town Manager or Selectboard must appoint a Grant Program Manager (GPM), who is an employee of the town of Richmond, to be responsible for the management of the grant. The GPM must be an employee of the Town of Richmond. Certain grants require approval from other public bodies or officers, and the interested individuals and GPM are responsible for acquiring those approvals before the approaching the selectboard for approval. The Selectboard shall retain the right to reject, refuse, or return grant funding after an award has been made to the Town of Richmond.

Allowable Use of Funds and Allowable Costs:

A large portion of grant funding comes from the Federal government and often includes reimbursement for indirect costs. The GPM/designee who is responsible for administering, expending, and/or monitoring grant funded programs shall be well versed with the categories of costs that are generally allowable and disallowed.

The Federal Uniform Grant Guidance identifies the criteria that must be met in order to properly charge these costs to Federally funded projects. Individual non-Federal awards may also include special terms and conditions that must be met before costs can be charged or reimbursed, which must also be considered before allocating certain costs to the award.

All costs must be classified as direct or indirect. Direct costs include items such as GPM salary and fringe benefits, supplies, materials, subcontracted costs, equipment, etc. Indirect costs generally include the grantee's overhead costs such as utility costs, administrative assistant costs, shared supplies, etc. All costs should align with the budget outlined in the grant agreement. Costs in excess of the grant award amount should either be documented as match or the GPM should request additional funding if that is an option for the specific grant program. Administrative costs shall be calculated uniformly across Town departments and personnel unless the grant program requires administrative costs to be calculated differently or not included. The interested party applying for a grant shall

consider overall administrative costs, departmental operating costs, salary, mileage, and fringe benefit costs, and any potential shared supply costs. Indirect costs that are not reimbursable should be used, documented, and applied for as matching funds unless otherwise prohibited.

Procurement of services, supplies, materials, and contractors shall follow the Town of Richmond Municipal Purchasing Policy. All expenses exceeding \$1000 require the Town Manager's approval in the form of a purchase order. All expenses exceeding \$10,000 require the Selectboard's approval in the form of a purchase order. Expenses that range from \$1000 to \$15,000 require that the purchaser, in this case the GPM, acquire three comparable quotes. If three quotes cannot be acquired, the purchaser shall submit written explanation as to why three quotes could not be acquired. The written explanation and purchase shall be expressly authorized by the Grant Program Manager and Town Manager where applicable. Expenses that range from \$15,001 to \$25,000 require a sealed bid process. Expenses that exceed \$25,000 require a formal request for proposals to be answered in the form of sealed bids. Purchases that have been pre-qualified through the state purchasing program do not require a bidding process but do require a purchase order if the cost exceeds \$1000. Richmond does not set geographic limitations on purchases but does encourage local purchasing where feasible and cost effective. Purchases by credit card are only allowed in cases where a paper check is absolutely not a payment option. Prior authorization by the Finance Department and the GPM's supervisor is required prior to use of the credit card. Documentation must be provided to prove the need for the credit card's use. After use, the card is to be immediately returned to the cardholder along with any and all receipts from use. All other payments will be made through Accounts Payable by paper check. Please see the Municipal Purchasing Policy and Credit Card Policy for further procedural details.

All costs must meet the strictest requirements of the three possible overseeing bodies: Local, State, and Federal Government. Local being the Town of Richmond requirements.

All costs expended using Federal funds must meet the following general criteria laid forth in the UGG at 2 CFR 200, Subpart E.

- Be necessary and reasonable for the proper and efficient performance and administration of the grant program.
- Be allocable to Federal award(s) under the provisions of the Federal circular.
- Be authorized and not prohibited under the State or local laws or regulations.
- Conform to any limitations or exclusions set forth in the principles, Federal laws, terms and conditions of Federal award, or other governing regulations as to types of amounts or cost items.
- Be consistent with policies, regulations and procedures that apply uniformly to both Federal awards and other activities of the Town.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost and also be charged to a Federal award as an indirect cost.
- Except as otherwise provided for in the Federal circular, be determined in accordance with generally accepted accounting principles.

- Be not included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period.
- Be net of all applicable credits.
- Be adequately documented.

Documentation:

The GPM and Finance Department shall be responsible for maintaining all pertinent documentation for grants. All documentation is to be held in the Town Center offices and only accessible to the public during working hours. All transmission of documents should be done by town personnel. All grant documents are to be considered a public record unless otherwise prohibited by privacy restrictions. Both the GPM and Finance Department shall keep their own individual grant records. Required documentation includes but is not limited to:

- Grant Application
- Grant Agreement
- Grant Agreement Amendments
- Grant Budget
- Invoices and Receipts
- Cancelled Checks
- Reimbursement Requests
- Deliverables
- Sub-Recipient Agreements
- Sub-Recipient Reports
- Administrative Time and Expenses
- Other documents indicated by the GPM, Finance Department, or Grantor

Responsibilities of the GPM: The individual designated to be the GPM is responsible for following the Town's Accounts Payable and Personnel policies, including but not limited to creating, encumbering, and processing purchasing documents, and gathering and maintaining documentation for labor and equipment use. The GPM/designee shall be familiar with the general cost principals embodied in the Federal UGG and summarized above, and the cost principles applicable to the specific program funds they expend. They will keep copies of all documentation listed above and properly label pertinent documents used on the report submitted for reimbursement. The GPM is responsible for ensuring compliance with the grant agreement and timelines. The GPM is required to submit deliverables and reports on time in order to ensure timely reimbursement of town funds. The GPM is responsible for notifying the Finance Department of any grant funds that are to be supplied upfront prior to any grant agreement work being executed.

The GPM shall provide the Finance Director with a copy of the grant application, agreement, and any amendment documents for purposes of the Town's audit and is also responsible for filing the Sub-Recipient report with the state. The GPM is responsible for coding and submitting any invoices for the grant and is also responsible for requesting cancelled checks from the Finance Department to be submitted as evidence for reimbursement to the grantor. Invoices should be submitted to Accounts Payable in a timely fashion in order to avoid late fees and in order to prepare for reimbursement as

soon as possible. It is the responsibility of the GPM to ensure that invoices and subrecipient reports are correct and accurate prior to submittal for payment or reimbursement. It is the responsibility of the Finance Department to keep their own records of invoices paid and associated check stubs.

Compensation:

All town personnel shall be compensated according to the Town's Personnel Guidelines for work performed under a grant. Employees will be reimbursed for mileage by the town if the mileage was accumulated for town work purposes. Mileage can only be reimbursed if the driver is properly licensed and the vehicle utilized is currently registered, inspected, and insured. Mileage will be reimbursed at the federal mileage rate. Travel costs such as lodging, meals, and incidental costs may be reimbursed if prior approval is granted by the supervisor as matching funds, or if prior approval is granted by the GPM if the cost is included as match or is included as a reimbursable portion of a grant award. Volunteer work will be considered in-kind match. Richmond employees are not guaranteed relocation compensation and may only receive that through negotiations during the hiring process as part of their agreed upon compensation package. Relocation will not be considered part of compensation costs for grants. The GPM is responsible for tracking their own time, expenses, and travel costs spent on or for grant purposes, as well as acquiring that information from other personnel or volunteers that perform work for the grant. Contractors will be compensated through Accounts Payable and are required to submit invoices for payment as well as the W-9 tax form. Invoices from contractors should be itemized to reflect costs identified in the grant budget. All expenses not submitted in the form of an invoice will require a receipt from the vendor. Costs incurred by an employee will be reimbursed if an Employee Reimbursement Form and receipt are provided to Accounts Payable, and if the expense is approved by their supervisor and the GPM.

Conflict of Interest and Privacy:

All Richmond employees and volunteers are required to agree to and sign the Code of Ethics. The GPM shall be responsible for ensuring that they and any volunteers or Sub-Recipients agree to and sign the Code of Ethics prior to any grant work being executed. The Code of Ethics includes guidelines about conflicts of interest, ex-parte communications, inappropriate use of public office, incompatibility of public office, fair and equal treatment, and implementation of the Code. According to the Code of Ethics, the GPM as well as other staff or volunteers may not financially benefit from a grant aside from existing compensation agreements for their employment. Relatives, family members, and business associates of staff and volunteers also cannot financially benefit from a grant. The GPM cannot be a relative, family member, or business associate of the Grantor or Grantor's grant management staff or of a Sub-Recipient or Contractor associated with the grant. The Sub-Recipient of a grant cannot also be a contractor for the grant. The GPM is responsible for identifying conflicts of interest and immediately rectifying such a situation. All interested parties are responsible for disclosure of financial or personal interests in the grant project. The GPM shall be responsible for adherence to FERPA (Family Educational Rights and Privacy Act), HIPAA (Health Insurance Portability and Accountability Act), The Privacy Act, and The Freedom of Information Act as well as any other state or local confidentiality and privacy regulations and policies.

Property:

No public official shall request, use, or permit to be used, any publicly owned or publicly supported property, vehicle, equipment, labor, or service for the personal convenience or the private advantage of her/himself or any other person. This rule shall not be deemed to prohibit a public official from requesting, using or permitting the use of such publicly-owned property, vehicle, equipment, or material which is provided as a matter of stated policy for the use of Town public officials in the conduct of official Town business. A public official shall not receive or have any financial interest in any sale to the Town of any property when such financial interest was received with prior knowledge that the Town intended to purchase said property. Property obtained by a grant may be retained for its intended and useful life. In the case of federal grants, federal excess or surplus property should be used in lieu of purchasing new property. Surplus property, supplies, or equipment remaining at the end of the grant shall be first offered to be returned to the grantor. The grantor may instruct the grantee on how to dispose of, disperse, or utilize the remaining property. All property, supplies, or equipment utilized or held by the sub-recipient or a contractor shall be returned to the grantee unless otherwise authorized by the grant agreement or grantor. Property associated with the execution of a grant should be inventoried and classified by ownership, purpose, value, and the person responsible for maintaining or holding it. Property held or maintained by the Town shall be subject to the Town's loss control protocols and when owned by the town and applicable, the property should be insured. Physical property includes equipment, supplies, computing devices, and capital assets.

Sub-Recipients:

Sub-Recipients of Town-acquired grants shall be subject to the terms of this policy, and the Code of Ethics. A Sub-Recipient Agreement should be executed between the town and the Sub-Recipient in order to protect the interests of the town and grant program. Sub-Recipients shall not also be contractors for the grant program. Sub-Recipients shall be required to file proper reports and documentation required by the agreement, the GPM, or required by the grant program. Sub-Recipients shall be required to supply proof of insurance and any tax forms deemed necessary by the Finance Department. Sub-Recipients are responsible for providing evidence and documentation that ensures their compliance with all federal, state, and local laws and regulations.

Date: ____/____/____

Bard Hill

David Sander

Katie Mather

Roger Brown

Christy Witters