

RESOLUTION NO. 2022-08

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF TUSAYAN, ARIZONA, ADOPTING THE TOWN OF TUSAYAN GRANT ADMINISTRATION POLICY.

WHEREAS, the Mayor and Council of the Town of Tusayan (the "Town Council") has determined that it is in the best interests of the citizens of the Town of Tusayan to establish written policies and procedures to be used when applying for, accepting and administering federal, state, county, private foundation and corporate grants, sponsorships and donations; and

WHEREAS, the Town Council desires to adopt the Town of Tusayan Grant Administration Policy (the "Grant Administration Policy").

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF TUSAYAN, ARIZONA, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Grant Administration Policy is hereby adopted in substantially the form and substance attached hereto as Exhibit A.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Resolution or any part of the Grant Administration Policy adopted herein by reference is for any reason to be held invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps and to execute all documents necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED BY the Mayor and Council of the Town of Tusayan, Arizona, MAY 11, 2022.

ATTEST



Logan Keel, Town Clerk



Clarinda Vail, Mayor

Approved as to form:

Aaron Arnson, Town Attorney

Reviewed by:



Charlie Hendrix, Town Manager

Town of Tusayan

Grant Administration Policy



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INTRODUCTION

The purpose of this grant administration policy is to establish uniform policies and procedures throughout the Town of Tusayan (the "Town") to be used when applying for, accepting and administering federal, state, county, private foundation, etc. grants and donations. This document describes the grant administration process and identifies the roles and responsibilities of Town staff, employees, volunteers, agents and contractor.

Although this policy identifies certain Town Council, staff, employees, volunteers, agents or contractors that are routinely involved in the administration of grants, this policy applies to all agents of Town business who are programmatically or fiscally responsible for developing, implementing, administering, or reporting federal and other grant activity. It is essential for all Town agents to adhere to the applicable provisions of federal, state and local laws, regulations, contracts and grant agreements, as well as the grant policies and procedures outlined in this policy, while administering grant-funded programs. First, noncompliance may result in Town sanctions and liabilities. Second, incorrect or irreconcilable financial activity and account balances recorded in the Town's financial management system may adversely affect the integrity of Town financial reports and financial information reported to the grantor and the public. Third, it is necessary to help ensure that the Town is receiving the greatest possible economic benefit from the programs it administers.

Due to the complexity of grants, other documents should be used in tandem with this policy. In most instances, the grantor will provide specific guidance; on some occasions you will need to consult with other members of the management team to research particular information.

Grant trainings associated with writing and monitoring grants are highly recommended.

SECTION I: PURPOSE AND RESPONSIBILITIES

1.1 Purpose for Submitting Grants

A grant is a contribution or a gift of cash or other assets to be used or expended for a specified purpose, activity, project or facility. Grant agreements usually specify the maximum amount of funding, the scope of work to be done, the grant period (e.g. single or multi-year), and any special conditions applicable to the program. The Town's purpose for the use of federal, state, county, private foundation and/or corporate grants (including sponsorships and donations) is to maximize external financial resources while protecting the integrity of the Town's operational budget and long-term financial conditions.

Therefore, all Town employees will apply only for grants that further Town Council's goals and objectives, and support projects and programs that are consistent with the mission and priorities of the Town and its departments.

1.2 Fiduciary Responsibilities

A. Internal Controls

Only the Town Manager or designee is authorized to apply for and accept grants" on behalf of the Town." Employees, agents, volunteers or contractors are encouraged to bring grant opportunities proposals to the Manager, but the Manager and/or Council are the final decision maker on applying for and accepting the grant. When the Town of Tusayan applies for or accepts a grant, Town management assumes the responsibility for administering the grant and the financial assistance in accordance with the provisions of all applicable laws, regulations, contracts, and grant agreements. In order to ensure that the Town fulfills its fiduciary and administrative responsibility, the Town management has established a system of internal controls designed to provide reasonable assurances regarding the achievement of Town-wide and program-level objectives in the following categories:

1. Effectiveness and efficiency of operations
2. Reliability of financial and programmatic reporting
3. Town compliance with applicable laws, regulations contracts, grant agreements and other compliance requirements
4. Transactions are properly accounted for and recorded
5. Transactions are executed in compliance with all laws, regulations and provisions of contracts and grant agreements that could have a material effect on federal and other programs

6. Funds, property and other assets are safeguarded against loss from unauthorized use or disposition

To enhance cash management practices, it is the Town's preference to receive funding on a cost reimbursement basis, unless specifically prohibited by the grantor. This basis minimizes the Town's responsibility with respect to monitoring and administering interest earnings from grants.

All grant payments shall be made payable to the Town of Tusayan and mailed to:

***Town of Tusayan
845 Mustang Drive
P.O. Box 709
Tusayan AZ 86023***

B. Authority and Sources of Guidance

This policy supplements the Town's accounting and procurement procedures and serves as the general framework to follow when applying for grants, negotiating the terms and conditions of grant agreements, and administering grants. The policy is intended to provide consistent guidelines for grant administration to ensure optimum financial and administrative arrangements for the Town.

Matching Funds

Requests for matching funds (typically General Fund money) required as a condition of the grant application should be approved prior to the decision to apply and as soon as the matching estimate is known. No project will be eligible for matching funds without approval from the Town Manager and, when required, the Town Council.

If matching funds are required for future years on an annually or otherwise renewable grant, it must be estimated and budgeted by the initiating department during the annual budgeting process. For example, there are federal, state and county grant programs that typically issue requests for proposals every year. The need for matching funds for these predictable opportunities must be estimated and budgeted by the department.

Annual, renewable grants requiring matching funds must be planned for to ensure that budget appropriation authority is adequate and potential matching funds are addressed during the annual budgeting process. Renewable grants requiring matching funds must be approved by the Town Council through the budgeting or other Council approval process.

1.3 Administrative Responsibilities

Grant funding should be considered primarily for one-time or time-limited projects (such as capital improvements) that do not have a significant long-term effect on the ongoing operating budget. Grants also may be appropriate start-up funding mechanisms for priority projects already identified through a planning process. Grants should not be used as the primary financing mechanism to create new ongoing programs or services or to add unbudgeted positions unless specifically approved by the Town Manager. Any grant application that requires the guaranteed continuation of grant-funded positions or graduated match resulting in full financial responsibility subsequent to termination of the grant, or that directly increases the Town's ongoing operating cost, must be approved by the Town Manager or Town Council if the expenditures is anticipated to exceed \$50,000 per year. The Town Manager, or Town Council (if the grant award meets or exceeds \$30,000), shall have the final say on grant activities. The Town Manager may request Town Council input regarding a grant application submittal. If a Town Council meeting is needed but cannot be scheduled prior to a crucial grant application deadline, the Town Manager may authorize the application for the grant so that it does not miss the crucial deadline. However, the grant application will be withdrawn if the Town Council later decides not to approve the grant.

Upon Town Council approval, the Town may cosponsor, serve as fiscal agent, join with multiple sponsored community-based consortia or other jurisdictions, or act as a pass-through agency for another government agency or Non-Government Organization (NGO) if in the best interest of the Town.

A. Developing Appropriate Grant Projects

Grant writing and grant management take a considerable investment of time and resources. When considering whether to apply for a particular grant, the following considerations must be addressed:

1. Will the grant help the Town attain an articulated and specific objective or secure infrastructure investments that fit into the Town's priorities?
2. Is the grant-supported service or program a high priority for the Town Council, the department and the public as evidenced by planning documents, inclusion in the Capital Improvement Plan ("CIP"), local resources commitment, or other documentation that identifies the need and service levels?
3. What are the administrative and indirect costs of the grant. These could include finance, risk management, or special insurance requirements, or additional staff or space requirements. Are needs for staffing or space increases in conformity with the Town's plans, budget, and available monies.
4. Is the benefit derived from the grant sufficient to justify those costs? Has there been collaboration with staff, agents and contractors involved and are the costs eligible for grant reimbursement?

5. Can other costs associated with the grant obtain sufficient budget appropriations and, if matching funds are required, will that match come from a budgeted source?
6. Are there continuing costs for project or program services? If so, what is the funding source or is there a plan for terminating the grant-supported activities?
7. Is the proposed program budget sufficiently detailed? Have all the direct and indirect costs such as salaries, employee-related expenses, supplies and materials, equipment, travel, computers, consultants, allocated administrative and internal service costs been identified and accounted for)?
8. Is the grant coming from an agency that has already donated to another city or town? If so, have the other cities or towns that have accepted such grants been contacted to determine how they dealt with the above questions?

B. Grant Application Process

The Town has a methodology to help track grants and ensure that programs are managed and meet program compliance. The grant application process consists of the following steps that require the involvement of various staff members or staff functions. The following steps are a general outline of the process, with individual responsibilities relating to the process set forth in Section II.

1. **Finding Grant Opportunities.** Town elected officials, staff, agents, contractors or volunteers may seek grant opportunities for the Town.
2. **Logging the Grant.** Once an opportunity has been found, the applicant will notify the Clerk, who will log the grant onto a grant database. During this step, a grant number will be assigned.
3. **Invitation to Pursue Grants.** Once grant is logged and approval is obtained, the applicant has permission to pursue the grant. Prior to pursuing the grant, the applicant must obtain confirmation of the availability of any matching funds as well as Town Manager or Town Council approval as provided in this Policy.
4. **Permission to Pursue a Grant.** The person pursuing the grant becomes the "Grant Project Manager". This will normally be the Town Clerk or the designated grant writer. The Grant Project Manager fills in information pertaining to the project's ability to meet Town Council's goals and the Town's ability to meet all maintenance and reporting requirements and financial obligations as outlined in this Policy.
5. **Writing the Grant.** The Grant Project Manager should always attempt to fill out the grant application first. He/she should provide as much information as possible about the project sought to be funded. Seek assistance from supervising town staff or the Town Manager in completing missing information from the application.

- 6. Submission to the Town Manager.** The Town Manager or designee shall be the submitting agent of record and official point of contact for for all grant projects or programs. The Town Manager shall be the individual executing consent on behalf of the town once the required grant approval has been acquired. The Grant Project Manager may complete online applications under the direction of the Town Manager., The Grant Project Manager will obtain the Town Manager signature before the grant application is submitted.
- 7. Legal Review.** Once approved by the Town Manager, the Town Attorney will review the grant application and send it back with any required changes.
- 8. Town Council Approval.** Town Council approval, , is required when (i) the grant requires it, (ii) the grant meets or exceeds \$30,000 or (iii) the grant requires a contractual agreement. The form of all awarded grant contracts must be approved by the Town Attorney and all other procurement and grant contract requirements must be complied with.
- 9. Grant Approval Notification.** The Grant Project Manager or other Town agent/staff member designated by the Town Manger shall be responsible for tracking all awarded and denied grants.

SECTION II: INDIVIDUAL ROLES AND RESPONSIBILITIES

In an effort to ensure that all grants are administered in a consistent manner, the following policies have been designed to set forth the roles and functions for staff members involved with the grant projects.

2.1 Town Attorney

The Town Attorney shall approve all contracts, grant agreements, memoranda of understanding, intergovernmental agreements and any other binding documents prior to signature from the Town Manager or Mayor. The legal request process established by the Town is to be followed.

2.3 Department Director

Department Directors are responsible for reviewing and approving grant requests that come from their department's staff members. This review includes, but is not limited to, the grant requirements, implementation commitments and reporting requirements. Directors should not approve any grants that they do not have the financial and personnel resources to successfully administer. Any grant priority requests should be included with budget requests each year. Department Directors are responsible for nominating responsible staff members to serve as Grant Project Managers to oversee grants.

2.4 Grant Project Manager

A. Obligations Prior to Grant Submittal.

1. The Grant Project Manager is encouraged to attend at least one grant training program associated with writing and monitoring grants and one Finance meeting prior to submitting a grant application.
2. Grant Project Managers may seek out grant opportunities in their lines of work.
3. The Grant Project Manager is appointed by the Town Manager. For smaller grant applications the Town Clerk will mostly likely serve as the Grant Project Manager. For larger grants the Town will often contract with a third-party grant writer.
4. The Grant Project Manager shall work with the Town Manager by having an informal conversation about the grant prior to submitting a request to pursue a grant.
5. The Grant Project Manager should be prepared to provide the following information when requesting to apply for a grant:
 - a. A project description that explains what the funding will be used for and how it will benefit the Town, including a detailed budget by revenue and expenditure.
 - b. Anticipated project cost, any ongoing or post-grant cost impact or revenues and the source of matching funds.
 - c. The Town Council/department goals the grant supports.
 - d. Identify if the grant will need to be supported by IT, if necessary. Identify any additional computer equipment and/or server space required, whether additional budget allocations are needed, and whether current computer technology is compatible. The following is a list of questions that the Grant Project Manager should be prepared to answer:
 - (i) Will any technology equipment be purchased with the grant?
 - (ii) If so, what type of equipment?
 - (iii) What is the life expectancy of the equipment?
 - (iv) How do you intend to pay for the replacement and repairs associated with the equipment?
 - e. Identify if the grant requires non-IT equipment purchases and/or maintenance.

- f. Identify if the grant requires additional insurance.
- g. Identify if other departments will be affected by the grant and include confirmation that the affected departments' directors support the grant.
- h. The tentative timeline for the project implementation.
- i. Identify any partners in the grant, including a support letter/resolution that refers to the partner's level of commitment.
- j. Identify any additional insurance requirements necessary to fulfill the grant requirements and obligations.

B. Financial Obligations after Grant Award.

The Grant Project Manager is responsible for providing annual revenue and expenditure projections to the Town Manager or designee to ensure that such projections are integrated into the Town's formal, annual budget process. Such projections must be submitted within the required budget process timelines.

C. Grant Administration.

General rules for grant administration through close out.

1. All purchases with grant funding must be in accordance with the Town's procurement procedures and with the grant agreement.
2. All grant funded positions will be defined as limited appointments.
3. Update the Town's Policies and Procedures relating to grant-funded positions as necessary to comply with federal grant requirements.
4. Ensure that all insurance requests are appropriate for the Town.
5. **Implementation of the Grant.** The Grant Project Manager or other staff member designated by the Town Manager must implement the grant in accordance with the contract and all applicable laws and regulations. During this process, the Grant Project Manager/staff member should work with the Finance and the granting agency. The Grant Project Manager will be responsible for ensuring that all compliance items are met. The Grant Project Manager should be aware of federal laws and regulations as they relate to the grant project and should seek guidance if the Town's obligations are unclear.
6. **Reporting Documents.** All reports are to be completed by the Grant Project Manager or other staff member designated by the Town Manager on time and in conjunction with other Town agents (when necessary). Copies of reports shall be retained by the Town

for the time period specified in the current Town and/or State of Arizona ("State") approved record retention schedules or as indicated within the grant contract (whichever is longer).

- 7. Closing the Grant.** Grants will be closed only when a letter of completion or compliance has been obtained from the grantor. All grant activity should remain open until the funding has been fully spent down. Grant Project Managers or designated staff should not close any grants without the consent of the Town Manager.

The following functions are roles rather than titles. These functions are duties and obligations associated with grant administration. Each function may be performed by different individuals or several of the functions may be performed by the same person. The roles are assigned by the Town Manager.

Grant Project Management

Ensure that any in-kind match is documented and that grant documentation is retained with other grant-related records for the time period specified in the current Town and/or State approved record retention schedules or as indicated within the grant contract (whichever is longer). Program income, including revenue and earned interest as well as in-kind match, must be handled according to grant guidelines and OMB Circulars A-87 and A-102, if applicable.

Request to expend funds by the termination date noted on the grant agreement. Expenditures encumbered prior to the award date or after the termination date may not be eligible for reimbursement. An extension of the grant may be requested if the programmatic goals have not been met or funding remains. The request for extension should be coordinated with the Town Manager or designee.

Be familiar with the programmatic and administrative requirements of the grant and comply with these requirements including the cost principles and administrative guidelines. Many grantors will provide this information in the application packet instruction and/or the award documents.

Be responsible for reporting requirements. Submissions of programmatic and financial reports shall be accomplished in accordance with the guidelines specified in the grant contract or agreement.

Be responsible for providing financial information to Town Manager or designee. This information must be provided as soon as possible. The Grant Project Manager also shall notify the Town Manager or designee of upcoming reporting deadlines.

Notify the Town Manager about any scheduled audits or site visits as soon as the Town or Grant Project Manager is notified of such audits and site visits.

Work closely with the Town Manager or designee when closing out grants. Project closeout activities shall include completion of the final programmatic and financial reports, determination of obligated and unobligated cash balances and completion of necessary accounting entries. All project files shall be combined and retained by the Grant Project Manager. Do not certify that a grant is closed without consent from the Town Manager.

Inventory equipment purchased for his/her area of control and submit inventory records. Records for equipment, non-expendable personal property and real property shall be retained for the time period specified in the current Town and/or State approved record retention schedules or as indicated within the grant contract (whichever is longer).

Finance

Use the itemized budget prepared by the Grant Project Manager to support general ledger account and budget set up for the grant.

Be available to assist with setting up detailed budget plans when necessary.

Work with the Grant Project Manager to determine the budget and account code for the respective grants.

Establish separate records for each project to avoid commingling of project funds.

Be responsible for coordinating the financial reporting of all grants.

Schedule monitor and ensure timely completion of all required audits in conformity with guidelines required by the Single Audit Act as amended, if applicable.

Procurement

Work with the Grant Project Manager to ensure that procurement procedures have been properly followed.

Information Technology

Work with the Grant Project Manager when requesting computer and/or technology equipment.

APPENDIX A: Grant Project Profile Worksheet

<p><i>In one sentence</i>, describe your project idea. What will you do? Where? With whom? When? And why?</p>	
<p>What <i>broad categories</i> of Town needs or opportunities does your project address? (Think in terms of general labels or frames.)</p>	
<p>Describe the <i>specific need or issue</i> in the Town that your project will address.</p>	<p align="center">In our Town, the current situation is this:</p>
<p>What <i>specific changes or outcomes</i> do you intend to achieve in the Town as a result of your project?</p>	<p align="center">We intend to achieve the following specific outcomes:</p>
<p>What are the <i>major steps</i> you will need to take to make these changes happen?</p>	
<p>What <i>resources</i> will you need to accomplish these steps? (people, equipment, materials, training, supplies, services, other Town departments, etc.)</p>	
<p>Approximate total cost:</p>	<p align="center">\$ _____ Match \$ _____</p>
<p>Who else has a vested interest in working with you as <i>partners</i> on this problem or opportunity?</p>	
<p>What information, tools, data, etc., will you use to decide whether your project succeeded?</p>	
<p>Who will be the grant project manager?</p>	
<p>Submitted By:</p>	
<p>Telephone:</p>	<p>Date:</p>
<p>Email:</p>	

APPENDIX B: Grant Check List

Project Name: App. Due Date: ____ / ____ / ____

Department:

Contact Name:

Phone:

Email:

I. Procedures for Developing and Submitting Grant Applications

- Confirm purpose of the grant project meets Town Council Strategic Plan Goals and Operational Priorities/department goals.
- Read and understand entire grant application to ensure that your budget has the appropriate resources to comply with the grantor's requirements.
- Develop grant concept including estimated budget and expected funding sources approved by Department Director.
- Grant logged into the grant management system. This includes project description, total cost, grant amount requested, source of funding, match, ongoing cost implications including additional staff, if any, special conditions and application due date.
- Consult with other affected departments or functions who will support or have the capacity to implement your project.
- Town Attorney to review if Resolution is required prior to grant submittals.
- Obtain Town Manager's signature prior to grant application submittal.
- Prepare draft Council communication requesting authorization to apply and accept grant if necessary.

- Complete final review and editing (a pair of fresh eyes are best), making sure to check the application against the grantor's instructions or the RFP.
- Send copy of the signed application to the Town Clerk for archiving and distribution.

II. Procedures for Accepting Grant Awards and Post-Award

Congratulations! Now you need to:

- Whoever receives an award notice/notification should send a copy of the award notice/notification and award agreement with completed contract/grant information to Town Manager and to Town Clerk for archiving and distribution.
- Set up a meeting with the Town Manager to reconcile the accounts associated with the grant. During this meeting, you will review the grant requirements and you will be responsible for meeting all the grant requirements and the current Town and/or State approved record retention schedules.