

**GILA COUNTY, ARIZONA**  
**BOARD OF SUPERVISORS POLICY**

<b>Subject:</b> <b>Policy for Accepting and Administering Grants</b>	<b>Policy Number</b> <b>BOS-3-2005</b>	<b>Page</b> <b>1 of 4</b>
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**I. Purpose**

The purpose of this policy is to ensure premium optimum financial terms and reimbursements for Gila County when receiving grant funding and to facilitate informed, timely decisions by the Board of Supervisors when considering and accepting grants by establishing a formal, uniform process for:

- evaluating, applying for and accepting grants,
- negotiating the terms and conditions of grant agreements, and
- monitoring grant related expenditures.

**II. Background**

Gila County receives significant grant funding from local, state or federal agencies or from private sources. Prior to the adoption of this policy, the Board of Supervisors frequently was not apprised of grant applications and resulting fiscal impacts to the County until after grants were awarded and funding was pending or, in some cases, already received. Further, information and analysis accompanying requests for grant acceptance were inconsistent and in some instances insufficient to allow the Board to manage and plan for the short and long term fiscal needs of the County. This policy addresses these issues as well as setting forth the Board's expectations concerning acceptable terms and conditions under which grant funding is received.

**III. Policy**

**A. Definitions**

In this policy, unless the context otherwise requires:

1. "Board" means the Gila County Board of Supervisors.
2. "Fund impact" means any cash or in-kind matching requirement for the receipt of grant funds and includes overhead charges if such charges are not entirely supported by grant funds.

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3. "Grant" means any contribution or gift of cash or other assets from a governmental or private entity to be used for a specific public purpose.
4. "Ongoing grant" means a grant program that is expected to provide grant funding each year for an unlimited duration and for which the terms and conditions remain substantially unchanged.
5. "Overhead charges" means direct and indirect administrative costs incurred by the County that are attributable to and benefit a grant program that are calculated and allocated by the Finance Department in conformance with federal law and accepted principles of governmental accounting.
6. "Responsible department" means the department, office or agency under the budgetary jurisdiction of the Board that has direct oversight responsibility for the program(s) or service(s) to be funded partially or entirely with funds from a grant award.
7. "Funding source" means local, state or federal agencies or private sources.

#### **B. Approval to Apply for Grant**

1. Except in the case of ongoing grants that have previously been approved by the Board, all grant applications must first be approved by the County Manager prior to submittal to the Board. Note: Grant **applications** are not required to be presented to the County Attorney.
2. Prior to submission of an application for grant funding, the responsible department shall determine whether receipt of the grant will create current or future general fund impact. If a general fund impact will occur the responsible department shall:
  - a) Calculate the amount of general fund impact, both cash and in-kind, for the current and future fiscal years including the cost to continue the grant funded services when the grant funds expire. If an in-kind match is to be provided, the calculation must include impacts on other existing departmental programs and services.
  - b) Prepare a cost benefit analysis of the grant including whether the grant funded services are mandated by law.
  - c) Transmit to the County Manager and the Finance Department the information described in items (a) and (b) above together with a description of all material grant terms and conditions including the method and schedule of grant disbursements and whether all overhead charges will be paid from grant funds.

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3. The responsible department must obtain Board approval **before** submitting a grant application. The grant application must be submitted to Chief Deputy Clerk of the Board with a completed agenda review form which should contain the following: 1) the name of the entity the grant is being submitted, 2) the name of the grant, 3) the type of services to be provided by the grant, 4) the amount of the grant and whether any grant matching funds or in-kind services are required, 5) whether any additional personnel, office space and/or equipment is needed, 6) whether the grant has been included in the current fiscal year budget, and, 7) the grant contract name, number and funding source.
4. There are instances whereby a department receives very little advance notice of an available grant and there is a short turnaround time to submit the application. Board approval must still be obtained; however, in this case, the submitting department may submit the agenda review form to the Chief Deputy Clerk of the Board which contains all of the information related to the grant (as specified in #3 above) with the grant application signature page. The detailed summary section of the agenda review form should contain the reason the grant application was not submitted at this time along with the date the department first learned of the grant and the grant application deadline.

After the Board has authorized the department to submit the grant application and the grant application has been prepared, a copy of the completed grant application must be sent to the Chief Deputy Clerk with reference to the date the Board approved submittal of this grant.

#### **C. Approval to Accept Grants**

1. All grants must be **accepted** and **approved** by the Board prior to receipt and expenditure of grant funds.
2. Requests by responsible departments for approval to accept grants shall:
  - a. first be submitted to the County Attorney's Office for review and approval as to form of the grant agreement along with the agenda review form with the required information in section B, paragraph 3, and
  - b. include the information, revised as appropriate to reflect the actual grant award, required by section B, paragraph 2 of this policy relating to application for grants, and provide a copy to Finance.

#### **D. Terms and Conditions of Grants**

Though the Board may authorize exceptions for specific grants, it is the general expectation of the Board that all grants:

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1. Pay all of their overhead charges as calculated and allocated by the Finance Department except as prohibited by law or regulation.
2. Be distributed in advance of expenditures by the County for grant funded services or, if unavoidable, reimbursed after such expenditures no less frequently than each month. If expenses will be reimbursed, interest expense incurred by the County to advance cash for the services should be supported by the grant funding except as prohibited by law or regulation.
3. Utilize in-kind contributions in lieu of cash to satisfy match requirements and, if cash must be utilized, that revenue sources other than general fund be expended, if possible.

**IV. Prior Policies and Procedures**

All previously adopted Board of Supervisors' procedures regarding grant applications and grant awards are repealed.

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Adopted by the Gila County Board of Supervisors this 13<sup>th</sup> day of December 2005.