

THE CITY OF TEXAS CITY

Grants Administration Manual



GRANTS ADMINISTRATOR

The City of Texas City's Grants Administrator is situated within the Mayor's Office and is tasked with centralizing the City's grant seeking and grant giving efforts; providing guidance and oversight to City departments in managing their post-award grant administration and reporting processes; and processing any donations received by the City.

The mission of the Grants Administrator is to increase the City's capacity to compete for federal, state, county, corporate, and foundation grant opportunities and to effectively assist in the full life cycle of grant management from application through closeout. The aim is to increase grant revenue, limit the City's exposure to any grant related legal liability, and improve the overall efficiency and impact of programs and services funded through grant dollars.

The Grants Administrator utilizes eCivis, a leading grants management system designed for state and local governments and school districts. The software allows the Grants Administrator to search and analyze a comprehensive listing of federal, state, and foundation grant opportunities.

Pleases note: All City of Texas City grant applications must be submitted by the Grants Administrator. This not only ensures that the submitted requests align with the established City's priorities; it can help avoid duplicate requests to the same funder. Further, all local foundation requests and meetings will be facilitated by the Grants Administrator.

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INTRODUCTION

Grant funds received by the City of Texas City support important programs and services that the City provides to our community. These funds allow the City to extend pre-existing services, introduce new initiatives, gain technological advances, and subsidize programmatic staffing and equipment. Grant funds are dispersed throughout many City departments and impact a variety of efforts, including public safety, economic development, community development, technology, recreation, and infrastructure improvement, among many others. Because grant funding allows the City to leverage local public funds to extend and enhance the services it offers to the community, the impact of grant funding upon the City of Texas City is significant.

The purpose of this Grants Manual is to guide City employees through the grant seeking and post-award processes for all departments, allowing us to achieve our mission more fully. The policies and procedures contained herein are intended to foster exceptional stewardship of the public trust through a rigorous adherence to ethical standards associated with grant related activity.

The policies and procedures laid out in this Grants Manual aim to achieve the following:

- Ensure that all grant related activity is consistent with the strategic priorities of the Mayoral administration.
- Ensure the integrity of the City's good standing among grantmaking entities, from local foundations to Federal agencies and everything in between.
- Ensure accountability for financial and programmatic elements of grant management, as well as the detection and mitigation of potential grant related problems.
- Serve as a resource for all steps of the grant's lifecycle including grant seeking, post-award management, and closeout for all City departments; and
- Centralize grant seeking and management to promote collaboration and coordination of the grants process between City departments.

If specific direction relative to grants cannot be located in this policy, please refer to existing City of Texas City policies and procedures or contact the Grants Administrator for assistance.

DEFINITIONS

Administration – Primarily the responsibility of the Grants Administrator; includes the collective grant activities from completing an application to completing all the closeout requirements for the award.

Application Package – A group of specific forms and documents for a specific funding opportunity which are used to apply for a grant.

Award – An approved application for financial assistance that provides support or stimulation to accomplish a public purpose.

Catalog of Federal Domestic Assistance (CFDA) number – The number assigned to a Federal program in the CFDA. CFDA provides a full listing of all Federal programs available to State and local governments.

Closeout – The process by which the Federal awarding agency or pass-through entity determines that all applicable administrative actions and all required work of the Federal award have been completed and takes actions as described in § 200.343 Closeout of the OMB Uniform Grants Guidance.

Code of Federal Regulations (CFR) – A codification of the rules governing federal assistance programs published in the Federal Register.

Contract – An executed agreement for procurement of funds, goods, services, or other assistance with specific obligations per the terms of an award and applicable federal, state and local regulations.

Cost Sharing or Matching – The portion of project costs not paid by grant funds. Represents a contribution based on overall costs of a project or activity provided by the grantee or by third parties from sources other than the grant funds. Can be a “cash match” of money or “in-kind match” of personnel, supplies, services, equipment, or other property.

Federal Awarding Agency – The Federal agency that provides a federal award directly to the governmental entity for which the City serves as a subrecipient.

Financial Management – Primarily the responsibility of the Finance Department. This includes, providing technical and management assistance to the Grants Administrator, coordinating the City-wide Single Audit, submitting reimbursement request to grantors where determined appropriate and practical by the Finance Department, and coordinating the City-wide physical inventory of grant-funded equipment.

Funding Period – The period when federal funding is available for obligation by the recipient.

Grant – An award to carry out a valid purpose under terms established by the grantor/awarding agency depending on the type of award and applicable federal, state and local regulations.

Grant Management – Primarily the responsibility of the Grants Administrator. This includes seeking grants where applicable and practical and where benefits of the grant exceed the cost of administering the grant, obtaining City Commission approval needed to apply for a grant, submitting requested documentation to the Finance Department, complying with requirements of the grant agreement, monitoring the grant program activities, and cooperating with the Finance Department to fulfill auditor requests and complete the City-wide physical inventory of grant funded equipment.

Grantee – A City Department or organization receiving financial assistance directly from an awarding agency to carry out a project or program, also referred to as a recipient or subrecipient.

Grantor – Entity providing financial assistance in the form of an award, also referred to as the sponsor or awarding agency.

Office of Management & Budget (OMB) – An Executive Office of the President of the United States responsible for issuing circulars to establish uniform standards for administrative and financial regulations for government granting agencies.

Pass-Through Entity – A non-Federal entity that provides a subaward to the City (as subrecipient) to carry out part of a federal program.

Schedule of Expenditures of Federal Awards (SEFA) – a supplementary Comprehensive Annual Financial Report (CAFR) schedule that includes the name of the Federal grantor agency or organization, the official program title of the Federal award, the applicable CFDA number for each award, the grant number assigned by the Federal awarding agency, and current year expenditures (both directly incurred by the City and passed through to subrecipients).

Single Audit – A financial, internal control and compliance audit established in OMB circular A-133 for entities that collectively expend \$750,000 or more of Federal assistance in a fiscal year.

Subaward – An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity.

Subrecipient – A non-Federal entity that receives a subaward from a pass-through entity to carry out part of a federal program; but does not include an individual that is a beneficiary of such program.

Grant Checklist

Pre-Award

- ✓ Identify a grant opportunity or funding need.
- ✓ Meet with Grants Administrator to evaluate opportunity, discuss timeline, and assign roles.
- ✓ Department Subject Matter Experts (SME) provides necessary information to Grants Administrator for inclusion in the application.
- ✓ Grants Administrator will submit application.
- ✓ Grants Administrator will notify department when award is approved or denied.

Post Award

- ✓ Grants Administrator will contact department to schedule grant execution meeting.
- ✓ Department SME works with the Grants Administrator to draft legislation to be presented to Commission.
- ✓ Grants Administrator and department SME attend City Commission meeting regarding the grant.
- ✓ Grant is signed by Mayor.
- ✓ If required, the Grants Administrator, City Attorney, and department SME will draft partner agreements to be signed by interested parties.
- ✓ Grants Administrator will notify Finance Department when to expect funds from grantor.
- ✓ Submit any progress and financial reports for funder to Grants Administrator.
- ✓ Prior to any major budget or project changes, contact Grants Administrator.
- ✓ Submit close-out documentation, including final reports, to Grants Administrator for submission to Finance Department (if applicable) and grantor.
- ✓ Per grant agreement, retain necessary documentation for an audit.

PART 1: GRANT SEEKING

I. GRANT SEEKING PROCESS OVERVIEW

The Grants Administrator aims to help departments to both find and apply for grant opportunities, thereby allowing each department to expand its overall capacity without placing greater burden on the City's Operating and Capital budgets. To do this, the Grants Administrator must have knowledge of all departmental needs that may be met through grant funding. Understanding a department's needs and priorities will allow the Grants Administrator to conduct research to find possible grant opportunities that suit its needs.

The following methods will be used to match departmental needs with grant opportunities:

- I. Annual meetings with departments
 - As part of the yearly formation of the City's Operating and Capital budgets, the Grants Administrator will meet with departments during their annual budget formation meetings to identify the current needs and priorities of the department. These identified priorities will inform regular searches of our grants database. Department heads and the designated grants liaisons for each department will be notified throughout the year as promising new grant opportunities are identified.
- II. Ad-hoc grant seeking
 - At any time during the year, all City employees are encouraged to bring new ideas or initiatives to the Grants Administrator. In these cases, the Grants Administrator will work to match the idea to existing grant opportunities and add the information to the internal department priority lists.

Once a grant opportunity is identified, the Grants Administrator will work with the department head or application team to complete a high-quality application for submission prior to the deadline.

II. IDENTIFYING A GRANT OPPORTUNITY

You may have a great idea for a new program, or your department might be in need of a piece of equipment. However, the City's Operating or Capital Budgets are not always realistic sources of funding for new purchases or initiatives. Fortunately, the Grants Administrator is here to help you identify grant opportunities that match your specific needs.

The process below will be followed for all new requests brought to the Grants Administrator:

- I. Departments contact the Grants Administrator with a specific need (i.e. new unfunded program, equipment purchase, etc.).
- II. The Grants Administrator will use eCivis, an online grants database, and funding expertise to locate the most appropriate grant opportunities.
- III. If a promising grant opportunity is located, an initial grant evaluation meeting will be scheduled with the department and the Grants Administrator.
- IV. If the Grants Administrator is unable to identify promising grants immediately, a notification is set up in eCivis that will send an alert when relevant funding opportunities become available.

HOW GRANT OPPORTUNITIES DIFFER

Foundation Grants: Local and national foundations exist to give away monies from their endowments to programs of specific interest to their founders or board of directors and/or to benefit specific locations or populations. They make decisions following only their own bylaws. As such, requests for funding from foundations should reflect the unique priorities of each organization. Funding requests from local foundations will need to be evaluated and approved by the Mayor's Office before an application can be submitted. ***Notify the Grants Administrator at least 2 weeks prior to the application deadline.***

Corporate Grants: Corporate philanthropies are private funders who are endowed by corporations, and in some cases even receive a designated percentage of profits each year to give away. They too make funding decisions based on their own bylaws, which often dovetail with the sector in which the associated corporation operates. Usually, a corporation's website will detail its grant making priorities and application guidelines. ***Notify the Grants Administrator at least 2 weeks prior to the application deadline.***

State Grants:

The State of Texas offers several grant opportunities for municipalities through various agencies. These grants cover a wide variety of subject matter including environmental issues, transportation funding, economic development, and historic preservation. ***Notify the Grants Administrator at least 1-month prior to the application deadline.***

Federal Grants:

The most time-consuming and competitive opportunities, Federal grant applications are substantial undertakings that can require project teams working upwards of 3 months to successfully complete. These grants often provide very substantial funding for longer-term initiatives, pilot projects, equipment, infrastructure-related projects, etc. that may be too costly to otherwise fund. These opportunities are often offered through the relevant agencies like the Department of Agriculture (USDA), Department of Education (DoED), Department of Housing and Urban Development (HUD), etc. ***Notify the Grants Administrator at least 1 month prior to the application deadline.***

III. APPLYING FOR A GRANT

Once a grant opportunity has been identified, the Grants Administrator will schedule a meeting to evaluate the competitiveness of a possible City of Texas City application. During the meeting, the following steps will be completed by the Grants Administrator, Finance, and department representatives:

- I. Review the application material in-depth.
- II. Identify all content and application components that must be developed for a successful application.
- III. Identify financial implications
 - Total anticipated project cost
 - Match requirements and sources
 - Partner organizations/sub-contractors
 - Staffing requirements (including salary and benefits increases for multi-year grants)
 - Documentation of a clear continuation plan*
- IV. Identify programmatic implications
 - Alignment with Mayoral administration's strategic priorities

- Alignment with the department's goals
- Department's capacity to administer the programmatic, financial, and administrative aspects of the grant

*In evaluating grant opportunities, departments are required to develop continuation plans prior to applying for grants. The plan should address strategies for sustaining grant funded programs should funding be reduced or terminated. Departments must plan responsibly for either termination or reduction of the program, or, plan to seek alternative sources of funding. Departments must understand that grants are temporary and additional costs cannot be absorbed by the City's operating budget.

Upon reviewing the factors above, a decision will be made regarding whether to pursue the grant opportunity. The process below will be followed to determine the next steps for all grant opportunities:

- I. Reach a joint decision on whether the opportunity should be pursued
- II. Develop an application timeline, assign tasks, and, if necessary, identify a larger project team to aide in application development
- III. Schedule any necessary follow-up meetings

The process of assembling a grant application can vary greatly, as can the time commitment necessary to complete a competitive application. Keep in mind, the Grants Administrator is always available as a resource, but departmental staff must be active contributors to the application to provide the necessary technical and operational expertise and knowledge. The following can be expected from the Grants Administrator during the application process:

- Attend regular project team meetings and provide expertise and feedback.
- Writing and editing assistance.
- Assist with securing letters of support to be included with the grant application.
- Offer guidance on best practices for developing budgets, logic models, and other commonly required application components.

COMMON APPLICATION COMPONENTS

While each grant opportunity will have specific requirements, this section is intended to provide information that can be applied to all grant pursuits in general.

Writing an Executive Summary: The abstract or executive summary is a brief, page-limited overview of what the grant reviewer will find in the full grant application. Brevity is important - this section should be no longer than one page unless the guidelines indicate the need for a two-page summary. It is recommended to write the abstract or summary after the entire grant application narrative is written. Always follow the funder's guidelines regarding word or line limits and the structure of the abstract or executive summary.

Developing a Budget: The budget should contain two parts: (1) a budget and (2) a budget narrative. The budget will include a list of all line items and the specific dollar amounts, as well as a total cost for all expenses. The budget narrative is the more detailed, written explanation of how the monies will be spent if the project is funded. This section will explain and justify the calculations used to arrive at the budget figures.

Coordinating a Letter of Commitment or Support: A letter of support comes from a partner organization and states that the partner is committed to providing leveraging assets to your grant funded program when funded. Partner organizations can commit to providing cash, facilities, technical assistance, equipment, supplies and materials, or loaned staff. Ask for letters of support from affiliates early in the planning process (*Note: the number of support letters required will vary*). In addition, letters of support can be written by local elected officials or organizations that underline their favorable opinion of the projects without specifically committing resources or funding to the proposal.

Creating a Logic Model: The Logic Model is a graphic blueprint of the key elements of a proposed program. It looks at inputs, activities, outputs, outcomes, and impacts. If you live and work in the world of grants, avoiding the Logic Model is difficult. Many different funders require a Logic Model in the program design of the grant application narrative.

See the Appendix for a sample budget, Commission resolution, and logic model. In addition, the Grants Administrator website is a resource for additional grant application tools.

IV. APPLICATION SUBMISSION

Prior to grant application submission, the application must be reviewed by the Grants Administrator. The goal is to ensure that program and application materials align with established City priorities, meet the City's document quality standards, have matching funds available (if required), and that the means for continuation of the project or program after the grant period ends have been given realistic consideration.

The Grants Administrator is responsible for ensuring that the pre-application assessment factors noted above have been evaluated and completed prior to submission.

The process below will be followed prior to submitting your grant application:

- I. Departments provide the Grants Administrator with all relevant application materials to review and authorize prior to submission.
- II. The Grants Administrator verifies any necessary information with department heads, Finance, and the Mayoral administration.
- III. Obtains City Commission approval needed to apply for and accept grant funds. Applications for grant funds up to \$50,000 require Mayor approval; over \$50,000 requires City Commission approval. *Thresholds are consistent with the City's purchasing guidelines.*
- IV. Grants Administrator then submits the application following the procedures laid out by the funder.
- VI. Grants Administrator sends a copy of the entire request (including all attachments and supporting documentation) to the Department which retains a digital copy of the application and supporting materials for future reference.
- VII. Grants Administrator submits a copy of the application and supporting documents to Finance at the time of application submission to the Grantor.
- VIII. Notify Department when award is approved or denied.

PART 2: POST-AWARD GRANT MANAGEMENT

I. GRANT NOTIFICATION AND ACCEPTANCE

Once the Grants Administrator and/or department is notified that grant funding is awarded, the department calls the Grants Administrator to schedule a grant execution planning meeting. ***In some cases, grant awards require a quick turnaround to execute grant agreements. The Grants Administrator will work with departments to meet funder deadlines.*** Oversight of this process is critical to ensure that the interests and responsibilities of the City are met.

Throughout the grant cycle, the department is required to:

- Implement the project or program
- Achieve the stated goals and objectives outlined in the grant contract
- Comply with grantor's terms and conditions
- Meet agreed upon deadlines
- Adhere to the stated budget
- Maintain appropriate records
- Meet financial and programmatic reporting requirements
- Communicate the results of the program or project to the grantor and Grants Administrator

The process below will be followed for all grant award acceptance:

- I. The Grants Administrator will begin the process of formally accepting the funds.
- II. Upon receipt of the notice of the grant award, Grants Administrator and City Attorney review the grant agreement (including grant requirements), and forwards all information to Finance for tracking the grant and filing in the grant file.
- III. A unique number for the grant will be assigned by the Finance Department for use in Munis, the City's accounting system, in managing deposits and expenses related to the grant. This number will also be used as part of sections 1 and 2 of the resolutions for Commission.
- IV. The Grants Administrator will assist departments in the drafting of legislation to be submitted to City Commission. Authorization to accept and expend an award must be approved by City Commission through the legislative process.
- V. Once the Commission has approved acceptance, the Grants Administrator will forward the grant documentation to the Mayor for signature. Grant awards will need to be signed by the Mayor in order for them to be accepted by the grantor and become a fully executed agreement. The Grants Administrator will then send executed agreements back to the departments. Grant agreements may require additional signatures depending on the funder, which could include a department director and the Legal Department. **Pay attention to the deadline to accept a grant. Some grant award acceptances require a quick turnaround.**
- VI. The Grants Administrator is responsible for sending executed and signed grant documentation to the funder. This is usually a paper file but may be electronic. Upon receipt, the grantor will sign the final award document (executed award) and send it back to the Grants Administrator. When copies are received, the Grants Administrator will forward copies to the Department, Finance, and the City Secretary.

Partner Organizations: There may be circumstances in which the City of Texas City will partner with an outside organization. For example, the City is often approached by local non-profits, authorities, and other agencies to serve as the lead applicant for grant opportunities that are only open to municipalities. **As the lead applicant, the City assumes all the responsibilities for the grant, and must contract with the secondary organization.** In the case of all partnerships, a Memorandum of Understanding (MOU) between partner organizations is required.

A MOU is a document which outlines each organization's roles and responsibilities in fulfilling the grant requirements. The City Attorney will be instrumental in writing the agreement, which will then be folded into the process of accepting the grant award. At the time when legislation is presented, the MOU will also be included in the accompanying resolution.

II. MANAGING THE GRANT

Once grant funding is awarded and accepted, departments assume responsibility for accurately expending grant funds in accordance with the budget as well as implementing the scope of work for the project. There are unique financial and implementation requirements for every grant, which will be laid out in the award documents. The Grants Administrator is available to assist with any questions about these requirements.

The process below will be followed for managing a grant:

- I. In conjunction with the Grants Administrator the department will create a Grant Implementation Plan that identifies the goals and objectives to be achieved, the project timeline, milestone events, an anticipated expenditure schedule, and roles and responsibilities. The purpose of this policy is to ensure that all grant funded programs or projects are managed according to the terms set forth in the grant agreement, the City of Texas City Grants Manual, and other applicable City policies and procedures.
- II. The Grants Administrator must request payment from the funder if payment is not received up front. The specific payment method will be disclosed in the executed agreement. A request for payment will be submitted through the Grants Administrator via eCivis.
- III. Expenditures go through the City's regular approval process in Munis.
- IV. Departments are required to submit timely progress and financial reports that are outlined in the final grant agreement. Timely submission is necessary to avoid audit findings and ensures the City remains in good standing with all funders. Untimely submission of reports can jeopardize future funding requests and hold up payments for the City of Texas City via the same funding agency. Copies of reports will be sent to the Grants Administrator.
- V. Notify the Grants Administrator of any budget or programmatic changes to the Grant. Funders must approve any significant budget or programmatic changes through a written request, including award extensions. The grant agreement is a formal contract, so any changes need to be agreed on by both parties. For example, if an item costs significantly more or less than what was entered in the budget, if there is a change of staff, or a change in project scope, departments will need funder permission to implement changes. If a modification request is not submitted, it is likely that grant funds will need to be returned (to the Grantor) or they will not be reimbursed.
- VI. Requests for Proposals (RFPs) for vendors need to be coordinated with the Grants Administrator to ensure RFPs are in line with the grant award. If this is a Federal grant, the Department must search the System for Award Management (SAM) website to ensure any sub-awardees, or the vendor is not debarred or suspended.

VII. For purchases and contracts \$50,000 or more (cumulatively in any fiscal year), the City does not enter into contracts or procure goods from vendors or contractors that are suspended or debarred. **Purchasing checks suspension and debarment for every requisition \$50,000 and above. This test will be done for all Federally Funded items that come through Commission. Additionally, a suspension and debarment clause is included in the Standard Terms and Conditions for purchase orders and contracts. The same is now included in the Instruction to Bidders in the Project Manual.**

VIII. City procurement policies must be followed when procuring goods or services with grant funds.

IX. Federal procurement regulations must be followed when procuring goods or services with Federal funds, including completion of the (1) Independent Estimate Determination Form and (2) Cost or Price Analysis (Reasonableness Form) if the procurement is \$250,000 or more. These forms will be completed by the department SME.

UNIFORM GRANT GUIDANCE – FEDERAL PROCUREMENT RULES (effective 10/1/2018 per *CFR § 200.320*)

Methods of procurement under Federal Awards. Note that City thresholds are more conservative and therefore are noted in place of Federal thresholds.

Purchase Type	Characteristics & Requirements	Written policies and procedures for: <ul style="list-style-type: none"> ● Procurement standards ● Conflicts of interest in procurement ● Allowable cost standards
Below \$50k (City threshold)		
Micropurchases	<ul style="list-style-type: none"> ● Under \$3,000 (City threshold) ● No bid or quote process required ● No cost or price analysis required ● Should be distributed among a range of qualified vendors ● Use interentity agreements where applicable 	
Small purchases	<ul style="list-style-type: none"> ● Under \$50,000 (City threshold) ● Price or rate quotes required from an adequate number of sources ● Should be distributed among a range of vendors ● Use interentity agreements where applicable 	
Equal to or above \$50k (City threshold)		
Sealed bids	<ul style="list-style-type: none"> ● Typically used for construction contracts ● Bids must be publicly solicited ● Two or more bidders are willing and able to compete and qualified to do the work ● Complete, adequate, and realistic specification or purchase description is available ● Firm fixed-price contract is feasible; a bidder can be selected based on price ● Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids ● Invitation for bids must be publicly advertised ● Bids will be opened at the time and place prescribed in the invitation for bids and the bids must be opened publicly ● A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder ● Any or all bids may be rejected if there is a sound documented reason 	
Competitive proposals	<ul style="list-style-type: none"> ● Requests for proposals must be publicized and identify all evaluation factors and their relative importance ● Proposals must be solicited from an adequate number of qualified sources ● Written method of evaluation, considering price as well as other factors advantageous to the program 	
Below, equal to, or above \$50k (City threshold)		
Noncompetitive proposals	Falls into one or more of these four circumstances: <ul style="list-style-type: none"> ● Item available only from a single source ● Public exigency or emergency won't permit a delay resulting from competitive solicitation ● Expressly authorized by the awarding agency or pass-through entity ● Competition is determined to be inadequate after solicitation 	

Independent Estimate *and* Cost or Price Analysis

At or above the Federal simplified acquisition threshold of \$250,000, organizations are required to document their cost and price analysis as well as the criteria by which you selected a vendor. Even though one source is available for the purchase, the Independent Estimate Determination and Contract Cost or Price Analysis must be performed to ensure reasonableness. The requirements relating to these analyses follow.

Questions	Independent Estimate and Determination	Contract Cost or Price Analysis
Why is analysis required?	Code of Federal Regulations §200.323 requires documentation of an independent estimate reached.	Code of Federal Regulations §200.323 requires documentation of a cost analysis or price analysis.
When does analysis apply?	For every procurement action at or above \$250,000	For every procurement action at or above \$250,000
When should analysis be performed?	BEFORE receiving bids or proposals or BEFORE receiving quotes or proposals from other governmental entities through an interlocal contract or a purchasing cooperative.	AFTER proposals or quotes are received <u>but</u> BEFORE the contract is awarded.
What is the purpose of the analysis?	Used to document the City's estimated range of fair and reasonable costs for the goods and/or services to be acquired and to document the analysis PRIOR to seeking bids, proposals, or quotes.	Demonstrates that the procurement process was conducted in an open and fair manner and that the City received the most advantageous price.
What do I do with the analysis once completed?	Submit completed form to the Purchasing Manager, or designee, for approval. Once approved, submit completed and signed form to the Grants Compliance Team for retention with the grant file.	Submit completed form to the Purchasing Manager, or designee, for approval. Once approved, submit completed and signed form to the Grants Compliance Team for retention with the grant file.

Contract Provisions for Contracts Under Federal Awards

In addition to other provisions required by the City, all contracts made by the City under Federal awards must contain provisions covering Appendix II to Part 200 of the CFR. See these provisions in the table below.

The City is addressing this requirement as follows:

Adding to the Standard Terms and Conditions that accompany every contract and purchase order the following: City of Texas City agreements made under a Federal Award as defined in the CFR will adhere to the provisions described in 2 CFR § 200.326 Appendix II to Part 200.

<ul style="list-style-type: none"> • Contracts for more than \$250,000 must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
<ul style="list-style-type: none"> • Contracts more than \$10,000 must address termination for cause and for convenience by the non-Federal entity including how it will be affected and the basis for settlement.
<ul style="list-style-type: none"> • Contracts that meet the definition of "federally assisted construction contract" must include the equal employment opportunity clause.
<ul style="list-style-type: none"> • Construction contracts more than \$2,000 must include a provision for compliance with the Davis-Bacon Act.
<ul style="list-style-type: none"> • Contracts more than \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 W.S.C. 3702 and 3704.
<ul style="list-style-type: none"> • Contracts entered into with a small business firm or nonprofit organization and the Federal award meets the definition of "funding agreement," must comply with the requirements of 37 CFR Part 401.
<ul style="list-style-type: none"> • Contracts more than \$150,000 must contain a provision that requires the non-Federal award to agree to comply with the Clean Air Act and the Federal Water Pollution Control Act.
<ul style="list-style-type: none"> • Contracts must not be entered into with parties listed on the government-wide exclusions in the System for Award Management (SAM).
<ul style="list-style-type: none"> • Contracts that apply or bid for an award more than \$100,000 must file the required certification regarding the Byrd Anti-Lobbying Amendment.

- X. The Grants Administrator will assist Finance with the City-wide physical inventory of Federally funded equipment, required by CFR §200.313(d)(2) of the Uniform Guidance, at least once every two years. *Required for Federally funded assets.*

Cash management and payment: Grants Administrator ensures that the vendor is paid within 30 calendar days after receipt of the billing (2 CFR §200.305(b)(3)) or as required in the grant documents. If the 30 calendar days is not met due to a discrepancy or billing dispute, this is documented in the grant file. For Federal awards, being paid on a reimbursement basis minimizes the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the City (2 CFR §200.305(b)).

Allowability of costs: Ensure costs meet the following general criteria to be allowable under Federal awards per 2 CFR §200.403:

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or a prior period.
- (g) Be adequately documented. See also 2 CFR §200.300 Statutory and national requirements through §200.309 Period of performance of this part.

III. SUBRECIPIENTS AND SUBAWARDS

A subrecipient is a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a federal program but does not include an individual that is a beneficiary of such program. A subaward is an award made by a pass-through entity to a subrecipient for the purpose of carrying out a portion of the work funded by the pass-through entity's Federal award. The pass-through entity may use any form of legal agreement for making a subaward, including an agreement that the pass-through entity considers a contract. A subaward is not a contract by which the non-federal entity (i.e., the recipient or a subrecipient) enters into an agreement with an entity to purchase property or services needed to carry out the project or program under a Federal award. Here are some best practices:

- Require subrecipients to include in their applications a time-phased milestone plan of action based on clearly stated accomplishments defined in the proposal.
- Integrate budget line items into the performance plan.
- Require performance/progress reports and supporting documentation with monthly invoices. Performance reports should discuss:

- Milestones achieved/to be achieved;
- Any significant problem, issues, or concerns;
- Timely accomplishments and delays, and
- Actual cost incurred compared to each budget line item with variances explained.

Departments are responsible for collecting close out documentation from the subrecipients, reviewing it, checking for accuracy, and submitting to the Grants Administrator for final submission.

IV. CLOSE-OUT PROCEDURES

As grant awards come to an end, final documentation is required to be submitted for final close-out. This documentation will usually include a final financial statement and a final programmatic report.

The following process will be followed for grant award closeout.

- I. The Grants Administrator will meet with departments three months prior to the end of grant close-out period to discuss any procedures and/or developments and to ensure submission of final paperwork.
- II. If a MOU was included in the grant paperwork, the Grants Administrator will also ensure that all paperwork from the partner organization is submitted.
- III. Departments will submit all closeout documentation to the Grants Administrator for future reference.
- IV. The Grants Administrator will coordinate with Finance on any financial information and reporting needed.
- V. Finance processes the final financial grant closeout report and issues the Single Audit Report in tandem with the CAFR.

V. AUDITS/SITE VISITS

Departments should contact the Grants Administrator immediately in the case of an audit, site visit, or desk review. The Grants Administrator will notify Finance and provide reports issued from external reviews.

An independent review of the City of Texas City grant-related records in the form of an audit can take place at any time. The goal of an audit is to ensure that the City has fully complied with all requirements of a given grant agreement and to verify the accuracy of all associated financial records. Some audits are predictable and take place on a regular basis, while other audits are performed by funders on an ad-hoc basis. The possibility for a grant audit always exists, which underscores the importance of record retention (see section VI. below for details).

The Single Audit is a yearly review overseen by the Finance Department and conducted by an outside entity. Auditors review all Federal grants as well as any grants in which the source of funds originated from the Federal government. The audit includes all expenditures and receipt of payments for all relevant grants. The Grant Administrator will provide all necessary documents to Finance for review and technical support during the Single Audit review performed by the external auditors.

Content Requirement for Single Audit Reports

In accordance with Uniform Guidance and annual Compliance Supplements issued by the OMB, the Single Audit is intended to be the basic financial and compliance audit of a federal and state assistance program. The auditor report shall include, at a minimum, all the following elements:

- The basic financial statements.
- The SEFA showing the total federal expenditures for the fiscal year for each financial assistance program, both directly incurred by the City and passed through to subrecipients.
- An auditor's opinion on the basic financial statements, with notes, and an opinion whether the SEFA is presented fairly in all material respects in relation to the financial statements as a whole.
- Scope of testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing.
- For major federal award programs, an auditor's opinion on compliance with the requirements of the Single Audit Act, as amended, and the Uniform Guidance.

If the City is the pass-through entity for Federal funds (i.e., City passes Federal funds to a subrecipient), the department collects and reviews audit reports of subrecipients, issues management decisions on audit findings, and ensures the subrecipient takes any necessary corrective action.

VI. DOCUMENT RETENTION / REPORTING

Grant documentation must be kept a minimum of five years past the official close of the grant. However, if any equipment was purchased, then the grant records must be retained for five years from the date of transfer, replacement, sale, or disposal of the equipment. If the grant is re-opened due to an audit, the five years starts from the end of the audit. All records must be retained including receipts, any spreadsheets, grant award documentation, required forms, etc.

Finance prepares and retains the SEFA, the list of subaward amounts, the Data Collection Form for the Federal Audit Clearinghouse and the reconciliation to the Comprehensive Annual Financial Report (CAFR) for the fiscal year ending September 30.

PART 3: DONATIONS

I. DEFINITIONS

Donations or gifts are made to the City without expectation of goods, services, or significant benefit or recognition in return. Donations may be in the form of monetary (cash) or in-kind contributions of products, services, investment securities, real property (e.g., land), or any combination thereof. Donations that, if accepted, would require the City to submit an application or oblige the City to enter a service, procurement, or other arrangement shall not be considered for a donation.

There are two types of donations:

- Restricted donations are designated for a particular City department, location, or purpose.
- Unrestricted donations are given to the City without any limitations placed on its use.

II. PROCEDURES

The following process will be followed for donation.

- I. All donations or gifts to the City shall immediately be submitted for consideration for acceptance. A Donation Acceptance Form is required to be completed by the receiving Department Head or the Finance Department for all donations provided to the City.
- II. Based on the value of the donation offered as outlined below, appropriate City staff shall review each donation and determine if the benefits to be derived warrant the acceptance of the donation.
 - Offers of cash or items or services valued at \$500 or less shall be approved at the discretion of the Finance Department, and all donations, regardless of amount shall be properly recorded and appropriated.
 - Donations of cash or items or services valued at more than \$500 and less than \$5,000 shall be approved by the City Commission through a read and adopted process with a single vote after review by the Finance Department.
 - Donations of cash or items or services valued at more than \$5,000 shall be submitted via resolution to City Commission for acceptance after initial review by the Finance Department.
- III. The appropriate City staff or Commission members will review the conditions of any restricted donation and determine if the benefits to be derived warrant acceptance of the donation.
- IV. All donations or gifts will receive recognition commensurate to the level and nature of the donation, as determined by the City. Regardless of the method of recognition selected, the intent shall be to appropriately honor the donor for their contribution to the community. Acknowledgement of the donation shall be in writing and be the responsibility of the Department Head who is the primary beneficiary of the donation. A copy of the acknowledgement shall be provided to the donor(s).
- V. Upon receipt of the donation:
 - Physical items will be distributed to appropriate City departments for use, or at the discretion of the Department Head or the Finance Department, disposed of in an appropriate manner according to this operating policy.
 - Monetary donations for restricted purposes will be deposited into the appropriate account.
 - Monetary donations for unrestricted purposes will be deposited into the General Fund unless otherwise determined by a majority of Commission through a formal motion.
- VI. A copy of each Donation Acceptance Form for accepted donations shall be maintained for information by the Finance Department and the designated department for which the donation was assigned.

The City of Texas City may decline any donation without comment or cause if, upon review, acceptance of the donation offer is determined to not be in the best interest of the City.

APPENDIX

Sample Budget:

REVENUE	YEAR 1	YEAR 2	YEAR 3	TOTAL
TBD	\$ -	\$ -	\$ -	\$ -
TBD	\$ -	\$ -	\$ -	\$ -
TBD	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ -	\$ -	\$ -	\$ -
EXPENSES				
PERSONNEL				
Full-Time Salaries	\$ -	\$ -	\$ -	\$ -
Full-Time Benefits (30%)	\$ -	\$ -	\$ -	\$ -
Part-Time Wages	\$ -	\$ -	\$ -	\$ -
<i>Personnel Total</i>	\$ -	\$ -	\$ -	\$ -
NON-PERSONNEL				
Equipment & Supplies	\$ -	\$ -	\$ -	\$ -
Printing	\$ -	\$ -	\$ -	\$ -
Communications	\$ -	\$ -	\$ -	\$ -
Food/Refreshments	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -
Promotional Items	\$ -	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -	\$ -
Rental Fees	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
<i>Supplies Total</i>	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ -	\$ -	\$ -	\$ -

Sample Resolution:

Resolution authorizing the Mayor and Director of [department, ex. "Department of Public Works"] to execute relevant agreements to receive grant funding to support [brief summary of how the grant purpose] and further providing for an agreement and expenditures not to exceed the written amount of grant [dollar amount of grant award, ex. "\$50,000"] dollars for this stated purpose.

Be it resolved by the Commission of the City of Texas City as follows:

Section 1. The Mayor of the City of Texas City is authorized to execute relevant agreements with the [name of grantor] to receive a grant award of written amount of grant [dollar amount of grant award] for the [brief summary of how the grant funds will be used] in the City. Monies from the grant agreement shall be deposited into the Grant Funds account [insert account number here].

Section 2. The Mayor of the City of Texas City is further authorized to enter into an Agreement, or Contract, or utilize existing Agreements or Contracts and not to exceed written amount of grant [dollar amount of grant award] dollars, [brief summary of how the grant purpose] under the terms of the agreement between the City and the Grantor [name of grantor]. Said agreement or agreements, contract or contracts, or expenditures shall not exceed written amount of grant [dollar amount of grant award] dollars chargeable to and payable from the Grants Fund account [insert account number here].

Logic Model

A logic model (also referred to as *a Theory of Change*) is used to evaluate the effectiveness of a program. Logic models help us summarize key elements of a program, explain the rationale behind certain program activities, and more clearly explain our intended outcomes. Funders of all types request logic models, so, it's crucial to understand how they work. Below is an example:

INPUTS	STRATEGIES	OUTPUTS	INTERMEIDATE OUTCOMES	LONG-TERM OUTCOMES (FINAL GOALS)
What do you need to make your program happen?	What will the program do?	What are you measuring? (The direct quantitative product of your program activities)	Benefits for participants during and after program activities	Changes in systems and processes after expending funding
Examples include: <ul style="list-style-type: none"> • Money • Partners • Facilities • Equipment and supplies • Transportation • Staff time • Volunteers 	Examples include: <ul style="list-style-type: none"> • Provide... • Develop... • Implement... • Create... • Educate... • Coordinate... 	Examples include: <ul style="list-style-type: none"> • #of classes taught • #of hours of service • #of residents served • #of projects completed • # of materials distributed 	Examples include: <ul style="list-style-type: none"> • Improved condition • New knowledge • Increased skills • Changed attitudes • Changed behavior 	Examples include: <ul style="list-style-type: none"> • New approaches • New services • Stronger partnership working agreement

IMPACT STATEMENT (Post 2-3 years). This should be written in the past tense, as if the project has already been funded. In an ideal world (and in one sentence), what would happen as a result of your proposed project?

(Example: Students who once struggled to maintain a D grade point average have achieved phenomenal levels of success; they have celebrated As and Bs, increased state standardized test scores, and assumed leadership roles in after school activities).

Adapted from: Grant Writing for Dummies 4th Edition



Donation Acceptance Form

This is to confirm that on (date) the City of Texas City received from (donor name and address), the following (check one):

- \$ (amount) in a lump sum
- \$ (amount) in (frequency) payments of
\$ (amount) in (number) installments
- \$ (amount) in value of goods or services

Describe products, services, investment securities, real property, etc. in the space below:

Check this box if the donation is to be limited to the following uses:

City will publicly recognize donor by:

In administering this agreement, the Donor and City shall engage through the following primary representatives:

	City of Texas City	Donor
Primary Representative:		
Address:		
Telephone:		
Email:		

Submitted by

Name:

Title: Date:

Signature:

Necessary Actions:

Less than \$500 Finance approval

\$500 to \$4,999.99 Finance approval, reading and adoption by Commission

\$5,0000 and greater Finance approval, full legislative approval