

# Town of Cabot Grant Policy

**Purpose:** To ensure that all grants are administered according to the requirements of the particular grant program, and to ensure accurate reporting of grant activity to federal, state and granting agencies.

**Applies to:** All town departments, committees or other organizations applying for municipal grants.

**Responsibilities:**

1. The department applying for the grant must appear before the Planning Commission with a grant proposal in writing and be prepared to make this proposal to the commission before any grant application is submitted. The proposal must detail the Purpose, Scope, Impact, Administration and Implementation plan. An appropriate time frame must be allowed for the Planning Commission to thoroughly research all aspects of the proposed project. The Planning Commission will decide if this is a project that is compatible with the town plan, will review the economic benefits or negative impacts it might create, etc. The Planning Commission will either approve or deny the application. If the grant proposal is deemed worthy, the planning commission chair will bring it before the town Select Board at a regularly scheduled select board meeting.\*\* If denied, there should be a process to either appeal or reapply\*\*
2. If approved, the department or organization is responsible for preparing reports of grant activity and submitting all documentation to the Planning Commission Chair, the Select Board members and the Town Clerk & Treasurer. The Treasurer is responsible for tracking expenditures and reimbursements, for maintaining the financial records for each grant. The Treasurer is responsible for preparing the annual State of Vermont Subrecipient Monitoring Report.
3. A public hearing may be held if deemed necessary.

**Internal Control Concerns/Considerations:**

1. Planning Commission and Selectboard ensures that the proposed grant funds will not be used to replace State or local funding.
2. Selectboard signs the grant application and acceptance forms.
3. Grants management, including compliance and reimbursement requests, is the responsibility of the departments with specific reporting requirements to the grantor and the Treasurer.

**Conflict of Interest:**

**No employee, officer or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest.**

1. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.
2. The officers, employees, and agents of the Town may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.
3. Violation of this policy will result in disciplinary actions as outlined in the Town's personnel policy.

**Procedure:**

**1. Grant Application & Approval**

- a. Town departments or organizations seek approval from the town to apply for grants that will benefit the town. Proposal submitted to the Planning Commission who then presents it to the Selectboard.
- b. Departments will complete and submit the application to the Town, signed by the appropriate Board or their designee.
- c. A copy of the budget used to develop the application will also be submitted.
- d. If awarded, the department will forward a copy of the signed grant agreement information form.

**2. Creation of Grant Files & Recordkeeping:**

- a. The Treasurer will create a new general ledger account and/or pay codes as needed to record the grant activity separately from regular expenses in the general ledger. The general ledger account description will identify the grant funding name and year.
- b. The Treasurer will maintain a report file for all grant activity from inception to closure.
- c. Grant files will be maintained for a minimum of 10 years after the grant is closed.

**3. Grant Expenditures:**

- a. All grant purchases must follow both the Town's Purchasing Policy, and procurement standards defined by the grantor (refer to grant agreement). If the grant is funded with federal funds, the purchases must follow the Town's Procurement Policy for Grant Programs.
- b. Hiring of contractors must follow the procurement standards defined by the grantor (refer to the grant agreement). If the grant is funded with federal funds, the hiring must follow the Town's Procurement Policy for Grant Programs.
- c. Except in the case of an emergency, no contractor may begin work until the Town has received a certificate of insurance and a completed W-9 form.

- d. Departments must use the attached reporting forms to document use of employee labor, use of Town equipment and materials.
- e. Departments must use the attached forms to document volunteer labor and donations. Volunteer labor will be accounted for according to their particular grant agreement, but in general a person who is performing their regular and customary work will be allocated at their customary rate: a person doing similar work that is outside their customary field will be allocated at minimum wage.
- f. When competitive bids are sought or advertised, the department will document the bid process and provide copies of all bid documents and bid results to the Treasurer. These records will include: rationale for the method of procurement, selection of contract type, contractor selection or rejection and basis for the contract price.
- g. Invoices must be approved by the appropriate department head and must clearly state which grant the expense falls under.
- h. The Treasurer will compare the invoice to the scope of work and budget as defined in the grant agreement.

**4. Interim Activity: request for reimbursements and recordkeeping**

- a. Departments will prepare the report/request for reimbursement to the grantor per the grant agreement, and deliver it to the Treasurer. The Treasurer will submit the reimbursement request with necessary documentation.
- b. The Treasurer will match up the reimbursement ACH deposit (or check received) with the grant request and ensure the proper revenue lines are credited.
- c. If the Treasurer discovers a discrepancy, an error in the general ledger coding, or incomplete paperwork, the department will be alerted to the problem and the Treasurer will work with the department to resolve.
- d. In turn, if the department discovers an error or discrepancy, they will notify the Treasurer immediately.

**5. Year-End Reporting**

- a. At the beginning of each fiscal year, the Treasurer will review each open grant and prepare a list of income and expenditures under the grant and send it to the department or grant contact.
- b. The department will confirm the expenditures.
- c. The Treasurer will prepare the annual State of Vermont Subrecipient Monitoring Report after all grant files are reconciled.
- d. If more than \$750,000 of federal funds are to be expended during a year, a Single Audit will be required.

**6. Final Reports & Close Outs**

- a. Departments will notify the Treasurer when all grant requirements have been met at the closure of the grant.

- b. The department will prepare the final request/report for the final reimbursement and submit it to the Treasurer.
- c. The Treasurer will submit the final report and final reimbursement request with required documentation attached.

**7. Securing and reporting grant-funded assets.**

- a. Departments are responsible for tagging and securing assets purchase with grant funds per grantor agreements
- b. Grant-funded Town Capital Assets must be reported on the list of Town Assets in the Town Report.
- c. Capital assets are defined as a single asset over \$5000 in value or a group purchase over \$5000

The Foregoing Policy is hereby adopted by the Selectboard of the Town of Cabot, Vermont this \_\_\_\_\_ day of \_\_\_\_\_ 2019 and effective as of this date until amended or repealed.

**Selectboard Signatures:**



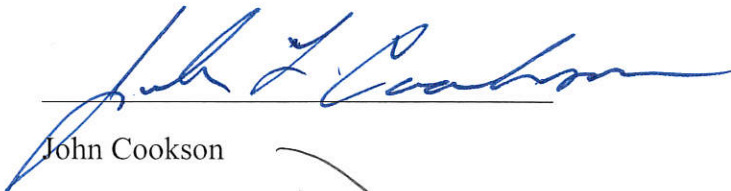
Fred Ducharme, Chair



Ruth Goodrich, Vice Chair



Michael J. Hogan, Clerk



John Cookson



Edward T. Domey

## Grant Information Form

Town Department or Organization: \_\_\_\_\_

Grant Name: \_\_\_\_\_

CFDA# \_\_\_\_\_ Federal Grant # \_\_\_\_\_

State of Vt. Grant # \_\_\_\_\_

State Agency: \_\_\_\_\_

Date of Application: \_\_\_\_\_

Name and Address of Grant Writer: \_\_\_\_\_

Date of Submission to Planning Commission: \_\_\_\_\_

Approved: Yes No Date of approval or denial: \_\_\_\_\_

Date of Submission to Selectboard: \_\_\_\_\_

Approved: Yes No Date of approval or denial: \_\_\_\_\_

Grant Purpose and Description: \_\_\_\_\_

Attach documentation as necessary

Total Project Cost: \_\_\_\_\_ Grant Amount: \_\_\_\_\_

Amount of Matching Funds: \_\_\_\_\_

Matching funds paid by: Town Organization (circle one) Name: \_\_\_\_\_

### Please answer the following questions

**Will town Labor or town equipment be used?** Yes No

If yes, please document and give to Treasurer.

**Will equipment be rented or town materials be used?** Yes No

If yes, please document and give to Treasurer.

**Will this grant be used to purchase Assets?** Yes No

If yes, please document and give to Treasurer. Procurement procedures specified by the grant agreement must be followed and documented as well as the Town's purchasing and reimbursement policy for grant programs.

**Will Contractors be hired for this project?** Yes No

If yes, please document and give to Treasurer. Procurement procedures specified by the grant agreement must be followed and documented as well as the Town's purchasing and reimbursement policy for grant programs. No work may begin until the contractor has provided the Town with a certificate of insurance and W-9.

**Will Volunteer Labor be used?** Yes No

If yes, please document and give to Treasurer.

**Will Donations be used?** Yes No

If yes, please document and give to Treasurer.

Attached are all necessary reporting sheets.