

**Good Samaritan Health & Wellness Center**  
Policies and Procedures

Subject: Grants Management Policy	Policy #: 3.28
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### 3.28 Grants Management Policy

**Policy:** Total additional costs associated with new grants, including estimated indirect costs, must be identified for all grants. Upon grant expiration, all approved matching funding and all positions funded by the grant will end, unless other revenue has been identified. The GSHWC development and finance department are responsible for adhering to all policies and procedures attached to the grant by the grantor and any reference to regulations or rules included in any notice of grant award. All reports GSHWC is required to submit to the funding agencies, and federal or state governments are to be submitted within the timeframes required by the grant.

**Purpose:** To establish clear procedures and GSHWC's position regarding application, acceptance, budgeting, and administration of grants when GSHWC is the grantee. GSHWC desires to obtain grant funding to provide services that the Board of Directors determines beneficial to the patients in GSHWC's service area.

**Procedures:**

1. **Grant Budgeting and Accounting:** Each grant will be assigned individual general ledger account number codes to record all fiscal transactions. All individual grant revenues and expenditures must be coded to the assigned account code. Salary and fringe benefit costs incurred by grant support staff must be identified and actual expenditures coded to the grant. Salaries and fringe benefits must be charged to the grant directly through the payroll process. All salary expenditures must be supported by adequate documentation as required by the grantor agency and any regulating documents. Department heads are responsible for maintaining accurate grant budgets and must ensure that grant expenditure and revenue transactions are coded to the appropriate grant code.

Budgets included in grant applications to the Health Resources and Services Administration (HRSA) will only include revenues and expenditures associated with the health center's federal scope of project. These HRSA budgets will include a separate budget breakdown for the section 330 funding proposed for the application period. The budget will show which projected costs are supported by the section 330 grant and which projected costs are supported by other sources of non-grant funds.

Anytime during the project grant year, when GSHWC re-budgets among the federal object budget classes categories, GSHWC's policy is to seek prior approval from HRSA.

GSHWC's accounting system will identify all expenditures of section 330 federal grant funds and will follow all applicable requirements described in 45 CFR 74 and 45 CFR 92, and as such, will be accounted for separately. GSHWC's systems and records will ensure that assets purchased with federal funds are appropriately recorded and used for the approved purchase (also see Fixed Assets Policy # 3.16 and Purchasing Policy # 3.14.

2. **Grant Reporting and Auditing:** GSHWC is responsible for ensuring that all grant funds are expended in accordance with specific grant requirements and regulations and is responsible for ensuring that fiscal and programmatic reporting requirements are followed. Departments are encouraged to contact the Finance Department to receive guidance in report preparations and to obtain on-line information or reports necessary to preparing required reports. The reports should be maintained by the Finance Department for review by auditors, grantor representatives, and other agencies. Reports should be approved by the GSHWC Board of Directors as required and appropriate.

Financial reports should be maintained on file until all audits have been accepted by the grantor for three fiscal years, or for such other length as is specified by the grantor. All grants are subject to periodic review by the Finance Department, CFO, representative of the grantor, or by GSHWC external auditors. The Finance Department should have grant files and supporting information available for annual audit review. Any audit finding and/or questioned costs resulting from an audit will require written response to the Board of Directors and the grantor, if required by the grantor.

The annual DHHS 330 grant will be applied for annually at the direction of the Board of Directors. GSHWC must submit a comprehensive budget to the DHHS Bureau of Primary Health Care (BPHC) that outlines how GSHWC will spend the funds. This application is due to DHHS 120 days prior to the start of the grant period. Each different grant applied for through this process will have specific budgets that follow required formats.

Federal Financial Report (FFR) – At the conclusion of the DHHS grant period, GSHWC is required to submit a Federal Financial Report (SF-425) that determines how GSHWC spent the funds. If GSHWC did not spend all of the federal funds as outlined in

the grant award, GSHWC may be required to refund any unobligated balance to DHHS. The CFO will submit the report 90 days after the grant year end, or within such other reporting deadline as communicated in grant requirements.

Uniform Data System Report – GSHWC will submit the Uniform Data System report by February 15 of each year, or according to other required submission date(s) as dictated by DHHS. GSHWC will complete the report based on DHHS instructions and requirements.

Federal Financial Report (FFR) – Summarizes the drawdowns of federal dollars for each federal quarter. GSHWC will complete the report according to the Payment Management System (PMS) requirements and due dates. The CFO must approve completion and submission of the report.

Annual Independent Audit – GSHWC will arrange for an independent annual audit of its fiscal year according to Government Auditing Standards and the OMNI Circular.

3. **Grant Revenue Receipt and Recording:** Grant revenues received by GSHWC should always be deposited on the day received and credited to the appropriate grant revenue account code, unless an exception is approved by the CFO. Grant revenues or reimbursements should not be credited to an expenditure or entered into a deferred revenue account unless approved by the CFO.
4. **Federal Funds Must be Kept in an Interest Bearing Account** - Federal funds will be kept in an interest bearing account unless 1) the best interest bearing account would earn less than \$500 per year, or 2) the depository would require a high minimum balance. Interest amounts up to \$500 may be retained by GSHWC for administrative expenses.
5. **Federal DHHS 330 Grant Funds Drawdowns** – DHHS 330 funds will be drawn based upon a schedule determined by the CFO. DHHS 330 funds will be deposited into an interest-bearing account, and at no time will federal funds be drawn down and held for more than 72 hours. Drawdowns will not exceed an amount that could not be spent within 72 hours.
6. **Grant Amendments:** The GSHWC Board of Directors should approve any amendments that would increase or decrease the overall grant budget or changes that would change the grant period or alter the programmatic requirements.

**Grant Termination:** Unless approved by the Board of Directors, GSHWC will not continue a grant-funded program once the grant ends. All full-staff positions or part-time equivalencies supported by the grant funding will be eliminated once the grant is terminated. The Finance Department and CFO should be notified if a grant is terminated prior to the scheduled grant

end date. Procedures regarding the use, transfer, and disposition of fixed assets purchased with grant funds are addressed in GSHWC's fixed assets policy.