



## **Mariposa County First 5 Commission**

### **Resolution 2007-1**

#### **Policy on**

## **GRANT AND BUDGET MANAGEMENT/MODIFICATION POLICY**

#### **Purpose:**

The purpose of the policy is to institute a threshold for contract budgetary amendments to be addressed by the Commission and to provide a detailed grant management system for Grant Recipients or Contractors. By establishing a process for budgetary or contract amendments contracted programs may not experience pauses in program delivery. By providing a Grant Management system for Grant Recipients or Contractors, the process and procedures will be clear and well defined.

#### **Policy:**

It is the policy of the Mariposa County First 5 Commission that the Executive Director will have the discretion to authorize minor budgetary and contract amendments but requests that exceed 25% on a Mini Grant or 10% on a budget line item in a Maxi Grant and/or change the scope of work will be submitted to the Commission for approval:

- The Executive Director may grant approval following a formal written request from the Contract Recipient for transfers of 25 percent or less on Mini Grants and 10% or less on budget line item in a Maxi Grant.
- If the budget category transfer is greater than 25% on a Mini Grant or 10% on a budget line item in a Maxi Grant, the Contract Recipient, prior to transferring the funds, must submit a formal written Budget Modification Request form to the Commission for review and approval.
- All minor contract amendments that do not change the meaning as indicated in the Scope of Work (any changes in cost, people, location or intention of service) and adhere to the intent of the contract may be approved by the Executive Director.
- Any changes in the Scope of Work or budgetary amendments that exceed 25% on a Mini Grant or 10% on a budget line item in a Maxi Grant or are out of the scope of the contract must be approved by the Commission prior to approving the change

#### **Procedures:**

- The Grant Recipient or Contractor must submit a Budget Modification Form in writing to the Executive Director prior to making the budget or contract amendment.

- The Executive Director will approve budgetary changes not to exceed 25% on Mini Grants and 10% or less for a line item in a Maxi Grant or changes that are not within the Scope of Work.
- The Executive Director will endeavor to inform the Commission of the request for a budgetary or contract change within his or her scope of responsibility.
- The Executive Director will place on the next available Commission agenda for approval any budgetary changes that exceed 25% on a Mini Grant or 10% on a budget line item in a Maxi Grant or a change in the scope of work, including any changes in cost, people, location or intention of service.
- The Executive Director will endeavor to notify the Contract Recipient or Contractor of his or her approval within 10 days by formal letter
- The Executive Director will notify the Contract Recipient or Contractor within 10 days of the Commission's formal decision for approval or denial of budget or contract changes that exceed 25% for a Mini Grant and \$10% for a budget line item in a Maxi Grant within 10 days of the Commission's action
- All budget and contract modifications will be included in the minutes of the Commission meeting for documentation

#### **Budget Request:**

- Under Matching Amount, list items to be paid from other funding, and items covered by in-kind contributions. Note 'other' or 'in-kind' on each line if both are expected.
- Personnel: Benefits – show % of payroll that is benefits, and include both employer payroll taxes and fringe benefits in the amount shown. If paid through a payroll agency, also include the agency's fees here.
- Operating Budget: Categories are suggestions only, adjust as needed.
- Capital Expenditures: Can show under either Operating Budget or Program Equipment, or just add as a separate category (#4). Note that capital expenditures are over \$1,000, for items with a life expectancy of 5 years or more. Computers would generally be shown as a capital expenditure, for example.
- Other Funding: If funding is expected from other sources, such as other grants and/or fundraising events, identify the source. If another grant, is there a commitment? Explain contingency plans if other funding is less than anticipated.
- In Kind Contributions:
  - a. Property: Identify what is expected to be received, such as space, equipment, etc. If the contribution is critical to the program's success, and the commitment is not firm, what are the plans if the offer is withdrawn?
  - b. Labor: Identify the services that are expected to be received through contributions. If the service is critical, what are the plans if the commitment is not met?

- c. In kind contributions may be identified without a dollar value being assigned. If, however, the contribution is critical to the program's success, a valuation and contingency plans should be provided
- d. Administrative Costs—Costs for administering the grant or funding from an agency may not exceed 10% of the grant and only 5% of the actual grant funds.

### **Standard Payment Schedule:**

**Start-Up funding:** Start-up funding is intended to assist with one-time costs incurred to start a new program, or to expand an existing program. Generally, a request for start-up funding should not exceed 25% of the total grant, but this is flexible. Explain what is needed to begin/expand the program. Start-up funds are not used for on-going expenses. If additional funding is required for on-going expenses, a request for a special payment schedule should be made.

- Funds for mini-grants will generally be paid in full upon signing the grant contract.
- Funds for maxi-grants will generally be paid in 4 installments:
  - a. 25% when the grant contract is signed;
  - b. Three future installments, following receipt of the quarterly reports (October, January, April). These installments will be in an amount necessary to reimburse the expenditures reported for the previous quarter.
  - c. If start-up funding was requested and approved, the first installment will be for the amount of the start-up funding, plus 25% of the remaining grant funds.
  - d. This schedule can be revised. However, the Grant Recipient or Contractor must provide adequate justification for a revised payment schedule. This might include, for example, bulk purchases of supplies early in the year; or other circumstances where the services to be provided with the grant funds are not expected to be spread proportionately through the year.

### **Reports:**

- All reports are to be filed using the First 5 forms or format. Instructions and forms will be provided to the Grant Recipient or Contractor at the Grant Funded meeting. A detailed list of expenditures and receipts should be attached to the report, showing the date, amount, payee and purpose of each expenditure, and the date, amount and source of all funds received. Copies of invoices should be retained by the Grant Recipient or Contractor for at least 5 years. First 5 may review the grantee's records at any reasonable time, and without advance notice.
- Grant Recipient of a mini-grant will be required to file a report at mid-year (January), as well as a final report by the end of July.
- Grant Recipient of a maxi-grant will be required to file quarterly reports, in October, January, April, and a final report in July. Funding distributions are contingent on the filing of the required reports.
- A final report may be filed at any time that grant funds have been exhausted.

- A meeting with First 5 may be required if it appears that expenditures and/or the receipt of other funding may jeopardize the successful provision of the services being funded by First 5.
- Data, evaluation, documentation, photos/releases, and final statistics are to be submitted by the Grant Recipient or Contractor by July 15<sup>th</sup> of the funded year in preparation for the State First 5 Annual Report.

**Budget Modifications:**

- If the amount of the grant is less than the amount requested, a revised budget must be submitted prior to the initial distribution of funds.
- At any time necessary, a budget modification can be requested. Forms and instructions will be provided at the Grant Funding meeting.
- If the Grant Recipient or Contract does not use the allotted amount of the grant funding by 30 days following the end of the grant contract, the remaining amount must be returned to the First 5 Commission.
  - a. If the Contract Recipient or Contractor needs to extend the contract in order to complete the grant, the Grant Recipient or Contractor must submit a letter in writing prior to June 30<sup>th</sup> of the funded year requesting the 30 day extension.

Adopted by Resolution of the Mariposa First 5 Commission on 13<sup>th</sup> day of February, 2006.

Approved as to form by County Counsel: March 15, 2006

Jeane Hetland  
(Print Name)

Dr. Charles Mosher  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

Jeane Hetland  
Executive Director

Dr. Charles Mosher  
First 5 Commission Chair

Revised: At the Commission meeting on May 14, 2007

Jeane Hetland  
(Print Name)  
Executive Director

Nancy Damm  
(Print Name)  
First 5 Commission Chair

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)