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Department of Grants Management

Policy & Procedure Manual

Description: Mission Statement	No. 01
Section:	No.
Revision Date: January 4, 1999	No. 01

MISSION: *The mission of the Grant Management Department is to ensure fiscal and programmatic accountability of Federal and State funds, property and other assets awarded to Yakima County. The department will also establish and maintain an infrastructure for funding opportunities to respond to the loss of revenue and the transfer of new responsibilities to the County.*

Goals & Objectives:

To ensure proper disbursement of and accounting for Federal and State funds, property and assets.

1. Establish internal controls to safeguard assets and ensure their proper use.
2. Establish written accounting policies and procedures.
3. Maintain source documentation to support accounting records.
4. Monitor proper charging of costs and cost allocation.
5. Provide a comparison of actual expenditures with budgeted amounts for each subgrant and contract.
6. Provide regular financial compliance reviews of all departments and subrecipients to determine if they are in compliance with professional standards as well as the requirements of federal, state and local laws and the grant agreement.

The Department of Grants Management will ensure compliance with requirements applicable to federal and state financial assistance programs.

1. Establish written policies and procedures for general and program specific requirements as defined by the Federal funding agencies and the State of Washington.
2. Provide regular legal compliance reviews of all departments and subrecipients to determine if they are in compliance with professional standards as well as the requirements of federal, state and local laws and the grant agreement.

The Department of Grants Management will establish and maintain an infrastructure for funding opportunities.

1. Maintain a reference library of information related to financial assistance available to the County.
2. Write and market applications to federal and state agencies that offer funding opportunities.

The Department of Grants Management will serve as the County's liaison to funding agencies, other municipalities, local businesses, and the general public.

1. Maintain a complete file of information on all grants.
2. Prepare reports, statement, summaries as required by the funding agency.
3. Compile information required for the State audit.



Department of Grants Management

Policy & Procedure Manual

Description: Accounting For Grant Revenue & Expenditures	No. 02
Section:	No.
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS:

[OMB Circular A-102](#), Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

[OMB Circular A-87](#), "Cost Principles for State, Local and Tribal Government"

Generally Accepted Accounting Principles (GAAP)

POLICY: *Grant related revenue and expenditures shall be authorized, within policy, and properly accounted for according to local, State and Federal regulations, legal requirements, underlying agreements, program objectives, and the terms and conditions of the grant award.*

RESPONSIBILITY: *The responsibility for understanding and adhering to county, state, federal regulations, policies or procedures will be shared between the Department of Grants Management and various county departments. Departments that share this responsibility with Grants Management include Auditor's Office, Purchasing, Human Resources, and the department designated as the Grant Recipient.*

PROCEDURES

1. The Grant Recipient department will establish written policies and procedures for general and program specific requirements as defined by the Federal funding agencies and the State of Washington.
2. Grants Management will have fiscal responsibility for monies and transactions related to the award and review activities to assure compliance with policies and procedures, analyze the purpose of activities, record data, reconcile the general ledger, and retain records applicable to the grant award.
3. Grants Management shall review financial transactions such as contract invoices, vouchers, travel reimbursement, purchase documents, budget amendments, and various other documents that obligate Yakima County. When reviewing documents, Grants Management is responsible for verifying the following:
 - a. that charges to the grant correctly represent materials received or services rendered;
 - b. that charges represent activities for which accounts are established, and comply with the budget that is established for the grant.
 - c. that funds are available in the grant to cover authorized charges;
 - d. that the transactions comply with all relevant internal or external regulations, policies and procedures.
4. Grants Management shall provide a comparison of actual expenditures with budgeted amounts for each subgrant and contract.
 - a. Prepare internal summaries and financial reports to help management keep an accurate account of the budget, pointing out surpluses as well as insufficiencies by budget line item.
 - b. Prepare external reports for the State, Federal, and local Government.
 - c. Prepare special reports as needed.
5. Grants Management shall provide regular legal compliance reviews of all departments and subrecipients to determine if they are in compliance with professional standards as well as the requirements of federal, state and local laws and the grant agreement
6. The Auditor's Office shall maintain source documentation to support accounting records.



Department of Grants Management

Policy & Procedure Manual

Description: Generally Accepted Accounting Principles (GAAP)	No. 03
Section:	No.
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: Generally Accepted Accounting Principles (GAAP),
Reference:
*American Institute of Certified Public Accountants (AICPA),
Audit and Accounting Guide, State and Local Governmental
Units.*

POLICY: *Fiscal control and fund accounting procedures shall be established to assure the proper disbursement of, and accounting for, grant funds. Such procedures shall ensure that all financial transactions are conducted and records maintained in accordance with generally accepted accounting principles.*

RESPONSIBILITY: *The responsibility for understanding and adhering to GAAP will be shared between the Department of Grants Management and various county departments. Departments that share this responsibility with Grants Management include Auditor's Office, Purchasing, Human Resources, and the department designated as the Grant Recipient.*

Basic Concepts and Principles

1. **Accounting and Reporting Capabilities** - maintain a financial and accounting system which contain sufficient detailed information to accurately account for sub-grant and contract awards, obligations, unobligated balances, assets, liabilities, expenditures, and income.
2. **Consistent Treatment Of Information** - ensure that costs charged to the program be accorded consistent treatment.
3. **Fair Presentation/Full Disclosure** - maintain a system that present fairly and fully disclose the financial position and results of Yakima County's grant operations.
4. **Conformance with Legal and Contractual Provisions** - ensure compliance with legal and contractual provisions.
5. **Matching Revenues with Related Expenses** - match revenue with related expenses for the same time period.
6. **Fund Accounting on a Fund Basis** - maintain a self-balancing set of accounts, recording all assets, related liabilities, and fund balances for each grant award.
7. **Budgetary Control** - maintain appropriate budgetary control and budgetary comparisons between planned and actual performance.
8. **Basis of Accounting** - use the modified accrual or accrual basis of accounting in measuring financial positions and results of financial operations.
9. **Financial Reports** - prepare annual statements of financial position, operating results, and other pertinent information to facilitate management control of financial operations, external/legislative oversight, and external reporting purposes.



Department of Grants Management

Policy & Procedure Manual

Description: Revenue and Receipts	No. 04
Section: Cash Advances	No. 01
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS:

[Cash Management Improvement Act of 1990](#) (CMIA)
Public Law 101-453, Treasury Regulation at 31 CFR part 205.

[OMB Circular A-102](#), section 21, Uniform Administrative
Requirements for Grants and Cooperative Agreements to State and
Local Governments.

POLICY:

To the extent that the provisions of CMIA govern, cash advances shall be limited to the minimum amount needed, and shall be requested only to meet actual, immediate cash needs in accordance with the CMIA.

RESPONSIBILITY:

The Department of Grants Management shall follow procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury, or pass-through entity and disbursement.

PROCEDURES:

If funds are received in advance.

1. Generate and review the budget verse actual report and the cash balance to determine the amount of cash needed. *Cash on hand shall be used before requesting additional funds, unless otherwise permitted under the grant agreement.*
2. Prepare supporting documentation. (spreadsheet, memo)
3. Prepare cash request (A-19, memo, etc) or other report as stipulated in the grant agreement.
4. Set up a receivable.
5. Send memo to the Auditor's Office and Treasurer regarding request.
6. Send request to funder (e-mail, fax, mail, or telephone).
7. Electronic Fund Transfers (EFTs) will be wired to the Treasurer within 3 days. *(EFTs will automatically be deposited into the appropriate account).*
8. Checks will be sent to Grants Management within 45 days.
9. Prepare a deposit slip and deposit checks with the Treasurer's office.
10. Reverse receivable.
11. Submit a request to Treasurer's office to invest any funds not to be used immediately.



Department of Grants Management

Policy & Procedure Manual

Description: Revenue & Receipts	No. 04
Section: Cash Reimbursements	No. 02
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-102](#), section 21, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

[OMB Circular A-87](#), “Cost Principles for State, Local and Tribal Government”

POLICY: *Cash reimbursement shall be made after actual costs have been incurred in accordance with the grant agreement.*

RESPONSIBILITY: *Grants Management will prepare and submit the request for reimbursement to the awarding agency.*

PROCEDURES:

1. Generate and review the budget verse actual report and the cash balance to determine the amount of cash reimbursement.
2. Prepare supporting documentation, A-19 or other report as stipulated in the grant agreement.
3. Set up a receivable.
4. Send memo to the Auditor’s Office and Treasurer regarding request.
5. Send request to funder (e-mail, fax, mail or telephone).
6. Electronic Fund Transfers (EFTs) will be wired to the Treasurer within 3 days. (*EFTs will automatically be deposited into the appropriate account*).
7. Checks will be sent to Grants Management within 45 days.
8. Prepare a deposit slip and deposit checks with the Treasurer’s office.
9. Reverse receivable.
10. Submit a request to Treasurer’s office to invest any funds not to be used immediately.



Department of Grants Management

Policy & Procedure Manual

Description: Revenue & Receipts	No. 04
Section: Program Support	No. 03
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS:

[OMB Circular A-87](#), “Cost Principles for State, Local and Tribal Government”

POLICY:

Grants Management shall recover the full cost of providing accounting and administrative services to other departments and/or organizations as permitted under the grant agreement and OMB Circular A-87.

RESPONSIBILITY: *The Department of Grants Management.*

PROCEDURES:

1. Review budget verse actual report for Grants Management.
2. Adjust for any accruals.
3. Preparing supporting documentation to allocate expenditures to departments and/or programs.
4. Prepare program support bill.
5. Prepare journal to set up a receivable and record earned revenue.
6. Send memo to each department and/or organization for review and approval.
7. Funds will be transferred or mailed to Grants Management upon approval.
8. Review Trial Balance.
9. Reconcile as needed.
10. File all supporting documentation.



Department of Grants Management

Policy & Procedure Manual

Description: Revenue and Receipts	No. 04
Section: Program Income	No. 04
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-102](#), Section 25, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

POLICY: *Program incomes shall be recorded and used in accordance with program requirements, A-102, Federal awarding agency laws, program regulations, and the provisions of the contract or grant agreement pertaining to the program.*

RESPONSIBILITY: *The Department of Grants Management shall account for income received by departments generated by a grant support activity, or earned only as a result of the grant agreement.*

PROCEDURES:

Program Income means gross income received by the grantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period.

Grantees are encouraged to earn income to defray program costs. Except as otherwise provided in regulations of the federal agency, program income does not include interest on grant funds, rebates, credits, discounts, refunds, etc. and interest earned on any of them.

1. Review the laws, regulations, and the provisions of contract or grant agreements applicable to the program and ascertain if program income was anticipated and, if so, the requirements for recording and using program income.

Program income may be used in one of three methods:

Deduction - deduct program income from total allowable costs to determine the net allowable cost. Program Income shall be used for current cost.

Addition - add Program Income to the funds committed to the grant agreement. Program Income shall be used for the purposes and under the conditions of the grant agreement.

Cost Sharing - Program Income may be used to meet the cost sharing or matching requirement of the grant agreement. The amount of the Federal award remains the same.

2. Prepare a deposit slip (transmittal slip) to deposit funds into the Treasurer's Office.
3. Prepare a journal to record revenue.
4. Deposit funds with the Treasurer's Office.
5. Transfer funds to investment account if there is not an immediate disbursement need.



Department of Grants Management

Policy & Procedure Manual

Description: Revenue & Receipts	No. 04
Section: Investment Pools	No. 05
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-102](#), Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

POLICY: *Unless otherwise prohibited by the grant agreement, cash on hand shall be invested into the Local Government Investment Pool or other interest bearing account until required for cash disbursement.*

RESPONSIBILITY: *The designated Investing Officer shall authorized investment of funds as permitted under the grant agreement.*

PROCEDURES:

1. Generate and review budget verses actual report.
2. Determine immediate cash needs.
3. Notify the Treasurer's Office to transfer funds in or out of the investment account.
4. Review investments monthly.
5. Prepare a report of investment activities.
6. Send a copy of the report to the department.
7. File a copy of the report.



Department of Grants Management

Policy & Procedure Manual

Description: Revenue & Receipts	No. 04
Section: Interest	No. 06
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [Cash Management Improvement Act of 1990](#) (CMIA)
Public Law 101-453, Treasury Regulation at 31 CFR part 205

POLICY: *Unless otherwise specified in the grant agreement, interest earned on advances shall be submitted to the Federal agency. Up to \$100 per year may be kept for administrative expense.*

RESPONSIBILITY: *The responsibility for tracking and using interest shall be shared between the Department of Grants Management and the department designated as the Grant Recipient. The designated Investing Officer shall track investments and interest.*

PROCEDURES:

Grants Management shall:

1. Review the laws, regulations, and the provisions of contract or grant agreements applicable to the program and ascertain if interest was anticipated and, if so, the requirements for recording and using interest.
2. Generate and review trial balance.
3. Prepare a report of interest activities.
4. Send a copy of the report to the department.
5. File a copy of the report.

Recipient Department shall:

1. Review report of earned interest.
2. Request authorization from funder to expend interest on program activities or instructions for returning interest.



Department of Grants Management

Policy & Procedure Manual

Description: Expenditures and Disbursements	No. 05
Section: Cost Principles & Allowable Costs	No. 01
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-102](#), Section 22, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

[OMB Circular A-87](#), “Cost Principles for State, Local and Tribal Government”

POLICY: *The Grantee shall use applicable cost principles to determine the reasonableness, allowability, and allocability of costs applicable to federal grants and contracts.*

RESPONSIBILITY: *The responsibility for understanding and adhering to Cost Principles will be shared between the Department of Grants Management and various county departments. Departments that share this responsibility with Grants Management include Auditor’s Office, Purchasing, and the department designated as the Grant Recipient.*

1. Grants Management shall ensure that cost charged to federal grants are:
 - a. Necessary and reasonable for proper and efficient administration of the grant program, be allowable under the principles contained in the OMB circulars and except as specifically provided in this circular, not be general expenses required to carry out the overall responsibilities of State or local government;
 - b. Authorized and not prohibited under Federal, State or local laws or regulations;
 - c. Conform to any limitations or exclusions set forth in the principles, Federal laws, or other governing limitations as to types or amounts of cost items;
 - d. Consistent with policies, regulations, and procedures that apply uniformly to both federally assisted and other activities of Yakima County.
 - e. Not included as a cost or used to meet cost sharing or matching requirements of any other federally financed program.
2. Grants Management shall ensure that costs are accorded consistent treatment through application of generally accepted accounting principle.
3. Grants Management shall maintain source documentation to support accounting records and documents that permit the tracing of funds to a level of expenditure adequate to establish that funds have not been used in violation of the applicable restrictions of the uses of such funds.
4. Grants Management shall ensure that applicable credits are used to reduce the cost of the program or are returned to the awarding agency.



Department of Grants Management

Policy & Procedure Manual

Description: Expenditures & Disbursements	No. 05
Section: Accounts Payable	No. 02
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-87](#), "Cost Principles for State, Local and Tribal Government", Generally Accepted Accounting Principles (GAAP)

POLICY: *Applicable OMB cost principles, agency program regulations, and the terms of grant and subgrant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.*

The specific requirements for activities allowed or unallowed are unique to each Federal program and are found in the laws, regulations, and the provisions of the contract or grant agreement.

RESPONSIBILITY: *The Grant Recipient, Department of Grants Management and the Auditor's Office shall be responsible for determining that all claims for payment are accurate, allowable and allocable to the grant.*

PROCEDURES:

Grant Recipient

1. Obtain original invoice from vendor.
2. Audit invoice for accuracy, allowability and allocability.
3. Prepare an invoice claim form.
4. Submit original invoice and claim form to Grants Management for processing.
5. File copy of invoice.

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1. Audit invoice for accuracy, allowability and allocability.
2. Determine BARS account coding.
3. Input invoice request information into the general ledger system.
4. Generate an edit list.
5. Send edit list to Grant Recipient Department for review and approval.
6. When edit list has been approved, send edit list and supporting documentation to the Auditor's Office.
7. File copy of Edit list.

Auditor's Office

1. Review edit list, invoice voucher and supporting documentation.
2. Approve edit list.
3. Generate warrant.
4. Mail check to vendor or make check available for pick-up.
5. File copy of original invoice, supporting documentation and check.



Department of Grants Management

Policy & Procedure Manual

Description: Expenditures & Disbursements	No. 05
Section: Purchasing	No. 03
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-102](#), Section 36, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

[Revised Code of Washington](#) (RCW 36.32.240)

POLICY: *[Yakima County's purchasing procedures](#) shall be followed, provided that they conform to applicable State, Local and Federal law and regulations and standards identified in the A-102 Common Rule, if applicable.*

RESPONSIBILITY: *The responsibility for understanding and adhering to Purchasing policies will be shared between the Department of Grants Management and various county departments. Departments that share this responsibility with Grants Management include Auditor's Office, Purchasing, and the department designated as the Grant Recipient.*

PROCEDURES:

1. Only those staff members authorized and have signatures on file with the Purchasing Department may make requisitions for purchases.
2. Staff related supplies, materials and equipment **must** be made on a County generated purchase order.
3. Staff's travel related expenses such as registration fees, vehicle rentals, hotel reservations and airfare should be made on purchase orders when it is an acceptable means of payment by the vendor.
4. Client related supplies, materials, and equipment **must** be purchased through the purchasing system on a County generated purchase order.
5. Open-ended purchase orders may be established with vendors such as Fred Meyers and YVCC when specific client-related items are not known prior to purchase. These purchase orders can be opened for three months at a time. During that period, the client may make purchases from the vendor as authorized by staff in your department.
6. Client related services such as testing, licensing, relocation and auto repairs must be made on purchase orders when it is an acceptable means of payment by the vendor.
7. Both specific and open ended purchase orders can be establish in advance, by phone.



**Department of
Grants Management**

Policy & Procedure Manual

Description: Expenditures & Disbursements	No. 05
Section: Journal Vouchers	No. 04
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS:

POLICY: *Journal Vouchers shall be used to adjust or correct general ledger account balances, or to record reimbursement activity within funds.*

RESPONSIBILITY: *Grants Management will be responsible for ensuring grant related transaction are recorded into the appropriate program, project, department, and object.*

The Auditor's Office will review journal vouchers and contact Grants Management for clarification if there are any questions regarding compliance with policies.

PROCEDURES:

1. Generate and review revenue and expenditure report.
2. Prepare documentation to support transfer of previously recorded transactions.
3. Enter the journal into the financial management system.
4. Print and review edit list.
5. Submit edit list and supporting documentation to Grants Manager for approval.
6. Make copy of edit list.
7. Send edit list to Auditor's Office for approval.
8. File copy of supporting documentation and edit.



Department of Grants Management

Policy & Procedure Manual

Description: Expenditures & Disbursements	No. 05
Section: Cash Vouchers	No. 05
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS:

POLICY: *Cash Vouchers shall be used to transfer cash between funds and to record interdepartmental transactions for services rendered, such as copier usage, plant service charges, postage, telephones, duplicating, etc.*

RESPONSIBILITY: *The Department of Grants Management will generate cash vouchers to transfer cash between departments/funds for which they provide accounting support.*

The Auditor's Office will review cash vouchers and contact Grants Management for clarification if there are any questions regarding compliance with policies.

PROCEDURES:

1. Prepare supporting documentation
2. Input data into the financial management system.
3. Print and review Cash Voucher edit list.
4. Obtain approval from the Auditing Officer of the departments which are impacted by the cash voucher.
5. Make copy of approved edit list.
6. Send original to Auditor's Office for their review and approval. *All cash vouchers received by the Auditor's office will be processed in the month received.*
7. File copy of supporting documentation and edit.



Department of Grants Management

Policy & Procedure Manual

Description: Cost Allocation & Cost Pooling	No. 06
Section: Indirect Cost Plan	No. 01
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-87](#), "Cost Principles for State, Local and Tribal Government"

POLICY: *An Indirect Cost Plan shall be develop to identify and distribute costs of services provided by support organizations (such as Auditor, Treasury, Human Resources, and Legal) to departments or units administering Federal grants or contracts.*

RESPONSIBILITY: *Grants Management shall develop the Indirect Cost Plan.*

PROCEDURES:

1. Prepare a description of the types of indirect services provided and their relevance to Federal projects.
2. Generate a report of the previous year's revenue and expenditures for all funds.
3. Identify the departments rendering the services and receiving the service.
4. Determine the methods to pool and allocate indirect cost to departments using an allocation base that represents a fair measure of cost generation or cost benefit, provided it results in an equitable distribution of the cost of services rendered or goods provided.
5. Prepare a summary schedule of the allocations of central service costs to benefiting operating departments.
6. Prepare a concise but complete description of the method used to determine the billing rate or amount for each billed service.
7. Prepare a concise but complete description of the accounting treatment of any under/over billed costs for the fiscal year.
8. Obtain a copy of the most recent audited financial statements.
9. Request a copy of the latest County organizational chart.
10. Print preliminary copy of Indirect Cost Plan.
11. Review preliminary copy with the Board of Commissioners.
12. Make corrections as needed.
13. Obtain a certification from the Chief Financial Officer that the plan has been prepared in accordance with applicable policies and procedures.
14. Print copies of Indirect Cost Plan and distribute.



Department of Grants Management

Policy & Procedure Manual

Description: Cost Allocation & Cost Pooling	No. 06
Section: Administrative Cost Pools	No. 02
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-87](#), "Cost Principles for State, Local and Tribal Government"

POLICY: *A Cost Allocation Plan shall be develop to distribute the administrative or other joint costs incurred within a performing department or unit, together with the service costs allocated to it under the indirect cost proposal, to all work performed by the department or unit.*

RESPONSIBILITY: *Grants Management and the Grant Recipient Department shall develop a cost allocation plan to support the distribution of cost that are not readily chargeable to a final cost objective.*

PROCEDURES:

Developing a Cost Allocation Plan:

1. Identify the administrative or other joint costs incurred within a performing department or unit which can not be readily charged to a final cost objective.
2. Identify the basis for allocating each type of joint or pooled costs. Use the simplest method possible, based on a measure of relative benefit received, that will produce an equitable allocation of costs to cost categories and programs.
3. Prepare documentation for supporting each basis for allocation.
4. Prepare the written cost allocation plan that identifies the allocation methods used for distributing costs. Include in the plan:
 - a. Description of the types of services provided and their relevance to grant projects.
 - b. Copy of official financial statements or budgets.
 - c. Expense items included in the costs of the services.
 - d. Methods used in distributing the expenses to benefiting objectives.
 - e. Certification by an authorized official that the plan has been prepared in accordance with the grant agreement or applicable requirements.

Allocating Cost:

1. Generate an expenditure report
2. Identify excludable and unallowable costs.
3. Develop a spreadsheet to allocate cost to user departments.
4. Prepare journal to allocate cost within the general ledger system.



Department of Grants Management

Policy & Procedure Manual

Description: Audits & Audit Resolutions	No. 07
Section: Audits	No. 01
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [Single Audit Act of 1984](#) (31 U.S.C. 7501-7)

[OMB Circular A-102](#), Section 26, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

[OMB Circular A-133](#), Audits of States, local Governments, and Non-Profit Organizations

POLICY: *Grantees spending more than \$300,000 in Federal Financial Assistance in a fiscal year are responsible for obtaining audits in accordance with the Single Audit Act of 1984 (31 U.S.C. 7501-7) and federal agency implementing regulations.*

RESPONSIBILITY: *The Department of Grants Management shall ensure that departments receiving federal financial assistance are in compliance with audit requirements in accordance with OMB Circular A-133.*

PROCEDURES:

1. Review trail balance, budget verses actual and subledgers.
2. Reconcile revenue with expenditures, assets with liabilities.
3. Prepare journal vouchers if corrections are needed.
4. Prepare Schedule of Financial Assistance
5. Make copy of SFA
6. Send original to Auditor's office.
7. Coordinate annual audit with the State Examiner.
8. Ensure that appropriate corrective action is taken within six months after receipt of the audit report in instances of noncompliance with Federal laws and regulations.



Department of Grants Management

Policy & Procedure Manual

Description: Audits & Monitoring	No. 07
Section: Subrecipient Monitoring	No. 02
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: [OMB Circular A-102](#), Section 40, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

[OMB Circular A-133](#), Section 400(d), Audits of States, local Governments, and Non-Profit Organizations

POLICY: *On an annual basis, Yakima County will monitor the activities of subawards as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.*

RESPONSIBILITY: *The Department of Grants Management shall provide reasonable assurance that grants are monitored and that funds are expended in ways that meet provisions of pertinent statutes, regulations, agency administrative requirements, relevant OMB circulars, and the terms of the award notice. The Department of Grants Management shall also provide reasonable assurance that adequate progress is being made toward achieving the subaward project's goals and objectives. This responsibility shall only apply to grants that are fiscally administered by the Department of Grants Management, unless otherwise requested.*

PROCEDURES:

1. Select projects for monitoring. Consideration will be given to the performance of follow-up reviews and previous recommendations.
2. Develop a Monitoring Plan – identify scope and objective; and determine what monitoring techniques will best achieve monitoring objective.
3. Develop an monitoring schedule based on staffing levels, staff training and experience and departmental resources – determine scheduled start and completion date, and anticipated number of hours to complete review.
4. Implement Monitoring Plan.
5. Document findings and recommendations.
6. Follow-up on non-compliance and corrective action plan.



**Department of
Grants Management**

Policy & Procedure Manual

Description: Budgeting	No. 08
Section: Operating Budget	No. 01
Revision Date: January 4, 1999	No. 01

**LEGAL REQUIREMENTS:
POLICY:**

RESPONSIBILITY:

PROCEDURES:



**Department of
Grants Management**

Policy & Procedure Manual

Description: Budgeting	No. 08
Section: Program Budgets	No. 02
Revision Date: January 4, 1999	No. 01

**LEGAL REQUIREMENTS:
POLICY:**

RESPONSIBILITY:

PROCEDURES:



Department of Grants Management

Policy & Procedure Manual

Description: Budgeting	No. 08
Section: Budget Analyses & Reports	No. 03
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS:

POLICY:

RESPONSIBILITY: *Grants Management has the responsibility for providing accounting support to the overall budgeting processes for grant departments including the biennial budget and the annual payroll and operating budgets.*

PROCEDURES:

1. Analyze potential and actual variance to budget and inform departments of causes and recommend solutions.
2. Analyze planned to actual expenditures.
3. Develop budgets for grants and contracts.
4. Develop budget revisions and reallocations.
5. Develop and implement the cost allocation plan.
6. Develop and maintain special budgeting reports for management review.



Department of Grants Management

Policy & Procedure Manual

Description:	No.
Financial Management System	09
Section:	No.
Revision Date:	No.
January 4, 1999	01

LEGAL REQUIREMENTS: [OMB Circular A-102](#), Section 20, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

POLICY: *The Financial Management System must be complete and reliable. The system shall contain sufficient detailed information to accurately account for subgrants and contract awards, obligations, unobligated balances, assets, liabilities, expenditures, and income.*

Financial transactions must be adequately supported with pertinent documents available for audit. All transactions must be recorded when made, in a way that readily permits them to be traced from originating documents through summary records and financial reports.

RESPONSIBILITY: *The Department of Grants Management and the Auditor's Office shall be responsible for establishing a self-balancing set of accounts for each grant within Yakima County's Financial Management System and ensuring that transactions are recorded accurately, in a timely manner and completely within financial system guidelines.*

PROCEDURES:

The Department of Grants shall:

1. Review contract or grant agreement.
2. Meet with Grant Recipient to determine reporting and cost tracking needs.
3. Determine chart of account.
4. Prepare memo to request set up of chart of account.
5. Submit request to Auditor's office.

The Auditor's Office shall:

1. Establish chart of account within the financial management system.
2. Notify Grants Management after accounts have been opened.



**Department of
Grants Management**

Policy & Procedure Manual

Description: Reports	No. 10
Section: Federal Financial Reports	No. 01
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: OMB Circular A-102, section 41, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

POLICY: *Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.*

The specific reporting requirement for each program is presented in the Reporting Requirements for that program.

RESPONSIBILITY: *The Department of Grants Management shall provide accurate, current and complete disclosure of the financial results of each grant program in accordance with reporting requirements established in the Common Rule, Subpart C.*

PROCEDURES:

1. Review Budget verses Actual report.
2. Review grant agreement for allowable expenses and verify that only allowable expenses are reported.
3. Prepare spreadsheet.
4. Prepare journal vouchers if corrections are needed.
5. Prepare report.
6. Review report and supporting documentation with Grant Recipient.
7. Obtain Grant Recipient's Signature.
8. Send report to awarding agency.
9. File copy of report and supporting documentation.

Standard Reports:

- SF-269 – Financial Status Report, Long Form
- SF-270 – Request for Advance
- SF-271 – Outlay Report and Request for Reimbursement for Construction Program.
- SF-272 - Federal Cash Transaction Report



Department of Grants Management

Policy & Procedure Manual

Description: Close Out	No. 11
Section:	No.
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: OMB Circular A-102, Section 50, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

POLICY: *After the expiration or termination of the grant, the grantee must submit all financial, performance, and other reports required as a condition of the grant.*

RESPONSIBILITY: *The Department of Grants Management shall develop and operate a system for closing grant agreements to ensure compliance with the close out requirements as contained in the grant agreement.*

PROCEDURES: *After all applicable administrative actions and all required work of the grant has been completed:*

1. Ensure that Recipient Department knows ahead of time what actions are required for close out and what conditions must exist at close out.
2. Identify what financial reports are required.
3. Review budget versus actual reports.
4. Reconcile records to ensure that expenditures are equal to or less than budget, that cash received, appropriately adjusted, equals expenditures.
5. Prepare close out report.
6. Review close out documents with Grant Recipient.
7. Send close out documents to awarding agency.
8. File copy of all documents.



Department of Grants Management

Policy & Procedure Manual

Description: Record Retention	No. 12
Section:	No.
Revision Date: January 4, 1999	No. 01

LEGAL REQUIREMENTS: OMB Circular A-102, section 42, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

POLICY: *Grantees and subgrantees must maintain records that adequately identify the source and application of funds provided for financially assisted activities.*

These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents.

RESPONSIBILITY: *The Department of Grants Management shall establish requirements for retention of all records pertinent to all grants awarded, and for contracts and agreements in accordance with OMB Circular A-102 and the terms of the grant agreement.*

PROCEDURES:

1. Obtain copy of contracts and grant agreements.
2. Establish a file for each contract and grant agreement.
3. Update files as needed.
4. Maintain records for 3 years (*or required retention period on the grant agreement*) following the submission of the final expenditure report of until all issues resulting from litigation, audit/audit resolution, or claims have been resolved, whichever is longer.
5. Make all financial reports available for review upon request by the awarding agency, its Inspector General, or the Comptroller General of the United States.