



**FEDERAL GRANT MANAGEMENT
POLICIES AND PROCEDURES**

**CITY OF FOLEY, ALABAMA
DECEMBER 2018**

Date Adopted by City Council: _____

Resolution No.: _____

TABLE OF CONTENTS

INTRODUCTION.....	2
1. OVERVIEW OF RESPONSIBILITIES.....	3
2. INITIATION AND APPROVAL.....	5
3. PROGRAM AND FINANCIAL MANAGEMENT.....	6
4. PERFORMANCE AND FINANCIAL MONITORING AND REPORTING	10
5. PERSONNEL.....	11
6. PURCHASING/PROCUREMENT.....	12
7. PROPERTY MANAGEMENT	20
8. RECORDS AND INFORMATION.....	21
9. TRAVEL.....	23

INTRODUCTION

The purpose of this manual is to establish the policies and procedures of the City of Foley (the City) concerning the management of federal grant awards. The City of Foley's federal grant management policies and procedures are designed to ensure fiscal and programmatic accountability of all federal funds awarded to the City.

The City of Foley is committed to maximizing federal dollars for the greatest allowable public benefit while maintaining appropriate safeguards to ensure that taxpayer funds are not misused. It is the responsibility of the Finance Director to oversee the implementation of the policies and procedures in this manual.

REGULATING AUTHORITIES

- **City of Foley Policy.** The policies and procedures in this manual are intended to supplement, not supplant the City's ***Purchasing Policy and Procedures, Capital Assets Policy and Procedures, Personnel System Policy (PSP), Safety Policies and Procedures, Travel Policy,*** or other City employee / organizational policies.
- **The Code of Alabama, 1975.** The laws of the State of Alabama govern unit bid items, the competitive bid process, and the bid process for public works projects. At the present time, the dollar threshold for bidding these items, is more restrictive than the Federal guidelines, as set out in 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, the Alabama State Bid Law and Competitive Bid Law threshold amounts must be used.
- **Federal regulations.** As a recipient of federal grants, the City of Foley will adhere to the regulations contained at 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, in addition to other applicable federal statutes, guidelines, and directives.

1. OVERVIEW OF RESPONSIBILITIES

1.1 Grant Administrator

The Grant Administrator maintains a summary of grant information and complete files of all grant documents at City Hall; prepares the annual schedule of expenditures of federal awards (SEFA); maintains a Grant Master Report for each fiscal year that includes the grantor agency, award amount, match if applicable, use of funds, account numbers, grant start date and grant close out date, and other information applicable to grants; prepares periodic Grant Activity Status Reports to Mayor, Council, and management; reviews grant files prior to annual audit for completeness; and assists Grant Managers with grant applications and budget development. The Grant Administrator regularly attends training classes to stay current with federal and state grant requirements.

1.2 Grant Managers

The Grant Manager is responsible for compliance with any grant stipulations. The Grant Manager must meet one of the following criteria:

- Be an employee of a City Department
- Be an employee working with a City Board
- Outside agency such as grant writing professional, engineering firm, etc.

The Grant Manager is either the department head who has determined the goods/services obtained through the grant are useful to the operation of their department, or someone within the department that the department head has assigned. Grant Administrator will note the Grant Manager's name in the Grant Activity Status Report.

The resolution approving application or award of the grant lists the manager's name and job title as contained in the request for application that is made a part of the resolution.

Prior to application, the Grant Manager reviews the grant requirements and ensures that they understand all requirements and have adequate time and resources to manage the current grant activity and future grant requirements. The Grant Manager is also responsible for obtaining council approval; adhering to grant provisions; timely submission of reports; delivery of information to the Grant Administrator; coding and tracking of invoices; requests for funding; delivery of funding requests to the Finance Department to track receipt of payments; and close out of grant.

When submitting invoices to the Finance Department for payment, Grant Managers note the grant name on all invoices.

For online reporting (such as for Police Department and Fire Department grants), the Grant Manager submits reimbursement requests. Other reimbursement requests are completed by the Grant Administrator, and approved by the Finance Director, on a monthly/quarterly basis.

The Grant Manager is responsible for monitoring receipt of payments. If payment is not received within 45 days, the Grant Manager follows up on the payment status.

The Grant Manager will provide the Grant Administrator with timely project status reports on the basis outlined in the grant document, but not less than quarterly.

1.3 Accounting System and Recording

Finance Director – overall supervision over grants recording

Grant Administrator – records grant revenues and receivables

Accounts Payable Staff – processes grant expenditures

The Grant Administrator is responsible for receiving and recording grant revenue, processing and recording of grant disbursements; providing Finance Department personnel and Grant Managers with copies of paid invoices; research and resolution of old outstanding grant receivables; and reviewing grant expenditure and revenue accounts to ensure all eligible grant expenditures, revenues, and required year end receivables are properly recorded.

- A. Financial Accounting software is used for all accounting applications. All of the modules are fully integrated with one another.
- B. Once a “Notice to Proceed” or “Release of Funds” is received from the awarding agency, the Grant Manager provides a copy to the Grant Administrator, who updates the grant schedule accordingly.
- C. The Grant Manager informs the Grant Administrator via monthly or quarterly reports, when funds are scheduled to be awarded. The Grant Administrator, or other Finance Department personnel, records and reconciles the grant receivable. If the grant requires disbursements, the authorization is forwarded to Accounts Payable staff for disbursement processing. Once the disbursement is authorized and endorsed, the information with the copy of the check is forwarded to the Grant Administrator.
- D. Upon receipt of payment of grant funds - with a check, the Grant Administrator will record the receipt in Cash Collections, forward the check for deposit in that day’s Cash Receipts, and forward a copy of the payment information to the Grant Manager.
- E. Receipt of funds through ACH is deposited directly into the City’s bank accounts. Upon receipt of payment, the Grant Administrator will be advised of receipt and will record the receipt in Cash Collections, and forward a copy of the payment information to the Grant Manager.
- F. The Finance Director, or their designee, will review the schedule of expenditures of federal awards (SEFA) and ensure that the Grant Administrator has reconciled it to the accounting records.

1.4 Human Resource / Payroll Activities

- A. When grants include payment of wages, the Grant Manager will provide complete documentation regarding the grant to the Human Resource (HR) staff prior to a payroll process. The documentation should include, but not be limited to:
 - a. A copy of the Resolution approving the grant
 - b. Total amount of the grant awarded for the year(s)
 - c. List of types of wages / benefits that are eligible to be reimbursed

- d. Due date of the submission of the invoice
- e. Contact information for the responsible individual at the awarding agency, in the event the HR staff has questions regarding their reporting requirements
- B. The Grant Manager will discuss with HR to ensure that appropriate Pay Codes are setup.
- C. HR staff will advise Finance staff of the need to add new General Ledger accounts and/or Projects.
- D. HR staff will prepare the grant invoice to submit to the Grant Administrator for approval. Upon approval and reconciliation with the accounting records, the Grant Administrator copies for their file, records the receivable/revenue, and returns the original document to HR for submission.
- E. The Grant Manager is responsible for making sure the department doesn't go over the amount of funds awarded.
- F. At the beginning of each grant period, the Grant Manager will provide HR and the Grant Administrator with the newly awarded amount of the grant.

2. INITIATION AND APPROVAL

2.1 Request Council Approval to Apply

A request to apply for grant funds must contain the following information and must be sent by the Grant Manager to the Grant Administrator at least two days prior to the Council Agenda deadline (Monday prior to the Council meeting at 4:15 p.m., unless rescheduled by the City Clerk).

- Application checklist
- Grant application

After the Grant Administrator has reviewed the application request, the Grant Manager prepares an agenda request and draft resolution in Legistar for the next available Work Session. Approval goes to Finance Director first, then to the City Clerk.

A resolution must be passed by the City Council granting approval to apply before any application for funds or commitment of matching funds is made.

2.2 Grant Application

- A. Once an approval to apply for the grant has been granted by the Council, the Grant Manager completes the grant application and sends to the Grant Administrator no less than 10 days prior to the due date.
- B. The Grant Administrator will review the application and approve for it to be uploaded via online application process, or have the document signed by the Mayor and mail the application to the granting agency.
- C. An executed copy will be maintained in the Grant Administrator's files.

2.3 Grant Acceptance / Rejection

- A. If the grant is rejected, the Grant Manager forwards the letter to the Grant Administrator to be put in the file with the application.
- B. If the grant is approved, the Grant Manager will send copy of the award letter and any documentation to the Grant Administrator.
 1. The Grant Manager will prepare an agenda request and draft resolution in Legistar for the next available Work Session for acceptance. The resolution request should have the Award Letter attached and include name of the Grant Manager, the grant amount, and the City match, including in-kind services, if applicable.
 2. The Finance staff review the agenda item to determine what accounts are going to be affected and if new accounts / projects are to be used.
 3. There must be a Resolution adopted by the City Council accepting the grant.
 4. Upon receipt of the signed Resolution, Finance staff amend the individual department's budget to reflect the new influx of Capital Assets and/or Revenue (depending on the grant).
 5. If expenditures for the grant are subject to the Bid Law, the Grant Manager must send complete bid specifications to the Purchasing Agent within 60 days of the City Council accepting the grant.
 6. Upon receipt of the "notice to proceed" or "release of funds" from the awarding agency, the Grant Administrator will provide a copy to the Grant Manager.

3. PROGRAM AND FINANCIAL MANAGEMENT

It is the City of Foley's policy to maintain accurate, current, and complete records of each federal grant received, including effective control and accountability for all funds, property, and other assets. All accounting records will be supported by source documentation and will be retained as appropriate.

3.1 Primary Point of Contact

The Grant Managers shall serve as the primary contact between the City and the federal funding agency and the City's external grant partners or sub-recipients, when applicable.

3.2 Federal Drawdowns/Payments

Legal requirement: 2 CFR 200.305

- A. **General.** Federal drawdowns will occur to reimburse for actual grant expenses incurred or in advance of obligations but no sooner than 72 hours in advance of actual, immediate cash needs. If the federal funding agency or pass-through entity places the City on a "working capital advance" basis of payment, the City will request up to six months of estimated expenses with each drawdown. When the City has multiple federal grants, payment requests for each award will be submitted simultaneously when practicable.
- B. **City of Foley Direct Expenses.** The City will draw down federal funds as necessary to support its operations, in accordance with 3.2.A above, on a monthly basis, unless the grantor has specified quarterly.

1. The Grant Manager is responsible for reviewing all vendor invoices for reimbursable grant expenses, notating the grant name, number, and general ledger account number; and for signing vendor invoices.
2. The Grant Manager is responsible for preparing and submitting requests for expense reimbursement requests, or requests for advance funds, as outlined in the grant document, using electronic transfers when available. See 3.2.E below for review procedures.

C. External Grant Partners or Sub-Recipients. For grant projects involving external grant partners or sub-recipients, when the City is the prime grant recipient and fiscal lead, the City will draw down federal funds, on behalf of its external grant partners/sub-recipients, as necessary to either reimburse partners for expenses incurred or, when authorized by the funding agency, to provide three to six (3-6) months of advance working capital. Drawdowns for external grant partners/sub-recipients will take place at least quarterly.

1. Partner organizations will submit their payment requests to the City no later than two weeks after the last day of each calendar quarter. The Grant Administrator may approve deadline extensions on a case-by-case basis.
2. Payment requests will be processed in the order in which they are received.
3. Payment requests will contain a line item summary of the amounts being claimed. For reimbursement payments, documentation to support all partner/sub-recipient grant program costs will be submitted. For working capital advance payments, requests will be compared to the partner's/sub-recipient's approved grant budget.
4. The Grant Manager will review the payment requests for accuracy and completeness. The Grant Manager will contact partner/sub-recipient for additional expense information or documentation as needed.
5. The Grant Administrator will make the final determination about allowable costs and inform the Grant Manager of any variances.
6. The Grant Administrator will review and approve the partner/sub-recipient organization's payment request summary.
7. The Grant Administrator will prepare a letter, or electronic mail, for each grant partner/sub-recipient (a) summarizing all the disallowed costs from their payment request and (b) totaling the actual amount being disbursed to the partner organization or sub-recipient.
8. The Grant Manager will submit the approved partner/sub-recipient expenses for payment, notating the grant name, general ledger account number, and signing off on the document.
9. The Grant Manager will prepare the federal drawdown request.

D. Indirect Expenses. To the extent feasible, indirect expenses will be included with every federal drawdown request.

E. Review and Approval. The Grant Administrator will review all federal drawdown

requests prepared by the Grant Manager.

1. The Grant Manager submits requests to the Grant Administrator for review, indicating if payment will be received via direct deposit or check.
2. After the Grant Administrator verifies that all invoices are included and that totals are correct, he/she approves the request, makes copies for the grant file, records the revenue and receivable in the general ledger, and returns the original documents to the Grant Manager for submission to the granting agency.

F. Bank Accounts. Whenever possible, federal grant payments received will be maintained in interest-bearing accounts that are FDIC insured and on deposit with a certified Alabama Safe Act Institution.

1. For advance payment of Federal Funds, earned interest in excess of \$500 will be returned to the federal government or the pass-through entity as required.

Legal requirement: 2 CFR 200.305

3.3 Determining Allowable Cost

Legal requirement: 2 CFR 200.302(b)(7) and 2 CFR 200.403 - 2 CFR 200.405

The City of Foley will use applicable Federal Cost Principles to determine if the grant costs are allowable, reasonable, and allocable. The Grant Administrator will make final determinations regarding allowable, reasonable, and allocable of costs.

- An **allowable** cost is one that:
 - Is necessary and reasonable for proper and efficient performance and administration of the grant;
 - Conforms to any limitations or exclusions set forth in the Federal Cost Principles or in the award as to types or amounts of cost items;
 - Is consistent with the City's policies and procedures that apply both to federal awards and other activities of the organization;
 - Is treated consistently as a direct or indirect cost;
 - Is determined in accordance with generally accepted accounting principles (GAAP);
 - Is not 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, unless specifically permitted by federal law or regulation;
 - Is adequately documented;
 - Is authorized or not prohibited under federal, state, or local laws or regulations.
- A cost is **reasonable** if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.
- A cost is **allocable** to a particular federal grant if the goods, services or other activity involved are chargeable or assignable to the federal grant in accordance with the relative benefits received.

3.4 Cost Share/Matching Funds

Legal requirement: 2 CFR 200.306

All cost share/matching expenses shall be documented in the same manner, to the extent feasible, as regular program expenses. All contributions, including cash and third party in-kind, shall be accepted as match/cost-share when such contributions meet all of the following criteria:

- Are verifiable from the contributor's records;
- Are not included as contributions for any other federal grant project or program;
- Are necessary and reasonable for proper and efficient accomplishment of project or program objectives;
- Are allowable under the applicable Federal Cost Principles;
- Are not paid by the federal government under another award, except where authorized by federal statute to be used for cost sharing or matching;
- Are provided for in the approved grant budget when required by the federal awarding agency;
- Conforms to other provision of 2 *CFR* 200.306, as applicable.

3.5 Program Income

Legal requirement: 2 CFR 200.307

It is the City's goal to make all programs sustainable through a combination of strategies including, when appropriate and authorized, generating income through program activities. The use of program income generated through a federally-funded program will be governed by the terms and conditions of the federal grant award, or sub-award, and the regulations at 2 *CFR* 200.307.

3.6 Program and Budget Revisions

Legal requirement: 2 CFR 200.308

Some modifications to federal grant programs and budgets will require prior written approval from the Federal funding agency or pass-through entity. Requests for prior approvals, when necessary under 2 *CFR* 200.308, will be prepared by and submitted to the federal awarding agency or pass-through entity by the Grant Manager.

3.7 Performance Period

Legal requirement: 2 CFR 200.309

Charges to federal grants for allowable costs will be incurred only during the grant term authorized by the federal funding agency or the pass-through entity. It will be the Grant Manager's responsibility to request an extension of time from the granting agency, in advance of the grant end date, and under the guidelines established by the grantor should one be needed (See 4.3 A-B).

3.8 Lobbying

Legal requirement: 2 CFR 200.450

Federal grant funds will not be used for lobbying activities or other activities intended to influence federal or state legislation; federal, state, or local elections; or to obtain grants, contracts, cooperative agreements, or loans.

4. PERFORMANCE AND FINANCIAL MONITORING AND REPORTING

4.1 Reporting

Legal requirement: 2 CFR 200.327, 2 CFR 200.328 and 2 CFR 200.329

Federal grants awarded to the City will require periodic financial and programmatic reports be submitted to the awarding agency. Accurate and timely reporting is critical to maintaining a good relationship with the grantor(s). Late or inaccurate reports may negatively impact current or future funding. The Grant Manager(s) will prepare all required reports, allowing sufficient time for the Grant Administrator to review prior to submission.

- The Grant Manager will provide the Grant Administrator with timely status reports on the basis outlined in the grant document, but not less than quarterly.
- When a grant is complete, the report will be marked as “Final Status Report.” The Grant Manager will ensure that all closeout procedures are followed. See 4.3 below.
- The Grant Administrator will provide a summary grant status report to the Mayor and Council, City Administrator, Grant Manager, and Finance Director on a quarterly basis.

4.2 Monitoring Grant Program Progress

Legal requirement: 2 CFR 200.328 and 2 CFR 200.331

The City of Foley will monitor the activities and progress of its federal grants as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of the grant agreements; and that performance goals are achieved. Grant Manager(s) and the Grant Administrator will be provided copies of original grant budgets and any subsequent revisions. Any problems, delays, or adverse conditions that will materially impact the ability to meet a grant’s objectives will be reported to the federal funding agency by the Mayor or his/her designee.

Strategies to monitor grant program progress include but are not limited to:

- **Ongoing oversight by Grant Managers.** Grant Managers must devote a sufficient amount of time every month to monitor the project’s implementation. All financial and programmatic concerns and discrepancies must be reported to the Finance Director and/or the Grant Administrator.
- **Ongoing consultation with Grant Managers and partner/sub-recipient officials.** The Finance Director and/or the Grant Administrator (or designee) will maintain regular, informal contact with the Grant Managers and representatives from the City’s external grant partners/sub-recipients, if applicable, to check in on each grant’s progress.
- **Quarterly reviews of expense documentation.** The Grant Manager will assess if sufficient program progress is being made based on a quarterly review of actual expenditures to budget estimates.
- **Site visits.** The Finance Director and/or the Grant Administrator (or designee) will conduct site visits of all external grant partners/sub-recipients, if applicable, to review their progress, visit with partner leadership to discuss progress and any issues, and meet

with business office staff to review documentation for expenses, personnel time and matching funds. Site visits will occur quarterly if possible but no fewer than two times per year.

4.3 Grant Close-Out - 2 CFR 200.343

A grant award is considered completed when: (1) all work funded by the award is completed, or (2) the award period-of-performance ends.

- A. The Grant Manager is responsible for ensuring that a continuation, supplement, or no-cost time extension is requested in a timely manner to continue the project, which is typically at least 45 days prior to the end of the award end-date.
- B. If at the end of the award period-of-performance the city has not secured a continuation, supplement, or no-cost time extension, grant close-out must occur.
- C. The grant agreement identifies the grantor's process to close-out the award, including record retention requirements. Key features of grant close-out are:
 - Settlement of cash, and cost share (if applicable)
 - Cancellation of outstanding purchase orders
 - Ending personnel distribution
 - Final property inventory, and disposition of property (if applicable)
 - Consideration of program generated income
 - Submission of all final technical and financial reports
 - Receipt of original warranties for the asset file where applicable.
- D. The Grant Administrator will submit, from information provided by the Grant Manager, no later than 90 calendar days after the award end-date (or its extended end-date), all financial, performance, and other reports as required by the terms of the Federal Award.
- E. The Grant Administrator will provide the closing grant information to the designated Asset Manager, so that the project can be closed in the City's accounting system.
- F. The Grant Manager will be notified of the close-out date, and as part of the close-out procedures will be asked to copy any information from the grant file that may assist him/her with future projects of the same nature.
- G. A final report will be presented to the Mayor, Council, and management providing value of assets, citizen benefit, ongoing costs, etc.

5. PERSONNEL

5.1 Personnel Activity Reports

Legal requirement: 2 CFR 200.430(i)

All non-exempt employees are required to record daily hours worked through a secure electronic timekeeping system, which safeguards that the employee may only enter his/her own time worked. Designated supervisors will ensure that each employee's time is accurate,

and that the actual time worked by the employee each work week or work period is recorded accurately in the time and attendance payroll system.

For wages being funded through a federal grant, payroll system “time codes” may be set up for the specific activity; or for certain grants, separate general ledger account numbers may be used.

The designated supervisor is responsible for making sure that the time for the wages being funded through a federal grant are charged to the correct time code and / or general ledger account number. For exempt employees, this involves reporting of, and maintaining, the employee’s grant specific time on a spreadsheet that will be used in the grant reporting process.

The Grant Manager or designated supervisor will make sure that time for employees whose time is being funded through a federal grant, is correctly recorded – either through a “time code” set up in the time and attendance payroll system, or kept up separately on an electronic time sheet.

Employees that are not listed in a federal grant budget may not charge their time to the grant without prior authorization from the Grant Manager, and granting agency when required.

5.2 Employee Cost Share/Matching

Legal requirement: 2 CFR 200.430(i)(4) and 2 CFR 200.306

Employees whose time is used in meeting cost sharing or matching requirements on federal grant awards shall document their time in the same manner as employees in grant-funded positions.

See Section 3.4 for additional cost share/matching guidance.

5.3 Relocation Costs of Employees

Legal requirement: 2 CFR 200.464

N/A for the City of Foley. Required relocation of employees for any federal grant is not expected to occur. In the event relocation of City employees for federal grant purposes should occur, federal grant guidelines, in the section stated above, shall be followed.

5.4 Other

Please see the *City’s Personnel System Policy (PSP) and Safety Policies and Procedures* for policies related to:

- | | | |
|-----------------------|-------------------------|-----------------------|
| * Labor standards | * Organization staffing | * Duty statements |
| * Salary and benefits | * Civil rights | * Drug-free workplace |
| * Workplace safety | * Sexual harassment | |

6. PURCHASING/PROCUREMENT

The purpose of this section is to establish the City of Foley’s policies and procedures concerning the acquisition of goods and services with federal grant funds. The City's procurement policies and procedures are designed to ensure timely, efficient, and economic procurement, within the

guidelines of good business practices. The policies and procedures in this section apply only to the procurement actions when federal grant funds are used. All purchases and procurements shall be reasonable and necessary (i.e., no unnecessary items shall be purchased).

See the City of Foley *Purchasing Policy and Procedures* for complete detail of City's procurement policies.

6.1 Contract Administration and Payment Procedures

Legal requirement: 2 CFR 200.318(b)

The Grant Manager shall be responsible for monitoring the implementation of the contract and shall ensure the fulfillment of all written requirements. If the contractor violates any of the terms or conditions of its award, the Grant Manager shall notify the Project Owner, if one has been designated, immediately. The Project Owner or designee, is responsible for taking appropriate corrective action.

A. Contractor Payment Procedures. Before contractor payments are processed, the following steps must be followed:

1. **Initial Review and Approval.** Contractors will submit invoices to the Grant Manager. Invoices shall contain sufficient information for the Grant Manager to determine if all deliverables and all appropriate services were provided during the invoice period.
2. **Verification.** Once the Grant Manager approves the contractor's invoice, the invoice will be sent to the Finance division to verify all expenses are allowable and that funds are available for payment.
3. **Payment.** Finance division staff will prepare the contractor's check for the Finance Director's signature.

6.2 Standards of Conduct

Legal requirement: 2 CFR 200.318(c)(1) and 2 CFR 200.318(c)(2)

The City of Foley requires full and open disclosure when dealing with procurement. As such, City employees and Elected Officials must strictly avoid any conflict of interest or the appearance of a conflict of interest. City employees and Elected Officials must at all times provide full disclosure of their actions or relationships with prospective vendors, contractors, or consultants. If there is the slightest doubt as to the propriety of a procurement action, the Finance Director should be contacted immediately.

- A. Employees.** City employees shall not engage in conduct resulting in a real, potential, or apparent conflict of interest. A conflict of interest may arise when any action by a City employee, whether isolated, recurring, or continuous, is to the direct financial advantage of this employee, of their spouse, parent, child, or any member of the employee's immediate family. Employees shall not participate in the selection, award, or administration of a contract supported by federal funds if a real, potential, or apparent conflict of interest would be involved. Such a conflict of interest would arise when any employee or any member of their family, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm/organization selected for a final contract. City employees shall neither solicit

nor accept gratuities, favors, or anything of monetary value from contractors, sub-recipients, parties of project contractors, or entities regulated by its member states. City Policy does not prohibit employees from accepting occasional meals (not to exceed \$20) paid for by individuals or businesses doing business with or soliciting business from the City, or the receipt of gifts of minimal value (not to exceed \$35 in a calendar year). Since these rules are more prohibitive than the Federal rules, the City rules must be followed. Any violation of this policy must be reported to the employee's supervisor and the Human Resources Department and may lead to disciplinary action up to, and including termination.

See the City of Foley *Purchasing Policy and Procedures*, Section 2.1: "Conflicts of Interest"; and Section 2.2: "Gifts from Vendors" and the City of Foley *Personnel System Policy*, Section 2.6: "Gifts and Gratuities"

- B. Elected Officials.** The Elected Officials shall not engage in conduct resulting in a real, potential, or apparent conflict of interest. A potential conflict of interest may arise when action by an Elected Official, whether isolated, recurring, or continuous, is to the direct financial advantage of this individual, or any member of the Elected Official's immediate family, as defined in *Code of Alabama 1975, Section 36-25-1,(15)*.
- C. Organizational Conflicts of Interest.** If/when applicable, the City shall not engage in procurement actions with its parent, affiliate, or subsidiary organization(s) when the City is unable, or appears to be unable, to be impartial in conducting a procurement action involving a related organization.
- D. Statements of Economic Interest.** State of Alabama Ethics Commission "Statement of Economic Interest" shall be completed online for all employees with responsibility for procurement of goods or services. *Code of Alabama 1975, Section 36-25-14*.

6.3 Procurement Records and Files

Legal requirement: 2 CFR 200.318(i)

For each procurement action, the Grant Administrator shall maintain a procurement file with the following information:

- Signed copy of the procurement instrument (e.g., purchase order, contract, etc.);
- All amendments to the procurement instrument;
- Copies of all bids and offers;
- All purchase specifications including delivery requirements;
- Cost/price analysis that was the basis for the award cost or price;
- Contractor evaluation/ranking sheets from Evaluation Committee members (for example: Department Head and Purchasing Agent);
- As applicable, a written justification as to why sole source or minimum competition was used;
- Written explanation as to why the winning contractor was selected;
- Documentation that the selected contractor is not suspended or debarred;
- As applicable, prior written approval documentation from federal funding agency;
- Upon completion of the contract, written comments regarding the quality of the vendor's services and guidance and recommendations regarding potential future work.

6.4 Open and Free Competition

Legal requirement: 2 CFR 200.319

The City of Foley strives to ensure full and open competition, guarantee the objective performance of the contract, and eliminate the possibility for unfair competitive advantages. Proposal selection shall be based on responsiveness to the solicitation, price, quality, deadlines of delivery, warranties, accountability, and fulfillment of the service and other relevant factors.

To ensure full and open competition, the City will abide by the following guidelines:

Procurement Amount	Action
Competitive Bid Law - \$15,000 and greater Public Works Law - \$50,000 and greater	Note: The State of Alabama Competitive Bid and Public Works Laws are more restrictive than the Federal Guidelines. Therefore, the State Guidelines must be followed. Formal solicitations shall be conducted in accordance with Section 6.5 E and a cost/price analysis shall be conducted in accordance with Section 6.7
\$2,500 - \$14,999	See Note above. Purchase order required and three bids must be compared. Cost/price analysis shall be conducted in accordance with Section 6.7.
\$250- \$2,499.99	Purchase order is required.
\$0.00 - \$249.99	No purchase order is required.

See the City of Foley Purchasing Policy and Procedures, Section 2.3: “Competitive Bid and Public Works Laws”

A formal solicitation may also be conducted for any procurement less than the amount indicated above at the discretion of the Department Director / Grant Manager.

Alternative procedures, which ensure full and open competition, may also be used on a case-by-case basis as approved by the Purchasing Agent. A written justification will be prepared and kept on file for any alternative procedures.

The City of Foley reserves the right to award purchase orders, consultant agreements or project contracts on a sole source/noncompetitive basis when one or more of the following circumstances apply: (1) the item or service is available only from a single source that has predominate capability; (2) there is an emergency situation, or exigency, affecting public health, safety, or convenience, so declared in writing that will not permit a delay from competitive solicitations; (3) the City received prior approval from the Federal awarding agency; or (4) competition is determined to be inadequate after solicitation from a number of sources. A written justification will be prepared and kept on file for any noncompetitive procurement. Only the Purchasing Agent may authorize a sole source agreement or contract. Any selected vendor must be able to meet all established requirements of the City such as providing a W9, business license, and certificate of insurance if so required.

6.5 Procurement Procedures

Legal requirement: 2 CFR 200.320

- A. Purchasing Necessary Items.** Only items that are necessary for the efficient and effective operation of the City Federal grant programs will be purchased. This pertains both to items purchased for the indirect operations of the City and direct project operations.
- B. Lease versus Purchase Analysis.** In certain instances, an analysis will be performed to determine if it is more cost effective to lease or purchase the item.
- C. Methods of Procurement.** One of the following procurement methods must be used:

Procurement Method	Purpose
Micro-purchases	For supplies or services when the aggregate dollar amount does not exceed \$2,500 (\$2,000 for construction projects when Davis-Bacon applies). Solicitation of price quotations is not required.
Small purchases	For supplies, services or other property that do not exceed \$14,999. A cost/price analysis must be conducted in accordance with Section 6.7.
Sealed bids	The preferred procurement method for construction projects. Formal advertising required in accordance with Sections 6.5.E and 6.7 (below). See the City of Foley Purchasing Policy and Procedures, Chapters 6 and 7, for additional information about the sealed bid process.
Competitive proposals	For supplies and services of more than \$15,000 / \$50,000 when the use of sealed bids is not appropriate. Requests for proposals must be formally advertised and solicited from a minimum of two qualified sources. Formal solicitations shall be conducted in accordance with Sections 6.5.E and 6.7 (below).
Noncompetitive proposals	All “sole source” purchases, to be used as an exemption from the competitive bid process, must be authorized prior to purchase by the Purchasing Agent. See the City of Foley Purchasing Policy and Procedures, Chapter 7.4, and Section 6.4 (above) for additional information.

- D. Procurement Authority for Operating Expenses.** The authority to approve and execute procurement transactions on behalf of the City of Foley is as follows:
- Office Supplies.** Employees are allowed to order necessary supplies to accomplish business related tasks up to the amount of \$249.99. In all cases where the amount of the purchase price exceeds \$250, the employee’s supervisor must approve the purchase prior to expenditure of funds, submit a requisition, and a purchase order shall be issued.
 - Significant Expenditures.** Before any expenditure in the amount of \$2,500 or more is made by an employee or department, the department supervisor must obtain three quotes / proposals to ensure items are purchased at the best possible price. A

purchase order shall be issued upon receipt of a valid requisition.

3. **Consulting/Professional Services Agreements.** Contracting for consulting and professional services will be performed in accordance with the open competition guidelines in Section 6.4 above. The City Council shall authorize (via resolution) the Mayor, or other designee, to sign consulting/professional agreements on behalf of the City. Prior approval may be required by the Federal awarding agency (see #7 below).
 4. **Purchases of Capital Equipment.** Capital equipment is defined as an item with a unit cost of \$5,000 or more and having a useful lifespan of greater than one year. The City Council shall approve all capital equipment purchases. Prior approval may be required by the Federal awarding agency (see #7 below).
 5. **Purchases of Technology.** The City's IT Department should be contacted regarding proposed purchases of office technology, regardless of cost, to obtain their recommendations and to follow their established procedures. Examples of the types of technology the IT Department must review prior to purchase are computer hardware and software, cell phones, iPads, printers, photocopiers, digital cameras, scanners, fax machines, and fiber connections.
 6. **Other Services.** The use of consultants, professional service providers and other vendors not contained in a federal grant budget must be reviewed and approved by the City Council.
 7. **Prior Approvals.** Before proceeding with project purchases of goods or services, prior written approval may be required by the federal awarding agency. Requests for prior approvals, when required, are prepared by and submitted to the federal awarding agency or pass-through entity by the Grant Manager. No procurement will occur without the required prior approval.
- E. **Formal Solicitation Process.** A formal solicitation must be conducted for each procurement of \$15,000 or greater (Competitive Bid Law) or \$50,000 or greater (Public Works Law). Formal solicitations for procurements less than \$15,000 are at the discretion of the Department Head / Grant Manager, but require 3 quotes if \$2,500 or more.

This solicitation will be performed in accordance with the following steps:

1. **Prepare Requests for Proposals (RFP).** Upon approval by Resolution of the City Council, the Purchasing Agent shall prepare the RFP. Each RFP will contain the following information:
 - Brief statement of purpose or intent;
 - Clear and accurate description of the products or services required in sufficient detail to allow the preparation of a responsive bid;
 - The period of performance of the contract;
 - Clear statement that the contracting entity will be the City of Foley, or a District, or entity of;
 - Evaluation criteria;

- Name and phone number for a City single point of contact for RFP inquiries;
 - Date and time by which proposals must be returned;
 - Date, time and location proposals will be opened and reviewed;
 - The format in which proposals should be prepared;
 - The address to which proposals should be delivered;
 - The number of proposal copies to be submitted;
 - The method and timing of payment(s);
 - Any other information which it may be necessary or desirable to provide, including the consequences if due dates are missed, or work does not meet prescribed standards.
2. **Distribute RFPs.** The City of Foley will make RFPs available to interested parties via its website, www.cityoffoley.org. Requests for Proposals will be advertised in a newspaper of general circulation in the city where the work will be performed. RFPs will also be sent to firms known to have sufficient qualifications and experience to submit a serious proposal. Advertising RFPs online through professional association websites is encouraged to solicit the maximum number of qualified responses.
3. **Review Proposals.** All proposals will be reviewed using standard evaluation criteria, such as price, quality, delivery terms, contractor/consultant integrity, financial and technical resources, accessibility to other necessary resources and record of past performance. Anyone who has been an employee of any of the organizations submitting proposals, or who is directly related by blood or marriage to a senior employee of any organizations submitting proposals, or has a financial interest in any of the organizations submitting proposals, shall be excluded from participation in the review process.
4. **Contractor Selection.** The proposal reviewers, in consultation with the appropriate Department Director / Grant Manager will be responsible for selecting a contractor. Written documentation of the review process, including all ranking sheets, and the basis for contractor selection shall be prepared and maintained in the City's main office. If the recommendation does not represent a consensus, then any minority positions shall be recorded.
5. **Contracting.** Once the selection has been made, the City Council shall authorize (via resolution) the Mayor, or other designee, to negotiate a contract with the selected individual, organization, or company. The contract will adhere to the provisions of 2 *CFR* 200.326 and Appendix II of the Uniform Guidance (See Section 6.8). The contract will be signed by the Mayor, or other designee, and a duly authorized representative of the contracting organization. A copy of the executed contract will be retained by the Grant Administrator.
- F. **Suspension/Debarment.** No procurement will be made from a contractor that has been suspended or debarred from receiving federal funds. Prior to awarding any contract, the Purchasing Agent will search the federal Excluded Parties List System (www.sam.gov) to determine that the individual, company, organization and their principals are not suspended or debarred.

6.6 Use of Small Businesses, Minority-owned Firms, and Women's Business Enterprises

Legal requirement: 2 CFR 200.321

The City of Foley will make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, to the fullest extent practicable. To further this goal, the City will:

- Place qualified small and minority businesses and women's business enterprises on solicitation lists to encourage and facilitate their participation;
- Solicit small and minority businesses and women's business enterprises when they are identified as potential sources;
- When feasible, divide larger projects into smaller components to permit maximum participation by small and minority businesses and women's business enterprises;
- Establish delivery schedules, when permissible, that encourages participation by small and minority businesses and women's business enterprises;
- Use the services of organizations such as local Chambers of Commerce, the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;
- Require prime contractors to take the above mentioned affirmative steps when subcontracts are to be awarded.

6.7 Cost or Price Analysis

Legal requirement: 2 CFR 200.323

A cost or price analysis shall be conducted for every procurement action greater than **\$15,000 (Competitive Bid Law) / \$50,000 (Public Works Law)**. The cost or price analysis shall be performed prior to receiving bids or proposals. A cost analysis shall consist of a review and evaluation of each element of cost to determine if it is reasonable, allocable, and allowable. A price analysis shall consist of comparing price quotations, market prices, and similar information.

A minimum of three written price quotes shall be obtained for procurement actions **between \$2,500 - \$14,999**. Written quotes may be received directly from a provider or from a vendor's website if available.

For *equipment, technology or other goods* with a unit cost of greater than \$5,000, there may be an analysis as to whether it is more cost effective or practical to purchase or lease the item.

For *consulting/professional services*, the Department Director / Project Manager will:

1. Identify a sufficient number of consultants/professional service providers to contact in order to receive at least two written cost estimates.
2. Send a letter of inquiry to each consultant that defines the City's need, scope of work and timeline.
3. Evaluate the consultants' proposals and costs.
4. Select the most responsive proposal and either (a) modify it through negotiation with the consultant or (b) prepare a recommendation to the City Council for award.

6.8 Required Contract Provisions

Legal requirement: 2 CFR 200.326

The City of Foley shall include, in addition to provisions to define a sound and complete agreement, all provisions required by the Federal funding agency and applicable provisions found in *Appendix II of the Uniform Guidance (2 CFR Part 200)*.

7. PROPERTY MANAGEMENT

See the City of Foley *Capital & Small Attractive Asset Policy and Procedures*.

This section relates to the purchase of real property and equipment with federal funds. **Real property** is defined as “land, including land improvements, structures, and appurtenances thereto, but excludes moveable machinery and equipment.” **Equipment** is defined as “tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or \$5,000.” Items with a value less than this amount will be classified as **Small Attractive Assets**.

Real property and equipment purchased with federal funds will be insured to the same level as real property and equipment purchased by the City of Foley with non-federal funds. It is the responsibility of the Department Director to implement and maintain internal controls over property and equipment to safeguard property and equipment from loss, damage, or theft. Any loss, damage, or theft will immediately be reported to the Finance Director, and investigated. Real property and equipment acquired or improved with federal grant funds will be held in trust by the City as trustee for the beneficiaries of the grant funded project or program. Property and equipment will be maintained in good condition at all times.

7.1 Equipment Records

Legal requirement: 2 CFR 200.313(d)(1)

- A. For all equipment purchased with federal grant funds, the City will maintain accurate information about the equipment including the following:
- A description of the equipment;
 - A serial number or other identification number;
 - A city assigned asset number or tag;
 - Source of funding for the equipment, including the Federal Award Information Number (FAIN);
 - Whether title vests in the recipient or the federal government;
 - Acquisition date (or date received if equipment was furnished by the federal government) and cost;
 - Information from which one can calculate the percentage of federal participation in the cost of the equipment (not applicable to equipment furnished by the federal government);
 - Location, use and condition of the equipment and the date the information was reported;
 - Ultimate disposition data, including date of disposal and sales price. Proper

notification to federal granting agency of disposal when required.

- B. Equipment owned by the federal government shall be identified to indicate federal ownership. Proceeds from the sale of federal equipment will be recorded and utilized in accordance with federal guidelines.

7.2 Inventory

Legal requirement: 2 CFR 200.313(d)(2)

The Finance Division will conduct a physical inventory, and the results reconciled with the equipment records, at least once every year. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. In connection with the inventory, Finance staff will verify the existence, current utilization and continued need for the equipment.

7.3 Equipment Sales

Legal requirement: 2 CFR 200.313(d)(5)

When authorized, or required, to sell equipment, the Department Director, will take steps to maximize the proceeds from a sale.

7.4 Disposition

Legal requirement: 2 CFR 200.311(c) and 2 CFR 200.313(e)

- A. **Real property.** When real property is no longer needed for the originally authorized purpose, the City, will request disposition instructions from the federal awarding agency or pass-through entity.
- B. **Equipment.** When equipment purchased with federal grant funds is no longer needed for the original project or program or for other federally-funded activities, the City staff will consult the grant's terms and conditions, 2 CFR 200.313(e), and the federal grant program officer, or the pass-through entity, for disposition instructions.

8. RECORDS AND INFORMATION

8.1 Financial and Program Records

Legal requirement: 2 CFR 200.333

- A. The Grant Administrator is responsible for maintaining grant files in compliance with grant documents.
- B. Financial records, supporting documents, statistical records, program documents, evaluation reports and all other records pertinent to a federal grant award shall be retained for a period of six years (according to State of Alabama "Municipal Records Disposition Authority, 2015"), from the date of submission of the final expenditure report. The only exceptions are the following:
 - It is the policy of the City of Foley—for grants associated with natural disasters—financial records, supporting documents, statistical records, program documents, evaluation reports and all other records pertinent to a federal grant award shall be

- retained for a period of ten years, from the date of submission of the final expenditure report;
 - If any litigation, claim or audit is started before the expiration of the six-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved and final action taken;
 - If the federal awarding agency, or pass-through entity, notifies the City that records must be retained beyond the six-year period;
 - Records for real property and equipment acquired with federal funds shall be retained for six years after the final disposition;
 - Indirect cost rate proposals and cost allocation plans (see below).
- C. Indirect cost rate computations or proposals, cost allocation plans and any similar accounting computations that form the basis for the negotiation of the indirect cost rate with the federal awarding agency shall be retained for six years beginning on the date of each submission for negotiation. In a case where the City is not required to submit an indirect cost proposal or computations for negotiation, the six year retention period for the proposal, plan or other computations and its supporting records starts at the end of the fiscal year covered by the proposal, plan or other computation.

8.2 Access to Records

Legal requirement: 2 CFR 200.336

The City of Foley will grant personnel from the federal awarding agency, Inspectors General, the Comptroller General of the United States and the pass-through entity, or any of their authorized representatives, access to any documents, papers, or other records which are pertinent to the federal grant. City staff will be available to answer questions related to such documents. Access to Personally Identifiable Information (PII), gathered in record keeping for the grant, shall be exempt from this rule.

8.3 Safeguarding Sensitive Information

Legal requirement: 2 CFR 200.303(e)

As the custodian of sensitive and private information, the City recognizes the importance of protecting information resources from loss, misuse, unauthorized access, or modification. All printed and electronic material containing confidential, personal information related to business, financial or grant program transactions—including but not limited to name, birth date, address, telephone number, social security number, photographs, account numbers or other Personally Identifiable Information (PII)—are to be safeguarded.

The Information Systems Manager is responsible for conducting and monitoring an annual risk assessment and security audit to ensure that any potential threats to information security are identified, evaluated, and resolved.

All employees are to be informed of their obligation to the City, its clients and its partners to protect the confidential nature of the PII obtained and used during the course of its daily operation. The City requires its employees and volunteers to sign a statement authorizing supervisory and management personnel to monitor their work as a quality assurance measure.

In the event that inappropriate employee or volunteer conduct is detected, supervisory and management personnel will address the issue with the employee or volunteer and take appropriate remedial or disciplinary action as determined warranted under the circumstances, including termination of the employee or volunteer.

9. TRAVEL

Out of town travel by City employees for federal grant purposes is not expected to occur.

In the event that out of town travel by City employees for federal grant purposes should be required, the associated travel expenses should be consistent with those normally allowed in like circumstances for the City's non-federally-sponsored activities.

The policies set forth in the City's **Travel Policy and Procedures** shall be followed for required federal grant associated travel expenses, unless superseded by federal regulations in 2 CFR 200.474 – *Travel Costs*, and City policies for federal grant purposes, as detailed below.

9.1 General

Legal requirement: 2 CFR 200.474(a)

Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by the City employees who are in travel status on official business of the organization.

It is the City of Foley's policy to reimburse employees for allowable, necessary, and reasonable travel expenses incurred while conducting City business. While accommodations and services required should be both comfortable and appropriate for the business needs of the City, they should be reasonable and not excessive in cost. The City expects each traveler, including senior staff authorized to approve expense reports, to exercise prudence and judgment toward the City travel expenses. Expenses should be commensurate with the nature of the business assignment and the capacity in which the individual represents the City.

Expenses reimbursed by the City of Foley with federal grant funds:

- Lodging and in-room Wi-Fi when necessary for work purposes.
- Meals and incidentals (i.e., tips and service charges) according to the City's guidelines in Section 9.2
- Temporary dependent care costs
- Air travel
- Ground transportation
- Car rentals
- Tolls and parking
- Business phone calls
- Faxes

Expenses **NOT** reimbursed by the City of Foley with federal grant funds:

- Alcoholic beverages
- In-flight movies, hotel room movies, or other forms of entertainment
- Newspapers, magazines, books, or similar entertainment

- Toiletries and medications
- Luggage, briefcases, and clothing

Each employee is responsible for making their own travel arrangements using a City-approved online business travel website, or a similar travel website if lower prices are available. When more than one employee is traveling to the same destination for the same work function, the employees will coordinate travel arrangements and lodging, using the City's credit card.

9.2 Lodging, Subsistence, Dependent Care

Legal requirement: 2 CFR 200.474(b), 2 CFR 200.474(c)

Accommodations at moderately priced hotels are considered adequate for business travel. Because prices vary a great deal depending on the location and the time of year, each City employee planning a business trip should use his or her best judgment in selecting a reasonable business class priced hotel. Suites are not permissible unless the employee is staying at a "suite hotel," where all rooms are priced comparably to a reasonable business class priced hotel.

The reasonable costs of telephone, in-room Wi-Fi, fax, and hotel parking charges are reimbursable if:

- Telephone, in-room Wi-Fi, and fax charges are for business purposes
- Self-parking at no charge is not an option at the selected hotel

- A. Daily Meal and Incidentals.** When traveling on City business for the City's federal grants, City employees will be reimbursed for the actual cost of reasonable meals and incidental expenses, excluding alcohol, upon submission of all receipts and a completed expense report.
- B. Temporary Dependent Care.** The City of Foley will reimburse employees for the cost of temporary dependent care provided the expense is above and beyond the regular dependent care costs paid by the employee; is a direct result of the employee's travel for the federal grant; and is only temporary during the travel period. Travel cost for dependents is not allowable from federal grant funds. This is not a typical expense and is not covered under the City's travel policy. This only pertains to travel under Federal Grant guidelines.

9.3 Commercial Air Travel

Legal requirement: 2 CFR 200.474(d)

Air travel should be booked well in advance, whenever possible, in order to obtain the lowest, unrestricted fare. As a benefit to employees who travel on City business, the employee may retain the frequent flyer miles earned on each trip, but the ticket must be paid for directly by City.

- A. Domestic Air Travel.** All travel will be coach class or the least expensive unrestricted fare unless special circumstances exist and such accommodations would: require circuitous routing; require travel during unreasonable hours; excessively prolong travel; result in additional costs that would offset the transportation savings; or offer accommodations not reasonably adequate for the traveler's medical needs.

B. International Air Travel. See Section 9.5.

- C. Business or First Class Air Travel.** In general, business or first class air travel is not allowed except when the customary standard commercial airfare accommodation falls into one or more of the special circumstances identified in paragraph A, Domestic Air Travel, above. The employee must justify and document these conditions on a case-by-case basis. Documentation must be submitted to, and approved by, the employee's supervisor / manager prior to booking ticket.

9.4 Air Travel by other than Commercial Carrier

Legal requirement: 2 CFR 200.474(e)

Federal grant funds will not be used for air travel on non-commercial carriers when such costs exceed the cost of allowable commercial air travel. The portion of such costs that exceeds the cost of allowable commercial air travel provided in Section 7.3 is unallowable.

9.5. Foreign Travel

City policy for federal grant purposes

Foreign travel is allowed only when approved by the Mayor, or designee, **and the travel has received prior written approval of the federal awarding agency.** Each separate foreign trip must receive such approval.

9.6 Ground Transportation

City policy for federal grant purposes

Airport buses, shuttles, or hotel courtesy vans should be used when possible. The use of a taxi, uber, lyft or other ride sharing service is permitted for approved business travel when use of public transportation is not practical. Car services and limousine services are not allowed using federal grant funds.

9.7 Car Rentals

City policy for federal grant purposes

Car rentals are permitted if the employee expects to travel extensively for City business purposes. The car must be rented in the name of the person who will be requesting reimbursement. Employees should select a compact or intermediate/mid-sized automobile unless there are a sufficient number of passengers where it becomes more economical to rent a larger vehicle such as a sport utility vehicle (SUV).

9.8 Toll and Parking Charges

City policy for federal grant purposes

Tolls and parking charges incurred while on City business are reimbursable. (Charges incurred in daily travel between home and place of business are considered commute expenses and are not reimbursable.)

9.9 Expense Reimbursement Procedure

City policy for federal grant purposes

It is the responsibility of the individual incurring the expense—and those reviewing and approving the expense—to ensure that expenditures are allowable, appropriate, and reasonable. The approval of an expense report is not only an authorization to charge to a certain grant budget, but also certification that the expense is in accordance with City policy and Federal Cost Principles.

Expense reports must be approved by the employee's supervisor/manager and by the supervisor/manager of the department being charged for the grant expenditure. Once the supervisor has approved the expense report, the expense report and all receipts are to be submitted to the Finance or Accounts Payable staff.

A. Required Documentation for Expense Reports. The ability to expedite payment for reimbursement of expenses is dependent upon the adequacy of the expense report's supporting documentation. The following supporting documents must be provided with the expense report:

- Original itemized receipts for all daily meals and incidental expenses
- Detailed hotel bills from the hotel (hotel bill must be broken down into room charges, meals, telephone calls and parking)
- Airline ticket stubs/receipts (automatically generated when booked through an online travel website)
- Rental car receipts
- Receipts for trains, taxis, shuttles, parking
- Receipts for all other allowable reimbursable expenditures