



# GRANTS ADMINISTRATION HANDBOOK

Updated 12/1/2025

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## **PREFACE AND ACKNOWLEDGEMENTS**

Grant funding is an increasingly vital aspect of providing goods and services for organizations and the citizens they serve. Since researching, applying for, and managing a grant is a complex undertaking, staff who work with grants must be educated on the basic policies and procedures for all phases of the grant life cycle. This Grant Administration Handbook (Handbook) addresses the City of Lakeland's (City) policies, governing federal and state laws, rules, regulations, policies, and other relevant information pertaining to grant administration processes for the City workforce engaged in grant administration in the City.

The integrity of the City's grants enterprise depends upon the knowledge and experience of its grant professionals, and these professionals must have a thorough understanding of their duties and responsibilities. We hope this Handbook will assist staff in performing their duties effectively and efficiently.

## **DISCLAIMER**

This Handbook is not intended to be an exhaustive list of all rules, regulations, or laws governing grant administration. Still, it is a guide to standardized procedures for directing City personnel in the pursuit, application, and management of grant proposals and awards. All respective departments are responsible for creating and maintaining internal procedures that will be used in conjunction with these Citywide standards.

Additionally, each department is responsible for ensuring that City personnel administering grants are trained on applicable regulations governing their respective grant awards. Training may be provided by the grantor agency, an outside qualified vendor, or through internal resources. At a minimum, personnel administering Federal grants must be trained on the requirements of 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The City Grant Coordinators and/or Special Project Managers will take the lead in establishing and tracking internal training on the components of 2 CFR Part 200 and other Federal and State guidelines for City personnel.

## CHAPTER 1: PURPOSE, SCOPE, AND AUTHORITY

### PURPOSE

This Handbook aims to establish uniform guidelines for City personnel to pursue grant funding and manage grant awards. The Handbook describes the grants administration policy and procedures of the City associated with:

- Grant Identification, Application, and Tracking
- Grant Award Notification, Review, and Acceptance
- Grant Oversight and Monitoring
- Grant Accounting and Reporting
- Grant Subrecipient Monitoring
- Grant Close-out

### SCOPE

It is the responsibility of the City's Office of Innovation & Strategy, under the direction of the City Manager, to implement the City grants administration policy and to provide procedures that detail the grant proposal seeking process and the proper execution, management, and close-out of the City's grant awards, and report on the submission and status of grants in a manner that assures transparency and accountability to the City Commission, grantors, and the public. These grant administration procedures apply to all grants pursued by City personnel and awarded to the City and define the roles and responsibilities of City employees in the management of external funding and in compliance with prescribed grants and City requirements.

The City will maintain a Grants Administration Handbook that sets forth City procedures for administering all grant awards and pass-through awards, in accordance with the requirements of the Uniform Guidance and other applicable statutes, rules, regulations, and guidance documents. The provisions of this manual apply to all City officers, employees, agents, contractors, and sub-grantees who perform functions associated with any grant or pass-through award.

#### Definition of a Grant

For the City, a grant is a multi-purpose instrument used by the government or private entities to subsidize programs and projects that meet the funding criteria of each respective grantor. Due to their multi-purpose nature, "grants" can be awarded in the form of loan contracts, loan guarantees, cooperative agreements, joint participation agreements, contracts for services, private contributions, interlocal agreements, and other contractual documents. Grants can be unrestricted or restricted, to be used by the recipient in any fashion within the parameters of the recipient organization's activities or for a specific purpose by the grantor. Typically, grants are intended to support a public

purpose. Procurement of goods or services for the direct benefit of the organization, and not for a broader public purpose, is generally awarded in the form of a contract.

For the City Commission, a grant is defined as financial assistance awarded to the City from an external entity to carry out a public purpose of support or stimulation, or when specifically identified by the awarding agency, as a “Grant” at the time of the award.

## **GOVERNING LAWS, RULES, REGULATIONS, AND POLICIES**

### **Federal**

- Federal Grant and Cooperative Agreement Act of 1977, as incorporated in Title 31 Section 6304 of the U.S. Code.
- 2 CFR Chapter 1, and Chapter II, Parts 200, 215, 220, 225, and 230 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (a.k.a. the “Omni Circular”).
- Single Audit Act of 1984, as amended in 1996.
- OMB Circular A-133 Audits of States, Local Governments, and Non-profit Organizations.
- 24 CFR Part 570
- Applicable Federal Register Notices
- Applicable CDBG-MIT Regulations and Guidelines
- 45 CFR Part 75
- 29 CFR Part 95
- 20 CFR Part 601,
- 24 CFR Part 570 subpart I
- SF424
- Americans with Disabilities Act, and Grievance Policy and Procedure
- Limited English Proficiency (LEP)

### **State**

- Florida Statute, Chapter 125.
- Florida Administrative Code General Records Schedule GS1-SL for State and Local Government Agencies
- Rules of the Auditor General, Chapter 10.550, Local Governmental Entity Audits.
- Florida Single Audit Act, Florida Statute §215.97
- State’s Action Plan
- Government in the Sunshine Manual, 2022 Edition attached as **Appendix C**

### **City**

- City of Lakeland Employee Handbook (attached as City Employee Handbook **Appendix M**) includes the following policies:
  - Equal Employment Opportunity Policy and Statement
  - Acceptable Use Policy Electronic Communication and Internet Use
  - Drug-Free Workplace Policy

## **UPDATES AND REVISIONS**

This Handbook is a living document and contains Federal, State, and City policies that, by their nature, may be revised over time as regulations change, new tools emerge, new processes are designed, and risks change. The City's Office of Innovation & Strategy will annually review the procedures described herein. In continued collaboration with the personnel, this document is to be updated as necessary or as circumstances dictate.

## **CHAPTER 2: CITY OF LAKELAND GRANTS ADMINISTRATION POLICY**

Adherence to the policies and procedures found herein will promote efficiency, greater transparency, greater accountability, and a strategic approach to funding opportunities. It will generally place the City in a more competitive position to secure grant funds. Please contact the City's Office of Innovation & Strategy for assistance if specific directions regarding grants cannot be found in these procedures.

### **PURPOSE**

Grants are an exceptional way to fund City projects; however, they come with the expectation that all work, including management of the grant award, will meet the highest standards of the regulatory and budgetary requirements set by the grantor and the City. Failure to comply with such requirements can result in the loss of goodwill and the return of funds. Inadequate review of grant proposals or grant awards may lead to the City spending General Revenue funds to support a grant project inconsistent with the overall strategic direction or may commit the City to General Revenue spending beyond the grant period. The purpose of this policy is to set forth guidance for the application of grant proposals and the administration of grants awarded to the City that ensure the efficiency and impact of grant-funded programs, services, and capital improvements; increase grant revenues; limit the City's exposure to grant related legal liability and assure grantors and the public that the City shall discharge its responsibilities with the highest of standards.

### **POLICY**

It is the policy of the City of Lakeland that the City will seek grant funding for activities and assets that are determined to further core City functions; provide for activities and assets that are in the best interest of the City and its residents; and consistent with the City's mission and strategic priorities. Unless exempted by City Commission action, all City departments and agencies shall participate in a uniform grants administration program. The Office of Innovation & Strategy, under the direction of the City Manager, will adequately assess grants before submission and ensure that grant award functions follow the highest standards of the grantor or the City. If the City is participating in the administration of a grant with other government entities or constitutional offices, then the other entities or constitutional officers shall provide reasonable assurance that the

administration of their grant is in full compliance with state and Federal laws, including 2 CFR Part 200. A subrecipient agreement may be required.

Funding Analysis: Grants that align with the strategic priorities of the City shall be analyzed by the City's Grant Writer (located in the City's Office of Innovation & Strategy) and the City's Finance Department to examine the total impact and cost to the City due to matching requirements or new operating costs; allowance of indirect costs; whether General Fund revenues are necessary to cover the gap between cash expended and revenues received, and whether City General Fund revenues are necessary to support the project after the expiration of the grant if needed.

Provision of Administrative and Operational Support: In a manner specified by the City Manager, the City's Office of Innovation & Strategy shall continue to develop procedures that ensure a detailed understanding of the regulatory and financial requirements of grant awards and specify how grants will be implemented and monitored in a manner that assures transparency and accountability to the City, grantors, and the public.

## **PROCEDURE**

The City's Office of Innovation & Strategy, under the direction of the City Manager, maintains the City's Grant Management Software and the Grants Administration Handbook that sets forth City procedures for administering State and Federal awards and pass-through awards in keeping with the requirements of State and Federal law. The provisions of this Handbook are applicable to all City employees under the control of the City Manager and City Commission, and to agents, contractors, and sub-grantees who perform functions associated with any State or Federal award or pass-through award.

The City Manager has designated the Office of Innovation & Strategy to be responsible for organizational oversight of the City's Grant Management program, consistent with this Policy and the Handbook, and for ensuring that all specific grant-related compliance obligations are met. Grant Coordinators/Special Projects Coordinators in each Department are responsible for day-to-day compliance activities for the grants they oversee, under the oversight of Department Directors and Division Managers.

The City Manager may amend the Handbook from time to time, as may be necessary to ensure compliance with State and Federal law and with changing operational needs of the City.

## **CHAPTER 3: ROLES AND RESPONSIBILITIES**

All City personnel engaged in preparing grant proposals and administering grant awards, including staff responsible for grant-funded assets, play an important role in ensuring that all grant terms, conditions, and regulatory requirements are met.

Below are the “key team members” in the management and administration of grant-funded projects received by the City, along with a representative list of their responsibilities.

#### Mayor and City Commission

The City Commission must approve unbudgeted transactions exceeding \$100,000. This includes purchase requisitions, change order requests, check requests, task authorizations, and contracts. The Mayor, or their designee, will sign as the Authorized Representative on behalf of the City by Resolution or in accordance with the Grant Agreement.

#### City Manager

The City Manager or their designee is authorized to make purchases and to enter into all contracts, purchase orders, change orders, task authorizations, or such other instruments as may be required, to purchase goods, equipment, supplies, or services in amounts of \$50,000 and not to exceed \$100,000, as well as unbudgeted transactions up to \$50,000. If allowed by the authorizing Resolution, the City Manager may execute some recurring grant agreements and related documents without formal approval by the Lakeland City Commission. *Pursuant to City Resolution No. 5136 (last established on July 7, 2014) and updated and approved by the Lakeland City Commission on December 16, 2024.)*

Further, pursuant to Ordinance No. 5850, dated November 16, 2020: “All sales and conditions of all contracts for the furnishing of work, labor and materials shall conform to such regulations as the City Manager or City Commission may prescribe, including those set forth in the City of Lakeland’s Purchasing Manual attached hereto as **Appendix I**, but in any case, if an amount in excess of Five Thousand Dollars (\$5,000.00) be involved, opportunity for competition shall be given.”

#### Office of Innovation & Strategy

It is the responsibility of the City’s Office of Innovation & Strategy, under the direction of the City Manager, to:

- Implement and update this Grants Administration Handbook
- Oversight of the City’s Grants Management Software
- Provide a centralized point of contact for assistance with the identification of available grant opportunities
- Provide procedures that detail the grant proposal-seeking process
- Provide procedures that detail the proper approval and execution process
- Provide procedures that detail the grant management process, including grant close-out
- Provide reporting support on the submission and status of grants in a manner that assures transparency and accountability to the City, grantors, and the public

#### City Attorney

All grant documents going before the City Commission for approval and signature require legal review and approval as to form and correctness, including agreements, modifications, and extensions. The City Attorney reports to the City Commission.

### Finance Department

The Finance Department is responsible for Accounts Payable, Accounts Receivable, and General Ledger functions, and is involved with all grants from a financial perspective. This department annually produces the Schedule of Expenditures of Federal Awards (SEFA) and provides internal and external auditors with the documentation necessary for the performance of the Single Audit. Finance validates that expenditures sought for reimbursement are properly classified in the General Ledger and ensures the completeness of all reimbursement requests for audit-trail purposes. Finance Department personnel include the Director of Finance, who reports to the City Manager, the Assistant Finance Director, and Chief Accountants and Accountants I & II, who report to the Director of Finance.

### Department Directors

Department Directors are responsible for programmatic and fiscal oversight of their designated department. They ensure adequate resources are provided to staff to conduct project management duties and grant award management appropriately. In accordance with City Resolution 5136, approved by the City Commission on July 7, 2014, the City Manager or their designee is authorized to establish signing authority for each Department Director up to \$25,000. Therefore, all Department Directors may approve budgeted transactions up to \$25,000, which include purchase requisitions, change order requests, check requests, task authorizations, and contracts, provided this level of authority has been granted by the City Manager or their designee. (See attached City Accounts Payable Policy and Procedures Manual - **Appendix A**) for more information and exceptions. The Director of Public Works will be responsible for overseeing the technical work completed by City staff working on this grant project.

### Division Managers

Division Managers will enforce City policies and procedures; provide organizational oversight and accountability related to grant compliance; implement, execute, and manage grant-related scopes of work; coordinate schedules and activities; oversee subcontractors; and report the status of grants to their designated Department Director. This position will also ensure that division staff are appropriately trained and qualified to carry out the tasks related to the administration of grants; ensure the accuracy of programmatic reports; ensure critical timelines are met; and ensure grants comply with all applicable regulations. Division Managers will identify a Grant Coordinator or Special Projects Coordinator for each grant and ensure that they are familiar with the grant guidelines and parameters outlined in this handbook and in grant agreements. Signing authority for each City employee organizationally beneath the level of Department Director is individually assigned. In most cases, Division Managers have City authorization levels up to \$15,000. (See attached City Accounts Payable Policy and Procedures Manual – **Appendix A**, Page 13 for more details.)

The following is a list of the Division Manager's responsibilities:

1. Coordinate and direct the activities of the Division and program/project staff to ensure budgeting, fiscal management, and reporting, procurement, and contract management comply with Federal, State, and local policies, procedures, and regulations.

2. Prepare bid and procurement documents, and coordinate with the City's Purchasing and Finance Departments on bid procurement for vendors and subcontractors. Vet and select appropriate and qualified vendors and subcontractors, prepare contract documents, and coordinate with the City Attorney's Office for review and approval.
3. Review and approve grant compliance and financial documents prior to submittal.
4. Create and implement project schedules and plans, assign, and review the work of skilled and semi-skilled staff, sub-contractors, and vendors in the execution of project assignments and tasks.
5. Supervise, direct, and advise staff, subcontractors, and vendors in the execution of project tasks and program work to ensure compliance with approved work plan, State, Federal, and local regulations, and requirements.
6. Prepare and submit periodic detailed reports summarizing program and project activities.
7. Coordinate and monitor subrecipients.
8. Monitor the performance and outcomes of the programs associated with a grant.
9. Participate in all required monitoring reviews and audits.

#### Division Grant Coordinators and/or Special Projects Coordinators

The Grant Coordinator and/or Special Projects Coordinator is the divisional designee responsible for administering each assigned grant and ensuring that the processes and procedures outlined in this handbook and each grant agreement are followed. This position may be assigned as the Project Manager, or another individual may be assigned to coordinate all grant-related activities within the division and serve as the primary contact for such activities.

The following is a list of the Grant Coordinator's/Special Projects Coordinators' responsibilities:

1. Research program requirements prior to submitting a grant application.
2. Arrange sign-in permissions for computer program access to grant project information and documentation.
3. Coordinate the preparation and submission of grant applications with the Division Manager.
4. Coordinate legal review of grant agreements through the City Attorney's Office.
5. Create agenda memorandums and coordinate placement of grant agreements on the City Commission Agenda for final approval.
6. Verify multi-departmental processes and procedures are correctly followed, i.e., purchasing procedures, records retention, etc.
7. Coordinate and monitor subrecipients.
8. Establish a thorough tracking and reporting process.
9. Submit timely and accurate reports.
10. Monitor the performance and outcomes of the programs associated with a grant.
11. Monitor grant-related spending; grant lifecycle and document storage utilizing the City's eCivis grant management software that is integrated with City financials within Oracle.
12. Coordinate, prepare, and participate in all required monitoring reviews and audits.
13. Provide the proper closeout and coordinate the retention of required program records with Records Management at the conclusion of each grant.

14. Place program-related documents, including contracts, into the appropriate SharePoint or eCivis project data locations designated by the initiating department/division.

The Grant Coordinators and/or Special Projects Coordinators will be responsible for communicating program status and outcomes to various levels of staff, management, and representatives at local, state, and Federal agencies, as applicable.

#### City Internal Auditor

The City Internal Auditor examines and evaluates the internal control systems and procedures used by City departments to carry out their assigned responsibilities. This includes reviewing department implementation requirements and ensuring the completeness and transparency of City programs and services for audit-trail purposes. The Internal Auditor coordinates with the external auditors by providing them with documentation to perform the Single Audit and reports directly to the Director of Finance.

#### External Auditor

External Auditors work with the City's Internal Auditor and Finance Staff to perform the Single Audit.

#### City Finance Chief Accountant or Accountant

The City Finance Chief Accountant or Accountant who resides within the City Finance Department shall be responsible for managing the financial requirements and maintaining the award record in the City's financial system. Although some tasks may be delegated, the Chief Accountant is the chief accountable person for the overall fiscal conduct of the grant awards, meeting the budgetary terms and conditions of the awards, and representing the accounting of the projects to the Internal Auditor and Grantors. Following is a list of responsibilities for the City's financial contact:

1. Utilizing the City's General Ledger software or eCivis Grants Management Software, prepare and coordinate the budget portion of grant requests with City Department Directors, Division Managers, and Grant Coordinators, and/or Special Projects Coordinators.
2. Generate grant project numbers and set up new accounts.
3. Assign split funding cost accounting for payroll, benefits, project phases, etc., as specified by each grant.
4. Submit all required documents necessary to satisfy periodic reporting requirements on a timely basis.
5. Prepare and submit financial reports in accordance with grant requirements and deadlines.
6. Request grant reimbursements in accordance with grant requirements and this Grants Administration Handbook.
7. Provide financial information, statistical data, and analysis as needed and necessary.
8. Monitor the funding and expenses associated with the grant.
9. Coordinate, prepare, and participate in all required monitoring reviews and audits.
10. Provide the proper closeout and retention of required fiscal records at the conclusion of each grant.

11. Place fiscal-related documents into the appropriate SharePoint folders or within eCivis grants management software.
12. Communicate the financial status of the grant with the Grant Coordinator and/ or Special Projects Coordinators, Department Director, and Division Manager.

#### Purchasing Manager

As set forth in the City's Purchasing Manual, the City's Purchasing Manager shall serve as the principal officer for the purchase of all goods and services for the City. The City Charter establishes the purchasing function and prescribes certain legal and administrative requirements. As such, the Purchasing Manager is delegated certain administrative responsibilities by the City Manager. Since it is not practical for the City Manager to become involved in all purchasing decisions, the Purchasing Manager must make every attempt to represent the management philosophies of the administration they serve and to report to their superior in a timely fashion key information regarding purchasing functions.

## **CHAPTER 4: GRANTS IDENTIFICATION, APPLICATION, AND TRACKING GRANT IDENTIFICATION/RESEARCH**

Departments can use the following sources to locate funding for City projects:

- City of Lakeland's eCivis/Euna Grants Management Software.
- Federal Funding Opportunities ([www.cfda.gov](http://www.cfda.gov)): CFDA sites provide a full listing of all Federal programs available to state and local governments.
- State Funding Opportunities (<https://apps.fldfs.com/fsaa/catalog.aspx>) CSFA site is a statewide compendium of state projects that provide financial assistance to non-state entities.
- Regional and Local Funding Opportunities
- Foundations
- Legislative Appropriations (submitted through the legislative policy process)
- Agency Websites and Listservs
- Federal Register (<https://www.Federalregister.gov/>)
- Grants.gov (<http://www.grants.gov/>): Grants.gov is the clearinghouse for all Federal grant opportunities and allows organizations to electronically find, apply for, and manage Federal grant funds online through a common website.
- Grantsolutions.gov (<https://home.grantsolutions.gov/home/>): GrantSolutions.gov is a comprehensive grants management system that allows applicants to apply for, manage, and report on the use of U.S. government funds for multiple programs, such as Federal Health & Safety funding and the RESTORE Act.

The grant-seeking process consists of departmental grant strategy planning, a pre-application assessment, and a review.

- To maximize potential funding capacity, it is suggested that each department seeking grant funding for capital projects provide an annual prioritized list of needs to the Department

Director that can potentially be met through grant funding. An interdepartmental committee may be established to review financial requirements, outside financial assistance, and documentation needed for application preparation.

- The department initiating the grant application will need to review and assess whether:
  - The funding opportunity aligns with the department’s core mission and the City’s strategic priorities.
  - The department has the required match (cash/in-kind).
  - The program/project is sustainable without additional funding.
  - The department can fund potential long-term operations and maintenance costs without budgetary increases.

## TYPES OF GRANT FUNDING

1. Block Grant (also referred to as a “formula” grant) – A broad intergovernmental transfer of funds or other assets by the U.S. Congress to state or local governments for specific activities such as justice initiatives, housing, health, and human services, but with assurances required. Block grants are distributed according to legal formulas defining broad functional areas such as health, income, security, education, or transportation.
2. Discretionary Grant – Non-formula grants that use competitive procurement methods to distribute funding. A competitive grant is an award of financial assistance, in the form of money or property, by the Federal or State Government to an eligible grantee, usually made through a competitive review process.
3. Cooperative Agreement & Contract – Types of Federal or State assistance, essentially a variation of a discretionary grant, awarded by a Federal or State agency when it anticipates having substantial involvement with the grantee during the performance of a funded project.
4. Special Projects (also known as Earmarks, Appropriations, or Member Projects) – designate a certain source of revenue for specific projects made at the request of a legislator. Typically, the County submits project requests to State and Federal legislators who seek to obtain funds for those requests, usually to be spent in the district the legislator represents. Special Projects bypasses the normal competitive grant review procedure by which revenues are allocated into a general fund, then divided among various government programs. Most Special Project allocations are administered through State and Federal agencies that will require a Scope of Work and Contract after the legislation has been approved and before funds can be expended. Federal and State grant compliance regulations, 2 CFR Part 200, often apply to Special Projects.
5. Formula Grant – Formula Grants are usually Block Grant funds that Congress directs a Federal or State agency to make to grantees. The amount is established by a formula based on specific criteria that are written into the legislation and program regulation. This funding is directly awarded and administered in the Federal or State agency’s program offices or may be a pass-through grant to another unit of government.

6. Loan Agreement – The City may take advantage of loans offered by the State and Federal governments and offer reduced interest rates for capital projects. These loans may also be subject to grant compliance regulations.
7. Pass-Through Grant – Grant funds originate with one grantor but pass through to another grantor. Such as from one Federal Agency to a State Agency to a local government.

## **ELECTRONIC FILE STORAGE REQUIREMENTS**

File management is an essential aspect of grants management. Auditors will refer to documentation and financial data when auditing a grant program. City Departments will use the City's eCivis Grant Management Software (or designated SharePoint platforms) to provide a single location for all information related to a grant, making it easy to find quickly. To that end, all relevant correspondence associated with the grant will be stored using naming conventions that support data mining. Files stored should consistently contain the project name, grant number, and the year the grant was approved. If named consistently, eCivis or SharePoint can be used as a search engine to access all documents associated with a grant project. For recurring grants, change only the year of the grant to distinguish it from the previous year, but otherwise retain the same grant name.

## **APPLICATION PREPARATION**

### Pre-application Preparation

**City Employer Identification Number (EIN) a/k/a Federal Tax ID No.**

59-6000354

**City Dun & Bradstreet Number**

02-099-7912

**City Unique ID Number and Expiration Date (SAM.gov)**

V1ZBPYVXTJQ3

Exp. Date: Please verify on each use

**CFDA Number**

14.228

### Preparation of Application

Preparing the application is primarily the responsibility of each respective department, with support from the City Manager and Finance Department. Certain essential elements must be addressed before filling out a grant application.

Electronic proposal preparation and submission are becoming the norm for grant administration. The Department Grant Coordinator and/or Special Projects Coordinator will assist in coordinating roles across all external web-based grant portals, as each portal defines roles differently and may involve other City departments. The following are examples of the various web-based portals in which the City is registered:

- a. Grants.gov
- b. System for Award Management (SAM.gov)
- c. Automated Standard Application for Payments (ASAP)
- d. FEMA eGrants and PARS (Payment and Reporting System)
- e. Grant Solutions (for RESTORE Act)
- f. Department of Justice Grants Management System (GMS)
- g. Department of Justice Grant Payment Request System (GPRS)
- h. eGrants (Florida Department of Economic Opportunity)
- i. Federal Transit Administration Transit Award Management System (TrAMS)
- j. Federal Transit Administration Grantee Payment Request System (ECHO)
- k. Florida Department of Transportation Local Agency Program (LAP)
- l. Southwest Florida Water Management District (SWFWMD) Cooperative Funding Initiative
- m. Florida Department of Environmental Protection (FDEP)

### Writing the Proposal

The initiating department is responsible for preparing and submitting the grant proposal application. However, the Grant Writer in the City's Office of Innovation & Strategy is available to provide assistance and guidance in preparing a successful proposal.

The initiating department will thoroughly read and review the grant guidelines. Grant application guidelines specify what to include in the respective grant proposal, and it is critical to understand the grantor's requirements and follow them explicitly. Request a sample/template contract to budget for contract award compliance. Structure, attention to specifications, concise writing, enthusiastic/persuasive writing, a reasonable budget, and a justification narrative are the critical elements to be considered during the writing stage.

Grant guidelines typically identify:

1. Submission deadlines
2. Grantee eligibility
3. Funding goals, priorities, and ceilings
4. Proposal format: forms to use, page limitations, page margins, line spacing, etc.
5. Budgets and budget justification narrative
6. Proposal evaluation process, criteria, and timetables
7. Point(s) of contact
8. Allowable supplemental materials, such as Letters of Support
9. Required certifications and assurances
10. All other submission requirements

### All Letters of Support

The Department Director, Division Manager, Grant Coordinators, and/ or Special Projects Coordinators shall be responsible for obtaining any required or supplemental Letters of Support.

## INTERNAL GRANT NOTIFICATION AND RISK ASSESSMENT

### Internal Process for Grant Proposal Submission Notification

The grant process begins with the interested City department. A minimum of thirty (30) days prior to the grant application deadline, or as soon as the grant opportunity is available or brought to the attention of the department, the initiating City Department's Division Manager will notify the Department Director and instruct the Division Grant Coordinator / Special Projects Coordinator to establish the grant project in the City's grant management software. Once completed, the information is automatically forwarded to the City's Grant Writer in the Office of Innovation & Strategy for tracking and review.

Various risks are associated with accepting grant funding. It is important to review the risks associated with each grant prior to accepting funding. The City's Department Manager, together with the Finance Department and Grant Manager, will review the financial and programmatic considerations.

Items to consider when assessing risk include:

#### Financial Considerations

- a. Total anticipated grant costs
- b. Matching requirements. This includes the types of matches and the sources of the matching funds required.
- c. Program income considerations
- d. Staff time spent on the grant application
- e. Staffing requirements for the grant itself. This includes both administrative staff time and program staff time. Consider the time frame for the grant, employee type (regular, part-time, or contract)
- f. A continuation plan of the grant funding, if needed

#### Programmatic Considerations

- a. Alignment with the City's strategic goals
- b. Possibility of continuation of the program once the grant funding has ended (if needed)
- c. Staff's knowledge of the programmatic requirements of the grant
- d. Partnerships, community involvement, support letters, etc.
- e. Required Memorandums of Understanding (MOUs) with partner agencies.
- f. Possible duplicative services already in the community

## **CHAPTER 5: AWARD NOTIFICATION, REVIEW, AND ACCEPTANCE PROCEDURES**

Grant agreements are legal contracts. It is the City's responsibility to carry out grant activities to accomplish its objectives while adhering to the regulatory and budgetary terms and conditions prescribed by the grantor in the grant agreement. Failure to do so may expose the City to legal liability and compromise current and future grant funding. The City carries a significant legal and ethical responsibility when accepting grant funding. As such, management of grant awards requires heightened awareness throughout the organization.

### **AWARD NOTIFICATION**

Once the award scope and budget are agreed upon, the grantor will present the award. The grant award or grant contract may be delivered to the City by hardcopy letter or by email to the identified City Contact listed in the application. Grantor agencies are also using electronic portals for grant applications, submissions, and award management. Usernames and passwords must not be shared with others and must be used only by the authorized person.

### **LEGAL REVIEW**

The City Attorney's Office shall conduct a legal review of the grant agreement to assess whether the terms and conditions of the agreement are legally enforceable and ensure the City's interests are protected.

1. If the legal review identifies no issues with the terms and conditions of the agreement, the grant agreement may then proceed to the City Manager's Office for consideration and placement on the City Commission Agenda for final approval.
2. If the legal review identifies any issues with the terms and conditions of the award, the initiating department will facilitate with the grantor to resolve the issue. If the City and the grantor cannot reach a mutually agreeable position, the initiating department may choose not to accept the award. This will occur through written correspondence from the initiating department, which will clearly specify the reason(s) for declining the award.

### **CITY APPROVAL AND APPROPRIATION**

1. The initiating department is responsible for ensuring approval to accept the award by the date required by the grantor for full execution.
2. The initiating department prepares and submits an Agenda Memo, which must include specific information regarding the award under consideration. Key points to include in the request are:
  - a. Request City Commission approval of the grant award and agreement.
  - b. Amount of the award.
  - c. If required, request approval by Resolution for the Mayor or designee to sign all documents associated with the grant on behalf of the City.

- d. Provide a description of the project or program funded by the grant.
  - e. Provide expected outcomes of the project.
  - f. Request approval and appropriation of funds (Finance Department can provide appropriate language for the appropriation of funds).
  - g. The item is placed on the City Commission Agenda under the City Manager Section. A department representative shall attend both the Agenda Study and the City Commission Meeting to answer any questions the Commission may have. An example of an Agenda Memo is attached as **Exhibit-1**. Three (3) originals of the grant agreement shall be delivered to the City Attorney's Office to circulate for authorized City signatures and return to the initiating department.
3. Following the City Commissions' execution and appropriation of the grant award and agreement, the initiating department is responsible for submitting the executed grant agreement and related documents to the grantor.
  4. The initiating department provides an original of the fully executed grant agreement to the City Clerk when the fully executed grant agreement is returned to the City by the grantor. Copies of the fully executed agreement shall be provided to the following:
    - a. Grant Writer in the Office of Innovation & Strategy
    - b. City Finance Chief Accountant or assigned Grants Accountant

## PROJECT SETUP AND ACCOUNT CODES

Oracle is the financial software utilized for fund accounting.

1. Upon receipt of a fully executed grant agreement, the Grant Coordinator and/or Special Projects Coordinator shall coordinate with the City Finance Chief Accountant or assigned Grant Accountant:
  - a. To set up the grant project in a grant-specific cost center in Oracle. City project account codes should be set up to track project phases and the grant's applicable payroll and benefit requirements, providing a clear reimbursement and accounting trail.
  - b. For Public Works Department Grants, contact the Public Works Systems and Applications Manager (in the Public Works Director's Office) via email to coordinate the setup of payroll accounts (reimbursable and non-reimbursable) in the Lucity work management system to provide a clear accounting trail of all project costs.
  - c. Ensure that the grant project is set up in SharePoint or assigned City Drive, allowing documentation to reside and be retrieved from a singular location that is accessible across departments.
    - An example of a standardized list of documentation may be uploaded to the SharePoint or assigned City Drive grant folder provided in Exhibit 2.

- d. For recurring grants that the City Commission has appropriated during the budget process, but the funds have not yet been transferred by the grantor (i.e., CDBG), the Finance Department may create projects in Oracle based on the approved budget to facilitate tracking allowable expenditures for the next grant cycle. Project accounting will be adjusted accordingly if the awarded budget or allowable costs for the grant are changed.

## CHAPTER 6: MANAGING THE GRANT

Grant funds must be properly received and managed by the City. How departments can be notified of a grant can vary. Grant award notices can be sent to the department or to other designated grant staff via email, the US Postal Service, or fax. Violations can result in a range of penalties, including suspension of future grant funds, return of all funds associated with the award, including those already expended, and civil or criminal penalties.

### MONITORING AND OVERSIGHT OF THE GRANT

Compliance Monitoring: The post-award activity of awarded City grants shall be overseen by the departmental Grant Coordinator and/or Special Projects Coordinator with the following responsibilities:

1. Monitoring activities under the grant scope of work to ensure compliance with applicable requirements and to ensure that performance expectations and deliverables are being achieved. Monitoring of the grant must cover each program, function, or activity. The departmental Grant Coordinator and/or Special Projects Coordinator shall be responsible for ensuring that activities comply with the Terms and Conditions of the grant agreement/contract and ensure that the required deliverables and reports are submitted by or before the specified deadlines in the award agreement.
2. The Grant Coordinator and/or Special Projects Coordinator serves as the liaison with the grantor regarding program performance, operational requirements, monitoring, and supervision of all programmatic (operational) aspects of the grant in accordance with the terms and conditions of the grant. They shall be responsible for conducting or coordinating all internal program monitoring and ensuring the preparation and submission of all required program reports by or before the specified deadlines in the award agreement.
3. The assigned Chief Accountant or Accountant is responsible for ensuring that essential support and controls are provided to the recipient department so that the grant awarded ends successfully and in compliance with all budgetary policies and procedures.

## FINANCIAL MANAGEMENT AND ACCOUNTABILITY

### Financial Management System

As noted in the City Accounts Payable Policy and Procedures Manual, Oracle (attached as **Appendix A**), has been the City's financial system provider since 1989. Oracle offers a suite of software applications for various business purposes called the e-Business Suite (EBS). Payables is one such application within EBS used by the City to store information about vendors and the invoices submitted to the City for payment. The City's Accounts Payable Policy and Procedures Manual lays out the procedures for documenting grant awards, authorizations, obligations, unobligated balances, assets, expenditures, program income, and program interest that meet or exceed 2 CFR Part 200.302(b)(1) and (3).

### Lucity Work Order System

The Lucity Work Order is a customizable tool for managing public works and infrastructure operations by allowing users to create, track, and schedule work orders, which are detailed plans for tasks that need to be completed. It supports tracking of employees, equipment, materials, and costs for each work order, enabling organizations to allocate resources and monitor project expenses efficiently. The Lucity Work Order System is utilized to track payroll and tasks for self-performed grant activities and is utilized by the City's Public Works Department. The Lucity User Manual can be located at: <https://help.lucity.com/portal/>

### Management of Federal Cash

To minimize the time elapsed between the transfer of funds under 2 CFR Part 200.305, the City of Lakeland will request advance payments only to cover expenses and invoices that are ready to be paid within three (3) business days after receiving funds. Payments must be deposited and maintained in interest-bearing accounts. Advances should not be requested for encumbrances in which services and invoices have not been received unless there is a certainty that invoices will be received and paid within these established guidelines. Payments to sub-recipients are limited to immediate cash needs.

Interest earned up to \$500 per year may be retained for administrative expenses. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either an Automated Clearing House (ACH) network or a Fedwire Funds Service Payment. Refer to 2 CFR Part 200.305(b)(9) for specific instructions.

### Receipt and Use of Grant Funds

1. No grant funds shall be disbursed until a City Commission agenda item and appropriation request have been approved by the City Commission or delegated authority by Resolution, and a project has been created in Oracle, unless the funding is fully tracked within a grant-specific cost center in Oracle, and the required documentation is complete.

2. Grant funds may only be used for grant-related expenses and expended within the period of performance identified in the grant agreement.
3. Departments receiving grant funds shall adhere to City policies and procedures regarding revenue collection, accounting, and reporting of grants received by the City.
4. Modifications or reallocations to the awarded budget that alter the original grant amount or moves funds from one budget line to another must adhere to grantor and City policies and procedures.
5. Grant funds awarded to the City shall not be used to supplant an existing expense so that current funds can be diverted to another use unless such use of grant funds is explicitly identified as allowable in writing by the grantor of the grant award.
6. All income resulting from a grant-funded project or program shall adhere to the City of Lakeland Central Accounting Policy and Procedures Manual, managed and maintained as established in the grant agreement attached as **Appendix B**.
7. All procurement activities associated with grant-funded projects or programs shall follow the grant agreement and the policies and procedures outlined in the City Purchasing Manual attached as **Appendix I**. It is the responsibility of the City Grant Coordinator and/or Special Projects Coordinator to notify the Purchasing Division of all grant conditions when requesting a procurement using grant funds.
8. All property and equipment acquired through grant funds shall follow the grantor and City policies and procedures for property or inventory control.
9. All grant and related matching revenues and expenditures shall be recorded in the Oracle accounting platform.

#### Determination of Allowable, Allocable, and Reasonable Costs

Grant funds must be spent in accordance with the terms and conditions of the grant award. Therefore, prior to expending grant funds, the Grant Coordinator and/or Special Projects Coordinator, together with the Chief Accountant or Accountant, must be aware of what costs are allowable and disallowable under the grant, as well as what costs are considered direct and indirect.

Allowable costs shall be adequately documented and fit the definition for an authorized expenditure as stated within the cost principles as follows:

- a. Allocable, reasonable, and necessary
- b. Treated consistently as a direct or indirect cost
- c. Determined in accordance with Generally Accepted Accounting Principles (GAAP)
- d. Net of all applicable credits
- e. Not included as a cost to meet a matching requirement of another Federally funded grant
- f. Conforms to limits or exclusion on types or amounts of costs as stated in cost principles, Federal laws, and terms and conditions of the grant award
- g. Consistent with policies and procedures that apply uniformly to Federal and non-Federally funded activities.

A cost is *allocable* to a grant if the goods and services purchased are related equitably to the benefits received by the funded program. A cost must also be incurred specifically for the award, benefit the award, and be *necessary* to the organization's overall operation. A cost is considered reasonable if, in both its nature and amount, it does not exceed what a prudent person would incur at the time the decision to incur the cost was made.

#### Allowability and Authorization

It is the initiating department's responsibility to determine if a cost is allowable under the grant program. Typically, the determination falls under the responsibility of the Grant Coordinator and/or Special Projects Coordinator; however, the Department Director may delegate this responsibility to other qualified staff.

1. The initiating Division Manager will establish the grant proposal budget in consultation with the Department Director and the Finance Director or Designee and submit it to the Granting Agency with application and/or acceptance of the grant agreement.
2. The Finance Director or Designee will prepare the budget amendment to recognize grant revenue and expenses in the general ledger; set up project accounting in the financial software utilizing unique identifiers for grant-funded goods and services. The Finance Designee will then communicate the project and general ledger account codes for the grant to the assigned Grant Coordinator and/or Special Projects Coordinator.
3. Prior to the preparation of bid documents, Request for Proposals (RFPs), purchase orders, or other purchasing methods, the Grant Coordinator and/or Special Projects Coordinator must notify the Purchasing Division whenever Federal or state funding is used.
4. The Grant Coordinator and/or Special Projects Coordinator will review grant purchases, purchase orders, contracts, invoices, contractor pay applications, and salaries for allowable grant costs prior to payment authorization.
5. The Grant Coordinator and/or Special Projects Coordinator will coordinate with the designated Chief Accountant and/or Accountant on any proportional costs applied to a grant.
6. The designated Chief Accountant and/or Accountant will review grant transactions and confirm for completeness, timeliness, accuracy of expense, and allocable costs. They will determine the proportion of the cost that can be applied to the grant.
7. The designated Chief Accountant and/or Accountant will perform routine reconciliation of grant program transactions in the general ledger and project accounting. They will complete and enter journal entries and project adjustments as needed.
8. The Grant Coordinator and/or Special Projects Coordinator will notify the designated Chief Accountant and/or Accountant of any purchasing or contract changes during the grant cycle and will submit to the Granting Agency any requests for changes to the agreement.

9. The designated Chief Accountant and/or Accountant will perform cash flow and projections for the grant budgets and complete budget adjustments to the general ledger and project accounting as needed.
10. The designated Chief Accountant and/or Accountant will coordinate with the Grant Coordinator and/or Special Projects Coordinator to obtain supporting documentation as required by the Grantor used in the preparation of financial reporting, including reimbursement requests, claims, and draws. The supporting documentation will demonstrate whether a cost is reasonable, necessary, or allocable if it impacts a cost's allowability.

#### Equipment and Real Property Management Cost Sharing/Matching

1. Equipment purchased with grant funds shall be used exclusively during the life of the grant for the project or program for which it was acquired.
2. Equipment purchased with grant funds must be properly maintained and safeguarded, and equipment records must be maintained per City inventory policy and procedures. This includes identifying grant-funded acquisitions on the fixed asset inventory under the column marked "restricted/grant funded". It is the Grant Coordinator's and/or Special Projects Coordinator's responsibility to notify the Purchasing Division and Finance Division when fixed assets are purchased with grant funds and must be identified as a grant-funded acquisition on the fixed asset inventory.
3. The recipient department must comply with the Granting Agency's requirements to report annually, or per designated time period, on the status of equipment and real property acquired with grant funds. All reporting requirements will be coordinated with the designated Chief Accountant and/or Accountant.
4. After the grant award is closed and equipment is no longer needed for its originally authorized purpose, the Grant Coordinator and/or Special Projects Coordinator at the recipient department shall request disposition instructions from the grantor and follow City policy and procedures for property and inventory control. All disposition requirements will be coordinated with the designated Chief Accountant and/or Accountant.
5. Grant-purchased equipment and real property acquired with Federal funds must also comply with 2 CFR Parts 200.313, 200.314, and 200.329 UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS.

#### Expenditure Monitoring/Award Reconciliation

It is critical to the overall success of a project that grant funds are expended accurately. After initial setup, grant awards should be reconciled on a monthly basis to ensure:

1. Expenditures are allowable, allocable, necessary, and reasonable based on the terms and conditions of the grant award.
2. Expenditures are adequately supported by documentation.

3. Evaluation for a budget revision or amendment is assessed. Requests to granting agencies for budget revisions or amendments need to be made in writing, with the grantor agency's approval also in writing.
4. Expenditures are recorded and charged to the correct project and/or general ledger account in Oracle.
5. Award spending is commensurate with the project timeframe.  
Reconciliation involves checking:
6. Expenditures/revenues recorded in project accounting to those recorded in the general ledger
7. Revenues billed during a reporting/billing period against expenditures charged to the project during the same period.

#### Cost Transfers

Incorrectly posted charges to grant-funded projects must be corrected within the required time constraints, which is why routine account reconciliation is critical. Failure to transfer incorrectly posted charges in a timely manner may result in the expense being disallowed for grant reimbursement.

1. All cost transfers moving an expenditure from one grant-funded project to another grant-funded project should be made within ninety (90) days from the end of the calendar month in which the transaction appears.
2. Any cost transfer removing expenses from a grant-funded project to a non-grant-funded project may be made without regard to a time limit.

#### Cost Sharing/Matching

1. The source of cost share must be identified at award setup and tracked for reporting.
2. Cost sharing (a.k.a. matching) is provided either through cash or expenditures, in-kind services, or via a third-party commitment. For Federally funded grant awards, all cost sharing/match must be in accordance with 2 CFR Part 200.306. Revisions and updates to 2 CFR Part 200 can be found at [www.ecfr.gov](http://www.ecfr.gov).

According to 2 CFR Part 200.306, for all Federal awards, any shared costs or matching funds and all contributions, including cash and third-party in-kind contributions, must be accepted as part of the City's cost sharing, or matching when such contributions meet all of the following criteria:

- a. Are verifiable from the City's records
- b. Are not included as match/contributions for any other Federal award (unless expressly authorized by the Federal agency)
- c. Are necessary and reasonable for accomplishment of project or program objectives
- d. Are allowable under the Cost Principles of 2 CFR Part 200
- e. Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that

Federal funds made available for such programs can be applied to matching or cost-sharing requirements of other Federal programs

- f. Are provided for in the approved budget when required by the Federal awarding agency.

#### Earned Program Income

Some grant programs include tasks or objectives that may generate program income. Program income must be anticipated and disclosed in the grant proposal budget, which should consist of a utilization plan that identifies the method of use. The plan should also include the use of income collected in excess of expenditures. If program income is not disclosed at the proposal stage, the grantor must be promptly notified that the project will generate income and determine how income is to be used.

Typically, program income comes from fees collected for services performed or from registration fees for conferences or workshops. Such fees can also be generated through sub-awardees and must be accounted for in the same manner. Government revenue, such as taxes, special assessments, levies, fines, and other such revenues, raised by the City or sub-awardee, is not considered program income unless the revenues are specifically identified in the Federal award or Federal awarding agency regulations as program income.

Program income may be used for a project in several ways, depending upon the grantor's agency requirements:

- Additive: Program income is added to funds committed to the project by the grantor and used to fulfill eligible project or program objectives.
- Cost Share: Program income is used to finance a share of the project or program.
- Deductive: Program income is deducted from the total project or program budget.

If the grantor agency does not specify in its regulations or the terms and conditions of the award or give prior approval for how program income is to be used, program income must be deducted from total allowable costs to determine the net allowable costs. Program income that the City did not anticipate at the time of the grantor award must be used to reduce the grantor award and the City match (if applicable) rather than to increase the funds committed to the project.

All program income must be accounted for during the award's performance period and reported in accordance with the utilization method approved by the grantor. Failure to disclose program income may require treating all program-generated income as deductible.

Use of program-generated income resulting from a Federal grant-funded project/program shall comply with 2 CFR Part 200.307.

### Support of Salaries and Wages

Compensation for personnel services on Federal grants must be based on payroll documentation, in accordance with standard City policy and procedures. The consequences of noncompliance with employee time and effort certification may be the disallowance of such charges to the grant. Federal grants require accounting for 100% of one's time, even if all of one's time is not allocated to the grant project (2 CFR Part 200.430). The Project Accounting module captures the costs of grants and capital projects.

Salaries and wages of employees used in meeting cost-sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards. The consequences of noncompliance with employee time and effort certification may be the disallowance of such charges to the grant.

Where an employee works on single or multiple awards (including Federal and non-Federal), a distribution of their salaries/wages and fringe benefits must be supported by a personnel activity report that:

- a. Reflects an after-the-fact distribution of the actual activity of the employee.
- b. Accounts for total compensation activities.
- c. Be prepared at least monthly and coincide with one or more pay periods.
- d. Must be signed by the employee or supervisor who has first-hand knowledge of the work performed by the employee, or
- e. Any other format accepted or deemed acceptable by the granting agency.

## **GRANT REPORTING**

Every award has reporting requirements specified in the grant agreement. It is critical that all reports are complete, accurate, and submitted per the specified dates outlined in the agreement. Accurate and timely reporting is critical to maintaining a good relationship with the grantor. Requirements and procedures are established to ensure that grant funds are expended and accounted for in a manner that provides accuracy, uniformity, and consistency. Late or inaccurate reports may negatively impact current or future funding and result in Single Audit findings.

### Types of Reports

- **Performance/Progress/Narrative/Status:** The recipient department's Grant Coordinator or Special Projects Coordinator is required to regularly submit to the grantor and retain performance reports that reflect grant-funded operational progress as required by the grant agreement.
- **Financial:** The designated Chief Accountant or Accountant is required to regularly submit and retain financial reports that reflect a grant's fiscal health as required by the grant agreement and supporting documents.

- **Close-Out:** Dependent upon the conditions of the grant agreement, after the expiration or termination of the grant, the Grant Coordinator, or the Special Projects Coordinator, in collaboration with the designated Chief Accountant or Accountant, is required to submit all financial, performance, and other reports required in the grant agreement.

#### Frequency of Reports

The frequency of the reports is specified in the grant agreement. Occasionally, the funding agency requests an interim report. For Federal grants, 2 CFR Part 200.328 requires the submission of an interim report when significant developments have occurred. This is defined as problems, adverse conditions, or changes in timelines (either favorable or unfavorable).

It is ultimately the recipient department's responsibility to ensure reports are submitted by the deadline. The Grant Coordinator or Special Projects Coordinator is responsible for completing reports in a timely manner and submitting them to the grantor. The Grant Coordinator/Special Projects Coordinator, or the designated Chief Accountant/Accountant, may submit the documents to the grantor, depending on the level of service for the recipient department and the type of report involved. If the grant agreement does not specify the reporting period, the Grant Coordinator/Special Projects Coordinator must determine the timeframe for report submission with the funding entity.

### **GENERAL STANDARDS FOR SUPPORTING DOCUMENTATION**

Costs claimed by the City under its grants must be allowable, allocable, and reasonable, and must be supported by adequate documentation. Expenditures under most cost-reimbursement grants are governed by the cost principles established by Federal, state, and other grantors and must conform to the respective policies, grant special provisions, and City policies.

1. Typical grant transactions may include personnel costs, purchase of equipment and supplies, costs for contracted services, grant income or revenue, etc. Recipients of grant funding must submit documentation of eligible expenses and proof of payment for expenses incurred during the reporting period.
2. Documentation of eligible expenses may include copies of invoices, receipts, payroll or labor reports, or other proof that complies with Federal and state audit standards. Proof of payment of expenditures may include a credit card receipt, cash receipts, canceled checks, bank statements, or other documentation that complies with Federal and state audit standards. A supplemental accounting record may accompany the receipts and canceled checks.

## FILE MANAGEMENT, ACCESS, AND RETENTION

### Grant Document Management and Storage

The City uses SharePoint and/or Microsoft Office for document management and storage of all grant-related documents. Important documents that chronicle the application, receipt of the award, and all management-related documents and correspondence from award to closeout should be stored on the City Grant Site within the Department/Division SharePoint or Microsoft Office Drives.

- Refer to the Grant Coordinator/Special Projects Coordinator/Chief Accountant/Accountant roles in Chapter 3 of this Handbook for the list of responsibilities.

### File Structure

The following sections should be looked at as a tool for departments, indicating the types of related documents to keep and a recommended file structure that captures the essential elements of your proposals and awards, unless otherwise directed by the grantor/grant agreement (A more extensive list is attached as **Exhibit-2**):

#### 1. Proposal Submission

- Proposal guidelines and supporting legislation
- Application approval or designated authority document
- Signed grant application or submitted copy for web-based applications
- Information used in the preparation and support of the grant proposal
- Correspondence related to the grant proposal

#### 2. Award

- Grant award letter
- Document grant title and number, Federal award identification number, year of the award, and name of granting agency throughout the life of the grant
- Contract or Agreement with a budget and special conditions
- City Commission approval for acceptance, or designated authority document
- Grant amendments, modifications, extensions, cancellations, and terminations
- Correspondence with the grantor

#### 3. Financial

- Purchase Orders
- Invoices
- Grantor approvals for items such as budget reallocation, changes to scope, procurement, and contractor/vendor selection
- Personnel time and effort worksheets
- Reconciliation of allowable expenditures, including reports or adjustments made in project accounting

4. Reports
  - All reports to the grantor, including performance, progress, status, financial, quarterly, annual, final, etc.
  - Evaluation forms and data
  - Project Closeout documents
  - Monitoring and Audit reports
5. Subrecipient (Consultants – Construction Contractors) Documents (if applicable)
  - Subrecipient contract
  - All site visits and/or monitoring activity documentation
  - All subrecipient correspondence
  - Risk assessments
6. All other pertinent or necessary information to show compliance with the award terms and conditions

#### Record Retention

The City of Lakeland follows state guidelines for record retention, which is five (5) fiscal years. See attached **Appendix E** - City of Lakeland Records Management Program and Procedures Administrative Policy (in compliance with the provisions of Florida Statute Chapter 119 – The Public Records Law).

1. Grantors may require retention periods in excess of five (5) years. Recipient departments must ensure they comply with retention requirements specified by each grantor.
2. If any litigation, claim, negotiation, audit, or other action involving grant records has been started before the expiration of the 5-year period, the records must be retained until completion of the action and resolution of all issues that arise from it.
3. Records pertinent to a grant award relate to those retained in hard copy and/or electronic formats.
4. Retention requirements extend to source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel, and payroll records, canceled checks, and related documents and records.
5. Source documents include copies of all awards, applications, and required recipient financial and narrative reports, personal activity reports, or equivalent documentation for all individuals reimbursed under the award.
6. Once the mandatory retention period has lapsed, the City's Records Division will notify the recipient department director that the grant record will be properly destroyed unless notified differently.

#### Personally Identifiable Information

Federally funded grant records must also comply with 2 CFR Part 220.82, which requires safeguarding data records against unauthorized alterations, including Personally Identifiable Information (PII). PII is defined to include a person's name in combination with

information such as a social security number, passport number, credit card number, bank number, health records, and similar information. PII required to be disclosed by law is excluded.

## **GRANT CLOSEOUT**

The grant closeout process is a critical part of the grant life cycle. It is the process by which the City performs all necessary administrative and financial actions to satisfactorily complete all requirements set forth in the grant agreement. Preparation for closeout usually begins sixty (60) to ninety (90) days prior to the end date of the grant to accurately forecast expenses and make any necessary adjustments to accounting entries. Generally, the closeout process addresses the physical completion of the work, and the administrative and financial closeout requirements stated in the grant agreement and City policies and procedures.

### Funding Advances from Grantor

Grants are primarily processed as reimbursement by the City unless the funding entity requires funds to be advanced. For grant funding that has been advanced, at the end of the qualified grant period(s), any unexpended investment income, unexpended advances, and/or grant revenue in excess of qualified grant expenditures shall be returned to the granting entity or used per written approval from the granting agency. For Federal grants, refer to 2 CFR Part 200.345 to determine how to calculate the amount due to the Federal agency. In all circumstances, direct communication with the granting entity is recommended to mutually agree upon the calculation for the return of funds.

## **GRANT MODIFICATIONS, EXTENSIONS, OR CANCELLATIONS**

During the course of a grant's lifetime, there are times when changes are necessary to either the budget or the project scope of work. Most of these changes, typically called grant amendments, are allowable, but it is important to follow the procedures written in the grant agreement or the guides provided by the grantor. These changes must be pre-approved by the grantor agency before they are considered eligible. Documentation on all requests and amendment approvals should be stored on the designated SharePoint Grant Site or department Microsoft Drives.

### Grant Modifications

1. The initiating department shall obtain written approval from the grantor before initiating any grant modifications.
2. Budget amendments or similar documentation affecting the grant budget shall be documented in written form (i.e., grant amendment/modification, change order, etc.) and approved by the grantor and the appropriate City staff and officials. If the grantor agency provides additional funding, a budget appropriation must be approved by the City Commission.

3. Any modifications to the Grant Agreement must be reviewed and approved by the City Attorney's Office prior to seeking approval from the City Manager or City Commission.

#### Time Extensions

1. Some grants allow for at least one no-cost time extension to complete a project, if necessary. These requests must be documented in accordance with City policy and must include written approval from the grantor, usually in the form of a grant amendment/modification.
2. Subrecipient contract extensions shall be documented in written form (i.e., consultant task authorization change order and/or construction contractor agreement amendment/modification) by the recipient department and approved in advance by the grantor and the appropriate City staff and officials pursuant to City policy approval levels.
3. Copies of all-time extensions and approvals shall be kept by the Grant Coordinator or Special Projects Coordinator in the grant file.

#### Cancellations

1. In the event a grant must be terminated before its original completion date or returned to the grantor prior to project initiation, the initiating department shall notify the City Attorney's Office for guidance.

## **CHAPTER 7: GRANT SUBCONTRACTING AND SUB-RECIPIENT MONITORING PROCEDURES**

The City will regularly encounter situations in which it lacks the workforce capacity to fully meet all grant objectives and must seek other entities to perform certain functions. These activities will be required through a subcontract or sub-award. Additionally, during the course of the grant award, certain materials, supplies, and equipment may be purchased from various vendors.

Sub-recipients and vendors must be defined accurately, as there are specific requirements the City must comply with based on the designation. Accurate classification of sub-recipients and vendors is critical to a program's success and integrity.

### **VENDOR**

A vendor is defined as "A dealer, distributor, merchant, or other seller providing goods or services that are required for the conduct of the grant-funded program. These goods or services may be for an organization's own use or the use of beneficiaries of the project."

A vendor agreement is issued for obtaining routine commercial services, supplies, and equipment that require no special handling or prior approvals and are issued as standard purchase orders.

Characteristics of a vendor:

- Provides the goods and services within normal business operations
- Provides similar goods or services to many different purchasers
- Operates in a competitive environment
- Provides goods and services that are ancillary to the operation of the program
- Is not subject to the compliance requirements of the program

## **SUBRECIPIENT**

A subrecipient is a non-federal entity that expends federal funds received from a pass-through entity to carry out a federal program but does not include an individual who is a beneficiary of such a program. A subrecipient is an external entity with specialized expertise or resources that the City does not possess but is necessary to achieve the project's overall objectives.

A subaward is issued for financial or other support from a qualified organization known as a subrecipient for the performance of a substantive portion of the programmatic effort under the prime award.

Characteristics of a subrecipient:

- Receiving entity determines who is eligible to receive financial assistance
- Has its performance measured against whether the objectives of the program are met?
- Has responsibility for programmatic decision-making
- Has responsibility for adherence to applicable program compliance requirements
- Uses the funds to carry out a program of the organization, as compared to providing goods or services for a program of the pass-through entity

## **SUBRECIPIENT MONITORING – EXTERNAL AGENCIES**

All grant requirements placed upon the City will flow down to any subrecipient, and it is the prime grantees or contractor's responsibility to ensure subaward compliance with the prime grant provisions. All subawards issued under Federal grants must include language requiring subrecipients to fulfill the prime grantee or contractor agreement requirements.

1. The prime grantee/contractor project manager along with the City's Construction Engineering Inspector (CEI) will advise subrecipients (i.e., subcontractors) of requirements (including, but not limited to, financial and non-financial reporting) imposed on them by Federal laws, regulations of the flow-down provisions of the prime contractor's agreement, and any supplemental City requirements imposed depending on a level of risk determined by the City.
2. The prime grantee/contractor project manager, along with the City's CEI, Grant Coordinator, or Special Projects Coordinator, will monitor the subrecipients' use of

- grant funds and issue a written report summarizing the results and any corrective actions needed.
3. The prime grantee/contractor project manager, along with the City's CEI, Grant Coordinator, or Special Projects Coordinator, will ensure that the City receives annual audit reports from subrecipients required to have an audit in accordance with OMB Circular A-133.
  4. Upon receipt of an unfavorable audit report from a subrecipient, the City's CEI, Grant Coordinator, or Special Projects Coordinator will confirm that the subrecipient has taken appropriate and timely corrective action. If a material weakness or other reportable conditions exist, monitoring of the subrecipient will be more frequent, and management actions will be taken as appropriate.
  5. All subawards for which monitoring is mandated shall be reviewed regularly throughout the project and, at a minimum, must include:
    - Advising subrecipients of all applicable Federal laws and regulations, and all appropriate flow-down provisions from the prime contractor's agreement
    - Routine receipt and review of technical performance/progress reports
    - Routine review of expenses-to budget
    - Periodic on-site visits, or regular contact, if necessary
    - The option to perform "audits" if necessary
    - Review of A-133 audit reports filed by subrecipients and any audit findings
    - Review of corrective actions cited by subrecipients in cases of continued inability or unwillingness to have required audits or to correct non-compliant actions

### **SUBRECIPIENT MONITORING – INTERNAL AGENCIES**

All grant requirements placed upon the City will flow down to any subrecipient, and it is the prime grantee's responsibility to ensure subaward compliance with the prime grant provisions. All sub-awards issued under Federal grants must contain language requiring subrecipients to fulfill the prime contractor's agreement.

1. The prime grantee/contractor project manager will advise subrecipients of requirements (including but not limited to financial and non-financial reporting) imposed on them by Federal laws, regulations of the flow-down provisions of the prime contractor's grant agreement, and any supplemental City requirements imposed, depending on a level of risk determined by the City.
2. The prime grantee/contractor project manager, along with the City's CEI, Grant Coordinator, or Special Projects Coordinator, will monitor all subrecipients' use of grant funds and issue a written report summarizing the results and any corrective actions needed.
3. The prime grantee/contractor project manager, along with the City's CEI, Grant Coordinator, or Special Projects Coordinator, will ensure that the City receives annual audit reports from subrecipients required to have an audit in accordance with OMB Circular A-133.

4. Upon receipt of an unfavorable audit report from a subrecipient, the City's CEI, Grant Coordinator, or Special Projects Coordinator will confirm that the subrecipient has taken appropriate and timely corrective action. If a material weakness or other reportable conditions exist, monitoring of the subrecipient will be more frequent, and management actions will be taken as appropriate.
5. All subawards for which monitoring is mandated shall be reviewed regularly throughout the project and, at a minimum, must include:
  - a. Advising subrecipients of all applicable Federal laws and regulations, and all appropriate flow-down provisions from the prime contractor's agreement
  - b. Routine receipt and review of technical performance/progress reports
  - c. Routine review of expenses-to budget
  - d. Periodic on-site visits, or regular contact, if necessary
  - e. The option to perform "audits" if necessary
  - f. Review of A-133 audit reports filed by subrecipients and any audit findings
  - g. Review of corrective actions cited by subrecipients in cases of continued inability or unwillingness to have required audits or to correct non-compliant actions

## **PROCUREMENT**

### Contracting under Federal Awards

As outlined in the City of Lakeland's Purchasing Manual on pages 48-54 of attached **Appendix I** titled "Contracting Under Federal Awards", those commodities and services procured by the City using federal funds, including the Community Development Block Grant Program, are obtained efficiently and effectively in free and open competition and through the use of sound procurement practices. City staff and any grant administrators (sub-grantees or contractors) with designated responsibility for administering federally funded grant contracts are responsible for ensuring compliance with all applicable federal and state laws and regulations. These include but are not limited to OMB Circular A-102, Attachment O; 2 CFR §200.318 – 200.327; s. 255.0550525 and 287.055, Florida Statutes, Chapter 73C-23, Florida Administrative Code.

### Purchasing Responsibilities and Functions

All other City Purchasing Manual requirements attached as **Appendix I** are fully applicable to federally funded projects. It is the intent of the City to promote competitive bidding through the following sourcing methods: Invitation to Bid, Request for Proposals, or Request for Qualifications.

The City's Purchasing Manager shall serve as the principal officer for the purchase of all goods and services for the City. (See City Purchasing Manual – attached as **Appendix I**, Page 2-5).

### Government in the Sunshine Law

Florida's Government in the Sunshine Law, Florida Statute §286.011, commonly referred to as the "Sunshine Law", provides a right of access to governmental proceedings of public

boards or commissions at both the state and local levels. The law is equally applicable to elected and appointed boards. It applies to any gathering of two or more members of the same board to discuss some matter which will foreseeably come before that board for action. Members-elect to such boards or commissions are also subject to the Sunshine Law, even though they have not yet taken office. There are three basic requirements of Florida Statute §286.011:

1. meetings of public boards or commissions must be open to the public; and
2. reasonable notice of such meetings must be given; and
3. minutes of the meetings must be taken and promptly recorded.

The complete text of the Government in the Sunshine Law and related statutes may be found in **Appendix B** of the Government in the Sunshine Law Manual attached as **Appendix C**.

#### Use of Federal Excess and Surplus Property

In compliance with 2 CFR Part §200.318(f), the City encourages the use of Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

### **SUSPENSION, AND DEBARMENT**

The City of Lakeland and its sub-recipients shall not award grant assistance to applicants that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549.

It is the recipient department's responsibility to ensure that any vendor or subcontractor funded through a grant award is not prohibited from receiving Federal or State funds due to suspension or debarment. A person or entity debarred or suspended is excluded from Federal financial and non-financial assistance and benefits under Federal programs and activities. Debarment or suspension of a participant in a program by one agency has a government-wide, reciprocal effect.

1. The Grant Coordinator or Special Projects Coordinator will ensure that the Federal Excluded Parties List System (EPLS) site and the state Convicted/Suspended/Discriminatory/Complaints Vendor Lists are checked prior to entering into any contractual relationship or use of services.
  - a. EPLS: The System for Award Management (SAM) is now the official Federal system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS. It is accessed at: <https://www.sam.gov/portal/public/SAM/#1>. Contact the City's Office of Innovation & Strategy for assistance in accessing SAM.
  - b. Convicted/Suspended/Discrimination/Complaints Vendor Lists are accessed at: [http://www.dms.myflorida.com/business\\_operations/stat\\_purchasing/vendor\\_information/convicted\\_suspended\\_discriminatory\\_complaints\\_vendor\\_lists](http://www.dms.myflorida.com/business_operations/stat_purchasing/vendor_information/convicted_suspended_discriminatory_complaints_vendor_lists).

## SUBAWARD CLOSEOUT

An integral part of subrecipient/subcontract monitoring is the subcontract's close-out at the end of the project period. In general, a subcontract is closed when all deliverables have been met and the final payment has been made.

## CHAPTER 8: OTHER IMPORTANT FEDERAL GUIDELINES AND NATIONAL POLICY GUIDANCE

### OFFICE OF MANAGEMENT AND BUDGET (OMB) UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

1. **2 CFR Part 200** (also referred to as the Super Circular or Uniform Guidance) contains the most significant changes to occur to federal grants administration in recent history. Effective December 26, 2014, the regulation establishes uniform guidance for all entities that receive and administer Federal awards, as well as for auditors responsible for auditing Federal award programs. It combines several grant-related Federal guides into a single-source document. Specifically, it replaces guidance from the following documents. (2 CFR Part 200 is attached as **Appendix J**).
  - a. Administrative Guidance. The Super Circular replaces previous guidance found in Circulars A-102 (the common rule), Circular A-110, and Circular A-89.
  - b. Cost Principles. Replaces guidance found in Circulars A-21, A-87, and A-122.
  - c. Audit Requirements. Replaces guidance found in Circulars A-133 and A-50.
2. All Grant Coordinators and Fiscal Contacts must follow the guidelines established in 2 CFR Part 200 when administering federal grants. To reference the most recent version, go to [www.ecfr.gov](http://www.ecfr.gov) and search under Title 2.

### DUNS NUMBER TO UEI

*\*Effective April 4, 2022*, the Federal government is transitioning from using the Data Universal Numbering System or “DUNS” number to the UEI assigned by SAM.gov for all Federal awards. This number is required by 2 CFR Part 200.332 for reporting Federal awards per the [Federal Funding Accountability and Transparency Act](#).

### FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

The FFATA Sub-award Reporting System (FSRS), available at <https://www.fsrs.gov/index>, collects data from Federal Prime Awardees on sub-awards they make. A Prime Grant Awardee (City) will be required to report on its sub-grants, and a Prime Contract Awardee will be required to report on its subcontracts. In compliance with 2 CFR Part 25, Subrecipients must maintain an active registration in the System for Award Management (S.A.M.) <https://www.sam.gov/SAM/> to receive Federal funding.

## Contracts

In accordance with Federal Acquisition Regulation clause 52.204-10 (Reporting Executive Compensation and First-Tier Subcontract Awards), Prime Contractors awarded a federal contract or order are required to file an FFATA sub-award report by the end of the month following the month in which the prime contractor awards any sub-contract greater than \$30,000.

1. The City Chief Accountant or designated Accountant has access to internal controls and will submit the FFATA sub-award obligations.
2. The City's recipient department Grant Coordinator or Special Projects Coordinator shall complete an FFATA Sub-award Reporting Form for all applicable sub-award obligations in the amount of \$30,000, or more and forward the completed form to the Chief Accountant or designated Accountant, no later than twenty (20) days following the month in which the Prime Awardee awards any sub-grant equal to or greater than \$30,000.

## Grants

As outlined in the Office of Management and Budget's guidance issued on August 27, 2010, Prime Grant Recipients (City) awarded a new Federal grant greater than or equal to \$30,000 are required to file an FFATA sub-award report by the end of the month following the month in which the Prime Grant Recipient awards any sub-grant equal to or greater than \$30,000.

1. The City Chief Accountant or designated Accountant has access to internal controls and will submit the FFATA sub-award obligations.
2. The City's recipient department Grant Coordinator or Special Projects Coordinator shall complete an FFATA Sub-award Reporting Form for all applicable sub-award obligations in the amount of \$30,000, or more and forward the completed form to the Chief Accountant or designated Accountant, no later than twenty (20) days following the month in which the Prime Awardee awards any sub-grant equal to or greater than \$30,000.

## **FEDERAL REQUIREMENTS FOR CONSTRUCTION PROJECTS**

It is the recipient department's responsibility to ensure compliance with the following Federal requirements for construction-related projects. Departments should plan accordingly to ensure that adequate time, funding, and staffing are available to carry out these additional responsibilities. To be an eligible recipient of Federal-aid funds, the Subrecipient (City), contractors, and subcontractors must accept the following statement as their operating policy:

*"It is the policy of this Company to ensure that applicants are employed and that employees are treated during employment, without regard to their race, religion, sex, color, age, disability, or national origin. Such action shall include employment upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."*

Additionally, Grantor may require designated compliance attachments and/or assurances to be attached to every Federally funded contract. (i.e., Title VI Assurance, Appendices, Attachments, etc.)

### **Davis-Bacon Labor Standards Policy and Procedures**

The City adopts and will utilize the Davis-Bacon Labor Standards Policy and Procedures attached as **EXHIBIT M** in the governance of Davis-Bacon and Labor Standards Compliance for CDBG (DR and MIT) construction projects, to include:

- Labor Standards Compliance Checklist
- Notification of Participation and Certifications for Prime Contractor and Sub-Contractor(s)
- With Attachments A-G & Non-Compliance Tracking Sheet
  - Attachment A – WH-347 – Certified Payroll Form
  - Attachment B – SF 1444 – Request for Additional Classifications and U.S. Department of Labor Prevailing Wage Resource Book
  - Attachment C – Employee/Employer Wage-Scale Agreement
  - Attachment D – Employee Certification of Payment of Restitution and/or Liquidated Damages
  - Attachment E – Wage Restitution and Liquidated Damages Form
  - Attachment F – Record of Employee Interviews
  - Attachment G – WH-1321 - Workers Rights Poster
  - Attachment H – Labor Standards Non-Compliance Tracking Sheet

### **Davis-Bacon Act**

**Required Contract Clause:** The City adopts the Davis-Bacon Act, as amended (40 U.S.C. 3141-3148), a federal law that establishes the requirement to pay prevailing wages on public works projects. All Federal government construction contracts, and most contracts for Federally assisted construction over \$2,000, must include provisions for paying on-site workers no less than the locally prevailing wages and benefits paid on similar projects. The initiating City department's Grant Coordinator or Special Projects Coordinator must include a copy of the current prevailing wage determination issued by the Department of Labor to be included in the solicitation. The designated Grant Coordinator or Special Projects Coordinator will also be accountable for compliance oversight of the City's Consultant, responsible for receiving and reviewing weekly certified payrolls from contractors and subcontractors, and for conducting on-site interviews of workers paid under contracts with Davis-Bacon requirements to ensure compliance with the current wage determination.

### **Uniform Relocation Act and Real Property Acquisition**

The City adopts the Uniform Relocation Assistance Act (a.k.a. Uniform Act) of 1970, as amended. It is a federal law that establishes minimum standards for Federally funded

programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The Uniform Act's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federally funded projects.

When conducting a program or project under the Uniform Act, there are very specific legal responsibilities to affected property owners and displaced persons that must be addressed. The following must be considered prior to property acquisition:

#### For Real Property Acquisition

- Appraise property before negotiations.
- Invite the property owner to accompany the appraiser during the property inspection.
- Provide the owner with a written offer of just compensation and a summary of what is being acquired.
- Payment for the property before possession.
- Reimburse expenses resulting from the transfer of titles, such as recording fees, prepaid real estate taxes, or other expenses.

#### For Residential Displacements

- Provide relocation advisory services to displaced tenants and owner-occupants.
- Provide a minimum of ninety (90) days' written Notice to Vacate before requiring possession.
- Reimburse residents for moving expenses.
- Provide payments for the added cost of renting or purchasing comparable replacement housing.

#### For Non-residential Displacements (businesses, farms, and nonprofits)

- Provide relocation advisory services.
- Provide a minimum of ninety (90) days' written Notice to Vacate before requiring possession.
- Reimburse for moving and re-establishment expenses.

#### **Copeland Act "Anti-Kickback" Act**

*(applicable to all contracts and subgrants for construction or repair; 2 CFR pt.200 app. II (D))*

Copeland "Anti-Kickback" Act ([40 U.S.C. 3145](#)), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), "Contractors and Subcontractors on Public Building or Public Work Financed in whole or in part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in construction, completion, or repair of public work, to give

up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

**Required Contract Clause:** Contractor agrees to comply with the Copeland “Anti-Kickback” Act (18 U.S.C. 874;40 U.S.C. 3145) as supplemented in Department of Labor regulations (29 CFR Part 3).

### **Contract Work Hours and Safety Standards Act**

*(applicable to all contracts awarded by grantees and subgrantees in excess of \$100,000 that involve the employment of mechanics or laborers; 2 CFR pt.200 app. II(E))*

Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$1,000,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by the Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of forty (40) hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of forty (40) hours in the work week. The requirements of 40 U.S.C. 3704 apply to construction work and provide that no laborer or mechanic may be required to work in unsanitary, hazardous, or dangerous surroundings or under unsanitary, hazardous, or dangerous working conditions. These requirements do not apply to the purchase of supplies, materials, or articles ordinarily available on the open market, or to contracts for the transportation or transmission of intelligence.

**Required Contract Clause:** Contractor agrees that it shall comply with Sections of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3702 and 3704) as supplemented by Department of Labor regulations (29 CFR Part 5), which are incorporated herein.

### **Excessive Force Provision (CDBG) *(Pending adoption by City of Lakeland and Lakeland Police Department)***

#### **Compliance Requirements**

The excessive force provision, a key requirement tied to federal CDBG funding, was required initially by section 519 of the 1990 HUD Appropriations Act (Public Law 101-140). Under the 1990 Appropriations Act, no funds appropriated in the Act for the Community Development Block Grant (CDBG) program could be awarded to any municipality that failed to adopt and enforce

"a policy prohibiting the use of excessive force by law enforcement agencies within the jurisdiction of the municipality against any individuals engaged in nonviolent civil rights demonstrations."

This rule is authorized under Section 104 of the Housing and Community Development Act of 1974 and found in 24 CFR 91.325 (b)(6).

Subsequently, section 906 of the National Affordable Housing Act (NAHA) of 1990 amended Title I of the Housing and Community Development Act of 1974 by adding a new certification entitled Protection of Individuals Engaging in Non-violent Civil Rights Demonstrations. The language imposed by the 1990 Appropriations Act was retained, and additional language was added requiring units of government receiving CDBG funds to adopt and enforce

"a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within jurisdictions."

The State of Florida Department of Commerce (FloridaCommerce) interprets the law to mean that any unit of government receiving CDBG funds must adopt and enforce such a policy. Since the adoption and enforcement of an excessive force policy is required by statute, the FloridaCommerce does not have the authority to waive this requirement.

<https://www.hud.gov/sites/dfiles/CPD/documents/CDBG-Memorandum-Excessive-Force-Provision.pdf>

**Required Contract Clause:**

Contractor understands that the City is a recipient of CDBG funding authorized under Section 104 of the Housing and Community Development Act of 1974 and that the City has established policies prohibiting law enforcement agencies within the municipality's jurisdiction from using excessive force against individuals engaged in nonviolent civil rights demonstrations.

Subsequently, the City has established under section 906 of the National Affordable Housing Act (NAHA) of 1990 amended Title I of the Housing and Community Development Act of 1974 by adding a new certification entitled Protection of Individuals Engaging in Non-violent Civil Rights and a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within jurisdictions has.

HUD's Excessive Force Policy Review Checklist can be found at: [https://lakelandgov-my.sharepoint.com/personal/lbrad\\_lakelandgov\\_net/Documents/A-L&S%20GRANTS/A-DOC-MT047%20LK%20BONNET%20CDBG-MIT%20GRANT/AUDITS/MT047%20DOC%20AUDIT/MT047%20DOC%20SHAREPOINT%20DOCS/3-RECORD-KEEPING%20SYSTEMS/4-SOURCE%20FINANCIAL%20DOCUMENTS/HUD%20Excessive%20Force%20Policy%20Review%20Checklist](https://lakelandgov-my.sharepoint.com/personal/lbrad_lakelandgov_net/Documents/A-L&S%20GRANTS/A-DOC-MT047%20LK%20BONNET%20CDBG-MIT%20GRANT/AUDITS/MT047%20DOC%20AUDIT/MT047%20DOC%20SHAREPOINT%20DOCS/3-RECORD-KEEPING%20SYSTEMS/4-SOURCE%20FINANCIAL%20DOCUMENTS/HUD%20Excessive%20Force%20Policy%20Review%20Checklist)

### **Rights to Inventions Made Under a Contract or Agreement**

*(applicable to contracts for experimental, research, or development projects financed by FEMA; 2 CFR pt.200 app. II(F))*

Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with small business firms or nonprofit organizations regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and cooperative Agreements,” and any implementing regulations issued by the awarding agency.

#### **Required Contract Clause:**

1. General. If any invention, improvement, or discovery is conceived or first actually reduced to practice in the course of or under this Agreement, and that invention, improvement, or discovery is patentable under the laws of the United States of America or any foreign country, the City and Contractor agree to take actions necessary to provide immediate notice and a detailed report to Grantor.
2. Unless the Government later makes a contrary determination in writing, irrespective of Contractor’s status (a large business, small business, state government or state instrumentality, local government, nonprofit organization, institution of higher education or individual), the City and Contractor agree to take the necessary actions to provide, through Grantor, those rights in that intervention due the Federal Government as described in U.S. Department of Commerce regulations, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” 37 CFR, Part 401.
3. The Contractor agrees to include paragraphs A and B above in each third-party subcontract for experimental, developmental, or research work financed in whole or in Part with Federal assistance provided by the Grantor.

### **Clean Air Act**

*(applicable to all contracts and subcontracts in excess of \$150,000, including indefinite quantities where the amount is expected to exceed \$150,000 in any year; 2 CFR pt.200 app. II (G))*

Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended – Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

**Required Contract Clause:**

- A. Contractor agrees to comply with all applicable standards, orders, or regulations issued under section 306 of the Clean Air Act (42 U.S.C. 7401-7671q), the Federal Water Pollution Control Act (33 U.S.C. 1251-1387).
- B. Contractor agrees to report each violation of these requirements to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Grantor and the appropriate EPA regional office.
- C. The Contractor agrees to include Paragraphs A and B above in each third-party subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the Grantor.

**Debarment and Suspension or Good Standing Requirement**

Debarment and Suspension (Executive Orders 125549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contain the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

**Required Contract Clause:** Contractor represents that it is not subject to a System for Award Management (SAM) exclusion and has not been debarred, suspended, or otherwise excluded as a party declared eligible under statutory or regulatory authority to receive Federal grant funds.

**Solid Waste Disposal Act or Procurement of Recovered Materials** (2 CFR Parts 200 app. II (J) and Regulations §200.323)

Procuring only items designated in the EPA guidelines that contain the highest percentage of recovered materials and solid waste management services in a manner that maximizes energy and resource recovery.

**Required Contract Clause:** Contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

### **Byrd Anti-Lobbying Amendment**

**Required Contract Clause:** Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) – Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of an agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C., 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

### **Buy American Act 2022 (Regulations §200.322)**

**Required Contract Clause:** The Build America, Buy American Act created a national preference for the U.S. Government to procure only domestic materials intended for public use within the U.S by May 14, 2022, and (2) the items or materials to be procured for Federally assisted public infrastructure projects must be manufactured in the United States unless a waiver has been granted. It does not necessarily mean a product has to be purchased in the U.S., but it does give preference to domestic construction material.

On March 7, 2022, changes were made to the Act (87 FR 12780) “to increase the share of American-made content in a domestic end product or construction material.” See the full Act for more details.

### **Access to Records**

The City, Grantor, Comptroller General shall have access to all books, records, accounts, and reports required under the Contractor’s Agreement.

### **Required Contract Clause:**

1. The Contractor agrees to provide the City, Grantor, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. 44 CFR §13.36(i)(10).
2. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
3. The Contractor agrees to maintain all books, records, accounts, and reports required under this Agreement for a period of not less than three years after the later of: (a) the date of termination or expiration of this Agreement or (b) the date City makes final payment under this Agreement, except in the event of litigation or settlement of claims arising from the performance of this Agreement, in which case, Contractor agrees to maintain same until the City, Grantor, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. (44 CFR §13.36(i)(11)).

### **Women/Minority Business Enterprise (W/MBE) Program**

**Required Contract Clause:** It is the policy of the City of Lakeland that Women/Minority Business Enterprises shall have an excellent opportunity to participate in the City's procurement process. The City Purchasing Division shall provide for:

1. Maximum utilization of W/MBEs in all aspects of the City's procurement activity
2. Elimination of any institutional and procedural barriers which would prohibit active participation in the City's procurement opportunities
3. Training, education, and technical assistance opportunities to enhance W/MBEs' chances for successful participation in the City's purchasing program.
4. Public Information on the opportunities available for doing business with the City
5. Collaboration and access with other local governmental agencies to receive and provide additional listings of W/MBE firms to ensure greater coverage

### **Section 3 Requirements and Socioeconomic Engagement (Regulations: §200.321)**

#### **Required Contract Clause:**

1. At the execution of the Construction Contract, the Prime Contractor will sign the City CDBG Notification and Certifications of Project Prime Contractor form attached as **Appendix O** will take the following affirmative steps to engage and hire Section 3 employees, small and minority firms, women's business enterprises, and labor surplus area firms when our company needs to hire additional positions for the project by contacting and placing notices of employment opportunities with:
  - Local workforce boards,
  - Public housing facilities,
  - One-Stop Career Centers,
  - Other appropriate centers or sources serving low-income Section 3 persons,
  - Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms.
  - Establish delivery schedules, where the requirement permits, which encourage participation by such firms.
  - Use the assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
2. On a monthly basis, with the monthly Pay Application, Contractor will provide documentation to the City of our company's outreach efforts, when we are hiring new positions, to hire Section 3 workers or businesses.
3. On a monthly basis, with the monthly Pay Application, Contractor will provide documentation to the City of our company's accomplishments of hiring Section 3 workers OR of being a Section 3 business.
4. On a monthly basis, with the monthly Pay Application, Contractor will provide an explanation for not meeting the targeted Section 3 goals.

### **National Environmental Policy Act (NEPA)**

**Required Contract Clause:** Contractor will follow the federal National Environmental Policy Act (NEPA) that mandates the assessment of the impacts on the environment of all construction funded with federal dollars.

### **American Iron and Steel Act (AIS)**

**Required Contract Clause:** Contractor will follow the American Iron and Steel Act (AIS) that requires recipients of certain federal funds, including State Revolving Fund (SRF) loans, to use iron and steel products that are produced in the United States for the construction, alteration, maintenance, or repair of a public water system or treatment works.

### **Prompt Payment Act**

**Required Contract Clause:** The City complies with the Local Government Prompt Payment Act found in Florida Statute Chapter 218. This law establishes requirements for calculating the due date of an invoice or payment request, as well as procedures for determining the timeliness of vendor payments. The City's Prompt Payment Policy and Flow Chart are attached as **Appendix G and Appendix H, respectively.**

## **CONFLICT OF INTEREST**

As a part of the grant application process, the grant preparer must positively state on any grant form that there is an absence of financial or other interest or affiliation, held by them or a member of their immediate family, in the funding agency or in companies from which goods and services will be obtained under the supported activity. For federally funded grants, conflict-of-interest language must be included in the application and, if a potential conflict of interest is identified during grant administration, the City Grant Coordinator or Special Projects Coordinator must disclose the potential conflict in a timely manner in writing to the applicable Federal agency or pass-through entity.

In general, two types of conflict of interest must be considered:

1. **Employee Conflict of Interest.** No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a federal award if they have a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or subcontractors. However, non-Federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. Monetary, administrative, and/or loss of grant funds are disciplinary actions that may be

applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

2. Organizational Conflict of Interest. Organizational conflict of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable, or appears to be unable, to be impartial in conducting a procurement action involving the related organization.

Should there be an employee or organizational conflict of interest within the City, the initiating department shall disclose, in writing, to the Federal awarding agency or pass-through entity in accordance with applicable federal awarding policy.

## **LOBBYING**

The cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements, or loans is unallowable. Departments seeking federal funds for projects must disclose their lobbying activities. Use Federal form SF-LLL Disclosure of Lobbying Activities when applying for Federal funding, attached as **Exhibit-3**. Lobbying Restrictions Policy and Lobbyist Disclosure Procedures follow the SF-LLL form.

## **GRANT FRAUD, WASTE, AND ABUSE**

1. City staff should contact the City Attorney's Office at (863) 834-6010 or x46060 to report any form of suspected grant fraud, waste, abuse, misconduct, or any other serious deviation from acceptable grant practices.
2. Upon contact, the City Attorney's Office will take a report and work with staff to ensure all proper investigative and notification procedures are followed.
3. All suspected cases of fraud, waste, and abuse should be reported to the Florida Office of the Inspector General at Email: [OIG@DOS.MyFlorida.com](mailto:OIG@DOS.MyFlorida.com), Telephone: (850) 245-6469, Mailing Address: Office of Inspector General, Florida Department of State, R.A. Gray Building, 500 S. Bronough Street, Tallahassee, Florida 32399-0250.
4. City grant staff shall attend all designated fraud, waste, and abuse training every three (3) years, or as required by individual grantor agreements.

## **Verification of the Accuracy of Information Provided by Applicants, Subawards, Consultants, and Contractors**

**Required Contract Clause:** The City will conduct Consultant and Contractor verification as part of its ongoing management of contracted companies, their contractor staff, and subcontractors they engage. It typically involves verifying their compliance, safety history, performance, and capability, procedures and policies, important engagements, and safety materials they need to prove as part of being engaged to perform work at a grantee job site funded by local, state, and federal funds.

## **Evaluation of the Capacity of Potential Subawards (Consultants and Contractors)**

**Required Contract Clause:** The City adopts the following compliance requirements for grant subawards. Key compliance requirements include the following:

For grant recipients with procurement contracts, key compliance requirements include the following:

- The recipient must comply with the Procurement Standards of 2 CFR Part 200 (see attached **Appendix J**) and provide for full and open competition.
- A procurement contract must include all applicable contract provisions set out in Appendix II of 2 CFR Part 200.
- All noncompetitive (sole source) procurements must comply with the requirements outlined in 2 CFR 200.
  - Sole source procurements that do not exceed the Simplified Acquisition Threshold (currently \$250,000) must have written justification for the noncompetitive procurement action maintained in the procurement file. If a procurement file lacks documentation that meets the criteria outlined in 2 CFR 200, the procurement expenditures may not be allowable.
  - Sole source procurement over the \$250,000 Simplified Acquisition Threshold must have **prior** approval from OJP using a Sole Source Grant Adjustment Notice (GAN). Written documentation justifying the noncompetitive procurement must be submitted with the GAN and maintained in the procurement file.

### **Internal Auditor Responsibilities**

The City has established an Internal Audit Department as an integral part of its overall internal control system. The scope of the Internal Audit Department includes, but is not limited to:

1. Evaluating the reliability and integrity of financial data and information.
2. Evaluate systems established to ensure compliance with laws and regulations, policies, and procedures that could have a significant effect on the City.
3. Evaluating the reliability and integrity of financial data and information.
4. Evaluate systems established to ensure compliance with laws and regulations, policies, and procedures that could have a significant effect on the City.
5. Evaluate the controls and procedures to safeguard the City's assets.
6. Verify the existence of the City's assets.
7. Review City expenditures for propriety, including consideration of potential fraud, waste, and/or abuse.
8. Attend/participate in the City's annual strategic planning process.
9. Evaluate specific operations at the request of the City Manager's Office or City Commission.
10. Perform in consulting and advisory services regarding City-related operations or processes as requested

The Internal Audit Manager is a Certified Public Accountant and a Certified Fraud Examiner and accordingly maintains the necessary CPE, including that required under the Government Auditing Standards issued by the Comptroller General of the United States of America.

## NATIONAL POLICY REQUIREMENTS

City staff shall adhere to National Policy Requirements. An overview of these policies is stated below. It is the responsibility of the City grant staff to ensure that subgrantees adhere to these applicable policies.

### **Civil Rights**

Pursuant to Title VI of the Civil Rights Act of 1964, and other Federal and state authorities, the City of Lakeland will not exclude participation in, deny the benefits of, or subject to discrimination against anyone on the grounds of race, color, national origin, sex, age, disability, religion, income, or family status. In most cases, when a recipient receives Federal financial assistance for a particular program or activity, all operations of the recipient are covered by Title VI, not just the part of the program that uses the Federal assistance. The City's Title VI/Nondiscrimination Policy and Plan is located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>

### **Equal Employment Opportunity Compliance**

*(applicable to all construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees; 2 CFR Part 200 app. II(C))*

Contractors agree to comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Part 60).

### **Limited English Proficiency (LEP) Policy and Plan**

Title VI of the Civil Rights Act of 1964, Executive Order 13166, and various directives from the US Department of Justice (DOJ) and US Department of Transportation (DOT) require Federal aid recipients to take responsible steps to ensure meaningful access to programs, services, and activities to those who do not speak English proficiently. City's LEP Plan is located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>

### **Americans with Disabilities Act (ADA) – Section 504 of the Rehabilitation Act**

The Americans with Disabilities Act (ADA) became law in 1990. The ADA is a civil rights law that prohibits discrimination against individuals with disabilities in all areas of public life, including jobs, schools, transportation, and public and private places open to the public. The purpose of the law is to make sure that people with disabilities have the same rights and opportunities as everyone else.

Section 504 of the Rehabilitation Act of 1973 forbids discrimination against those with disabilities. Furthermore, these laws require Federal aid recipients and other government entities to take affirmative steps to reasonably accommodate persons with disabilities and ensure that their needs are equitably represented in their programs, services, and activities. The City is committed to facilitating the accessibility and usability of its facilities

and programs for all people with disabilities. Users who need accessibility assistance can also contact our ADA Specialist at 863-834-8444 or email: [ADASpecialist@lakelandgov.net](mailto:ADASpecialist@lakelandgov.net) The City's ADA policy, accessible facilities, grievance procedure, and information are located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>

## **OTHER POLICIES, PROGRAMS, AND SPECIAL CONDITIONS**

### **CDBG**

Subrecipient will apply the provisions of 2 CFR part 200 to satisfy the financial and accounting procedures in accordance with 24 CFR 570.489(d).

#### **Enhancing Public Access – CDBG-MIT**

Public transparency is a cornerstone of federal disaster recovery and mitigation programs. Under the Community Development Block Grant Disaster Recovery (CDBG-DR) and Mitigation (CDBG-MIT) programs, grantees and their subrecipients are responsible for ensuring program activities are visible, accountable, and accessible to the public. This guidance outlines the regulatory requirements and best practices for using a disaster recovery project webpage as a tool to fulfill these obligations, with emphasis on the critical role the City plays in maintaining transparency.

The U.S. Department of Housing and Urban Development (HUD) mandates public access to information for all entities receiving CDBG funding. Grantees oversee program compliance and pass-through grant administration for subrecipients, including implementing transparency standards through comprehensive documentation and public-facing platforms.

#### **Public Transparency and Access to Information**

The City, as a subrecipient of the CDBG-DR and CDBG-MIT programs, is subject to all applicable federal requirements of the program(s), including those related to public transparency and accountability, as per 24 CFR 570.500(c).

Defined in 2 CFR 200.328, non-Federal entities receiving pass-through funds are required to submit performance reports at intervals determined by the grantee or federal agency. Reporting must reflect meaningful progress and be accessible to the public, reinforcing the commitment to transparency. As the grantee is responsible for ensuring public access to program records, 24 CFR 570.486(a) further requires subrecipients to maintain and make publicly available program documentation necessary to support this obligation. This includes records of past and proposed use of CDBG funds.

#### **Requirements**

In accordance with the terms of the subrecipient agreement and applicable federal regulations, the City will maintain a comprehensive disaster recovery webpage or project webpage. This includes both CDBG-DR and CDBG-MIT programs. Certain content must be accessible on the webpage, including information containing how all grant funds are used, copies of all relevant procurement documents, performance reports, and citizen participation information.

In addition, the City is required to make available on a public site a citizen complaint and appeals process, as well as FHA, EEO, and ADA contact information.<sup>1</sup> The site shall include details on citizens' right to file a complaint or appeal and the process for filing a complaint or beginning an appeal, including the posting of the HUD email/hotline number (refer to Section 14 of the subrecipient agreement). The site should also include the following information:

*Citizens may file a written complaint or appeal with the Office of Long-Term Resiliency by email at [CDBG-DR@Commerce.FL.gov](mailto:CDBG-DR@Commerce.FL.gov) or by mail to the following address:*

*HUD Complaints  
Attention: Office of Long-Term Resiliency  
Florida Department of Commerce  
107 East Madison Street  
The Caldwell Building, MSC 420  
Tallahassee, Florida 32399*

*If the complainant is not satisfied by the City's (Subrecipient's) determination or FloridaCommerce's response, then the complainant may file a written appeal by following the instructions issued in the letter of response. If the complainant has not been satisfied with the response at the conclusion of the complaint or appeals process, a formal complaint may then be addressed directly to the regional Department of Housing and Urban Development (HUD) at:*

*Fair Housing Complaints  
Department of Housing & Urban Development  
Charles E. Bennet Federal Building  
400 West Bay Street, Suite 1015  
Jacksonville, FL 32202*

*Please provide the Project Name or Grant Account Number in your complaint\**

**Fair Housing Act (FHA)** – The City shall post the Fair Housing Coordinator's contact information on the home page of its website (refer to Attachment F of the subrecipient agreement). The website should also include the following information:

*Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination: 1-800-669-9777 (toll-free), 1-800-927-9275 (TTY), or [www.hud.gov/fairhousing](http://www.hud.gov/fairhousing).*

**Equal Employment Opportunity (EEO)** – The City shall post the EEO Coordinator's contact information on the home page of its website (refer to Attachment F of the subrecipient agreement).

**Section 504/Americans with Disabilities Act (ADA)** – The City shall post the Section 504/ADA Coordinator's contact information on the home page of its website (refer to Attachment F of the subrecipient agreement).

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<sup>1</sup> Alternatively, FHA, EEO, and ADA contact information may be published quarterly in a newspaper of general circulation within the subrecipient's jurisdiction.

## Policy & Procedures

The City shall maintain adequate procedures to support a comprehensive website regarding all disaster recovery activities. Written procedures must reflect that the comprehensive website will have a separate page dedicated to disaster recovery activities, assisted explicitly with CDBG funds. Written procedures should also include:

- Posting of citizen participation requirements.
- Procurement policies and procedures.
- Description of services or goods currently being procured by the Subrecipient.
- A summary of all procured contracts (e.g., a summary list of procurements, the phase of the procurement, requirements for proposals, and any liquidation of damages associated with a contractor’s failure or inability to implement the contract, etc.).
- Frequency of webpage updates. At a minimum, the webpage should be updated monthly.

The City, as a Subrecipient of federal funding, has a responsibility that extends beyond program administration; subrecipients are stewards of public trust. By maintaining transparent, accessible, and regularly updated program sites, local governments can fulfill a vital role in ensuring that CDBG-DR and CDBG-MIT programs remain accountable to the communities they serve. These digital platforms are not unilateral compliance tools—they are public gateways to enhance program visibility, improve public engagement, and facilitate efficient information dissemination.

Establishing a standalone comprehensive disaster recovery webpage will be considered a best practice.

## Highlights

The following resources serve as a model for transparency and compliance:

- Virgin Islands Housing Finance Authority - <https://cdbgdr.vihfa.gov/projects/>
- Puerto Rico Department of Housing - <https://recuperacion.pr.gov/en/infrastructure-mitigation-program/>
- Harris County Flood Control District - <https://www.hcfdc.org/CDBG>
- City of Lake Charles, LA - <https://www.cityoflakecharles.com/departament/division.php?structureid=277>

Required Element	Regulatory Basis
HUD Hotline Number	HUD CPD Notices; Public Participation
Citizen Complaint Process	<a href="#">24 CFR 570.486(a)</a> ; CPD Notices
Project Descriptions & Funding Info	<a href="#">2 CFR 200.328</a> ; HUD OMNI Notices
Procurement Opportunities & Policies	<a href="#">2 CFR 200.317–326</a> ; Transparency Mandate
Grant Management & AFWA Policies	<a href="#">2 CFR 200.303</a> ; Internal Controls

Required Element	Regulatory Basis
Duplication of Benefits Policy	HUD DOB Notices; CPD Guidance
ADA & Language Accessibility	Section 504; Title VI of the Civil Rights Act

## Duplication of Benefits Policy and Procedures

### Background (CDBG-DR/CDBG-MIT)

CDBG-DR/CDBG-MIT funding is intended to address a community's unmet needs. The funds are supplemental to primary forms of assistance, including private insurance and FEMA funds. A requirement for any entity receiving federal grant awards is the inclusion of policies and procedures that address Duplication of Benefits (DOB) and a process for mitigating potential duplication. DOB occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. To avoid duplicative assistance and potential de-obligation of funding, the City's initiating department's Grant Manager or Special Projects Coordinator must ensure that all available funding sources are used before applying CDBG-DR/CDBG-MIT dollars to a project.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 ("Stafford Act"), as amended, 42 U.S.C. §5121 et seq., established Duplication of Benefits (DOB) analysis requirements applicable to all federal agencies, including HUD, that administer disaster recovery programs providing financial assistance for emergency response and long-term recovery. Furthermore, Section 312(a) of the Stafford Act requires Federal Agencies to ensure that no recipient of federal financial assistance receives funds for losses already paid by insurance or other sources, including other Federal funding. Section 312(c) holds recipients liable for duplicative assistance and authorizes the providing agency to collect it when deemed in the Federal Government's best interest (42 USC 5155(c)).

### Overview

The following are sources of funding assistance provided for structural damage and loss that are considered a DOB and under federal law must be deducted from the CDBG-DR/CDBG-MIT assistance provided:

- FEMA Individual Assistance (IA) for Structure,
- FEMA (NFIP),
- Private Insurance,
- Increased Cost of Compliance (ICC),
- SBA,
- Any other funding source available for the same purpose as a CDBG-DR/CDBG-MIT grant that may duplicate assistance.

The City's initiating department's Grant Manager or Special Projects Coordinator will follow established procedures for DOB verification for the specific types of DOB and perform related

analyses for each project (e.g., FEMA Public Assistance for public infrastructure projects). The initiating department's Grant Manager or Special Projects Coordinator will consider all possible disaster recovery funding sources when calculating DOB.

Eligible recipients of CDBG-DR/CDBG-MIT assistance may have previously received assistance from other sources. Under the requirements of Stafford Act (42 U.S.C. 5121, et seq.), as interpreted and applied by HUD, the City's initiating department's Grant Manager or Special Projects Coordinator must take into account certain aid received in determining the amount of assistance to be granted. In accordance with the Stafford Act, all projects must perform due diligence to identify potentially duplicative sources of funding, analyze whether the source is duplicative, and include duplicative sources in an assessment that is deducted from the project's need-based award determination.

Funds received from any source will reduce the amount of disaster assistance if the evidence of expenditures at least equals the amount of assistance provided from the source(s). Documentation should be maintained demonstrating project cost and all type(s) of assistance received.

Not all types of assistance constitute a DOB. Reductions of DOB totals are applicable if the City's initiating department's Grant Manager or Special Projects Coordinator can prove that the use or control of the funds meets certain criteria. For DOB calculations, the City's initiating department's Grant Manager or Special Projects Coordinator must exclude amounts that are:

- Provided for a different purpose; or
- Provided for the same purpose (eligible activity), but for a different, allowable use (cost);
- Funds not legally available to the applicant;
- A private loan, or
- Declined or cancelled subsidized loans (only the amount of a subsidized loan that is declined or cancelled is not a DOB. To exclude declined or cancelled loan amounts from the DOB calculation, the grantee must document that all or a portion of the subsidized loan is cancelled or declined.) The full amount of a subsidized loan available for the same purpose as CDBG-DR assistance is assistance that must be included in the DOB calculation unless one of the exceptions in section V.B.2. of 84 FR 28836 applies.
- Any other asset or line of credit available to the applicant.

If the City's initiating department's Grant Manager or Special Projects Coordinator chooses to leverage the CDBG-DR/CDBG-MIT funds with funding provided by other sources, leveraged funds must be in accordance with the Stafford Act to ensure that the City has not received multiple federal awards for the same purpose and/or effect to recover from the specified disaster.

### **DOB Policy and Procedures**

The City's initiating department's Grant Manager or Special Projects Coordinator is responsible for calculating and reporting to the appropriate agencies any DOB the City may have incurred.

If a duplicative benefit is discovered after the disaster recovery award is provided, the City's initiating department's Grant Manager or Special Projects Coordinator will recapture the amount of the duplicative award.

If a DOB issue is identified while the City's agreement with the awarding agency is still active, the applicant will refund the duplicative amount to the City's disaster recovery program.

If a DOB issue is identified after the City's agreement with the awarding agency is closed, the applicant will refund the duplicative amount to the appropriate awarding agency.

The City's initiating department's Grant Manager or Special Projects Coordinator will maintain documentation for all corresponding financial transactions related to the refund(s) in the subrecipient agreement and/or beneficiary files. The City's initiating department's Grant Manager or Special Projects Coordinator will submit a copy of the completed documents and supporting documentation to the awarding agency's Grant Manager assigned to the agreement.

#### **Right to Report Crime and Emergencies from One's Home**

The City adopts the Violence Against Women Act (VAWA) Reauthorization Act of 2022, which goes into effect on October 1, 2022, and requires HUD grantees and their subrecipient(s) to support a victim's right to report a crime or emergencies from their home.

#### **The following clause is required to be included in any contracts and subcontracts funded by CDBG-MIT:**

The work performed under this contract is subject to the requirements of the Violence Against Women Act (VAWA) Reauthorization Act of 2022, which requires HUD grantees and their subrecipient(s) to support a victim's right to report a crime or emergency from their home.

#### **HUD-Assisted Contracts: Section 3 – Economic Opportunities for Low- and Very Low-Income Persons**

The City shall encourage its contractors to hire qualified low- and moderate-income residents for any job openings that exist on CDBG-MIT-funded projects in the community. The City and its contractors shall keep records documenting the number of low- and moderate-income people hired to work on CDBG-MIT-funded projects. The number of low- and moderate-income residents hired to work on the project shall be reported in the comments section of the quarterly report.

#### **The following Section 3 clause is required to be included in any contracts and subcontracts funded by CDBG-MIT:**

The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are Subrecipients of HUD assistance for housing.

The Parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties

to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.

The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice.

The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.

The contractor will certify that any vacant employee positions, including training positions, that are filled (1). After the contractor is selected but before the contract is executed, and (2). With persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled, to circumvent the contractor's obligations under 24 CFR Part 75.

Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD-assisted contracts.

With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. §- 450e) also applies to the work to be performed under this contract. Section 7(b) requires that, to the greatest extent feasible, (i) preference and opportunities for training and employment shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

## **FEMA**

### **Notice of Reporting Requirements**

#### **Required Contract Clause:**

1. Contractor acknowledges that it has read and understands the reporting requirements of FEMA stated in 44 CFR§ 13.40 et seq., 13.50-13.52, and Part III of Chapter 11 of the

United States Department of Justice's Office of Justice Programs Financial Guide and agrees to comply with any such applicable requirements.

2. The Contractor agrees to include the above clause in each third-party subcontract financed in whole or in part with Federal assistance provided by FEMA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

### **Notice of Requirements Pertaining to Copyrights**

#### **Required Contract Clause:**

1. Contractor agrees that FEMA shall have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for government purposes:
  - a. The copyright in any work developed with the assistance of funds provided under this Agreement.
  - b. Any rights of copyright to which Contractor purchases ownership with the assistance of funds provided under this Agreement. (44 CFR §§13.34, 13.36(i)(8)-(9)).
2. The Contractor agrees to include paragraph A above in each third-party subcontract financed in whole or in part with Federal assistance provided by FEMA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

### **Energy Conservation Requirements**

#### **Required Contract Clause:**

1. The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act. (44 CFR §13.36(i)(13)).
2. The Contractor agrees to include the above-referenced paragraph in each third-party subcontract financed in whole or in part with Federal assistance provided by FEMA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

## **REQUIRED CONTRACT CLAUSES**

### **Default**

#### ***(Required Contract Clause)***

Each of the following shall constitute a default under this Agreement: (a) Contractor is adjudged to be bankrupt; (b) Contractor makes a general assignment for the benefit of its creditors; or (c) Contractor fails to comply with any of the terms, conditions, or provisions of this Agreement. If, during the term of this Agreement, Contractor shall be in default of this Agreement, City may suspend its performance hereunder until such delinquency or default has been corrected; provided, however, that no suspension shall be effective unless and until City gives written notice of default to Contractor with at least ten (10) days to cure such default. If the Contractor fails to correct such delinquency or default, City

may terminate this Agreement and pursue such remedies as may be available at law or in equity. The Contractor shall be paid compensation for services satisfactorily performed and completed as of the date of termination. The City shall not be liable for partially completed work. In addition to the remedies available hereunder, the City shall have the right of offset from sums or payments otherwise due the Contractor or any sums or amounts which the Contractor may owe to the City pursuant to the provisions of this Agreement, or otherwise.

#### **Termination for Cause and Convenience**

*(Required Contract Clause -The following required contract clause shall be included in City contracts in excess of \$10,000; 2 CFR Part 200 app. II (B)):*

The City may, by giving thirty (30) days prior to written notice to the other, terminate this Agreement in whole or in part, at any time, with or without cause. Upon receipt of such notice, the Contractor shall immediately discontinue all services affected (unless the notice directs otherwise).

Upon termination of this Agreement for convenience, the Contractor shall be paid its compensation for services satisfactorily performed as of the date of termination based on the percentage of work satisfactorily completed plus reasonable termination expenses. The City shall not be obligated to pay for any services performed by the Contractor after notice of termination has been given. In addition to other remedies available under this Agreement, the otherwise due the Contractor any sums or amounts which the Contractor may owe to the City pursuant to provisions of this Agreement, or otherwise.

The City may terminate this contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of either this Agreement or any Work Authorization provided for herein, provided that the City shall give the Contractor written notice specifying the Contractor's failure. If within fifteen (15) days after receipt of such notice, the Contractor shall not have either corrected such failure and thereafter proceeded diligently to complete such correction, then the City may, at its option, place the Contractor in default, and this Agreement and any Work Authorizations assigned to the Contractor shall terminate on the date specified in such notice and no fees for any work shall be due thereafter.

## **OCCURRENCES THAT REQUIRE IMMEDIATE NOTIFICATION**

### **Key Personnel Changes**

Promptly notify the grantor agency, Chief Accountant, or designated Accountant, Grant Coordinator, or Special Projects Manager upon the resignation, termination, or retirement of any Grant Department or Division Manager, Grant Coordinator, or Special Projects Manager (or other key grant program staff) to ensure that proper retention of information and continuous grants management occurs during the transition period. Grantor approval is required to modify key grant personnel.

### **Notice of Audit, Monitoring Visit, or Review**

The recipient division Manager, upon receipt of a notice for a site or monitoring visit to be performed by the grantor, shall promptly notify the Department Director, the Grant Coordinator, or Special Projects Manager, the Chief Accountant, or designated Accountant to assist in the preparation of the grantor site visit, review, or audit.

## **EXTERNAL AND INTERNAL AUDITS, REVIEWS, AND MONITORING**

### **External Audits**

The City engages independent auditor(s) to review the City's financial reports and grant reports for compliance and deficiencies. The City's Finance Department manages these auditors and annually reviews the Comprehensive Annual Financial Report (CAFR) and Schedule of Expenditure of Federal Awards (SEFA). See City Procedures for Preparing the Schedule of Expenditures of Federal Awards (SEFA) and State Financial Assistance attached as **Appendix F**.

### **Federal Single Audit Act (OMB A-133)**

Federal audit and annual reporting requirements are contained in 2 CFR Part 200 Subpart F (200.5 Compliance and Audit Requirements). Non-federal entities expending \$75,000 or more in a year in Federal awards are required to have a single or program-specific audit conducted for that year, performed by an outside auditor. It is important that all grant activity and any changes to the grant be well-documented to facilitate audits. Audit findings are provided to the grantor, which may prompt a grantor audit.

The following activities are the fourteen types of compliance requirements considered in every audit conducted under 2 CFR Part 200 Subpart F, and are found highlighted throughout this handbook:

1. Activities: Allowed or Unallowable
2. Allowable Costs/Cost Principles
3. Cash Management
4. Compliance with Terms & Conditions (e.g., Davis-Bacon Act)
5. Eligibility
6. Equipment and Real Property Management
7. Matching, Level of Effort, Earmarking
8. Period of Availability of Federal Funds
9. Procurement, Suspension, and Debarment
10. Program Income
11. Real Property Acquisition and Relocation Assistance
12. Reporting
13. Subrecipient Monitoring
14. Special Tests and Provisions

### **Florida Single Audit Act**

The Florida Single Audit Act establishes uniform audit requirements for state financial assistance and follows the same cost principles and requirements established in the Federal Single Audit Act, but at a \$75,000 threshold.

### **Granting Agency or Pass-Through Agency Audits (Regulations §200.325)**

Each grantor and/or pass-through agency may have different terms they use when conducting reviews of programs they fund. However, regardless of the term used, the grantor agency is reviewing documentation to determine whether the City is in compliance with the terms and agreements associated with the specific grant or subaward. These reviews are usually more programmatic in nature, although the associated fiscal monitoring can be more detailed. Fiscal monitoring is usually more specific than the single audit, in that the reviewing agency requests a number of individual client files and all related programmatic and fiscal documentation to determine allowable services and costs.

## **INTERNAL AUDITS**

### **City Internal Audit**

Internal auditing is an independent appraisal activity that evaluates whether management has effectively and efficiently carried out its responsibilities. The Internal Auditor provides independent, objective, and unbiased assessments of City government practices. The Internal Auditor applies a systematic and disciplined approach to evaluating the City government's operational, compliance, and fiscal risks; examining management control practices; and assessing strategic business governance activities. Through this evaluation activity, recommendations for improving operations are presented in a written report.

The scope of the Internal Auditor includes any operation under the direction of the City Manager or the City Commission. It also includes other functions for which the City Commission provides financial support as separate entities in its budget or of which the City Commission is the ex officio governing body. The City Internal Auditor reports directly to the Finance Director, thereby giving the Division the independence to objectively appraise the operations of the City Manager and the City Commission.

## **CODE OF FEDERAL REGULATIONS AND OFFICE OF MANAGEMENT AND BUDGET CIRCULARS**

OMB Circular A-102 Uniform Administrative Requirements

2 CFR Part 215

2 CFR Part 225

OMB Circular A-133

2 CFR 220.82 Personally Identifiable Information

Executive Order 12549

## APPENDICES

- A [City of Lakeland Accounts Payable Policy and Procedures Manual](#)
- B [City of Lakeland Central Accounting Policy and Procedures Manual](#)
- C [Government-In-The-Sunshine Manual – 2022 Edition](#)
- D [State of Florida General Records Schedule GS1-SL for State and Local Government Agencies \(Effective August 2020\)](#)
- E [City of Lakeland Records Management Program and Procedures Administrative Policy \(in compliance with the provisions of Chapter 119, F.S. – The Public Records Law\)](#)
- F [City of Lakeland Schedule of Expenditures of Federal Awards \(SEFA\) and State Financial Assistance Instructions](#)
- G [City of Lakeland Prompt Payment Act \(Construction\)](#)
- H [City of Lakeland Prompt Payment Act Flow Chart \(Construction\)](#)
- I [City of Lakeland Purchasing Manual](#)
- J [2 CFR Part 200 Federal Procurement Standards](#)
- K City of Lakeland Americans with Disabilities Act and Grievance Policy and Procedure located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>
- L City of Lakeland Limited English Proficiency Policy and Plan located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>
- M [City of Lakeland Employee Handbook](#)
- N City of Lakeland CDBG Labor Standards Policy and Procedures
- O City of Lakeland CDBG Notification and Certifications of Project Prime Contractor Form

## EXHIBITS

- 1 [City Commission Agenda Memo Example requesting approval of Grant Award and Appropriation of Funding](#)
- 2 [City Grant File Structure List](#)
- 3 [Federal form SF-LLL Disclosure of Lobbying Activities \(when applying for Federal funding\), Lobbying Restrictions Policy, and Lobbyist Disclosure Procedures](#)