



**SOUTHERN NEVADA COMMUNITY HEALTH CENTER
POLICY AND PROCEDURE**

DIVISION: Administration	NUMBER(s):
PROGRAM: Finance	Page: 1 of 4
TITLE: Grants Management	EFFECTIVE DATE: (Date signed by DHO) xx/xx/xxxx
DESCRIPTION: Managing Grants	ORIGINATION DATE: New
APPROVED BY:	Replaces: N/A
Fermin Leguen, MD, MPH District Health Officer Executive Director	Date

I. PURPOSE

SNCHC is committed to ensuring federal cash draws are made and administered in a manner consistent with payment standards required by the U.S. Department of Health and Human Services found at 45 CFR Part 75 Subpart E, 2 CRF 200, state and local statutes and executive orders as applicable. Revisions to Uniform Grant Guidance are automatically included in the Center’s policy. See references at the end of this policy/procedure.

II. SCOPE

This policy applies to payments received for direct or pass-through federal grant funds awarded to SNCHC.

III. POLICY/Procedure

a. Documentation: The documentation maintained for each federal grant payment will account for the receipt, obligation, and expenditure of funds. SNCHC draws as a reimbursement for expenditures that have already been incurred. The following documentation is kept for each draw or request for reimbursement:

1. A general ledger listing of the expenditures that are being reimbursed in sufficient detail to satisfy the documentation requirements of Uniform Grant Guidance.
2. Information regarding the date of federal grant payment receipt and the timing of expenditures relative to the receipt of the federal funds.
3. Federal expenditures are tracked using a grant code in the general ledger. A report is run from the general ledger to determine the amount of the drawdown. An electronic copy of this report is attached to the draw down request by the accountant. This request is approved by accountant, accounting supervisor,

controller, or CFO electronically through accounting software. After the appropriate approvals the accountant will make the draw through the Payment Management System (PMS).

4. The health center's financial management system can account for all Federal awards (including the Federal award made under the health center program) to identify the receipt and expenditure of funds for federally funded activities in whole or in part. Specifically, the health center's financial records contain information and related source documentation pertaining to authorizations, obligations, unobligated balance, assets, expenditures, income, and interest under the Federal award as applicable.
5. The accountant will assure expenditures of Federal award funds are allowable in accordance with the terms and conditions of the Federal award including those that limit the use of Federal funds, and with the Federal Cost Principles in 45 CFR Part 75 Subpart E and/or 2 Code of Federal Regulations (CFR) Part 200 (Subparts A – F). The controller is responsible to ensure that no Federal funds are used for mandated limitations/restrictions.

b. Timing

While cash advances are permitted, federal regulations require the timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements. SNCHC uses the reimbursement method for all grant draws. However, in the case of request as a cash advance, it is the SNHD's policy to ensure the following prior to requesting a cash advance:

- i. The draw is the minimum amount needed.
- ii. The draw is timed in accordance with actual, immediate cash requirements.
- iii. That the draw is not done any earlier than necessary to make the payment thus minimizing the time between the draw and expenditure. The distinction is also that timing is based on when expenditures will be paid and not when the expenditure is accrued.
- iv. The draws will not be made to alleviate cash flow problems within SNHD.

c. Method

The preferred method of reimbursement is through electronic fund transfer if available. Requests for draws through the federal payment management system (PMS) will follow the steps and processes outlined with the system. If the draw is not through the federal payment management system, then the draw should be done consistent with the terms of the grant and the processes required by the awarding agency.

d. Oversight and Monitoring

Appropriate fiscal oversight will be maintained for all grants and awards. With respect to Federal funding and the requirements on restrictions to limitations on use of Federal funds as mandated by the Department of Defense and labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019, Division B, Pub. L. 115-245 the health center assures oversight and monitoring for compliance via grants

management. The initial grant draw request and support for expenditures will be prepared by the accountant.

The Controller and/or CFO ensures that there is effective control over, and accountability for, all funds, property, and other assets associated with SNCHC projects. The Controller ensures the safeguarding of all assets to assure they are used solely for authorized purposes in accordance with the terms and conditions of the Health Center Program award/designation. SNCHC has the capacity to track the financial performance of the health center, including identification of trends or conditions that may warrant action by the organization to maintain financial stability.

e. Reporting

The standard financial reporting form SF-425 Federal Financial Report (FFR) is filed quarterly in accordance with HRSA guidelines. An annual FFR is compiled with any carryforward requested amounts noted on the form and followed through for HRSA approval. The quarterly PMS FFR reports are filed by the accountant after receiving the appropriate approvals. See references listed below.

1. The submission of interim FFRs will be on a quarterly, semi-annual, or annual basis, as directed by the Federal agency. A final FFR shall be submitted at the completion of the award agreement. The following reporting period end dates shall be used for interim reports: 3/31, 6/30, 9/30, or 12/31. For final FFRs, the reporting period end date shall be the end date of the project or grant period.
2. Quarterly and semi-annual interim reports shall be submitted no later than 30 days after the end of each reporting period. Annual reports shall be submitted no later than 90 days after the end of each reporting period. Final reports shall be submitted no later than 90 days after the project or grant period end date or as directed by the funder.

f. Mandatory Disclosures

Any violation of federal criminal law involving fraud, bribery and gratuity violations potentially affecting the award will be disclosed in writing to HHS within 14 days of discovery. This notification will be the responsibility of the DHO and the Board Chair.

g. Other Audit Objectives

Obtain an understanding of internal control, assess risk, and test internal control as required by 2 CFR section 200.514(c). Compliance Supplement 2021 3-L-4 July 2021 Compliance Requirements – Reserved.

Determine whether required reports for federal awards include all activity of the reporting period, are supported by applicable accounting or performance records, and are fairly presented in accordance with governing requirements.

SNCHC shall not use federal grant funds to pay the salary or expenses of any employee or agent of SNCHC for activities designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal entity/government.

REFERENCES

- Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019, Division B, Pub. L. 115-245
- HRSA Grants Bulletin: 2019-02
- 45 CFR 46.204(b) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).
- Hyde Amendment
- Consolidated Appropriations Act, 2019
<https://www.congress.gov/resources/display/content/Appropriations+for+Fiscal+Year+2019>
- Controlled Substances Act, Section 202
<https://www.deadiversion.usdoj.gov/21cfr/21usc/812.htm>
- 45 CFR Part 75 Subpart E: Cost Principles <https://www.govinfo.gov/content/pkg/CFR-2017-title45-vol1/xml/CFR-2017-title45-vol1-part75.xml>
- 2 Code of Federal Regulations (CFR) Part 200 (Subparts A – F)
<https://www.govinfo.gov/app/details/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200>
 - 2 CFR Part 200-https://www.whitehouse.gov/wp-content/uploads/2021/08/OMB-2021-Compliance-Supplement_Final_V2.pdf):
 - Financial reporting, 2 CFR section 200.328.
 - Monitoring and reporting program performance, 2 CFR section 200.329.
 - Transparency Act, implementing requirements in 2 CFR Part 170 and the FAR,
- Program legislation.
- Federal awarding agency regulations.
- The terms and conditions of the award.