



<b>Policy Title:</b>	<b>Uniform Grant Guidance</b>
<b>Policy #:</b>	<b>07-002-0100</b>
<b>Effective Date:</b>	06/5/2025
<b>Approved by:</b>	Karen Farr, Chief Financial Officer
<b>Functional Area:</b>	Finance
<b>Responsible Leader:</b>	Karen Farr, Chief Financial Officer
<b>Policy Owner:</b>	Kyle McLeod, Administrative Specialist, Financial Management
<b>Applies to:</b>	Directly Operated Programs, SCCCMH Staff, SCCCMH Board

**Purpose:** To comply with Uniform Grant Guidance requirements to establish and maintain internal controls to ensure compliance with federal laws, regulations, and program compliance requirements.

### I. Policy Statement

It is the policy of St. Clair County Community Mental Health (SCCCMH) to document the policies and procedures for the administration of federal awards of SCCCMH.

### II. Standards

- A.** The Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards ("Uniform Grant Guidance") [2 CFR 200] requires all sub-recipients of federal funds to establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Written policies and procedures are part of the necessary internal controls and are required as a precondition to receiving federal funds. These policies and procedures are intended to be sufficiently comprehensive to adequately meet such requirements. However, in no case are these policies and procedures intended to supersede or limit federal or state laws or regulations, or the provisions of individual grant agreements.

### III. Procedures, Definitions, and Other Resources

#### A. Procedures

**Actions – In the event that conflicting guidance on the administration of Federal awards is available, SCCCMH has deemed Federal guidance to be the most authoritative, followed by guidance from other State or local agencies.**

Action Number	Responsible Stakeholder	Details
1.0	Chief Financial Officer	<ol style="list-style-type: none"> <li>1. Establish and document operating procedures to ensure compliance with the provisions of federal regulations and the provisions of grant agreements. These procedures are documented and will be reviewed and updated as necessary.</li> <li>2. Comply with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (“Uniform Grant Guidance”) [2 CFR 200] issued by the federal government.</li> <li>3. Comply with all contractual requirements detailed in its duly executed grant agreements with awarding agencies.</li> </ol>

**Actions – Financial Management Related to Payments of Federal Funds: In order to ensure compliance with financial management requirements and to ensure that the time elapsing between the draw and receipt of federal funds and disbursement to contractors/employees/sub recipients is minimized, SCCCMH has implemented the following procedures.**

Action Number	Responsible Stakeholder	Details
1.0	Finance Supervisor or Designee	<ol style="list-style-type: none"> <li>1. Expend and disburse all allowable costs prior to requesting reimbursement from the grantor agency. Substantially all of SCCCMH grants are awarded on a reimbursement basis.</li> <li>2. Analyze the detailed general ledger activity and prepares the draw request for review and approval by the Chief Financial Officer. Cash draws will be initiated by the Chief Financial Officer or designee. Documentation of how the amount was determined will be retained and signed/dated.</li> <li>3. File supporting documentation or a copy of the cash draw paperwork along with the approved paperwork and retain for audit purposes.</li> </ol>

**Actions – Purchasing and Procurement**

Action Number	Responsible Stakeholder	Details
1.0	Management	<ol style="list-style-type: none"> <li>1. Ensure that all disbursements of SCCCMH funds are properly reviewed and authorized, and consistent with sound financial management principles. In order to meet these objectives, SCCCMH has implemented an <a href="#">Administrative Policy, #07-001-0006 Administrative Procedures related to Board Fiscal Responsibilities</a>, which outlines the procurement methods for various levels of purchases.</li> </ol>

**Actions – Conflict of Interest: Transactions involving Federal awards are subject to all conflict-of-interest policies. SCCCMH has an [Board Policy #01-001-0030, Conflict of Interest](#). Additional guidance is provided within the following [Board Policy #01-001-0020, Board Members: Attendance, Per Diem, Travel and Expense Reimbursement](#).**

Action Number	Responsible Stakeholder	Details
1.0	Board Members, SCCCMH employees and Contractual employees	<p>The following procedures will also be applied to the extent that they do not conflict with or contradict the Board/Administrative policies listed above:</p> <ol style="list-style-type: none"> <li>1. Disclose any conflict of interest (whether in fact or in appearance). When a member of the Board determines that the possibility of a personal interest conflict exists, they should, prior to the matter being considered, disclose their interest in a public meeting (which will be noted in the official meeting minutes). The individual shall abstain from discussing or voting on this matter.</li> <li>2. Disclose any related party transactions as part of the annual audit.</li> <li>3. Abstain from accepting money or gifts from current or potential vendors of SCCCMH if such items are valued in excess of a threshold.</li> <li>4. Prohibit use of SCCCMH equipment, materials, and supplies for personal benefit.</li> </ol>

**Actions – Allowability of Costs Charged to Federal Programs: The requirements for allowable costs/cost principles are contained in 2 CFR 200, program legislation, Federal awarding agency regulations, and the terms and conditions of the award.**

Action Number	Responsible Stakeholder	Details
1.0	Finance Supervisor and	<ol style="list-style-type: none"> <li>1. Comply with Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards</li> </ol>

Action Number	Responsible Stakeholder	Details
	Staff	<p>("Uniform Grant Guidance") [2 CFR 200], State law, SCCCMH policy, and the provisions of the grant award agreement for all Grant expenditures. Grant funds will only be used for expenditures that are considered reasonable and necessary for the administration of the program.</p> <ol style="list-style-type: none"> <li>2. Approving grant expenditures and ensuring allowability will be done by department heads/program supervisors initially through the purchase order (when applicable) or other purchase procurement process, and again when the bill or invoice is received. This will be evidenced by signature or initials and date on the invoice. Ultimately, all grant expenditures should be supported by either a signed purchase order or signed invoice to support not only payment, but the determination that the transaction was allowable to be charged to the grant. Furthermore, the Finance Supervisor reviews all invoices to ensure the accounts charged are reasonable. Accounts payable disbursements will not be processed for payment by the Finance Department until necessary approval(s) have been obtained.</li> <li>3. Document payroll costs in accordance with 2 CFR 200 as described in the Compensation section of this procedure.</li> <li>4. Charge an indirect cost rate to the grant only to the extent that it was specifically approved through the grant budget/agreement. When allowable, indirect costs will be charged using the 15% De Minimis rate.</li> </ol> <p>In addition, there are periods of availability requirements. SCCCMH has implemented the following procedures:</p> <ol style="list-style-type: none"> <li>5. Charge costs to an award only if the obligation was incurred during the funding period (unless pre-approved by the Federal awarding agency or pass-through grantor agency).</li> <li>6. Liquidate all obligations not later than 90 days after the end of the funding period (or as specified by program legislation).</li> <li>7. Complying with period of availability requirements will initially be assigned to the individual approving the allowability of the expense/payment. This will be subject to review and approval in the finance department as part of the payment processing.</li> </ol>

**Actions – Internal Controls related to establish, document, and maintain effective**

**internal control over the Federal awards.**

Action Number	Responsible Stakeholder	Details
1.0	Chief Financial Officer, Finance Supervisor, Management	<ol style="list-style-type: none"> <li>1. Set policies in place designed to protect federal assets.</li> <li>2. Ensure the accuracy of grant financial information records.</li> <li>3. Promote compliance with laws and regulations of federal awards. The agency has established <a href="#">Board Policy #07-001-0005 Board Fiscal Responsibilities</a>.</li> </ol>

**Actions –Financial Reporting, ensure compliance with financial reporting requirements for federal grants and funding agency.**

Action Number	Responsible Stakeholder	Details
1.0	Chief Financial Officer, Finance Supervisor	<ol style="list-style-type: none"> <li>1. Gather necessary data to generate a month Financial Status Report.</li> <li>2. Submit the FSR to Chief Financial Officer for review and approval.</li> <li>3. Submit the FSR to the appropriate funding agency for reimbursement.</li> </ol>

**Actions – Compensation (Personnel & Benefits):** The agreement between SCCCMH and the two Union Chapters of SCCCMH sets forth the terms and conditions of employment and to promote orderly and peaceful labor relations for the mutual interest of the Authority, the employee, and the Union, including, but not limited to, the Compensation and Benefits of the employees. Separately, there is a group of employees outside of the union, mainly those in upper management, whose compensation and benefits are set forth under a contractual arrangement. The following provisions apply to the payment of employees and recording of time and effort (as required) in accordance with Federal Cost Principles.

Action Number	Responsible Stakeholder	Details
1.0	All Agency Employees	<ol style="list-style-type: none"> <li>1. Enter time spent on grant activities in the payroll software (ADP) and electronic health record software (OASIS) using the codes specifically related to the grant. Hours billed to the program should be based exclusively on the actual hours worked.</li> <li>2. Submit corrections to the Finance Supervisor who will record the changes.</li> </ol>

**Actions – Travel Costs**

Action Number	Responsible Stakeholder	Details
1.0	All Agency Employees	<ol style="list-style-type: none"> <li>Travel expenses are addressed in the <a href="#">Administrative Policy #07-003-0020, Travel and Business Reimbursement</a>.</li> <li>Costs charged to grants shall follow the policies and procedures as outlined above.</li> </ol>

## B. Related Policies

[Board Policy #01-001-0020, Board Members: Attendance, Per Diem, Travel and Expense Reimbursement](#)

[Board Policy #01-001-0030, Conflict of Interest](#)

[Board Policy #07-001-0005 Board Fiscal Responsibilities](#)

[Administrative Policy, #07-001-0006 Administrative Procedures related to Board Fiscal Responsibilities](#)

[Administrative Policy #07-003-0020, Travel and Business Reimbursement](#)

## C. Definitions

N/A

## D. Forms

N/A

## E. Other Resources (i.e., training, secondary contact information, exhibits, etc.)

N/A

## F. References

- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (“Uniform Grant Guidance”) [2 CFR 200]

## IV. History

- Initial Approval Date: 01/2020
  - Last Revision Date: 04/2025
  - Last Reviewed Date:
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- BY: Kyle McLeod