

 <p>ARIZONA DEPARTMENT OF CORRECTIONS</p> <p>DEPARTMENT ORDER MANUAL</p>	<p>CHAPTER: 300 BUDGET/BUSINESS</p>	<p>OPR: DIR</p>
	<p>DEPARTMENT ORDER: 307 <i>DEPARTMENT GRANT PROGRAM</i></p>	<p>SUPERSEDES: DO 307 (11/16/10)</p>
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## TABLE OF CONTENTS

	<b>PURPOSE</b>	
	<b>RESPONSIBILITY</b>	
	<b>APPLICABILITY</b>	
	<b>PROCEDURES</b>	
		<b>PAGE</b>
307.01	IDENTIFYING AVAILABLE GRANT OPPORTUNITIES .....	1
307.02	DEVELOPING AND REVIEWING GRANT APPLICATIONS .....	2
307.03	COORDINATING AND MONITORING GRANTS .....	3
307.04	GRANT SUB-RECIPIENT COORDINATING AND MONITORING .....	5
	IMPLEMENTATION.....	5
	DEFINITIONS .....	5
	CROSS-REFERENCE INDEX .....	6
	AUTHORITY .....	6

## PURPOSE

The Department seeks to apply for grants which fit within its mission and strategic plan. This Department Order establishes the processes and requirements for the identification, development and review of grants and the coordination and monitoring of grant awards.

## RESPONSIBILITY

The Department's Grants Manager shall supervise the Grants Management Unit and coordinate the Department's Grant Program. The Planning, Budget and Research Bureau Administrator shall supervise the Grants Manager and oversee the Grant Program.

## APPLICABILITY

This Department Order applies to all employees involved in the development and/or application of federal, state, local or private grants for allocation within the Department.

## PROCEDURES

### 307.01 IDENTIFYING AVAILABLE GRANT OPPORTUNITIES

- 1.1 The Department's Grants Management Unit shall:
  - 1.1.1 Research the availability of suitable grants.
  - 1.1.2 Research and review the following grant information:
    - 1.1.2.1 Grant announcements
    - 1.1.2.2 Guidelines
    - 1.1.2.3 Background information
    - 1.1.2.4 Any other required documentation
  - 1.1.3 Identify potential grant opportunities for which the Department should apply and disseminate the information to the Division/Assistant Director(s) who may benefit from the identified grant opportunities.
    - 1.1.3.1 The Grants Management Unit shall communicate with the Division/Assistant Director(s) to ascertain their level of interest and their recommendations in pursuing grant opportunities sent to them.
  - 1.1.4 With approval from the Planning, Budget and Research Bureau Administrator, present the following information to the Director for all suitable new grant opportunities.
    - 1.1.4.1 Grant Announcements
    - 1.1.4.2 Pertinent Background and Explanatory Material

1.1.4.3 Recommendations

1.1.5 The Director shall make final decisions on whether or not to apply for new grants.

1.1.5.1 Division Directors/Assistant Director shall approve the continuation of existing grants.

**307.02 DEVELOPING AND REVIEWING GRANT APPLICATIONS**

1.1 When the Department applies for a grant, the appropriate Division/Assistant Director shall designate an employee as his/her Division's subject matter expert to work with the Grants Management Unit.

1.2 The designated subject matter expert shall:

1.2.1 Design/develop a program concept.

1.2.2 Obtain approval from the appropriate Division/Assistant Director to proceed with the concept.

1.2.3 Forward the approved program concept to the Grants Management Unit.

1.2.4 Prepare and complete all assigned components/sections of the grant application, as determined by the Grants Management Unit.

1.3 The Grants Management Unit shall:

1.3.1 Provide support to designated subject matter experts in grant proposal development, applications and budgets.

1.3.2 Review the submitted program concept to determine if it will meet all grant requirements and guidelines.

1.3.3 Develop a timeline and task assignments for grant application preparation and submission.

1.3.4 Complete assigned grant application components and compile completed grant applications for approval.

1.3.5 Provide the completed grant application package with a summarizing cover memo to the subject matter expert for approval by the appropriate Division/Assistant Director.

1.3.6 Submit the completed grant application package to the Director with a summarizing cover memo indicating approval by the appropriate Division/Assistant Director.

1.3.6.1 When practicable, grant applications shall be presented to the Director five workdays prior to the grant submission deadline so as to allow sufficient time for review and approval.

1.3.7 Input the grant application and all pertinent data into the State Grant System (eCivis) website as required.

- 1.3.7.1 As designated by the State, eCivis is currently the official grant file of record.

### **307.03 COORDINATING AND MONITORING GRANT AWARDS**

#### **1.1 The Grants Management Unit shall:**

- 1.1.1 Monitor the grant application process through to the funding agency's decision.
  - 1.1.1.1 The Grants Management Unit shall function only in an advisory and support role in the development, review, coordination, and monitoring of annual grants submitted by the Department's Education Unit.
  - 1.1.1.2 The Education Unit shall forward copies of the following to the Grants Management Unit for inclusion in the central grant repository:
    - 1.1.1.2.1 All submitted grant applications
    - 1.1.1.2.2 Grant award documentation
    - 1.1.1.2.3 Grant award change/adjustment notifications
- 1.1.2 Act as the liaison between the Department and federal, state and local governmental agencies, or other funding source(s) during the grant application process.
- 1.1.3 Provide status updates on grant applications and awards to the Director, Division Directors, Assistant Director, Bureau Administrator or their designees as required.
- 1.1.4 Notify appropriate employees when a grant application is awarded or declined.
- 1.1.5 Maintain the central grant repository for all Department grant applications, awards and documentation.
- 1.1.6 Retain all grant files in the State Grant System (eCivis) in accordance with grantor and Department record retention requirements.
- 1.1.7 Update the State Grant System (eCivis) documentation to reflect all revisions and changes made to the grant award as required for upload into Arizona Financial Information System (AFIS).
- 1.1.8 Maintain documentation of employee's time and effort spent on each grant award through the use of the Employee Time and Effort Log, Form 307-3 or similar forms required by the funding source or grantor.
  - 1.1.8.1 This applies to employees paid through grant funding or used as a match for grant funding.
- 1.1.9 Prepare and submit Grant Adjustment Notice (GAN) for the facilitation of the following:
  - 1.1.9.1 Budget modifications
  - 1.1.9.2 Changes to authorized signing officials

- 1.1.9.3 Changes in grantee contact or alternate contact information
- 1.1.9.4 Changes in grantee name
- 1.1.9.5 Changes in grantee address
- 1.1.9.6 Changes to the scope of the grant
- 1.1.9.7 Changes in grant project period
- 1.1.9.8 Program office approvals for special allowable costs or cost limitations
- 1.1.9.9 Sole source approvals for procurement purposes
- 1.1.10 Provide assistance as necessary to the Financial Services Bureau Financial Grants Manager in the completion and filing of grant financial reports.
- 1.1.11 Provide technical assistance as necessary to the Program Manager for:
  - 1.1.11.1 Monitoring the financial status of grant awards.
  - 1.1.11.2 Ensuring all of the requirements and conditions of the grant award are fulfilled and completed by the established deadlines.
- 1.2 The appropriate Division/Assistant Director shall assign a Program Manager to administer the grant.
  - 1.2.1 The Program Manager shall:
    - 1.2.1.1 Ensure the following are sent to the Grants Management Unit and the Financial Services Bureau Financial Grants Manager:
      - 1.2.1.1.1 A copy of the grant
      - 1.2.1.1.2 The Award Letter
      - 1.2.1.1.3 The signed contract/agreement, if applicable
    - 1.2.1.2 Ensure all grant award requirements and conditions including program reports required by the grantor are fulfilled and completed according to established deadlines.
      - 1.2.1.2.1 Copies of all reports shall be forwarded to the Grants Management Unit.
- 1.3 The Financial Services Bureau Financial Grants Manager shall:
  - 1.3.1 Have responsibility for the fiscal accounting of all grants including, but not limited to:
    - 1.3.1.1 Encumbering purchase orders for grants and paying all invoices for grant purchases.

- 1.3.1.2 Requesting reimbursement draw downs from funding source or grantor.
- 1.3.1.3 Complying with all grant administrative financial guidelines, including filing timely financial reports with the funding source or grantor.

1.3.2 Provide monthly and/or quarterly financial reports to the Grants Management Unit.

#### **307.04 GRANT SUB-RECIPIENT COORDINATING AND MONITORING**

1.1 The Grants Management Unit shall:

- 1.1.1 Have responsibility for monitoring the programmatic and financial activities of grant-funded sub-recipients in order to ensure proper stewardship of federal and state funds.
- 1.1.2 Establish a sub-recipient award/monitoring system to ensure that in addition to achieving performance goals, sub-recipients comply with applicable federal laws and regulations, and with the provisions of grant award special conditions.

## **IMPLEMENTATION**

The Division Director for Administrative Services shall update and maintain a Technical Manual which at minimum:

- Identifies resources and procedures for grant research.
- Provides guidelines for grant announcement distribution.
- Provides guidelines for the development of grant concepts, proposal narratives, and budgets.
- Identifies the processes for registration and certification required to apply for federal grants.
- Provides guidelines for the sub-recipient award/monitoring system.
- Provides guidelines for access to federal and state grant management systems.
- Identifies required internal and external reports for grant compliance and documentation.

## **DEFINITIONS**

**DRAW DOWN** – A payment request submitted to the funding agency to access awarded grant funds.

**GRANT ADJUSTMENT NOTICE (GAN)** - A formal request to a federal funding agency required to make changes to a grant award: budget modification, authorized signing official, grantee contact or alternate contact, grantee mailing address, grantee name, project period, project scope, program office approvals (for special allowable costs or cost limitations), and sole source approvals (for sole source procurement).

**MATCH OR COST SHARING** – Portion of the total grant expenditures not paid with Federal Funds. The match or cost sharing amount or percentage is determined by the funding agency. The two types of Match or Cost Sharing are:

- **CASH MATCH** – Cash funds allocated to the project by the recipient agency.

- **IN-KIND MATCH** – A non-cash match; the valuation of something provided by a grant recipient to satisfy a match requirement. Examples of an in-kind match include personnel hours spent on the project not paid by the grant.

**SUB-RECIPIENT** – A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the sub-recipient. Characteristics which support the classification of the non-Federal entity as a sub-recipient instead of a procurement contract include when the non-Federal entity:

- (1) Determines who is eligible to receive what Federal assistance;
- (2) Has its performance measured in relation to whether objectives of a Federal program were met;
- (3) Has responsibility for programmatic decision making;
- (4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and
- (5) In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.



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Charles L. Ryan  
Director

## FORMS LIST

307-3, Employee Time and Effort Log

## CROSS-REFERENCE INDEX

Department Order #104, Communications System  
Department Order #302, Contracts and Procurement  
Department Order #1003, Community Corrections

## AUTHORITY

A.R.S. § 41-744, Nonconformity with Federal Regulations Granting Federal Funds  
A.R.S. § 41-1604, Duties and Powers of Director  
A.R.S. § 41-1605, Power to Accept and Expend Gifts  
A.R.S. § 41-2702, Solicitation and Award of Grant Applications  
OMB Circular A-87 – Cost Principles for State, Local and Indian Tribal Governments, Relocated to 2 CFR, Part 225  
OMB Circular A-102 – Grants and Cooperative Agreements With State and Local Governments  
OMB Circular A-133 – Audits of States, Local Governments and Non-Profit Organizations