

Local Government Innovation Fund

Grant Disbursement Manual

Ohio Development Services Agency

FY 2013

INTRODUCTION

This manual is incorporated by reference, and therefore is binding, under the terms of the grant agreement to be entered between the Ohio Department of Development, to be known as the Ohio Development Services Agency (ODSA), and awardees approved for grant funding assistance under the Local Government Innovation Fund (LGIF) grant program (the “Grantee”).

The policies and procedures set forth in this manual, as incorporated under the grant agreement, control in all instances of reimbursing for requests of the grant funds. The Grantee is responsible for complying with all terms and conditions of this manual as from time to time it may be amended. The Grantee therefore is expected to check the LGIF program website periodically to ensure it is in compliance with the most up-to-date policies and procedures in place for the distribution of grant funds under the program.

PAYMENTS

Payments will be made to reimburse the Grantee for eligible costs that were incurred after the State Controlling Board approval date and prior to the project completion date. Eligible costs are those set forth under Exhibit I, “Scope of Work” of the grant agreement, and as defined under the program policies, Section 1.06. The Grantee will perform work at their own risk until Controlling Board approval and the grant agreement has been generated and executed between ODSA and the Grantee.

Payments shall be made in the following intervals per Sections 5.02-04 of the LGIF program policies: no more than 20 percent upon execution of the grant agreement, up to 50 percent upon the delivery of the first draft, and the balance of the award once the final deliverable has been adopted by all collaborative partners.

All travel-related expenses for which the Grantee seeks reimbursement under the grant agreement must comply with the Ohio Office of Budget and Management’s Travel Policy. This policy can be downloaded at <http://obm.ohio.gov/MiscPages/TravelRule/>. General information regarding reimbursement rates for travel is provided in Attachment A at the end of this document.

A disbursement form and status of funds report form must accompany all grant disbursement requests. Payments are preferred to be made to the Grantee via electronic fund transfer. If the Grantee does not have an existing “Authorization Agreement for Direct Deposit of Electronic Funds Transfer (EFT) Payments”, the Grantee can arrange for electronic fund transfer for its Federal Identification Number (FTI) by submitting form OBM-4310 (Rev.11/11) along with a voided check to Ohio Shared Services. The Authorization Agreement for Direct Deposit of EFT Payments form and instructions are provided in Attachment B at the end of this document.

The Office of Redevelopment will conduct a qualitative review of the disbursement request within 30 days of the receipt of request. During this time, the grant budget will be updated to reflect the project costs for that period and the Grantee will be notified of any discrepancies or missing information. If there are no discrepancies or missing information, the disbursement request will be forwarded to the Deputy Chief of the Office of Redevelopment for approval. Upon approval by the Deputy Chief, the reimbursement request will be forwarded to the finance department for payment. Lastly, the disbursement request will be entered into the state finance system, and the Grantee will receive the funds in approximately 10 business days.

ELIGIBLE COSTS

Eligible costs are those set forth under Exhibit I, "Scope of Work" of the grant agreement, and as defined under the LGIF program policies, Section 1.06.

LOCAL MATCH

1. Each Grantee must provide a local match investment equal to at least 10 percent of the project's total eligible costs or the percentage indicated in the grant agreement, whichever is greater. The local match can include financial or in-kind contributions made by the Grantee directly and/or by third party project partners with which the Grantee has entered into a binding agreement for purposes of completing the project.
2. Eligible in-kind local match investments are contributions of services and assets that are necessary to implement the project.
3. The local match requirement may be satisfied by eligible financial or in-kind contributions made during the two-year period prior to the date the State Controlling Board approves an award to the eligible project.

PROCEDURE MANUAL CONTENTS

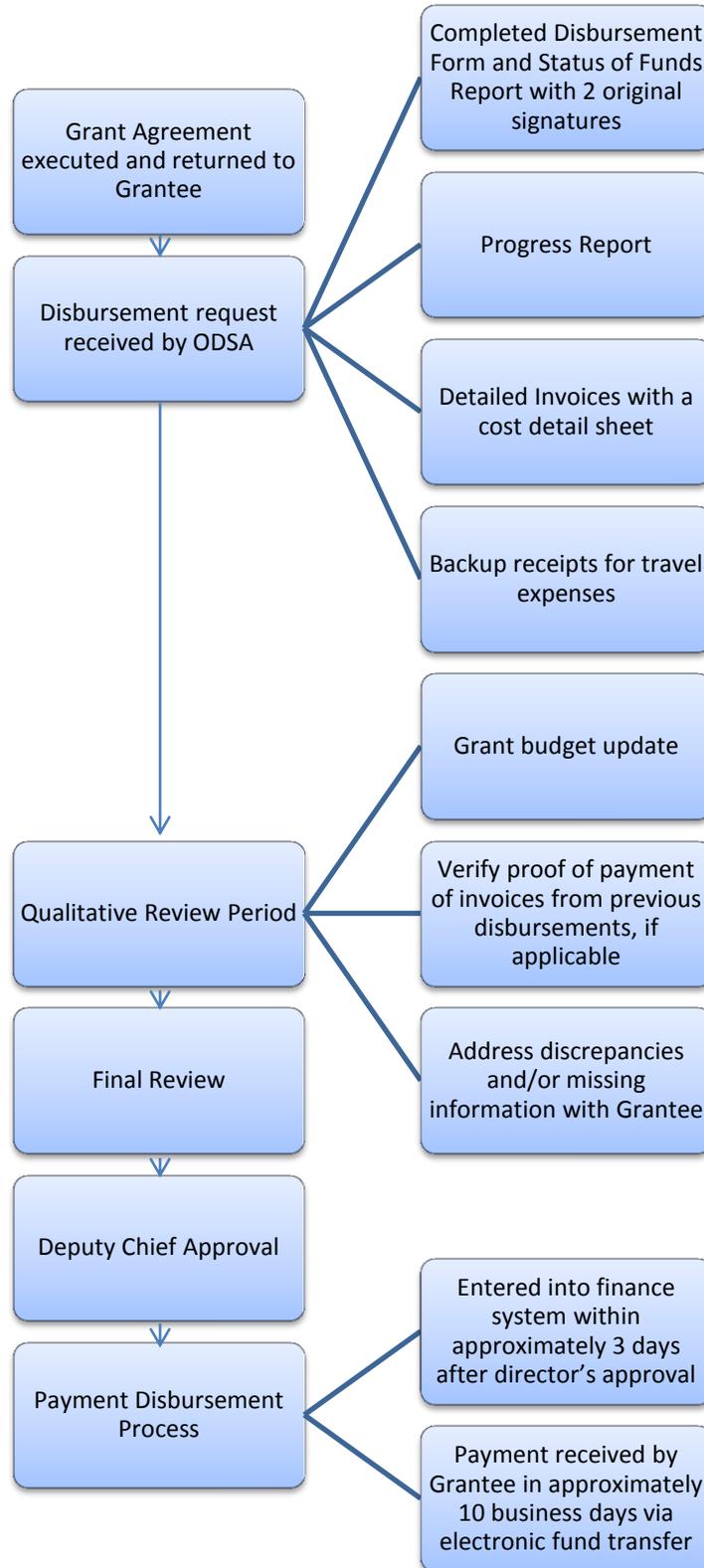
This manual contains the following information:

- 1) Disbursement process flow charts
- 2) Prerequisites for the LGIF program prior to disbursement processing
- 3) Requirements for disbursement requests
- 4) Requirements for invoices
- 5) Grant agreement amendments

COMPLIANCE

Failure to comply with this provision and these procedures, the grant agreement, LGIF program policies, or all applicable laws (including ORC 189.01-10), may result in delayed payments or other corrective action affecting the applicable grant.

Disbursement Process



Prerequisites for Disbursement

Only costs incurred after State Controlling Board approval are eligible for reimbursement.

- Round 1 Approval Date: July 9th 2012

Executed Grant Agreement

- Executed signatures by both parties

Proof of Insurance

- As specified in the grant agreement

Authorized Signature Cards

- Persons on Grantee's staff who are authorized to sign the Disbursement Form and Status of Funds Report form
- For elected officials, a separate notarized Elected Official Signature Certification

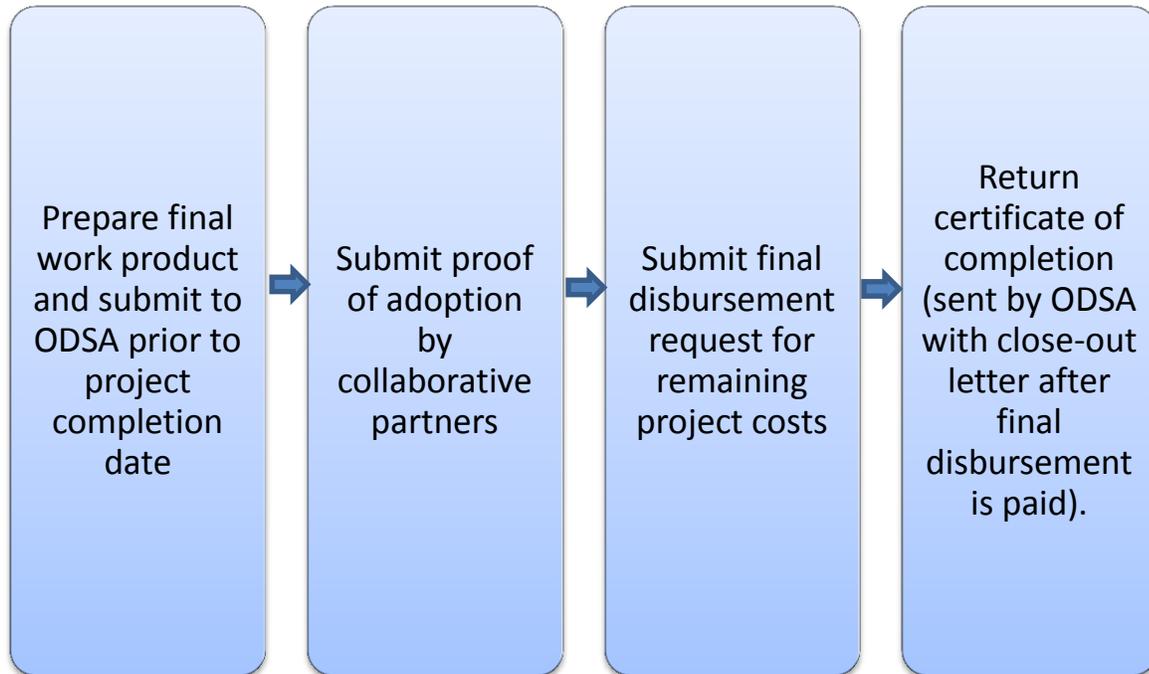
Electronic Funds Transfer (EFT) information—State Auditor's "Authorization Agreement for Direct Deposit of State Warrants" form

- Returned to ODSA

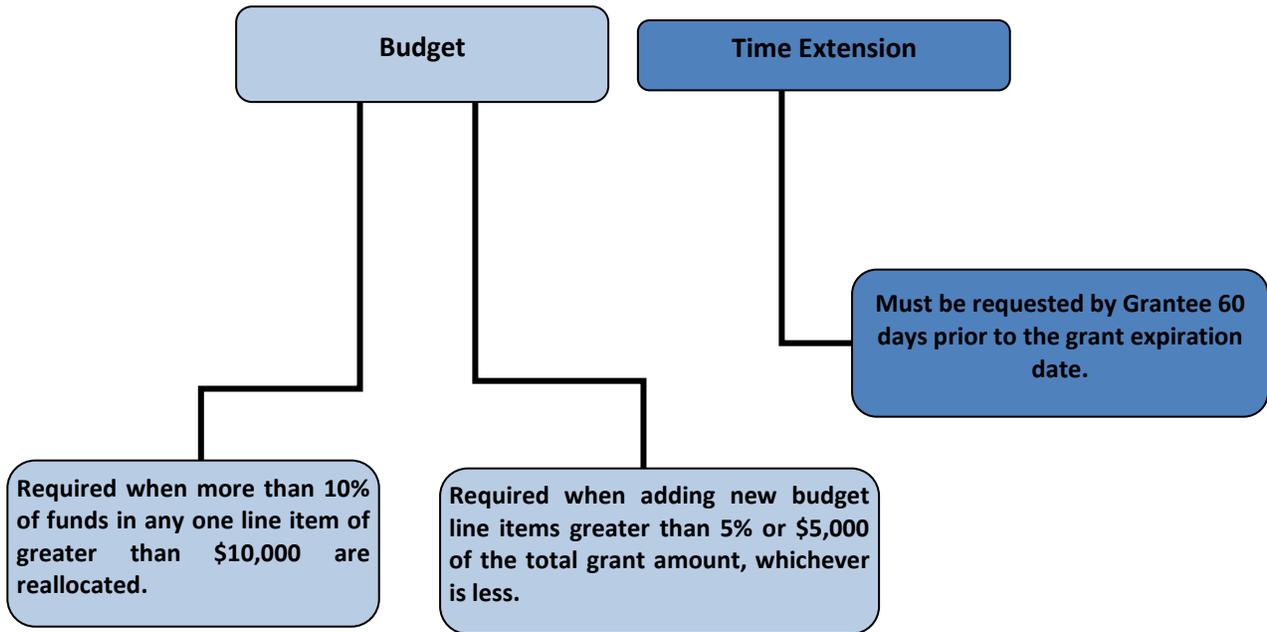
Copies of RFPs, bid tabulations, the selected proposal or bid, the contract with the selected bidder, and the Notice to Proceed with the selected contractor

- If contract was executed prior to LGIF award, justification of the selected contractor must be included

Final Disbursement and Grant Close-Out



Grant Agreement Amendments



DISBURSEMENT PREREQUISITES

Prior to processing a disbursement request for the LGIF program, the Office of Redevelopment must be in receipt of the following:

1. Executed Grant Agreement

The grant agreement must be signed and executed by all parties (Grantee and ODSA) prior to the disbursement of funds. The Grantee will receive one copy of the signed agreement in the mail from ODSA.

2. Insurance and Declarations

Please provide a copy of declarations page or certificate of insurance showing the Grantee or others comprehensive general liability insurance coverage. The Grantee or others shall obtain and maintain comprehensive general liability insurance with a minimum of \$1 million combined single limit, for claims that may arise from their operations under the grant agreement, naming the Grantor and the State of Ohio as additional insured parties. The evidence of insurance sent to the Grantor shall contain a clause to the effect that cancellations, reductions, or restrictions shall not be made without 30 days prior written notice to the Grantor. If the Grantee is self-insured, the Grantee may, in lieu of the above requirement, submit to the Grantor a letter from the Grantee's auditor stating substantially that it would protect and indemnify the Grantor and the State of Ohio in a like manner.

3. Authorized Signature Cards

Please provide an Authorized Signature Card(s) containing the signatures of individuals on the Grantee's staff who are authorized to sign the Disbursement Form and Status of Funds Report form. For elected officials, in addition to the Authorized Signature Card, a separate and notarized Elected Official Signature Certification must be executed. Only the signatures of persons authorized on current signature cards on file will be accepted. New signature cards must be submitted whenever there is a change to the persons authorized to sign the Disbursement Form and Status of Funds Report form. The Authorized Signature Card and a sample of an Elected Official Signature Certification are provided in Attachment C at the end of this document.

4. Request for Proposals/Qualifications

Please provide documents regarding the procurement of the consultant services, which may include a copy of the Request for Qualifications or Request for Proposals, a copy of the bid tabulations, or other appropriate summary documents, copies of the selected proposal or response, and a copy of the contract with the selected consultant. The procurement of services for which reimbursement is requested from LGIF monies shall be through a competitive qualification-based procurement process if the aggregate cost of such services is equal to or greater than \$25,000. This process shall be in accordance with the municipality's, county's, or port authority's own procurement procedures or with the procedures outlined in the ORC Chapter 153.

5. Electronic Funds Transfer (EFT) Information

Please provide the State Auditor's "Vendor Information Form" and "Authorization Agreement for Direct Deposit of State Warrants" form, if applicable. These documents may have already been completed by the Grantee for other purposes. The Grantee is responsible for checking with their fiscal agent to ensure the proper documents have been submitted to ODSA. Copies of these forms are provided in Attachment B at the end of this document.

DISBURSEMENT REQUESTS

Disbursement requests may be submitted every 30 days. Items included in the disbursement request must be organized by the budget line from the budget in Exhibit A in the grant agreement and by date. A Disbursement Form and Status of Funds Report Form are included in Attachment D at the end of this document.

The following items must be included with the disbursement request:

1. Disbursement Form and Status of Funds Report Form

The Disbursement Form and Status of Funds Report Form must be submitted with two original authorized signatures. The forms summarize the dollars requested for the each line item identified in the Project Budget of the Grant Agreement.

2. Progress Report

The progress report shall include a description of all work completed for each task, beginning and ending dates of work, proposed tasks and objectives for upcoming work on the project, and any recent significant events regarding the project. The contractor's progress must be included in the progress report in a brief narrative format. A sample progress report is provided in Attachment E at the end of this document.

3. Proof of Payment for Costs Reimbursed from Previous Disbursement Request

Please provide copies of cancelled checks or a payment register to verify payment of all contractor and consultant invoices that were included with the previous disbursement request. Funds will not be disbursed without proof of payment for previous costs reimbursed.

4. Certification of Expenditures of Match Moneys

Please provide a Certification of Expenditures of Match Funds with original signatures and backup documentation. The backup documentation must be sufficient to confirm actual expenditures of match moneys (i.e. invoices, copies of payment checks, closing statements for acquisition, etc.). A Certification of Expenditures of Match Moneys Form is included in Attachment F at the end of this document.

5. Invoices

Please provide invoices in time and materials format with backup documentation. The invoices must also include budget tables showing the disbursement request breakdown against the current grant budget, line by line.

INVOICES

Invoices must be prepared with the following information:

1. Weekly summary invoice with total cost for hourly work and expenses
2. A list of expenses by vendor
3. Invoices for subcontractors
4. Backup receipts for travel expenses (the Ohio Office of Budget and Management's Travel Policy for travel reimbursement is provided in Attachment A at the end of this document)

NOTE: Reimbursement will not be provided for invoices containing blended hourly rates for work completed by consultants to Grantees under the LGIF program. Any Grantee requesting reimbursement for work performed by individuals from the program must have a unique hourly rate accompanied by the appropriate supporting documentation.

GRANT AGREEMENT AMENDMENTS

A grant amendment is required for grant term extensions and revisions to the project budget. The grantee must request a grant term extension 60 days prior to the grant expiration date. Grant amendments are required for the following revisions to the budget:

1. Reallocation

The grant budget must be amended to reallocate more than 10 percent of the funds in any one line item that is greater than \$10,000.

2. New budget items

The grant budget must be amended for new budget line items that are more than 5 percent of the total grant amount or greater than \$5,000, whichever is less.

Upon receipt of the amendment request from the grantee, the amendment process timeline is:

1. Deputy Chief approval – one to two days
2. Legal review – two to three days
3. Two copies sent to the Grantee for signature – length of time varies
4. Two signed copies forwarded to legal department for final signature by the Director – two to three days
5. One copy with original signatures returned to the Grantee