

<p>SOPP # 712 (TREASURY) GRANT & PROJECT MANAGEMENT</p>	<p><u>Prepared By:</u> Department of Finance</p>
<p><u>Effective Date:</u> 05/21/10</p>	<p><u>Approved By:</u> Commissioner of Finance</p>
<p>Title</p>	<p>MANAGEMENT OF FEDERAL DRAWDOWN FUNDS TO SUB-GRANTEES</p>
<p>Purpose</p>	<p>To provide a comprehensive, coordinated, and secure policy for the transfer of funds from the federal grantor to the DOF for transfer to the sub-grantee for payment of grant-related expenses by sub-grantees.</p>
<p>Policy</p>	<p><u>Drawdowns</u></p> <p>For the purposes of accessing federal funds through DOF, a drawdown is considered the transfer of funds from the federal grantor, to the DOF, which is then transferred via wire, Automated Clearinghouse (ACH) or other reasonable means to the sub-grantee.</p> <p>Funds shall be disbursed to the sub-grantee on an as-needed basis. DOF shall have no obligation to disburse funds until proper documentation is presented to DOF by the sub-grantee in need of such funds.</p> <p>DOF will not be obligated to disburse any funds before the request date specified in the “Sub-Grantee Authorization to Request Drawdown Form.”</p> <p>All draw-downs will be requested in the manner stipulated in this SOPP.</p> <p><u>Authorization to Request Drawdown</u></p> <p>The “Sub-Grantee Drawdown Request & Project Summary Report” (See “Sub-Grantee Authorization to Request Drawdown Form”), must contain the signatures of all persons authorized to request a drawdown on behalf of the sub-grantee.</p> <p>Any change in the persons authorized to request funds on behalf of the sub-grantee must be conveyed to DOF in writing with a revised “Sub-</p>

	<p>Grantee Authorization to Request Drawdown Form.”</p> <p><u>Request for Drawdown</u></p> <p>The “Sub-Grantee Drawdown Request & Project Summary Report” must be completed and submitted to DOF once allowable expenditures have been incurred.</p> <p>A copy of each “Sub-Grantee Drawdown Request & Project Summary Report” must be kept by the sub-grantee to ensure proper recordkeeping.</p> <p>Requests for draw-downs shall be completed in the manner stipulated in this SOPP.</p> <p><u>Banking Information</u></p> <p>All drawdown of federal funds must be kept in a separate bank account and cannot be mixed or co-mingled with any other sources of funding.</p> <p><u>Maintenance of Records</u></p> <p>The sub-grantee shall</p> <ul style="list-style-type: none"> • establish financial policies and procedures, which shall be consistent with Generally Accepted Accounting Principles and enable DOF, OMB or the federal grantor agency or its representative to audit or verify the accounts of the sub-grantee to ensure compliance with the grant award agreement and all stipulations which supplement said grant award. • Maintain accounts and records to include, but not limited to: <ul style="list-style-type: none"> • maintaining for a period of seven (7) years all records and documents necessary to conduct a full financial and compliance audit of the activity supported by the grant award agreement and all stipulations which supplement said grant award, and • assigning personnel to keep track of all activities and expenditures made with federal grantor funds transferred from DOF.
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	<p><u>Allowability of Costs</u></p> <p>Unless otherwise stated, costs incurred under a cooperative agreement shall be in accordance with OMB Circular A-21, A-87 or A-122, whichever is applicable.</p> <p>Under no circumstances shall sub-grantee funds be used for the following:</p> <ul style="list-style-type: none">▪ advertisements, other than for recruitment of personnel and procurement of goods and services;▪ contributions to contingency reserves for unexpected expenses or occurrences;▪ contributions, gifts, or donations to other organizations or individuals;▪ entertainment including, but not limited to: amusements, diversions, social activities,▪ ceremonials and costs related thereto, such as meals, lodging, rentals, transportation, and gratuities;▪ interest on borrowed capital;▪ fund-raising activities;▪ investment counsel to enhance income from investments;▪ repayment of loss due to excess of costs over income on any other projects; and▪ fines, bad debts, alcoholic beverages, or tobacco. <p><u>Travel and Per Diem</u></p> <p>Travel and per diem costs shall be at a rate that is reasonable and consistent with the travel and per diem policies and procedures for the Virgin Islands Government. Travelers' subsistence expenses which exceed the per diem rates included in the Project Budget may not be paid with sub-grantee funds without prior written approval from the federal grantor.</p> <p>In addition, a duly authorized "Travel Authorization Form" bearing the individual sub-grantee name in the title, must be completed each time a person travels outside the U.S. Virgin Islands</p> <p>The "Travel Authorization Form" must be filled out in detail and signed by both the traveler and the authorizing official.</p>
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	<p><u>Audits</u></p> <p>The federal grantor agency reserves the right to conduct, or have conducted, audits of the sub-grantee's records.</p> <p>The books and accounts of the sub-grantee pertaining to the grant shall be open for inspection by an independent certified public accountant or any other duly authorized representative of the grantor with reasonable written notice, and shall be legible, kept current and available for copying.</p>
<p>Responsibilities</p>	<p>Sub-grantees are responsible for:</p> <ul style="list-style-type: none"> • Preparing the “Sub-Grantee Drawdown Request & Project Summary Report” according to guidelines provided and submitting it to the Department of Finance <p>The Department of Finance (DOF) is responsible for;</p> <ul style="list-style-type: none"> • Reviewing and approving the “Sub-Grantee Drawdown Request & Project Summary Report” and, • Monitoring the drawdown and dispensing funds to the sub-grantees.
<p>Procedures</p>	<p>Sub-grantees shall</p> <ul style="list-style-type: none"> • Prepare the “Sub-Grantee Drawdown Request & Project Summary Report” according to guidelines provided above, • Submit the report and any other supporting documentation to the Department of Finance for approval and payment, by 9:00 a.m. on or after the date requested, • Retain one completed copy and keep for proper record keeping at the sub-grantee’s organization, • Retain copies of draw down documents for a minimum of seven (7) years from the date of the drawdown, and • Submit the next in line (i.e., chronically ordered “Request Number”) before transferring the next drawdown.

NOTE: SUB-GRANTEE DRAWDOWN REQUEST & PROJECT SUMMARY REPORTS SUBMITTED IN AN UNTIMELY MANNER WILL RESULT IN THE DELAY OF FUTURE DRAWDOWNS

Department of Finance will

TREASURY

- Review carefully the dates and amounts for the drawdown of funds using the “Sub-Grantee Drawdown Request & Project Summary Report,”
- Ensure that the signatories requesting the payment are authorized to request payments,
- Ensure that drawdown dates and amounts accurately reflect the sub-grantee's cash flow needs, so that grant funds do not remain idle,
- Draw down the required funds into the federal Department of Finance bank account,
- Authorize the bank to transfer the funds to the specific grantee account via wire, ACH or other reasonable means,
- Record the receipt of revenues into the treasury of the Government of the Virgin Islands, and
- Retain draw down documents for a minimum of seven (7) years from the date of the drawdown.

ACCOUNTS PAYABLE

- Records expenses in the General Ledger of the Government of the Virgin Islands.

Revision History

Revision #	Date	Description of changes	Requested By
0	05/21/10	Initial Release	VC, JL, CM, LP