BACKGROUND
Northern Arizona Healthcare (NAH) is committed to securing outside charitable and government grant funding in support of its mission. Charitable foundations, and federal, state, and local government agencies, maintain compliance policies to which all grantees must adhere. Any NAH employee may play a role in any aspect of researching grant opportunities, preparing grant proposals, and administering grants, and are held accountable to relevant grantor compliance policies. The NAH core grant effort and grant oversight are centralized in the Flagstaff Medical Center (FMC) and Verde Valley Medical Center (VVMC) Foundations, with the comprehensive grant effort occurring in collaboration with NAH staff members, departments, and programs.

POLICY
WHEREAS, All grant proposals must be authorized for submission to a funding source by the FMC or VVMC Foundation, with only the NAH Vice President of Development or approved designee authorized to sign and submit grant applications on behalf of NAH; and

WHEREAS, Per CP 601, grant contracts may only be signed by a facility vice president or President/CEO; and

WHEREAS, The FMC and VVMC Foundations are responsible for establishing grants policy, developing and submitting applications, and tracking and managing grants through all stages of pre-award and post-award activity; and

WHEREAS, Department heads (or their designees) are responsible for participating in pre and post award activity on grant-funded programs within their departmental jurisdiction; and

WHEREAS, The FMC and VVMC Foundations have exclusive authority to accept and deposit all charitable grant funding received by NAH into appropriate accounts;

WHEREAS, All government grant funding is to be deposited into appropriate NAH accounts as designated and approved by the Vice President of Development;

NOW, THEREFORE, NAH hereby adopts the following grant guidelines to maximize grant compliance and success.

RESPONSIBILITY GUIDELINES
Section 1: FMC and VVMC Foundation Responsibilities for Grants
a) Develop and distribute procedures to support the requirements of this grant administration policy. Revise the procedures and issue updates as necessary.
b) Serve as the organization-wide point of contact for grant prospect research and the writing of grant proposals, including:
   • Informing departments of relevant funding opportunities
   • Assisting departments in vetting opportunities to ensure alignment with strategic priorities
   • Writing grant proposals and assisting others in writing/editing proposals
   • Providing boilerplate organizational data (financials, board lists, statistics)
c) Assist departments to interpret and apply the policies and regulations of grant makers, to include relevant Titles in the Code of Federal Regulations, OMB Circulars, Executive Orders and State of Arizona Procurement Policies as applicable.
d) Provide assistance to organization staff involved in grant management.
e) Assist in negotiations between NAH and funding sources relating to grant awards, proposal budgets, and disputes.
f) Coordinate the tracking of grant applications, awards, and major project management decisions associated with awarded grants.

Section 2: Departmental Responsibility for Grants

The role of each department director is to:

a) Designate a qualified project manager for each grant awarded to the department. In cases where more than one department is responsible for a grant, a lead department shall be designated accountability.
b) Implement awarded grant projects according to the terms and conditions of each grant proposal and grant award.
c) Ensure project managers track grant awards, monitor post-award management activities, and consult with the foundation and finance department as needed to ensure compliance with organizational and funder policy and procedure.
d) When applicable, develop and implement department-level policies and procedures to ensure federal grant dollars are utilized only for allowable purposes and within the established timeframe.
e) Assist the foundation and finance department in obtaining documentation for required cash or in-kind matching resources required for each grant.
f) Ensure project reporting requirements are observed, including reimbursement protocols when applicable.

Section 3: Finance Responsibility for Grants

The Department of Financial Operations works in tandem with the Foundation to:

a) Ensure requests for grant funds are promptly processed to minimize the advance use of internal funds. All draw-downs of grant funding must conform to funding source and internal finance policies.
b) Maintain documentation of cash and in-kind matching resources for each grant award and collaborate with departments to ensure all matching requirements are met.
c) Record revenues and expenditures associated with approved grants.
d) Review grant expenditures and reimbursement requests to ensure federal grant dollars are utilized only for allowable purposes and within the established timeframe.
e) Issue regular reports on the status of grant funds to department heads, and special reports as required by the Vice President of Development or Board Chair.
f) Provide financial reports to funders as required.
g) Provide information for and participate in funder site visits and monitoring as requested.
h) Provide information for and participate in audits.
i) Maintain the original of all grant award instruments in electronic and paper files organized by year of the award. Provide a working copy of grant award documents as needed for administrators and department heads.
j) Provide current copies of organizational Audited Financial Statements to the Foundation on an annual basis.

Section 4: Other Area Responsibilities for Grants

The following list (not all-inclusive) captures major responsibilities common to many grant agreements:

a) Human Resources/Payroll: Provide salary/benefits/employment data needed for relevant grant budget preparation and grant expenditure.
b) Quality Management: Provide numerical/statistical data on non-identifiable patient demographics (e.g. geographic, ethnic, clinical) needed for applications and reporting.
c) Legal: Provide review and recommendations on grant agreements initiated by a funder when an award is made (CP 601: Contracts).
d) Marketing and Public Relations: In accordance with NAH policies, fulfill funder requirements pertaining to publicity efforts/announcements and logo usage guidelines as identified in the grant agreement.
Section 5: External Audit

In addition to NAH’s required external audit of the organization on an annual basis, NAH is subject to an external grant audit any time by an independent auditor in the following circumstances:

a) NAH expends more $750,000 in grant funding in any fiscal year, with a single audit required pursuant to the Single Audit Act and OMB Circular A-133.

b) A funding source requires an organization-wide or program-specific audit as a condition of receipt of funding.

Section 6: Quality Evaluation Reports

A mid-term and final Quality Evaluation Report is required for each grant addressing internal quality indicators and plans for applying to a funder for grant renewal.

Section 7: Additional Resources

The FMC and VVMC Foundations provides the following additional detailed guidelines upon request or as applicable:

a) Grant Procedures
b) Indirect Cost Rates and Funds Distribution
c) Federal Grants Compliance Overview
d) Hyperlinks to applicable CFRs, OMB Circulars, and federal and state executive Orders governing federal awards and sub-awards (hard copies upon request)
e) Grant Close-out Checklist

INCLUDED DOCUMENTS

Grant Pre-Application Process
Grant Application Process
Grant Notification Process
Interdepartmental Post-Ward Relationships
Basic Grant Management Process

RELATED DOCUMENTS

Grants Annual Quality Evaluation Report Form
Federal Grants – Compliance Overview
Grants – Detailed Procedures

REFERENCES  N/A
GRANT PRE-APPLICATION PROCESS

Ways to learn about funding opportunities

- Foundation alerts department of a funding opportunity
- Department informs Foundation of a specific funding need
- Another hospital or organization publicizes a recently-obtained grant
- Industry association newsletters announce opportunities

Things to consider when evaluating whether to apply

- Does this organization meet eligibility requirements?
- Does the project support organizational strategic priorities?
- Will the benefit of the grant outweigh the burden to implement the project?
- How many awards will be made by the funder?
- Is another department already working with the funder?
- Does the application due date provide enough time to prepare a high-quality application?

Application initiation process

- Obtain director approval to apply for the grant
- Outline the project concept, considering human and financial resources needed
- Communicate with the Foundation to establish an application preparation plan

These lists are not exhaustive. They provide general methods, considerations, and steps common to the grant seeking effort. It is very important to consider all forms of organizational investment in a project beyond what is covered in the grant budget. This may include staff time, meeting space, supplies, and travel. Failure to accurately estimate these contributions can lead to a grant-funded project costing the organization more than the revenue the grant provides.
GRANT APPLICATION PROCESS

The department seeking the grant works with Foundation through this process.

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GRANT NOTIFICATION

- Convene grant team members
- Designate project manager
- Assign application tasks
- Establish preparation timeline

Prepare drafts of application components

Send to director for input and approval

- Assemble all attachments
- Finalize budget and budget justification
- Obtain support letters

• Provide opportunity for collaborator review
• Conduct final proofreading

Submit application

- Provide opportunity for collaborator review
- Conduct final proofreading

If Approved

- Project manager notifies team including collaborator, and departmental leadership. Foundation notifies Vice President of Development.
- Project manager thanks the funder and collaborators. Vice President of Development sends official thank you/receipt for funder’s tax purposes.
- Project manager and Foundation complete necessary paperwork, including contractual agreements.
- Foundation sends agreement and approved budget to financial operations and initiates establishment of new grant fund when applicable.
- All review project work plan, timelines, budget, PR, and reporting requirements.
- Foundation enters grant information into Raiser’s Edge.
- Project manager and Foundation establish grant management plan.

If Declined

- Foundation or project manager notifies project team.
- All discuss reason for decline if known.
- Foundation replies to funder if appropriate.
- All consider whether to reapply.

If No Response

- Foundation attempts to make contact.
- If no response, treat as declined.
- All consider whether to reapply.

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Reviewed:

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The department receiving the grant is at the core of the post-award team. The additional entities listed, and others on a case-by-case basis, provide services and support aimed at successful grant implementation and reporting.

**INTERDEPARTMENTAL POST-AWARD RELATIONSHIPS**

- **Grant Award Oversight (Foundation)**
- **Project Implementation and Reporting (Department)**
- **Publicity and Logo Usage (Marketing)**
- **Expenditures/Reimbursements and Audits (Finance)**
- **Quality Evaluation (Area Vice President)**

**BASIC GRANT MANAGEMENT PROCESS**

1. **Initiate System**
   - Legal conducts review and VP signs contractual agreement.
   - Financial Operations creates grant fund when applicable.
   - Project manager and Foundation reviews goals, performance measures, outcomes and timelines.

2. **Implement Project**
   - Project manager activates key personnel and collaborators.
   - Department delivers project services.
   - Project manager submit check requests with Director and VP signatures to Foundation when applicable.

3. **Close-out the Grant**
   - Department expends all funds and completes all programming.
   - Department submits all required reporting to funder.
   - Department and Foundation conduct annual quality evaluation to determine interest in reapplying.

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