



## CCAA BOARD MEMO

Agenda Item: G-3

BOARD MEMO 2023-19

Meeting Date: June 21, 2023

**Agenda Title:** 3. FOR DISCUSSION AND POSSIBLE ACTION: APPROVE AMENDED GRANT ADMINISTRATION POLICY.

**Staff Summary:** The grant administration policy was created and submitted to the FAA to demonstrate compliance with the corrective action plan of the 2021 single audit.

**Agenda Action:** Formal Action/Motion

**Time Requested:** 0 Minutes

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### **Proposed Motion**

I move to approve the draft Grant Administration Amendment.

### **CCAA'S Strategic Goal**

Maintain financial stability.

### **Previous Action and Executive Summary**

May 20, 2020 (Item F-10) – The CCAA approved the Grant Administration Policy.

### **Financial Information**

Is there a fiscal impact?

No  Yes

If yes, account name/number & amount:

General Fund/ Federal Share:

Is it currently budgeted?

**Alternatives**

Approve with changes.

Do not approve.

**Board Action Taken:**

Motion: \_\_\_\_\_ 1) \_\_\_\_\_  
2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_  
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\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)



# CARSON CITY AIRPORT AUTHORITY GRANT ADMINISTRATION POLICY

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1.0 PURPOSE:

The purpose of this policy is to facilitate a centralized reference location for AIRPORT grant information.

2.0 ORGANIZATIONS AFFECTED: Carson City Airport Authority (CCAA)

3.0 REFERENCES:

Code of Federal Regulations Title 2: Grants and Agreements PART 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements (Uniform Guidance) Title 49 U.S.C. § 47101, et seq, Title 49 U.S.C. § 47107(g). FAA AIP Handbook 5900.38D.

4.0 DEFINITIONS:

4.1 **CLOSE OUT:** A procedure to officially conclude a grant. The Airport Manager must ensure that necessary administrative and financial reports have been documented and submitted to the Grantor in compliance with the grant terms and conditions.

4.2 **GRANT:** Financial assistance mechanism providing money, property, or both to an eligible entity to carry out an approved project or activity. The term “grant” is used to mean both grants and inter-local agreements with a fiscal impact.

4.3 **GRANTS ADMINISTRATOR:** The Airport Manager assigned to maintain the database of funding, resource materials, grant applications, award documents, and management of publications; maintains compliance with federal, state and private grant guidelines and policies.

4.4 **NOTICE OF AWARD (NoA):** The legally binding document notifying the grantee and others that an award has been made. The NoA contains or references all terms and conditions of the award and documents the obligation of funds. The NoA may include both standard and special conditions that are considered necessary to attain the grant’s objectives.

## 5.0 PROCEDURES:

- 5.1 The Airport Manager is ultimately responsible for all grant compliance, including grantor requirements and CCAA policies and procedures.
- 5.2 The Airport Manager will be responsible for sharing all pertinent federal, state and local grant documents and updates with Carson City Finance Department.
- 5.3 The CCAA Board Chair has the authority to waive any portion of this policy on a case-by-case basis. Requests for waivers shall be sent to the Grants Administrator. Example – A waiver can be requested if an application has a short timeframe for submittal and there would not be enough time to go to the CCAA before the application is due. The CCAA will be notified of any waivers at the following CCAA meeting.

## PRE-AWARD ACTIVITIES:

- 5.4 A pre-application assessment should be done in consultation with the CCAA's consulting Airport Planner and Engineer. The determination begins with a review of the Notice of Funding Availability and evaluation of the following factors:

### Eligibility

- Is the CCAA an eligible applicant?

### Programmatic Factors

- Does the grant align with the mission and vision of CCAA strategic initiatives and goals?
- Does the grant benefit airport users and tenants?
- Does the Airport Manager have the capacity to implement the grant and achieve a successful outcome?

### Financial and Resource Factors

- What are the total anticipated project costs?
- Is there a match requirement? If so, can the CCAA meet the requirement?
- Is there a sustainability plan for terminating the program if grant funding is eliminated?

## APPLICATION REQUIREMENTS:

- 5.5 The “grantee title” to be used for all documents is “Carson City Airport Authority” or the legal body executing the agreement.

- 5.6 The CCAA's Unique Entity Identifier (UEI) number and EIN number are required on all grant applications. The UEI number for CCAA is 0358913860000 and the EIN number is 26-3261989. An individual Federal Award Identifier will also be created for each application for federal assistance form (SF-424). i.e. 3-32-0004-\_\_\_\_\_-2020.
- 5.7 Grant applications must be signed by the CCAA Board Chair. Grant applications over **\$50,000** per year must be approved by the Carson City Airport Authority and Carson City Board of Supervisors (BOS) **prior** to acceptance of the grant. If approved by the BOS, the Mayor will sign the application.
- 5.8 The Airport Manager will contact the City Finance Department about the status of the grant (approved or disapproved) and will upload the signed grant once all signatures have been obtained.

#### POST- AWARD ACTIVITIES:

- 5.9 The Airport Manager will be responsible to send all grant awards to the City Finance Department for signature. The City Finance Department will be responsible for obtaining signatures from the City Manager or Mayor on all grant agreements. Signed agreements will be returned to the Airport Manager.
- 5.10 The financial component of the CCAA grants are managed through Carson City Finance. Carson City staff will manage CCAA grant claims in a Federal grant system on behalf of CCAA. Carson City will create a journal entry to record the wired receipt of funds and then wires payment CCAA on the same day.
- 5.11 The original grant with signatures shall remain with the Airport Manager for retention, audits, etc., and must be retained for the minimum amount of time (three up to seven years) required by the grant.
- 5.12 All AIP grants must be completed within five years of commencement, and do not require BOS approval once they have received initial Board review.

#### FEDERAL GRANT REQUIREMENTS:

- 5.13 Davis-Bacon and Related Acts (DBRA) requires all contractors and subcontractors performing work on federally funded construction contracts in excess of \$2,000 to pay their employees not less than the prevailing wage rates and fringe benefits as determined by the Secretary of Labor. Rates in effect at the time of the contract execution must be followed. Davis-Bacon wage determinations are to be used in accordance with the provisions of Regulations, [29 CFR Part 1](#), [Part 3](#), and [Part 5](#). Wage rate certification forms from

subcontractors should be submitted to the airport engineering consultant and to airport staff for review.

- 5.14 Contractor debarment and suspension status must be determined before a grant contract is awarded. This status can be verified on the Excluded Parties List System (EPLS), on the System for Award Management (SAM) website (<https://www.sam.gov/>). When the debarment verification is conducted by the Airport Manager in conjunction with the Consulting Engineer, documentation of the status check must be included in the grant file and attached to the request for contract. No award is to be made to an entity that has been debarred or suspended.
- 5.15 Direct Grant Recipients awarded a new federal grant greater than or equal to \$25,000, are subject to the Federal Funding Accountability and Transparency Act (FFATA) reporting requirements. The direct or prime awardee is required to file a FFATA report by the end of the month, following the month in which the direct or prime recipient awards any sub-grant greater than or equal to \$25,000. <https://www.fsrc.gov/>
- 5.16 All Federal Aviation Administration (FAA) Airport Improvement Program grant procurements must follow the requirements of FAA AIP Handbook 5900.38D, [https://www.faa.gov/airports/aip/aip\\_handbook/](https://www.faa.gov/airports/aip/aip_handbook/)
- 5.17 Federal law and standards are identified in 45 CFR § 92.36. §92.36 Procurement (b) Procurement standards. (1) Grantees and sub grantees will use their own procurement procedures which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable federal law and standards identified in 45 CFR § 92.36.
- 5.18 Per the State of Nevada NRS 232.225 Presidential Executive Order 12372 Institutions of Higher Education, Private, Non-profit or Local Government Entities are required to go through the Intergovernmental Review process only for those programs covered by the Presidential Executive Order. Requests for proposal are usually published in the Federal Register E.O. 12372.No applicants shall forward an application to a federal agency without requesting a State Application Identifier (SAI) from the State Grant Office. The State of Nevada 088-GP-04 Intergovernmental Review of Federal Programs form will be filled out and turned into the State of Nevada Office of Grant Procurement.

The above federal standards stipulate that all purchases will follow the CCAA purchasing polices and guidelines.

## 6.0 AIRPORT MANAGER ADMINISTRATION OF GRANTS:

- 6.1 The Airport Manager shall procure all services and products as authorized in the CCAA Purchasing and Contracts Policies and Procedures guide.
- 6.2 The Airport Manager shall charge all grant related expenditures to the established grant accounts according to the award agreement and approved budget. Grant expenditures should not be charged to non-related grant accounts. If expenditures are charged to accounts other than the proper grant accounts, the Airport Manager shall direct the CCAA bookkeeper to create a Journal Entry in order to move the expenses into the correct account along with supporting documentation.
- 6.3 The Airport Manager shall notify City Finance Department and provide all documentation required to identify and record capital assets that have been acquired with grant funds using the form in Exhibit A.
- 6.4 The Airport Manager shall ensure that all expenditures meet the authorized use of funds as per the grant agreement. All submittals for reimbursement must be reconciled against actual reimbursement receipts from the grantor and actual expenditures posted to the general ledger. Any discrepancies should be rectified and coordinated with the City Finance Department.
- 6.5 The Airport Manager shall satisfy all grant requirements as per the grant agreement, including, but not limited to, preparing and submitting financial and project reports, reimbursement requests, close out reports and any other documents required per the grant agreement. Any reports generated by the airport engineering consultant must be reviewed by the Airport Manager.
- 6.6 All funds are received by direct deposit, from the City Finance Department.
- 6.7 All income generated as a direct result of a grant funded program is deemed program income. Program income must be used for the original grant purposes and under the conditions applicable to the award. No federal requirements govern the disposition of program income earned after the end of the funding period.

## 7.0 TRACKING GRANT APPLICATIONS AND AWARDS:

- 7.1 The Airport Manager is responsible for oversight of grant accounting, budgeting, and financial administration. City Finance Department shall have access into SAM for all AIP grants for all FAA AIP grants that comply with

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FAA AIP Handbook 5900.38D and the Code of Federal Regulations Title 2: Grants and Agreements PART 200 (CFR Part 200), where applicable.

- 7.2 The City Finance Department shall input all grants in a Federal grant system, to include: funding and expense string(s), grant AIP grant identification numbers, total award amount, and signed grant agreement. In addition, requests for reimbursement and any grant related documentation shall be scanned into a Federal grant system. The Airport Manager will keep a hard copy grant file for reference and audit purposes.
- 7.3 The City Finance Department will reconcile grant expenditures which will be reconciled to each reimbursement request.
- 7.5 The Airport Manager will adhere to generally accepted accounting principles in preparing general ledger entries for applicable grants.
- 7.6 The Airport Manager will develop schedules as required for year-end audit.

#### 8.0 ALLOWABILITY, REASONABLENESS, AND ALLOCABILITY OF COSTS:

- 8.1 All costs must be **allowable** under federal regulations and grantor terms and conditions. To be allowable, costs must:
  - Be reasonable and necessary;
  - Be allocable to federally sponsored projects under the principles and methods provided in FAA AIP Handbook 5900.38D; and
  - Conform to any limits or exclusions set forth in FAA AIP Handbook 5900.38D or the terms and conditions of the award.
- 8.2 All costs must be **reasonable**. FAA AIP Handbook 5900.38D determines that a cost is reasonable if, in its nature and amount, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

Important considerations in determining the reasonableness of costs are:

- Is the cost generally recognized as necessary for the operation or performance of the grant?
- Have the restraints or requirements imposed by such factors as federal and state laws and regulations, grant agreement terms and conditions, and arm's-length bargaining been satisfied?
- Have the individuals concerned acted with due prudence in the circumstances, considering their responsibilities to the CCAA and the public at large?

- Is the extent of the actions taken with respect to the incurrence of the costs (e.g. hiring decision, choice of goods or services, determination of salary or price, vendor selection, etc.) consistent with established policies and practices applicable to the CCAA generally?

8.3 All costs must be **allocable**. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received. Every incurred cost must have a direct benefit to the grant being charged.

In general, a cost is allocable to a particular grant if it fulfills one of the following conditions:

- It is incurred solely to advance the work under the grant or agreement; or
- It benefits both the sponsored agreement and other work of the institution, in proportions that can be approximated through use of reasonable methods; or
- It is necessary to the overall operation of the CCAA and, considering the principles provided in FAA AIP Handbook 5900.38D, is deemed to be assignable in part to the grant.

## 9.0 MONITORING:

9.1 The Airport Manager is responsible for:

- Monitoring the use of AIP awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers federal, state or local awards in compliance with laws, regulations, and the provisions of contract or grant agreements, and those performance goals are achieved.
- Ensuring that expending \$750,000 or more in AIP awards during the CCAA's fiscal year as provided in FAA AIP Handbook 5900.38D have met the audit requirements of CFR Part 200 and that the required audits are completed within 9 months of the end of the recipient's audit period.
- Issuing a management decision on audit findings within 6 months after receipt of the recipient's audit report; and
- Ensuring that the recipient takes timely and appropriate corrective action on all audit findings.
- Reviewing and retaining a copy of the sub-recipient's most recent audit report. If the recipient is not required to submit a copy of the audit report to the pass-through entity because there were "no audit findings," the Department may use the information in the Federal Audit Clearinghouse (FAC) database as evidence to verify that the sub-

recipient had “no audit findings” and that the required audit was performed.

- Evaluating the impact of recipient activities on the pass-through entity’s ability to comply with applicable federal regulations.

## 10.0 GRANT CLOSE-OUT

10.1 The Airport Manager will close-out the grant award when he/she determines that all applicable administrative actions and all required work of the award have been completed.

10.2 The Airport Manager must submit all financial, performance, and other reports as required by the terms and conditions of the grant award.

10.3 All close-out actions for federal, state or local awards should be completed no later than one year after receipt and acceptance of all required final reports. See FAA AIP Handbook 5900.38D and 2 CFR 200.343 Closeout.

Exhibit "A"  
Physical Asset Reporting Form.



FlyCarsonCity.com

## CXP Physical Asset Form

<b>LOCATION:</b>	Carson City Airport, Carson City, Nevada
<b>FAA GRANT NO.:</b>	3-32-0004-0XX-202X

<b>EQUIPMENT DESCRIPTION:</b>	
<b>SOURCE/MANUFACTURER:</b>	
<b>MANUFACTURER'S SERIAL NO.:</b>	
<b>AUXILARY EQUIPMENT:</b>	
<b>ACQUISTION DATE:</b>	
<b>TOTAL COST:</b>	
<b>TOTAL FEDERAL FUNDING AMOUNT:</b>	
<b>LOCATION OF EQUIPMENT:</b>	
<b>PRESENT UTILIZATION</b>	
<b>DISPOSITION AND SALE PRICE (IF APPLICABLE):</b>	

CARSON CITY AIRPORT

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