

<b>Business Category:</b> NC Global TransPark Authority		<b>Business Area:</b> Office of the Executive Director, and Office of the Finance Director
<b>Approval Date:</b> 10/17/2019	<b>Last Revision Date:</b> 05/28/2024	<b>Next Review Date:</b> 05/28/2026
<b>Authority:</b> <a href="#">NC General Statute §63A NC Global TransPark Authority</a> <a href="#">NC General Statute §126 NC Human Resources Act</a>		<b>Select all that apply:</b> <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Requires Board approval <u>NCGTP Board of Directors</u> <input type="checkbox"/> Requires Federal Highways Administration (FHWA) approval <input type="checkbox"/> Requires other external agency approval: <a href="#">Click here to enter external agency name(s).</a>
<b>Definitions:</b> <p>“Authority” – shall mean The North Carolina Global TransPark Authority as enacted by Section 63A of the North Carolina General Statutes, and with powers as enumerated in Section 63A-4 of the North Carolina General Statutes.</p> <p>“Board” – shall mean The Board of Directors of the Authority with members as defined in Section 63A-3(b) of the North Carolina General Statutes.</p> <p>“Executive Director” – shall mean the Executive Director of the North Carolina Global TransPark Authority.</p> <p>“Finance Committee” – shall mean the Finance Committee of the Board.</p> <p>“Work Breakdown Structures (WBS)” – shall mean the structures used to define and organize the work required and track revenues and expenses for each project, program, or initiative.</p>		
<b>Policy:</b> <p>The Grant Management Policy identifies a policy and process to apply for, accept, track, and manage grants for the Authority. It is for use by management, monitoring by the Finance Committee, and oversight from the Board’s Chairperson and the Secretary of Transportation.</p>		
<b>Scope:</b> <p>The Authority has the power to apply for, accept, and administer grants of money from any federal agency, from the State or its political subdivisions, or from any other public or private sources available.</p> <p>The Authority is required to ensure federal, state, and other assistance is used appropriately. When accepting a grant award, the Authority is legally obligated to meet federal and state standards for financial management, internal controls, audit, and reporting.</p> <p>This policy covers all grant assistance for the Authority.</p>		
<b>Procedures:</b>		

This policy addresses the steps to take prior to applying for or accepting grants and outlines processes for: grants identification and application, strategic alignment, funding analysis, evaluation prior to renewal or grant continuation, and administrative and operational support.

*Grants identification and application* – the Executive Director shall seek approval from both the Secretary, as the gatekeeper for all NCDOT grant applications, and the GTP Board's Chairperson prior to applying for a grant. In seeking their approval, the Executive Director must identify the effects on the Authority - cash flow, procurement requirements, financial reporting, and compliance requirements – so those may be reviewed and understood beforehand. The Executive Director must also demonstrate to the Board's Finance Committee a detailed understanding of grant terms and conditions and specify how the grant will be monitored.

*Funding analysis* – all requests to apply for grants must include a multiyear cost-benefit analysis. The analysis must identify matching funds (and whether those must be set aside) and any other direct costs associated with a grant, the extent to which overhead costs will be covered, in-kind contributions, audit and close-out costs, and potential costs to the Authority beyond the grant period. The analysis must also identify whether a grant requires revenues or allows borrowing to be used to cover the gap between expenditures and reimbursements received by the Authority.

*Renewal and grant continuation.* – before continuing a grant-funded program or asset, an analysis must be performed that answers if the initial grant produced the desired results both strategically and financially. If the initial grant produced the desired results, then an extension or renewal may be considered. Like the initial analysis, the request to renew or extend must be approved by the Secretary and the Board's Chairperson and include both strategic and funding analyses. Preferably, the same measures that were used initially will be used to evaluate the extension or renewal; however, the request to extend or renew must also include an alternative analysis that shows how the required matching funds would be used if the grant is not extended or renewed.

*Administrative and operational support* – the Secretary, Board, and Finance Committee must be assured the Authority can comply with grant terms and conditions and the grant will be properly monitored.

*Accounting for grants* – operating grants and capital grants are accounted for separately, by budgeting and appropriating operating and capital grants in the appropriate fund center and utilizing WBS elements in SAP. Each individual grant shall have a unique Work Breakdown Structure (WBS) number within the appropriate fund center, in which revenues and expenses are accounted.

*Grant reporting* – each grant may have its own unique reporting requirements. Even so, it is reasonable to expect for most grants of the Authority will:

- Ensure that the funds provided by the grantor are not misappropriated or misdirected to any other account, need, or project.
- Have or implement a financial management system adequate for monitoring the accumulation of costs and that complies with the grantor's financial management system requirements.
- Pay prevailing wages to laborers and mechanics employed by contractors and subcontractors on projects.
- Comply with the Davis-Bacon Act and related Acts.
- Report executive compensation both cash and non-cash.
- Agree to separately identify the expenditures for Federal grants under the Single Audit Act Amendments of 1996 on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC).
- Provide quarterly progress reports to the grantor to ensure the project budget and schedule will be maintained to the maximum extent possible, and the project will be completed with the highest degree of quality.
- Develop a project reporting and tracking system to collect, assess and maintain project status information and data that is timely, independent, and accurate.
- Provide current information on project progress, changes, and issues; identify trends and forecast project performance; and identify and proactively address challenges to eliminate major project surprises.
- Continuously and accurately report cost increases; schedule changes; deficient quality items; and proposed measures to mitigate these issues.

- Effectively manage, administer, and protect the grantor investment in the project.
- Be fully aware of the completion status of the project and be able to take appropriate corrective action if necessary.
- Produce a quarterly cost, schedule, and status report.

#### **Related Documents:**

[NCGS § 63A-3. Creation of Authority and Board.](#)

NCGS § 63A-3. Creation of Authority and Board. (a) Creation. – The North Carolina Global TransPark Authority is created as a body corporate and politic having the powers and jurisdiction as provided under this Chapter or any other law. The Authority is a State agency created to perform essential governmental and public functions. The Authority shall be located within the Department of Transportation and shall be subject to the direction and supervision of the Secretary.

NCGS 63A-4. Powers of the Authority. (9) To apply for, accept, and administer loans and grants of money from any federal agency, from the State or its political subdivisions, or from any other public or private sources available, to expend the money in accordance with the requirements imposed by the lender or donor, and to give any evidence of indebtedness that are required. No indebtedness of any kind incurred or created by the Authority shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the Authority shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.

NCGS 63A-24. General laws apply to Authority, exceptions. (b) Notwithstanding G.S. 126-5(c1) (15), the Secretary of Transportation may designate employees of the Authority as subject to Chapter 126 of the General Statutes.

Federal Funds – The Office of the State Controller (OSC) issued NC OSC Policy 300.7, Cash Management Policy for Federal Funds to ensure that neither the federal government nor the State of North Carolina benefits or suffers financially because of the transfer of cash in support of State administered federal assistance programs. The policy applies to all funds received from federal assistance programs and deposited into the State Treasurer's account by agencies and institutions. Specifically, the Authority is to schedule its requests for federal funds so that the receipt (deposit) of these funds occurs as close as practicable to the issuance of payments or Electronic Funds Transfer.

[https://files.nc.gov/ncosc/documents/files/300.7\\_cash\\_management\\_policy\\_for\\_federal\\_funds.pdf](https://files.nc.gov/ncosc/documents/files/300.7_cash_management_policy_for_federal_funds.pdf)

Revision History		
Revision Date	Revision Number	Description
6/20/2019	0	Adopted. Approved via conference call meeting with the GTP Board of Directors.
08/09/2019	1	Revised for technical corrections to include formatting and statutory authority reference.
10/17/2019	2	Technical Correction to reflect correct policy owner.
09/14/2022	3	Removed some procedures and incorporated into SAP.
05/28/2024	4	Revised to add WBS definition, and edited verbiage under Accounting for Grants.