



## **Policies & Procedures for Managing the NEA Federal Award**

Utah Division of Arts and Museums  
Millcreek, Utah

(last approval 2/14/23)

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## **INTRODUCTION**

The following manual is intended to provide an overview of the policies and procedures for managing federal awards, applicable to the Utah Division of Arts & Museums which shall be referred to as “UA&M” or “the division” throughout this manual.

UA&M is a state agency under the Utah Department of Cultural & Community Engagement (CCE), part of the Governor’s executive branch. UA&M is accountable to the Utah State Legislature and the Governor’s Office, is governed by an advisory board, and receives funding resources primarily through the Utah State Legislature. Additional support comes from the National Endowment for the Arts (NEA) and the National Endowment for the Humanities (NEH). UA&M operates on the state fiscal year that begins on July 1 and ends on June 30. This document addresses the management of NEA funds.

This manual will be reviewed and approved by the UA&M Director, UA&M Board Executive Committee, UA&M Board, and CCE Finance on an annual basis. UA&M staff follow the policies and procedures contained in this manual.

## **DEFINITIONS & BACKGROUND**

UA&M may receive financial assistance from grantor agencies in the form of grants; financial assistance awards given to carry out its programmatic purpose, including portions of the grants intended to be distributed to subgrantees. Throughout this document, federal assistance received will be referred to as a federal “award.” UA&M has a continuing State Partnership Agreement from the NEA. The coding utilized by UA&M and CCE is consistent from year to year. The grant amount is different every year depending on the Federal Allocation from the NEA. There are four components to the Agreement; the General Partnership, Arts Education, Underserved Communities and Folk Partnership. Funds received in the last few years from NEH represent federal funding for specific, time-bound initiatives.

## **ENVIRONMENT**

UA&M and CCE work under the direction of the Utah Division of Finance to maintain a system of internal controls and appropriate segregation of duties in managing all state and federal funds. Access to the federal eGMS Reach portal is requested by the NEA Project Director and granted by the appropriate federal agency for staff who need to work within the portal for management of the award.

## **COMPLIANCE WITH REQUIRED REGISTRATIONS & REPORTING**

The NEA Project Director in coordination with support staff maintains current agency registrations through Grants.gov, Sam.gov, FFATA, and the state of UT federal funds record. UA&M and CCE staff strive to follow all federal and state guidelines in the management of federal funds as outlined in the NEA General Terms & Conditions for Awards (GTC’s), and the 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards outlined by the Office of Inspector General (OIG).

## **RESPONSIBLE PARTIES**

Utah Division of Arts & Museums (UA&M) is a state division under the Utah Department of Cultural & Community Engagement (CCE), part of the Governor's executive branch. Donna Law, Executive Director of the Department Cultural & Community Engagement, serves in the Governor's cabinet. UA&M is accountable to the Utah State Legislature which provides the bulk of agency funding, and is governed by a governor appointed board.

The Division Officers Responsible for federal grant management are as follows:

Victoria Panella Bourns, UA&M Director (NEA Authorizing Official)

Natalie Petersen, UA&M Assistant Director (NEA Project Director)

Kimberlee Willette, CCE Finance Manager (NEA Grant Administrator)

Emily Cebrowski, UA&M Program Support Specialist (NEA Additional Participant)

Laurel Cannon Alder, UA&M Grants Manager (NEA Additional Participant)

Racquel Cornali, UA&M Grants Coordinator

## **ADMINISTRATION OF FEDERAL AWARDS**

### **Preparation & Review of Proposals**

The NEA Project Director in coordination with the UA&M Program Support Specialist, prepare the annual NEA grant application with input from the NEA Authorizing Official. The NEA Project Director notifies the CCE Finance Team so they may request legislative authority to collect federal funding for proposed grants.

All proposals are approved by the NEA Authorizing Official prior to submission to ensure that:

- The agency can effectively implement any required assurances
- The proposed budget can be appropriately implemented & documented
- The proposed budget can be reflected in the agency's overall state budget & allocation systems
- UA&M has the capacity to oversee the grant with existing or hired employees

### **Post-Award Procedures**

After UA&M has received an award, the following steps are taken:

- Verify the specifications of the award. The individual(s) managing the award, the NEA Project Director & Program Support Specialist shall review the terms, time periods, award amounts and expected expenditures associated with the award.
- Gather documentation. A file is established for each award by the Project Director. The file serves as a repository for the proposal, the final signed award documentation, and all reports submitted to the funding source. Correspondence regarding the award is kept within the federal eGMS Reach system for reference and archival purposes. The NEA Project Director is responsible for alerting staff as to reporting dates, coordinating the production of necessary reporting documents, and submitting them in a timely fashion.

Upon notice of a new federal award, the NEA Project Director in consultation with the NEA Authorizing Official:

- Reviews the award & any associated requirements to assure that it can be properly implemented
- Provides the award detail & coordinates with the Grants Manager, Program Support Specialist, Program Managers as needed, & CCE Finance Team to review allocation categories & verify tracking codes for the award at the appropriate level of detail
- Shares the relevant codes with staff involved in payment coding
- Assures that the Communications Manager, Grants team, and UA&M staff utilizing the funds are aware of responsibilities related to acknowledgment of federal support & that a related provision is included in subrecipient contracts
- Coordinates with the Grants Manager for subrecipient grants, & with staff utilizing federal funds according to allocations within their program areas
- Federal guidelines and state purchasing policy are followed for non-grant NEA funds

#### **Utah Arts & Museums Grant Management Procedures for Federal NEA Funds regranted to subrecipients from the general portion of the NEA grant to UA&M**

Order of Operations:

- Obtain budget allocation for federal funds from the NEA Authorizing Official (UA&M Director).
- Run a competitive grant process following Utah State laws, UA&M and NEA guidelines.
- Send award letters to subrecipients that include all federally required information, including award amount, period of performance, UEI number, award number, and any other required information.
  - Send contracts with required contractual NEA language to subgrantees
- Gather interim or final reports from all grant recipients and provide that information to the NEA/NASAA through the Federal Descriptive Report (FDR).
- Ensure that if NEA grants are used for general operating support for subrecipients, the UA&M strategic plan includes intent language for regranting in this way.

Grant Eligibility:

- Review criteria for art organizations applications must include elements of artistic merit & artistic excellence. Artistic excellence demonstrates an organization's potential to: create art that meets the highest standards of excellence; engage the public with diverse art forms; enable participants to acquire knowledge or skills in the arts; and/or strengthen communities through the arts. What constitutes artistic excellence may vary in relation to the organization's mission, audience, and community. Artistic excellence and artistic merit are the criteria by which artwork will be considered, taking into account general standards of decency and respect for the diverse beliefs and values of the people of this state.

- Title VI non-discrimination compliance: The State of Utah must follow all federal laws and regulations regarding discrimination, including making sure that all grants are open to all applicants, and all subrecipient programming must be open and available to all.
- Section 504 Compliance:
  - Applicants must self-affirm in the application that they are following federal Section 504 Compliance standards
- Debarment:
  - Review subgrant recipients and cost match recipients on Sam.gov when the application is reviewed prior to entering into a contract. An organization that has been debarred may not receive NEA funding.
  - Include self-certification language about debarment in both the application and contract.
- All subrecipients are required to obtain a UEI through SAM.gov and certify in the application that they have not been debarred.
- Guidelines to state that federally-negotiated indirect cost rate or the de minimis cost rate (not to exceed 10%) for facilities, administration, or other overhead is acceptable

#### Grant Review:

- Eligible applications will be reviewed by UA&M staff & a panel of citizen professionals.
  - All grant panelists are required to sign a conflict of interest form that is retained by UA&M. If there are conflicts, panelists are recused from reviewing certain applications and cannot score or evaluate them.
  - Each review panel will evaluate applications based on the criteria in the guidelines.
  - All grant allocations are approved by the Utah Arts & Museums advisory board. The board reviews & approves final funding recommendations. The following language is communicated to subrecipients:  
 The Utah Division of Arts & Museums (UA&M) is a state agency involved in public funding for arts & museums. As a public entity, it reserves the right to make final decisions on the use of public funds for projects, programs, acquisitions, commissions, or other activities as deemed appropriate by the Division and/or board. No organization or individual is guaranteed funding from one year to the next. Funding levels are contingent on many factors, including resources available, number of applications, quality of the written application, & meeting specified criteria. UA&M takes the responsibility of awarding public funding seriously, carefully following federal guidelines and grant review & award procedures as determined by state statute & board policies. UA&M reserves the right to revoke awarded public funds (current, multi-year, and/or future) as deemed necessary. The revocation of any public funds will be taken under consideration by the appropriate state board.
    - Grant recommendations are required to be sent to the Utah Legislative Fiscal Analyst and the Governor's Office of Management & Budget prior to awards being issued.

**Contracting:**

- Grant staff shall follow the state of Utah contracting process by working with the assigned staff member from the Utah Attorney General's office as well as the Utah State Division of Finance. The Contract for Federal Awards must include the following:
  - Required federal award language, including a debarment statement
  - NEA and UA&M acknowledgement language
- Grant staff oversee the development, routing & approval of subrecipient contracts that are consistent with state procurement policy and ensure grant packages include the following: official notice of federal award to relevant subrecipients; requirement to acknowledge NEA support; record retention requirements; & certification related to debarment.
- Allowable expenditures and or nonallowable expenditures will be identified in the guidelines.

**Sub-Recipient Payment:**

- All subrecipients who are receiving federal sub-grants will receive an award letter with the required federal sub-award language following this example:
  - Your organization UEI: {{GRANT\_\_FUNDING\_APPLICATION\_APPLICANT\_UEI}}
  - Federal Award ID/NEA Grant Number: 1903716-61-22
  - CFDA Number and Name: 45.025 Promotion of the Arts Partnership Agreements
  - Federal Award Date: 7/5/2022
  - Total Amount of Award to Utah from the NEA: \$857,400
  - Subaward Period of Performance: July 1, 2022 to June 30, 2024
  - Federal award project description: To support arts programs, services, and activities associated with carrying out the agency's National Endowment for the arts-approved strategic plan
  - Organization is compliant with Appendix A of the Federal General Terms & Conditions document
- Subrecipient grants: the grant team will identify the organizations that will be coded to NEA originating and matching amounts to assure compliance with federal requirements.
- Work with CCE Finance team to review & approve the coding of the grant award to assure that payments against the contracts will be charged to the appropriate federal grant project.
- All contract payments are sent to CCE finance via a Request for Payment (RFP). Requests for payment are reviewed for: Correct award amount, subrecipient contact information, and correct grant award coding. Contracts include a requirement for acknowledgement of the NEA as a funder.
- Payment Schedule must be provided within the grant contract period

**Subrecipient Reporting:**

- An interim or final report is required to be submitted annually.

- The UA&M grants office is responsible for review of final evaluations through the online grants management system.
- Final reports are reviewed for:
  - NEA standard requested data
  - Completeness
  - Reasonableness of reported outcomes
  - Financial report/budget
  - Acknowledgment of support

#### UA&M Reporting on Federal Funds:

- FFATA Report is submitted on sam.gov 30 days after sub-recipients receiving \$30,000 or greater have been notified of their award
- U&AM submits an FDR (Federal Descriptive Report) and FFR (Federal Financial Report) at the required reporting time per NEA guidelines.
- All data for the FDR is collected and stored in the UA&M grants management system
- The FDR and Project Activity Locations are sent to NASAA

#### **COMPLIANCE WITH LAWS, REGULATIONS AND PROVISIONS OF AWARDS**

- UA&M recognizes that as a recipient of federal funds, it is responsible for compliance with all applicable laws, regulations, and provisions of awards.
- UA&M Staff strive to take all reasonable steps necessary to identify applicable changes in laws, regulations, and provisions of awards.
- The NEA Project Director in coordination with the Program Support Specialist and Grants Manager strive to identify and communicate any special changes in policies and procedures necessitated by federal awards.

#### **FINANCIAL REPORTING**

The CCE Finance Team provides timely and accurate financial reports applicable to federal awards. These reports include quarterly and cumulative expenditures and a project budget.

#### **FEDERAL REPORTING**

- The NEA Project Director Program Support Specialist, and the Grants Coordinator prepare & submit required reporting to the NEA through the eGMS Reach system.
- The Folk Partnership and Poetry Out Loud (POL) Program each have separate final reports to be completed. The Folk Partnership Report is prepared by the Folk Arts Coordinator and submitted as part of the State Partnership, and the POL report is prepared and submitted by the Education Program Manager each year, per reporting guidelines and timeframes.
- All other final reports are due no later than 90 days after the period of performance end date
- Required final reports may include the following:
  - Final Descriptive Report (FDR). Narrative and statistical data about award activities
  - Federal Financial Report (FFR). Final accounting of allowable project expenditures including required cost share/match

- Geographic Location of Project Activity Report (GEO). List of addresses where significant project activity took place (this report assists the NEA in reporting to Congress on the geographic reach of its programs)

## **PROCUREMENT UNDER FEDERAL AWARDS**

Procurement of goods and services whose costs are charged to federal awards are subject to State of Utah Purchasing Policies.

## **DEBARMENT & SUSPENSION POLICIES & PROCEDURES**

In order to ensure that UA&M does not make payment to recipients who are barred from receiving federal funds, UA&M staff shall check the System for Award Management (SAM) prior to executing contracts.

## **BUDGET & PROGRAM REVISIONS**

It is UA&M policy to request prior approval from federal awarding agencies for program or budget revisions as required by the funding agency.

## **CLOSE OUT OF FEDERAL AWARDS**

UA&M and CCE shall follow the close out procedures as established by the state, and federal granting agency for the award. UA&M shall liquidate all obligations incurred under the award within 90 days of the end of the award agreement.

## **DRAWDOWNS**

UA&M Program Support Specialist and NEA Project Director will coordinate with UA&M Staff & CCE Finance to monitor federal expenditures, & request drawdown reimbursement through the eGMS Reach system. FINET (a centralized statewide accounting system) is utilized to collect payments charged toward federal funds. Reports are generated and reviewed with program managers before the drawdown is requested. The NEA Project Director and Program Support Specialist monitor that drawdowns are occurring in a reasonable timeframe.

## **CHARGING OF COSTS TO FEDERAL AWARDS**

UA&M follows NEA policy that only costs that are reasonable, allowable and allocable to a federal award shall be charged to that award directly or indirectly. All unallowable costs shall be appropriately segregated from allowable costs in the general ledger in order to assure that unallowable costs are not charged to federal awards.

## **SEGREGATING UNALLOWABLE FROM ALLOWABLE COSTS**

- The budget and grant or contract for each federal award shall be reviewed for costs specifically allowable or unallowable, in accordance with 2 CFR 200 and the NEA's General Terms & Conditions.
- The NEA Project Director, Program Support Specialist, and Grants Manager shall be familiar with the allowability of costs provisions.

- No costs shall be charged directly to any federal award until the cost has been determined to be allowable under the terms of the award and criteria for federal allowability, according to NEA guidelines and 2 CFR 200.

## **DIRECT COSTS**

- Direct costs include those costs that are incurred specifically for a federal award. UA&M identifies and charges these costs exclusively to each award or program.
- Each payment shall be coded with the appropriate code reflecting which program received direct benefit from the expenditure. Invoices are approved by the appropriate staff member and NEA Project Director, and processed through CCE and State Finance.

## **RECORDS RETENTION**

All records pertaining to federal awards shall be retained according to the NEA General Terms & Conditions, 2 CFR 200, and State of Utah Archives retention schedules and policies.

## **POLICY AWARENESS**

Policies are monitored by the Division Officers through NEA eGMS REACH, NEA website, email, webinars, & verbal communication with NEA staff. Policy changes are disseminated through email, electronic message, general announcement, staff or board meetings, and face to face communication.

Additionally, the NEA Project Director in coordination with the Program Support Specialist shall:

- Review & monitor relevant policies & guidelines related to federal grants received by the agency
- Assure that employees who implement the policies understand their responsibilities
- Assess any policy changes & implement changes in procedures & internal controls to implement those policies, if warranted

## **FEDERAL POLICY REFERENCES**

2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards:

[https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)

## **NEA GENERAL TERMS & CONDITIONS FOR AWARDS (GTCs)**

- For awards issued as of October 2020 (with an award date after October 1, 2020)  
[General Terms & Conditions for Grants & Cooperative Agreements to organizations Incorporating Title 2 of the Code of Federal Regulations \(2 CFR\), Including updates effective November 12, 2020 \(issued AFTER October 2020\)](#)
- For awards issued October 2014 through September 2020  
[General Terms & Conditions for Awards \(Updated June 2018\)](#)

- For awards issued after October 1, 2020 - including updates effective November 12, 2020

[General Terms & Conditions for Awards](#)

NEA HOW TO MANAGE YOUR AWARD & eGMS REACH HANDBOOK

- For awards issued as of October 2020 (with an award date after October 1, 2020)  
[How to Manage Your National Endowment for the Arts Award & eGMS Reach Handbook \(11.2020\)](#)
- For awards issued October 2017 through September 2020  
[How to Manage Your NEA Award & eGMS REACH Handbook \(4.2019\)](#)

Utilize the NEA's [REACH](#) grants management portal for information & communication regarding state awards as directed.

**STATE POLICY REFERENCE**

- UT Division of Finance accounting standards, policies & procedures according to [State of Utah procurement code](#)