

# CAROLINA FAMILY HEALTH CENTERS, INC. POLICY

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**TITLE:** FIN-124 Grants Management

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**EFFECTIVE DATE:** August 2013

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**SECTION:** Finance

**REFERENCE PROCEDURE:** FIN-124.01 Grants Management

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**RESPONSIBLE CHIEF OF STAFF:** Chief Financial Officer

**RESPONSIBLE COMMITTEE:** Finance CIT

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**REVIEWED:** 05/15, 04/17, 9/18, 09/28/2021, 04/25/2023, 01/23/2024, 11/25/2025

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## **I. PURPOSE**

The purpose of this policy of Carolina Family Health Centers, Inc. (CFHC, Inc.) to follow all applicable federal, state, and local regulations related to the administration of grants.

## **II. POLICY**

CFHC, Inc. adheres to all policies and procedures attached to the grant by the grantor and any reference to regulations or rules included in any notice of grant award (NoA).

All reports required for funding agencies are submitted within the timeframes required by the grant.

Grant receipts are deposited into the appropriate bank account within two business days after receipt of funds.

Grant receipts are recorded in the General Ledger to the specific account and grant code designated for the grant.

Grant Financials are presented to the Finance Committee of the Board of Directors at monthly meetings.

The Chief Financial Officer (CFO) ensures that:

- Financial management systems of CFHC, Inc. are structured to ensure that no grant funds are used for purposes that are impermissible under this policy.
- Appropriate personnel are trained regarding all aspects of this policy, including assuring that expenditures of Federal award funds are allowable in accordance with the terms and conditions of the Federal award and with the Federal Cost Principles as defined in 2 CFR Part 200.

This policy is reviewed upon the passage of a new Department of Health, and Human Services (DHHS) Appropriations Act or issuance of Health Resources and Services Administration (HRSA) guidance regarding legislative mandates, and updated as necessary.

## **Federal Compliance**

CFHC, Inc. maintains effective control over, and accountability for, all funds, property, and other assets in order to adequately safeguard all such assets and ensure that they are used solely for authorized purposes.

CFHC, Inc. utilizes financial management and control systems in accordance with sound financial management procedures, which ensure, at a minimum:

- The fiscal integrity of grant financial transactions and reports.
- Ongoing compliance with Federal statutes, regulations, and the terms and conditions of the NoA.

CFHC, Inc.'s financial management system specifically identifies in its accounts all Federal awards and provides for:

- Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with all reporting requirements.
- Records that identify the source (receipt) and application (expenditure) of funds for federally-funded activities. These records are supported by source documentation.

CFHC, Inc. uses non-grant funds as permitted under section 330, and uses such funds for purposes that are not specifically prohibited under section 330 if such use furthers the objectives of the health center project.

Disbursements of grant funds are recorded in the General Ledger to the appropriate account and specific grant code designated for the grant on the day of disbursement. Grant receipts from federal agencies are disbursed within three business days after receipt of funds.

CFHC, Inc. complies with all legislative (statutory, regulatory, and policy); and compliance requirements mandated by HRSA. This includes the U.S. DHHS Grants Policy Statement, HRSA Grants Policy Bulletins, HRSA Compliance Manual, Notices of Award (NoA), and Legislative Mandates.

Complete descriptions of the Legislative Mandates are notated in the HRSA Bulletin. The policy of CFHC, Inc. regarding these mandates is:

CFHC, Inc. does not use federal grant funds to pay the salary of an individual at a rate in excess of Executive Level II.

CFHC, Inc. does not use federal grant funds to advocate or promote gun control.

CFHC, Inc. does not use Federal funding for anti-lobbying efforts:

- A. CFHC, Inc., does not use federal grant funds, other than for normal and recognized executive legislative relationships, for the following:

1. For publicity or propaganda purposes;
  2. For the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation to the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government, except in presentation to the executive branch of any State or local government itself;
- B. CFHC, Inc. does not use federal grant funds to pay the salary or expenses of any employee or agent of CFHC, Inc. for activities designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government.
- C. The prohibitions in subsections A and B include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with federal money, CFHC, Inc. clearly states:

- A. The percentage of the total costs of the program or project that are financed with Federal money;
- B. The dollar amount of Federal funds for the project or program; and
- C. The percentage and dollar amount of the total costs of the project or program that are financed by nongovernmental sources.

CFHC, Inc. does not use federal grant funds for any abortion or for health benefits coverage that includes coverage of abortion. These restrictions shall not apply to abortions (or coverage of abortions) that fall within the Hyde Amendment exceptions.

CFHC, Inc. does not use federal grant funds for (i) the creation of human embryos for research purposes; or (ii) research in which a human embryo or embryos are destroyed, discarded, or

knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero

CFHC, Inc. does not use federal grant funds to promote the legalization of any drug or other substance included in Schedule I of the schedules of controlled substances established under section 202 of the Controlled Substances Act.

CFHC, Inc. does not use federal grant funds to purchase sterile needles or syringes for the hypodermic injection of any illegal drug.

CFHC, Inc. does not use federal grant funds to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

CFHC, Inc. does not provide any federal grant funds to the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, allied organizations, or successors.

CFHC, Inc. does not require its employees or contractors seeking to report fraud, waste, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

CFHC, Inc. does not use Federal or State grant funds to donate or make contributions in the form of cash, property, or services to any recipient. Such contributions or donations are unallowable under 2 CFR Part 200.