STATE OF NEW MEXICO
CITY OF RIO COMMUNITIES
RESOLUTION NUMBER: 2025-19

RESOLUTION ADOPTING GRANT MANAGEMENT INTERNAL CONTROL POLICY

WHEREAS, the Governing Body has determined that there is a need for a Grant Management Internal Control Policy to ensure effective and compliant grant management in accordance with federal, state and local laws.

WHEREAS, the Governing Body agrees that the grant management internal policy applies to all departments, employees, and stakeholders involved in the grant lifecycle.

NOW, THEREBY, BE IT RESOLVED by the Governing Body of the City of Rio Communities that the Grant Management Internal Control Policy attached hereto is hereby adopted.

BE IT FURTHER RESOLVED that this policy shall apply to all City officials, appointees, employees, volunteers, and independent contractors.

PASSED, APPROVED AND ADOPTED THIS 27th DAY OF MAY 2025 BY THE GOVERNING BODY OF THE CITY OF RIO COMMUNITIES, NEW MEXICO.

APPROVED:

Joshua Ramsell, Mayor

ATTEST:

Roy Hubbard, Municipal Clerk-Treasurer

City of Rio Communities

Grant Management Internal Control Policy

Effective Date: PENDING

Approved By: PENDING

Policy Owner: Municipal Clerk-Treasurer / Finance Department

1. Purpose

This policy establishes a framework for internal control over the grant lifecycle to ensure effective and compliant grant management in accordance with federal, state, and local laws, including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance – 2 CFR Part 200).

2. Scope

This policy applies to all departments, employees, and stakeholders involved in any aspect of the grant lifecycle—programmatic, financial, procurement, reporting, or compliance—across the City of Rio Communities.

3. Policy Components

I. Control Environment

- - Grant-related decisions shall be made across the entity to ensure consistency and strategic alignment.
- - Department heads must designate qualified staff for grant responsibilities and ensure they are trained and capable.
- - Staff shall be given the appropriate authority and accountability to fulfill their grant-related tasks.
- - Staff performance and accountability will be regularly evaluated.
- - Cross-functional teams may be created in larger departments to promote integrated grants management.

II. Risk Assessment

- - Conduct and document regular risk assessments of the City's grant-related operations.
- - Use internal control questionnaires to guide the assessment process.
- - Assess each grant program's risk level (high, medium, low) to inform control activities.
- - Evaluate cost/benefit before implementing new control activities.
- - Consider fraud risk in all grant-related operations.
- - Monitor regulatory, technological, personnel, and operational changes that may impact grants.

III. Control Activities

- - Maintain written, current policies and procedures for all grant-related activities.
- - Create schedules for periodic updates to policies and procedures.
- - Ensure staff follow federal, state, and local regulations, including Uniform Guidance requirements.
- - Implement controls to verify the accuracy and reliability of third-party data (e.g., subrecipients, contractors).
- - Develop, document, and maintain IT controls and ensure annual reviews of these policies.
- - Comply with applicable standards for financial management systems.
- - Use financial systems to meet grant compliance and reporting requirements.
- - Follow procurement standards, including use of debarment lists when selecting contractors.

IV. Information and Communication

- - Clearly document the City's responsibilities under each grant and make this information available to stakeholders.
- - Track and distinguish grants by source (federal, state, local, private).
- - Maintain records of each grant's duration, reporting deadlines, and administrative requirements.
- - Include all grant conditions in communication with contractors and partners.
- - Ensure grant-related data is accessible to internal departments and decision-makers.
- - Maintain open communication with grantors, auditors, and subrecipients to foster compliance and clarity.
- - Establish regular collaboration with financial and program auditors to ensure accurate reporting and audit readiness.

V. Monitoring

- - Implement ongoing (daily/weekly) and periodic (quarterly/annual) monitoring of programmatic and financial grant compliance.
- - Conduct an annual review of the risk assessment process.
- - Communicate all identified deficiencies to senior management and elected officials.
- - Establish corrective action plans that clearly identify responsible parties, timelines, and steps for resolution.

4. Responsibilities

- Department Heads: Ensure staff compliance with policy and assign knowledgeable grant personnel.

- Finance/Grants Staff: Oversee execution of policy, maintain documentation, and ensure compliance with all requirements.

- Clerk-Treasurer: Serve as the centralized authority for policy enforcement and communication with external agencies.

5. Review Cycle

This policy shall be reviewed at least once every three years, or sooner if significant changes occur in laws, guidance, or grant activities.