

**Library of Michigan
Library Services & Technology Act (LSTA)**

PUBLIC LIBRARY SERVICES GRANT PROGRAM

**GRANT ADMINISTRATION
MANUAL**



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I. INTRODUCTION

This handbook contains guidelines for administering your LSTA grant, including guidance on reimbursement policies, procedures and documentation, reporting requirements, project revisions, and records retention. Grantees should carefully follow these guidelines to ensure a successful project. The handbook can be useful for everyone involved in project activities and administration. This handbook is available online at www.michigan.gov/lsta in the Public Library Services grant section.

All federally funded grants are issued under the authority of the [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#). This Uniform Grant Guidance (UGG) applies to the use of LSTA funds and grantees should look to the UGG for direction on grant management and fiscal policy.

This grant is funded under the Library Services and Technology Act (LSTA), which is administered at the federal level by the Institute of Museum and Library Services (IMLS). LSTA funds are distributed under Catalog of Federal Domestic Assistance (CFDA) number 45.310.

The Library of Michigan (LM) administers the grant program in Michigan and is responsible for developing a statewide plan for service within the federal guidelines. The current LM plan is the *Library Services and Technology Act Five-Year Plan for Michigan, October 1, 2017 - September 30, 2022*, available at www.michigan.gov/lsta.

II. TIMELINE

Grant Availability Announcement	January
Application Availability	January
Application Due Date	March
Grant Review	April
Grant Award Letters	April to May
Grant Activities	May through August
Grant Expenditures Complete	August
Reimbursement Request Due	Last Business Day of August
Project Report Due	Last Business Day of September

III. AWARD PROCESS

Award Letters and Notice: LM will send a letter and grant award notice to announce the award of an LSTA grant. Project spending **MUST NOT OCCUR** until after the start date on the grant award notice. **The grant award notice is the grant contract.**

Grant Administration Meeting: A grant administration webinar will be provided following the announcement of the grant awards. Grant administrators are **STRONGLY** encouraged to attend. The webinar will be recorded and available for later viewing.

Grant Certifications: LM accepts the signed grant certifications included in the submitted grant application as agreement to abide by the federal terms & conditions and to complete the proposed grant activities.

Forms: Samples of the forms needed to administer the LSTA grant are at www.michigan.gov/lsta in the Public Library Services Grant section. All forms and reports are submitted online in the grant site - https://www.grantrequest.com/SID_5829?SA=AM.

IV. GENERAL ADMINISTRATION GUIDELINES

- Grantees are **STRONGLY** encouraged to begin their project as soon as possible after the start date in the Grant Award Notice.
- All LSTA funded project activities must occur within the grant period identified in the grant award notice. Project costs and obligations incurred or paid prior to or after the expenditure period (start and end dates) in the grant award notice will not be reimbursed. This includes warranties.
- Purchasing or activity revisions – Grantees may request revisions to the items requested in the grant application as well as changes to activities. Send an email to LM **before** making any changes. The email should include the reason for requesting a change and, if requesting different supplies and materials, a new list of items to purchase for approval.
- LM encourages grantees to expend ALL granted funds. If a grantee spends than anticipated, please contact LM to discuss possible additional purchases.
- Libraries may not charge for the use of materials or equipment acquired with LSTA funds during the grant period. After the close of the grant, fees are a matter of local policy.

- Libraries must notify the Library of Michigan of any changes in the key personnel, i.e., grant administrator, authorized representative, or fiscal agent, by notifying LM in writing. This may be via email, but the grantee is responsible for ensuring the receipt of the information.
- The State Librarian must approve any exceptions to the grant administration policies and procedures.
- Submission of reimbursements and reports – the grant system will send an email confirming the submission. If you do not receive this email, check with LM to confirm that the reimbursement or report was received.

V. CREDITING LM and IMLS

Grantees **MUST** credit LM and IMLS in communications about the grant project. This includes press releases, requests for proposals, bid solicitations, program handouts, printed or online promotional materials, web sites, social media posts, listserv announcements, etc.

Include the IMLS logo and LM/IMLS credit statement or hashtags as appropriate. The credit statement is “Funding is provided in part by the Institute of Museum and Library Services through the Library of Michigan.” You can find logo files and detailed instructions on the LM Media Kit page at <https://www.michigan.gov/LMmediakit>.

VI. REIMBURSEMENT POLICIES AND PROCEDURES

Reimbursement Policies:

Funds are available to grantees on a reimbursement basis **ONLY**. LM will reimburse the grantee when:

- The grantee has **received** the goods and/or services; and
- the grantee has **paid** for the goods and/or services; and
- the grantee submits the Reimbursement Request form with supporting documentation showing **itemized purchases and payment** made to LM online at https://www.grantrequest.com/SID_5829?SA=AM.

Approved Costs: Funds must be expended solely for the purposes described in the budget of the approved grant project proposal or project revision. If the grantee purchases items not specifically detailed in the grant proposal budget, the grantee runs the risk of covering those expenditures with local funds. LM retains the right to deny reimbursement for items or activities that are not described sufficiently in the initial grant proposal or subsequent approved revision requests.

Printed Items: Include a complete sample of promotional materials with your Reimbursement Request when those costs are claimed as part of the grant. The following statement and the IMLS logo must be included on all printed, promotional materials funded by LSTA dollars. The statement is as follows: “Funding is provided in part by the Institute of Museum and Library Services through the Library of Michigan.” See section V – Crediting LM and IMLS for more information.

Unallowable Costs: The following items are examples of costs that are not allowable under federal rules and as such, are not eligible for reimbursement. This is not an exhaustive list. Allowable costs are addressed in 2 CFR 200, Subpart E, Cost Principles - [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#). **If you are uncertain of whether a cost is allowable, please contact LM before expending funds.**

- Performers or entertainers;
- food and beverages as part of programs or events;
- advertising not directly related to the LSTA project;
- collection development purchases not directly related to grant goals or integral to the grant program;
- lobbying of any kind;
- transportation or travel for program participants or non-grant funded personnel;
- equipment or technology not specifically needed for the grant activities;
- awards, honoraria, prizes or gifts;
- souvenirs or promotional items;
- costs incurred outside the grant period. Note that you may not request funds for planning that happens BEFORE the grant period or for any activities after the grant period. The grant period is the start and end dates from the grant award notice.

Reimbursement Procedures:

LM will process reimbursement requests as they are received. Requests must be submitted correctly with the appropriate documentation to be eligible for reimbursement. LM will reimburse only for purchases that occur within the expenditure period. **Please submit one reimbursement form for the entirety of the project if possible.**

Reimbursements must be submitted in the online grant site. LM must receive all completed Reimbursement forms, including all documentation, **no later than the last business day of August**. You may submit before the deadline.

Reimbursement form: This form lists the expenditures for which you are requesting reimbursement. If LM's review of the form determines that information is missing, the reimbursement request may need to be resubmitted, in part or in its entirety. LM will notify the grantee by email if the reimbursement request needs to be resubmitted.

When complete documentation is received with the reimbursement request, LM will process a payment promptly. The grantee should keep a record of the request after payment has been received from the Michigan Department of Treasury, to identify the source of funding in case of audit. Payment will be disbursed to the grantee's fiscal agent.

Documentation: Invoices or receipts with proof of payment for each item you are requesting reimbursement for must be included with the reimbursement request.

- Invoices or Receipts: A legible copy showing the 1.) vendor name, 2.) date of purchase, 3.) detailed list of items purchased, and 4.) quantity purchased. If non-grant items are included, please mark the grant funded items.
- Proof of payment: If the invoice or receipt does not show payment made in full, you must also provide proof of payment. Paid stamps or notes on an invoice are not sufficient. You may add any of the following for proof of payment:
 - A check copy or check stub copy for that vendor in that amount.
 - A credit card bill showing a charge for that vendor in that amount.
 - A report from your accounting software showing a payment made to that vendor in that amount.
- Proof of receipt: If an invoice does not show that items were shipped, you may add either of the following for proof that you received the items:
 - A packing slip listing each item.
 - An updated invoice showing all items were shipped and/or delivered.

VII. EVALUATION

As part of the evaluation for the project, grantees need to include the following questions for program participants as is appropriate based on the evaluation plan submitted in the grant application.

You must do an evaluation survey that includes the following questions after the activity is completed or after the program is over. For children's programs, please give the evaluation to the parent or caregiver, not the children.

1. I learned something by participating in this library activity.
2. I am confident about using what I have learned.
3. I am likely to apply what I have learned.
4. I am more likely to participate in a similar library activity.
5. I am more likely to use other library services and resources.

For all questions, use the following scale:

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree

As part of your final report, you are required to report the evaluation results. The following information must be tallied and listed in your report:

1. Number of attendees.
2. Total number of evaluations distributed (if online, list the number of attendees the evaluation is sent to)
3. Total number of evaluations completed
4. Total number of evaluation responses for each option on the question scale (SA, A, N, D, SD, NR – No response)

VIII. REPORTS

Grantees are required to file a final report by the last business day of September in the online grant site.

Final Report: This report is an overview of the project and provides the Library Grants Coordinator the information needed to file the annual LSTA Report with the Institute of Museum and Library Services. The report must include the topics listed on the report form and be approximately one page. The grantee may find it useful to maintain a file of anecdotes, quotes and comments to include in the final report. **Attach a copy of promotional and training materials with the written report.** You do **NOT** need to attach receipts to the final report.

Failure to submit a complete final narrative report may result in disqualification for future grant awards. The grant recipient will be returned to eligible status after a waiting period of 12 months from the date on which the grant was accepted as satisfactorily completed by LM.

IX. FORMS

LSTA Forms: A sample of the form described below will be provided to you. All forms must be completed and submitted in the online grant site. Accompanying documentation should be a PDF document and named as follows: *Grantee Name-Document Name-Date.pdf*.

Reimbursement Forms:

Reimbursement Request: This form is required for all reimbursements. It will be available in your account in the online grant site. The reimbursement request must be submitted no later than the last business day of August.

Final Report: This form is required to complete your grant. It will be available in your account in the online grant site. The final report must be submitted no later than the last business day of September.

X. SITE VISITS

As part of the administration of the LSTA program, LM is required to conduct site visits. The site visits are to confirm the grant recipients have complied with the proper procedures and requirements for use of the federal funds. Grantees and LM staff will select a mutually acceptable date for the site visit. Grantees will be provided with a copy of the questions to be asked and a list of materials the site visit team will need to review. LM will complete a site visit report and a copy will be provided to the grantee. For the Public Library Services Grant program, LM will visit 5% to 10% of the grantees.

XI. PROPERTY AND SERVICES PROCUREMENT

All goods and services purchased with federal funds must conform to applicable federal laws and standards (2 CFR 200.320). All procurement transactions must be conducted in a manner providing for full and open competition. Procurement by small purchase is a relatively simple and informal method of securing services, supplies, or property that cost no more than \$150,000. If small purchase procurement is used, price and rate quotations should be obtained from an adequate number of qualified sources. The grantee must retain sufficient records to detail the procurement method used. These records should include, but are not limited to, the following: rationale for the method of procurement; selection of contract type; contract selection or rejection; and basis for the contract price.

XII. SINGLE AUDIT REQUIREMENTS AND COSTS

Audit requirement for recipients of federal aid are established according to 2 CFR 200, Subpart F.

Michigan public libraries are often included in the Single Audit of their units of local government conducted under the state Uniform Budgeting and Accounting Act. Any library or fiscal agency that is not included in a Single Audit of a local government unit under the Uniform Budgeting and Accounting Act shall contract with an independent auditor to conduct a Single Audit when the grantee expends \$750,000 or more of federal funds in the grantee's fiscal year. **This total includes funds received from all federal agencies, not only LSTA.**

If the Single Audit results in findings related to the management of the LSTA award, the grantee must distribute their audit report and financial statements to the Department of Education. For audits that do not meet the \$750,000 threshold, the grantee must distribute their audit report and financial statements to the Department of Education only when there is an audit finding in the management of the LSTA funded program. If there are audit findings, the grantee is required to develop and implement a corrective action plan that addresses the findings and recommendations resulting from the audit. LM reviews each grantee's Single Audit report and requires that the grantee provide a Single Audit follow-up for inclusion in the grant file.

Auditors should be informed that payments received from LSTA grant awards are one hundred percent federal flow through dollars under the Catalog of Federal Domestic Assistance (CFDA) 45.310 and are subject to single audit. All auditors shall comply with the Government Auditing Standards when performing these audits. The grantee should submit the Single Audit report to LM as soon as the audit is completed.

LM is responsible for ensuring compliance with federal requirements at both the state and grantee levels. Regarding audits, grantees will receive a letter in January to confirm if a Single Audit was required for expenditures in the last fiscal year (October 1 to September 30) and if so, the status of their Single Audit.

Failure to respond to a LM request for audit review follow-up or failure to comply with Single Audit requirements will, at a minimum, preclude further participation in the LSTA program.

XIII. RECORDS RETENTION

Grantees are required to maintain records for LSTA funded projects (2 CFR 200.333-337). All records for each project must be maintained separately from those of other projects. Accounting records should be supported by source documentation such as canceled checks, paid invoices, and payrolls.

Records must be maintained for three years after the date of the final expenditure report or the date on which all other pending matters are closed, whichever is later. Equipment records must be maintained for three years after the disposition of the inventoried equipment. In cases of audit exceptions, records must be maintained until three years after resolution or three years after the date of the final expenditure report, whichever is later.

XIV. APPENDICES

APPENDIX A - CONTACT INFORMATION

All documents and certificates are submitted in the online grant system at https://www.grantrequest.com/SID_5829?SA=AM.

Questions about the program should be directed to

Karren Reish, Library Grants Coordinator

reishk@michigan.gov

517-241-0021

517-335-1522 fax

Library of Michigan

702 W. Kalamazoo Street

P.O. Box 30007

Lansing, MI 48909-7507

It is the responsibility of the grantee to submit required forms and documentation and confirm receipt at LM by the applicable deadlines.

APPENDIX B - GLOSSARY

Arms-length transaction: When the buyers and sellers of a product act independently of each other and have no relationship to each other.

Audit: Any unbiased examination and opinion of the financial statements of an organization in a given fiscal year. Any political entity that receives more than \$500,000 total in federal funds from all sources is required to have an audit that meets the requirements of federal regulations in 2 CFR 200 - [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#).

Audit Finding: Any exception to generally accepted audit standards found in the financial statements of the audited institution. Grantees are required to notify LM of any audit findings related to an LSTA funded program and to develop and implement a corrective action plan that addresses the findings and recommendations resulting from the audit.

Authorized Official: The person authorized to sign legally binding documents for the institution and who will be addressed in communications from LM.

Board Chairperson: This individual represents the board if the organization reports to a board. If the organization does not report to a board, the Authorized Official is the highest level official who can authorize the library's participation in the LSTA project. In either case, this person is authorized to sign contracts and legal documents on behalf of the organization.

Catalog of Federal Domestic Assistance (CFDA): CFDA 45.310 applies to Library Services and Technology Act funding to State Library Administrative Agencies. See www.cfda.gov/ for more information.

CFR: Code of Federal Regulations. Library Services and Technology Act grant funds are administered under the requirements of 2 CFR 200 See www.ecfr.gov/ for more information.

CIPA: The Children's Internet Protection Act restricts the use of funding that is available through the Library Services and Technology Act. These restrictions take the form of requirements for Internet safety policies and technology filters for public and school libraries that use LSTA funds to purchase computers used to access the Internet or to pay for direct costs associated with accessing the Internet.

DUNS Number: the Data Universal Numbering System or D-U-N-S® Number is Dun & Bradstreet's copyrighted, proprietary means of identifying business entities on a location-specific basis. The D-U-N-S® Number is widely used by both commercial and federal entities and was adopted as the standard business identifier for federal

electronic commerce in October 1994. A DUNS number may be obtained at 866-705-5711 or <https://fedgov.dnb.com/webform>.

Expenditure Period: The period identified in the grant award notice (GAN) during which project costs and obligations must be incurred. The date the grant begins and the date the grant ends are listed on the GAN, printed on yellow paper.

Fiscal Agency: The organization whose bank account the grant funds flow through for the exclusive benefit of the library organization. The LSTA project reimbursement, which is issued by the State of Michigan, is made payable to this organization. In some cases, the fiscal agency may be a parent organization, such as a city, township, county, or school district.

Fiscal Agency's Year End: The end date of the audited period (fiscal year) for the fiscal agency.

Fiscal Agent: The individual employed by the fiscal agency who has access to the financial books and records that pertain to the grant project. The grant administrator and fiscal agent may be the same individual.

Grant Administrator: The grant administrator must be an employee of the grantee library. A grant administrator is generally responsible for completion of the LSTA project application, required forms during the project and the final narrative report at the project's completion. The grant administrator may be the library director or any other staff member assigned to undertake the responsibilities of managing the project. The grant administrator and fiscal agent may be the same individual.

Grant Award: A binding legal document that authorizes the implementation of the proposed project and records the legal obligations of the parties to the agreement. The grant administrator, the fiscal agent, and the State Librarian as the state administrator of LSTA programs must sign the grant agreement.

Grant Period: The period specified in the grant award notice (GAN). The GAN is printed on yellow paper.

Key Personnel: Grant administrator, fiscal agent, authorized official and board chairperson. The Library Grants Coordinator must be notified in writing if any of the key personnel change during the grant period.

Supplies: For the purpose of federal grants, supplies are any tangible item with a purchase price of less than \$5,000.

APPENDIX C - FORMS

Forms and reports are in the online grant system under the Requirements tab in your account at https://www.grantrequest.com/SID_5829?SA=AM.

Reimbursement Forms:

- Reimbursement Form

Reporting Forms:

- Final Report