



City of Grand Island

Monday, March 26, 2012

Council Session

Item G12

#2012-82 - Approving the Adoption of the Resolution to Comply with Local Public Agency Guidelines Manual by Updating the Financial Management Systems Certification

Staff Contact: John Collins, Public Works Director

Council Agenda Memo

From: Terry Brown, Manager of Engineering Services

Meeting: March 26, 2012

Subject: Approving the Adoption of the Resolution to Comply with Local Public Agency Guidelines Manual by Updating the Financial Management Systems Certification

Item #'s: G-12

Presenter(s): John Collins, Public Works Director

Background

Grand Island is a Local Public Agency (LPA) in the State of Nebraska receiving federal transportation funding from the Federal Highway Administration (FHWA). FHWA federal transportation funds are limited to Roadway, Bridge, and Trail Projects. As a sub-recipient of federal transportation funding, the City of Grand Island is charged with the responsibility of spending these funds in accordance with Federal and State law. The Nebraska Department of Roads (NDOR) administers these funds under guidelines in the NDOR's Local Projects Agency (LPA) Manual.

There are a number of requirements to comply with the NDOR's LPA Manual. The City completed one of the steps by agreeing to comply with the requirements of the Nebraska Department of Road's (NDOR'S) LPA Manual by passing a resolution at the October 27, 2009 council meeting.

The NDOR stipulated that LPAs receiving federal transportation funds adopt a resolution agreeing to comply with the requirements of the LPA Guidelines Manual, specifically for the following procedures:

- Consultant selection process
- National Environmental Policy Act (NEPA)
- Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act)
- Financial Management Systems (certification attached to resolution)

Discussion

With the permanent appointment of Jaye Monter as the City's Finance Director it is now necessary to update Resolution No. 2009-284 to reflect this change in responsibility and stay in compliance with the LPA Guidelines Manual.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve a resolution, designating Jaye Monter, City Treasurer/Finance Director, as the individual authorized to sign the Financial Management Systems Certification.

Sample Motion

Move to approve the adoption of the resolution and authorize the City Treasurer/Finance Director to sign the Financial Management Systems Certification.

R E S O L U T I O N 2012-82

**COMBINED CONSULTANT SELECTION, NEPA, UNIFORM ACT, SIGNING OF THE
FINANCIAL MANAGEMENT SYSTEMS CERTIFICATION**

City of Grand Island

WHEREAS: Certain transportation facilities (roads, streets, trails, and others) in the CITY OF GRAND ISLAND have been designated as being eligible for federal funds by the Federal Highway Administration in compliance with federal laws pertaining thereto; and

WHEREAS: The CITY OF GRAND ISLAND desires to continue to participate in Federal-Aid transportation construction programs; and

WHEREAS: The Nebraska Department of Roads as a recipient of said Federal funds is charged with oversight of the expenditures of said funds; and

WHEREAS: The CITY OF GRAND ISLAND as a sub-recipient of said Federal-Aid funding is charged with the responsibility of expending said funds in accordance with Federal and State law, the rules and regulations of the Federal Highway Administration, the requirements of the Local Public Agency (LPA) Guidelines Manual of the Nebraska Department of Roads, including the Consultant Selection process as stated in the LPA Guidelines Manual, the National Environmental Policy Act (NEPA), the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act) and the maintaining of adequate Financial Management Systems; and

WHEREAS: The CITY OF GRAND ISLAND understands that the failure to meet all requirements for federal funding could lead to a project(s) being declared ineligible for federal funds, which could result in the CITY OF GRAND ISLAND being required to repay some or all of the federal funds expended for a project(s); and

WHEREAS, with the permanent appointment of Jaye Monter as the City of Grand Island's City Treasurer/Finance Director an update is being made to Resolution No. 2009-284.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that it adopts and binds itself to comply with all applicable federal law, including the rules and regulations of the Federal Highway Administration, all applicable state law and rules and regulations (Nebraska Administrative Code) and the requirements of the LPA Guidelines Manual of the Nebraska Department of Roads, including the consultant selection process as stated in the LPA Guidelines Manual, the National Environmental Policy Act (NEPA), the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act) and the maintaining of adequate Financial Management Systems.

BE IT FURTHER RESOLVED: The Mayor and Council CITY OF GRAND ISLAND does hereby designate the following as responsible for the management of the following processes:

Consultant Selection process:	Public Works Director and Manager of Engineering Services
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The National Environmental Policy Act (NEPA):	Public Works Director and Manager of Engineering Services
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The Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act):	Public Works Director and Manager of Engineering Services
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The following individual is hereby authorized to sign the Financial Management Systems Certification attached to this Resolution:	Jaye Monter, City Treasurer/ Finance Director
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Adopted by the City Council of the City of Grand Island, Nebraska, March 26, 2012.

The City Council of the CITY OF GRAND ISLAND

Randy Gard	Robert Niemann
Peg Gilbert	Scott Dugan
Kirk Ramsey	Linna Dee Donaldson
Larry Carney	Mitch Nickerson
Chuck Haase	John Gericke

Council Member _____
Moved the adoption of said resolution
Member _____ Seconded the motion
Roll Call: ___Yes ___No ___Abstained ___Absent
Resolution adopted, signed and billed as adopted

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

LOCAL PUBLIC AGENCY (LPA)

FINANCIAL MANAGEMENT SYSTEMS CERTIFICATION

ATTACHMENT

Name of Local Public Agency THE CITY OF GRAND ISLAND

Date: March 26, 2012

Additional Financial Management System Requirements

A. The LPA is responsible for maintaining an adequate financial management system and will immediately notify the NDOR when the LPA can no longer comply with the requirements established below.

B. The LPA's financial management system shall provide for:

Financial Reporting: The LPA must maintain accurate, current and complete disclosure of the results of the financial audits of Federal financially-assisted activities in conformity with generally accepted principles of accounting, and reporting in a format that is in accordance with the financial reporting requirements of the Federal-aid program.

Accounting Records: The LPA must maintain records that adequately identify the source and application of funds for Federal financially-assisted activities. These records must contain information pertaining to Federal financial assistance and authorizations, project expenditures to date and the project funds remaining and available to pay for future expenditures. The LPA agrees to grant NDOR and FHWA access to these records immediately upon request.

Internal Control: The LPA must maintain effective internal and accounting controls over all funds, property and other assets. The LPA shall adequately safeguard all such assets and assure that they are used solely for authorized purposes.

Budget Control: The LPA will maintain records for Federal financial assistance that compares actual expenditures or outlays with budgeted amounts. Financial information must be related to performance and productivity data including the development of unit cost information.

Allowable Cost: The LPA must have procedures for determining whether costs are reasonable, allowable, and allocable; consistent with State and Federal requirements.

Source Documentation: The LPA must maintain, or cause to be maintained, the source documentation for its accounting records.

C. The NDOR will periodically review the adequacy of the financial management system of any applicant for financial assistance, as part of a pre-award review or at any time during the Federal-aid project. If NDOR determines that the LPA's accounting system does not meet the standards described in paragraph B above, the NDOR will require remedial action by the applicant to maintain eligibility for federal assistance. Failure to comply with any requirements imposed by the NDOR may result in sanctions as identified in Chapter 15 of the LPA Guidelines Manual.