



4.11 GRANT MANAGEMENT POLICY

FINANCE

Enabling Legislation: M2019-121

Date Adopted: 09/03/19

Revised: 05/19/26

PURPOSE

The purpose of this policy is to establish a consistent process for the identification, application, acceptance, and administration of grants to ensure alignment with City priorities and responsible financial management.

Staff are encouraged to solicit grants - especially where a grant will help achieve the City's Strategic Plan or other City adopted plans, enhance or support the City's services, or address any other City priority - while trying not to incur a high level of overhead on small grants that do not greatly influence the City's strategy.

Prior to seeking grant funding, staff should consider the following:

- Will the grant be used to address a City strategy or other priority?
- Would the grant funding be used for a previously identified need of the City for which no other source of funding is available?
- If the program being funded by the grant is needed to accomplish a City priority or achieve the City mission, should it be supported instead by City funds or should there be a plan to support the program via City funds if the grant is not received?
- Will the grant provide only short-term financing for a long-term commitment, and are there plans to fund the program long-term?
- Would the grant benefit by partnering with other non-profits or governmental entities?

PROCESS

All grants must comply with all City policies and procedures, including 4.01 Purchasing Policy.

Grant applications must be signed by the City Administrator or their designee prior to submission to the granting agency. All grant expenditures must be appropriated through the budgetary process, or through the proper authorization if not included in the annual adopted budget.

Any grant that includes personnel costs must comply with all City personnel policies. The request shall include language indicating that the position is authorized only for



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the duration of the grant period, unless continued employment is required by the grantor and approved by the Council prior to accepting the grant funding. The employee will be notified in writing upon hire that the position is subject to the continuation of grant funding and expiration of the grant will result in elimination of the position.

Annual Budget Preparation

Each year, as part of the budget development process, City staff and the Council will proactively identify grants. This review is intended to support coordination with City's budgeting process.

Grant Application

The procedure for completing and submitting grant applications is as follows:

1. Department identifies a need for services, equipment or programs.
2. Department seeks grant programs that support services related to the identified need.
3. Department Director consults with Finance Department if the grant includes a match requirement or ongoing financial obligation.
4. City Administrator approval is required for grants exceeding \$50,000; if there is a concern regarding the request, the City Administrator may request additional information from the Department Director.
5. Department obtains Council approval, if needed. Refer to the following section, *Grant Approval* for specifics on when Council approval is needed.
6. Department prepares grant application and coordinates review with other impacted departments, as needed.. The Department shall clearly identify roles and expectations of this assistance while maintaining adherence to all provisions of this policy.
7. Department submits grant to relevant agency.
8. If a grant is completed in an online database, a hard copy should be maintained by the Department.



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Grant Approval

Grant approval shall follow the below thresholds:

Grant Amount	Approval Authority
<i>Up to \$50,000</i>	Department Head + Finance
<i>\$50,001 - \$175,000</i>	City Administrator
<i>Over \$175,000</i>	City Council

City Council approval is required in the following instances:

- The grant exceeds \$175,000.
- The grant creates an ongoing financial obligation.
- The grant authorizes additional full-time, permanent part-time FTEs, or temporary employees that exceed six months of employment.
- Special instances as determined by the City Administrator.

Council approval should be obtained prior to submitting a grant application. However, the City Administrator may authorize submission without prior Council approval when necessary due to application deadlines or other logistical constraints. In such cases, Council approval shall be obtained at the next regular Council meeting.

Grant Management

The procedure for appropriating and managing grants is as follows:

1. Department drafts agenda item requesting acceptance of the grant and to appropriate funding. The Department will work with the Finance Department and/or Administration Department on any other logistics, such as signatures.
2. Any contracts or agreements related to the grant shall be sent to the City Attorney for review.
3. If Council accepts the grant, the Department is responsible for submitting any documentation. In the event that Council declines the grant, the submitting department is responsible for notifying the grantor that the City will not be accepting the grant.

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4. Department begins managing the grant in accordance with the grant application and guidelines. Department must coordinate with the Finance Department to determine level of support needed for financial reporting. Department submits financial reports and provides copies of each report to the Finance Director. The Department managing the grant is responsible for maintaining all grant-related records and ensuring reporting requirements are met.
5. When the grant period is completed, the Department shall contact the Finance Department to coordinate closing the grant.

City Council Reporting

The Council shall receive an update summary of all grants applied for at least twice a year as provided by the City Administrator. The summary shall include at least a short description, summary of proposed sources and uses of funds, and status of the grant (i.e. funded, unfunded, pending).