

# **Grant Submittal and Administration Policy**

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City of Santa Cruz I-17

Administrative Procedure Order  
Section I, #17 (Revised July 2016)

TO: Department Heads

SUBJECT: GRANT SUBMITTAL AND ADMINISTRATION

## **PURPOSE**

To clarify procedures for the application, approval, and administration of grants.

## **POLICY**

Except in certain situations (described in Section II.e.), prior to the submittal of a grant application to the funding agency, the City Council shall authorize its submittal at a City Council meeting. Whenever possible, City Council approval of a grant application for significant projects, programs, or equipment should precede any request to other governmental bodies for letters in support of the application, regardless of grant value. If awarded, grants exceeding \$50,000 in value shall also be formally accepted by the City Council, unless its acceptance was preauthorized at the time of application.

## **PROCEDURE**

### **I. General Responsibility of City Departments**

- a. City departments shall be responsible for seeking and administering grants in their services areas.
- b. The department receiving the grant shall be responsible for preparing and submitting the grant application. If assistance is required from other departments, the departments should be engaged in a timely manner.
- c. The Planning Department shall be responsible for providing advice to the departments, if requested, to determine what environmental documents are necessary for the project. The department receiving the grant will be responsible for preparing the environmental documents as necessary.
- d. The Finance Department shall serve as the fiscal coordinator for all grants and shall act as the liaison with the auditors of the granting agencies.
- e. The City Clerk's Division shall be the primary office of record for all grant contracts and agreements.

### **II. City Council Approval of Application**

- a. Grant application requests should be agendaized for City Council authorization in advance of submittal. The agenda report should include, to the best of the department's knowledge, a description of the grant program or project, amount requested, and anticipated fiscal impacts associated with acceptance of the grant (i.e., staff time, local financial match, or equipment costs to be incurred by City departments). If a resolution is required by the funding agency, a draft should be included in the agenda report.

# **Grant Submittal and Administration Policy**

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- b. Preauthorization to accept the grant and execute any and all agreements if the grant is awarded may be included in the agenda report's motion or resolution.
- c. If a signed and certified copy of the adopted City Council resolution is required for enclosure in the grant application to the funding agency, the department shall request this of the City Clerk's Division in advance of the City Council meeting.
- d. Following City Council approval, the department shall submit the application and transmittal letter to the granting agency and retain copies per the City's records policy.
- e. Exemptions from City Council Preauthorization to Apply
  - i. Any grant applications that cannot be presented to the City Council for authorization prior to submittal due to time constraints with the application deadline will be brought to a future City Council meeting for authorization as soon as possible and prior to the acceptance of the grant by the department. In the intervening time, prompt notice of the grant application to the City Council should be provided.
  - ii. Any grant that is sought to implement the City Council-approved Capital Improvement Program, a City Council-approved master plan, or a City Council-approved project shall not require a preauthorization of the application by the City Council. Such applications will appear on the monthly grant reporting for the Council's information (Section V.b.).
  - iii. Any grant application that entails a replacement of equipment shall not require a preauthorization by the City Council.

## **III. Grant Acceptance, Contracting, and Receipt of Funds**

- a. Grants awarded of up to \$50,000 in value may be administratively accepted by the City Manager.

For grant awards exceeding \$50,000, the receiving department shall prepare a budget adjustment request and an agenda report authorizing the City to accept the grant and execute and submit all documents that may be necessary to complete the project. If the City Council approval to apply for the grant also preauthorized its acceptance if awarded, this step is not necessary. Likewise, for grants exempt from City Council preauthorization (Sections II.e.ii. and iii.) or if an award was anticipated during the preparation of the budget and a budget adjustment is technically unnecessary, the grant need not be presented to the City Council upon award.
- b. Upon receipt of the contract documents from the funding agency, the department receiving the grant shall be responsible for acquiring all necessary signatures and returning contracts to the funding agency. A copy of the executed contract shall be forwarded to the City Clerk's Division and Finance Department.
- c. All checks and letters of credit shall be made payable to the City Treasurer and addressed to the City of Santa Cruz, c/o Finance Department.

# **Grant Submittal and Administration Policy**

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- d. Any grant checks and supporting documentation received by a department shall immediately be forwarded to the Finance Department.
- e. The Finance Department will deposit all checks, entering the grant number and title.

## **IV. Reporting to Funding Agency**

- a. During the grant program period, the submittal of any required program progress reports, financial reports, or claim documents shall be the responsibility of the department administering the grant. Upon the request of the department administering the grant, the Finance Department will assist in the preparation of financial reports and claims documents. The Finance Department will receive a copy of all claim requests.
- b. Upon the completion of a grant-funded project, the department administering the grant shall inform appropriate departments of the completed project. Final project reports and evaluations, as required by granting agencies, are the responsibility of the department administering the grant.

## **V. Reporting to Council**

- a. The Finance Department will track and maintain records on the status of all grants.
- b. The City Manager's Office shall prepare a monthly information report for the City Council with information on the status of all grants. Councilmembers may call up a grant to a regular City Council meeting for City Council deliberation and action.