

CITY OF ROCHELLE

CATEGORY: FINANCE

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TITLE: GRANT POLICY

EFFECTIVE: October 1, 2017

SUPERCEDES: None

The City of Rochelle encourages City Departments to seek grant funding in order to further the mission of the City while ensuring there is a thorough understanding of a grant's operational, compliance, and/or monitoring requirements prior to the application for a grant, execution of a grant agreement, or execution of an Intergovernmental Agreement funded in whole or in part by a grant.

- 1 Grant Identification and Application. Any City Department seeking a grant is required to provide advance formal and written notification to the City Manager and Finance Director prior to or in tandem with making application so the effects on the City may be understood in advance including the following elements:
 - a. Strategic Alignment. An explanation of how the grant would further the City's mission or strategies, including outcome measures and an assessment of potential grant risks (e.g. the City will spend its own funds to support personnel beyond the grant period).
 - b. Funding Analysis. A multi-year cost-benefit analysis of grant revenues received, local matching funds required, direct costs associated with the grant, overhead costs, in-kind contributions, cost allowability, close-out costs as well as any potential costs that may be incurred by the City beyond the grant period.
 - c. Administrative and Operational Support. A project plan specifying the responsible staff member and describe how the new activities, assets or personnel funded by the grant will be implemented or integrated; a provision for training those responsible for the grant so they can effectively carry out their role; and clearly state grant accounting, tracking and audit requirements.
- 2 Grant Agreement Approval. Prior to acceptance of any funding or expenditure of funds for any grant activity, a written contract is required. Presently any grant agreement which includes the disbursement of funds of \$20,000 or more on a reimbursable basis or a local match of \$20,000 or more must be passed by City Council before the grant agreement may be executed. Those grants under \$20,000 may be approved by the City Manager. The outsourcing of grant applications does not alleviate the responsible staff from ensuring compliance with this Policy.
- 3 Compliance with Grant Requirements. The City Department which applied for and received the grant is responsible for compliance with all aspects of the grant requirements including monitoring to ensure that grant activities are properly accomplished; submitting requests for reimbursement accurately and on time; and maintaining sufficient documentation to properly account for the grant activity. Any and all communication between the City and the granting agency must be forwarded to the Finance Director at least quarterly unless grant requirements call for more frequent reporting. The outsourcing of grant management does not alleviate the responsible staff from ensuring compliance with grant requirements.

- 4 Conflict of Interest. Award applicants and recipients of awards from the State of Illinois must disclose in writing to the awarding State agency any actual or potential conflict of interest that could affect the State award for which the Grantee has applied or has received. A conflict of interest exists if an organization's officers, directors, agents, employees, and/or their spouses or immediate family members use their position(s) for a purpose that is, or gives the appearance or, being motivated by a desire for a personal gain, financial or nonfinancial, whether direct or indirect, for themselves or others, particularly those with whom they have a family business or other close associations. No officer or employee of the Grantee, member of its governing body or any other public official of the locality in which the award objectives will be carried out shall participate in any decision relating to a State award which affects his/her personal interests or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested or which affects the personal interest of a spouse or immediate family member, or has any financial interest, direct or indirect, in the work to be performed under the State award. The Grantee has a continuing duty to immediately notify the State granting agency in writing of any actual or potential conflict of interest, as well as any actions that create or which appear to create a conflict of interest.

- 5 Amendments to the Policy. The City will periodically review this policy and update as required by governmental provisions.