



# Parks & Recreation Department Standard Operating Procedure

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## Grants Policy

### Authorization and Review

\_\_\_\_\_  
Director Parks & Recreation

\_\_\_\_\_  
Superintendent

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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### GRANTS POLICY

Grants can be an appealing alternative funding source for municipalities, but are often accompanied by special regulatory compliance requirements. Specific requirements may apply to the general operations of the grant including compliance, reporting, performance, and monitoring; both internal and external. Municipalities may face negative consequences for failing to meet regulatory requirements. In addition, the grant may mandate local government to financially maintain a program or asset after expiration of the grant, as either a condition of the grant, or politically. This policy provides staff with guidance as to the associated processes and procedures necessary to maximize the benefits and minimize the risks of accepting grants. The purpose of this grant policy is:

1. To ensure proper oversight of all funds appropriated to the department;
2. To minimize the department’s risk of non-compliance with grant requirements; and
3. To ensure proper administration and accounting of all grants.

### Grants Identification, Application & Acceptance

The Parks and Recreation Department shall provide information to the Finance Department so effects on the department related to budget, cash flow, procurement, financial reporting and/or compliance can be reviewed, understood and prepared for before the application is submitted.

Staff will focus on applying for and accepting grants that are consistent with the overall strategic direction of the department to reduce potential budget risk resulting from matching fund requirements. This strategic direction; Grant Prioritization List, is updated each biennium and approved through the Parks and Recreation Commission. Additional caution will be taken when accounting for maintenance, operations or other spending obligations required beyond the grant period. In order to ensure any potential grant is deemed a benefit to the department, a completed grant summary statement shall be submitted to the department director to include:

1. The granting agency;
2. The grant’s purpose;

3. The grant time period;
4. The grant request amount;
5. The amount and recommended source of matching funds;
6. Any other future department resource requirements;
7. Any special procurement requirements;
8. An explanation of how the grant supports the department's strategic priorities; and
9. Any significant reporting and compliance requirements.

Potential grants shall be assessed by the department director for consistency with the most current grant prioritization list and adopted budget. In some cases, prior to completing a grant application, the Medford Parks and Recreation Commission and/or the Medford Parks and Recreation Foundation must pass a resolution authorizing the department to apply.

Potential grants shall be evaluated through a multi-year cost/benefit analysis. The analysis should include the amount and source of required matching funds and any other direct costs associated with a grant; the extent to which overhead costs will be covered; in-kind contributions, audit and close-out costs; and potential costs that might need to be incurred by the department beyond the grant period.

The final decision to apply for a grant will jointly rest with the department director and with potential approval by the finance director and/or city manager.

The department's grants administrator shall obtain a detailed understanding of grant terms and conditions and how the grant will be monitored. The grant award letter and acceptance agreement, which contains the grant award, grant assurances and special conditions and the guidelines that must be followed to comply with the grant requirements, will be forwarded to the Finance Department. The grant award will then be reviewed for reporting requirements, special conditions and deadlines related to administering the grant.

The department director and grants administrator shall establish procedures related to each specific grant, such as:

- a. The development of an outline that would include how new projects or programs funded by the grant would be implemented and who would be responsible for implementation.
- b. How information shall be communicated to those responsible for the grant, so they can effectively carry out their roles.
- c. The process that will be used to charge expenses against the grant and to obtain reimbursement. This may require technical procedures to account for time, materials and reporting; as well as informing employees on the importance and methods of charging time and materials correctly.
- d. Identification of the individual or department responsible for carrying out the grant and making sure proper resources are available to successfully implement the grant as well as the associated project or program.

### **Grant Monitoring**

The department is responsible for ensuring that all funds are expended or encumbered prior to the end of the grant period in order for funds to be used adequately and not lost in future award periods. The department must also monitor grants for compliance with all applicable federal and/or state regulations, and ensure that expenditures are in compliance with procurement policies and procedures. The department director shall contact the Finance Department if assistance is needed with compliance issues. The department director shall notify the Finance Department if:

1. There is a subsequent alteration in the funding configuration;
2. There is a subsequent alteration in the department's financial obligation;
3. Grant funds will be carried forward into the next fiscal year; and/or
4. There is any notification that the grant will, or is at risk of termination.

### **Grant Reporting**

The department's grants administrator is responsible for providing financial reports to grantors. If report preparation is to be handled by the Finance Department, a request must be communicated at the start of the grant period. The grants administrator is also responsible for complying with all due dates and reporting requirements including financial reporting and reimbursement requests. Timely requests for reimbursements are crucial to maximizing the financial benefits to the department. Grant reimbursement requests, when allowed by the granting agency, shall be completed at least quarterly within 30 business days from the end of the prior quarter. The Finance Department shall provide all necessary financial information, upon request. All reimbursement requests shall be copied and forwarded to the Finance Department for review and monitoring of accuracy, completeness, and timeliness of revenue reimbursement requests.

### **Responsibilities**

The department director shall ensure compliance with these policies and procedures. Department-specific procedures, when needed, shall be issued for consistency. The grants administrator is responsible for monitoring and communicating compliance with this policy and related procedures.

### **Appendices**

Appendix A: 2015-17 Grants Prioritization List.

*Grants Policy to be reviewed by Parks & Recreation Commission on April 19, 2016.*