

City of Waukegan

Grant Policy

Effective October 15, 2018

Adopted by City of Waukegan Resolution No. 18-R-142

The City Council of the City of Waukegan encourages the Departments of the City to seek grants and other third-party funding, in order to further the fundamental mission of the City to provide the best possible public services at the least possible cost to the taxpaying public. This initiative must ensure a thorough understanding of each grant's operational, compliance, and monitoring requirements prior to applying for a grant, the execution of a grant agreement, or the execution of an Intergovernmental Agreement. A thorough grasp of all these factors must apply regardless of whether any project will be funded in whole or in part by third parties.

- 1) **Grant Identification and Application.** Any City Department seeking any third-party funding (hereinafter referred to as a "grant") is required to provide advance formal and written notification to the Finance Director, Corporation Counsel, the Mayor, and either the Alderman of the Ward in which the project is located or the Finance Chair if there is not one clearly identifiable Ward affected prior to making application for the grant. On a form provided by the Finance Department, the Finance Director will review the notification for completeness prior to moving on to the approval process, the Mayor and the Alderman will review the proposal for the furtherance of the policy objectives, and Corporation Counsel will review the proposal to identify what requirements or obligations the City may be subjected to if the grant application is approved.
 - a) Grants with no cash requirements from the City, and without any local matching funds requirement will require written approval by the Mayor, the Alderman consulted, and Corporation Counsel prior to the filing of the application to the granting party or agency.
 - b) Grants with disbursements of reimbursable funds or local match requirements will require written approval by the Mayor as well as formal approval by the Finance Committee of the City Council and Corporation Counsel prior to application.

The formal and written notification shall be made on forms provided by the Finance Department, and shall be completed and identify in detail the effects on the City with regard to the following elements:

- a) *Strategic Alignment.* A detailed 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 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 if not in the applicant's department, a signed statement from that Department Head as to their willingness to seek the grant funding), 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 grant, or to the expenditure of funds for any grant activity, a written contract approved by Corporation Counsel and the City Council (through the Finance Committee) is required. The outsourcing of grant applications shall not alleviate the responsible staff from ensuring compliance with this Policy.
- 3) **Compliance with City Ordinances, State, and Federal Laws and Regulations Required.** The procurement of goods or services funded by grants must be made in accordance with the City of Waukegan's Purchasing Ordinance(s), all laws of the State of Illinois , and (if applicable) Federal law, rules, and regulations. Any hiring of personnel funded by third party funding sources must be made in accordance with the City's various personnel policies and regulations, and is generally discouraged as personnel added to the staff usually requires ongoing salaries long after the grant ends. The outsourcing of grant applications does not alleviate the responsible staff from ensuring compliance with all applicable Ordinances, Laws, or Regulations.
- 4) **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 relieve the responsible staff from ensuring compliance with grant requirements.
- 5) **Reports to the City Council.** The Finance Director shall provide a written report, not less than quarterly, to the Finance Committee of the City Council on all City grants, their status, and expenditures of funds from such grants.
- 6) **Amendments to the Policy.** The City Council will periodically review this policy and update it as necessary to achieve the Council's objectives and as required by law or regulation.