

**SUBJECT: ADMINISTRATION OF GRANTS TO THE CITY**

Purpose: The City of Madison, through its multiple agencies, actively pursues grant resource opportunities, maintains an active grant portfolio, and utilizes grant funds to supplement and enhance the long-term goals and objectives of the City. This APM establishes policies and procedures related to the City's application for grant funds, grant management, grant acceptance upon award, grant contract authorization, and grant closeout.

Governing Authority: In addition to following all applicable City of Madison policies and ordinances, the City shall administer grants it receives in conformance with applicable federal, state, and other legal requirements, including the 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, also known as the "Uniform Guidance" and the Compliance Supplement, issued by the Office of Management and Budget (OMB).

Scope: This policy applies to all grant funds sought and secured by the City through federal, state, local, and private sources.

Policy:

*Grant Seeking and Planning:* Agencies are encouraged to seek and apply for grant funding that will allow the department to expand its overall capacity without placing greater burden on the City's Operating and Capital budgets. Each agency should maintain and share with the Finance Department a prioritized list of needs that can potentially be met through grant funding. This information will be used to identify common needs among departments, reduce the potential of redundant submissions, and encourage collaboration. When planning for the identified projects, initiatives should align with established City priorities and core principles, meet the City's document quality standards, and have matching funds available (if required). The department should also take into consideration the continuation of the project or program after the grant period ends.

*Grant Application:* If time permits prior to the application due date, agencies should secure Common Council approval before submitting a grant application – this is required if the grant application requires a signature that binds the City to any legal terms, in the absence of another source of signature approval. Agencies shall notify the Finance Department of any new federal or state grant applications, and provide information on the funding agency, the amount requested, match requirement, and personnel additions. Upon application, agencies should create a Grant Master record in Munis. If the grant application requires a signature, consult the City Attorney before signing. Agencies shall notify the appropriate City lobbyist of any new federal or state grant applications and provide project description, funding agency and amount requested; Finance should be copied on this communication.

*Grant Acceptance:* To accept grant funding on behalf of the City, agencies must go to Common Council for appropriation and revenue approvals. The approval by Common Council may be granted in the agency's adopted budget, or with a separate resolution. Prior to grant acceptance, agencies shall furnish the City Attorney with a copy of any proposed grant contract or agreement (whether on paper or electronic) so that the legal terms required to receive the grant may be compared with applicable city policies, and advice given for how to authorize any required signatures.

Council approvals to apply for a grant, and accept and sign a grant agreement, can be combined into one resolution if all necessary details are known at the time of the resolution.

*Contract Authorization:* To enter into a grant agreement or contract (i.e. a legal document that requires signatures to accept the grant funds, memorializes the terms and conditions, and sets forth the obligations of the grant) requires Common Council approval. The resolution must authorize appropriate city officials to sign a grant contract. Typically, the Mayor and City Clerk are named in the resolution as the City signers and such contracts are routed through the City's contract signature process as outlined in APM 1-1. Department and division heads, city employees, boards, committees and commissions do not have authority to sign a contract, including a contract to accept a grant, unless specifically authorized by the Common Council.

Grant contracts are not an exception to the indemnification policy, as the City of Madison does not agree to indemnify another party without the express approval of the Common Council, except as noted in APM 1-1 Section III. F.3. (grants from the United States and the State of Wisconsin do not require Council approval to indemnify.) Grant contracts with the federal or state government are also exempt from the City's nondiscrimination and affirmative action policies in MGO 39.02. Grant contracts with other entities are not.

*Grant Management:* Each department or division head shall designate one or more persons as the grant contact. The contact person's duties shall include:

1. Utilizing the "City of Madison Grant Manual", which is designed to guide individuals on the day-to-day management of grant funds.
2. Participating in the Grants-Involved City Staff Group. This group meets quarterly to discuss the grant management processes, address staff concerns, and identify grant resources for grant users within the City of Madison. The [Grants agency intranet page](#) is another resource for City grant users.
3. Ensuring complete, accurate, and timely project and grant set-up within the applicable city-wide Enterprise Resource Planning (ERP) software system.
4. Communicating with the appropriate City Budget Analyst upon acceptance by Common Council to ensure budget accuracy and compliance.
5. Managing the grant in accordance with all federal, state, and local regulations, as well as the requirements mandated by the grantor, as outlined in the grant contract. This includes [2 CFR Part 200](#), [State of Wisconsin Single Audit Guidelines](#), all [city ordinances](#), this APM and all other applicable [Administrative Procedure Memoranda](#).
6. Completing the annual Single Audit workbook in a timely fashion and being available for inquiries by auditors, if necessary. The Finance Department staff will initiate an inquiry regarding state and federal grant information in early October, with final completion of the Single Audit workbook due in late February/early March.
7. Notifying Finance Department staff upon completion of the grant.

*Grant Amendments, Change Orders, Extensions and Renewals:* The agency grant contact person shall be responsible for managing any changes to a grant project, such as changes to the schedule, budget, or the contract document. Changes to budget might require a budget amendment approved by the Common Council. If a change requires modifications to the grant contract, it shall be the grant contact person's responsibility to obtain an amendment or change order. Unless otherwise authorized within the contract itself, changes must be made in writing and signed by authorized representatives of both parties. The nature of the amendment should be reviewed to determine if Common Council approval is necessary. Typically, the Council must

approve any amendment that significantly changes the scope of work/project objective or the budget already approved by the Council. Consult the City Attorney for clarification if needed.

Renewals and extensions, if needed, must be signed *before* the current grant contract term expires.

*Grant Closeout:* Upon completion of the grant, the receiving agency shall work with Finance Department staff to confirm all expenditures have been recorded, and all outstanding encumbrances (purchase orders, contracts, etc.) are closed and have no remaining balances. If there is adopted budget authority remaining on the grant, the agency shall contact the appropriate City Budget Analyst to reduce the associated adopted budget (including appropriations and revenues). Subsequently, Finance Department staff should be contacted to close projects and grants within the city-wide ERP software system.

Authority: The Finance Director and their designee(s) shall maintain and interpret this APM.

A handwritten signature in black ink, appearing to read 'S Rhodes-Conway', written in a cursive style.

Satya V. Rhodes-Conway  
Mayor

APM No. 1-9  
July 29, 2022