<u>Grant Update Notes for City Council (from 12/9/25 FAC)</u>

The Grant Supervisor position was established to develop and implement a citywide grant program designed to strengthen how the City identifies, secures, and manages grant funding. Key objectives include:
- Developing strategies to increase grant revenues.
- Streamlining processes for greater efficiency.
- Improving compliance, reporting, and overall grant management across all departments.

To support these efforts, the City's Grants Team—comprised of the Grant Supervisor and the Grant Analyst (within the Finance Department), provides leadership and oversight to ensure consistent, efficient, and accountable grant practices citywide. The Grant Analyst is responsible for managing grant financials, reporting, and compliance support for both capital projects and operating grants.

As an initial step, the Grants Team conducted a citywide assessment to evaluate current grant management practices across departments. Through staff interviews and a review of existing policies and systems, the team identified several opportunities to strengthen coordination, consistency, and transparency in the City's grant management framework.

<u>Key Initiatives and Progress:</u>
- **Established Grant Oversight Committee (GOC):**
  - Brings together key leaders to improve alignment and strengthen accountability.
  - Builds upon existing departmental review and approval processes.
  - Creates a consistent and transparent framework for managing grants citywide.
- **Launched Pre-Application Approval Process:**
  - Applies to operating grants.
  - Ensures proposals align with City priorities and available resources before submission.
  - Promotes strategic and efficient use of staff and funding.
- **Created Grants Team SharePoint Site:**
  - Serves as a central hub for resources, templates, and visibility into grant activity.
  - Features include:
    - Centralized document library.
    - Citywide Grants Pipeline for tracking grants at all stages.
    - Dashboard for improved collaboration and coordination, especially for multi-department grants.
- **Streamlined Internal Tracking & Reporting Systems:**
  - Enhances transparency and reduces risk.
  - Lays groundwork for implementing dedicated grant management software.
- **Strengthened Communication & Collaboration:**
  - **Quarterly Check-Ins** with Mayor Birney and COO Files for executive-level visibility.
  - Internal support for:
    - Preparing competitive applications.
    - Developing implementation plans.
    - Ensuring accurate and timely grant reimbursements.
- **Formed Regional Collaboration:**
  - Formed a regional grant network with 15 Puget Sound cities.
  - Group of 30 grant professionals meets quarterly to share best practices and explore collaboration.
- **Optimized Finance Alignment:**
  - Working closely with Finance to align budget and council approval processes for accepting and spending grant funds.

<u>Next Steps: Internal Policy Implementation</u>
The next major milestone will be implementing the City's first internal **Grant Management Policy & Procedures**, which will provide clear, consistent guidance on compliance, budgeting, and reporting for all departments.

With this strengthened foundation—enhanced governance, improved processes, and new tools for staff—the next key initiative is establishing a **grant threshold under the City's Delegated Contract Authority**.

Purpose of the Threshold:
To improve administrative efficiency by allowing the Mayor or designee to execute smaller, routine grant agreements immediately, rather than waiting for Council approval prior to execution. This approach will:
- Reduce unnecessary staff time and administrative costs.
- Preserve Council oversight, as all grants—regardless of size—will still require formal Council approval at a later date.

Current Context:
The City manages approximately 45 grants annually, with about 15% under $50,000 (30% under $100,000). These smaller operating grants currently require the same routing, legal review, and Council approval as larger awards, creating administrative bottlenecks and delays without proportional benefit.

Benefits of Establishing a Threshold:
- **Cost Efficiency:** Administrative effort will be proportional to the grant's value. Even a $5,000 grant currently requires significant staff time.
- **Time Savings:** Quick-turnaround grants can be executed immediately, avoiding the 5–6-week Council approval process that can delay project starts or risk losing awards.
- **Opportunity Maximization:** Departments are more likely to pursue smaller grants when the administrative burden is reasonable.