

## Grants Policy

### **Purpose Statement:**

The Town of Hardwick has been the recipient of a large number of grants that support both regular operations and special programs. Grants are an attractive form of funding and frequently come with special requirements that the recipient must follow. Such requirements can apply to the general operations of the grant, specific compliance rules, monitoring of other parties that may receive resources from the grants, specific time frame, and specialized reporting requirements. There are often negative consequences for failing to meet requirements and many grants come with conditions that require investment from the Town in the future in the form of operating costs, capital repairs, or replacement funding. The purpose of this policy is to maintain good standing with agencies providing funding by ensuring that all conditions of the granting agency are successfully met.

### **Definitions:**

Capital Assets: land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible or intangible assets that are used in operations that have initial useful lives and cost exceeding amounts set in policy.

Grant: any source of revenue or benefit that is provided by a private, state, or federal agency for a defined purpose.

Grant Condition: any obligation placed on an award of funds to the Town for a particular purpose. An obligation is typically: financial or programmatic reporting, matching funds, or any other requirement that would not take place within normal operating conditions.

### **Applicable Standards:**

2 CFR Uniform Guidance

### **Statement:**

It is the expectation of the Select Board that departments within the Town fully comply with all requirements in an ethical manner and that all conditions are fully disclosed. The Town Manager is responsible for assuring that the Town is willing and capable of meeting those responsibilities and wishes to do so given strategic and operating priorities. Grants should be evaluated for their consistency with the Town's mission, strategic priorities, and/or adopted plans as opposed to simply constituting additional funding for a department or agency of the government.

All grant awards exceeding twenty-five thousand dollars (\$25,000), those creating a future annual financial obligation of that same amount, or those acquiring a new capital asset must be approved by the Select Board prior to submission of application whenever possible. Grants that do not require approval of the Select Board may be approved administratively by the Town Manager. In no case shall grant funds be accepted by the Town without approval so that the effects on the government can be reviewed and understood beforehand. This includes grants where the Town is a sub-recipient or partner in the activity. Grants must be sponsored by a department director/manager. The grant sponsor is responsible for assuring that grants are properly approved by Town Manager or the Select Board, and that all obligations connected with the grant are disclosed.

Once a grant has been awarded, the grant sponsor shall be responsible for working with the Business Manager on grant administration. It is the responsibility of the grant sponsor to ensure that grants are properly reported and, working with the Business Manager, that funds are consistently accounted for in the financial statements and grant reports. The Business Manager is responsible for tracking all financial transactions in the Town. Grant funding that has been approved in accordance with this policy shall be deposited into the Town's account upon arrival for use. Grants for services or material goods shall be documented as fair value at the time received. Grant records, including, but not limited to, the application and grant agreement, are maintained by the Business Manager in accordance with Federal regulations in place during the grant award. The grant sponsor shall ensure that all records required by the granting agency are kept on file in the Town Manager's office.

The Town reserves the right to charge grants for overhead. The Town will determine the cost of managing the grants and charge accordingly. In case(s) where services funded by grants have associated positions or programs, the Town will assume no obligation to continue funding beyond the grant unless previously agreed to by the Select Board during approval.

**References:**

GFOA Establishing an Effective Grants Policy Best Practice

The foregoing Policy is hereby adopted by the Select Board of the Town of Hardwick, Vermont, this 7<sup>th</sup> day of November 2024 and is effective as of this date until amended or repealed.

**Select Board:**




Eric Remick, Chair

Ceilidh Galloway-Kane, Vice Chair



Shari Cornish



Tim Ricciardello



Danny Hale