

RULE 9.1 – GRANT APPLICATIONS AND AWARDS

Adopted Date: 10/03/2011
Revised Date: 04/25/2016

PURPOSE

The purpose of this rule is to ensure that every grant application submitted by City departments and agencies for federal, state, local government, or private grant funding is consistent with and adheres to City priorities, and to ensure that all grant funding, whether competitive or formula, is recorded in the City's financial system of record.

This rule and the associated [Intent to Fund Guide](#) and Executive Development Council Guide shall be read in conjunction with, and users shall comply with all applicable provisions of, the Denver Revised Municipal Code and the following Fiscal Accountability Rules noted to ensure compliance and understanding:

- [City Charter, Title I - Revised Municipal Code – Chapter 20 – Finance, Article IV – Division. – Generally, Sec. 20-52. – Approval of grants-in-aid.](#)
- [Fiscal Accountability Rule 1.2 – System of Record](#)
- [Fiscal Accountability Rule 9.2 – Grant Management](#)
- [Fiscal Accountability Rule 9.3 – Grant Closure](#)

Together, these rules establish a citywide foundation for grant activities, ranging from the identification of applicable matching requirements to the determination of the financial impact to the City beyond the life of the grant.

This rule does not apply to donations. To determine if funds shall be treated as a grant or donation, refer to the **Is It a Grant?** map.

DEFINITIONS

Award – Notice from the grantor that the city has been approved for grant funding from the grantor.

Competitive – A grant award that is typically not based on a formula or legislative mandate. Distribution of funds is based upon the specific criteria of the grant where the grantor has responsibility for the final disposition of funds.

Donation – Gift given to the city that generally does not require a written document or contract and has minimal, if any, requirements or restrictions other than potentially a designated purpose for the donation.

Grant – A legal instrument that documents the financial assistance in the form of money or property to an eligible recipient.

Grantor or Sponsor – The external entity awarding a grant.

Match Requirement – Required cash contributions or value of in-kind contributions required of the grant recipient as a condition of receiving the grant.

Non-competitive – Allocations of funding determined by distribution formulas or legislative mandate of the grantor. Non-competitive grants typically fund activities of a continuing nature and may not be confined to a specific project. Non-competitive grants may also be referred to as formula grants.

In-Kind Contribution – The value of non-cash contributions provided by grantors or required of grant recipients (supplies, equipment, land, employee/volunteer time, etc.).

Recipient – The department or agency to which a grant or cooperative agreement is awarded and which is accountable for the use of the funds provided.

Intent to Fund – Written communication expressing a grantor's intent to fund an award. Examples include letters of intent, purchase orders, holdover provision, grant funding change letter, contract amendment (extension), continuation of funding (application or form), option letter, email, or electronic grant agreement form.

RULE

1. Every department or agency intending to apply for competitive grant funding from a federal, state, local government or private source, shall notify the Budget and Management Office of its intent to apply for grant funds through the grant management system before the application is submitted to the grantor.
2. Every department or agency expecting to receive funds from a formula or non-competitive grant shall notify the Budget and Management Office of its intent to accept such grant funds through the system of record within 10 business days.

If the grant application involves use, development, or purchase of new technology the department or agency shall notify the Technology Service Department prior to application. The Technology Service Department will review the grant application to evaluate the impact on the city's technology infrastructure and advise accordingly.

3. Executive directors and agency heads shall designate a grant liaison to receive and respond to grant opportunities and to serve as the primary contact person between the department or agency, the Budget and Management Office, and the city's grant writing consultant.
4. A grant application shall have the signature of the executive director or agency head, or have received approval through the system of record, prior to submitting the application.

6. The Budget and Management Office shall review all grant intent to apply requests to:
 - A. determine whether proposals are consistent with city priorities;
 - B. facilitate coordination with existing city programs where appropriate;
 - C. evaluate the immediate and long term financial consequences of accepting funding (particularly for match requirements and in-kind contributions); and
 - D. determine if Executive Development Council approval is required for capital grant applications.

The Budget and Management Office may request additional information or presentations from the recipient when necessary and may stop the application process based upon its review.

7. The department or agency shall update the designated system of record within 10 business days whenever a grant application is withdrawn or when a grant for which an application has been submitted is not awarded.
8. The Budget and Management Director may recommend to City Council appropriation of grant budget based on the intent to fund. If budget is recommended to be established, the recipient shall identify a budget to cover expenditures in the event the grant is not funded.
9. The recipient shall initiate a request for an ordinance or if applicable, a resolution when City Council approval is required. In the following situations, City Council approval is required before acceptance of a grant:
 - A. the grant is more than five hundred thousand dollars (\$500,000.00);
 - B. the grant, in combination with other grants received from the same source for the same project or program in the preceding year, will cause the total combined amount received, over two consecutive years, to exceed five hundred thousand dollars (\$500,000.00);
 - C. the grant has a specified match requirement by the City for which a budget and appropriation has not previously been approved by City Council, regardless of the amount of the matching contribution;
 - D. the grant amendment is adding additional funding resulting in the contract exceeding five hundred thousand dollars (\$500,000) for the first time;
 - E. the grant amendment significantly changes the purpose or scope of work of a grant already approved by City Council;

- F. the grant is based on a letter of intent, regardless of whether the grant contract (once the award is received) would require an ordinance based on the above criteria, the Department of Finance requires all requests to appropriate funds based on a letter of intent to be approved by City Council; and,
- G. a City Council member has made a request regarding a specific grant from the monthly report provided by Budget and Management.

AUTHORITY AND ACCOUNTABILITY

The **Controller's Office** and **Budget and Management** are responsible for this fiscal accountability rule and any procedures, guides, forms, step-by-steps, job aids, and one-page summaries associated with this rule.