



# CITY OF SANIBEL

## ADMINISTRATIVE POLICY AND PROCEDURES

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<b>TITLE</b>	<b>GRANTS MANAGEMENT POLICY</b>
<b>POLICY</b>	<b># 26-001</b>
<b>APPLICATION</b>	<b>ALL CITY DEPARTMENTS</b>
<b>EFFECTIVE DATE</b>	<b>5/1/2026</b>

### A. PURPOSE

To establish a standardized framework for the administration, financial management, and oversight of grant funding to ensure compliance, accountability, and efficient use of public resources.

### B. POLICY STATEMENT

The City shall manage all grants in accordance with applicable federal, state, and local grantee performance requirements and audit requirements, ensuring:

- Timely reimbursement or proper use of advanced funding
- Accurate financial tracking and reporting on a monthly and annual basis
- Compliance with all grant agreements and deadlines
- Proper management and remittance of interest earned on advanced funds
- Adherence to relevant internal controls

### C. SCOPE

This policy applies to all City departments, personnel, and grant-funded activities, including direct grants to the City and pass-through funding.

### D. GOVERNANCE & OVERSIGHT

- City Council: Approves major grant applications and awards in accordance with City thresholds.
- City Manager: Executes grant agreements and oversees administrative implementation.
- Finance Department: Provides centralized document management, financial oversight, accounting, and compliance monitoring.

## **E. ROLES & RESPONSIBILITIES**

Grant management shall incorporate segregation of duties to ensure internal control as detailed below.

- Grants Manager (Finance): Oversees compliance, tracks deadlines, coordinates reporting with project managers, creates and maintains grant accounting financial records, and monitors adherence to grant requirements.
- Finance Department: Verifies financial data, reviews accounting records, reconciles balances, and calculates interest on advanced funds.
- Project Manager (Department): Manages all aspects of project implementation including the day-to-day grant performance activities and timely preparation of quarterly reports, reviews reimbursement requests, and ensures costs are allowable and properly documented.
- Department Director: Provides oversight, ensures compliance, and approves all reporting and reimbursement request submissions. They hold primary responsibility for ensuring that project managers within their department properly complete and submit all required grantee performance and quarterly reports to the Grants Manager, in strict accordance with the schedules detailed in grant agreements.
- Deputy City Manager/CFO: Review and approval of reimbursement requests and reports on compliance to the City Council and City Manager

## **F. FINANCIAL MANAGEMENT**

Reimbursement of Grant Funds

- The City shall request reimbursement for eligible expenditures in accordance with grant requirements.
- All reimbursement requests must include supporting documentation and be reviewed prior to submission.
- Expenditures must align with the approved grant scope, budget, and timeline with particular attention to period of eligibility for reimbursement of expenditures.

Advanced Funding – when grant funds are received in advance:

- The City shall minimize the time between receipt and disbursement of funds.
- Funds shall be used only for allowable grant purposes.
- Cash balances and expenditures shall be tracked and reconciled regularly.
- Interest will be recorded on a monthly basis and the appropriate portion allocated to the advanced funds as required by grant agreements

## **G. INTEREST EARNED ON ADVANCED FUNDS**

- Interest earned on unspent grant funds shall be calculated, tracked, and reported in accordance with grant requirements.
- Interest shall be remitted or offset within required timeframes, typically within 30 days after each reporting period.
- All interest activity must be documented and supported by financial records.

## **H. REPORTING & COMPLIANCE**

The City shall submit all required financial and performance reports in accordance with grant agreements.

- Reports shall include expenditures, progress, and interest earned, where applicable.
- Internal review and approval are required prior to submission.
  - Departments are required to submit performance reporting to the Grant Manager within **5 days following the end of the grant reporting period** specified in the agreement (total days without regard to weekends or holidays).
  - The Project Manager is generally responsible for submitting performance reports to the Grant Manager; however, the Department Director is ultimately responsible for compliance with the reporting requirements of this policy.
  - The Grants Manager shall maintain a reporting calendar, submit regular report submission deadline reminders to Project Managers and Department Directors, and monitor deadlines.
  - The Grants Manager shall notify the Deputy City Manager/CFO and the City Manager immediately if a Project Manager or Department Director fails to submit required performance reports within five (5) days following the end of the reporting period.

## **I. INTERNAL CONTROLS**

The City shall maintain effective internal controls, including:

- Segregation of duties across project, financial, and compliance functions
- Independent review and approval of financial and reporting data
- Reconciliation of grant accounts and supporting documentation
- Monitoring for compliance with grant terms and regulatory requirements

**J. RECORD RETENTION**

All grant-related records shall be maintained by the Finance Department in accordance with legal and grantor requirements, including:

- Financial records and supporting documentation
- Reports and correspondence
- Interest calculations and remittance documentation

**K. COMPLIANCE & ENFORCEMENT**

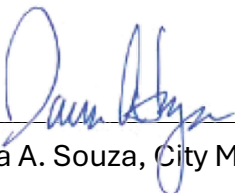
Failure to comply with this policy or grant requirements may result in:

- Repayment or loss of approved grant funding
- Loss of funding opportunities in the future
- Audit findings or financial penalties related to non-compliance
- Disciplinary action in accordance with the City’s Personnel Rules

**L. POLICY REVIEW**

This policy shall be reviewed periodically and updated as necessary to ensure compliance with evolving grant requirements, regulations and audit requirements.

**APPROVAL:**

  
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Dana A. Souza, City Manager

April 29, 2026  
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Date Approved

  
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John D. Agnew, City Attorney

April 29, 2026  
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Date Approved