

CITY AND BOROUGH OF SITKA
ADMINISTRATIVE PROCEDURE NO. 23.02-01
APPLYING FOR AND ACCEPTING GRANTS AND DONATIONS

PURPOSE

This procedure establishes requirements for applying for and accepting grants and donations on behalf of the City and Borough of Sitka (CBS). This administrative procedure is issued pursuant to Sitka General Code Chapter 1.36, Acceptance of Donations to the City, which governs the acceptance of donations and takes precedence over this procedure in the event of any conflict.

GENERAL PROVISIONS

- a. **Scope:** This procedure applies to all departments and employees of CBS, under the general direction of the Municipal Administrator.
- b. **Authority to promulgate:** The CBS Municipal Administrator maintains the authority granted by the Sitka Home Rule Charter, AS 29.04.010, and Sitka General Code Chapter 1.36 to issue procedures, guidelines, and implementation guidance for the acceptance of grants and donations.
- c. **Effective date:** May 1, 2023. This revision effective [DATE].
- d. **Review/Revision Interval:** On or before May 1, 2024, and annually thereafter.

REFERENCES

Grant Application Request Form
Sitka General Code Chapter 1.36, Acceptance of Donations to the City
CBS Records Retention Policy

AUTHORIZATION

_____ Date: _____
John Leach, Municipal Administrator
City and Borough of Sitka

DOCUMENT REVISION LOG

Date	Author	Description of Changes
5/1/2023	Henshaw/Haley	Original
[DATE]	Leach	Revised to align with SGC Chapter 1.36; updated authority citation; added lifecycle cost, maintenance agreement, and artwork routing requirements; SGC Chapter 1.36 reference added throughout.

PROCEDURES FOR APPLYING FOR AND ACCEPTING GRANTS AND DONATIONS

The City and Borough of Sitka actively solicits outside funding that supports its mission and approved strategic goals. To ensure that outside funding is aligned with the priorities of the community, the procedures outlined in this document have been put in place.

As outside funding is critical to helping provide governmental services and maintain and create infrastructure for the community, it is strongly encouraged that municipal departments seek grant funding to help fund both operational and capital needs.

General Guidelines

Whenever possible, grants should be made directly to other local sources, as this greatly minimizes cost to CBS. Good examples include federal travel grants that directly reimburse an employee, or a grant that may go directly to a local non-profit for a cause that CBS supports.

Different types and uses of grants and donations have different requirements and thus require different levels of approval. The following scenarios describe the range of potential funding types and uses:

Scenario 1. To provide additional revenue to support existing operations (for example, a travel grant may cover travel that has already been budgeted).

Scenario 2. To support additional activities that were neither previously planned for nor budgeted for (for example, travel to a previously unplanned or unbudgeted training or conference).

Scenario 3. Funding for construction or improvement of infrastructure that has already been contemplated (for example, anything on the list of Legislative Priorities).

Scenario 4. Funding for construction of a new piece of infrastructure that is not in the long-term capital improvement plan (for example, a new section of the sea walk).

Scenario 5. A contractual relationship in which funding or an asset is being committed, which may have federal funding involvement or further long-term implications.

Scenario 6. Unsolicited donation or bequest. Donations may have restrictions on them. While these may not have an application process, they must be approved as detailed in these procedures and as required by Sitka General Code Chapter 1.36.

Scenario 7. Pass-through funding that goes to a different organization for a specific purpose.

Scenario 8. Non-monetary gifts or donations, including items such as artwork, buildings, or benches, as well as in-kind donations of services. These procedures apply unless otherwise required by Sitka General Code Chapter 1.36. Prior to accepting any non-monetary donation, the responsible department head must prepare a total lifecycle cost analysis covering installation, maintenance, repair, and replacement over the anticipated life of the donated item, and must require the donor to execute a maintenance agreement where ongoing costs exist. Where lifecycle cost is estimated to exceed \$10,000, Assembly approval is required regardless of the stated value of the donation. Donations of artwork have additional routing requirements — see the Artwork Donations section below.

Sources of Funding

Federal — Strict grant management rules apply. If total federal funding exceeds \$750,000, all grants regardless of size are audited under the Single Audit Act, and accounting and procurement

are closely scrutinized by CBS auditors. Different agencies have different rules and standards, and reporting requirements may be cumbersome.

State — Similar to federal, but depending on the granting agency, may be more lenient. Also audited as part of the State Single Audit.

Private/Foundation — Much more flexible, but must still comply with the grant agreement and any use restrictions.

Each funding source and scenario involves different circumstances and requires different actions, as set forth in the approval matrix below.

Process for Submitting a Funding Opportunity

All potential opportunities for outside funding should be submitted to the Municipal Administrator, Public & Government Relations Director, and Finance Director after being approved by the relevant department head. Because many funding opportunities require Assembly approval, the request to apply for funding should be submitted a minimum of six weeks prior to the application deadline.

When submitting a funding opportunity, the following information should be provided using the Grant Application Request Form:

- a. What is the funding source/granting agency?
- b. What type of resource is it (grant, loan, in-kind)?
- c. Proposed amount of funding.
- d. Application deadline.
- e. Is this grant budgeted? Are additional appropriations needed to fund a match?
- f. Proposed use of funding and description of the funding opportunity.
- g. Which CBS strategic goals and actions does the funding help achieve?
- h. How does this funding help achieve those strategic goals and actions?
- i. Is there a match requirement?
- j. Are there any restrictions on the funding?
- k. What administrative overhead charge is allowed?
- l. List of required documents for the grant application.

All application materials shall be retained as required by the CBS Records Retention Policy.

Grant Applications

Those preparing grant applications should coordinate with the Public & Government Relations Director, Finance Director, and department head (as applicable) to review the list of required documents and determine who will be responsible for supplying them. Prior to submission, the Public & Government Relations Director will verify that all documents have been properly reviewed and are valid.

After reviewing a request, the Municipal Administrator will determine, following the approval matrix below, whether Administrator or Assembly approval is required for applying for or accepting the funding. For donations subject to Sitka General Code Chapter 1.36, the approval thresholds and requirements of that chapter govern and take precedence over this matrix.

Approval Matrix

Funding Situation	Source of Funding			Amount		Budget Impact		Approval Required	
	Federal	State	Private / Foundation	Over \$10,000	Under \$10,000	No Additional Budget Needed	New Budget Needed	Administrator	Assembly
Scenario 1 — Existing budgeted operations	✓				✓	✓		✓	
Scenario 1 — Existing budgeted operations	✓			✓		✓		✓	
Scenario 1 — Existing budgeted operations	✓			✓			✓	✓	
Scenario 2 — Unplanned / new appropriation required	✓	✓	✓	✓	✓		✓		✓
Scenario 3 — Previously planned capital	✓				✓	✓		✓	
Scenario 3 — Previously planned capital	✓			✓		✓			✓
Scenario 3 — Previously planned capital		✓		✓		✓		✓	
Scenario 4 — New infrastructure not in long-term plan	✓	✓	✓	✓	✓		✓		✓
Scenario 5 — Contractual	✓	✓	✓	✓		✓		✓	✓
Scenario 5 — Contractual	✓	✓	✓		✓	✓		✓	
Scenario 6 — Unsolicited donation / bequest (over \$10,000)	✓	✓	✓	✓		✓	✓		✓
Scenario 6 — Unsolicited donation / bequest (under \$10,000)	✓	✓	✓		✓	✓		✓	
Scenario 7 — Pass-through funding	✓	✓	✓	✓	✓	✓	✓		✓
Scenario 8 — Non-monetary gift / in-kind services (lifecycle cost over \$10,000)	✓	✓	✓	✓		✓			✓
Scenario 8 — Non-monetary gift / in-kind services (lifecycle cost under \$10,000)	✓	✓	✓		✓	✓		✓	

Note: For Scenario 8, the \$10,000 threshold applies to total estimated lifecycle cost (installation, maintenance, repair, and replacement), not the stated value of the donated item. See Sitka General Code §1.36.040 and §1.36.050.

Note: For all donations, where SGC Chapter 1.36 imposes a more stringent approval requirement than this matrix, Chapter 1.36 governs.

Unsolicited Donations and Bequests

In cases of unsolicited donations or gifts, notification is to be provided to the Municipal Administrator, Public & Government Relations Director, Finance Director, and any relevant department head. This group will review the opportunity following the approval matrix and submit for approval as required. Where Sitka General Code Chapter 1.36 applies, its approval requirements govern.

Artwork Donations

Donations of artwork proposed for permanent or long-term (exceeding one year) public display are subject to the following requirements in addition to applicable approval thresholds:

Library Commission. All proposed artwork donations require a recommendation from the Library Commission prior to Assembly consideration.

Parks and Recreation Committee. Where the proposed display location is within a city park or recreational facility, a recommendation from the Parks and Recreation Committee is also required prior to Assembly consideration.

Historic Preservation Commission. Where the proposed display location is within or adjacent to the Sitka Historic District, a recommendation from the Historic Preservation Commission is also required prior to Assembly consideration.

Communications Policy. All proposed donated artwork must conform to applicable city communications policies governing public display.

These requirements are established by Sitka General Code §1.36.070 and apply regardless of the monetary value of the proposed artwork donation.