

CITY OF SAN DIEGO  
ADMINISTRATIVE REGULATION

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1. PURPOSE

To maximize the City of San Diego's (City) ability to successfully obtain and manage *Grant* funds; to establish procedures for implementation of the *Grants Review Team* for all *Grants* and City Council's delegation of authority for approval, acceptance, appropriation, and expenditure of *Grants* of \$1M or less; and to establish procedures for application, notification, evaluation, and reporting of such *Grant* applications.

2. SCOPE

This Administrative Regulation (A.R.) applies to all City departments, agencies, and organizations funded in whole by the City.

3. DEFINITIONS

- 3.1. *Aggregate Value* - means the full value of the *grant* that will be paid or reimbursed to the City for the term of a proposed *Grant* agreement, without considering required non-reimbursable matching funds or indirect costs for administrative services necessary for the administration and performance of the project or program.
- 3.2. *Capital Improvement Program Project* - has the same meaning as in San Diego Municipal Code Section 113.0103, as amended from time to time.
- 3.3. *Cost and Benefit Analysis* - means a review of the costs associated with the requested *grant*.
- 3.4. *Grant* or *Grants* - means monetary funding, equipment, in-kind goods or services, or any other asset provided by a *granting agency* to the City.

(Supersedes Administrative Regulation 1.80, Issue 4, effective August 2, 1993)

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Authorized

[Signature on File]

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CHIEF OPERATING OFFICER

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3.5. *Grant Applicant* - means the City department or City staff responsible for the *grant* application process.

3.6. *Grant Review Team (GRT)* - means the management team designated by the Mayor to review *grant* applications consistent with Chapter 2, Article 2, Division 52 of the San Diego Municipal Code (SDMC).

3.7. *GRT Coordinator* - The Program Manager in the Corporate Partnership and Development office (or the successive office) who facilitates communication between the *GRT* and the *Grant Applicant*.

3.8. *Public Safety/Homeland Security Grants* - means any federal, State, or regional *Grant* where the Office of Homeland Security, the Police Department, or the Fire Rescue Department is the *grant applicant*.

4. POLICY

4.1. All mayoral *grant* applications, regardless of dollar thresholds, shall be reviewed by members of the *GRT*. The specific *GRT* will have representation from key management from the following departments/programs: Finance Department, Deputy Chief Operating Officer, Assistant Chief Operating Officer, Chief of Police, Chief of Fire-Rescue, and Corporate Partnerships and Development Program. This group will review *grant* proposals as they are submitted and provide feedback within ten business days. The *GRT Coordinator* or the applicant City department may request review by additional representatives from other departments not listed above.

4.2. Independent departments such as Offices of the City Attorney, City Auditor, City Clerk, Ethics Commission, Independent Budget Analyst, Personnel, and San Diego City Employees' Retirement System may seek *GRT* approval to apply for, accept, appropriate, and expend *Grant* funds. If an independent department uses the *GRT* to assess their Grant Review Form, review the application, and the *GRT* does not approve it, the independent department may seek City Council approval to accept, appropriate and expend *Grant* funds.

4.3. All U.S Department of Housing and Urban Development (HUD) Entitlement *grants*, including *grants* from the Community Development Block Grant Program, (CDBG), Emergency Solutions Grants Program (ESG), and HOME Investment Partnership Program (HOME), are exempt from this Administrative Regulation.

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4.4 Identifying Funds

- 4.4.1. The *GRT Coordinator* will identify and maintain a list of *grant* resources for all City employees to review on the Citywide *Grants* and Gift Resource Center located on the City’s intranet site. The list will be updated as new sources are made available. The *GRT Coordinator* will email applicable departments on available funding notifications as they arise. Current and historical *grant* applications whether awarded or rejected will be available to all City employees to review on Sharepoint.
- 4.4.2. When a City department has identified a *granting agency* the applicant City department is responsible for collecting and compiling information necessary to apply for available *grants*, including application guidelines and forms, program operating and reporting regulations, and schedule and submission requirements.
- 4.4.3. A City department may contact the *GRT Coordinator* for assistance.

4.5. Submissions

- 4.5.1. The applicant City department will submit the “*Grant Review Request*” in Sharepoint (or subsequent adopted platform) to the *GRT* for approval consistent with the factors listed in SDMC section 22.5203(d) or (e) before submission to the *granting agency*. The *GRT Coordinator* will review the application and route to the *GRT* for approval. If needed, the *GRT Coordinator* review will address appropriateness, logistics, timelines, or any outstanding issues with the department before routing for approval. Notification will be made to the *grant applicant* of the *GRT*’s decision within 10 business days of submission by the *GRT Coordinator*.
- 4.5.2. As listed in SDMC section 22.5203(d), the *GRT* will consider the following factors when reviewing a *grant* application to determine whether to recommend applying for the *grant*:
  - a. Whether, and to what degree, the *grant* supports City’s policies, mission statement, strategic priorities or plans.
  - b. Whether the *cost and benefit analysis* of the *grant* program or activity demonstrates that it will have a positive impact on the City and its residents.

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- c. Whether the *cost and benefit analysis* identifies direct and indirect costs associated with the *grant*, matching funds that need to be set aside, and ongoing or other potential costs which will be incurred beyond the *Grant* period.
- d. Whether the *grant applicant* has demonstrated the City has sufficient resources for the application, implementation, and monitoring of the *grant* program or activity for the duration of the *grant* term.
- e. How the *grant* will be monitored, including monitoring of any sub-recipients that may receive pass-through *grants*, and how the *grant* recipients will complete reporting and operational *grant* requirements.

4.5.3 The GRT will consider the following factors when renewing a *Grant* application to determine whether to recommend applying for a *Grant*.

- a. The benefits to the City of the *grant* program or activity as evaluated by the *grant* applicant; and
- b. The benefits to the City of using general fund revenues for the *grant* program or activity rather than for other purposes.

4.6. Grants Review Team Process

4.6.1. The *GRT* is authorized to review and approve submission of proposed applications for *grants* with an *aggregate Value* of \$1,000,000 or less, and recommend to City Manager to accept, appropriate, and expend any subsequent award of *grant* funding without further action by Council.

4.7. Grants Process Requiring Mayoral Action

4.7.1. Each *grant* with an *aggregate value* of \$ 1,000,000 or less will be processed as a mayoral item and the following departments will review the item as needed:

- a. City Attorney: For legal review, including review of legal commitments, identification of possible conflicts between federal or State agency regulations and the City Charter, and preparation of Council resolutions, contracts, and other legal documents required in the application.
- b. Equal Opportunity Contracting: For the awarding of contracts, agreements, or leases or the expenditure of public funds in which the City is compensating an entity (not City staff) for services rendered.

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- c. Environmental Analysis: For appropriate environmental review under State and federal law.
- d. Purchasing and Contracting/PWC: For approval of contracts associated with *grant* proposals and to ensure all required procurement standards are being followed.
- e. Department of Finance - Department of Finance: To determine audit requirements and to establish *Grant* fund accounting.

4.8. *Grants Process Requiring City Council Approval*

- 4.8.1. Following the *GRT* approval to apply for *grant* funding, the requesting department will file necessary copies with the funding agency. During the application review by the funding agency, the *grant applicant* shall maintain communication with the funding agency. The *grant applicant* will notify the *GRT Coordinator* within five business days after approval or denial of *grant*.
- 4.8.2. The following *grant* proposals must be submitted to the City Council for review and approval to accept, appropriate, and expend the *grant*:
  - a. *Grants* with an *aggregate value* over \$1,000,000;
  - b. *Grants* allocating funds for Capital Improvement Projects (CIP) that are not included in the approved *Capital Improvement Program Project* budget;
  - c. *Grants* requiring matching funds that are not included in the approved department budget and that will cause an increase to the overall budget approved by City Council in the current Appropriation Ordinance;
  - d. *Grants* allocating funds for goods, services, or consultant contracts that require City Council approval as provided in Chapter 2, Article 2, Division 32 of the SDMC;
  - e. *Grants* for which the application or implementation would otherwise require City Council approval.
- 4.8.3. Departments should begin immediately routing *grant* related items through On-Base for Council approval, if needed, upon receiving approval from the *GRT*. This action should ensure departments have the authority in order to appropriate the budget necessary to begin spending the *grant* on the first day of the *grant* if awarded.

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4.8.4. Department staff must attend the City Council meeting when their *grant* item is on the agenda and be prepared to respond to City Council questions regarding the *grant* project.

4.9. Grants Management

4.9.1. The applicant department shall have the primary responsibility for the *grant* project administration. Department staff shall maintain required communication with the funding agency, coordinate the activities of other departments necessary for successful project performance, and prepare and forward all reports required by the funding agency. All financial records and reports will be maintained by the City department managing the *grant*. All financial documents will be sent to the Finance Department for review and approval before submission to the *granting agency*.

4.9.2. In accordance with City procedures relating to contracts, departments shall be responsible for any *Grant* contract or subcontract negotiations insuring that contracts and subsequent amendments are:

- a. Reviewed and approved by the City Attorney;
- b. Authorized by the Council (if required) for execution;
- c. Executed by the Mayor or his designee; and
- d. Originating department shall keep originals.

4.9.3. All purchases made with federal award money should comply with the Uniform Guidance, Title 2 in the Code of Federal Regulations, Subtitle A, Chapter II, part 200 (2 CFR 200). Non-federal entities are required to follow 2 CFR 200, General Procurement Standards sections 200.318 through 200.326 (Contract Provisions) when procuring for property or services under a federal award.

4.9.4. At project completion, the administering City department shall take measures necessary for *grant* administration and closure, including preparing reports and payment requisitions, returning government property, and responding to audit requests. All of these items shall be reviewed and approved by the Finance Department prior to submission to the *granting agency*.

4.9.5. Following project completion, project files shall be maintained by the administering City department in accordance with the *grantee's* Records Disposition Schedule.

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4.10. Letters of Support

4.10.1. If a letter from City staff or the Mayor in support of a *grant* application is requested by *grant applicant*, the draft letter of support and a Letter of Support (LOS) Request Form shall be distributed to the *GRT Coordinator* and relevant department heads for comment prior to making any endorsement. The summary should provide:

- a. Brief description of the program/project;
- b. Proposed funding source;
- c. Importance of City support to the proposal;
- d. Description of the benefits the proposed program would bring to the constituents of the City;
- e. Main contact for LOS; and
- f. Due date for LOS.

4.10.2. Ten (10) days are required for the Mayor's review and signature for letters of support.

4.11. Reporting

4.11.1 Within ninety (90) days after the end of each fiscal year, the *GRT Coordinator* will provide a written annual report to City Council listing all *grants* and *grant* renewals that were awarded through the *GRT* process during that fiscal year.

4.11.2. *GRT Coordinator* will notify all council members of *Grants* involving *Public Safety* or *Homeland Security* with an *Aggregate Value* less than or equal to \$1M at time of *Grants* submission to *GRT*.

4.12. Training

4.12.1 The administrating departments or *GRT Coordinator* will identify general *grant* writing and management training opportunities on the Citywide *Grants* and Gifts Resource Center located on CityNet. The Finance Department will provide City specific *grant* management training for employees, yearly training updates, and specific *grant* trainings upon request. Trainings available will be listed on Enterprise Resource Planning-*Grants* Management page on the City's intranet site. The *GRT Coordinator* will notify appropriate staff as trainings become available.

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5. RESPONSIBILITY

5.1. Assistant Chief Operating Officer/Deputy Chief Operating Officers/ Chief of Fire-Rescue/Chief of Police

5.1.1. Authorized to enter into agreements for the City, and will enforce City policies and procedures, ensure relevance to strategic plan, and provide organizational oversight and accountability as related to *grant* compliance, in compliance with other applicable law.

5.2. *GRT Coordinator*

5.2.1. Research *grant* publications, contacting local, State and federal funding agencies and, when appropriate, requesting assistance through the Government Affairs office from the City's governmental representatives in Washington and Sacramento;

5.2.2. Conduct initial review and screen all *grant* staff reports prior to forwarding them to the *GRT* to ensure information is complete and appropriate;

5.2.3. Route all denied and approved *grant* proposals to City staff originators as well as act as communication liaison for the *GRT*; *and*

5.2.4. Track all Citywide *grant* application approvals and denials and review all letters of support signed by City staff and the Mayor to ensure there are no conflicts with other departments, agencies, and nonprofits.

5.3. Finance Department (Comptroller and Financial Management)

5.3.1 Determine audit requirements, relevant accounting and reporting requirements, prefunding, letter of credit, and/or matching fund requirements, department's proposed source of this match; overhead rates fund flow procedures;

5.3.2 Verification of staff salaries, material and equipment estimates and indirect costs, post *grant* maintenance costs and ongoing or other potential costs which will be incurred beyond the *grant* period;

5.3.3 Establish *grant* fund accounting to assure that *grant* revenues and expenses are handled separately from General Fund revenues and expenses; and analyze the application to ensure that, to the extent that the *grant* guidelines permit, the *grant* application includes all costs associated with the *grant* funded project (these costs may include indirect costs, administrative support costs and post *grant*



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maintenance costs). Other items which may be reviewed include: potential cost efficiencies that may accrue through implementation of the *grant* funded project; an assessment of any required City match and the requesting department's proposed source of this match; and ongoing or other potential costs which will be incurred beyond the *grant* period.

5.4. Administering Department

5.4.1 Applicant Department will ensure *grants* applied for support City goals and objectives. The administering department will appropriately and accurately manage *grant* funded projects in accordance with the *grantor* agreements, guidelines, policies and procedures of the City, and any other federal, State, or local requirements. Applicant Departments will establish written *grant* procedures for complicated, lengthy, or detailed processes in compliance with Administrative Regulation 1.00.

APPENDIX

Legal References

San Diego Municipal Code Chapter 2, Article 2, Division 52, sections 22.501, 22.5201, 22.5202, 22.5203, 22.5204, 22.5205

Forms

Letter of Support Request Form

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