To: Honorable Mayor and Board of Trustees
From: Chris Lowe, Interim Town Administrator
Date: September 3, 2026

Subject: Grant Management Policy Revisions

Background: As part of the revisions to many of the financial policies adopted previously by the Town, the Board requested me to review the Grant Management Policy as well. It was my understanding that the Board wished to see a version with more responsibility delineated to the grant manager (or department head), the Town Administrator and the Finance Officer.

Analysis: The proposed version included in your packet accomplishes the goals set forth by the Board in its previous discussion.

Staff Recommendation: Staff recommends adoption of Resolution 26R27. In the alternative, if the Board does not feel like these additional revisions accomplishes the goals outlined in its previous discussions, I would recommend further discussion and future staff may make further revisions to the policy.

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RESOLUTION 26R27

A RESOLUTION REPEALING RESOLUTION 22R37 REGARDING THE TOWN OF ELIZABETH GRANT MAMGEMENT POLICY, AND ADOPTING A REVISED AND AMENDED GRANT MAMGEMENT POLICY FOR THE TOWN OF ELIZABETH

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF ELIZABETH, COLORADO AS FOLLOWS:

1. On August 23, 2022, by means of Resolution 22R37, the Board of Trustees for the Town of Elizabeth adopted the Town of Elizabeth Purchasing Policy. By and through Resolution 26R27 Resolution 22R37 is hereby repealed.

2. The Board of Trustees for the Town of Elizabeth hereby adopt the Purchasing Policy for the Town of Elizabeth, attached hereto as **Exhibit A**, and incorporated hereby by this reference.

PASSED, APPROVED, and ADOPTED this 8th day of September 2026, by the Board of Trustees of the Town of Elizabeth, Colorado, on first and final reading, by a vote of _____ for and ______ against.

____
Angela Ternus, Mayor

ATTEST:

____
Michelle M. Oeser, Town Clerk

GRANT MANAGEMENT POLICIES FOR THE TOWN OF ELIZABETH, COLORADO

The purpose of this Policy is to develop, implement, and maintain meaningful oversight and coordination for the Town, thereby increasing grant related revenue, limiting the Town's exposure to grant related liability, and improving the efficiency and impact of programs and services funded through grants.

AUTHORITY TO SEEK GRANT FUNDING

1. Town Administrator Approval of Grant Applications. The Town Administrator may authorize the pursuit and submission of grant applications and may accept grant awards when the grant requires no matching funds, or when all required matching funds are included in the adopted budget. No Department Head, employee, consultant, or agent may submit a grant application or commit the Town to grant-related obligations without the Town Administrator's prior written approval. Before granting approval, the Town Administrator shall confirm that the proposed grant is consistent with Board priorities, that operational and financial impacts have been identified, that the responsible Department Head has accepted responsibility as Grant Owner, and that Finance and legal review have been completed when required by this Policy.

2. Board of Trustees Approval of Grant Applications. The Town Administrator shall obtain Board of Trustees approval before submission and acceptance of a grant when unbudgeted matching funds are required; when the grant creates or may create ongoing staffing, maintenance, operating, debt, ownership, or other future obligations; when acceptance requires an appropriation or policy decision reserved to the Board; or when the Town Administrator determines that the grant presents material financial, legal, operational, or reputational risk. If there is uncertainty regarding the long-term consequences of a grant, the Town Administrator shall defer the matter to the Board for final approval.

3. Designation of Grant Owner. For every application authorized for submission, the Town Administrator shall designate in writing a Department Head as the Grant Owner. The designation shall identify the grant, responsible department, project manager if different from the Department Head, required Town match, anticipated obligations, and key application and award deadlines. The Department Head remains accountable for performance even when day-to-day tasks are delegated.

4. Prohibition on Unauthorized Commitments. Employees shall not represent that the Town will provide matching funds, staffing, property, maintenance, indemnification, or other resources unless the commitment has been approved in accordance with this Policy. Any material change to an approved application or award shall be returned to the Town Administrator, and to the Board when applicable, before the Town accepts or implements the change.

CONFLICT OF INTEREST

No employee or official of the Town shall have any interest, financial or otherwise, direct, or indirect, or have any arrangement concerning prospective employment that will, or may be reasonably expected to, bias the design, conduct, or reporting of a grant-funded project on which he or she is working.

The Department Head serving as Grant Owner shall identify, disclose, and address actual or potential conflicts of interest associated with each grant-funded project and shall promptly report any concern to the Town Administrator and Town Attorney. The Town Administrator is responsible for ensuring that reported conflicts are evaluated and that appropriate mitigation, recusal, disclosure, or corrective action is documented. In the use of project funds, Town officials and employees, and nongovernmental recipients or subrecipients, shall avoid any action that might result in or create the appearance of:

- Using his or her official position for private gain
- Giving preferential treatment to any person or organization
- Losing complete independence or impartiality
- Making an official decision outside official channels
- Adversely affecting public confidence in the grant funded program and the Town in general

STATEMENT OF NON-DISCRIMINATION BY THE TOWN OF ELIZABETH

The Town of Elizabeth does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities and operations. These activities include but are not limited to, hiring and firing of staff, selection of volunteers and vendors, and provisions of services. The Town is committed to providing an inclusive and welcoming environment for all members of our staff, citizens, residents, volunteers, subcontractors, vendors, and clients.

The Town of Elizabeth is an equal opportunity employer. The Town does not discriminate and will take affirmative action measures to ensure against discrimination in employment, recruitment, advertisement for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the basis of race, color, gender, national origin, age, religion, creed, disability, veteran status, sexual orientation, gender identity or gender expression.

ADMINISTERING GRANTS AND RESPONSIBILITIES

Grants may vary substantially in notice, procurement, financial management, performance measurement, reporting, completion, audit, and record-retention requirements. Accountability for compliance rests with the Town Administrator as the responsible executive, with the applicable Department Head as Grant Owner, and with the Financial Officer for fiscal controls and financial reporting. Delegation of a task does not transfer accountability. The following requirements apply unless a grant imposes a stricter standard:

1. The Town Administrator shall:

- Provide executive oversight of the Town's grant portfolio and enforce this Policy.

- Approve in writing the pursuit, submission, acceptance, material amendment, and closeout of each grant within the Administrator's authority, and timely present matters requiring Board action.

- Designate a Department Head as Grant Owner for every grant and establish clear deliverables, deadlines, reporting expectations, and escalation requirements.

- Confirm before submission and acceptance that Finance has reviewed the budget, match, reimbursement, cash-flow, procurement, audit, and ongoing-cost implications and that the Town Attorney has reviewed the award when required.

- Review grant status at least quarterly, including performance, expenditures, reimbursements, deadlines, compliance concerns, audit findings, and risks to completion.

- Require and approve a written corrective action plan when a grant is materially behind schedule, over budget, out of compliance, at risk of repayment, or unlikely to meet its objectives.

- Promptly notify the Board of Trustees of material grant defaults, questioned costs, repayment demands, audit findings, litigation or claims, loss of funding, or significant unbudgeted obligations.

- Ensure appropriate training, internal controls, segregation of duties, and succession coverage for employees administering grants.

- Determine whether to suspend grant-funded activity, decline or return an award, seek an amendment, or reassign responsibility when necessary to protect the Town.

2. The Financial Officer shall:

- Maintain fiscal oversight, accounting controls, and a centralized financial record for the Town's grant portfolio, and provide grant financial information to the Town Administrator and Grant Owners.

- Timely receive and deposit all grant related funds.
- Ensure no funds are dispersed until the grant agreement has been signed and executed.
- Timely process all requests for the expenditure of grant related funds.
- Execute, as may be required, all documents such as grant applications and grant status reports that seek the signature of "Financial Officer", "Finance Department" or related terms.
- Track the financial requirements of the grant and include amounts in the next budget cycle after the grant is approved.
- Fulfill the financial record keeping requirements of the grant.
- Coordinate and work with Department Heads and grant applicants for the completion of the grant requirements.

3. The Department Head designated as Grant Owner shall:

- Serve as the accountable Grant Owner throughout the full grant lifecycle, from application development through final closeout and record retention, regardless of any delegation to staff, consultants, or partners.

- Prepare a written pre-application assessment identifying the purpose, scope, alignment with Town priorities, total project cost, required match, reimbursement and cash-flow needs, staffing and procurement impacts, ongoing obligations, measurable outcomes, risks, and proposed funding source for all Town commitments.

- Obtain the Town Administrator's written authorization before submitting an application or communicating any commitment of Town funds, property, personnel, or services.

- Coordinate timely Finance, procurement, information technology, human resources, risk management, and legal review, as applicable, and resolve identified issues before submission or acceptance.

- Develop and maintain a grant implementation plan that assigns tasks, milestones, deliverables, budget responsibility, reporting dates, procurement actions, performance measures, and closeout requirements.

- Ensure expenditures are allowable, allocable, reasonable, properly approved, within the grant period and approved budget, and supported by complete documentation before requesting payment or reimbursement.

- Monitor grant-funded employees, contractors, subrecipients, and project partners; verify performance and invoices; and document corrective actions when requirements are not met.

- Submit complete and accurate programmatic and performance reports by required deadlines and provide copies to the Town Administrator and Financial Officer. Financial reports shall be reconciled with and approved by Finance before submission.

- Maintain a current grant file containing the application, approvals, award, amendments, agreements, budget, procurement records, invoices, reimbursement requests, reports, correspondence, monitoring records, deliverables, and closeout documentation.

- Notify the Town Administrator and Financial Officer in writing within two business days after learning of any material missed deadline, cost overrun, budget variance, disallowed or questioned cost, noncompliance, audit concern, performance shortfall, loss of key personnel, scope change, repayment risk, or other condition that may affect successful completion.

- Prepare and implement any corrective action plan directed by the Town Administrator and report progress at the frequency established by the Administrator.

- Request and obtain written approval for extensions, budget revisions, scope changes, or other award amendments before implementing the change, except when immediate action is necessary to protect health or safety and is promptly reported.

- Complete closeout promptly, including final programmatic and financial reports, disposition of property, collection of reimbursements, release of encumbrances, confirmation of continuing obligations, and transfer of complete records for retention.

- Provide the Town Administrator and Financial Officer with grant status information at least quarterly and certify at closeout that, to the best of the Department Head's knowledge, all requirements have been satisfied and all material issues disclosed.

MONITORING, REPORTING, AND CORRECTIVE ACTION

The Financial Officer shall maintain a centralized grant register showing, at minimum, the Grant Owner, award amount, Town match, grant period, reporting deadlines, reimbursement status, expenditures, outstanding compliance items, and closeout status. Department Heads shall provide updates needed to keep the register current.

At least quarterly, the Town Administrator shall review the grant register with the Financial Officer and affected Department Heads. The review shall document material variances, overdue items, management decisions, and assigned corrective actions. The Town Administrator may require more frequent reporting for high-risk grants.

Failure to comply with this Policy or an award requirement shall be reported promptly and addressed through written corrective action. Repeated or material noncompliance may result in reassignment of grant duties, suspension of grant-funded activity, additional approval controls, personnel action consistent with Town policy, referral to the Town Attorney, or notice to the Board or granting agency, as appropriate.

REVIEW BY THE TOWN ATTORNEY

Grant agreements may offer limited opportunity for negotiation; nevertheless, legal review is necessary to identify enforceability, authority, indemnification, insurance, property, data, intellectual property, records, default, repayment, and other legal risks. Before acceptance, the Town Attorney shall review each grant agreement that creates material obligations or risk, requires Board approval, involves a subrecipient or partner agreement, or is referred by the Town Administrator, Financial Officer, or Grant Owner. The Grant Owner shall provide the complete award package and sufficient review time. The Town Administrator shall ensure that legal concerns are resolved, accepted by the proper authority, or presented to the Board before execution.

RECORD RETENTION AND MANAGEMENT

The Grant Owner shall maintain a complete, organized grant file in the Town's designated records system. The file shall include, at minimum, research and the pre-application assessment; written approvals; the application and award; agreements and amendments; budgets; procurement and contracting records; invoices and supporting documentation; reimbursement requests; financial and performance reports; monitoring and corrective-action records; correspondence; deliverables; asset records; and closeout documents. The Financial Officer shall maintain the official accounting records and centralized grant register. The Town Administrator shall ensure that records are periodically reviewed for completeness and audit readiness. A granting agency's required file structure or retention standard shall control when it is stricter.

The Town shall maintain grant records for at least three (3) years after full completion and acceptance of the grant project. This file retention shall be subject to additional time limits as may be established by the granting agency or pursuant to state and federal law.

SUPPORT FOR GRANTS NOT SOUGHT BY THE TOWN OF ELIZABETH

At times, other organizations such as government boards and agencies, non-profit organizations, and philanthropic organizations may seek letters of support for their own grants and grant funding. Because often these groups may have a specific legal, political, or ideological aspect to their grant application and funding, any such request may require approval by the Board of Trustees upon the advice of the Town Attorney. If no funds are requested and a letter of support is required, the Town Administrator may provide the letter of support in lieu of Board action.

INCLUSION AS SUPPORTING DOCUMENT IN GRANT APPLICATIONS

These Grant Management Policies, and the enabling Resolution, may be provided as a supporting document to any grant application to identify the authority for action in seeking grant funding and demonstrating the Town's adherence to non-discrimination policies in both its operations and in seeking of grant funds.

In addition, the Mayor of the Town of Elizabeth, or in the Mayor's absence, the Mayor Pro Tem, is authorized to provide any required signatures, or letters of support, to further the goals and policies set forth in these Grant Management Polices and the associated Resolution.