

5_21-2025 FINAL DRAFT ENDOWMENT FUND POLICY AND PROCEDURE SECTION II

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CITY OF GUSTAVUS, ALASKA

Policies and Procedures

TITLE: POLICY AND PROCEDURE FOR **APPLYING FOR AND** AWARDING
GRANTS

FROM THE ENDOWMENT FUND EARNINGS

SECTION II

POLICY:

The goal of Endowment Fund grants is to improve the quality of life for Gustavus residents and to help realize the goals expressed in the city's Vision Statement by encouraging and supporting citizen led, community-based projects. Priority for Endowment Fund grant awards shall be given to qualifying projects conducted by Gustavus-based groups or individuals. City department proposals for projects that are outside those functions authorized for the city through code ordinance (in accordance with Ordinance Title, Section 4.13.110 and 4.13.1200) shall have higher priority than those for code authorized functions. Priority may also be given to projects for which the Fund grant may be leveraged to match grants from outside agencies. Fund grants shall not be made to for-profit enterprises, although a non-profit organization may contract with a for profit business for services, such as construction, in support of the Endowment funded project.

The Mayor shall ensure that the steps outlined in this procedure are completed and documented.

PROCEDURE:

91. Eligibility for Award. Grants may be awarded to city departments, **local** non-governmental organizations or other local entities. To be eligible, the applicants:

- a. Must be **a local, domiciled Gustavus resident(s)** of Gustavus
- b. Must not be delinquent on any City taxes, forms or payments
- e. ~~Must be at least sixteen years of age at least one of the project's administrators)~~

c. d. At least one (1) of the project's administrators must be at least eighteen (18) years of age.

d. e. Must be proposing a discrete single, specific local project that benefits the community of Gustavus.

e. f. Fund grants Grant funds shall not be made for operating expenses of the City or other organizations.

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- f. ~~g.~~ **Grant Funds shall not be made for awarded to for-profit enterprises although a non-profit organization may contract with a for-profit for services.**
 - g. **Projects must be completed by the end of the next calendar year (unless an extension is granted) and applicants may not receive an Endowment Fund Grant (EFG) for more than three (3) consecutive years funding cycles. Effective the calendar year, the Grant must be used within one calendar year of award.**
 - ~~h. Within one (1) calendar year of award.~~
92. **Grant Application Preliminary Review. On Applicants interested in a preliminary review shall submit their application to City Hall by September 30th. By October 14th the City Treasurer and City Manager Administrator will determine if the applicants have met the criteria outlined in the grant application packet. If not, the application will be returned with suggestions and the applicant will have the opportunity to correct and resubmit the application. All reviewed applications will be available for pickup at City Hall when applicant is notified by the City Treasurer.**

All applications are due by October 31st.

3. ~~9.~~ **EFG Special Advisory Committee.** (EFGSAC) will be established at the October General Meeting.
- a. ~~The Group~~ **EFGSAC** will consist of the **City Treasurer, serving in an advisory capacity only;** and
 - b. **A minimum of three (3) and maximum of Council Members seven (7) Gustavus community members, who have applied to the City, have been selected by the Mayor, and approved by the City Council.**
 - c. **No member of the Working Group-EFGSAC shall apply for the Grant in the same year they are serving on the EFGSAC.**

At this meeting, the ~~Group~~ **EFGSAC** will set a date for a special work session where Applicants with qualifying applications will be invited, ~~via email, so in order for Group members might to ask clarifying questions of the Applicant.~~ Each Applicant will be given five (5) minutes to give a short presentation **to give a five (5) minute presentation in person or virtually and answer any questions about** their project. Applicants who are unable to attend due to special circumstances may request a separate meeting with the Group to present their project.

4. ~~10.~~ **Proposals will be scored by the Group EFGSAC based on the criteria outlined in the Application packet:**

- a. ~~Project Description (value: up to 25 points) Need for project, broad community benefit and value, demonstrated ability to effectively manage the~~

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project, ~~link to community values as outlined in the City Vision Statement.~~

- b. ~~Project Goals and Objectives (value: up to 25 points) Defined objectives with milestones that demonstrate progress, realistic and achievable timeline~~
- c. ~~Budget (value: up to 25 points) detailed expenditures, well researched planned and presented.~~

Before meeting, the EFGSAC will receive notification of the total amount of funds available for distribution, a copy of each application, and the scoring criteria. The average of the **EFGSAC member's total scores** ~~three~~ scores will be used as the **application's** final score. Applications must receive a minimum average of 50 points in this process to be considered for award.

~~5. 12.~~Grant Awards. ~~Schedule Council selection and award of grant funding~~**Endowment Fund Grants will be awarded at** for the General Meeting in December. If the Council wishes to amend the recommendations of the ~~working Group~~**EFGSAC** they must consider the **each recommendations award** made recommended by the Group **using the same scoring criteria** ~~rubric received and used by the EFGSAC.~~ and a copy of all previous years' awards and grant awardees. **Each recommended award will be voted on by the Council.**

~~6. 5.~~If the City does not receive any qualifying applications **or none are recommended by the EFGSAC** ~~working Group,~~ **or if awarded by** the Council declines to grant to any of the year's applicants, the annual grant funds shall **be carried forward to the next funding cycle.** ~~Endowment Fund account to earn interest for future awards.~~

~~7.13.~~Award Notices. ~~Issue notice to g Grantees (if any)~~ **shall be notified of their award** within one week after the General Meeting in December. **The notification will include** ~~regarding selection with~~ directions for receiving payments, reporting requirements, and a **reminder of a the one-year** deadline for the grant to be completed. ~~Issue Letters~~ **will be issued sent** to unsuccessful grant applicants notifying them of award decisions and thanking them for their applications.

~~8.14.~~Payments. ~~Payments for grant projects to awardees will be made by disbursement disbursed from the Endowment Fund checking account to the grantee, or direct to a third party, for work approved in Endowment Fund Grant Application with proof of payment~~ **expenses for reimbursement or advance payment. Payments shall be made within two (2) weeks of an approved request.** ~~properly completed Grant Financial Progress Report. Payments may be made in advance in special circumstances approved by the Treasurer. The Treasurer may approve advance payments in special circumstances. The last 10% of the grant shall not be paid until a final report has been accepted, unless the Treasurer has granted an exception.~~

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9.15. Monthly and Final Reports. The grantee shall complete and submit a monthly progress report by the last day of each month until the final report is submitted. Reports shall include progress and expenditures for the previous month. The final report shall include a narrative of the project, copies of any materials or pictures the project team wants to share, the number of people **served** by the project or its various elements, and a description of the project's outcomes. This report will be shared with the public. ~~The last 10% of the grant shall not be paid until a final report has been accepted by the treasurer.~~

10.16. Modifications. **Minor grant modifications that do not alter the goal of the project or cause expenses to exceed the awarded total** will be considered. All modifications should be submitted to the City Grant Administrator. If a monetary modification is less than or equal to five (5) percent of the total grant award, the City Grant Administrator can determine whether to make the modification after consultation with the Mayor. If the modification request is greater than five (5) percent of the granted amount, Council action is necessary. Non-monetary modifications shall be considered on a case-by-case basis and shall be handled by the City Administrator in consultation with the Mayor.

11.17. Unused Granted Funds. Any unused funds from a closed grant **or completed** shall be retained in the fund grant checking account if under one thousand dollars (\$1,000) or returned to the Endowment Fund account if over one thousand dollars (\$1,000) and re-designated as available for future award.

12. EFG Special Advisory Committee Continuity. **To ensure continuity, at the Group's last meeting, EFGSAC members will recommend one or more of its members to apply to serve on the next year's Group.**

13. Definitions for P&P for Awarding Endowment Fund Grants

Capital Outlay - money spent to acquire or upgrade the long-term assets of a project, which are defined as assets that are not intended to be sold. Capital outlays are expected to provide benefits beyond an accounting period

Conflict of Interest - refers to a situation where an individual's financial interests could potentially compromise their objectivity or integrity in a particular decision or situation, or a situation in which a person is in a position to derive substantial financial benefit from actions or decisions made in their official capacity

Funding Cycles - a funding cycle incorporates the application process, grant awards process and the completed grant project report

Entity - a person, city department, non-profit group, or ad hoc community group.

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Expenditures - An expenditure is any payment or cost incurred for goods or services. Examples could include paying for materials, buying supplies, or purchasing a new item necessary for the success of the project.

Operating Expenses - the funds a project needs to in order to run the daily operations, distinct from the costs directly tied to producing goods or services. These expenses include items like rent, utilities, salaries, marketing and insurance. Essentially, they are the costs needed to keep the business running.

Operating Funds - refers to the financial resources allocated for the ongoing day-to-day operations of an organization, whether it's a business, nonprofit, or government entity.

Resident – a local, domiciled resident (a Gustavus resident who maintains their primary home or residence in Gustavus)

Scoring Criteria – numerically weighted values used to determine the quality of evidence on the three areas described on the Endowment Grant application; Project Description, Project Goals and Objectives and Budget

Scoping Document - a project statement that defines what will be included and/or excluded for a project and the predicted timeline of that project.

Scoring Guide - a document that includes rows of specific criteria that carries a quantity of points and/or is used to make decisions to award grant funds

Single specific – only one clearly defined or identified project

Gustavus Vision Statement

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We envision a distinctive community...

- **that prospers while, and by, protecting its natural resources,**
- **with a sustainable economy and infrastructure that assures public health and safety and promotes personal development and initiative,**
- **where all members take social responsibility and actively participate in decisions affecting growth development, regulation and enforcement,**
- **in which people can retain a closeness with, and caring for, each other individually and collectively, and work together to accomplish community goals while preserving community traditions.**