



## **CITY OF LINDSBORG**

### **POLICY FOR GRANTS OF LOCAL PUBLIC FUNDS**

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#### **I. POLICY STATEMENT**

The City Council of the City of Lindsborg has stewardship, management responsibility and accountability of local public funds. In the granting of funding requests from organizations, the City Council must ensure that the grant of funds meets a “public purpose” and that the grantee provides accountability for the use of the local public funds.

#### **II. PURPOSE**

The purpose of this policy is to set forth guidelines for the granting of local public funds and to provide a uniform method of approval, payment and accounting of the grants of local public funds.

#### **III. DEFINITIONS**

1. Capital: Assets of significant value and/or having a useful life of several years.
2. Commodity: Assets used in daily operations which have a short life span and must be replaced, i.e. office supplies.
3. Grant: Public money that is allocated to an organization for capital, commodities or in-kind services.
4. In-kind Service: A service that is not normally provided, by the City without compensation, i.e. building permit fees, variance fees.
5. Local Public Funds: Any funds under the custodial and fiduciary responsibility of the City of Lindsborg regardless of source, i.e. property taxes, sales taxes, transient guest taxes, license fees, permit fees, franchise fees, federal and/or state grants, state aid or any other source.
6. Organization: A profit or non-profit entity that provides a public service to the community.

#### **IV. GUIDELINES**

1. The city shall not participate in any working capital or ongoing general operating funding requests by an organization.
2. Each organization requesting a grant must specify the public purpose being met by the grant.
3. The city shall be allowed to participate with organizations with in-kind service where it is in the best interest of the city, the citizens of Lindsborg and the organization.

4. A service agreement to perform a public service must be approved by the City Council prior to the allocation of public funds to an organization. The service agreement must specify:
  - a. The public service to be offered;
  - b. The timeframe in which it will be completed;
  - c. How the action or expenditure will promote the public purpose.
5. Any request for direct grants of public funds must occur in the budget cycle.
6. Any approved direct grants are on a reimbursement basis only. For reimbursement, the following must be submitted to the city Finance Director:
  - a. An invoice specifying the service or product qualifying for reimbursement under this policy;
  - b. A copy of the check which paid for the service or product qualifying for reimbursement under this policy;
  - c. A written report to City Council detailing how the funds were used and the public purpose was met.
7. All capital items that are purchased with grant money must be approved by the City Council prior to disposal, transfer or sale of the property. The disposal or transfer of a commodity item must be approved by the City Council if disposed of within five (5) years of the original purchase.
8. Only one grant request can be submitted by an organization during a twelve (12) month period.
9. Any request for direct grants of public funds must be approved by City Council.
10. Reimbursement will be made monthly as part of the normal City Council pay cycle.

While many councilpersons and committee members themselves are members of various community organizations in Lindsborg, it is the belief that to allow the city to grant operational funding, or the addition of operational funding grants is not in the best interest of the City of Lindsborg, its citizens, its elected officials of today or tomorrow.

This policy shall become effective July 1, 2006.

Adopted this 5<sup>th</sup> day of December, 2005 by the Governing Body of the City of Lindsborg.

/s/ John C. Magnuson  
John C. Magnuson, Mayor

/s/ Jerry Lovett-Sperling  
Jerry Lovett-Sperling, CMC  
City Clerk