

Town of Brattleboro

Grants Manual

Adopted May 15, 2012

This is version 2.0 of the Grants Manual.

Version 1.0 Approved by the Selectboard on February 11, 2008

Version 1.1 changes made:

- Version number added.
- All changes accepted (rather than relying on showing “Final with Markup”)
- Adoption date added to footer
- Formatting changes to headers (resulting in a functional Table of Contents)
- Changed “TOB” to “Town of Brattleboro” or “Town”
- Formatting changes to GISTD and to document as a whole

Version 1.1a changes made:

- Typos (“manager” for “manger”, “from” for “form”, extra spaces between words)
- Updated Selectboard data from 2008 elections

Version 2.0 changes made:

- Grammar, typos, and formatting corrected, general insignificant edits made
- Grant coordinator eliminated and responsibilities added to grants manager
- Job responsibilities edited to reflect actual functions performed
- Grants “Administration” Phrase changed to Grants “Implementation”
- Town contact information changed to general information (page 6)
- Department sponsor section added to Grant Cycle Policies & Procedures (pages 13 & 20)
- Appeals section added to Grant Cycle Policies and Procedures (page 22)
- Close-out section completed (pages 27-28)
- Example of new GISTD added (pages 29-30)
- Example of new award section of GISTD added (page 31)
- Example of grants implementation checklist added (page 32)
- Close-out form example added (page 33)
- GISTD directions for completion updated (page 34)
- Deferred Loans Periodic Review section added (page 41)
- Revolving loan fund polices added (pages 43-57)

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GENERAL GRANT INFORMATION

INTRODUCTION

A grant is simply a transfer of money from someone with money to someone with a great idea but no money. In the case of a municipality, grants are sought in order to provide services, purchase equipment, etc. that cannot be provided by relying solely on taxes and/or user fees.

It is important to remember that obtaining a grant is important but it isn't the measure of success. The true test of success is what happens after the implementation of the grant – has it made a difference to the Town of Brattleboro, improved services, had a positive impact on the lives of the citizens, and reduced costs. The grant itself is not the victory, but rather the increased ability to serve the Town and its residents.

There are many types of grants: large and small grants; single year and multi year grants; general operating and specific goal grants; grants that require a match and those that don't. There are also many types of granting entities: small local foundations and large international foundations; single focus foundations and ones that are more general; government agencies and private foundations.

There are also many ways for the Town to be involved with grant activities. The Town can apply for grants on its own, it can act as a conduit for funds to other organizations, or it can collaborate with other groups in applying for grants.

The world of grants and funding sources is complex and diverse. But there is one constant – everyone expects accountability. Funding sources expect the money to be used for the purpose for which it was awarded and they expect the grant recipient to meet all conditions of the grant. This means that when the Town receives a grant, it must have a system to assure accountability.

As a public entity, the Town of Brattleboro has an additional level of accountability. Besides being accountable to the funding source, the Town must also be accountable to its residents to justify the services provided by grants, and the use of Town resources to implement and administer grants. It is important that everything concerning grants is as transparent and accountable as possible.

To this end the Town of Brattleboro must have policies and procedures in place that meet both the needs of the grantor and the Town. It is important that funding sources are secure in the knowledge that the Town has such policies and procedures in place, it is important that Town employees understand their responsibilities, and it is important that Town residents are able to see and understand how grants are used.

This manual outlines the policies and procedures that ensure accountability and transparency. The thoroughness of the policies and procedures, and the compliance level can affect not only a particular grant but future grants' competitiveness as well.

GRANTS 101: A PRIMER

What is a grant?

The Town of Brattleboro relies on public and private funders to provide funding for a wide variety of projects, including the purchase of equipment and services that might not be possible if funding were limited solely to tax income and fees for services.

While there is a lot of mystique around “grants”, remember it is simply someone with money giving some of that money to someone with a great idea and no money. That is you. Since you are the best salesman of your great ideas, you must sell it to the funder. Mainly they want to know that you are using their money for the purpose they had in mind, that you will follow their rules, and that you will be accountable to them for the money they have given you.

I need some money, should I pursue a grant?

The first thing you should do is give a call to the grants manager to help point you in the right direction. Here are a few things you should be aware of before you begin this venture:

Approval - Many grants come with strings attached that make them less desirable than they might appear on the surface. They may require large investments of time or money from the Town, incur future expenses such as supplies or maintenance, be in conflict with the Town’s overall goals or vision, have unwanted impacts on other services or programs, or have conditions that would limit local control.

To make sure that grants do not have unanticipated consequences, there is an approval process you must follow. This approval might include any or all of the following: department head, finance director, town manager, Capital Grants Review Board, and Selectboard.

Remember this approval process could take a month or more, so plan accordingly.

Funding Source – There are many funding sources – some for very specific purposes, some more general. Funding sources run the gamut of federal agencies to small private foundations. Some are national or international; others are focused only on a specific local community. The grants manager will maintain a resource file of potential funding sources.

If you are aware of a specific source or grant for your project you are one-step ahead. You still need to make sure that this funding source and particular grant are approved and that there is coordination with other Town initiatives.

If you have a project in mind but do not know where to apply, the grants manager can give you some assistance in researching a potential funding source.

What are the steps involved in applying for a grant?

1. The very first thing you need to do is make sure that the project or service you are hoping to fund is one that is consistent with the vision of the Town. If you are unsure about how it might fit with the Town’s goals, an initial conversation with your department head and/or the town manager might be helpful before you begin the grant writing process.
2. Your initial contact with the grants manager will help you determine a funding source. You will then begin researching funding requirements and do initial work on the application to the funding source – you will need enough detail to complete the Application Section of the GISTD.

3. The Grant Information, Status Tracking Document (GISTD) is the form you will be completing as you go through the process. There are four sections – application, award, implementation, and close-out. Specific guidelines are given for completing each section; you need to follow them closely. The GISTD will follow the grant throughout those four stages of its life and will provide a summary of information on the grant as well as defining specific responsibilities.
4. Complete the application section of the GISTD. This is the section that will be used for the initial approval process. You should be as clear and detailed as you can, it will make the approval process smoother. If approval is required by the Selectboard or Capital Grants Review Board, the town manager will make those arrangements. You should attend the Selectboard meeting at which your application will be presented.
5. Write and submit the grant application to the funding source. Submit a copy of application to the grants manager.
6. Wait on pins and needles to hear from the funding source!

The deadline for a grant application is coming up too soon for me to obtain advance approval. What do I do?

If the grant requires a cash match from the Town, you **MUST** obtain prior approval. If the grant does not require a cash match, you can apply for the grant and Town staff approval concurrently, but be advised that if the grant is awarded the Town may decide not to accept the grant award. Concurrent application is for emergency use **ONLY**.

Is there someone available to identify sources of grant funding or write the grant proposal for me?

Unfortunately, the Town does not have the resources for a dedicated grant writer. As much as possible, the grants manager will assist you with researching funding sources and preparing your proposal, including guiding you through this process.

When does the Selectboard need to get involved?

If the funding source itself requires evidence of Selectboard approval of the application, it must be sought at a warned Selectboard meeting. (It should be noted that this is different from a public hearing. Sometimes you will need both a public hearing and approval from the Selectboard. Make sure you are aware of the difference and abide by both requirements. Public hearing is defined in the Glossary). It is generally not necessary to have a fully completed grant proposal ready for the Selectboard's review – a summary of the grant proposal and a budget are generally sufficient.

If the grantor does not require Selectboard approval, the town manager will let you know what approval will be required for your grant. In general, if no cash match is required, no significant additional expenses are incurred as a result of the grant, and it is not a new program or service approval can be granted by the town manager.

The town manager and grants manager will guide you through the approval process.

Good news! I received notification that my grant was awarded. Now what?

Before you can even accept the grant, you will need to get the approval of the Selectboard. This will be coordinated with grants manager and town manager.

Now comes the part where all the accountability begins. Although not as exciting as the development of a project and implementation of a grants, this is a crucial function and must be taken seriously.

Grants come in all shapes and sizes, and what happens next will vary according to the funder. Private foundations may send a simple letter that your proposal has been accepted and funded and this letter of notification may be accompanied by a check. Most state and federal grants will send a letter that may accompany a grant agreement that will require the town manager's signature.

Regardless of your situation, you must receive authorization from the finance director before you incur any costs under the grant. No funds will be released to you without prior approval from the finance director.

Complete the award section of the GISTD. Submit it along with the award notification from funding source to the grants manager.

What is the GISTD? (Grant Information, Status, and Tracking Document)

This is a form that guides the progress of a grant from beginning to end. It will be your roadmap for the grant. At any given moment in time, this form will give a clear picture of the status of the grant, which person is responsible for certain actions, and a summary of the grant activities. It contains four sections (application, award, implementation, and close-out) that will be completed progressively during the life of the grant.

What grant files need to be maintained?

It is important that an official file be appropriately maintained. While there are some records that will be kept in the department sponsoring the grant, the official record, and reports will be kept in grants manager's office. The GISTD will outline the specifics.

If all the records are filed in a timely manner and maintained correctly, the job of reporting and auditing will be made much easier. If this is not done it could impact not only your ability to get support from the Town for future grants but could damage your reputation with funding sources.

How do I close-out a grant?

Most grants have a specific end date or trigger that signifies the end of the grant. When it is reached the grant must be closed out. This includes a review by grants manager, project manager, finance director, and the responsible department staff. All records will be reviewed and a summary of the grant will be completed and put in the file. All funding source requirements and all Town requirements will be completed.

OKAY?

Now that you understand a little better about what happens around a grant, it does not seem so intimidating does it? If you are still game – go for it and good luck!

USE OF THE GRANTS MANUAL

General

Understanding grants can be confusing and seem somewhat mysterious. To assure transparency and accountability, the Town has developed this Grants Manual. It contains general information about grants and the Town's policies and procedures for grants both coming to the Town of Brattleboro and those awarded by the Town of Brattleboro.

Each granting agency may also have its own Grants Manual containing its policies and procedures. Should there be a conflict between the granter's policies and procedures, and those of the Town, there must be a resolution of that conflict before the onset of the grant. The grants manager is responsible for identifying any conflicts. Resolution will be reached in a meeting of the applicant, grants office, town manager, and finance director. The grants manager is responsible for convening that meeting.

It is the expectation that anyone applying for and/or receiving a grant will become familiar with and comply with these policies and procedures. Training will be provided for specific activities, but it is the responsibility of each employee to be aware of these policies and procedures before applying for a grant. As with all other policies and procedures, compliance is expected and will be part of any job evaluation.

When to use the manual:

Grants

All the policies and procedures in the manual must be followed whenever a grant is applied for or a grant is awarded, even though it may not have been sought and applied for with a formal application. In other words, all grants, irrespective of size, source, applied for, or not, must adhere to these policies.

Gifts

The policies must also be adhered to when a gift has a potential impact similar to that of a grant. The specific times when a gift must be treated as a grant and these policies must be followed are:

- The gift is not part of the department's adopted budget
- The gift is not part of the department's approved capital campaign
- The gift will have an impact on the department or Town resources at the time of the gift
- The gift will have an impact on the department or Town resources on an ongoing basis
- The gift does not seem to be consistent with the vision or mission of the Town of Brattleboro
- The gift seems to be in conflict with existing programs of the Town

TOWN CONTACTS

Main Address for Town Employees

Municipal Building
230 Main Street
Brattleboro, VT 05301
(802) 254-4541

Town Manager

(802) 251-8102
townmanager@brattleboro.org

Finance Director

(802) 251-8104

Grants Manager

(802) 251-8122
grantmgr@brattleboro.org

Brattleboro Selectboard

There are five members of the Selectboard serving 1 to 3 year terms. For a current listing of Selectboard Committee members, please visit the Town's website (www.brattleboro.org), click on the "Town Government" tab, and then click "Selectboard".

The Selectboard meets the first and third Tuesday of each month, beginning at 6:15 PM. Meetings are held in the Selectboard meeting room which is located in the Municipal Center 230 Main Street, 2nd Floor Suite 212.

Capital Grants Review Committee

See description in the glossary section of this manual. For a current listing of Capital Grants Review Committee members, please visit the Town's website (www.brattleboro.org) and click on the "Town Government" tab and then click "Boards and Committees".

GLOSSARY

Administrative Fee

A grant can be expensive to administer as it requires the resources of Town personnel and that ultimately costs the Town. Some funding sources allow an administrative fee to help offset this cost. The fee can be a percentage of the grant or a flat amount. Some funding sources specify how that fee is to be applied; others leave it to the discretion of the Town, but most require documentation.

Application

Each funding source has its own application procedure. It will specify:

- When applications may be submitted. This could be anywhere from only once a year to rolling applications that may be submitted anytime;
- The form the application needs to take. It may be a simple letter or a long formal form;
- Required supporting documents and information;
- Who can apply and what level of sign off is required by the applicant;
- All other information required of the applicant

Assurances

Some funding sources, most notably the federal or state government, want assurances that the applicant is following other laws. This includes non-discrimination laws in hiring and contracting, ADA requirements, conflict of interest, etc.

Award

The award is simply the money, equipment or other benefit of the grant itself.

Award Notification

When the funding source makes the decision to award the grant it will notify the applicant. The notification may be a letter, a letter with the check attached, or a form indicating the award has been made but there still needs to be an agreement with all parties agreeing to all the grant conditions.

Capital Grants Review Committee

The Capital Grant Review Committee was established to study and evaluate all requests made on behalf of the town or its boards for grants or loans for capital expenditures. It is not a charter committee but was established by Town Meeting to study and evaluate all requests made on behalf of the Town or its boards for grants or loans for capital expenditures. All applications for grants that involve a capital expenditure need to come before the CGRC. The CGRC submits its recommendations to the Selectboard or the school directors, as appropriate. Its recommendations are advisory only. The CGRC consists of two representatives appointed annually by the Selectboard, two representatives appointed annually by the school directors, and two representatives appointed annually by the Town Meeting.

Capital Expenditure

Any purchase that is over \$10,000, is a fixed asset, and has a life expectancy over one year is a capital expenditure. For example, 12 computers for a total of \$15,000 is not a capital expenditure – the value of each is \$1,250. However, a single piece of equipment valued at \$11,000 is a capital expenditure.

Close-out

Some grants have a definite end date and when reached, the grant is over. Some have a specific purpose, such as the purchase of a piece of equipment, and when that is completed, the grant is over. Whatever the defined end of the grant, once it has been met the grant will need to be closed out. This involves conducting a final accounting and reporting, writing a summary report, and satisfying other conditions that may have been imposed by the funding source and/or the Town, and reclassifying it as a non-active grant. There are two levels of close-out. The first is closing it out with the funder. The second level is when it is no longer active on the Town books. This most often happens because of different fiscal years.

Conflict of Interest

The Town of Brattleboro has conflict of interest policies as part of its personnel policies for employees, in the Town charter for elected officials, and in the procurement policies. It is the expectation that anyone involved in a grant activity will be aware of and follow these policies. The conflict of interest policy will be made known to all outside bidders and will be included in all outside vendor contracts.

Personnel handbook conflict of interest policy, “No employee shall engage in self-benefiting arrangements; contractual or otherwise, direct or indirect, which results from employee’s position, knowledge and/or responsibilities as an employee of the Town.” (*Town of Brattleboro Employee Handbook version 07/2008, chapter 4, section V, pg 4-2*)

Charter conflict of interest policy, “No member of any town or town school district board, commission or committee shall vote on any matter where there is a direct or indirect financial interest, or on any direct or indirect personal interest, without the consent of the majority of fellow board, commission, or committee members given in public session.” (*Town of Brattleboro Town Charter adopted 02/16/1984 and amended April 2007, section 8, pg 3*)

Procurement conflict of interest policy (*Town of Brattleboro Default Procurement Manual adopted 04/15/2008; pg 15*)

“No employee, officer, agent, immediate family member, or Board member of the Town shall participate in the selection, award, or administration of a contract supported by Federal or State agency funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the following has a financial or other interest in the firm selected for award:

- (1) The employee, officer, agent, or Board member,
- (2) Any member of his/her immediate family,
- (3) His or her partner, or
- (4) An organization that employs, or is about to employ, any of the above.

The Town's officers, employees, agents, or Board members will neither solicit nor accept gifts, gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-grant agreements. The Town may set minimum rules when the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by state or local law or regulations, such standards of conduct will provide for penalties, sanctions, or other disciplinary action for violation of such standards by the Town's officers, employees, or agents, or by contractors or their agents.”

Drawdown

A drawdown is the act of getting the funds from the funding source to the appropriate Town bank account. It is often referred to as a requisition for funds. This is done according to the conditions and agreement of the grant. It may be done at regular intervals; it may be as reimbursement for money spent on the project; or it may be by some other arrangement. The procedure and person responsible for drawdowns varies from grant to grant and should be established during the award phase of the grant.

Finance Director

The finance director is hired by the town manager and as the CFO (Chief Financial Officer) is responsible for administering the Town finances. When a policy calls for finance director approval or involvement, he/she may appoint a designee but the ultimate responsibility and authority remains with the finance director.

Gift

When is a gift treated like a grant? There are two sayings that both address this dilemma. “Never look a gift horse in the mouth” and “There is no free lunch”. Although it would seem that accepting a gift is something to be taken for granted, in the case of a municipality it might need more forethought. If a gift has an impact on the resources of the Town or if it seems to be in conflict with the vision or mission of the Town, it needs to be treated like a grant. The policies define the specifics.

Grant

A grant is essentially a transfer of money (or other resource) from someone with the money to someone with a great idea or financial need, but does not have the funds. In most instances it must be applied for, it is competitive, and conditions are imposed by the funding source. There are occasions when grants are awarded without an application. This happens most often with federal or state funding agencies that award funds or equipment based on a formula – often a per capita formula.

Grant Agreement

All agreements need to be in place before a grant can be officially accepted and executed. This includes the GISTD, an agreement with the funding source, any agreements with an outside sub-grantee, a contract or MOU (Memorandum of Understanding) with any outside project manager or other contracted entity. The grant agreement or MOU will outline each party’s responsibilities and authorities. It is essentially a contract between the parties around how to administer the grant.

Grant Conditions

Often a funding source will attach conditions to a grant. A condition might be as simple as requiring that it enhance public access to a service. A condition could be as complicated as requiring that it provide benefit to low and moderate-income people. Generally if there are grant conditions, the award will not be honored until all parties agree to the conditions. All the conditions will be spelled out in the grant agreement. Often, the final payment of the grant will not be made until all conditions are met. Not fulfilling the conditions can have a negative impact on future dealings between the parties.

Grant Cycle

Some funding sources have a grant cycle that allows applications and awards only at a certain time. It is very common for federal or state agencies to have from one to three cycles per year.

GISTD (Grant Information, Status, and Tracking Document)

The life of a grant has four stages – application, award, implementation, and close-out. During each of these stages it is important to know who is responsible for activities and how they will be implemented. Funders need to know that their money is being spent correctly. The Town needs to be able to report grant activity to citizens. Auditors need to be able to access information easily. A GISTD will contain all the information about the grant necessary to meet the aforementioned objectives.

In addition to providing general information and status of the grant, this form serves as a contract between the various players by assigning responsibilities and authorities. It acts as a grant agreement between the Town parties. There may be additional grant agreements if outside entities are involved. The GISTD defines and clarifies additional or unique responsibilities and authorities for each individual grant.

Grants Manager

The grants manager is the person who assures that the grant itself is properly implemented, administered, and documented. This includes procurements, drawdowns, payments, and conditions of the grant and all other aspects of administering the grant. The GISTD will clarify this for each specific grant. The position will develop a resource file of funding sources and work with departments and outside groups when appropriate to help match funding sources to Town needs. The grants manager will develop and maintain the official grant files and a master list of all grants on a fiscal year basis.

Hearing

A hearing is an opportunity for interested parties to have input into an issue under discussion. A hearing can be an informal gathering or a highly regulated meeting. Some funding sources have particular requirements for a hearing. It is important to follow their guidelines. If the requirement calls for a “public hearing” it has very specific implications. A public hearing is different from a hearing. It is a very specific legal term and requires adherence to the public hearing law. See the definition of a public hearing below.

Implementation

The administration of a grant is essentially the carrying out of the implementation of the service or project. Because this is the grant phase that can cause misunderstandings of responsibilities leading to potential irregularities or problems, it is extremely important to pay close attention to all requirements in this phase. Town of Brattleboro policies define many of the administrative responsibilities, and additional ones are detailed in the GISTD

Master Grant List

The master grant list is a document containing pertinent information on all grants in the Town. It will provide a picture of grant activity in the Town at a given time. The list will be compiled and maintained by the grants manager. It includes various information and data on each specific grant.

Match

Often a funding source wants to see a commitment to a project or service from the applicant. One way of doing that is to require that the applicant match part of the grant. The match can be in any ratio to the grant – 1:1, 1:2, a token amount, a set amount regardless of the amount of the grant. It might be a cash match or an in-kind that can be met by the work of the Town employees or volunteers. There are many types of match and many ways to meet it. A match

can have a significant impact on the resources of the Town and thus it is important to understand the match requirements before accepting the award.

Motion for Selectboard Approval

Before a grant can be finally accepted, it must be approved by the Selectboard. Arrangements for approval will be made by the town manager with the assistance of the grants manager. The motion of the Selectboard must be worded “to accept the grant and to appropriate (the amount of the grant)”.

NEMRC

The accounting system used by the Town.

Procurement

The Town has a procurement policy and procedure manual that sets forth all the expectations surrounding procurement for employees, board members, and third party participants in grant activities. “General Policy. It is the policy of the Town that the purchase of all goods and services be accomplished in a manner providing full and open competition and equitable treatment of all potential vendors and sources. The Town shall apply sound procurement policies and procedures throughout the entire procurement cycle.” (*Town of Brattleboro Default Procurement Manual adopted 04/15/2008, pg 2.*) It is the expectation that everyone involved with procurement activities as a part of a grant will be familiar with the details of the procurement policies and procedures and conform to them.

Project Manager

The project manager is the person most closely associated with implementing the project, program, or service. It can be an employee of the Town, an employee of an outside entity with whom the Town is collaborating, or an outside entity that the Town contracts with to implement the specific project, program, or service. Regardless of the position, the project manager is expected to be familiar with all Town policies and procedures relating to grants and to adhere to them. Each grant agreement will specify who the project manager is for that particular grant. If the project manager is a contracted outside entity, there must be a contract agreed to and signed by all parties before the grant can be implemented.

Public Hearing

In Vermont, a public hearing has a very explicit meaning and to qualify as a public hearing it needs to follow the law exactly. The law requires notice in a newspaper of general circulation in the community and a posting in one or more public places in the community. These must be done 15 days prior to the hearing. The hearing must be officially opened and officially closed, attendance kept, provide adequate time and opportunity for public comment, and official minutes kept. All this must be done for an official public hearing even if it part of a regularly scheduled meeting of a board or commission. If any of these does not happen, any action taken as a result will be voided and the meeting must be warned and held again. (Vermont Statutes 24 VSA 4462-4467)

Sub-Grantee

When the Town is the applicant but the project is actually intended for and implemented by an outside entity that outside entity is the sub-grantee. The Town receives the grant and in turn grants or loans it to another entity. This is often the case with the Vermont Community Development Program where the town either receives money in the form of a grant and then grants or loans it to an outside entity. Examples are a grant that may be made for the purpose of

housing through Windham Housing Trust (WHT is then the sub-grantee), or for a Small Business Assistance Program (SBAP) loan to a business located in the Town (the business is the sub-grantee).

Summary Report

At the close-out of a grant the project manager will write a summary of the grant and the grant activity. It will become part of the permanent record.

Town Manager

The town manager in Brattleboro is hired by the Selectboard to be CEO of the Town seeing to the day-to-day operations and carrying out the goals and visions identified by Town. When a policy calls for the approval or involvement of the town manager he/she may appoint a designee but the ultimate responsibility and authority lies with the town manager.

TYPES OF GRANTS

Money Coming to the Town of Brattleboro

The first type is the grant that brings money or equipment to the Town. The Town uses such grant money to fund programs, services, and purchase equipment that would otherwise have to come from either local taxes or user fees or to purchase services and equipment that would otherwise be unavailable. They can come from a variety of sources, primarily government agencies and private foundations.

A grant coming into the Town may be initiated from a number of sources. A town department may be the applicant, a combination of departments, or the Town/department in collaboration with an outside entity. The outside entity may be a non-profit, a for-profit, or just a group of local citizens. This collaboration usually happens because the entity needs to show Town support for the activity and grant, or it may need the Town to be the actual applicant.

Money Awarded by the Town of Brattleboro

The second type of grant is money that is loaned or granted by the Town to individuals or businesses for specific purposes. The money to capitalize these loan funds can come from a number of sources. It could be state or federal money that has flowed through the Town to another entity and is now paid back; it could come from a private investor or endower; or it could come from the general fund. Some of this money has restrictions, some does not.

Town of Brattleboro Initiated Grants

The Town of Brattleboro as an entity might seek a grant to implement goals outlined in the Town Plan or other Town document or defined goal. Examples of this type of grant are the Transportation Center, the Whetstone Path, and Plaza Park.

Department Initiated Grants

A particular department of the Town might become aware of a funding source that can meet some of its needs and apply as a department. Examples of this are the Police Department applying for Homeland Security grants to buy new cruisers, Brooks Memorial Library applying for a grant to purchase more books, the Town Clerk's office applying for Help America Vote Act money to upgrade voting equipment.

Town of Brattleboro Supported

Many programs, services, or projects are better and more appropriately delivered by entities other than the Town itself. Often there may be grant money available to those entities if they have the support of the Town. There are many types of support ranging from as simple as the Selectboard writing a letter of support, to the Town being the actual applicant. When the applicant simply needs a letter of support from the Town, the Selectboard may provide such a letter. In this instance the Town has no responsibility toward the granter or the applicant except to express its support.

Department Sponsor

Every grant must have a Town department sponsor the grant. The sponsoring department is responsible for the overall execution of the project, adhering to grant provisions and any requirements of the grant. In most cases, this is the same department that is applying for the grant. Organizations outside the Town departments must request sponsorship by a department.

Town of Brattleboro as Conduit for a Nonprofit Entity

Often nonprofits are eligible for grants only if they are actually applied for and monitored by the Town. An example of this is the Town acting as the applicant for funds for the Brattleboro Community Land Trust to rehab the Birge Street Basketville property, or CABA to establish the evening childcare program at Canal Street School. The Town is the official applicant but it becomes a conduit for the funds to go to the nonprofit for the specific project. The Town acts as the grants manager to make sure that the grant is properly administered but does not have any responsibility or authority over the project itself. The outside entity is expected to follow the policies and procedures of the Town in the role of applicant and project manager.

Town of Brattleboro as Conduit for a For-profit Entity

There are some funds that are available as loans to for-profits but must go through a municipality. These funds are almost always aimed at economic development and provide low interest loans to help fill gaps in conventional financing packages. The Town is the applicant, and in turn loans the money to the for-profit. The Town acts as the grants manager to make sure that the grant is properly administered but does not have responsibility or authority to implement the project itself. The outside entity is expected to follow the policies and procedures of the Town in the role of applicant and project manager. Repayment of these loans is usually used by the Town to capitalize its revolving loan funds for the Small Business Assistance Program, the Disaster Relief Assistance Program, and the Rental Housing Improvement Program.

Town of Brattleboro as Sponsor

Sometimes the granting agency requires a more active collaboration and asks the Town to actually sponsor the program. A Town department must agree to sponsor the grant. The department head's decision to sponsor a grant is final; the appeals process may not be used should the department head deny sponsorship of the grant. The sponsoring department is responsible for the overall execution of the project, adhering to grant provisions and any requirements of the grant. Examples of this are Cities for Climate Protection, and the Justice Center. The Town acts as the grants manager and usually must provide match for the grant. The outside entity would generally be the project manager. Although the Town does not have authority over the program itself, just the grant, because of the sponsorship relationship there is some level of oversight. The outside entity in this case is expected to follow all the policies and procedures in this manual and those of the Town in general when they are applicable.

JOB RESPONSIBILITIES

Outside Entities (subapplicants, contractors, etc)

It is the expectation of the Town that anyone who is a collaborating entity, a subapplicant, contractor, or any other entity involved in a grant with the Town, will be familiar with and adhere to the policies and procedures of this manual. In addition they will be expected to abide by the conditions set forth in their grant agreement or Memorandum of Understanding. If these policies and procedures are violated it will have an impact on future involvements with the Town grant functions.

All Town of Brattleboro Employees

In order to be transparent and to provide accountability to both funding sources and the residents of the Town, policies and procedures have been established that will guide grant activities.

Each granting agency may also have its own Grants Manual containing its policies and procedures. Should there be a conflict between the granter's policies and procedures and those of the Town, there must be resolution of that conflict before the onset of the grant. The grants manager is responsible for identifying any conflict. Resolution will be reached in a meeting of the applicant, grants office, town manager, and finance director. The grants manager is responsible for convening that meeting.

It is the expectation that anyone applying for and/or receiving a grant will become familiar with and comply with the Town's policies and procedures. Training and instruction will be provided for specific activities but it is the responsibility of each employee to be aware of these policies and procedures before applying for a grant. As with all other policies and procedures of the Town, compliance is expected and will be part of any job evaluation.

Specific Job Responsibilities

This is a general outline of responsibilities of the parties involved in most grants – the applicant, town manager, finance director, grants manager, and project manager. The actual responsibilities may differ slightly depending on the specific grant. It is important that the administrative section of the GISTD be discussed with all the parties before the grant becomes active. It defines in detail specific responsibilities.

The responsibilities are broken into five sections for each position – general, and the four GISTD stages: application, award, implementation, and close-out.

Applicant (staff/department head/community group)

General

- In most cases will act as project manager
- Generally will define the need
- Be familiar with and abide by all the policies and procedures in this manual and other policies and procedures established by the Town as applicable to the grant
- In the case of community group, will need to have close contact with appropriate Town department and the grants manager
- Connect periodically with the grants manager for grant monitoring purposes

Application

- Meet with grants manager
- Complete application section of the GISTD and submit to grants manager
- Create project budget – submit with GISTD
- Determine match and source
- Determine administrative fee allocation
- Receive all necessary recommendations and approvals
- Meet with Selectboard and Capital Grants Review Committee as appropriate
- Write grant application, with assistance from grants manager if appropriate
- Keep copy of grant application
- Submit copy of grant application to grants manager

Award

- Keep copy of award notification and grant agreement, submit originals to grants manager
- If check came with notification, submit it to grants manager
- Receive all necessary approvals
- Incur no costs before authorization from the finance director

Implementation

- Follow all the steps of reporting and recording keeping as defined in grant agreement
- Fulfill all grant requirements as defined by funder
- Implement the grant
- Based on the GISTD set up appropriate files and responsibilities within department

Close-out

- Write a summary of the grant and submit to grants manager
- Review grant close-out with grants manager and finance director
- Complete any closing activities as required by funder and by the Town

Grants Manager

General

- Report directly to finance director
- Research funding opportunities and maintain resource file of potential funding sources
- Alert departments of potential funding sources for their service areas
- Meet with departments to review grant needs as required
- Meet with town manager and finance director as needed to review all grant activity
- Attend department head meetings as needed
- Collaborate with appropriate community groups
- Maintain official copies of all grant paperwork
- Act as liaison between applicant and town manager and finance director
- Assure completion of the GISTD through all stages
- Be the convener of regular reporting meetings on all grant activities between town manager and finance director
- Notify appropriate town departments of the award and any impact on them
- Verify that all required assurances are current and on file, produce assurance forms for grant applications when necessary

Application

- Assist applicant to complete application section of GISTD
- Work with department heads, staff, and community groups to assist with writing grants
- Prepare grant documentation for submission to Selectboard and notify applicant of arrangements

Award

- Review the award for changes since application
- Complete award section of the GISTD and submit to town manager along with original award notification

Implementation

- Complete the grant implementation form and checklist
- Assign account numbers
- Assist applicant in setting up procedures as defined in the grant implementation form and checklist
- Review NEMRC for consistency with grant records
- Identify inconsistencies with Town policies and procedures with those of grantor
- Convene meeting with applicant, town manager, finance director to resolve any policy discrepancies
- Meet as needed with grant recipients for reporting and conformance
- Prepare monthly grant master list for finance director, town manager, and Selectboard
- Receive reports from treasurer regarding money received for specific grants.
- Keep all income and expense statements for grants
- Submit reports to funding sources
- Prepare drawdowns when appropriate

Close-out

- Complete close-out reports to funder as needed
- Close-out internal financial reports/reconcile with NEMRC
- Complete internal close-out form
- Have review with applicant and finance director/town manager as needed

Town Manager

General

- Provide visionary leadership for grant funding directions
- Meet as needed with grants manager and finance director to review grant activity
- Act as liaison for applicant with the Selectboard and Capital Grants Review Committee
- Communicate all grant policies and procedures to appropriate personnel
- Oversee update of Grants Manual in conjunction with grants manager and finance director
- Notify personnel of updates
- Assure compliance with policies and procedures as part of personnel evaluation
- Incorporate a “grant” item on department head meeting agendas as needed

Application

- Review application section of GISTD for conformance with Town priorities

- Approve appropriate applications
- Make arrangements with Selectboard for approval when necessary
- Convene Capital Grants Review Board if necessary

Award

- Act as liaison with Selectboard for final approval of grant
- Execute all grant agreements (except in rare instance where funder requires it to be another party)

Implementation

- Review regular grant report from grants manager
- Provide regular reports to Selectboard and other appropriate parties

Close-out

- Review grant implementation for conformance with goals
- Sign off on close-out per funder's requirement

Finance Director

General

- Oversee the financial duties of grants manager
- Provide leadership concerning grant funding as part of present and future budgetary projections and needs
- Meet as needed with grants manager and town manager to review grant activity
- Insure financial management oversight of all grants
- Assure training in financial management procedures for all appropriate personnel
- Oversee update of the Grants Manual in conjunction with grants manager and town manager

Application

- Review application section of GISTD for conformance with budgetary projections
- Participate in negotiating the implementation section of the GISTD

Award

- Review award for changes since application
- Review award conditions

Implementation

- Reconcile with departmental budget
- Establish consistency with NEMRC
- Assure accuracy of account numbers
- Oversee income and expense control and reporting
- Drawdown grant money as required

Close-out

- Review final finances of grant
- Sign off on grant as required

Project Manager

- In many instances the project manager will be the applicant and as such responsibilities are defined in that section.
- In the instance where the project manager is not the applicant, the roles, and responsibilities will be clarified in the GISTD and a contract or grant agreement.

Treasurer

- Receive and deposit grant money

Other Town of Brattleboro Personnel

- Responsibilities as defined in GISTD

Community Group

- Responsibilities as defined in GISTD

GENERAL POLICIES AND PROCEDURES

General Compliance

The policies and procedures in this manual are those that are specific to grant activities within the Town. As part of any grant activity, many are covered by general Town policies and procedures. While not specifically defined or referenced here, it is the expectation that all the general policies and procedures of the Town will also be followed by those involved in grant activities. For example, the business ethics policy applies to grants although not specifically referenced; the procedures for purchase orders are to be followed even though not spelled out in this manual. Job evaluations will reflect this expectation. Compliance review will be a regular part of the department head meetings and periodic meetings with departments, the town manager, and the finance director.

Communicating Policies to Appropriate Personnel

The town manager will be responsible for communicating policies and procedures governing grants to all appropriate personnel. This includes, but is not limited to, department heads, elected officials, and other personnel. It will be done in writing and in discussion at regular department meetings. The contents of the Grants Manual will be available in print and on line. When changes are made, the town manager will post those changes, distribute hard copy replacements for the print format, and inform all appropriate personnel in writing.

Ensuring Compliance with Established Policies

This Grants Manual defines responsibilities, policies, and procedures. While the ultimate responsibility for ensuring compliance by all personnel in the Town rests with the town manager, it is the expectation that all employees will be familiar with this manual before applying for a grant and will comply with all the policies and procedures as outlined. Job evaluations will reflect this expectation. Compliance review will be a regular part of the department head meetings, the grants office meetings with departments, and the periodic meeting of the town manager, finance director, and grants manager.

Assurances

Often a funding source will require assurances that the applicant has established and adopted policies relative to such areas as non-discrimination, conflict of interest, ADA requirements, disadvantaged business enterprise goals, etc. It is the responsibility of the grants manager or project manager to keep all assurances up to date, on file and produce the necessary paper work for grant applications when necessary.

General Informational/Reporting Meeting

The grants manager shall attend regularly scheduled department head meetings of the Town as needed to discuss grant activity. The town manager is responsible for including a “grants” item on the agenda of the meeting.

The grants manager will meet with department heads as needed to review all current and potential grant activity. The grants manager is responsible for scheduling and convening the meetings. The meetings should be timed so that current information can be presented at the department head meetings.

The grants manager, finance director, and town manager will meet as needed to review compliance with all policies and procedures, review and adopt grant agreements, review the master grants list, problem grants, close-out reports, remaining Town involvement in grants, and a review of potential policy changes. Because of timing in grant awards and acceptance, the grants manager may call a special meeting at any time to assure timely review and establishment of responsibilities.

Training in Financial Management Oversight

The finance director will ensure the financial management oversight and will ensure that all appropriate personnel have training in financial management procedures.

Authorization to Sign for Grant

Unless otherwise required by the funder, the town manager is the authorized Town signatory for all grants.

Public Hearing

In Vermont, a public hearing has a very explicit meaning and to qualify as a public hearing it needs to follow the law exactly. The law requires notice in a newspaper of general circulation in the community and a posting in one or more public places in the community. These must be done 15 days prior to the hearing. The hearing must be officially opened and officially closed, attendance kept, provide adequate time and opportunity for public comment, and official minutes kept. All this must be done for an official public hearing even if it part of a regularly scheduled meeting of a board or commission. If any of these does not happen, any action taken as a result will be voided and the meeting must be warned and held again. (Vermont Statutes 24 VSA 4462-4467)

GRANT CYCLE POLICIES AND PROCEDURES

----Application Phase----

General

Many grants come with strings attached that make them less desirable than they might appear on the surface. They may require large investments of time or money from the Town, incur unwanted future expenses, be in conflict with the Town's overall goals or visions, have unwanted impacts on other services or programs, or have conditions that would limit local control. To make sure that grants do not have unanticipated consequences, there is an approval procedure that must be followed. Approval must be obtained from the sponsoring department, finance director, town manager, and when appropriate, the Capital Grants Review Committee and Selectboard. It is important to know that this approval process could take a month or more.

Department Sponsorship

Every grant must have a Town department sponsor the grant. The sponsoring department is responsible for the overall execution of the project, adhering to grant provisions, and any requirements of the grant. In most cases, this is the same department that is applying for the grant. Organizations outside the Town departments must request sponsorship by a department. A decision by a department head not to sponsor a grant is final and may not be appealed.

Department Head Review

The department head will review the grant application for;

1. Consistency with departmental goals, the Town plan, and capital improvement plan
2. Availability of department resources
3. Impact on department budget
4. Ability of outside organization to carry out grant terms

If the department head believes that the grant application does not satisfactorily address the above criteria, the department head may reject the application returning it to the applicant with a written explanation of why the application was rejected. The decision of the department head is final.

Finance Director Recommendation

The finance director will review the grant application for:

1. Budget accuracy
2. The Town's commitment to providing matching funds or resources
3. Unintended financial obligations of the Town during and after the life of the grant
4. The financial impact the program or service may have on other Town activities

As part of the review, the application will be discussed with the applicant and based on the above assessment, the finance director will:

1. Make a recommendation to the town manager for approval
2. Recommend review by the Capital Grants Review Committee
3. Recommend not approving application

Town Manager Approval/Recommendation

The town manager will review the application for:

1. Consistency with the Town's goals and visions as expressed in the Town of Brattleboro Town Plan, Town Meeting minutes, Selectboard goals and other Town documents and records
2. Commitment of other Town resources during and after the life of the grant
3. Impact on other Town resources and services
4. Potential collaboration with other pending grant applications
5. Relationship and impact on the larger community
6. Possible outside partners in the project
7. The applicant's priority for this particular funding source
8. The funding source's appropriateness for this project

If the town manager believes that the grant application does not satisfactorily address the above criteria, the town manager may reject the application returning it to the applicant with a written explanation of why the application was rejected. Applicants whose application are rejected may reapply and if rejected again may request a final review of determination by the Selectboard.

When all the above criteria are satisfactorily addressed, the town manager may give the approval to the applicant if:

1. The grant is a renewal;
2. The service or project is ongoing but is simply seeking a new source of funding; and
3. There is no capital expenditure; and
4. There is no cash match; and
5. Selectboard approval is not a requirement of the funding source

If it is determined that this application needs to go before the Capital Grants Review Committee, the town manager will make those arrangements. If the application requires Selectboard approval, the grants manager will prepare the documents and the town manager will make those arrangements.

Capital Grants Review Committee Approval Criteria

When the grant involves a capital purchase, the town manager will set up a review by the Capital Grants Review Committee. A capital purchase is defined as a fixed asset with a life expectancy over a year with a value of over \$10,000. In its review the Committee will consider:

1. Whether it is consistent with the Town's capital purchase plan
2. What are the likely ongoing maintenance costs
3. Replacement costs
4. How will these costs impact the approved capital purchase plan

The Committee will make its recommendation to the Selectboard for either approval or not.

Selectboard Approval Criteria

The Selectboard will have final approval of all grant applications that do not meet the criteria listed in the town manager's approval/recommendation section. In making the decision, the Selectboard will consider the recommendations of the finance director, town manager, and Capital Grants Review Committee. Their criteria will include all the criteria used by the other reviewers in addition to whether or not it is appropriate for the Town and whether there might be any unintended consequences. The Selectboard will also use its own best judgment and consider input from citizens.

All awarded grants require approval for acceptance from the Selectboard. This is done after the award notification has been received and the GISTD has been completed. The grants manager will prepare the documents and the town manager will make any necessary arrangements.

Late Application Policy

In general, all approvals will be obtained before actual application submission to the funder. In a few instances there could be a time constraint that prevents getting the approvals before the grant is due. This may happen because of late notification by the granting agency, an emergency, or last minute awareness of a potential grant.

If there is no match required by the Town, it is possible to apply for the grant and the approvals concurrently. However, this is to be used only when unavoidable and there still remains the possibility that even if the grant is awarded, the Town may decide not to accept it.

If there is a cash match required by the Town, full Selectboard approval **MUST** be obtained prior to submission of the grant application.

Appeals

Applications that fail to obtain the necessary finance director, town manager, or Capital Grants Review Committee approvals will receive a written letter from the town manager outlining the reason(s) why the grant application failed to receive approval. The applicant may appeal the decision by submitting a letter in writing to the town manager addressing the reasons why the application was denied. The town manager will present the application, the letter of denial, and the letter of appeal to the Selectboard for their final decision on the grant application. This appeals process is only for denial by the finance director, town manager, or Capital Grants Review Committee. It is not to be used by an applicant or outside entity to appeal to a department head decision not to sponsor the grant application.

----Award Phase----

Notification of Award

Upon notification of a grant award, the applicant will forward a copy of the award document, along with a check if appropriate, to the grants manager. The grants manager will make arrangements for the town manager and the finance director to review the award and the conditions. The town manager, finance director, grants manager, and applicant will review the conditions. The grants manager will complete the award section of the GISTD.

The grants manager will prepare the documents and the town manager will make arrangements for the Selectboard to review the grant, accept the award, and appropriate the funds. In making its decision, the Selectboard will use the same criteria used in the application process, in addition to any award conditions and any new information.

Notification of Unanticipated Award

There are times when grants are given to the Town without an application. This usually happens when there is state or federal money simply given to municipalities based on demographic or statistical perceived need. When this happens, the department receiving the grant will inform the grants manager.

The grants manager, town manager, finance director, and grantee will then meet to make appropriate arrangements. The GISTD will be completed following all the established procedures. Once that is completed, the town manager will bring the award to the Selectboard for review, acceptance, and appropriation of funds. It is expected that the policies and procedures established by the Town will be followed in accepting and administering the award.

Gift to the Town of Brattleboro or Department

When is a gift treated like a grant? There are two sayings that both address this dilemma. “Never look a gift horse in the mouth” and “There is no free lunch”. Although it would seem that accepting a gift is something to be taken for granted, in the case of a municipality it might need more forethought. If a gift has an impact on resources of the Town or if it seems to be in conflict with the vision or mission of the Town, it must be treated like a grant. Once a gift is offered, the recipient will meet with the grants manager to determine the procedure. If applicable, the GISTD must be completed and all policies and procedures for grants adhered.

The specific times when a gift must be treated as a grant and these policies must be followed are:

- The gift is not part of the department’s adopted budget
- The gift is not part of the department’s approved capital campaign
- The gift will have an impact on the department or Town resources at the time of the gift
- The gift will have an impact on the department or Town resources on an ongoing basis
- The gift does not seem to be consistent with the vision or mission of the Town of Brattleboro
- The gift seems to be in conflict with existing programs of the Town

----Implementation Phase----

Authorization for Incurring Costs

Before any costs can be incurred under the grant, authorization **MUST** be given by the finance director. Without authorization no expenses can be incurred and no funds will be released. This is extremely important as accounts need to be established and all accounting responsibilities clarified before money from the grant is used. The GISTD will reflect the date the authorization is given.

Notification of Other Town Employees

Grant activity will be reviewed regularly at the department head meetings. The potential impact will be discussed before the application is completed and will be used as part of the criteria for recommendation/approval. Once the grant is awarded, there will be a written notification to any affected person or department for which the grant will have a major impact. The grants manager will be responsible for this notification and a copy will be kept in the official file.

Internal Reporting/Monitoring

The grants manager will prepare a grant master list monthly. The grants manager will then meet as needed with each department to review its grant activity and status in preparation for the finance report. The grants manager is responsible for scheduling the individual meetings with departments.

The grants manager, town manager, and finance director will meet as needed to review current grant activity, complete GISTD for new grants, and ensure compliance with policies and procedures.

In addition to the above reporting activities, the GISTD will outline any reporting requirements unique to the specific grant. The reports will be generated by the program manager and be reviewed by the grants manager. At this time, everything should be reconciled with NEMRC. The final report will then go to the finance director to review and to the town manager to sign and submit. In the rare circumstance where the funder requires signature from a party other than the town manager, the town manager will review, approve and the signatory will then submit.

The GISTD will also define who will submit reports to the funding agency. In most cases it will be the grants manager or project manager but the specific responsibility will be made clear in the GISTD.

Conflict of Interest

The Town of Brattleboro has conflict of interest policies as part of its personnel policies for employees, in the Town charter for elected officials, and in the procurement policies. It is the expectation that anyone involved in a grant activity will be aware of and follow these policies. The conflict of interest policy will be made known to all outside bidders and will be included in all outside vendor contracts.

Personnel handbook conflict of interest policy, “No employee shall engage in self-benefiting arrangements; contractual or otherwise, direct or indirect, which results from employee’s position, knowledge and/or responsibilities as an employee of the Town.” (*Town of Brattleboro Employee Handbook version 07/2008, chapter 4, section V, pg 4-2*)

Charter conflict of interest policy, “No member of any town or town school district board, commission or committee shall vote on any matter where there is a direct or indirect financial interest, or on any direct or indirect personal interest, without the consent of the majority of fellow board, commission, or committee members given in public session.” (*Town of Brattleboro Town Charter adopted 02/16/1984 and amended April 2007, section 8, pg 3*)

Procurement conflict of interest policy (*Town of Brattleboro Default Procurement Manual adopted 04/15/2008; pg 15*)

“No employee, officer, agent, immediate family member, or Board member of the Town shall participate in the selection, award, or administration of a contract supported by Federal or State agency funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the following has a financial or other interest in the firm selected for award:

- (1) The employee, officer, agent, or Board member,
- (2) Any member of his/her immediate family,
- (3) His or her partner, or
- (4) An organization that employs, or is about to employ, any of the above.

The Town's officers, employees, agents, or Board members will neither solicit nor accept gifts, gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-grant agreements. The Town may set minimum rules when the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by state or local law or regulations, such standards of conduct will provide

for penalties, sanctions, or other disciplinary action for violation of such standards by the Town's officers, employees, or agents, or by contractors or their agents.”

Maintenance of Master Grant List

The grants manager will maintain the master grant list. It will include the internal grant name, the funder's grant name, granting source, original amount of grant, start and end dates, amount spent, amount committed, amount remaining. The list will be updated monthly in preparation for the second Selectboard meeting of the month. It will give a snapshot of each grant and of the overall Town's grant status effective on the last day of each month.

Accounting

Accounts: At the outset of a grant, the finance director will set up the budget and the chart of accounts. Each grant will have either a deferred account (for grants that pay upfront) or an accrued account (for grants that are reimbursement based). Hybrid grants will have both accrued and deferred accounts in their chart. Monthly the grants manager will run revenue and expense reports for the grants and update the master grant list.

External reporting categories: Often funding sources require certain categories be used during reporting. The grants manager and finance director will establish those categories in such a way as to make them consistent with the Town's internal accounting categories.

Match requirements: Once the grant is funded and the match requirement is clear, the finance director will work with the grants manager and project manager to establish a system for assigning the source of the match. Depending on the grant and the conditions, the match could come from the department budget, the general budget, or a special fund. If the match is in-kind, the party responsible for generating it will be established before the grant is implemented. Also established will be the party responsible for recording and reporting the match contributions, or keeping track of any in-kind match contributions.

Procurement: The Town has a procurement policy and procedure manual that sets forth all the expectations surrounding procurement for employees, Board members, and third party participants in grant activities. It is the expectation that everyone involved with procurement activities as a part of a grant will follow these policies and procedures.

Drawdown: For all drawdowns, the grants manager will complete a drawdown request form (or create an invoice to the funder) and submit it to the finance director who will then request the drawdown from the funding source. The timing is dictated by grant conditions. For example, it may be quarterly, at certain completion stages in the project or some other indicator. If reports are to be submitted with the drawdown request, it will be the responsibility of the project manager to submit them to the grants manager for inclusion with the drawdown request. Once the finance director has approved the drawdown request, s/he will return the completed drawdown form (or invoice) to the grants manager. The project manager and grants manager will review NEMRC regularly to assure all deposits are correctly assigned and accounted.

Payments

1. The project manager identifies the need for a payment by receipt of an invoice.
2. The project manager completes a grant payment request form and submits it with a copy of the invoice to the finance director.
3. The appropriate journal entry is be made by either the grants manager or the A/P coordinator.

4. The finance director signs the check, keeps a copy of the transaction in the accounts payable file, forwards a copy of the transaction to the grants manager to be kept in the master file for the specific grant, and makes the payment.
5. The project manager and grants manager will review NEMRC regularly to assure all payments are correctly assigned and accounted for.

Administrative fee: Funding sources may allow a fee to administer the grant itself. Often this administrative fee has strict conditions regarding its use and distribution. This fee is usually different from the project manager fee which may be part of the implementation cost. In addition to following any funder's requirements regarding an administrative fee, the Town may impose its own conditions. Depending on the type of grant and the amount of the administrative fee, it may be allocated to particular positions, departments, or the general fund. The details for a specific grant will be part of the GISTD.

Purchase orders: The Town's general procedure for processing purchase orders and payment request forms will be followed. The only difference is a special grant payment request form is to be used.

Tracking of staff time: Staff time of Town employees will be tracked and accounted for within each grant as required by the grant agreement. In the case of grants where the salaries are paid directly out of the grant, the finance director will assign an account number that will be used when submitting time sheets. Any back up required by the grantor will be submitted with the time sheet. A copy of all time sheets for grant activities will be kept by the project manager. The time sheets will be submitted to payroll using the same procedures used for all time sheets.

In the case of a general reimbursement to a budget from a grant, the employee will keep track of the time spent on the grant on a sheet separate from the time sheet. At the outset of the grant, the finance director will determine the amount per employee (salary plus benefits) that will be reimbursed to the department from the grant. The tracking sheet will be submitted monthly by the project manager to the grants manager. Adjustments will then be made to the department budget and to the grant fund by the grants manager with approval from the finance director. The finance director will notify the department of the adjustment.

Payroll to outside contractors will be verified by the grants manager who will keep the appropriate payroll documents, including those that verify conformance with Davis Bacon.

Reconciling with NEMRC: The project manager will reconcile with NEMRC on a regular basis. Since it is necessary for the project manager to enter the system to initiate a purchase order/requisition of funds, it is the time to check for accuracy. The grants manager will run a monthly expense/revenue report for each grant.

Keeping and Maintaining Files

The official file on all grants will be kept in the grants manager's office. The grants manager will set up a file for each grant that will consist of:

- The original grant application
- The original award letter
- Signed GISTD
- Copies of purchase orders/grant payment request forms,/drawdowns/copies of checks
- Original or copy grant agreement with funder
- Original or copy grant agreement with sub-applicant

- Original agreement with outside project manager
- Copies of all progress reports
- Copies of audit reports/findings if appropriate
- Other information as required by funder
- Close-out report
- Summary of the grant
- Audit reports and responses

The applicant/project manager is responsible for making sure the following are in the file:

- Original grant application
- Original award letter
- Original grant agreement with funder
- Copies of progress reports
- Summary of the grant

The grants manager is responsible for making sure the following are in the file:

- Signed GISTD
- Copies of purchase orders/requisitions/drawdowns/payments
- Original grant agreement with applicant
- Original agreement with outside project manager
- Copies of audit reports/findings
- Close-out report

The entire file will be kept for five years or such time necessary to meet legal requirements. At that time all records not legally required or listed below will be purged. For the permanent Town of Brattleboro record, the following will be kept:

- Original application
- Original award notification
- Original grant agreement with funder
- Original agreement with subapplicant
- Original agreement with outside project manager
- Any modifications or updates of the above
- Close -out summary

Program Manager Files

- Time sheets
- Grant payment request forms and purchase orders
- Invoices

----Close-Out Phase----

Trigger

A trigger event will occur to prompt the grant to be closed. Examples of triggers include all funds being expended, a close out report received from the funder, all qualified purchases having been made, and the grant term date having past.

Grant Close-out Form

When a grant is ready to be closed out, the Grant Close-out Form is used to document the close out process. The form includes a checklist of items to be completed at close out.

Close-out Process

The following actions will be completed at a grant's close-out.

1. Confirm that the grant is ready to be closed out with the department responsible for the grant; obtain a final project report and/or summary report of the grant if applicable.
2. Reconcile the grant with all NEMRC accounts associated with the grant.
3. Verify that all financial and progress reports required by the grant agreement or MOU have been completed and submitted.
4. Contact funder to confirm close-out, unless funder has sent a close out letter.
5. Verify that all documents related to the grant and listed on the grant checklist are in the file and that the file is complete.
6. Update the grant master checklist.
7. Complete internal close-out form.
8. Town manager will review grant implementation for conformance with goals and sign off on the close-out per funder's requirement.
9. Finance director will review final finances of the grant and sign off on the grant close-out form.
10. Label the file closed and file in archives.

GISTD: GRANT INFORMATION STATUS AND TRACKING DOCUMENT

The life of a grant has four stages – application, award, implementation, and close-out. During each of these stages it is important to know who is responsible for activities and how they will be implemented. Funders need to know that their money is being spent correctly, the Town needs to be able to report to citizens, and auditors need to be able to access information easily.

The Grant Information, Status, and Tracking Document (GISTD) will contain all the information about the grant necessary to meet the above objectives.

While most of the form is completed sequentially, parts of the section on implementation may be completed out of order. Sections that clarify and assign responsibility will be completed before the grant implementation. The recording of the information needed, i.e. account numbers, etc, will be completed as soon as the award is granted.

In addition to providing general information and status of the grant, this form serves as a contract between the various people by assigning responsibilities and authorities.

The policies and procedures outlined in this manual prescribe all general grant activities. The GISTD defines and clarifies additional or unique responsibilities and authorities for each individual grant.

TOWN OF BRATTLEBORO
GRANT INFORMATION STATUS TRACKING DOCUMENT (GISTD)

APPLICATION PHASE

Date:

Grantor/funder:

Funder's name of grant:

Internal name of grant:

Funder's grant description/purpose:

Applicant's purpose/use of grant:

What will the money be spent on specifically?

Amount being requested: \$ Required match amount: \$

Sources of Match Funds, i.e. donations, general funds?

Application deadline: Award notification date:

Grant term start date: Grant term end date:

Grant payout: Up-front (deferred), or Reimbursed basis (accrued)

How much administrative allowance does the grant permit if any: \$ or %

Department or community group requesting grant:

Department sponsoring the grant:

Contact name (person submitting):

Contact phone: Contact email:

Second contact:

2nd contact phone: 2nd contact email:

Is this a new program or new service(s)? yes no

Is this a new grant, or renewal of an existing/active grant?

How will this grant improve functions in your department or for the town and/or how will it save money or increase services?

How will the program or service be sustained after end of grant?

How will the project impact the resources of the rest of the department?

How will the project affect the resources of other departments?

Will this grant trigger review by the Capital Grants Review Committee? yes no

Is this a program/service/item that would need to be paid for out of the general fund if the grant is not awarded, accepted and appropriated? yes no

What are the other sources of funding for this project?

What other town commitments will be required during the life of the grant?

What are the on-going commitments or costs to town after the end of the grant?

Department Head Name & Title: _____

Department Head Signature: _____ Date: _____

Finance Director Recommendations/Comments: _____

Application Approved yes, or no

Printed Name: _____

Finance Director Signature: _____ Date: _____

Town Manager Recommendations/Comments: _____

Application Approved yes, or no

Printed Name: _____

Town Manager Signature: _____ Date: _____

Capital Grants Review Committee Recommendations/Comments: _____

Application Approved yes, or no, or not applicable

Printed Name: _____

Committee Member Signature: _____ Date: _____

Selectboard Recommendations/Comments: _____

Application Approved yes, or no, or not applicable

Printed Name: _____

Selectboard Member Signature: _____ Date: _____

TOWN OF BRATTLEBORO
GRANT INFORMATION STATUS TRACKING DOCUMENT (GISTD)

AWARD PHASE

Grant Name:

Date funder awarded the grant:

Amount awarded: \$

Required match: \$

Sources of match funds, i.e. donations, general funds?

Funder's grant number:

Grant term start date:

Grant term end date:

Special grant requirements and/or conditions:

Changes from information listed on pages 1 and 2:

Does grant require tracking of staff time? yes no

Are any purchases from the grant considered fixed assets? yes no

If yes, copies of invoices should be forwarded to accountant for recording in fixed assets module.

Reporting frequency to funder (i.e. monthly, quarterly, annually, final):

What kind of report is required? (i.e. financial, summary of work/project)

Person responsible for filing reports with funder:

Does funder require an invoice for payout? yes no

Does funder require a drawdown for payout? yes no

Frequency/dates to send invoice to funder:

Person responsible for invoicing or drawing down:

Selectboard Recommendations/Comments: _____

Award Accepted & Appropriated Approved yes, or no

Printed Name: _____

Selectboard Member Signature: _____ Date: _____

TOWN OF BRATTLEBORO
GRANT INFORMATION STATUS TRACKING DOCUMENT (GISTD)

GRANT IMPLEMENTATION FORM & CHECKLIST

Name of Grant: _____
Grant Amount: \$ _____
Grantor/Funder: _____
Grantor ID/Agreement #: _____
Recipient (Department): _____
Purpose/Use of Funds: _____
GISTD Application Date: _____
Funder Award Date: _____
Selectboard Accept Date: _____

Application

- GISTD Application Section
- Selectboard Minutes Authorizing Application
- Application to Funder

Award

- GISTD Award Section
- Notice of Award from Funder
- Selectboard Minutes Authorizing Acceptance of Grant
- Executed Copy of Grant Agreement

Administration/Implementation

- NEMRC Account Numbers
 - o Accrued Revenue _____
 - o Deferred Revenue _____
 - o Revenue Account _____
 - o Expense Account _____
 - o Other Account _____
- Revenue Check(s) from Funder
- Revenue Drawdown Request(s) from Funder
- Copies of Vendor Payment Records (POs, pymt req form, inv, checks)
- Monthly Detail Transaction Reports
- Quarterly Financial Reports to Funder

**TOWN OF BRATTLEBORO
GRANT INFORMATION STATUS TRACKING DOCUMENT (GISTD)**

CLOSE-OUT PHASE

Grant name:

Amount: \$

Funder's grant number:

Close-out date:

Close-out report to funder filed and/or attached? yes no n/a

Close-out notice from funder attached? yes no n/a

Internal financial reports reconciled & attached? yes no

File contains the following records: yes no

- Grant agreement or memorandum of understanding (MOU) and any amendments
- Selectboard minutes to accept and appropriate the grant
- Agreements with sub-applicants, sub-contractors, and/or outside project manager

Project Manager/Department Head

Printed Name

Date

Finance Director

Printed Name

Date

The entire file will be kept for five years or such time necessary to meet legal requirements. At that time all records not legally required or listed below will be purged.

File purge date: (Five years from close-out date)

- Original application
- Original award notification
- Original grant agreement with funder
- Original agreement with subapplicant
- Original agreement with outside project manager
- Any modifications or updates of the above
- Close -out summary

GISTD: DIRECTIONS FOR COMPLETION

The policies and procedures outlined in this manual define all grant activities. The Grant Information Status Tracking Document (GISTD) form defines and clarifies additional or unique responsibilities and authorities for each individual grant.

---Application Phase---

This is not the application itself to the funder but informs the Town of your intent to apply. The application format itself will be determined by the funding source.

Date: Date that you are submitting the GISTD to the grants manager.

Grantor/funder: Use the grantor/funder's legal/official name. If it is a pass-through grant, state both agencies. Be as specific as possible about the granting agency.

Funder's name of grant: The name/type of grant as titled by the grantor.

Internal name of grant: The title of the grant that the Town of Brattleboro will use to identify the grant. It must be distinguishable from other grants names. It usually is a combination of the granting agency, the grantor's name, and the project name.

Applicant's purpose/use of grant: What the grant funds specifically will be spent on. Itemize each intended purchase or provide a specific description of the overall intent for the grant funds.

Amount being requested: Specify the exact dollar amount being requested.

Required match: Specify the exact dollar amount the Town is required to contribute to the project/purchase as a provision/condition of the grant. This is important to know as it may commit the Town to expenses that it has not planned and cannot absorb.

Sources of Match Funds: What is the source of the match? Specify if the match will be funded by the department budget, donations or contributions from the community, in-kind, etc. It is important to know how this match will be met. Indicate the proposal for meeting the match requirements. If it is to be met by the Town, the approval process will determine the appropriateness of such a match.

Application deadline & notification date: Important for the Town offices to know so they can give enough lead-time in the approval process. Remember the approval process can take up to a month so plan accordingly. It may also be important to know the notification date, especially if it involves Town match or other commitments. The notification date is the approximate date the applicant will be notified of an award decision.

Grant start date & end date: If the grant is awarded, when does the grant contract take effect? When does it expire?

Payout: up-front or reimbursement basis: Funding sources handle their payments in different ways. Some sources will award a grant and send the check with the notification of award. Others will grant a sum but will only reimburse after costs have been incurred. Still others have combinations of the two listed above. Given what is known about this grant, what method of payout will be used?

Administrative allowance and conditions: Some funding sources allow a percentage of the grant, or a flat amount to be used to offset the cost of administering the grant. This is different from the cost of implementing the program or service. Indicate whether there is an administrative

allowance and approximately how much it would be. At this point exact details may not be known but indicate anything that is known about any conditions connected to the allowance.

Department/community group requesting grant: What department will benefit from or receive the grant funds?

Department sponsoring the grant: What department is responsible for the grant and will monitor its activities?

Contact information: The primary person and a back-up person responsible for the application – the one who would best be able to respond to questions should any arise.

New program/service/etc? If this is a new program or service, how was the need determined? How was it determined that this was the appropriate funding source? If it is not new, how has it been funded previously? A brief history including dates and information is helpful.

New grant or renewal (reapplication)? While the above question relates to the program or service to be provided, this relates to the grant itself. Give some history of when the grant was first awarded, and why renewal or reapplication is being requested. Many funders allow applicants to apply each year for ongoing services. Specific information will help during the approval process. If this is an ongoing grant, what is the current ID number?

How will this grant improve functions in your department or for the town and/or how will it save money or increase services? Specify the overall benefit of the grant.

How will program/service be sustained after end of grant? If the money is for equipment or a one-time expense this need only be addressed if there is a question of maintenance or potential replacement; what is the plan for that? If the money is to be for an ongoing program or service, what is the plan for sustainability? If there is not one, make that clear. It will not necessarily be a mark against approval but it might make a difference in how it is approached.

How will the project impact the resources of the rest of the department? Indicate what departmental resources, time, and money will need to be committed to this project and how that has been balanced with other departmental needs.

How will the project affect the resources of other departments? Indicate what departments and what resources might be impacted. This does not include the impact on the administrative offices of the Town of Brattleboro.

Will this trigger a review by Capital Grants Review Committee: If this involves a capital purchase it will need review by CGRC. A capital purchase is a fixed asset with a life expectancy of longer than one year and costs over \$10,000.

Is this a program/service/item that would need to be paid for out of the general fund if the grant is not awarded, accepted, and appropriated? Self explanatory.

What are the other sources of funding for this project: If this grant does not cover all the funds needed for this project, list the other sources of funding and their amounts.

Other Town commitments that will be require or incurred during life of grant: It is important to know the level of commitment that will be required during the grant as it could end up consuming more time from staff or more resources than are available. Some of this may not be completely clear at this point, but be as specific as possible.

On-going commitments/costs to Town after grant: Examples: if this is a piece of equipment, what are the maintenance and replacement costs? If it is a new park, will it require Town personnel to maintain? Is this seed money for a program or service that the Town will be expected to pick up and fund? Is it a multi-year grant where the Town's match will increase

each year? The Town needs to be aware of all commitments that it might be making and be deliberative in making those commitments.

Finance director recommendation: The finance director will review the application for accuracy and conformance with budgetary projections and either recommend approval or not.

Town manager recommendation/approval: The town manager will review the application for conformance with Town goals and vision, give approval or make arrangements for Capital Grants Review Committee to review if needed, and submit to Selectboard for approval when appropriate.

Capital Grants Review Committee recommendation: This committee will review any application that involves a capital purchase (a fixed asset with a life expectancy over one year and costing over \$10,000). Once it has given made its recommendation, the application goes to the Selectboard for final approval.

Selectboard approval/denial: The Selectboard needs to give final approval to many grant applications. Once it makes its decision, approval or not, the form will be returned to the applicant with comments.

After final approval/denial, the town manager, as the representative of the Selectboard, will return a copy of the form to the grants manager. The grants manager will inform the applicant of the status of the GISTD. At this time the applicant will complete the grantor's application form, submit it, and wait on pins and needles for a reply.

----Award Phase----

Grant Name: the Town of Brattleboro internal name assigned to the grant.

Date funder awarded the grant: self explanatory.

Amount awarded: This may be different from the requested amount. If so, attach an adjusted budget.

Required match: At this point the match will be clearly defined in the award.

Sources of match funds: Indicate the type, the amount and how it is to be met.

Funder's grant number: Complete if the funding source has an identifying number or code.

Grant term start date: The date the grant becomes effective and award funds may be used.

Grant term end date: The date by which all the funds must be expended and all final reports submitted and the grant closed-out.

Special grant requirements and/or conditions: Most grants contain standard conditions for the use of money, reporting, etc. Those conditions will be explained in the agreement between the Town and the funder. If there are conditions that seem out of the ordinary or unique to this grant, or that require particular attention they are to be individually noted and detailed here.

Changes from information listed on pages 1 and 2: List any changes in the scope of the project, budget, conditions, or any other changes since the original application.

Does grant require tracking of staff time? Some grants require that staff time be tracked for reimbursement, or to receive funds under the administer allowance. This requirement will be listed in the grant agreement.

Are any purchases from the grant considered fixed assets? See information on the Capital Grants Review Committee.

Reporting frequency to funder: How often do reports need to be filed with the funder? Monthly, quarterly, bi-annual, after the project is complete, or not at all.

What kind of report is required? The grant agreement will specify what kind of report the funder requires. Often it is an informal letter, or it can be an online form, or a financial report of some type.

Person responsible for filing reports with funder: Who will file the reports with the funder?

Does funder require an invoice for payout? In order to receive funds from the grant, does the funder want the Town to send them an invoice?

Does funder require a drawdown for payout? In order to receive funds from the grant, does the funder want a drawdown via an online form or other venue specific to the funder?

Frequency/dates to send invoice to funder: Self explanatory.

Person responsible for invoicing or drawing down: Who will trigger the invoices or drawdowns?

Submit original award document along with this form to the grants manager. The grant office will give it to finance director and town manager for review. The town manager will make arrangements for Selectboard approval. The Selectboard must give its approval to actually accept the grant and conditions. The town manager will make arrangements to present it to the Selectboard along with the appropriate motion for action. Upon the decision of the Selectboard, the town manager will return this form to the grants manager with an explanation. The grants manager will inform the applicant of the status of the grant.

---Implementation Phase (Grant Implementation Form & Checklist)---

This form will be completed by the grants manager. It is an internal form that lists the most important pieces of information on the grant so that it is easily seen when opening the file. It also serves as a checklist of all important steps to take during the life of the grant. It is generally started after the Selectboard accepts and appropriates the grant; however it can be started sooner if needed earlier. The form is kept in the front of the file and used as a file cover page. Sections of the form are self explanatory. Questions can be directed to the grants manager.

---Close-Out Phase---

At some point, the life of the grant comes to an end. This could be when the money is spent, when the ending date is reached or something else causes it to end. It is important to make sure that the grant is properly closed out for all the same reasons that it is important to keep accurate records. Different funding sources may have different requirements for closing out and the Town itself might impose some conditions on the close-out.

This form will be started by the grants manager. Its sections are self explanatory. The purpose is to make sure that all those concerned with the grant are aware that it has ended and the file is being closed out.

Final close-out on Town of Brattleboro books: The Town may have a different fiscal year than the grantor; the grant may appear on the Town books even after it is officially closed. Once the grant no longer appears active on the Town's book, it will be noted here and signed off by the finance director.

GRANT AGREEMENT & MEMORANDUMS OF UNDERSTANDING

General

Grant agreements are essential to any grant. It clarifies objectives of the grant and defines roles and responsibilities. Without a clear grant agreement there is more likelihood of error, misunderstanding, and lack of accountability. Before any grant can commence, there must be properly executed grant agreements. Unless otherwise required by the funder, the town manager is authorized to sign all such agreements. Any amendments or updates must be signed by the town manager. All MOUs or grant agreements and any grant-associated contracts will be kept in the files as established by the grants manager.

Agreement between Town of Brattleboro and Grantor

The level of the agreement/contract/MOU between the Town and the funder will depend largely on the funding source itself. Some funding sources require a very detailed agreement with many conditions; others may simply require a letter of agreement. In part this may be due to the complexity of the project itself, or it may be due to the source of the money. Federal and state money generally comes with many more conditions than private money.

Some of the conditions associated with federal or state grants are related to the outcomes of the project itself – for example, number of jobs created or retained, number of low income individuals served, population served by the project, miles of highway paved, etc. Other conditions reflect the administration of the grant – for example, adherence to Davis-Bacon wage laws, compliance with ADA requirements, etc.

In most cases the agreement will contain the amount of the grant, identifying information or grant number, the purpose, the reporting requirements, the start and end dates, the expected outcomes of the project, authorized signatories, match requirements, responsibilities of each party, and any conditions that may be unique to the project (proof of flood insurance, qualifications of personnel in carrying out the project, non-allowable expenses, etc).

Agreement between Town of Brattleboro and Applicant

Town of Brattleboro and Department as Applicant: In order to define all the responsibilities of the departments and personnel within the Town of Brattleboro, the GISTD will serve as an agreement between those entities. In addition to the general policies and procedures that will be adhered to by the applicant and the Town of Brattleboro, the GISTD will define any information or responsibilities that are unique to the particular grant.

Town of Brattleboro as Sponsor: When the Town acts as the sponsor for a grant it assumes responsibility to make sure that it is implemented and administered correctly. The grant agreement or MOU with the outside entity must contain all the information to make sure that happens. The GISTD will serve part of that purpose but there must be an additional agreement that outlines the expectation of outcomes, how those outcomes will be validated, and any conditions unique to the grant that are not outlined in the GISTD. The town manager will be the authorized signer for this agreement.

Town of Brattleboro and Sub-Applicant: In cases where the Town is the official applicant but is in fact a conduit for passing the money through to another entity, it is extremely important that the Town and the sub-applicant agree on the conditions of the grant. Some of them may be

determined by the agreement with the funder and are passed through to the sub-applicant. These must be spelled out in the agreement with the sub-applicant. In addition, if the Town has other conditions, those conditions must be outlined in the grant agreement. This is important for a number of reasons. The parties need to be clear of the division of their responsibilities, the funding source needs to be assured that it is implemented properly, and should there ever be questions raised, the record will be clear.

Town of Brattleboro and Outside Project Manager: When the Town is the sponsor or conduit for a grant it is generally the outside entity that will contract with the project manager. The responsibilities will be defined in the GISTD and the grant agreement.

However, there may be instances when the Town contracts with an outside entity to be the project manager for a specific project even when the Town or a department is the only applicant and recipient of the grant. This might be done because of shortage of staff in the Town, specific qualifications that do not exist in Town personnel, or a different reason.

The Town will enter into a grant agreement/MOU with the outside entity that will define all the conditions and responsibilities. It will contain the goals or outcomes of the project itself, the reporting requirements, the compensation, all conditions for implementation imposed by the funder and the Town, time-frames, subcontracting, work-order changes, relationships with Town employees, meeting expectations, and all other information necessary to make it a legal document.

The contracted project manager will be expected to abide by all Town policies and procedures – both those that are specific to grant and the general policies and procedures of the Town.

If the contract is over \$10,000 it will be put out in a Request for Proposals. If it is under \$10,000 but more than \$250.00, three estimates are required. With input from the appropriate departments, the finance director and the grants manager, the town manager will be responsible for negotiating the agreement. The town manager will sign off on the agreement and execute the contract.

REVOLVING LOAN FUND

INTRODUCTION

The Town has made a commitment over the years to help its residents by sponsoring a number of loan funds. These funds are intended to promote the vision and goals of the Town by providing funds at lower interest than conventional loans, providing gap financing, and offering other financial support.

They are primarily operated as revolving loan funds so that as loaned money is paid back to the Town it will be loaned out again, thus keeping the fund active. In some instances the Town will award funds as a grant rather than a loan.

There are four revolving loan funds each with its own policies and procedures and a committee responsible for making loan recommendations to the Selectboard. They are Small Business Assistance Program; Rental Housing Improvement Program; Disaster Relief Fund, and Agricultural Land Protection Fund.

A master list of awards given by Town of Brattleboro will be maintained by the grants manager. Within each category of grant it will define the recipient, amount, grant, or loan, start/end date. This list will be updated each time an award is given or discharged.

Capitalization

For-profits are eligible to apply for low interest loans as a sub-applicant for a Community Development Block Grant if the Town acts as the applicant. If the grant is awarded, it becomes a grant to the Town, which in turn loans it to the for-profit. There are usually conditions put on the sub-applicant that relate to job creation, job retention or some other economic development activity.

As the money is repaid to the Town, a portion of it is returned to the state and the remainder stays with the Town. This money can be used by the Town for a number of projects or services. Brattleboro has chosen to capitalize the revolving loan funds with a portion of the money.

Each month the grants manager will produce a report for each loan fund called "Form G". It identifies grants given, loans made, repayments made, principle remaining, interest accrued, and balance available.

DEFERRED LOANS PERIODIC REVIEW

The Town has several loans with repayment deferred as much as 30 years into the future. Most of these loans were funded by grants from the Vermont Community Development Program (VCDP). Loans funded by VCDP grant money have specific compliance requirements outlined in the VCDP Loan Agreement.

The grants manager shall conduct periodic reviews of compliance requirements on deferred loans. When creating the annual fiscal year grants report, a thorough review of compliance requirements shall be conducted.

Most loans have the following compliance requirements though each loan agreement should be reviewed for specific requirements and details that are particular to that loan.

1. Borrower shall obtain, pay for, and keep in full force, one or more **policies of insurance on the Project** throughout the term of the VCDP Loan against such risks and in such amounts, in no event less than the amounts specified in the Grant Agreement, with an insurance carrier licensed to transact business in Vermont. Such insurance policies will contain a loss payable clause naming the Borrower and the Town as insured as their interest may appear. The Borrower will furnish the Town with satisfactory evidence of such insurance.
2. The Borrower shall furnish to the Town within 90 days after the end of each fiscal year of the Borrower, the Borrower's **balance sheet and statement of profit and loss** for such year, prepared in accordance with generally accepted principles of accounting and prepared by a firm of certified public accountants reasonably acceptable to the Town.
3. The borrower shall furnish to the Town **progress and financial reports** in conformance with standard provisions.

GENERAL RESPONSIBILITIES

The grants manager is the Town officer responsible for the revolving loan programs. Each loan program has specific guidelines, procedures, and policies. The grants manager will follow those specific guidelines in administering the loans programs. The list of responsibilities below is a general depiction of duties.

Applicant

- Contact grant office for policies and procedures
- Complete required paperwork
- Use money as granted
- Make all loan payments in a timely manner
- File any required reports in a timely manner

Grants Manager

- Main point of contact for applicant
- Accept completed application
- Schedule meetings of the loan review committees
- Assemble, maintain, file all loan paperwork as appropriate
- Coordinate loan closing with all appropriate parties
- Initiate payment request and submit to finance for payment
- Inform treasurer and finance department when using miscellaneous income
- Keep records required by VCDP for reporting purposes
- Submit required reports on use of income to VCDP or other granting source
- Track loan payments

Finance Director

- Provide regular information to grants manager on balance of loan funds
- Provide status of applicant's repayment of previous loans
- Establish account numbers to be used for repayment
- Process payment request forms to disburse funds
- Contact applicant about unmade payments

Treasurer

- Ensure proper transfer of funds to and from general fund and revolving loan fund

Town Attorney

- Review loan documents
- Conduct closing

Loan Review Committees

- Review appropriate loan applications
- Approve loans for recommendation to Selectboard
- Set conditions if any

Selectboard

- Give final approval to all loans
- Act as loan review committee for Agriculture Land Protection Fund

Town Clerk

- Record and discharge mortgages as needed

SMALL BUSINESS ASSISTANCE PROGRAM POLICES & PROCEDURES

As of September 2010

Policies

Purpose

Conventional sources of funding for start-up or business expansion purposes are largely inaccessible to the undercapitalized or new business owner. Furthermore, economic development projects often require a leveraged subsidy which will make a new or upgraded space available to businesses at a reasonable and affordable rate. The Small Business Assistance Program (SBAP) provides low-interest loans to meet these needs. The SBAP is available for the following purposes:

- a) To help the prospective or existing business owner(s) start or expand a viable enterprise in Brattleboro, particularly industrial and commercial ventures that have a demonstrable gap in a loan financing package.
- b) To assist an economic development project that will provide new or renovated, reasonably-priced space for the start-up, expansion or relocation of the type of business described in (a) above, and which also demonstrates a financing gap.
- c) To create quality full-time jobs.
- d) To diversify and strengthen Brattleboro's economic base through the financial assistance offered.
- e) To provide jobs to low and moderate income individuals.

Governing Policy

SBAP loan funds shall be made available to applicants who meet all program eligibility and lending requirements and criteria on a first come, first served basis. Commitment of loan and disbursement of funds shall be contingent on the availability of funds in the SBAP.

Eligibility Requirements

In order for a new or existing business or development project to be eligible for assistance, an applicant must meet the following eligibility requirements:

- a) The loan applicant shall be either the owner(s) of a business or the principal developer who has plans to create or upgrade space for small businesses.
- b) The business or development must have a committed site in Brattleboro.
- c) As a basic guideline, eligible businesses are those which fall within the defined thresholds set by the Small Business Administration.
- d) Ownership of the business must be documented by applicable legal and tax documentation.
- e) For a start-up business, the owner must demonstrate past or present enrollment in a small business counseling program.
- f) The applicant shall provide evidence that personal and real estate taxes on any property owned by a principal or corporate interest involved in the application project are current.
- g) All current SBAP loans must be paid off at closing before a new SBAP loan is awarded.

Eligible Activities/Expenses

Activities eligible for assistance through the SBAP are:

- a) Primary consideration shall be given to the number and quality of full-time jobs anticipated to be created and/or retained.
- b) A detailed description of the proposed activity, a Project Plan, shall be part of the application. For development projects, this description shall be for all phases of the project and shall include a preliminary site plan, scope of work, space to be made available, proposed rent structure, and any other supporting information deemed necessary and appropriate to completely evaluate the proposed project.
- c) A total Project Budget which shall enumerate and detail all sources of funding, respective amounts and specific uses shall be submitted.
- d) A Business Plan, to include current Balance Sheet and Income Statement (for new construction or major rehabilitation, a total development cost breakdown), and a Cash Flow Pro Forma Prospectus of a minimum of three years, shall be provided.
- e) A credit report no older than three months.
- f) Two years of personal and business tax returns.
- g) A list of assets that will be used as collateral.

Note: Demolition or improvement of buildings located in a National Historic District, a nationally registered building, or building eligible for nomination to the National Register of Historic Places must meet State Historic Preservation guidelines.

Ineligible Activities/Expenses

SBAP funds shall not be used for:

- a) Payment of back taxes.
- b) Payment of debt service.
- c) Reimbursement of SBAP eligible expenses already incurred.
- d) Salaries associated with operating a business.
- e) Paying off an existing SBAP loan.
- f) Acquisition of real property for speculative purposes.
- g) Labor performed by applicant

Lending Criteria

In addition to complying with the eligibility requirements set forth above, financial assistance shall be offered only if the following lending criteria are met:

- a) Primary consideration shall be given to the number and quality of full-time jobs anticipated to be created and/or retained.
- b) A detailed description of the proposed activity, a Project Plan, shall be part of the application. For development projects, this description shall be for all phases of the project and shall include a preliminary site plan, scope of work, space to be made available, proposed rent structure, and any other supporting information deemed necessary and appropriate to completely evaluate the proposed project.
- c) A total Project Budget which shall enumerate and detail all sources of funding, respective amounts and specific uses shall be submitted.
- d) A Business Plan, to include current Balance Sheet and Income Statement (for new construction or major rehabilitation, a total development cost breakdown), and a Cash Flow Pro Forma Prospectus of a minimum of three years, shall be provided.
- e) A credit report no older than three months.
- f) Two years of personal and business tax returns.
- g) A list of assets that will be used as collateral.

- h) The applicant shall sufficiently demonstrate that without SBAP assistance, a financing gap exists for the proposed activity. This gap is usually a result of a ceiling imposed by a conventional lending institution and may be so documented, or represent a figure which renders the project financially prohibitive.
- i) The proposed activity should be consistent with the Town Plan.
- j) Any proposed activity shall be and remain in compliance with all applicable local and state regulations and codes.
- k) A \$50.00 application fee.

Loan Amount and Terms

The following criteria govern loan amount and terms:

- a) A loan up to \$40,000 may be applied for.
- b) A loan may be obtained for up to five years from date of closing. The interest rate of the loan shall be set at one-half below the Wall Street Journal Prime Rate as reported at the time of the loan closing, but not less than three percent.
- c) A Loan Agreement, Corporate Promissory Note, Individual Promissory Note, Mortgage Deed and UCC Financial Statement shall be executed and duly filed, as applicable, on the day of closing.
- d) An Individual Promissory Note and Personal Guaranty are required by any person owning 20 percent or more of the company.
- e) Term life insurance on the signers covering the amount of the note and assigned to the Town.

Loan Review Committee

The Committee shall have a minimum of five and a maximum of seven members. Membership shall consist of:

- a) one member of the Selectboard,
- b) one representative from the Brattleboro Development Credit Corporation (BDCC),
- c) one banker,
- d) two Town Administrative staff, and
- e) up to two additional members at the Selectboard's discretion.

A quorum shall consist of a majority of the duly appointed members. A Loan Manager shall also be designated to facilitate and oversee the SBAP. The Loan Review Committee shall review loan applications and make decisions regarding their eligibility and funding. A favorable review by the Committee will be forwarded to the Selectboard for final action.

Procedures

Application and Application Review Procedures

A complete application package containing all materials shall be submitted to the SBAP Loan Manager, accompanied by an application processing fee of \$50.00. The package will be reviewed for eligibility and completeness. The applicant will be notified of the status of the application as soon as possible from the receipt of the application. If the application is incomplete for any reason, the applicant shall have two weeks to address the deficiency(ies). Failure to meet this deadline shall result in a forfeiture of application position and require a resubmission. Upon satisfactory review of an application, the Loan Manager shall submit the application package, accompanied by an application summary, to the Loan Review Committee.

Loan Review Committee Review of Applications:

- a) The Committee shall meet as needed to review and act on loan applications. A quorum shall consist of a majority of the duly appointed members. It is required that the applicant or its agent attend the meeting.
- b) If the Committee deems that additional information is required before acting on an application, this information shall be requested from the applicant to be submitted to the Committee for further review.
- c) During its review, the Committee reserves the right to adjust the loan amount and set the terms of the loan. The applicant will be notified by the Loan Manager of any adjustment.
- d) Upon completion of its review, the Committee shall vote whether or not to approve the loan request. If the loan request is approved, the Committee shall submit a recommendation to the Selectboard for its action. If not approved, no recommendation will be forwarded to the Selectboard.
- e) The applicant shall be notified in writing of the Committee's decision.

Selectboard Action:

- a) A loan application shall be scheduled for and considered at the next Board meeting following receipt of the Loan Review Committee's recommendation. It is required that the applicant or its agent attend the meeting.
- b) The applicant shall be notified in writing by the Loan Manager of the Board's decision.

Closing of the Loan and Disbursement of Funds

- a) If the loan application is approved by the Selectboard, a date for closing shall be set by the Town. No closing shall take place until all conditions contingent to closing have been complied with.
- b) Loan documents to be executed and duly filed at closing shall include a Loan Agreement, Corporate Promissory Note, Individual Promissory Note, Mortgage Deed, UCC Financial Statement, and proof of term life insurance, as applicable.
- c) Disbursement of loan funds shall be made upon receipt of evidence of committed expenditures, but no less than \$500 per occurrence.
- d) False or misleading information shall be considered a default of the loan agreement, and may cause the Town to seek remedies as stated in the loan Agreement.

Right of Appeal

An applicant whose request for SBAP funds has not been approved by the Small Business Loan Review Committee may appeal for reconsideration in writing to the Small Business Loan Review Committee no later than one week after notification. Pursuant to the Town Charter, any decision by a Town committee may be appealed to the Selectboard.

Monitoring

The Town reserves the right to monitor the project periodically. Upon completion of the project, the applicant must submit a letter to the Town explaining how the project goals as stated in the loan application have been met.

RENTAL HOUSING IMPROVEMENT PROGRAM POLICIES & PROCEDURES

As of October 2011

General Guidelines

The Town will allocate \$100,000 of Program Income or other community development repayment funds to establish the Rental Housing Improvement Program (RHIP) for the purposes laid out below. The Loan Manager and Loan Review Committee will be responsible for management of the program. The Loan Coordinator will have limited access to office equipment and supplies. The Town Finance Department will service the loans by holding and disbursing funds, collecting payments and issuing reports as needed.

Policies

Purpose

The Rental Housing Improvement Program (RHIP) is a local source of low-interest funds to help upgrade or maintain affordable rental housing. The cost and requirements of conventional credit often make it difficult for property owners to improve existing housing for low-income individuals and families or people with special needs. The result is a housing market that places these groups at risk. The primary goal of the RHIP is to maintain affordable rental housing in Brattleboro.

Objectives

The principal objectives of the RHIP are:

- a) To stimulate investment in the creation, rehabilitation, and preservation of affordable rental housing
- b) To improve its safety and energy efficiency
- c) To stabilize the housing mix and prevent community blight.

Eligibility Requirements

In order to be eligible for assistance, an applicant must meet the following eligibility requirements:

- a) Loans will be made for work on existing rental properties or on homes located in the Town of Brattleboro where accessory apartments are proposed.
- b) The applicant(s) must be the owner(s) of the property.
- c) Properties may be owned by private owners or non-profit organizations.
- d) Tenants in a building to be assisted must have written rental agreements that conform to Vermont State law.
- e) At least 51% of the rental units in the building must be occupied by low or moderate income households as defined at the time the loan is approved by the U.S. Department of Housing and Urban Development (HUD). If Program Income is not being used, a two- or four-unit building will be eligible if 50% of the tenants meet the income guideline. Tenants' income eligibility will be established at the time an application is filed and when a lease is signed by a new tenant. (If the income of a tenant originally counted as low or moderate income rises beyond that limit during the course of the project, the project's eligibility will not be affected.)
- f) To be eligible, an owner must be current with all taxes on Brattleboro property s/he owns or has an interest in. The entire property must be in compliance with local zoning requirements and either in compliance with applicable building, fire and health codes, or intending to use the RHIP loan to come into compliance. Evidence of ownership must be documented.

- g) All prior Rental Housing Improvement Program loans must be paid off at closing before a new loan is awarded.

Eligible Activities/Expenses

Activities eligible for assistance through the RHIP are:

- a) Bring the property into compliance with applicable codes (see III. f.)
- b) Create or rehabilitate rental units in an existing building
- c) Repair or improve the structure
- d) Improve infrastructure (electrical, plumbing, septic, etc.)
- e) Improve energy and utility system
- f) Modify accessibility
- g) Reduce lead paint
- h) Abate asbestos
- i) Other activities the Loan Review Committee deems eligible

Ineligible Activities/Expenses

RHIP funds shall not be used for

- a) Acquisition of property
- b) Debt service
- c) Reimbursement for expenses already incurred
- d) Operating expenses, including routine maintenance
- e) Projects which would create a conflict of interest for any person involved in the administration or decision-making process of this program

Lending Documents

In addition to complying with the eligibility requirements set forth above, applicants must submit:

- a) A detailed description of the proposed work and an established contractor's detailed estimate of costs
- b) A total project budget enumerating and detailing all sources of funding, respective amounts and specific uses
- c) Copies of current rental agreements at the property and an account of the property's income and expenses (including the past two years' Schedule E or Form 8825)
- d) Copies of the owner's federal tax returns for the past two years
- e) Evidence of other funding committed to the project
- f) Personal credit report, no older than six months
- g) An energy audit is required to be performed for any loan funds being used to repair, replace, or upgrade heating, ventilation, or air conditioning (HVAC) equipment. The audit may be performed by SEVCA if the applicant is eligible, or the cost of a private audit may be rolled into the loan amount.

False or misleading information in any part of an application shall be considered grounds for immediate cancellation of a loan agreement.

If the rehabilitation project involves more than seven units and is funded with Program Income, the property owner must ensure that Davis-Bacon wage rates are paid in accordance with Vermont Community Development Program guidelines.

Any work in a property or district that is listed on the National Register of Historic Places must follow the Secretary of the Interior's Standards for the Treatment of Historic Properties.

The following criteria will then guide the selection of projects for funding:

- a) The scope of improvement that will be accomplished (including for residents with special needs)
- b) The practicality of the project and the capabilities of the applicant and Contractor(s)
- c) The applicant's credit history
- d) The applicant's investment in the property (including at least 20% equity)
- e) The number of rental housing units owned by the applicant or, if the applicant is a corporation, by the principal or principals in the corporation (particular consideration will be given to applicants owning seven or fewer units)

Affordability Requirement

Borrowers will be required, as part of the loan agreement, to commit themselves and any successor to rent some or all of the units in the assisted building at rents affordable to low or moderate income households for five years or the duration of the loan, whichever term is longer. The number of units to be regulated will be determined by the Loan Review Committee, taking into account the size of the loan, the level of rents and the number of units benefiting from the work.

"Affordable" rent is defined by this project as conforming to the following limits for rent and all utilities (adjusted annually from the base year 2006 based on the change during the preceding year in the overall Housing component of the "Consumer Price Index for all Urban Consumers").

Efficiency	1 bedroom	2 bedroom	3 bedroom
\$626	\$709	\$892	\$1,043

Current limits are listed in the brochure for the program.

Loan Amount and Terms

The following criteria govern the loan amount and terms:

- a) Loan amounts will range from \$3,000 to \$25,000
- b) The term of the loan will not exceed ten years. No loan will be written that would have a monthly payment of less than \$75
- c) A Loan and Security Agreement, Corporate Promissory Note, Individual Promissory Note, Personal Guaranty, and Mortgage Deed shall be duly executed and filed, as applicable, on the day of closing. An Individual Promissory Note is required by any person owning 20 percent or more of the property.
- d) The interest rate of the loan shall be set at fifty percent (50%) of the Prime lending rate, as reported in the Wall Street Journal at the time of approval of the loan by the Loan Review Committee, but no less than three (3) percent.
- e) If the property used to secure the loan is refinanced, the Loan Review Committee will review the terms of the loan and the Committee reserves the right to renegotiate the terms of the loan or require its payoff at that time.

Loan Review Committee Membership

The Committee shall have a maximum of seven members consisting of at least:

- a) One member of the Selectboard
- b) The Town Planning Director
- c) The Finance Director
- d) One representative of the Brattleboro Area Affordable Housing Corporation
- e) One housing underwriter
- f) One landlord

The Town Grants Manager will serve as staff to the Committee. The Loan Review Committee shall review loan applications and make decisions regarding their eligibility and funding. The Committee will then make recommendations to the Selectboard for its action.

A Loan Coordinator shall be appointed for a two-year term by the Selectboard and will not act as a representative of any group. The Loan Coordinator will, on a volunteer basis, coordinate outreach efforts, guide landlords through the application process, conduct a preliminary inspection of the property, and serve as advisor to the Loan Review Committee.

Technical advisors with construction experience may serve as ad-hoc volunteers for the program. They will be available to inspect the site, review the proposed work with the applicant, and advise the Loan Review Committee. Technical advisors must be well-versed in all applicable State codes.

Loan Review Committee Procedures

All meetings of the Loan Review Committee will be conducted according to Robert's Rules of Order. Voting shall adhere to the following procedural policies, consistent with Robert's Rules of Order.

- a) In order for an action to be official, approval must be registered by a majority of the duly appointed members,
- b) Absentee or proxy voting shall not be allowed, as the right to vote is limited to the members actually present at the time the vote is taken in a legal meeting.

Confidentiality

The applicant's credit references, Personal Financial Statement and individual income tax returns (IRS Form 1040) will be made available only to the Loan Coordinator and the Credit Subcommittee appointed by the Loan Review Committee. The Subcommittee will advise the Committee concerning the applicant's creditworthiness.

Once the Committee has finished considering the application, copies of those documents will be destroyed. The originals will be retained in the Finance Department files but sealed from public view (as provided by 5 VSA §317 [6] [7]).

Program Modification

The Loan Review Committee may see the need to adjust elements of the program to reflect current conditions presented by applicants or by the Town. Any changes shall be recommended to the Selectboard for approval.

Program Evaluation

The Selectboard will periodically evaluate the RHIP, with recommendations from the Loan Review Committee and Town staff

Procedures

Application and Application Review Procedures

The following procedures govern application and review of loan materials:

- a) To initiate a loan request, a prospective applicant must submit a simple preliminary application to the Loan Coordinator.
- b) The Coordinator will decide whether the applicant and project conform generally to the RHIP goals and eligibility criteria. If they do, the applicant will be asked to submit a full application with an application processing fee of \$25.00. The Loan Coordinator, along with a Technical Advisor, will normally meet the applicant at the site to review the project's plans and budget.
- c) The full application will be checked by the Loan Coordinator for completeness and eligibility. The Coordinator will also check with Town officials regarding the property's status with respect to fire, health and zoning requirements, and Town taxes. The application will then be forwarded to the Loan Review Committee.

Loan Review Committee Review of Applications

The following procedures govern the Loan Review Committee review of the loan materials:

- a) The Loan Review Committee shall meet as needed to review and act on loan applications. A quorum shall consist of a majority of the duly appointed members. It is required that the applicant or its agent attend the meeting,
- b) If the Committee deems that additional information is required before acting on an application, this information shall be requested from the applicant and submitted to the Committee.
- c) During its review, the Committee reserves the right to adjust the loan amount and set the terms of the loan. The applicant will be notified by the Loan Manager of any adjustment.
- d) Upon completion of its review, the Committee will vote whether or not to approve the loan request. If the loan request is approved, the Committee shall submit a recommendation to the Selectboard for its action. If not approved, no recommendation will be forwarded to the Selectboard.
- e) The applicant shall be notified in writing of the Committee's decision.

Selectboard Action

- a) A loan application shall be scheduled for and considered at the next Selectboard meeting following receipt of the Loan Review Committee's recommendation. It is required that the applicant or its agent attend the Selectboard meeting.
- b) The applicant shall be notified in writing by the Loan Manager of the Selectboard's decision.

Closing of the Loan and Disbursement of Funds

- a) If the loan application is approved by the Selectboard, a date for closing shall be set by the Town. No closing shall take place until all conditions contingent to closing have been complied with.
- b) Loan documents to be executed and duly filed at closing shall include a Loan and Security Agreement, Corporate Promissory Note, Individual Promissory Note, Personal Guarantee, and Mortgage Deed.
- c) The Loan Agreement shall include the maximum rent then allowed for each apartment, and deadlines for the full start and completion of the work. These deadlines must be adhered to unless the Loan Manager has agreed in writing to a revised schedule,
- d) Disbursement of loan funds shall be made in two payments subsequent to closing, with at least 15% of the loan amount retained as the second payment. The second

check will be issued contingent on final inspection and documentation of project completion. The check will be made out to the applicant.

Monitoring of Assisted Projects

Frequency of monitoring will be determined by the nature and scale of the project. An initial inspection of the project site will be conducted by the Loan Coordinator as part of the application review process. The project must pass a final inspection by the Loan Coordinator before the second loan payment is authorized. Interim inspections may be conducted by Technical Advisors or by the Town Fire Inspector.

Monitoring of Rents

The borrower will be required to report to the RHIP any change in rent or utility charges. That information may be verified by a questionnaire to tenants.

Right of Appeal

An applicant whose request for RHIP funds has not been approved by the Loan Review Committee may appeal this decision in writing to the Loan Review Committee no later than one week after notification. Pursuant to the Town Charter, the actions of any Town committee may be appealed to the Selectboard.

DISASTER RELIEF PROGRAM POLICIES & PROCEDURES

As of September 2010

Policy

Purpose

By its very nature, disaster cannot be predicted, planned for nor often survived. Small businesses are often victims with catastrophic losses yet are not in a position to access the needed capital to move, purchase new equipment or inventory or otherwise survive the disaster. The Small Business Disaster Relief Loan Program (SBDRLP) provides low-interest loans to help the affected business meet the immediate needs created by the disaster.

Governing Policy

SBDRLP loan funds shall be made available to applicants who meet all program eligibility and lending requirements and criteria on a first come, first served basis. Commitment of loan and disbursement of funds shall be contingent on the availability of funds in the SBDRLP.

Eligibility Requirements

In order to qualify for assistance, an applicant must meet the following eligibility requirements:

- a) The loan applicant shall be the owner(s) of the business
- b) The business must remain in Brattleboro
- c) c) As a basic guideline; eligible businesses are those which fall within the definitional thresholds set by the Small Business Administration,
- d) d) Ownership of the business must be documented by applicable legal and tax documentation.
- e) The applicant shall provide evidence that personal and real estate taxes on any property owned by a principal or corporate interest involved in the application project are current.

Eligible Activities/Expenses

Activities eligible for assistance through the SBDRLP are:

- a) Expenses directly associated with operating a business
- b) Repair or replacement of damaged inventory.
- c) Repair or replacement of damaged equipment
- d) Expenses related to moving to a new location
- e) e) Expenses related to re-construction, either interior or exterior, to allow the business to operate

Note: Demolition or improvement of buildings located in a National Historic District, a nationally registered building, or building eligible for nomination to the National Register of Historic Places must meet State Historic Preservation guidelines.

Ineligible Activities/Expenses

SBDRLP funds shall not be used for:

- a) Payment of back taxes.
- b) Payment of debt service.
- c) Expansion of the business

Lending Criteria

In addition to complying with the eligibility requirements set forth above, financial assistance shall be offered only if the following lending criteria are met:

- a) Evidence of loss
- b) Financial statements - balance sheet and income statement
- c) The activity should be consistent with the Town Plan
- d) d) The activity shall be and remain in compliance with all applicable local and state regulations and codes.

Loan Amount and Terms

The following criteria govern loan amount and terms:

- a) A loan up to \$10,000 may be applied for.
- b) A loan may be obtained for up to five years from date of closing.
- c) The interest rate of the loan shall be set at one-half below the Wall Street Journal Prime Rate at the time of the loan closing, but no less than three (3) percent.
- d) A Loan Agreement, Corporate Promissory Note, Individual Promissory Note, Mortgage Deed and UCC Financial Statement shall be executed and duly filed, as applicable, on the day of closing.
- e) An Individual Promissory Note is required by any person owning 20 percent or more of the company.
- f) Term life insurance on the signer covering the amount of the note and assigned to the Town may be required.
- g) Proof of future disaster insurance, when applicable and available

Loan Review Committee

The Loan Review Committee of the Small Business Assistance Program shall be the Loan Review Committee for the SBDRP.

Procedures

Application and Application Review Procedures

An application package containing the application summary form and all requested information shall be submitted to the Loan Manager. The package will be reviewed for eligibility and completeness. The applicant will be notified of the status of the application as soon as possible from the receipt of the application. If the application is incomplete for any reason, the applicant shall have two weeks to address the deficiency. Failure to meet this deadline shall result in a forfeiture of application position and require a resubmission. Upon satisfactory review of an application, the Loan Manager shall submit the application package, accompanied by an application summary, to the Loan Review Committee.

Loan Review Committee Review of Applications

- a) The Committee shall meet as needed to review and act on loan applications. It is required that the applicant or its agent attend the meeting.
- b) If the Committee deems that additional information is required before acting on an application, this information shall be requested from the applicant and submitted to the Committee.
- c) During its review, the Committee reserves the right to adjust the loan amount and set the terms of the loan. The applicant will be notified by the Loan Manager of any adjustment.

- d) Upon completion of its review, the Committee shall vote whether or not to approve the loan request. If the loan request is approved, the Committee shall submit a recommendation(s) to the Selectboard for its action. If not approved, no recommendation will be forwarded to the Selectboard.
- e) The applicant shall be notified in writing of the Committee's decision.

Selectboard Action

- a) A loan application shall be scheduled for and considered at the next Board meeting following receipt of the Loan Review Committee's recommendation or at a special meeting held for that purpose. It is required that the applicant or its agent attend the meeting.
- b) The applicant shall be notified in writing by the Loan Manager of the Board's decision.

Closing of the Loan and Disbursement of Fund

- a) If the loan application is approved by the Selectboard, a date for closing shall be set by the Town. No closing shall take place until all conditions contingent to closing have been met.
- b) Loan documents to be executed and duly filed at closing shall include a Loan Agreement, Corporate Promissory Note, Individual Promissory Note, Mortgage Deed, UCC Financial Statement, proof of term life insurance, and proof of disaster insurance as applicable.
- c) Disbursement of loan funds shall be made in no more than two payments subsequent to closing.
- d) False or misleading information shall be considered a default of the loan agreement, and may cause the Town to seek remedies as stated in the Loan Agreement.

Right of Appeal

An applicant whose request for SBDRP funds has not been approved by the SBDRB Loan Review Committee may appeal for reconsideration in writing to the Loan Review Committee no later than one week after notification. Pursuant to the Town Charter, any decision by a Town committee may be appealed to the Selectboard.

Monitoring

The Town reserves the right to monitor the project periodically. Upon completion of the project, the applicant must submit a letter to the Town explaining how the project goals as stated in the loan application have been met.

AGRICULTURAL LAND PROTECTION FUND POLICIES & PROCEDURES

Agriculture is a valuable and integral part of Vermont's and Brattleboro's economy, environment, lifestyle, and cultural character. It is dependent on farmland that has been disappearing at the rate of 45 acres a year since 1939. Brattleboro has witnessed a dramatic decline in the number of active farms within the community. There were 124 farms in Brattleboro in 1940; today only 13 farms remain active. This trend must stop if Brattleboro's agricultural community is to survive and remain viable and healthy.

On the warning of the March 23, 1985 Brattleboro Town Representative's Meeting is the following Article:

To see if the Town will vote to establish an Agricultural Land Protection Fund for the purpose of purchasing interests in threatened farmland including, but not limited to, options, right of first refusal, leases, fee title, or development restrictions in accordance with such farmland protections policies as shall be adopted by the Board of Selectmen after a public hearing; and, to see if the Town will vote to raise and appropriate \$50,000 for the Town Agricultural Land Protection Fund.

The establishment of such a Fund is recommended by the Selectman's Agricultural Advisory Committee.

Purpose

The Fund's purpose is to enable the Town to help protect important local farmland from residential, commercial, and industrial development. It will be used in ways that make possible continued agricultural use of some of the Town's best remaining farmland and thereby help assure an agricultural future for Brattleboro.

The Fund is a valuable addition to other farmland protection measures in the Town and Windham County in terms of its availability, the variety of ways in which it can be used, and the opportunities it provides to deal directly and fairly with individual situations and place permanent conservation restrictions on important Brattleboro farmland.

When and How the Fund Will Be Used

The Fund will be used only when absolutely necessary. It will only be used when other funds and means are not available or sufficient in a given situation. When the Fund is used it will be used where feasible to leverage other public and/or private funds and as a revolving loan fund to the maximum extent possible.

The land evaluation/site assessment criteria for Locally Important Farmland and other guidelines for its use will be prepared by the Agricultural Advisory Committee and approved by the Board of Selectmen.

Land for which an expenditure from the Fund is made will be used, when feasible, in the Town's sludge disposal program.

The Fund can be used to purchase or assist in the purchase of rights of first refusal, options to purchase, long term leases, conservation restrictions (development rights), land through a bargain sale, and land in fee.

Administration

Responsibility for the administration of the Fund will belong to the Board of Selectmen. The Board will be assisted by the Agricultural Advisory Committee. Technical assistance is available from such organizations and agencies as the Ottauquechee Land Trust, Windham Regional Commission, Extension Service, and Soil Conservation Service.

Benefits

Benefits to the Town from the use of the Fund will include:

- a) Protection of agricultural land that will ensure the continuing viability of existing farms and agricultural enterprises in the Town.
- b) Protection of the Town's rural character and scenic open space.
- c) Prevent excessive increases in public service costs.
- d) Support of the traditional family farm as an economically viable unit of agricultural production, and also provision of opportunity for young people to enter farming.
- e) Securing of land for use in Town's sludge disposal program.
- f) Minimize the conversion of actively used agricultural lands, including leased lands, into competing, non-agricultural uses.
- g) Encouragement of greater diversity within the Town's agricultural economy.

Funding Sources

Money for the Fund can come from both public sources and private contributions and donations. The Town is being asked to provide initial funding through the appropriation of \$50,000 for the purpose of the Fund.

2/22/85 Addendum – Town Meeting Minutes 1985 - Agricultural Land Protection Fund

Under Article #29, Ray Pestle moved: Resolved, that the town authorize the establishment of an Agricultural Land Protection Fund for the purpose of purchasing interests in threatened farmland, including but not limited to options, rights of first refusal, leases, fee title or development restrictions in accordance with such farmland protection policies as shall be adopted by the board of selectmen after a public hearing; and to raise and appropriate \$50,000 for the town agricultural land protection fund. This was seconded, discussion followed and then Mr. Pestle allowed the name of the fund to be changed to the Agricultural Land Protection Revolving Loan Fund. Marion Deaett then moved to amend the motion to reduce the amount from \$50,000 to \$10,000. This was seconded and, on vote, declared defeated. Mr. Pestle's motion, as changed, then was declared carried.