

**ORDINANCE NO. 2026-26**

**AN ORDINANCE ADOPTING GRANT MANAGEMENT  
POLICIES AND PROCEDURES**

**WHEREAS**, the Loxley City Council regularly applies for and receives grant funds from federal, and state entities; and

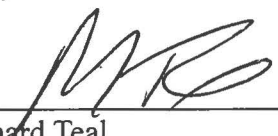
**WHEREAS**, the Governing Body recognizes its responsibility to manage grant funds in compliance with applicable laws, and regulations; and

**WHEREAS**, it is recommended that local governments formally adopt written policies and procedures to ensure proper stewardship of grant funds;

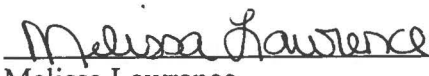
**NOW, THEREFORE, BE IT ORDAINED** by the Loxley City Council that the attached Grant Management Policies and Procedures is hereby adopted.

1. The Grant Management Policies and Procedures attached hereto as Exhibit A, are hereby adopted.
2. No grant application shall be submitted without prior approval by the Mayor, ensuring the grant fits the strategic goals of the City and does not create undue financial burden.
3. Acceptance of grant awards must be authorized by Resolution of the Governing Body before any grant funds are expended.
4. All departments receiving grant funds must comply with the adopted procedures, including financial management, procurement standards, reporting, and record retention.
5. In the event of a conflict between this policy and the specific requirements of a grantor, the more stringent requirement shall apply.
6. This Ordinance shall be in full force and effect upon its adoption by the City Council of the City of Loxley and publication as required by law.

**ADOPTED AND APPROVED** this the 18<sup>th</sup> day of May, 2026.

  
\_\_\_\_\_  
Richard Teal  
Mayor

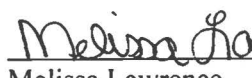
ATTEST:

  
\_\_\_\_\_  
Melissa Lawrence  
City Clerk/Treasurer

**CERTIFICATION**

I, the undersigned qualified and acting Clerk of the City of Loxley, Alabama, do hereby certify that the above and foregoing is a true copy of an ordinance lawfully passed and adopted by the City of Loxley Council, at a regular meeting of such council, held on the 18<sup>th</sup> day of May, 2026, and that said Ordinance is on file in the office of the City of Loxley Clerk.

I further certify that copies of the ordinance above were published by posting copies thereof in the Loxley Post Office, Loxley City Hall, Loxley Public Library, and Loxley Public Works beginning May 21, 2026, and took effect five days thereafter.

  
\_\_\_\_\_  
Melissa Lawrence  
City Clerk/Treasurer

**CITY OF LOXLEY**  
**FEDERAL GRANT MANAGEMENT POLICIES AND PROCEDURES**

**1. INTRODUCTION AND PURPOSE**

This document establishes the policies and procedures for managing federal grants in compliance with 2 CFR Part 200. The City Clerk, City Engineer, and Accountant are the primary staff responsible for grant administration. External contractors may be engaged for technical grant management support.

**2. REGULATORY FRAMEWORK**

The City adheres to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200), along with applicable state and local laws.

**3. ROLES AND RESPONSIBILITIES**

- City Clerk: Serves as the Grant Administrator, responsible for grant applications, reporting, and compliance oversight.
- City Engineer: Helps prepare grant applications, reporting, compliance oversight, and construction management of project (pay requests and reimbursement requests).
- Accountant: Manages financial aspects including budgeting, drawdowns, and financial reporting.
- Contractors: May be engaged for grant writing, monitoring, or reporting support, under the supervision of the City Clerk.

**4. GRANT LIFECYCLE PROCEDURES**

- Application and Approval: The City Clerk/City Engineer prepares applications for Council approval.
- Award Acceptance: The City Clerk/City Engineer coordinates acceptance and ensures budget amendments are processed.
- Financial Management: The Accountant ensures proper accounting, drawdowns, and documentation of allowable costs.
- Monitoring and Reporting: The City Clerk/City Engineer oversees performance reporting; the Accountant prepares financial reports.
- Closeout: Final reports and documentation are completed by the City Clerk, City Engineer and Accountant.

"Exhibit A"

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**5. PROCUREMENT POLICIES**

In accordance with 2 CFR 200.317–200.327, the City establishes the following procurement policies to ensure fair, open, and compliant acquisition of goods and services using federal funds:

**A. General Procurement Standards**

- All procurement transactions must be conducted in a manner providing full and open competition.
- The City Clerk/City Engineer is responsible for overseeing procurement activities, with support from the Accountant.
- Contractors involved in grant management must adhere to these policies.

**B. Procurement Methods and Thresholds**

**1. Small Purchases ( $\leq$  \$30,000) or Public Works Projects ( $<$ \$100,000)**

- Requires written price or rate quotations from at least three qualified sources.
- Written price and rate quotations may be obtained via email, or written bids.
- May be awarded without soliciting competitive quotations if the price is within statutory ranges.
- Written documentation of price reasonableness must be maintained.

Example: Purchasing office supplies such as printer ink or paper from a local vendor without soliciting quotes.

**2. Purchases ( $>$ \$30,000 and non-Public Works)**

- Requires public solicitation and purchase contract awarded to the lowest responsive and responsible bidder.
- Must comply with provision of Section 41-16 Article 3 of the Code of Alabama.

Example: Purchase of vehicles for parks department. The city publicly advertises for bids, receives sealed bids, and awards the contract to the lowest responsive and responsible bidder.

Example: Hiring a local contractor to repair a municipal building roof. The City Clerk obtains three written quotes and selects the most cost-effective option.

**3. Public Works Projects ( $>$ \$100,000)**

- Must comply with Section 39 Public Works of the Code of Alabama.

"Exhibit A"

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- Public Works is defined in Section 39-2-1 (6) in the Code of Alabama
- Requires public solicitation of bids and a lump sum or unit cost contract awarded to the lowest responsive and responsible bidder.

Example: Construction of a new community center. The city publicly advertises the project, receives sealed bids, and awards the contract to the lowest responsive and responsible bidder.

**4. Competitive Proposals**

- Used when sealed bids are not appropriate.
- Requires public solicitation and evaluation based on predetermined criteria.
- Contracts awarded to the responsible firm whose proposal is most advantageous.

Example: Procuring Storm Debris Contractor or IT consulting services for a federally funded project. The city issues a Request for Proposals (RFP), evaluates submissions based on technical qualifications and price, and selects the best value.

**5. Noncompetitive Proposals (Sole Source)**

- May be used only when one or more of the following apply:
- Code of Alabama Section 41-16-57 (b)
- The item is available only from a single source.
- Public exigency or emergency.
- Federal awarding agency authorizes.
- After solicitation, competition is deemed inadequate.

Example: Contracting with a specific software vendor to upgrade a proprietary system when no other vendor can provide the required service. The City Clerk documents the justification for sole source procurement.

**6. Procurement through State Bid or Purchasing Co-operatives**

- Contracts for general supplies, equipment, software, etc. are competitively bid and awarded by agency (Local, Regional, State or National);
- Local Governments are allowed to purchase from vendors through these contracts.
- Purchasing Co-operative must follow nationally recognized procurement guidelines for bidding.
- Purchasing Co-operatives may require membership by local government unit.
- Purchasing Co-operatives must comply with Code of Alabama and be approved by the Alabama Department of Examiners of Public Accounts.

Example: Purchasing generator for Fire Station through Sourcewell Purchasing Cooperative, or purchasing asphalt material through South Alabama Purchasing Association (SAPA).

"Exhibit A"

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C. Conflict of Interest

- No employee, elected official, officer, or agent may participate in the selection or administration of a contract if a conflict of interest exists.
- Conflicts include financial or personal interest in the firm selected.
- Disclosures must be made in writing and reviewed by the City Clerk.

D. Contracting with Suspended or Debarred Parties

For all purchasing and contracts related to federal funding, the City must verify that contractors are not suspended or debarred using the SAM.gov database. All vendors/contractors must be registered in the System for Award Management (SAM.gov) and maintain an active registration throughout the solicitation process and for the duration of any awarded contract. A Unique Entity Identifier (UEI) must be provided with the bid/proposal.

E. Documentation and Recordkeeping

- All procurement actions must be documented, including:
- Method of procurement
- Selection of contract type
- Contractor selection or rejection
- Basis for contract price
- Records must be retained for at least three years after final payment.

F. Use of Contractors

- Contractors engaged for grant management must follow these procurement policies.
- Contracts must include all required federal clauses per 2 CFR Appendix II to Part 200.

6. PROPERTY AND EQUIPMENT MANAGEMENT

The Accountant maintains inventory records for federally funded equipment in accordance with 2 CFR 200.313. Disposition of property follows federal guidelines.

7. PERSONNEL AND PAYROLL

The City maintains timekeeping and cost allocation records for any personnel funded by grants, in compliance with 2 CFR 200.430.

8. RECORDS RETENTION

All grant-related records are retained for at least three years after final expenditure reports, per 2 CFR 200.334. The City Clerk is responsible for record retention.

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**9. TRAVEL POLICIES**

Travel costs charged to grants must be reasonable and documented in accordance with 2 CFR 200.474. The City Clerk approves all grant-related travel.

**10. USE OF CONTRACTORS**

The City may engage contractors for grant management support. Contractors must comply with all applicable federal requirements and operate under the direction of the City Clerk.

**11. COMPLIANCE AND AUDIT**

The City will cooperate with audits and reviews as required by 2 CFR 200 Subpart F. The Accountant coordinates audit responses and SEFA reporting.

**12. POLICY REVIEW**

These policies will be reviewed annually by the City Clerk and Accountant and updated as needed to maintain compliance with federal regulations.

"Exhibit A"