



## ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL  
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255  
TELEPHONE: (408) 777-3220  
CUPERTINO.GOV

### CITY COUNCIL STAFF REPORT

Date: May 19, 2026

#### Subject

Approval of Updated Council Grant Policy

#### Recommended Action

Adopt Resolution No. 26-XXX approving the updated Council Grant Policy

#### Background

On July 6, 2023, Council considered and approved adoption of the City's Council Grant Policy. This policy was developed in response to Council inquiry on grant application and monitoring processes. Additionally, the policy established City Council and City Manager authority for the application, acceptance, and reporting of grants.

Following a June 2025 Council request to update the policy, in October 2025, Baker-Tilly developed an Internal Controls Review report with recommendations to strengthen the City's grant management activities with relation to best practices. This updated policy addresses key recommendations to formalize grant application and approval workflows and encourage consistency across departments. Recommendations from the Enterprise Risk Assessment 2024 Report, approved by Council in July 2024, have also been considered.

In response to these efforts, and with the establishment of a Grants Analyst position, staff developed an updated policy to strengthen governance, improve consistency, and align with best practices (Attachments A and B).

#### Reasons for Recommendation and Available Options

The City's current Council Grant Policy outlines the responsibility for City Council and City Manager authority for the application, acceptance, and reporting of grants. Additionally, the policy reflects best practices recommended by the California State Municipal Finance Officers (CSMFO), and implemented by other public agencies.

Summary of Changes in the Policy Update: The proposed updated policy retains the objective to affirmatively seek grant funding opportunities that add to the City's financial resources to help maintain, provide, and enhance quality services and improvements for Cupertino residents and

businesses. It adds clarity to previously ambiguous statements, including specifying that grant applications not meeting criteria for city manager approval be approved via council resolution. Similarly, council approval via resolution is now required for grant award acceptance with criteria outlined in the policy. Grant reporting has been updated to reflect quarterly changes. It adds language to recommend staff pursue funding with priority for one-time projects or programs that can be sustained without additional budget implications beyond the funding term. It also adds terms for compliance with cybersecurity and data governance policies for technology projects.

The updated Council Grant Policy reflects recommendations from the City's Enterprise Risk Assessment and the Grants Management Internal Controls Review.

The Enterprise Risk Assessment recommended a citywide grant strategy to leverage grant funding opportunities and improve grants management controls through policies, procedures, training and monitoring. This policy update contributes to the Citywide grant strategy that allows alignment of application approval, award acceptance and reporting to Council. The funding opportunity review processes encourage consideration of federal, state, regional and foundation grant opportunities to fund City projects and programs, aligned with Council-approved policies and plans. Additionally, staff are establishing administrative grants management procedures to define responsibilities and provide guidelines for processes from funding opportunity identification through grant close-out. Staff will be trained on use of this policy and associated procedures. The Internal Controls Review recommended formal grant application and approval processes. The updated Council Grant Policy mostly retains the authority for the City Manager and City Council as it is under the original policy. Procedures will follow to support documented approval processes.

The updated policy maintains current policy language that has proven effective in designating authority for the application, acceptance, and reporting of grants. The updated policy integrates recommendations and provides clarity on City Council Authorization of grant applications and award acceptance; reporting guidelines; and grant application approval parameters.

The updated Council Grant Policy, if adopted per the recommended action, clearly delineates City Manager and Council authorization for grant application and acceptance. This added clarity encourages thoughtful consideration of grant opportunities and submission of funding applications in alignment with the policy's grant application parameters, creating more opportunities for funding awards that would increase the City's financial resources.

#### Sustainability Impact

There is no sustainability impact associated with the recommended action.

#### Fiscal Impact

No fiscal impact

City Work Program (CWP) Item/Description The City Work Program FY 2025 – 2027 includes a priority to explore a grants analyst position. The action recommended in this staff report was a priority for completion by the newly hired grants analyst.

Council Goal:

Public Engagement and Transparency, Fiscal Strategy

California Environmental Quality Act

No California Environmental Quality Act impact.

---

Prepared by: Veena Raghavan, Grants Analyst

Reviewed by: Jonathan Orozco, Acting Director of Administrative Services

Floy Andrews, Interim City Attorney

Approved for Submission by: Tina Kapoor, City Manager

Attachments:

A – Draft Cupertino City Council Grant Policy Update (clean)

B – Draft Cupertino City Council Grant Policy Update (redline)