Grant Advisory Services

Final Report

January 2025

Alberta
Municipalities
Strength
In Members

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Alberta Municipalities
Strength In Members

1. Background and Introduction

Background and Introduction
Report Context

Alberta Municipalities ("ABmunis") is a non-profit organization founded in 1905, serving as the collective voice for nearly 300 municipalities across Alberta, which is home to over 85% of the province's population. This representation includes cities, towns, villages, and specialized municipalities, among others. ABmunis aims to provide value to its members through various services that address economic, environmental, social, and governance issues.

Alberta's municipalities rely heavily on government grant programs ("grants") for funding to address local needs, such as supporting economic development, enhancing community services, improving infrastructure, and building capacity.

As municipalities encounter growing financial pressures to deliver value to their residents, they increasingly rely on grant funding. However, **ABmunis' members have expressed challenges with the provincial grant process**, particularly regarding the complexity and administrative burden of identifying, applying for, and complying with these grants. Furthermore, there are concerns that **certain municipalities or types of municipalities may be at a disadvantage when competing for grants**, potentially leading to inequities in access to funding.

In response to the challenges, **ABmunis presents this report, advocating for provincial grant processes in Alberta that align with the needs of municipalities and promote equitable access to funding.**

This report outlines six prioritized recommendations, along with three additional recommendations for future consideration, all aimed at enhancing the effectiveness of the provincial grant funding process. These recommendations draw on findings from a *Current State Assessment Report.* The assessment reviewed 52 provincial competitive and allocation-based grants and gathered insights from ABmunis members through surveys and engagement to identify areas for improvement in the current provincial grant process. Section 2 of this report provides a concise summary of the assessment's findings.

Background and Introduction
Report Purpose and Structure

Report Purpose

This Report presents recommendations focusing on specific, practical, and actionable approaches to improving provincial grant processes. It includes findings from the *Current State Assessment Report,* which informed the process for determining and prioritizing recommendations. The structure of the report is outlined below.

Report Structure and Contents

01

Background and Introduction

Establishes the context and purpose of the report.

02

Current State Summary

Summarizes key findings from the assessment of Alberta's grant processes.

03

Recommendations

Outlines specific approaches to improve grant processes.

Key Definitions and Terminology

The following page provides an overview of key terminology used throughout this report.

Background and Introduction
Report Terminology

Terminology
Below are some key terms (and their definitions) used throughout this report:

- **ABmunis' members:** The 300+ Albertan municipalities that are members of ABmunis.

- **Engagement Sessions:** Interviews with ABmunis' members aimed at gathering perspectives on the provincial grant process.

- **Grant / Grant Program:** A fund that provides non-repayable financial assistance for specific activities or projects.

- **Grant – Allocation-based:** Funds distributed to municipalities according to a specific formula, allowing for use in line with program guidelines.

- **Grant – Competitive:** Funding awarded to some municipalities based on an evaluation of their grant application.

- **Grant Applicant:** An entity / municipality actively seeking and applying for grant funding.

- **Grantee / Grant Recipient:** An entity / municipality awarded funding from a grant program.

- **Grantors / Grant Providers:** Entities / provincial ministries or agencies that establish and manage grant programs.

- **Grant Process:** A structured series of steps from the design of the grant to the awarding of the grant and the evaluation of its impact. The grant process generally includes five stages: planning, preparation, submission, management, and closeout.

- **Leading Practices:** Methods, processes, and practices that set benchmarks for excellence.

- **Phase:** The grant process includes five phases: planning, preparation, submission, management, and closeout.

- **Stakeholders:** In the context of this report, stakeholders are ABmunis' members.

2. Current State Summary

Current State Summary
Approach to the Current State

Approach Overview

The *Current State Assessment Report* involved four types of analyses to understand the current state of the provincial grant process from the perspectives of municipalities. Refer to the table below for details regarding the information collected and the analyses performed. Feedback from ABmunis' members was the primary data source for this assessment. This was supplemented by research on provincial grants currently available to municipalities, the distribution of funding, and a jurisdictional scan. For additional details on the information collected, refer to Appendix A.

This section provides a concise overview of the *Current State Assessment Report* findings.

Table 1: Current State Approach

Inputs	Types of Analysis
▪ Research into Available Grants ▪ Research into Funding Distribution	**Contextual Analysis:** This analysis aimed to understand the current landscape of available provincial grants and the distribution of funding received by Albertan municipalities.
▪ Survey Data from ABmunis' members ▪ Engagement with ABmunis' members	**Grant Phase Maturity Analysis:** This analysis aimed to assess the maturity of each phase of the provincial grant process. Refer to Appendix B for the phases of the grant process.
▪ Survey Data from ABmunis' members ▪ Engagement with ABmunis' members	**Grant Provider Analysis:** This analysis aimed to provide an overview of some of the challenges municipalities face when working with different grant providers.
▪ Research into Jurisdictional Processes	**Jurisdictional Insights:** This analysis aimed to identify potential leading practices from other jurisdictions to support and inform opportunities for improvement.

2.1 Summary of Current State Findings

Summary of Current State Findings
One-Page Summary

The findings below summarize findings from the current state, based on three of the four analysis types conducted. The pages in this section provide a more detailed overview of these findings to set the context for recommendations presented later in this report. For detailed jurisdictional insights, which relate to the fourth analysis type, refer to Section 2.2.

Analysis	Summary of Current State Findings
Contextual Analysis	▪ Municipalities benefit from a number of available provincial grant opportunities; however, they noted that many grants tend to be focused on specific areas, such as water systems, energy, recreation and culture, with limited support for addressing their broader infrastructure needs. ▪ The allocation of provincial grant funds lacks transparency, with concerns noted about the equitable distribution of funds.
Grant Phase Maturity Analysis	▪ Municipalities reported that grants tend to align more closely with provincial priorities rather than addressing local priorities. This misalignment, coupled with the rigid use of funds, complicates effectively meeting community needs. ▪ Smaller municipalities may face challenges in accessing competitive grant funding, with a lack of grant proportionality or strategies to enhance equity in the competitive grant process. Additionally, the preparation requirements for grants, such as conducting feasibility studies, may impose financial and administrative burdens on municipalities with limited resources and capacity. ▪ There is a lack of visibility regarding available grants, as no database or portal lists all potential funding opportunities. ▪ Municipalities express frustration with ambiguous, manual and time-consuming grant reporting requirements for data collection without a clear purpose. Municipalities advocate for a more efficient, standardized grant processes to streamline their efforts.
Grant Provider Analysis	▪ Overall, municipalities report positive experiences with the grant process and appreciate the collaboration with the Province. However, they face challenges, particularly regarding the number of municipal staffing hours dedicated to grant applications and the ambiguity surrounding eligibility criteria.

Summary of Current State Findings
Current State Themes (1/3)

Overview of Current State Analysis

This section provides a detailed overview of the main themes from the current state findings, focusing on the challenges municipalities face in accessing and using provincial grants.

Challenges with Alignment of Provincial Grants with Municipal Needs

Municipalities experience difficulty in identifying and accessing competitive grants that align with their needs. Even when they successfully secure competitive funding, municipalities often discover that these grants lack the desired flexibility in fund utilization. Additionally, rigid and burdensome reporting processes further strain municipalities, especially those with limited capacity. Key challenges include:

- **Misalignment with Objectives:** Municipalities often find that the objectives of competitive grants tend to more strongly reflect provincial priorities rather than the needs of municipalities. As a result, municipalities are compelled to re-prioritize their own needs to meet the eligibility criteria and requirements of available grants to secure funding.
- **Timing Issues:** Grant submission and approval timelines do not always align with municipal budget cycles and may coincide with periods of low capacity, such as peak vacation times. Municipalities highlighted that long disbursement timelines – sometimes months or years – further hinder their ability to plan and implement projects effectively.
- **Rigid Requirements:** Strict requirements and definitions of allowable projects and expenditures for competitive grants, limit municipalities' ability to allocate provincial funding resources effectively. This rigidity may force municipalities to undertake large-scale infrastructure projects instead of simple revitalization repairs.

Municipalities advocated for allocation-based grants as a potential solution. These grants provide greater flexibility to prioritize community projects and provide straightforward reporting on their progress in achieving set goals.

Summary of Current State Findings
Current State Themes (2/3)

Challenges with the Efficiency of Current Provincial Grant Processes

Municipalities strongly expressed that the complexities and requirements of grant processes creates a considerable administrative burden. This burden diminishes their capacity to effectively identify, apply for, and manage grants, ultimately impacting their ability to access funding. Key challenges include:

- **Challenges with Identifying Eligible Grants:** While grant databases exist, their visibility and accessibility fall short of municipal needs. Even when municipalities receive a list of grants, the time and effort required to assess eligibility and understand the details can be overwhelming.
- **Lengthy and Complex Application Process:** The current application processes are resource-intensive and burdensome, placing disproportionate demands on municipalities. Variations in templates, online requirements, and unclear processes add to the complexity and often necessitate specialized resources, such as a dedicated grant writer. For municipalities with limited capacity, these obstacles make completing for funding on equal footing difficult. These challenges have created a demand for a more streamlined and modern application process that reduces the time spent on applications and ensures that access to grants does not depend on subjective writing skills.
- **Transparency and Timeliness of Decisions:** Many municipalities report long wait times for approvals, which can increase project costs. Inconsistent communication about application statuses and decisions can lead to frustration. Moreover, the lack of clear feedback on unsuccessful applications and transparency in decision-making criteria makes it difficult for municipalities to learn how to improve future submissions.
- **Onerous Reporting:** Reporting processes were often perceived as burdensome and time-consuming, not aligning with the resources and capacity municipalities can dedicate to these tasks. The reported effort to comply often outweighed the perceived value of the funding received.

Given these persistent challenges, municipalities strongly advocate for grant processes that are streamlined, transparent, and standardized across providers. By addressing these inefficiencies municipalities can focus their resources on delivering projects aligned to their community needs without diverting important attention.

Summary of Current State Findings
Current State Themes (3/3)

Challenges with Grant Accessibility

Smaller municipalities, especially rural ones with limited resources, face systematic barriers to accessing funding. These challenges often reduce their ability to compete fairly with larger municipalities. Key challenges include:

- **Higher Infrastructure Costs for Rural Municipalities:** Rural areas often incur higher infrastructure costs due to mobility expenses, limited economies of scale, and the absence of cost-offsetting measures. Long travel distances and smaller project scales further deter contractors, leaving rural communities disadvantaged.
- **Funding Restrictions:** Stringent restrictions, such as the inability to stack grants limits both the access and potential impact of funding. Even when a municipality meets grant criteria, caps on regional allocations can result in missed opportunities for securing necessary grant funding.
- **Challenges with Securing Matching Funds:** Many grants require municipalities to contribute matching funds, which is a burden for smaller municipalities. The time required to save for their share of a project can make these grants unfeasible for some.
- **Costly Preparation Requirements:** Smaller municipalities face steep costs for pre-existing needs assessments and feasibility studies, which are frequently prerequisites for grant applications. These processes are both expensive and resource-intensive, especially for municipalities without in-house engineering expertise.
- **Building MLA Relationships:** Some rural communities report difficulties in establishing strong relationships with their Members of the Legislative Assembly (MLAs), which they perceive as a disadvantage in the competitive grant process.
- **Challenges with NFP Collaboration:** There is confusion regarding why municipalities cannot directly compete for certain grants designated for non-profit organizations (NFPs), especially when they own the infrastructure intended to benefit their residents.
- **Lack of Proportionality in Grant Processes:** Applications for smaller scale grants are often as complex as those for larger-scale projects, creating undue administrative burden for municipalities with limited capacity and budgets.

Smaller and rural municipalities advocated for more equitable grant measures that consider their unique challenges. Addressing barriers such as funding restrictions, matching requirements, and complex processes will allow these municipalities to compete fairly.

2.2 Summary of Jurisdictional Insights

Current State Summary
Summary of Jurisdictional Insights

Overview of Jurisdictional Insights

Jurisdictional insights from the *Current State Assessment Report* are presented below and have informed the recommendations presented later in this report. For references, refer to Appendix C.

Jurisdictional Insights

- **Standardized Grant Design:** The *Commonwealth Grants Rules and Guidelines 2017* by the Commonwealth of Australia's Department of Finance provide a standardized framework for grant management, promoting flexibility, transparency, and consistency. [1, 2]
- **Collaborative Grant Design:** New South Wales aims to align grant opportunities with stakeholder needs through collaboration. Instead of a one-size-fits-all approach, the state incorporates stakeholder input in grant development, sometimes even co-designing grants with stakeholders. [2]
- **Supporting Rural Municipalities:** Ontario has established three funds—the Ontario Municipal Partnership Fund, Northern Ontario Resource Development Support Fund, and Building Faster Fund—to provide equitable infrastructure and housing support to rural municipalities. [3,4,5]
- **Centralized Grant Platform:** The Canadian Federal Government provides a single platform for all federal grant and contribution funding opportunities. Applicants can create secure online accounts to apply for funding and manage their projects effectively. [6]
- **Grant Database Finder:** The Nova Scotia Federation of Municipalities offers a Municipal Funding Database that lists grants from federal, provincial, and private sources. Each grant entry includes deadlines, contact details, and links for quick reference. Municipalities can also contact the "Fund Navigator" for assistance in identifying eligible grants and navigating the application process. [7]
- **Transparent Grant Information:** The Counselling Foundation of Canada provides comprehensive grant information publicly before the application process to ensure that applicants fully understand the requirements and expectations. This information includes lists of eligible and ineligible projects, frequently asked questions (FAQs), example templates for letters of intent, application forms, grant agreements, and detailed steps for the application, decision-making, and reporting processes. [8]
- **Automated Eligibility Checking:** The Queensland Audit Office reviewed a grant program using an online system for automated eligibility checks, validating key fields and ensuring only eligible applications were evaluated based on selection criteria. [9]
- **Flexible Infrastructure Funding:** Nova Scotia's Municipal Capital Growth Program allows municipalities to choose how to allocate their infrastructure funding. Priority is given to projects that address critical capacity issues or expand infrastructure services. [10]
- **Feasibility Study Support:** British Columbia offers the Infrastructure Planning Grant Program, which supports municipalities to conduct feasibility studies and needs assessments related to infrastructure projects. [11]

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3. Recommendations

3.1 Approach to Developing and Prioritizing Recommendations

Recommendation Approach
Approach to Developing and Prioritizing Recommendations

01 Preliminary List of Opportunities for Improvement

02 Validating and Defining Recommendations

03 Prioritizing Recommendations

04 Outlining Recommendations

Approach

1. **Preliminary List of Opportunities for Improvement** *(Refer to Current State Assessment Report)*
The *Current State Assessment Report* highlighted municipalities' primary challenges with provincial grant processes. Based on these findings, a preliminary list of opportunities was developed to improve the efficiency and effectiveness of these processes.

2. **Validating and Defining Recommendations** *(Refer to Section 3.2 for recommendations developed.)*
To refine these preliminary opportunities and create actionable recommendations, a collaborative workshop was held on November 18th. This workshop included participants from ABmunis and representatives from various municipalities, including Duchess, Warren, Barons, City of Edmonton and Strathcona County.

3. **Prioritizing Recommendations** *(Refer to Section 3.2 for the prioritization of recommendations.)*
During the same workshop on November 18th, participants engaged in a prioritization exercise to identify which recommendations would offer the most immediate support to municipalities. Details of the prioritization process can be found on the next slide.

4. **Outlining Recommendations** *(Refer to Section 3.3 for Prioritized Recommendations and 3.4 for Future Considerations)*
Each prioritized recommendation was defined, including the rationale behind it.
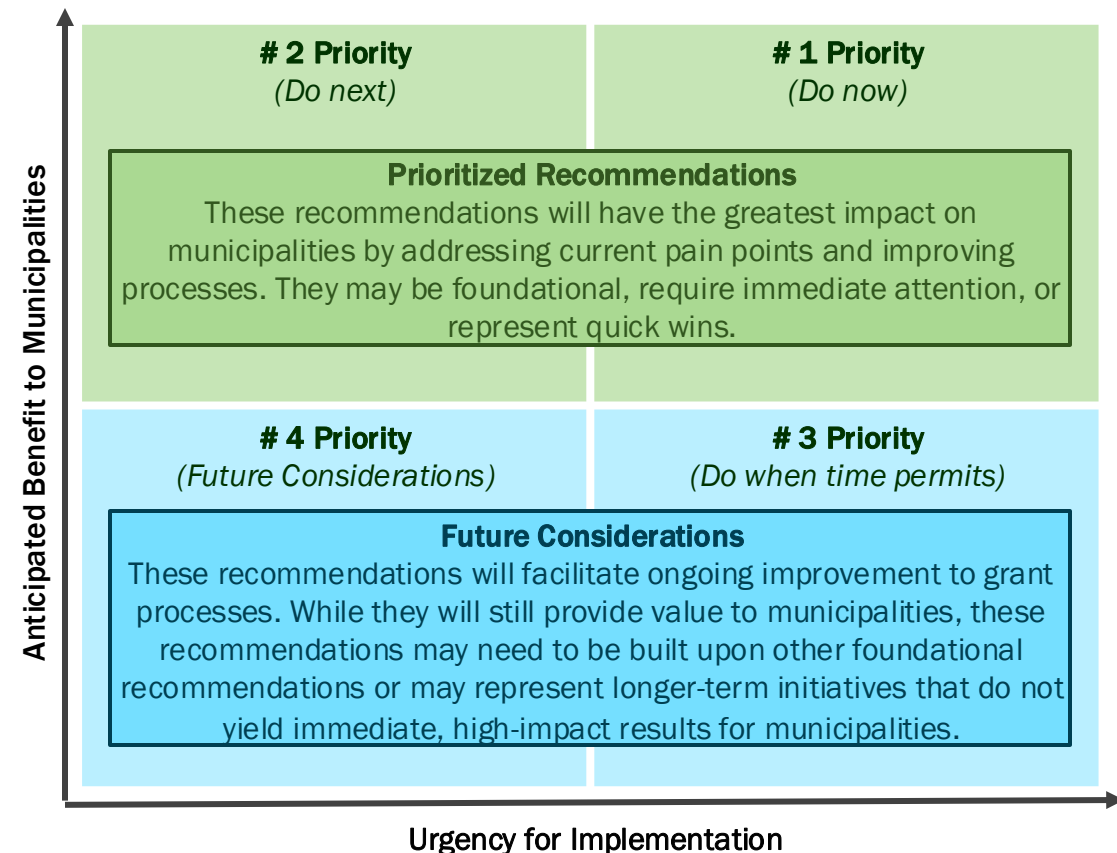
Recommendation Approach
Prioritization Matrix

Two key criteria support the prioritization of recommendations:

- **Anticipated Benefit/Impact to Municipalities:** This criterion measures the potential impact of each recommendation to enhance provincial grant processes.

- **Urgency/Need for Implementation:** This criterion assesses the urgency of implementing each recommendation based on the current challenges faced by municipalities.

Recommendations in the top two quadrants are anticipated to deliver the greatest potential benefit to municipalities. For details of these prioritized recommendations refer to Section 3.3.

While recommendations in the bottom two quadrants are categorized as "future considerations." These recommendations still offer value but focus on long-term initiatives or depend on foundational changes. Section 3.4 outlines these future considerations.

Figure 1: Prioritization Matrix

Anticipated Benefit to Municipalities

 # 2 Priority
(Do next)

 # 1 Priority
(Do now)

Prioritized Recommendations
These recommendations will have the greatest impact on municipalities by addressing current pain points and improving processes. They may be foundational, require immediate attention, or represent quick wins.

 # 4 Priority
(Future Considerations)

 # 3 Priority
(Do when time permits)

Future Considerations
These recommendations will facilitate ongoing improvement to grant processes. While they will still provide value to municipalities, these recommendations may need to be built upon other foundational recommendations or may represent longer-term initiatives that do not yield immediate, high-impact results for municipalities.

Urgency for Implementation

3.2 Summary of Recommendations

Summary of Recommendations

	Table 3: Summary of Recommendations	
A	Improving Flexibility in Grant Funding	Providing greater flexibility in the use of competitive grant funds to effectively address municipal needs and optimize the impact of grant funding.
B	Aligning Grant Timelines with Municipal Cycles	Aligning grant submission deadlines, approval processes, and funding distribution schedules with the fiscal cycles and capacity constraints of municipalities.
C	Streamlining and Standardizing Grant Processes	Enhance the customer journey in the grants management system by standardizing procedures among various grant providers, thereby improving efficiency and alleviating administrative burden, while emphasizing a customer-centric approach.
D	Designing Grants with Proportionality	Designing grant processes that are proportional to the funding amount, thereby supporting equitable funding for municipalities with limited resources.
E	Optimizing Eligibility Matching	Leveraging technology to effectively match municipalities with grant funding opportunities.
F	One Grant Management Platform	Creation of one centralized online platform that consolidates all provincial grant programs, facilitating ease of access to find, apply for, and report on grants.
G	Enhancing Transparency in Fund Distribution	Reviewing the distribution of provincial funds to promote fairness and transparency in grant allocation.
H	Fostering Regional Partnerships	Formalizing processes around regional partnerships to support accessibility to grants.
I	Establishing Continuous Feedback Mechanisms	Implementing strategies to gather and incorporate feedback, ensuring that provincial grants are relevant and align with the current needs and priorities of municipalities.

Priority of Recommendations

Figure 2: Prioritization of Recommendations

The prioritization of recommendations is based on insights gathered during the working session held on November 18th. This session focused on identifying which recommendations would yield the greatest impact for municipalities. Details of the prioritized recommendations, which are positioned in the top quadrants, can be found in Section 3.3. Details for future considerations, positioned in the bottom quadrants, can be found Section 3.4.

Anticipated Benefit to Municipalities (vertical axis)

 # 2 Priority *(Do next)* — F, E

 # 1 Priority *(Do now)* — C, A, D, B

 # 4 Priority *(Future Considerations)* — I

 # 3 Priority *(Do when time permits)* — G, H

Urgency for Implementation (horizontal axis)
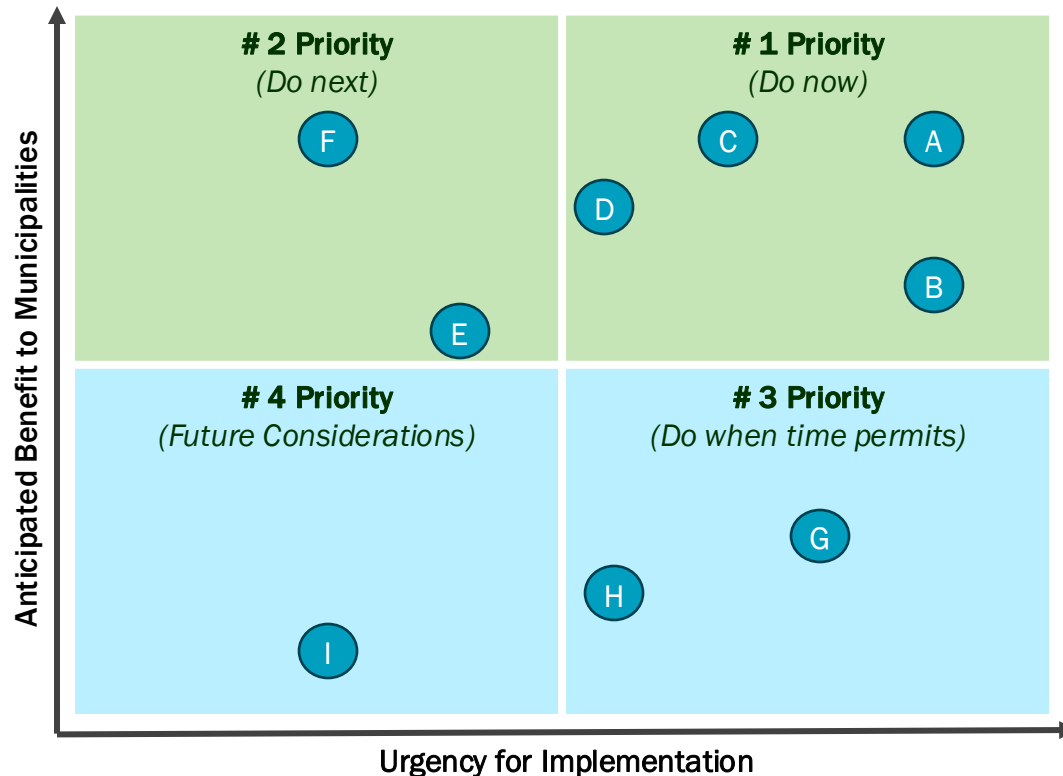
Recommendation Legend	
A	Improving Flexibility in Grant Funding
B	Aligning Grant Timelines with Municipal Cycles
C	Streamlining and Standardizing Grant Processes
D	Designing Grants with Proportionality
E	Optimizing Eligibility Matching
F	One Grant Management Platform
G	Enhancing Transparency in Fund Distribution
H	Fostering Regional Partnerships
I	Establishing Continuous Feedback Mechanisms

3.3 Prioritized Recommendations

Recommendation A
Improving Flexibility in Grant Funding

Rationale – What do municipalities need?

Municipalities seek greater alignment of competitive grants with the needs of their communities. The allocation-based model is often favored, as it enables municipalities to effectively manage their resources and prioritize community projects.

Recommendation – What can be done to support these municipal needs?

There is an opportunity for the province to improve the alignment of competitive grant programs with the needs of municipalities. By providing greater flexibility in how these competitive programs can be used, the province can empower municipalities to manage their resources more effectively and respond to the unique needs of their communities. Below are key considerations gathered from municipalities regarding improving the alignment and flexibility of grants:

- **Flexibility of Use of Funding:** Municipalities would like broader definitions of what constitutes allowable projects, activities, and expenditures in competitive grant programs. By allowing more discretion in determining which objectives need to be met and how to achieve them, municipalities can prioritize more relevant and impactful projects for their communities.
- **Flexible Infrastructure Grants:** Infrastructure grants are a particular area that requires greater flexibility to align with municipal priorities. There is a pressing need for grants that support revitalization and repairs, enabling municipalities to address aging infrastructure and community needs effectively.
- **Innovative Grant Use**: Other areas may support flexibility, such as allowing municipalities to stack grants or leverage provincial grant funds to meet matching requirements for federal programs. Such approaches would improve municipalities' access to funds and ability to effectively use multiple funding sources.
- **Allocation-Based Grants:** Increasing allocation-based grants could support in achieving greater alignment with municipal needs; however, it is essential to maintain competitive grants alongside allocation-based grants, as competitive grants play an important role in prioritizing projects throughout the province.

Recommendation B
Aligning Grant Timelines with Municipal Cycles

Rationale – What do municipalities need?

Municipalities would benefit from improved alignment between provincial grant processes and their own fiscal timelines. This alignment would improve their capacity to budget resources and manage time effectively.

Recommendation – What can be done to better support these municipal needs?

There is an opportunity for the province to improve the synchronization of the provincial grant process with the fiscal cycles and capacity constraints municipalities face. The province can offer more substantial support for municipal resource planning and budgeting while increasing predictability in grant decision timelines and fund availability. Below are key considerations gathered from municipalities regarding alignment with municipal cycles:

- **Grant Submission Deadlines:** Municipalities express a preference for grant submission deadlines to be scheduled outside of low-capacity periods, such as peak vacation times in the summer and late December. Ideally, grant applications should remain open long enough for municipalities to prepare comprehensive submissions, particularly for larger, competitive grants. Engaging with municipalities to identify additional low-capacity periods can further refine these timelines.
- **Timely Grant Decisions:** There is a pressing need for more timely and transparent decision-making processes. Aligning grant decisions with municipalities' four-year budget cycles and annual budget review periods will facilitate accurate budgeting and financial planning.
- **Timely Distribution of Funds:** Timely distribution of funds is crucial for municipalities to execute their projects successfully. Standardizing timelines for fund distribution will enhance project planning and ensure municipalities can access necessary resources when required. For further details on the standardization of processes, please refer to Recommendation C on Streamlining and Standardizing Grant Processes.
- **Provincial Grant Calendar:** Establishing a provincial calendar that outlines all key grant dates and deadlines would greatly benefit municipalities. This calendar should include timelines for grant openings, submission deadlines, decision-making dates, and expected fund release dates. Such a resource would enhance planning, predictability, transparency, and accountability, enabling municipalities to align their internal processes with provincial timelines.
- **Alignment of Reporting Requirements:** Another consideration could be aligning grant reporting requirements with municipalities' internal annual reporting cycles or reporting cycles of major allocation-based grants.

Recommendation C
Streamlining and Standardizing Grant Processes (1/2)

Rationale – What do municipalities need?

Municipalities seek a more efficient and streamlined grant process to alleviate the current administrative burden of applying for and managing grants. Municipalities would ideally prefer these processes to be consistent and adhere to standardized requirements across all providers.

Recommendation – What can be done to better support these municipal needs?

There is an opportunity for the province to enhance the customer journey through the grant management system by standardizing procedures among various grant providers, thereby improving efficiency and alleviating administrative burden. Below are key considerations gathered from municipalities regarding the standardization and streamlining of grant processes:

- **Customer-Centric Approach:** Recognizing the significance of "customer journeys," or "municipal journeys," throughout the grant lifecycle will support developing streamlined and standardized processes that prioritize the needs of municipalities. This approach involves mapping out each touchpoint, experience, and journey of municipalities across the phases of the grant lifecycle. This supports alignment with municipal needs, establishes a solid foundation for creating standardized systems, and fosters a more responsive and supportive process for municipalities.
- **Uniform Application Procedures:** Municipalities have highlighted the need for a consistent and standardized application format. A uniform format would simplify the submission process and reduce the complexity of navigating various application forms with differing requirements. Ideally, this standardized format would favor check-box and data-driven methods over traditional essay formats, emphasizing quantitative analysis rather than subjective writing skills. This shift would support a more equitable and effective evaluation of applications. Furthermore, to avoid the need for municipalities to enter similar information repeatedly, a centralized repository of up-to-date financial data (e.g., Local Government Accountability Framework) could serve as a proxy, allowing municipalities to save time and effort in submitting repetitive data.
- **Standardized Application Information:** Municipalities have expressed the need for standardized and comprehensive information regarding the grant process. This would help inform applicants about the entire process before submitting their applications. Key information that grant providers could include are the objectives of the grant, details on eligible and ineligible projects and municipalities, and a thorough overview of the entire grant process, including application procedures, decision-making processes, agreements and reporting requirements. Additionally, clear assessment criteria and rubrics, timelines, deadlines, and examples of previously successful grants could be provided to facilitate a smoother application experience. Municipalities have also indicated that it would be beneficial to have the ability to view and print the entire application for internal review before committing to the submission process.

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Recommendation C
Streamlining and Standardizing Grant Processes (2/2)

Recommendation – What can be done to better support these municipal needs?

- **Standardized Criteria:** There is a desire among municipalities for a common and consistent application of criteria, including eligibility criteria, decision criteria, and criteria for the use of funds. This would ensure a fair and competitive grant process that is clear and transparent.
- **Use of Expression Letters:** Municipalities have identified the submission of Expression Letters as a significant advantage, as this process enables them to assess project approval without needing a comprehensive grant application.
- **Standardized and Automated Decision Making:** Drawing from insights gained through the jurisdictional scan, there is an opportunity to improve the decision-making process by incorporating automated eligibility checks against existing databases for specific criteria. Furthermore, implementing standardized decision-making processes can enhance the efficiency of the workflow while ensuring transparency and fairness.
- **Standardized Management Techniques:** Municipalities seek a uniform approach to how grant providers engage with applicants and successful grantees. This includes a standardized method for tracking application status, providing feedback on unsuccessful grants, managing grant agreements, and dispersing funds.
- **Standardizing and Simplifying Reporting Procedures:** Establishing clear reporting standards can reduce unnecessary data collection, ensuring only essential information is gathered. Standardized templates will save municipalities time and minimize reporting errors. For instance, limiting required submissions to key documents like invoices, a one-page payment confirmation, and project photos can streamline processes. When additional outcomes reporting is needed, clarifying how the information will be used is important. Other considerations for reporting could include:
  - Quantitative Reporting: Shift to a quantitative approach for easier tracking and compliance.
  - Reporting Protocol: Limit reporting and communication to after contractor approval and the first dispersal of funds.
  - Use of Bank Statements: Permit municipalities to submit bank statements instead of manual spreadsheets, streamlining processes and improving financial record integrity. Managing grant funds through a single account can simplify tracking, align statements with transactions, ease audits, and reduce fraud risk.
- **Single Point of Contact:** Municipalities have preferred having one point of contact for provincial grants. This individual would be knowledgeable about all provincial grants and capable of providing support, training, and communication regarding standardized processes. They could also serve as liaisons, offering feedback to grant providers and helping to establish and confirm compliance with standardized grant processes.

Recommendation D
Designing Grants with Proportionality

Rationale – What do municipalities need?

Smaller municipalities are advocating for a more equitable grant process that would enable them to compete fairly in competitive grant programs against municipalities with greater resources. This would benefit municipalities that struggle with accessing funds due to their limited capacity.

Recommendation – What can be done to better support these municipal needs?

There is an opportunity for the province to improve the design of grant processes to be more proportional to each grant program's funding amount and associated risks. This alignment would enable municipalities with limited resources to access funding commensurate with their capacity. Below are key considerations gathered from municipalities regarding the proportionality of grant processes:

- **Defining Proportionality:** Municipalities perceive proportionality as the balance between the level of detail required in the grant application / reporting process, the value and associated risks of the grant funding. More specifically, this concept could encompass factors, including the purpose and objectives of the grant, its monetary value, duration, the intended audience and their capabilities, desired outcomes, deliverables, potential risks, and the necessary governance and accountability measures. Gathering feedback from municipalities can provide valuable insights into their understanding of proportionality, its application's criteria, and its implementation's practicalities.
- **Standardizing Proportionality:** Building on the previous recommendation for standardization, establishing standardized criteria for proportionality will create a clear framework for its application across grant programs. This includes defining what constitutes small, medium, and large value grants and categorizing them into low, medium, and high-risk levels. These categories will inform the corresponding implications regarding the levels of detail, accountability, and reporting requirements based on each grant's value and risk profile.
- **Proportional Processes:** Municipalities would benefit from streamlined processes that adjust the detail required based on the grant's value and risk profile. Key areas for proportionality include:
  - *Applications:* Simplified applications for smaller, low-risk grants. Other areas, such as the extent of preparation requirements, and allowing for estimates instead of fixed bids, could support a simplification of the application process.
  - *Grant Decisions:* A tiered approval system could be established to adjust the amount of rigor required, expediting decision-making.
  - *Grant Agreements:* The complexity, conditionality, risks, roles, accountability, and controls could be tailored to the grant's value and risk.
  - *Reporting:* The detail required in reporting could be based on the associated risks and the desired policy outcomes and public reporting sought.

Recommendation E
Optimizing Eligibility Matching

Rationale – What do municipalities need?

Municipalities seek more visibility of available grant programs and more streamlined processes to determine eligibility. Municipalities would like to minimize the time spent researching and reviewing grants they may not even be eligible to receive.

Recommendation – What can be done to better support these municipal needs?

There is an opportunity for the province to improve the matching of relevant funding opportunities with eligible municipalities. By doing so, access to funding would be improved, and the burden on municipalities to identify available provincial grants would be reduced. Below are key considerations gathered from municipalities regarding eligibility matching:

- **AI-Driven Funding Finders:** The increasing use and popularity of artificial intelligence (AI) presents an opportunity to develop an AI-driven funding finder. This tool could review and analyze a database of all provincial grants. Municipalities could input specific information about their community, projects and needs, and the AI tool would generate a list of grants for which they are eligible. To effectively implement this, the province would require an up-to-date database with clear and standardized eligibility criteria, as well as the creation of a landing page for this tool. Additionally, municipalities would require guidance on effectively prompting the AI to receive relevant information. Additionally, the AI would help assess eligibility for specific grants based on project details.
- **Dedicated Government Liaison:** Another consideration is the use of a dedicated government liaison position that could facilitate matching programs with eligible municipalities. This liaison would help municipalities identify suitable funding opportunities and guide them through the application process. This role could also provide feedback to the province based on the input from municipalities.

Recommendation F
One Grant Management Platform

Municipalities advocated for the establishment of one portal for all provincial grants, similar to the approach taken by the Federal Government. This platform would allow municipalities to secure funding and manage resources effectively.

Recommendation – What can be done to better support these municipal needs?

There is an opportunity for the province to create one technology platform that consolidates all provincial grant programs, facilitating ease of access to find, apply for, and report on grants. Below are key considerations gathered from municipalities regarding a technology platform to enable grant management:

- **Single Secure Login:** Municipalities desire a single access point for all grant programs through a single secure login. This feature would enhance security and improve the overall user experience.
- **Consolidated Information Hub:** A centralized platform could serve as a comprehensive resource, providing a resource library for all essential information about grant programs. This includes standards and guidelines, best practices, eligibility criteria, deadlines, application tips, reporting tips, and FAQs. Additionally, access to training materials and support services would empower users to navigate the platform effectively.
- **Notifications for New and Eligible Grants**: Automatic notifications would keep users informed about new grants and those, for which they may qualify, ensuring they do not miss funding opportunities.
- **Real-Time Status Tracking:** Municipalities would benefit from the ability to track the status of their applications in real-time, promoting transparency and accountability throughout the grant process.
- **Unified Application and Reporting Process:** A single platform for both grant applications and reporting would simplify the process, reducing administrative burden and enhancing efficiency.
- **Stored Information for Efficiency:** The platform could retain municipal information and pre-fill applications with previously submitted data. This feature would save time and minimize errors during the application process.
- **User-Friendly Interface:** An intuitive, modern design would be desired for this platform, ensuring it is accessible to users with varying levels of technical expertise.

3.4 Future Considerations

Future Considerations

Overview

Below are three additional recommendations that would facilitate ongoing improvement for provincial grant processes.

Recommendation G: Enhancing Transparency in Fund Distribution

Rationale: The allocation of provincial grant funds lacks transparency, raising concerns about these funds' equitable distribution.

Recommendation: There is an opportunity to review the distribution of provincial grant funds. An analysis could be conducted to determine the distribution of funds to each Albertan municipality, municipality type (e.g., city, town) and region (e.g., central, northeast). Additionally, the distribution based on the types of grants—such as competitive, allocation-based, allocation-project based, and needs-based— could be evaluated, as well as the types of projects and initiatives that are typically receiving funding.

By examining the distribution of funds through these various lenses and comparing year-over-year data, a clearer understanding of funding patterns and their implications will develop. This information should be made available annually or through an online dashboard to promote transparency, inform future funding decisions, and build public confidence in the allocation process.

Recommendation H: Fostering Regional Partnerships

Rationale: Many municipalities may benefit from collaborating with neighboring municipalities to secure grant funding for shared initiatives. By pooling resources, such as grant writers and engineering expertise for feasibility studies, municipalities can enhance their chances of success in obtaining funding.

Recommendation: While some regional partnerships may already be in place, there is an opportunity to formalize these collaborations. This formalization could include establishing criteria to evaluate regional partnerships against applications from individual municipalities. It would be important to ensure that this process balances the needs of regional partnerships without restricting access to funds for municipalities that prefer to operate independently. All municipalities should retain access to funding opportunities, regardless of their ability or willingness to collaborate with others.

By fostering regional partnerships, municipalities can use funds in a way that benefits multiple communities simultaneously, thereby improving overall access to funding.

Future Considerations

Recommendation I: Establishing Continuous Feedback Mechanisms

Rationale: Municipalities seek to collaborate with the province to enhance grant processes, ensuring that these processes effectively meet their unique needs and challenges.

Recommendation: There is an opportunity to adopt a more collaborative approach to enhance grant processes. One potential strategy could be to co-design grant programs and leverage third-party organizations with municipal interests or government liaisons, such as fund navigators, to establish a continuous feedback loop for grant improvement.

Additionally, municipalities have expressed a strong need for constructive feedback on their grant applications. Providing this feedback can improve their chances of success in future submissions. Many municipalities also emphasize the value of preliminary application reviews, which allow them to refine their proposals before final submission.

Establishing continuous feedback mechanisms will create a more effective and responsive grant system, ultimately leading to better outcomes for municipalities and the province.

4. Appendix

Appendix A
Current State Information Collection Methods

Introduction: Information Gathering and Analysis Approach

The primary source of data and information for the current state assessment was input received from ABmunis' members. This was supplemented by research into the current provincial grants available to municipalities, the distribution of funding, and a jurisdictional scan. Below, are additional details regarding the methods used for information gathering. The approach to how collected information was analyzed is on the following page.

Information Gathering Methods

Available Grants	Funding Distribution	Engagement	Survey	Grant Research	Jurisdictional Scan
Research was conducted to compile a list of currently available provincial grants to ABmunis' members, focusing on competitive and allocation-based grants. A total of 52 grants were identified.	Research was conducted to gather the amount of provincial grant funding received by Alberta's municipalities for the 2022-2023 fiscal year. The analysis included data from 26 grants.	ABmunis' members were invited to participate in discussions to share their experiences with provincial grants. A total of 13 members were engaged over 7 sessions for 5.5 hours.	A survey was conducted to gather feedback from ABmunis' members regarding their experiences with provincial grants. The survey received 80* responses.	Publicly available research was gathered for each of the 52 grants identified. Research was limited to information on the planning, preparation and submission phases.	Leading practices on grant processes were derived from a jurisdictional scan.

Appendix B
Phases of the Grant Process

Figure 3: Grant Process Flowchart

Phase	Description	Key Activities
Planning	The initial stage of the grant process in which grantors create grant programs that align with their goals, and the needs of grant applicants.	⬇ Grant Strategy and Objectives Planning ⬇ Grant Execution Planning
Preparation	Grantors promote their grants, while grant applicants conduct research to identify and gather information about grants for which they are eligible and that align with their needs.	⬇ Grant Promotion ⬇ Grant Identification and Information Gathering
Submission	Grant applicants formally prepare and submit their grant application. Grantors then review and award grants.	⬇ Submission of Clarifying Questions ⬇ Application Submission and Status Monitoring ⬇ Application Decision
Management	Execution of grant agreements. Grantors disperse funds, and grant recipients implement relevant project work and report on progress.	⬇ Execution of Grant Agreements ⬇ Interim Reporting and Progress Monitoring ⬇ Fund Distribution
Closeout	Concluding stage of the grant process in which final reports are submitted, and the grant is evaluated.	⬇ Final Reporting ⬇ Grant Evaluation

Appendix C
Jurisdictional Insights References

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