

OGM 08-13: Evaluating Grantee Performance

Version: 1.2

Effective Date: April 1, 2024

Policy Statement and Rationale

Minnesota Statutes, section 16B.97, subdivision 4(a)(1) states that the Commissioner of Administration shall “create general grants management policies and procedures that are applicable to all executive agencies.” It is the policy of the State of Minnesota to evaluate and consider a grant applicant’s past performance before awarding subsequent grants to them. State agencies must consider a grant applicant’s performance on prior grants from that agency before making a new grant award. All state agencies should implement a process that allows the agency to evaluate grantee timeliness, quality, and overall performance under a grant award.

For grant contract agreements, including any amendments, \$25,000 and less:

The state agency must evaluate and document a grantee’s performance, including the considerations referenced below. This evaluation report should be completed within 60 calendar days following completion of all other grant requirements. This evaluation report must be retained by the agency and made available for review upon request.

To evaluate grantee performance, state agencies should consider all information contained in the grant file, including:

- Grantee name, grant award amount, and amount of grant paid to grantee.
- The start and end dates of the grant award period.
- Description and purpose of the grant and proposed grant outcomes.
- Description of actual grant outcomes.
- If applicable, additional conditions specified in the grant contract agreement as a result of the preaward risk assessment process.
- Compliance with reporting requirements.
- Monitoring and financial reconciliation results.
- Any fraud, waste, or abuse concerns.
- If the grant was terminated for cause.

Agencies then must document the additional following information:

- Any unresolved issues or concerns, or if the grant was terminated for cause.
- Agency’s satisfaction with the grantee’s timeliness, quality of work, and overall performance.

Grant programs that seek an exception to this policy for grantee performance evaluations for grants of \$25,000 or less must complete a [Grants Policy Exception Request](#) and submit it to the Office of Grants Management for the approval of the Commissioner of Administration.

For grant contract agreements, including any amendments, over \$25,000 issued on or after April 1, 2024:

Minnesota Statutes, section 16B.98, subdivision 12 directs agencies to submit a report to the commissioner of the Department of Administration evaluating grantee performance of grant agreements over \$25,000.

The state agency must evaluate a grantee's performance and submit a report of their evaluation to the commissioner of the Department of Administration. These reports will be publicly available online. The report evaluating grantee performance should be submitted within 60 days following completion of all other grant requirements. Grantees have a right to respond to performance evaluations and agencies must keep the responses in the grant file.

Grant programs may not seek exceptions to this policy regarding grantee performance evaluation for grants over \$25,000 issued on or after April 1, 2024.

For grant contract agreements over \$25,000 issued before April 1, 2024, follow the above guidance for grant agreements \$25,000 and less.

Applicability

This policy applies to grant-making at all executive branch agencies, boards, committees, councils, authorities, and task forces that make grants, including those that use the grant award notification process. This policy applies to competitive, legislatively named, formula, and single and sole source grants, but does not apply to bonding and capital grants.

Definitions

- **Formula Grant:** For the purposes of this policy, a formula grant refers to:
 - Allocations of money to States or their subdivisions in accordance with distribution formulas prescribed by law or administrative regulation, for activities of a continuing nature not confined to a specific project.
 - Noncompetitive awards based on a predetermined formula awarded to eligible entities or individuals based on an allocation determined by a program's authorizing legislation or administrative regulation.

Formula grants are typically based on entitlements or reimbursement of specified costs.

- **Grant:** Per [Minnesota Statutes, section 16B.97, subdivision 1 \(a\)](#), "grant" refers to the transfer of cash or something of value to a recipient to support a public purpose authorized by law.

Definitions continued:

- **Grant Award Notification:** For the purposes of this policy, this refers to the state agency’s official notice of a grant award that takes place after the corresponding grant application process has been completed. The grant award notification is issued as a result of the following:
 - Grant application materials include the standard grant contract language and assurances including, as applicable, notice of preaward risk assessment of potential grantees as described in OGM Policy 08-06.
 - Applicants accept the terms and conditions of the grant funds based on their signature and submission of application materials.
 - State agency completes the grant application review process.
 - As applicable, state agency completes preaward risk assessment of the potential grantee as described in OGM [Policy 08-06](#), and decides to award the grant.

The grant award notification incorporates the approved application materials, including the assurances accepted by the grant applicant, and officially notifies grantees that they may begin work on the grant. Signature steps are conducted in an order that results in an expedited process with a legally binding agreement.

- **Grant Contract Agreement:** Per [Minnesota Statutes, section 16B.97, subdivision 1 \(a\)](#), a grant contract agreement is “a written instrument or electronic document defining a legal relationship between a granting agency and a grantee when the principal purpose of the relationship is to transfer cash or something of value to the recipient to support a public purpose authorized by law.”

Resources and Related Information

- [Minnesota Statutes, section 16B.97](#)
- [Minnesota Statutes, section 16B.98](#)
- [Minnesota Statutes, section 16B.981](#)
- [Minnesota Statutes, section 13.599](#) states "data created or maintained by a granting agency as part of the evaluation process referred to in this section are protected nonpublic data until completion of the evaluation process at which time the data are public with the exception of trade secret data as defined and classified in section 13.37."

Version	Description	Date
1.0	Initial Publication	July 15, 2008
1.1	Revision	December 2, 2016
1.2	Revision	April 1, 2024

Policy Owner/Contact

Director of Policy and Training, Office of Grants Management