

Reply to Common Council File No. 031671
From DOA-Budget and Management Division

March 26, 2004

Ref: 04030

Common Council File 031671 is an ordinance that changes grant guidelines. The file exempts from common council approval the application and acceptance of grants involving amounts not exceeding \$10,000 and which do not require city share out-of-pocket matches.

Current ordinances require that departments obtain Common Council approval, by resolution, to apply for and accept grant funding, regardless of the amount of the grant. Prior approval is required before a department applies for or accepts grant funds. Departments are also required to submit a copy of the grant agreement and grantor approved budget to the City Comptroller for all grant awards. The Comptroller then establishes individual grant accounts to control and monitor grant costs.

This file would exempt from the Council approval process any grants not exceeding \$10,000 and which do not require city share out-of-pocket matches. Departments would still submit grant agreements and budgets to the City Comptroller. This change would affect a relatively small number of grants, probably fewer than 20 per year. The change would streamline the grant process for departments by not requiring extensive administrative work or approval for grants of small dollar amounts. This file has no fiscal impact.

RECOMMENDATION: THE COMMITTEE SHOULD CONSIDER AMENDING THE FILE TO INCREASE THE DOLLAR AMOUNT FROM \$10,000 TO \$20,000. THIS WOULD MAKE THE DOLLAR THRESHOLD CONSISTENT WITH OPERATING FUND TRANSFERS THAT DO NOT NEED COMMITTEE APPROVAL AND WOULD ONLY marginally AFFECT THE NUMBER OF GRANTS EXEMPTED FROM THE COUNCIL APPROVAL PROCESS.



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