Government of the District of Columbia



Office of Advisory Neighborhood Commissions 1350 Pennsylvania Avenue, NW Suite 11 Washington, DC 20004 (202) 727-9945

MEMORANDUM

TO: James Turner, ANC 1A09

FR: Denise Wiktor, General Counsel

DT: 3/26/2024

RE: Project Giveback Grant FY 2024 Q1

The OANC has received a copy of a grant request for funding for Project Giveback which was in November of 2023. ANC 1A funded the project for \$3000 with check number 1585. The October 2023 minutes reflect ANC approval. Receipts for the rental of 6 trucks were submitted with the close out. I have reviewed the application and found it to be an impermissible use of ANC funds for the reasons below.

Project Giveback requested a grant from ANC 1A for Thanksgiving food distribution. The stated purpose of the event was to "Distribute food to families in Ward 1 and to other families in the District."

There are five prongs a grant must meet to be a permissible expense and a 6th requirement of the D.C. Official Code that limits the amount of a grant that can be spent on overhead. They are:

- 1. **Public Purpose:** ANC grants must be for "public purposes within the Commission area." A public purpose is one "that benefits the community as a whole and is not done for the primary purpose of benefitting a private entity." There is no mention in the grant paperwork or the minutes of the ANC meeting about how this grant benefits the residents of ANC1A. Presumably, as residents of Ward 1, some residents may have received deliveries of food, but it is not at all clear how the residents of 1A specifically benefitted from this event. This grant did not meet the Public Purpose requirement as set forth in the D.C. Official Code.
- 2. **Local Benefit**: A grant must "benefit persons who work or reside in the Commission area." This does not mean the grant may only benefit Commission residents; it simply

⁵ D.C. Official Code § 1-309.13(m)(1).

¹ See, Letter to Schanette Grant on Seasoned Settlers and Grants Generally, April 14, 2022, found at https://oag.dc.gov/sites/default/files/2022-04/Letter-to-OANC-Re-Seasoned-Settlers-Grant-and-Grants-Generally-pdf

² D.C. Official Code § 1-309.13(m)(2)(D) "No Commission shall provide a grant for which the grantee estimates that the overhead costs would exceed 15% of the entire grant amount."

³ D.C. Official Code § 1-309.13(1)(1).

⁴ Id.

means the grant's benefits should be focused on those residents.⁶ Project Giveback was a city-wide project. The grant application addresses Ward 1 as a beneficiary but not the residents and/or businesses in ANC 1A. There was no indication that the use of grant monies would be directed to the residents of ANC 1A or that ANC 1A residents would be beneficiaries of the project. The recap of the project simply indicates that 4700 food baskets were distributed city-wide. There is no local benefit established as part of this application or shown in the grant close-out paperwork.

The close out paperwork included rental receipts for 6 trucks. The grant budget indicates an overall expenditure of \$7,000 for the city-wide project for truck rental. The grant paid for 42% of the city-wide truck rental, far exceeding the needs of ANC 1A another indication that the benefit of the grant was not localized to ANC 1A.

- 3. **Proposed Project.** A grant must be for a proposed project. This proposal was for a discrete single project/activity.
- **4. Organization.** A grant must be to an "organization," not an individual or a government entity, 8 although the organization need not be incorporated. 9 Project Giveback is an organization as contemplated by the D.C. Official Code.
- **5. Non-Duplication.** A grant cannot duplicate any services offered by the D.C. government.¹⁰ The D.C. government does not offer a service like this or like it.
- **6. Overhead.** Overhead cannot exceed 15% of the grant amount. The grant funds were not used for overhead as defined on the OANC grant application.
- 7. Other Impermissible Uses. While the project was focused on food distribution, the ANC monies were spent on items not expressly prohibited as an expenditure.

Conclusion

For the reasons stated above this grant is an inappropriate expenditure of ANC funds.

⁶ See Letter to Deborah K. Nichols, Nov. 9, 2006, at 2 n.2 found at Letter-to-Deborah-Nichols-Re-Whether-an-ANC-may-approve-a-grant-to-commission-plans-and-drawings-.pdf (ANC 4C grant was permissible where the "[b]enefit to other ANCs would be incidental to the benefit conferred on ANC 4C residents," because a grant's benefits need not "be exclusive to the ANC that gives the grant funds"); see Letter to Comm'r Fletcher, Mar. 15, 2022, at 2, available at https://oag.dc.gov/sites/default/files/2022-03/ANC-7E-Letter-to-Commissioner-Fletcher-RePublic-Purposes-Within-the-Commission-Area-.pdf making the same point with respect to the public-purpose requirement). ⁷D.C. Official Code § 1-309.13(m)(2)(A).

⁸ D.C. Official Code § 1-309.13(m)(1); see also *Letter to Deborah K. Nichols*, Jan. 14, 2010, at 4, available at https://oag.dc.gov/sites/default/files/2018-02/ANC-January-14-2010-Guidelines-for-Use-of-ANC-Funds.pdf
⁹ See *Letter to Deborah K. Nichols*, Aug., 4, 2000 at 3, available at https://oag.dc.gov/sites/default/files/201802/ANC-August-4-2000-Grants-by-ANCs-Public-Purpose-and-Corporate-Status-of-Recipients.pdf ("The plain meaning of the term 'organization' includes unincorporated associations").

¹⁰ D.C. Official Code § 1-309.13(m)(1).

¹¹ D.C. Official Code §1-309.13(m)(1)(2)(D).