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: ANC 4A

FR: Denise Wiktor, General Counsel

DT: 5/5/2025

RE: ERCV June Jazz concert grant request.

The OANC has received a copy of a grant request from East Rock Creek Village for a June jazz concert. I have reviewed the application sent to the OANC and have found that the request is a **permissible** expenditure of ANC monies as outlined below and provided that the check for the entertainment is not made out to an individual.

There are five prongs a grant must meet to be a permissible expense 1 and a 6th requirement of the D.C. Official Code that limits the amount of a grant that can be spent on overhead 2. They are:

1. **Public Purpose:** ANC grants must be for "public purposes within the Commission area." A public purpose is one "that includes a significant benefit for the community and is not done for the primary purpose of benefitting a private entity." This standard was changed with the Fiscal Year Budget Support Act and the accompanying emergency. This concert appears that it would be open to the wider ANC 4A community and will primarily benefit residents of 4A thought it is likely some attendees will be from a neighboring ANC. The expenses are permissible expenses provided that the check for the entertainment is not made out to an individual. If the musical talent is not incorporated, they can find a fiscal agent who can accept a check on their behalf. The practice of not making grant checks out to individuals is to avoid the private benefit prohibition.

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*.

⁵ This precludes payment to individuals whether it be for services or as a stipend or honorarium. It also precludes the purchase of non-transient nature that will remain in the possession of an individual after an event such as tables and chairs or tents. Rental of such items is permissible. The ANC may purchase items that they retain and use or loan out to the community.

- 3. **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 means the grant's benefits should be focused on those residents. This concert will be within ANC 4A and will be largely attended by residents of 4A.
- 4. **Proposed Project.** A grant must be for a proposed project. 8 This is a discrete single event.
- 5. **Organization.** A grant must be to an "organization," not an individual or a government entity, ⁹ although the organization need not be incorporated. ¹⁰ East Rock Creek Village **is not** an organization within the meaning of the code.
- **6. Non-Duplication.** A grant cannot duplicate any services offered by the D.C. government.¹¹
- 7. Overhead. Overhead cannot exceed 15% of the grant amount. None of the grant monies will be used for overhead as the Code defines it.

Conclusion

For the reasons stated above this grant is a **permissible** expenditure of ANC funds.

⁶ D.C. Official Code § 1-309.13(m)(1).

⁷ 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-Re-Public-Purposes-Within-the-Commission-Area-.pdf making the same point with respect to the public-purpose requirement).

⁸D.C. Official Code § 1-309.13(m)(2)(A).

⁹ 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
¹⁰ 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").

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

 $^{^{12}}$ D.C. Official Code §1-309.13(m)(1)(2)(D).