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 4C

FR: Denise Wiktor, General Counsel

DT: 4/2/2025

RE: Grant request from Friends of the Soldier's Home for their fall fun fest.

The OANC received a copy of a grant request from the Friends of the Soldier's Home for their fall fun fest. It came with the QFR paperwork and was not reviewed before the ANC vote. 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 so long as monies were not used on giveaways that are in the budget. The receipt submitted with the QFR was for table and chair rentals, also permissible. The Friends also applied to ANC 1E for a grant, also permissible under the new rules as more than one ANC can have a substantial benefit. The same rental receipt was included with their budget. So long as there is no overlap in the amounts from the two ANCs there is no issue. ANC provided \$2500.00. There is currently no indication that 1E voted to support the application from the Friends, only that the OANC reviewed the application. The OANC review of the application found that disabled persons needing parking were not charged for parking even though parking was otherwise charged for to discourage driving. The applicant stated that volunteers, veterans, and disabled person are allowed to park for free, though he emphasized the parking fee was a donation and not required.

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 2025 Budget Support Act and the accompanying

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

<u>.pdf</u> 2 D.C. Official Code 1-309.13(m)(2)(D) provides that "[n]o 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.* This precludes payment to individuals whether it be for services or as a stipend or honorarium. It also precludes handouts to volunteers such as t-shirts and the purchase of items 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.

emergency.

The Fall Fest is annually attended by about "1,000" persons, which "features food, drink, live music, activities for children and an opportunity for people to walk, run and bike on the spacious grounds. It is largely attended by residents from ANC 4C which has supported this event in the past.

- 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 means the grant's benefits should be focused on those residents. The attendees to the event are largely from ANC 4C and it presents and opportunity to come together as a community.
- 3. **Proposed Project.** A grant must be for a proposed project. This means that it must be for a specific undertaking, not for general support of an organization. It also means that a grant cannot reimburse an organization for expenses connected to an existing or completed project. **This is a discrete single event.**
- 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 The Friends of the Soldier's Home is an organization as defined by the D.C. Code.
- **5. Non-Duplication.** A grant cannot duplicate any services offered by the D.C. government.¹⁰
- **6. 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 if used as outlined above.

⁵ D.C. Official Code § 1-309.13(m)(1

⁶ See *Letter to Deborah K. Nichols*, Nov. 9, 2006, at 2 n.2 found at <u>Letter-to-Deborah-Nichols-Re-Whether-an-ANC-may-approve-a-grant-to-commission-plans-and-drawings-.pdf</u> (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).