

Government of the District of Columbia



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MEMORANDUM

TO: Tricia Duncan, Chair ANC 3D
Marilyn Nowalk, Treasurer ANC 3D
FR: Denise Wiktor, General Counsel
DT: 9/12/2024
RE: Grant Application from Friends of the Palisades Library

The OANC has received a copy of a grant request from Friends of the Palisades Library for grant to assist in the creation of an outdoor reading area for the library. I have reviewed the application and budget sent to the OANC and have found that the request is a **permissible** expenditure of ANC monies as outlined below. The hardscape, landscaping and furniture are all permissible expenditures.

I have one suggestion as to timing of writing the check. When a check is written is the quarter that the receipts are needed for the QFR. If this project does not have a fixed start date, I would suggest delaying the writing of the check (not the vote) until you are closer to when the money will be expended. Otherwise, you may be in a situation where you have to report it on a QFR but not have the required underlying documents. Additionally, if you vote on this in September and the check is not written until October or after it will be in your FY 2025 budget not FY 2024.

There are five prongs a grant must meet to be a permissible expense¹ and a 6th requirement of the D.C. Official Code that limits the amount of a grant that can be spent on overhead². They are:

1. **Public Purpose:** ANC grants must be for “public purposes within the Commission area.”³ 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.”⁴ This standard was changed with the Fiscal Year 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>

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(l)(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.⁵ This is an outdoor enhancement at a public building and will be open to all residents of the ANC and will provide a substantial benefit to them.

2. **Local Benefit:** A grant must “benefit persons who work or reside in the Commission area.”⁶ This does not mean the grant may only benefit Commission residents; it simply means the grant’s benefits should be focused on those residents.⁷ This is located within the ANC and will be a resource available to the residents and businesses.
3. **Proposed Project.** A grant must be for a proposed project.⁸ This is a discrete single event.
4. **Organization.** A grant must be to an “organization,” not an individual or a government entity,⁹ although the organization need not be incorporated.¹⁰
5. **Non-Duplication.** A grant cannot duplicate any services offered by the D.C. government.¹¹ The OANC consulted with DCPL, and this project is not something the DCPL currently performs or anticipates ever doing.
6. **Overhead.** Overhead cannot exceed 15% of the grant amount.¹² 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.

⁵ The D.C. Code 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.

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-RePublic-Purposes-Within-the-Commission-Area-.pdf> making the same point with respect to the public-purpose requirement).

⁸ D.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).