

**CITY OF LOS ANGELES**  
**Inter-Departmental Correspondence**

Date: July 13, 2007

To: Members of the Board of Neighborhood Commissioners

From: Carol Baker Tharp, General Manager  
Department of Neighborhood Empowerment

Subject: Neighborhood Purposes Grant Program  
[Council File No. 02-0699]

City Council Action

On June 28, 2007 the Education and Neighborhoods Committee directed the City Attorney to draft an ordinance establishing a Neighborhood Purposes Grant Program (NPG) for Neighborhood Councils, to be administered by the Department of Neighborhood Empowerment (DONE). The ordinance will authorize Neighborhood Councils to issue grants to nonprofit organizations and public schools.

On July 13, 2007 the City Council voted unanimously to adopt the committee's report. In so doing, the Council requested the following:

- That a broad interpretation be applied regarding the definition of a nonprofit organization as there are several types of 501 designated organizations. The City Attorney will incorporate that request in the draft ordinance.
- That DONE Funding Staff conduct educational sessions with Neighborhood Councils regarding appropriate nonprofit organizations eligible to receive grants. Funding Staff assured them that the grant program will be implemented with training for the Neighborhood Councils.
- That the City Council be kept informed as to the grants that are issued. Funding Staff assured them that a list of issued grants will be posted on the DONE website.

Neighborhood Purposes Grant Program

Each Neighborhood Council enrolled in the Neighborhood Council Funding Program will be authorized to issue, from their fiscal year funding allocation, individual grants in amounts up to and including \$5,000.00; an amount which would not require the City's formal contracting process. This contracting exemption will align the Neighborhood Purposes Grant Program with Los Angeles Administrative Code Section 10.2.1, *Contracts not Required to be in Writing*, which states:

Contracts or agreements for the awarding of funds from the Council District Community Service account and from the Neighborhood and Community Improvement Services account of the General City Purposes fund to non-profit agencies and community service groups in amounts up to and including \$5,000.00 are not required to be in writing.

The number of grants each Neighborhood Council authorizes will be determined by that Neighborhood Council subject to board approval in public meetings. A grant exceeding \$5,000.00 will require a City contract pursuant to City contracting rules. Funding Program staff will assist with the contracting process.

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A grant exceeding \$20,000.00 will require the review and approval of the Board of Neighborhood Commissioners.

DONE Funding Program staff will assist Neighborhood Council treasurers with ensuring proposed grants include an identifiable public purpose and meet grant guidelines.

The Neighborhood Council will submit to DONE the completed NPG application, board minutes authorizing the grant, and a grant demand warrant request form (GDW) for the issuance of a City check.

DONE Funding Program staff will process a City check through the City's Financial Management Information System (FMIS).

The Department of Neighborhood Empowerment will maintain a database to track Neighborhood Purposes Grants issued by the Neighborhood Councils.

CBT:BHK:KM