

**COUNTY OF SAN DIEGO, CALIFORNIA
BOARD OF SUPERVISORS POLICY**

Subject

Neighborhood Reinvestment Program

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Purpose

It is the purpose of this policy to establish guidelines and criteria for allocating the appropriations for the Neighborhood Reinvestment Program.

Background

The Neighborhood Reinvestment Program provides grant funds to County departments, public agencies, and to non-profit community organizations for one-time community, social, environmental, educational, cultural or recreational needs that serve public purposes, as authorized pursuant to Government Code 26227.

The Neighborhood Reinvestment Program (formerly known as the Community Projects Program) began in Fiscal Year 1998-99 with a total budget of \$5.0 million. Beginning with Fiscal Year 1999-00, the allocation was increased from \$5.0 million to \$10.0 million. Resources available for the Program are subject to budget priorities as established by the Board of Supervisors. The total amount of funding is distributed evenly among the five Supervisorial Districts for the purpose of recommending grant awards.

This policy establishes the Program's funding cycle as well as uniform eligibility requirements, and a standard application process. In addition, it defines Grantee and staff responsibilities under the Program.

Policy

It is the policy of the Board of Supervisors that:

1. The Neighborhood Reinvestment Program provides grant funds to County departments, public agencies, and to non-profit community organizations for one-time community, social, environmental, educational, cultural or recreational needs according to the following criteria:
 - a. The underlying purpose of the Neighborhood Reinvestment Program is to benefit the County's neighborhoods and communities.
 - b. All grants awarded pursuant to this program must serve lawful public purposes.
 - c. Grant funds shall not be used for any purposes prohibited by laws governing the use of public funds, including but not limited to, religious, political campaigning, or purely private purposes or activities.
2. Grants to County departments and to other public agencies may be designated to be used for any lawful purpose or activity that satisfies the requirements of paragraph 1 above.
3. Grants to non-profit community organizations shall be awarded for the following types of purposes or activities provided they satisfy the requirements of paragraph 1 above:
 - a. Capital Improvements – grants may be awarded to pay for items or services needed to design, process and build capital improvements, including materials; contracted labor; contracted consultant and professional services. Capital improvements are defined to include the construction or acquisition of buildings and recreational facilities, or other community betterments, such as landscaping or the refurbishment, preventive

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maintenance or other work designed to improve, enhance or extend the useful life of a facility.

- b. Equipment, Materials, Goods, or Supplies – grants may be awarded to create, purchase, install, remove, maintain and repair these tangible items, provided such items do not include the following:
 - i. Food or beverages
 - ii. Any items used for fund raising activities

With respect to funding availability and the application timeline:

- 4. All appropriations available for the Neighborhood Reinvestment Program are included annually in the County’s Operational Plan. Resources available may vary and may range up to \$10.0 million.
- 5. The total amount of funding shall be distributed evenly among the five Supervisorial Districts for purposes of recommending grant awards.
- 6. Grant awards may be recommended throughout the fiscal year.
- 7. Amounts unallocated at the end of a fiscal year may not be carried forward to the following year.
- 8. Appropriations not spent according to the grant agreement by the funded organizations will be returned to the County. These unspent and returned grant funds may be reallocated to other projects throughout the fiscal year.
- 9. A grant request may not be less than \$3,500.
- 10. Applicants shall return all paperwork on time as required by the individual Board office and the Chief Financial Officer/Auditor and Controller’s Office of Financial Planning (OFP). If an applicant has overdue/past due documentation from either a Neighborhood Reinvestment or Community Enhancement Program grant, an applicant may not apply for funding until the applicant has returned papers and receipts from the prior agreement.
- 11. If an applicant has not returned required receipts and paperwork on time from a previous agreement, the applicants name will appear on a ‘Delinquency List’ provided to the Board offices.

With respect to eligibility to apply for grant funding:

- 12. To be eligible for Neighborhood Reinvestment Program grants, each organization must:

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- a. Provide services in one or more of the following areas; educational/recreational projects; local business and tourism promotional activities; arts and cultural programs; environmental awareness programs or projects, including maintaining and increasing open space holdings; public safety programs including fire protection projects; health and social service initiatives and programs; or County programs and projects which benefit the community and enhance the region's quality of life.
- b. Hold a legally tax exempt and/or not for profit status or be a public agency located or functioning within the County of San Diego.
- c. Be financially solvent and provide full disclosure with previous year financial statements at the time of application. All sources of funding must be revealed; including a list of all funding for the specific project request (public agencies must reveal all sources of funding only as it relates to the funding request).
- d. Enter into a written agreement with the County that specifies the responsibilities of the organization with respect to use of the Neighborhood Reinvestment Program funds, stipulating that the expenses will be documented and that the organization must provide a full accounting for the expenses. Examples include invoices, bank statements, copies of checks, purchase orders, or other supporting documents as required by OFP.
- e. Acknowledge that all documents related to the grant process, including the cover letter, application, supporting documentation for the application, grant agreement, and grant expenditure documentation are a matter of public record and as such, may be provided to the public upon request.
- f. Understand that submission of an application for funds in no way guarantees that an organization will receive funding.
- g. If an organization chooses to give written recognition, then the organization shall recognize the County of San Diego, not individual Supervisors.

With respect to the application process:

13. There shall be a single standardized Neighborhood Reinvestment Program application for the Board offices to provide to applicants.
 - a. The standardized application will be made available on the County's web site, and the web sites of each Supervisorial office.
 - b. Applicants must submit the completed application and cover letter to each of the individual Supervisorial offices to which they are applying and notify each office in

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writing if they have submitted multiple requests, even if the requests are for different projects.

- c. The applicant must disclose in the cover letter any prior funding received from the County of San Diego within the past three years and provide not less than a one sentence description of each project funded.
- d. Applicant must be prepared for follow-up phone calls or e-mails from the Supervisorial office asking questions, seeking additional information, or requesting a site visit.
- e. All grant recommendations must be reviewed and approved only as to legality by County Counsel prior to appearing on a public agenda for a public meeting.
- f. Grants are based on the review of the application materials by and recommendations from individual members of the Board of Supervisors.
- g. Grant recommendations appear on the public agenda according to legal noticing rules.
- h. Grants must be approved by the Board of Supervisors in public session. Members of the public may speak in support or opposition to a recommendation prior to the public vote.

With respect to the information to be supplied in or with the application:

- 14. To apply for Neighborhood Reinvestment funding, an applicant will submit an application and cover letter. The cover letter and standardized application will include the following information:
 - a. Name and address of the non-profit organization or public agency, and the name and phone number of two contact persons who will sign all required County documents and be responsible for the expenditure of allocated funds.
 - b. Official name of the organization as it appears in the IRS letter establishing the organization's tax exempt/non-profit status along with a copy of that letter.
 - c. Brief description/history of the organization and of the project.
 - d. Summary of the operating budget of the organization and other financial information as described in paragraph 12c.
 - e. Specific dollar amount requested (include itemized priority list if request encompasses multiple needs).
 - f. Estimated date of completion of the project.

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- g. A list of funding partners, if any.
- h. Submit verifiable cost estimates for the project at the time of application and agree that the County may audit financial records submitted to OFP. Agree that any audit conducted may be provided to the public upon request.
- i. Board offices are to encourage applicants to seek matching funds, where appropriate, outside the County of San Diego Neighborhood Reinvestment Program grants. The availability of matching funds is to be weighed when considering an application.
- j. A description of how the project will benefit the community, including how many people will be served.
- k. An understanding by the applicant that a Supervisor's office may not ask for less information than required by the application process, but may ask for more information at its discretion.
- l. Additional information, as requested by the County to comply with the requirements of this Policy.

With respect to the execution of agreements:

15. The following rules apply to the execution of an agreement for all Grantees:

- a. Funds must be spent within one year of execution of the agreement on the agreed project, unless an extended time period for completing the project is approved by the Board of Supervisors. Documentation of grant expenditures must be submitted within thirteen months of the effective date of the agreement to OFP to be reviewed for compliance. This review ensures that the Neighborhood Reinvestment Program funds are spent in accordance with the recommendations of each Supervisor and the vote of the Board of Supervisors.
- b. OFP is authorized to execute grant agreements, amendments, and extensions of the Neighborhood Reinvestment Program grants which do not materially impact or alter the grant purpose or funding level as established by the Board's action with respect to the grant awards.
- c. If a Grantee has not spent the grant money or provided documentation according to the requirements of the grant agreement, the County shall require the Grantee to return any of the funds not spent or documented per the agreement. The County may choose to seek the return of the funds through legal means if necessary.

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16. The roles and responsibilities of OFP are to:

- a. Work closely with the Board Offices to ensure that timely payment of grant awards occurs by gathering necessary information, executing grant agreements, and determining whether provisions and business terms are fulfilled.
- b. Request additional information from the sponsoring Board Office if the recommendation is not clear.
- c. Ensure that Grantees understand agreement provisions by providing general guidance to them on how grant funds are to be accounted for and the required filing deadlines.
- d. Determine whether the Grantee has any prior year grant expenditure documentation due/outstanding for Neighborhood Reinvestment or Community Enhancement grant programs. Enforce paragraph 10 of this Policy.
- e. Review and follow up on grant expenditure documentation submitted by Grantee to ensure grant funds were spent in accordance with the terms of the agreement.
- f. Mail a reminder notice to Grantee approximately eleven months from the agreement date to remind it that it has one more month in which to spend the funds followed by a thirty day period in which to submit documentation.
- g. Contact Grantee if grant expenditure documentation is not received by the due date. Request assistance from the sponsoring Board Office if Grantee fails to comply with the terms of the agreement. Continue to follow-up until the documentation is completed.
- h. If Grantee fails to perform its obligations under the agreement regarding timely and complete submittal of grant expenditure documentation, OFP shall take steps to enforce paragraph 15c of this Policy, which may include seeking the return of the funds through legal means.
- i. Prepare and execute amendments to the purpose of the grant as approved by the Board of Supervisors.
- j. Provide monthly updates to Board Offices regarding year to date allocations and remaining funds available.
- k. Provide a monthly "Delinquency List" to Board offices to report organizations with overdue documentation.
- l. Provide ad hoc reports to the Board Offices and executive management as requested.

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- m. Create and maintain a one-stop annual list of the Board approved recipients for public review on the County of San Diego's web site.
- n. Post the recipient organization's name within ten (10) working days from award of funds on the County of San Diego's Web site. The name of the organization, description of the project to be funded, the dollar amount and the sponsoring Board Office will be included.
- o. Post and maintain up-to-date information on the County of San Diego website about those organizations that are more than sixty (60) days delinquent in submitting documentation that County grant money was spent according to contract, including the district that made the recommendation, organization name, purpose of the grant, total award and board meeting date that the recommendation was approved.

17. The County shall have the right to audit each financial record submitted to OFP.

With respect to the organizations that have received a Neighborhood Reinvestment Program grant after the September 28, 2010 effective date of this item no. 18:

- 18. Such organizations shall not provide to members of the Board of Supervisors, and members of the Board of Supervisors shall not accept from those organizations, gifts that are defined as reportable gifts pursuant to the Fair Political Practices Commission regulations.

Responsible Departments

Chief Financial Officer/Auditor and Controller

Sunset Date

This policy will be reviewed for continuance by 12-31-2017.

References

Last Board Action

09-15-09 (6)

10-20-09 (14)

09-28-10 (10)

12-07-10 (27)