File #: 21-1451, **Version:** 1

Finance Item/Grant Request Template

Date Submitted: 11-22-21

Requesting Agency: Finance
        Division:

Subject Matter Expert Name:

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Item Title & Description:
(Do not delete the following instructions)
These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** *font).*

Both the title and description must be entered between the red "title" and "body" below. Do **not** *at any time delete the red "title" or "body" markers from this template.*

A bill for an ordinance to amend Ordinance No. 88, Series of 2007, to ensure the allowable uses of the "DHNDS Contract Pool" Special Revenue Fund are consistent with the City's budgeting and accounting practices, to change the name of the Special Revenue Fund, and to update the expending authority.

Amends Ordinance No. 88, Series of 2007, to ensure the allowable uses of the "DHNDS Contract Pool" Special Revenue Fund are consistent with the City's budgeting and accounting practices, to change the name of the SRF to the "HOST General Cost Pool", and to update the expending authority to the Executive Director of the Department of Housing Stability. The Committee approved filing this item at its meeting on 11-30-21.

Affected Council District(s) or citywide? Citywide

Executive Summary with Rationale and Impact:
Detailed description of the item and why we are doing it. This can be a separate attachment.
The DHNDS Contract Pool Special Revenue Fund was established through Ordinance No. 88, Series of 2007, to prevent interruptions in services caused by months-long gaps between the receipt of annual federal awards, including the Community Development Block Grant, and the start of a given program year. The SRF authorized the Division of Housing and Neighborhood

Development Services to establish budget to encumber contracts months before the official award was received. Since the passage of said ordinance, the City has developed other accounting/budgeting practices to avoid gaps in services, such as authorizing agencies to establish a portion of an award budget using a letter of intent, subject to City Council approval. Agencies now use this process in order to pay service providers before grants that are consistently awarded annually are officially received.

This bill request seeks to amend Ordinance No. 88, Series of 2007, to change the purpose and use of the DHNDS Contract Pool Special Revenue Fund (16809). The fund will no longer authorize contract spending prior to grant receipt. Instead the Department of Housing Stability, which now administers this fund, will leverage the letter of intent process, which requires City Council approval, to establish budget necessary for contracts within the relevant grant fund. Fund 16809 will be used to temporarily house costs for grant-funded positions, particularly those whose programmatic work is funded by multiple funding streams. These positions require accounting actions to ensure payroll costs are correctly allocated to the appropriate grants in the financial system of record. Payroll expenses will be allowed to hit this SRF before timecards are reconciled, at which point they can be journaled to the appropriate grant fund. Since no costs will remain in this fund once the grant payroll journals are complete, no budget would be established in the Fund. At year-end close, expenditures will be $0. This bill request also changes the name of the SRF to the "HOST General Cost Pool" SRF and updates the expending authority to the Executive Director of the Department of Housing Stability.

Type (choose one: Grant; Supplemental; Fund Creation; Fund Rescission; Fund Transfer; Appropriation; Other):

Amount:

Budget Year:

Fund and Funding Source (Fund/Org/Grant Number, if applicable):

Grantor (if applicable):

Fund Matching Requirements (if applicable):

Fiscal Impact: