



ADVISORY NEIGHBORHOOD COMMISSION GUIDANCE ON GRANTS, SPONSORSHIPS, & SPENDING FOR PUBLIC PURPOSES

OANC GENERAL GUIDANCE

NO. 2023-006

Advisory Neighborhood Commissioners may issue grants provided they do not duplicate a DC service, do not directly benefit an individual or organization, and promote a public purpose which law defines as a purpose “that benefits the community as a whole and is not done for the primary purpose of benefitting a private entity.”

Overview

Advisory Neighborhood Commissions’ (ANCs) primary role is to consider a wide range of policies and programs affecting their neighborhoods. These include traffic, parking, recreation, street improvements, liquor licenses, zoning, economic development, police protection, sanitation and trash collection and the District's annual budget.

In support of the work ANCs do, each Commission receives an annual allocation of funds which they may expend “for public purposes within the Commission area or for the functioning of the Commission office, including staff salaries, Commissioner training, property liability insurance, legal expenses for Commission representation by an attorney licensed in the District before an agency, board, or commission of the District government, and nominal refreshments at Commission meetings.” While the primary function of ANCs is not the issuance of grants, their “expenditures may be in the form of grants . . . for public purposes within the[ir] Commission area.”¹ Whether through a grant, sponsorship, or any other process, ANC expenditures are limited to the two areas defined in the D.C. Code and the same basic tenets applicable to the more traditional grant process.

The basic rule that applies is that ANC grants cannot be used for the general support of organizations requesting grants. Most importantly, the funds must promote a **public purpose** “benefit[ing] persons

¹ See also: D.C. Official Code § 1-309.13(l)(1)

who reside or work within the Commission area.”² The law defines public purpose as one “that benefits the community³ as a whole and is not done for the primary purpose of benefitting a private entity.”⁴

In general, Commissions may not give grants or sponsorships to buy things or do things that the ANCs themselves are not allowed to do. For example, as ANCs are not permitted to “solicit . . . funds unless specifically authorized to do so by the Council,”⁵ ANC grants may not be used in support of fundraisers without similar authorization. Similarly, ANC grants cannot be for purposes that duplicate government services – including the upkeep and maintenance of District government facilities as this is the responsibility of the Department of General Services (DGS). As ANCs may **not** spend money on food or entertainment without specific legislative authority, this also means that ANCs may not give grants to neighborhood organizations to buy food. Commissioners should bear in mind that not every worthy activity or cause is something that they are authorized to support financially. The need or merit of any individual or group is not, by itself, a criterion for awarding a grant. Moreover, while ANCs are explicitly authorized to give grants to local neighborhood organizations *they may not make “contributions,”* i.e. pure gifts, to any group or individual.

There is nothing new in this overview or guidance. The OANC has brought together relevant information from OAG advice letters and the D.C. Official Code into a single document to make it easier for Commissioners to evaluate grant requests they receive and make informed determinations when considering a vote to support them.

Grant Applications⁶

An applicant for an ANC grant shall submit an application in writing **to the Commission and to the OANC**. Applicants are directed to use OANC Form 100 available on the OANC Web site, and shall contain the following information:

- A description of the proposed project for which the grant is requested;
- A statement of expected public benefits;
- The total cost of the proposed project, including other sources of funding, if any;
- A detailed budget clearly identifying how ANC funds are to be used; and,
- An accounting by the grantees of the expected overhead costs the grantees will incur in carrying out the grant. No Commission shall provide a grant for which the grantee estimates that the overhead costs would exceed 15% of the entire grant amount.

² D.C. Official Code § 1-309.13(m)(1)

³ "Community" means those residents who reside within a Commission area. D.C. Official Code § 1-309.01(2)(c)(2B)

⁴ *Id.*

⁵ *Id.* § 1-309.10(l).

⁶ *Id.* § 1-309.13(m)(2)

Background on ANC Grants⁷

An ANC's power to issue grants flows out of the District of Columbia Home Rule Act.⁸ When Congress directed the Council to establish ANCs,⁹ it authorized each ANC to “expend, for public purposes within its neighborhood area, public funds and other funds donated to it.”¹⁰ Congress also directed the Council to allot funding to ANCs so that they could, among other things, “conduct programs for the welfare of the people in a neighborhood commission area.”¹¹ And it authorized the Council to “legislate with respect to the [ANCs] established in this section.”¹² The Council then adopted the Advisory Neighborhood Commissions Act of 1975 (“ANC Act”),¹³ section 16 of which¹⁴ governs grants and other ANC expenditures.

Section 16 sets out the process an ANC must follow before issuing a grant. The grant applicant must “submit an application in writing to the Commission and to the OANC” (the Office of Advisory Neighborhood Commissions), using a template designed by the OANC.¹⁵ The application must describe the proposed project and its benefits, identify the cost of the project, and identify any overhead the applicant would incur in carrying out the project.¹⁶ If the ANC awards the grant (by vote at a public meeting), the grant recipient must report on how the funds have been spent (with receipts), starting 60 days after the award of the grant and then every 90 days thereafter.¹⁷ This process is designed to make sure that, when someone requests a grant from an ANC, the ANC can determine whether that grant would meet the requirements of section 16 – both its specific requirements for grants and the more general requirements that apply to all ANC expenditures.

Office of the Attorney General (OAG) letters and the D.C. Official Code have pinpointed 5 specific requirements for grants:

- 1) **Public Purpose:** ANC grants, like other expenditures not for the maintenance of the ANC office, must be for “public purposes within the Commission area.”¹⁸ A public purpose is one “that benefits the community as a whole and is not done for the primary purpose of benefitting a private entity.”¹⁹ The

⁷ The Background on ANC Grants information is drawn directly from: Letter to Schanette Grant on Seasoned Settlers and Grants Generally found at [Letter-to-OANC-Re-Seasoned-Settlers-Grant-and-Grants-Generally-.pdf \(dc.gov\)](#)

⁸ Approved December 24, 1973 (87 Stat. 777; D.C. Official Code § 1-201.01 et seq.).

⁹ Interestingly, ANCs were originally called “advisory neighborhood councils” until the Council renamed them in 1975. See Advisory Neighborhood Commissions Act, effective October 30, 1975 (D.C. Law 1-27; 22 DCR 2472)

¹⁰ D.C. Official Code § 1-207.38(c)(2).

¹¹ *Id.* § 1-207.38(e).

¹² *Id.* § 1-207.38(g).

¹³ Effective October 10, 1975 (D.C. Law 1-21; D.C. Official Code § 1-309.01 et seq.).

¹⁴ Section 16 of the ANC Act is codified as D.C. Official Code § 1-309.13.

¹⁵ D.C. Official Code § 1-309.13(m)(2).

¹⁶ *Id.*

¹⁷ *Id.* § 1-309.13(m)(3).

¹⁸ *Id.* § 1-309.13(l)(1).

¹⁹ *Id.*

OAG has explained that this does not preclude a grantee organization from receiving some indirect benefit from the grant, as long as the public is the grant’s primary beneficiary.²⁰

- 2) **Local Benefit:** A grant must “benefit persons who work or reside in the Commission area.”²¹ This does not mean the grant may only benefit Commission residents; it simply means the grant’s benefits should be focused on those residents.²²
- 3) **Proposed Project:** A grant must be for a “proposed project.”²³ The word “project” means a grant must be for a specific undertaking, not for general support of an organization, and the word “proposed” means that a grant cannot reimburse an organization for expenses connected to an existing or completed project.²⁴
- 4) **Organization:** A grant must be to an “organization,” not an individual or a government entity,²⁵ although the organization need not be incorporated.²⁶
- 5) **Non-Duplication:** A grant must be for services that are not “duplicative of any that are already performed by the District government.”²⁷ An ANC grant thus cannot fund services that the District government already provides.

Grants must also abide by the limits applicable to ANC expenditures more generally. They thus cannot be for “any purpose that involves partisan political activity, legal expenses other than for Commission representation before an agency, board, or commission of the District government, or travel outside of the Washington metropolitan area.”²⁸

²⁰ . See Letter to Shane Anthony, Dec. 10, 2008, at 2, *available at* [Grant to Fund Purchase of Electronic Communication Equipment \(dc.gov\)](#) (citing Letter to Philip C. Spalding, July 13, 2005, at 2).

²¹ D.C. Official Code § 1-309.13(m)(1).

²² See Letter to Deborah K. Nichols, Nov. 9, 2006, at 2 n.2 (on file) (ANC 4C grant was permissible where “[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* [Microsoft Word - Letter to Commr Fletcher re Public Purposes Within ANC Area \(AL-22-180\).docx \(dc.gov\)](#) (making the same point with respect to the public-purpose requirement).

²³ See D.C. Official Code § 1-309.13(m)(2)(A).

²⁴ See Letter to Comm’r Varzi, Dec. 3, 2019, *available at* [ANC-4C-After-the-Fact-Grant.pdf \(dc.gov\)](#)

²⁵ D.C. Official Code § 1-309.13(m)(1); see Letter to Deborah K. Nichols, Jan. 14, 2010, at 4, *available at* [Guidelines for Use of ANC Funds to Purchase School Supplies and Support School Activities \(dc.gov\)](#) (a public school is not an “organization” and therefore cannot receive ANC grants).

²⁶ See Letter to Deborah K. Nichols, Aug., 4, 2000 at 3, *available at* [Grants by ANCs - Public Purpose and Corporate Status of Recipients](#) (“The plain meaning of the term ‘organization’ includes unincorporated associations”).

²⁷ D.C. Official Code § 1-309.13(m)(1). The ANC Act does not apply this same restriction to non-grant expenditures. *See id.* § 1-309.13(l).

²⁸ *Id.* § 1-309.13(l)(2).