

CSO Grant Program – notes for 2027 discussion

Current Parameters/requirements:

- Not more than 2% of COV operating budget
- No funding for programs already provided by City
- Not more than 50% of CSO entity program budget, except with narrative about hardship/necessity
- Funding may not contribute to applicant's savings – grant funds are expected to be expended
- CSOs are required to submit bi-annual progress reports
- Required: audited financial statements if request is over 100k
- Required: Certificate of insurance naming City as additional insured
- Required: IRS Non-profit designation letter
- Required: Submittal of financial statements & proof of bank account balances

Staff recommended 'menu' of potential additional requirements

- Current proof of tax-exempt status from IRS website
- Statement of conflict of interest
- More formal reporting of actual expenditures to accompany existing bi-annual progress reports

Website <https://www.valdezak.gov/899/Community-Service-Organizations-Grant-Pr>

Notes from 6/23/26 CSO Subcommittee meeting:

- -Subcommittee wants to adopt our 3 new recommendations
 - For the expanded financial reporting: either add to semi-annual progress reports or maybe just 1 annual report.
 - Financial software P&L reports, line item details, possibly receipts for specific purchases or over \$ thresholds.
- No consensus on ratcheting down CSO Program overall budget cap. Currently at 2%, some wanted 1 or 1.5%. Per Casey, the highest we have hit in last 10 years was 1.24% (CSO grant program only)
- Possibly add new question: Is your request greater than the prior year request? If yes, why?
- Possibly add language along the lines of: if you don't receive the funding at the level you requested, what does that mean for your program & services. What are service level implications? Can you exist? Can you run the program/ etc.

- Someone suggested to not disburse funds until PY financial report has been submitted. (BR internal note - That would be very hard to administer & would involve fundamental change in how CSOs are paid/encumbered, etc on a yearly basis)