




Fairbanks North Star Borough

MAYOR'S OFFICE

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MEMORANDUM

TO: Fairbanks North Star Borough Assembly

From: Bryce Ward, Mayor 

Date: December 9, 2021

Subject: Ordinance No. 2021 - 41
Amending FNSBC 7.08.010 - Minimum Grant Standards and Requirements

Attached for your consideration is an ordinance that would amend FNSBC 7.08.010 regarding cost requirements for Borough grants to others. As you are aware, the Assembly passed Ordinance No. 2021-25 in July 2021, which temporarily waived FNSB Code requirements regarding direct and indirect cost principles for the Borough's grants to Fairbanks Economic Development Corporation for the FY21 Budget (half-year) and FY22 Budget and Explore Fairbanks for the FY22 Budget.

This ordinance, if adopted by the Assembly, would codify the provisions of Ordinance No. 2021-25.

Attachments: Ordinance

/jw

1 By: Bryce J. Ward, Mayor
2 Introduced: 12/9/2021
3

4 FAIRBANKS NORTH STAR BOROUGH

5
6 ORDINANCE NO. 2021 – 41
7

8 AN ORDINANCE AMENDING FNSBC 7.08.010 REGARDING MINIMUM GRANT
9 STANDARDS AND REQUIREMENTS FOR COST PRINCIPLES
10

11 WHEREAS, The Fairbanks North Star Borough Code of Ordinances (FNSBC)
12 provides specific grant standards and requirements for all Fairbanks North Star Borough
13 (Borough) grant agreements; and
14

15 WHEREAS, FNSBC 7.08.010(A)(3)(a) requires recipients of Borough grants
16 to comply with the U.S. Office of Management and Budget’s (OMB) rules and
17 requirements for cost principles in the Code of Federal Regulations (CFR), specifically
18 2 CFR 200.400 through 200.475; and
19

20 WHEREAS, Grantees must comply with OMB’s Direct and Indirect Cost
21 regulations to treat each item of cost consistently in like circumstances to avoid double-
22 charging; and
23

24 WHEREAS, The Borough desires to not require cost classification or
25 allocation for Borough-funded grants and instead desires to rely on reimbursable
26 expenses regardless of their direct or indirect nature; and
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28 WHEREAS, The Borough is focused on task-based grant agreements; and
29

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be *added* is underlined
Text to be *deleted* is [BRACKETED, CAPITALIZED]

30 WHEREAS, The Borough Assembly approved Ordinance No. 2021-25 which
31 waived these same requirements for Fairbanks Economic Development Corporation for
32 FY 2020-21 (half-year) and FY 2021-22 and for Explore Fairbanks for FY 2021-22; and
33

34 WHEREAS, Changes to the Borough’s cost regulations would not reduce the
35 Borough’s reporting requirements or impact other portions of the Borough’s reporting
36 requirements such as unallowed expenses.
37

38 NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks
39 North Star Borough:
40

41 Section 1. This ordinance is of a general and permanent nature and shall
42 be codified.
43

44 Section 2. FNSBC 7.08.010(A)(3)(a), Minimum grant standards and
45 requirements, is amended as follows:

46 3. Use of Grant Funds. Grant funds may not be used for expenses or
47 obligations incurred outside the effective dates of the grant award.

48 a. Recipients of borough grants shall comply with the U.S.[
49 GOVERNMENT’S] Office of Management and Budget (OMB) rules and regulations,
50 specifically 2 CFR 200.400 through 200.410 and 200.416 through 200.475 (Subpart
51 E – Cost Principles).
52

53 Section 3. Effective Date. This ordinance is effective at 5:00 p.m. on the
54 first Borough business day following its adoption.
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ADOPTED THE _____ DAY OF _____ 2022.

Mindy O'Neall
Presiding Officer

ATTEST:

APPROVED:



April Trickey, CMC
Borough Clerk

Jill S. Dolan
Borough Attorney

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Text to be *deleted* is [BRACKETED, CAPITALIZED]