MAYOR'S OFFICE

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
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2021 – 41

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

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

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

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

WHEREAS, The Borough desires to not require cost classification or allocation for Borough-funded grants and instead desires to rely on reimbursable expenses regardless of their direct or indirect nature; and

WHEREAS, The Borough is focused on task-based grant agreements; and

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
WHEREAS, The Borough Assembly approved Ordinance No. 2021-25 which waived these same requirements for Fairbanks Economic Development Corporation for FY 2020-21 (half-year) and FY 2021-22 and for Explore Fairbanks for FY 2021-22; and

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

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

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

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

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


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

Mindy O’Neall
Presiding Officer

ATTEST:

APPROVED:

April Trickey, CMC
Borough Clerk

Jill S. Dolan
Borough Attorney