

Resolution No.: 16-1049
Introduced: July 21, 2009
Adopted: July 21, 2009

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Amendment to Resolution No. 16-970, FY10 Operating Budget of the Montgomery County Government, Budget Provision No. 8 Use of the Future Federal, State, or Other Grant Non-Departmental Account as an Appropriation Mechanism for Certain Stimulus Grants

Background

1. On May 21, 2009, the County Council approved Resolution No. 16-970, Approval and Appropriation for the FY10 Operating Budget of the Montgomery County Government.
2. Budget Provision No. 8 appropriated \$20,000,000 for the Future Federal, State, or Other Grant Non-Departmental Account in the County Government Grant Fund. When the County receives funds for a program from a non-county source, the County Executive is authorized to transfer appropriation from the Account to the appropriate department or office if the non-county funding meets certain conditions. For a new grant, the program must not require any new FY10 tax-supported appropriation or future tax-supported County funds and must be \$200,000 or less.
3. The County has applied for Federal funding available as a part of the American Recovery and Reinvestment Act of 2009 (ARRA). In many cases ARRA funding, if awarded, is to be spent within two years. In order to expedite the appropriation and procurement process, the Council was asked to consider whether it would be appropriate to allow certain ARRA grants that are in excess of \$200,000 to be appropriated by a transfer from the Future Federal, State, and Other Grant Non-Departmental Account.
4. The Council President and Chair of the Management and Fiscal Policy Committee have reviewed this issue and recommend that the Council approve an amendment to Resolution No. 16-970 to allow a grant awarded under the ARRA to be appropriated by a transfer from this Account if no new County position is created under or funded by the grant award. The grant must still comply with the condition that the program must not require any new FY10 tax-supported appropriation or future tax-supported County funds.

Action

The County Council for Montgomery County, Maryland, approves the following action:

Budget Provision No. 8 of Resolution No. 16-970 is amended as follows:

This resolution appropriates \$20,000,000 for the Future Federal, State, or Other Grant Non-Departmental Account in the County Government Grant Fund to fund specific programs or activities designated in a grant, donation, contribution, reimbursement, or other non-County funding source received in FY10. When the County receives funds for a program from a non-County source, the County Executive may transfer appropriation from this Account to the appropriate fund for a department or office to support the program. The following conditions apply to the use of this transfer authority:

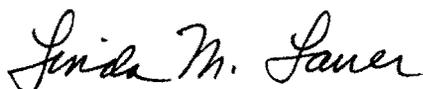
- (A) The program must not require any new FY10 tax-supported appropriation or future tax-supported County funds.
- (B) Subject to the balance in the account, any amount can be transferred in FY10 for any program which meets at least one of the following [four] five conditions: (1) the amount is \$200,000 or less; (2) the program was funded in FY09; (3) the program was included in the FY10 budget; (4) the program was funded by the Council in a supplemental or special appropriation in FY10; **(5) the funding was awarded under the authority of the American Recovery and Reinvestment Act of 2009 and no new County position will be created under or funded by the grant award.** Any program that does not meet one of these [four] five conditions must be funded by a supplemental or special appropriation.
- (C) The Executive must notify the Council within 30 days after each transfer.

The Department of Finance may transfer appropriation to the Restricted Donation Special Revenue Fund on a quarterly basis. The Council must approve a transfer for any individual donation which exceeds \$200,000 unless the donation meets one of the conditions in subparagraph (B) of this paragraph.

The Executive must approve each transfer under this paragraph and must forward to the Council a copy of a monthly list prepared by the Office of Management and Budget of each grant for which this transfer process has been used. The Office of Management and Budget must maintain a record to ensure that the total appropriation is not exceeded.

The Executive may also transfer an appropriation from a specific department or office grant appropriation in the County Government Grant Fund to the Future Federal, State, or Other Grant Non-Departmental Account when a specific grant is less than the amount appropriated. The amount of the transfer must equal the difference between the amount appropriated and the grant award.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council