

Discretionary Funding Budget
Workshop
Expense & Capital
Fiscal Year 2024

New York City Council Finance Division
Applicant Information

What is Expense Discretionary Funding?

Discretionary funding is an appropriated sum of money in the City's expense budget allocated to eligible not-for-profit organizations by the Council or a Council Member.

NOTE: Discretionary Funding is a reimbursement based program and the organization should have funds on hand to start or administer the program.

Who is Eligible for Expense Discretionary Funding?

Discretionary funds may only be allocated to not-for-profit, community-based services providers.

Eligibility: In order to receive discretionary funds directly, an organization must be incorporated as a not-for-profit with its own EIN and registered with the New York State Attorney General's Charities Bureau, unless exempt. For more information on New York State registration visit: https://www.charitiesnys.com/about_new.html

- Religious-affiliated organizations are eligible. However, they must meet the above requirements and must register with the New York State Attorney General's Charities Bureau

Cannot Apply: For-profit entities may not receive discretionary funds.

How to Apply for Discretionary Funding?

Applications must be submitted on-line. The application and detailed instructions can be found on the Council's website below:

<https://council.nyc.gov/budget/>

Release Date: Thursday, January 5th, 2023

Submission Deadline: Tuesday, February 21st, 2023

The application asks for information about an organization's experience, qualification, integrity, and the program or service for which the organization is requesting support.

On the website above, applicants have the option to either start a New Application or to access an In-Progress or Submitted Application(s).

Apply for FY2024 Discretionary Funding

Access Submitted and In-Progress Applications

FY24 – Different Types of Expense Funding

- **Member Discretionary** – Funding that is designated from sources that are specific to the Council District. (*Local, Youth, Aging, Anti-Poverty & Community Safety & Victim Services*)
- **Speaker Funding** – Funding designated by the Speaker, typically at the request or from the support of a Council Member(s), Delegation or Caucus.
- **Member Designated Initiatives** – Initiatives with a specific purpose and guidelines that are equally split and designated by each Council Member. (*CASA, A Greener NYC, Food Pantries, Digital Inclusion & Literacy, Cultural Immigrant, Parks Equity, NYC Cleanup, Support Our Seniors & Neighborhood Development*)
- **City-Wide Initiatives** - Initiatives created to address different needs across the city. These initiatives are typically designated by a specific committee or approved by the Council as a whole.
- **Borough-wide Initiative** – Funding that is designated by a Borough Delegation.

What is the Vetting Process?

The General Counsel's office at the New York City Council is responsible for the vetting process. This includes the review of the following:

- Organization possesses an active Employer Identification Number (EIN) from the Internal Revenue Service (IRS)
- Required forms from the Discretionary Application:
 - Authorization Form (*must be Notarized*)
 - Conflict of Interest Form
- An organization's status as a not-for-profit.
 - *Newly Created Organizations** – Organizations created or incorporated within the last two fiscal years may not receive funding in excess of \$20,000 total (and no more than \$10,000 from a single member).
 - *New to the Council** – organizations that have not received funding within the past 3 fiscal years. These organizations may not receive funding in excess of \$50,000 total (and no more than \$25,000 from a single member).
- Compliance with New York State Attorney General's Charities Bureau registration requirements or certification that the organization is exempt from these requirements.
- A review of an organization's past Agency evaluations relating to contract performances.
- Confirm the description of the proposed program/service meets the public purpose requirements.
- News Articles, Social Media and Internet.

Mayor's Office of Contract Services (MOCS)

PASSPort Registration & Capacity Building Training Requirements

PASSPort System – (Procurement And Sourcing Solutions Portal)

– **(ALL)** In Fiscal 2021, MOCS released the City's new digital Procurement and Sourcing Solutions Portal (PASSPort). **ALL** organizations receiving City Council funding must create and register an account at the link below. Under this new system, the Council's awards are combined accordingly and put into contracts. The contracts will then be managed electronically by both the agency and the organization thru an online dashboard. For more details please visit: <https://www1.nyc.gov/site/mocs/systems/about-go-to-passport.page>

HHS Prequalification Application– Every discretionary awardee must have an Approved HHS Prequalification Application. Organizations that are exclusively funded by DCLA are exempt. For more details please visit: <https://www.nyc.gov/site/mocs/systems/passport-user-materials.page>

Capacity Building Training – In FY23, organizations receiving \$10,000 or more were required to complete the MOCS Capacity Building Training. For more details please visit: <https://www1.nyc.gov/assets/mocs/downloads/pdf/NonProfit/Training%20Requirement%20for%20Discretionary%20Awardees.pdf>

Schedule C , Transparency Resolutions & Budget Modifications

- **Schedule C** – Complete list of discretionary funding assigned to Community Based Organizations and City Contracting Agencies to provide programs and services throughout the City. This document also contains a brief description and history on all of approved Council Initiatives for the Fiscal Year.

<https://council.nyc.gov/budget/wp-content/uploads/sites/54/2022/06/Fiscal-2023-Schedule-C-Merge-6.13.22-Final-1.pdf>

- **Transparency Resolution** – Budget document reviewed and voted on by the Council in a Public Hearing. This document approves new designations and/or adjustments to designations made in Schedule C or a previous Transparency Resolution. (*Frequency: typically once a month.*)

<https://council.nyc.gov/budget/fy2023/> - (section titled “Transparency Resolutions”)

- **Budget Modification** – Budget document that is reviewed and voted on by the Council in a Public Hearing. This document approves the transfer of funds between contracting agencies.

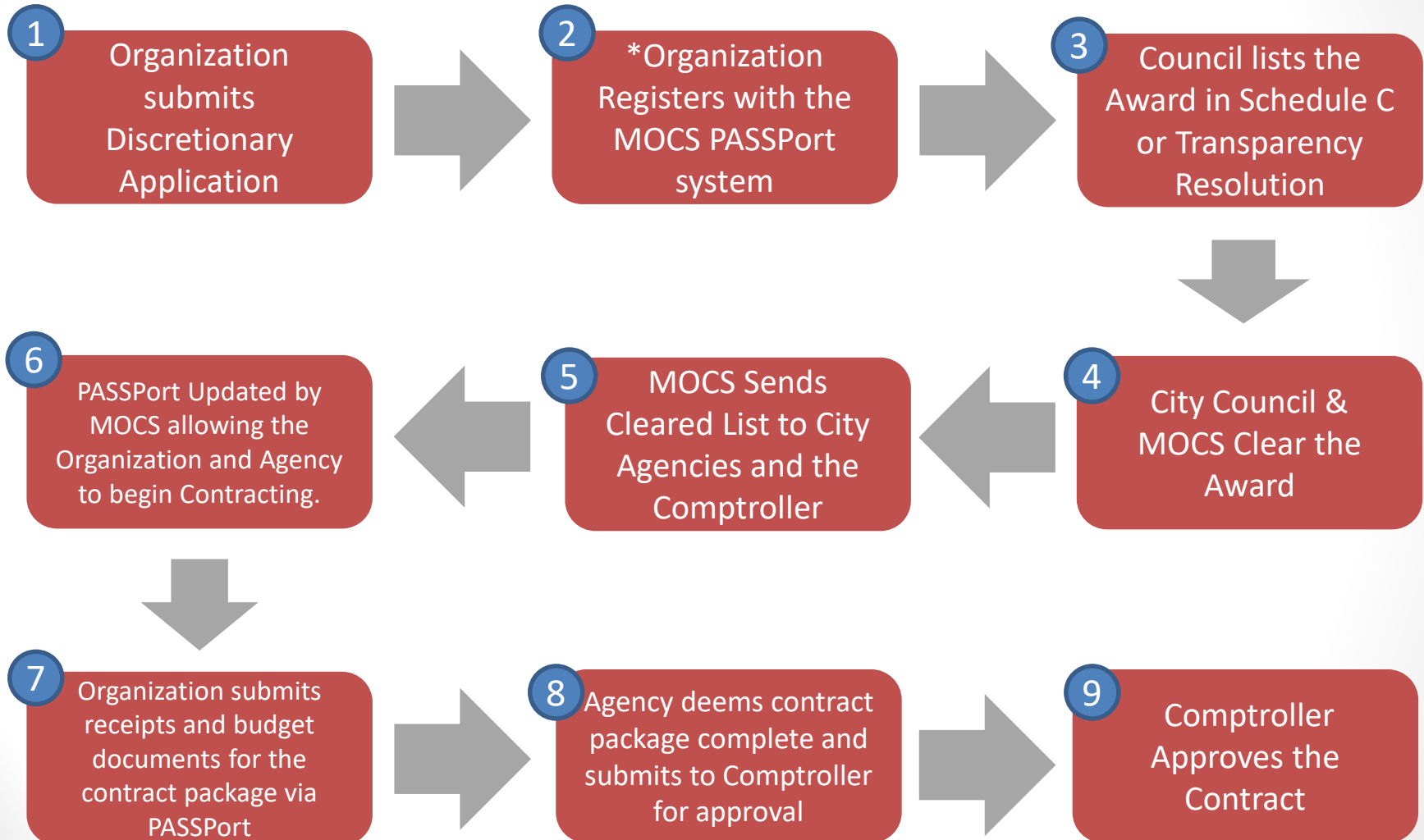
(*Frequency: 2-3 times a year.*)

When will an Organization Receive their Funding?

Please note, organizations that have been allocated Discretionary funding will not receive the money immediately.

- 1) Organization submits a Discretionary Application to the Council.
- 2) Organization creates an account and is registered in the MOCS PASSPort system.
- 3) City Council designates an award to the organization in Schedule C or a Transparency Resolution.
- 4) City Council and MOCS perform their review/vetting process and clear the award.
- 5) After MOCS clears the designation, a list of all cleared awards is sent out to all City agencies and the Comptroller.
- 6) MOCS updates the PASSPort system to include changes from the monthly Transparency Resolution and updated Clearances. At this point, the Organization and Agency to begin Contracting process.
- 7) Organization submits receipts and budget documents for the contract package via PASSPort. Within the system, they can see where the contract(s) are in the process as well as if their documents have been received and/or reviewed by the agency.
- 8) After review, the Contracting Agency sends the completed contract package to the Comptroller for approval.
- 9) The Comptroller has 30 days to approve or deny a contract. If approved, the agency will begin coordinating the reimbursement of the contract. If denied, the organization will be notified of the reason and work with agency to make any corrections.

FY24 Contracting Process



Non-City Capital Funding Process

Eligibility Requirements & Types of Projects

FY24 – Key Dates (Capital)

- Non-City Capital Application will go live on the CapGrants website in mid-January 2023.
- CapGrants Link: <https://www.nyc.gov/site/capitalgrants/index.page>
- Deadline for applications to the Borough Presidents and the City Council is **Thursday, February 23rd, 2023.**
- Deadline for applications to City Council only **Thursday, March 23rd, 2023.**

Is My Non-Profit Eligible for Capital Funding?

- **Eligibility requirements for the group applying:**
 - *Must be a non-profit registered to do business in New York.*
 - *Must have three (3) years of audited financials.*
 - *Must have current paid full-time staff.*
 - *Demonstrate the capability (including financial) to regularly and continuously use the capital asset(s) for which funding is requested.*
 - *Must provide the City with a lien on the capital asset for its useful life.*

Is My Capital Project Eligible?

- **Eligibility requirements for projects:**

- *Must be for physical assets that have multi-year lifespan (at least five years; some IT projects may be three years).*

- *Must be used primarily to deliver front line services.*

- *Capital funds may not be used for back office, administrative, executive or support service spaces unless in an integrated space.*

- *Meet green building requirements where applicable.*

Projects & Requirements - Moveable Property

- Project Types

- *Vehicle Purchases*
- *Standalone equipment and systems that are moveable, i.e. unattached or minimally attached.*
- *Initial fit out of space that is newly purchased, constructed, renovated or leased.*

- Project Requirements

- ❑ *Group must have at least 1 year of contracts with the City of \$25k or more.*
- ❑ *Project must total \$50k minimum, or \$250k if project is minimally attached to real property.*
- ❑ *City can fund 100% of the request.*

Projects & Requirements - Real Property

- Project Types

- *Building Construction*
- *Building Renovation*
- *Real Property Purchases*

- Project Requirements

- ❑ *Group must have \$50k or more in contracts with the City per year for the last 3 consecutive years.*
- ❑ *Project must total at least \$500k and include 15% in contingency costs.*
- ❑ *City can fund 90% of the first \$2 million and 50% of every dollar above \$2 million.*
- ❑ *Property must be owned by applicant unless.*
 - *Leasing from a CBO's affiliate/subsidiary or a government entity.*
 - *Project is a Cultural or Senior Center.*