

MEMORANDUM

TO: Ron Long, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: John J. Williams, Borough Mayor
Craig Chapman, Finance Director

FROM: Bonnie L. Golden, Grants Manager

COPY: Melody Douglas, School District Chief Financial Officer

DATE: August 22, 2007

SUBJECT: Ordinance No. 2007-19-18: An Ordinance accepting and appropriating two grants from the State of Alaska totaling \$445,000 for school equipment and supplies

The school district requested funding from the state legislature for equipment and supplies for schools throughout the Borough. Funding for these projects was included in Senate Bill 53, the State's capital budget, which was passed by the legislature and signed by the Governor in June 2007. The State Department of Commerce, Community and Economic Development has notified the Borough that \$445,000 is available for school-related equipment and supplies. Legislative grants do not require any matching funds and are available for up to five years.

The administration requests that the Borough's administrative fees be waived on the two grants that are scheduled for appropriation in this ordinance. The administrative fee was established to compensate the Borough's General Fund for costs it incurs in processing grants. In this particular instance, with the exception of filing the grant report, the School District is paying all required expenditures and taking all administrative action. The administration believes that waiving the administrative fee would be appropriate for these two grants.

Enactment of the attached ordinance will accept and appropriate the grants, making funds available to the School District. Because these are State grants specifically designated in the bill authorizing the purchase of equipment and supplies, the Department of Education and Early Development has indicated that they will not be considered in the school district cap formula.

Attachments:

Ordinance, DCCED notification letter, letter from School District