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## Editorial | Our View

# Use full vetting for grants in aid

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There is something inherently wrong when a system to vet applications for city “grants in aid” for Oahu nonprofits is circumvented — and Honolulu City Council members must put a halt to that dubious practice.

It’s easy, though, to see why they keep trying: Politicians look good if they’re able to secure large sums of taxpayer money for constituent causes. In the current fiscal year ending June 30, the Council tacked on \$2.16 million for 23 agencies — only \$100,000, though, will likely be released — above the \$6.1 million already set aside through the standard grants-in-aid process.

That grants process is the result of a Honolulu City Charter amendment approved by voters in 2012 that sets aside for nonprofit groups one-half of 1 percent of all city general fund collections. With it comes a thorough vetting process by the seven-member Grants in Aid Advisory Commission — and a grant limit of \$125,000 per request.

As a matter of principle, the Council should ensure all nonprofit grants be submitted for vetting by the advisory commission rather than inserted into the city’s operating budget as pet projects.

This year, the commission received 98 applications from nonprofits and 58 were awarded grants for fiscal year 2017, totaling \$6.19 million. The worthy groups include the Blood Bank of Hawaii, the Boy Scouts of America Aloha Council and Special Olympics Hawaii.

Still, the Council felt compelled to add another \$2.35 million for 20 organizations, one of which had already been awarded funding through the formal grants-in-aid method.

The controversy surrounding grants-in-aid unnecessarily pits Mayor Kirk Caldwell — who believes the additional funding takes away from core city services — against the City Council. Ultimately, it becomes just another political fight between the city's administration and legislative branches that the public can do without.

Council Chairman Ernie Martin said the add-ons are justified, saying the one-half of 1 percent was meant to be a minimum amount for nonprofits, not a ceiling. But that doesn't explain, or does it justify, why some nonprofits must undergo intense vetting while others do not.

Martin said Council members individually consider requests made by nonprofit agencies and submit an amendment for consideration to the Budget Committee. However, nonprofits applying for funds through the grants-in-aid process have their applications heavily scrutinized over several months, and the commission approves or denies the grant based on a detailed scoring system.

There needs to be a level playing field among the nonprofits.

To underscore his opposition, Caldwell has refused to release the money for nearly all of the Council add-ons for nonprofits over the past few years. Yet the Council continues this exercise in futility.

We'd prefer that the City Council serve as the taxpayers' watchdog of sorts. Instead, its members are carving out exceptions when it serves their interests and skirting the prescribed application process.

There is no room for arbitrarily showering nonprofits with taxpayer money that should go toward public safety or road repaving. Although \$2.35 million in add-ons amount to a small fraction of the city's \$2.33 billion operating budget, those millions amount to a circumvention of a proper process that the public expects for accountability.