

To: John Morris, Chair, Finance Committee
Through: Mary Wilson, Chief Executive Officer
From: Julee Farley, Chief Financial Officer
Katie Baldwin Johnson, Chief Operating Officer
Date: April 23, 2026
Re: Increase in Authority Grant Funding Available for FY27

REQUESTED MOTION:

The Finance Committee recommends that the board of trustees authorize the transfer up to \$9,859,492 in unspent prior year Authority Grant funds into to FY27 Authority Grant funds. This transfer is comprised of:

- *\$3,805,579 in unspent FY23 Authority Grant funds*
- *\$4,148,951 in unspent FY24 Authority Grant funds*
- *\$1,904,962 in unspent FY25 Authority Grant funds*

The \$9,859,492 would be re-allocated to the FY27 Authority Grant budget as follows:

- *\$1,000,000 to the FY27 Partnership/Designated Grants Budget Line (page 4, line 2)*
- *\$2,500,000 to the FY27 Trust Strategic Initiatives/Data Collection budget line (page 4, line 3)*
- *\$6,359,492 to the FY27 Trust Focus Area Strategy Implementation budget line (page 4, line 4)*

STAFF ANALYSIS:

The Trust has identified \$9,859,492 in unspent Authority Grant funds for Fiscal Years 2023, 2024 and 2025. These funds will not be expended for their approved budget year. If left unchanged, these funds would follow the lapse schedule and lapse four years after the initial budget year and become available in FY28, FY29, and FY30.

To make these funds available for beneficiary serving programs on an accelerated basis, Trust staff propose transferring these unspent funds to FY27 Authority Grant funds to increase the amount of available funding in FY27. Once approved, the four-year lapse schedule resets to 2030. Trustees may direct approval of these funds through approved budget amendments to the FY27 budget for partnership grants and other trust initiatives.

BACKGROUND:

Authority Grant funds have a four-year appropriation term. From time to time, Authority Grant funds are

not awarded or fully expended during their appropriation term. Prior to adopting the current budget structure, trustees approved the budget with funds designated towards specific strategies in focus areas which in several situations were not realized because organizations were not ready to move forward during the fiscal year with a planned project, or in some circumstances community readiness and agency delays contributed to trust funds being designated in the trustee approved budget and unexpended at the end of a fiscal year. Together these circumstances result in an unspent Authority Grant balance for each fiscal year.

Typically, unspent Authority Grant funds would be lapsed back into an annual budget after the four-year appropriation term and incorporated based on a 2-year average of lapsed funds, resulting in a 6 year life-cycle.

The Finance and Program Teams have worked together to identify the unspent Authority Grant amounts that can be redeployed to the FY27 budget and result in additional near-term funding of beneficiary programs.

Staff recommends transferring \$9,859,492 in unspent FY23, FY24, and FY25 Authority Grant funds into FY27 Authority Grant funds. This proposal makes otherwise unspent Authority Grant funds available on an accelerated basis to further the Trust’s work on behalf of beneficiaries.

Budget detail for \$9,859,492 to be transferred to the FY27 Authority Grant budget:

Budget Category	FY23	FY24	FY25
Disability Justice	\$ 515,492	\$ 296,435	\$ 122,580
Beneficiary Employment	\$ 210,991	\$ 233,924	\$ 69,094
Housing & Home and Community Based Services	\$ 266,267	\$ 60,466	\$ 105,371
Non Focus Area	\$ 923,978	\$ 1,138,715	\$ 721,777
Mental Health & Addiction Intervention	\$ 1,888,851	\$ 2,419,411	\$ 886,140
Totals	\$ 3,805,579	\$ 4,148,951	\$ 1,904,962