

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 5/27/2026

**Staff Report No.** 26-240

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**TO:** AC Transit Board of Directors  
**FROM:** Salvador Llamas, General Manager/Chief Executive Officer  
**SUBJECT:** Board Policy 324 Revenues and Grants

### ACTION ITEM

**AGENDA PLANNING REQUEST:**

**RECOMMENDED ACTION(S):**

Consider approving minor amendments to Board Policy 324 - Revenues and Grants. [Requested by Director Walsh - 9/24/25]

Staff Contact:  
Chris Andrichak, Chief Financial Officer

**STRATEGIC IMPORTANCE:**

Goal - Financial Stability and Resiliency  
Initiative - Financial Efficiency and Revenue Maximization

Having clear and concise financial policies helps District staff maximize the use of existing and new revenues.

**BUDGETARY/FISCAL IMPACT:**

There is no direct fiscal impact from any changes to this policy.

**BACKGROUND/RATIONALE:**

Board Policy 324 was last amended in October 2024. Staff propose minor amendments for Board consideration to:

- Amendments to Section IV. D Board Approved Grant Applications to respond to Board requests and reflect current practice:
  - Add language specifying that staff reports for Board approval of grant applications will include a description of the recommended project.
  - Amended language about where quarterly grant reporting shows up. Previous language specified that quarterly grant reporting be included in the General Manager’s Report. This amendment aligns with current practice, under which quarterly grant reporting is included with the quarterly budget reporting.

- Amendments to Section IV. E Grant Management to clarify the relationship between grant management and grant strategy.

Staff does not propose amending the policy to specifically address the request to provide grant terms with grant items brought to the Board. For most grants, the specific terms and conditions (T&Cs) are not known until after an award is made. All grant agreements are reviewed by the General Counsel's Office prior to execution by the General Manager/Chief Executive Officer. If, upon award notification, the General Counsel and General Manager concur that the T&Cs are unfavorable to the District or do not align with District Policy, the General Manager can decline the grant. Additionally, if the General Manager and/or General Counsel believe further guidance is needed from the Board on whether to accept grant conditions, staff will bring the matter back before the Board for guidance.

Staff also believes that, with the proposed amendments, the current process for grant applications and awards meets the intent of the request. Section IV.C of Board Policy 324 requires grant applications to focus on projects or initiatives included in Board-approved plans or documents. If an application identifies a project not specifically included in those documents, current policy requires that the application be consistent with the Board-adopted Strategic Plan.

**ADVANTAGES/DISADVANTAGES:**

The recommended changes serve to clarify the requirements for grant applications and management.

There are no disadvantages.

**ALTERNATIVES ANALYSIS:**

The only alternative would be to not make any changes. There is no benefit of this alternative and staff do not recommend it.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

SR 24-474 Board Policy 324 Revenue and Grants

**ATTACHMENTS:**

1. Board Policy 324 Revenue and Grants, with proposed revisions
2. Agenda Planning Request

**Prepared by:**

Emily Heard, Capital Planning and Grants Manager

**Approved/Reviewed by:**

Richard Oslund, Director of Management & Budget

Chris Andrichak, Chief Financial Officer

Paul Kincaid, Assistant General Manager/Chief Executive Officer

Aimee L. Steele, General Counsel/Chief Legal Officer