LEGISLATIVE DIGEST

(Amended 03/24/2025)

[Administrative Code - Nonprofit Reporting]

Ordinance amending the Administrative Code to change the Annual Economic Statement of City-Funded Organizations requirements to limit the application of nonprofit reporting requirements to organizations receiving more than \$1,000,000 annually, reduce required information types, and permit, redaction of information to avoid personal harm.

Existing Law

All nonprofits receiving in excess of \$100,000 in funding from the City to provide direct services to the public must annually provide information relating to the organizations' structure, leadership, and finances, to the City Administrator or to a City Department that awards or monitors the contract or grant.

Amendments to Current Law

The proposed amendment would 1) increase the application threshold to \$1,000,000, 2) remove five types of documentation from the public posting requirements, and 3) create a justification for redacting information from the required documents if the release of information is may lead to personal harm.

Background Information

In 1981, the City adopted in Section 10.1 reporting requirements for nonprofits providing services to the public, which usually are in the form of a grant. These annual reporting requirements, sent to the Board of Supervisors, allowed greater transparency into the operations of nonprofits receiving City funds. In 2000, Section 10.1 was altered to direct the reports to a predecessor of the City Administrator's Office. In 2011, Section 10.1 was changed to allow reports to be sent to awarding departments instead. In 2023, Section 10.1 was modified to allow nonprofits to post reports on websites, add additional required documents, and increase enforcement efforts. An exception for disclosure was added, where nonprofits may redact information if disclosure would violate laws protecting personal privacy.

In 2025, nonprofit representatives voiced concern that the public posting of personal information required under 10.1 could be misused and cause harm to nonprofit personnel. To ameliorate this, the scope of the ordinance has been reduced by monetary threshold and information required, and a personal safety redaction justification has been added.

n:\legana\as2024\2500182\01829519.docx

BOARD OF SUPERVISORS Page 1