



CITY OF EL PASO

Grants Administration and Federal Updates

Office of the Comptroller - Grants Administration Division
Strategic and Legislative Affairs Department

July 21, 2025, City Council Work Session

Goal 6: Set the Standard for Sound Governance and Fiscal Management

Agenda

OTC Grants Administration Division

- No Single Audit Findings since 2016
- Citywide Grants Portfolio
- Grant Awards by Department

Strategic and Legislative Affairs

- City Response to Executive Orders and H.R.1 One Big Beautiful Bill
- Rescinded and Suspended Grants
- FY26 Citywide Grants Strategy

Grants Administration Division (GAD)

GAD serves as a clearinghouse of all the City's grant activity:

- Grant application submittals
- Award acceptance
- Reporting and compliance
- Coordinating with City Attorney's Office
- City's annual Single Audit report*

**FY Grant expenditures*



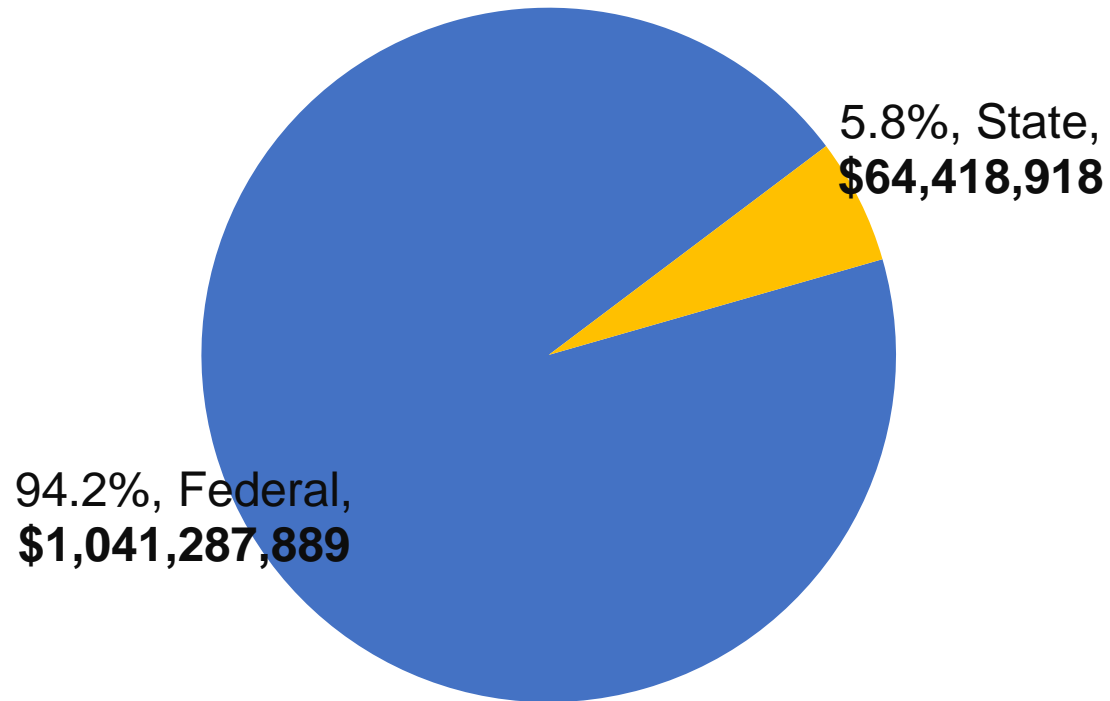
Citywide Grant Expenditures

Grants account for ~12% of the City budget

	Federal	State	Grants Total	Adopted City Budget	% Grants
FY16	\$63,648,824	\$3,953,535	\$67,602,359	\$884,882,786	8.00%
FY17	\$60,273,379	\$7,546,566	\$67,819,945	\$900,324,036	7.53%
FY18	\$85,436,738	\$4,691,297	\$90,128,035	\$896,357,226	10.05%
FY19	\$59,293,711	\$4,117,764	\$63,411,475	\$989,381,830	6.41%
FY20	\$117,426,663	\$3,787,766	\$121,214,429	\$1,046,842,406	11.58%
FY21	\$217,632,742	\$5,107,956	\$222,740,698	\$984,674,406	22.62%
FY22	\$149,819,695	\$8,986,340	\$158,806,035	\$1,067,475,828	14.88%
FY23	\$138,341,041	\$11,833,925	\$150,174,966	\$1,171,086,079	12.82%
FY24	\$149,415,096	\$14,393,769	\$163,808,865	\$1,318,526,091	12.42%
Total	\$1,041,287,889	\$64,418,918	\$1,105,706,807	\$9,219,551,194	11.99%

Federal & State Expenditures

City of El Paso Expenditures from FY16 – FY24



- From FY16 to FY 24, total expenditures of \$1,105,706,807
- 94.2% of city grants are federal, including state passthrough grants

Single Audit Comparison

No Single Audit findings since 2016

City	2019	2020	2021	2022	2023	2024	Total
El Paso	0	0	0	0	0	0	0
EP County	0	0	0	0	4	2	6
UTEP	0	4	0	0	0	0	4
Socorro	0	0	1	0	3	0	4
Albuquerque	6	5	3	10	6	4	34
Austin	0	1	1	1	1	1	5
Dallas	3	3	2	1	1	0	10
Denver	2	1	24	27	8	0	62
Houston	1	2	3	1	1	1	9
San Antonio	1	1	2	2	2	1	9
San Diego	1	1	1	1	1	1	6
Tucson	2	1	1	1	1	1	7
Sum	16	19	38	44	28	11	156

**Results derived from the federal audit clearinghouse.
See: www.fac.gov*

Audit Finding Risks

GAD supports City Departments in complying with grant agreements to **avoid audit findings:**

- Securing city match
- Completing accurate and timely reports
- Subrecipient evaluations by departments
- Reviewing allowable costs
- Period of performance

No Findings for City of El Paso: [2024 Single Audit Report](#)

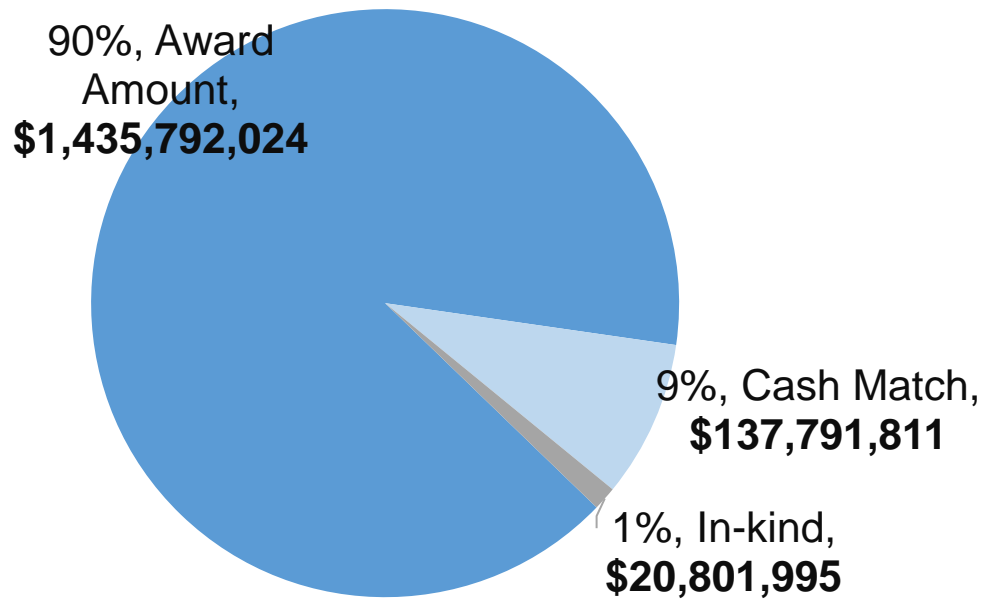
Audit Findings in Other Cities

Type of Finding	Compliance Requirement	Granting Agency
Material weakness	Matching	TxDOT
Material weakness	Reasonable Rental Rates	U.S. HUD
Material weakness	Reporting	TxDOT
Material weakness	Suspension and Debarment	Texas Parks and Wildlife
Significant deficiency	Allowable Costs and Allowable Activities	U.S. Treasury
Significant deficiency	Allowable Costs and Allowable Activities	TxDOT
Significant deficiency	Reporting	TxDOT
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- GAD established compliance processes that flag issues early
- FY26 goals include automation and Department dashboards

Citywide Grants Portfolio

Total Awards Managed from FY16 – FY25

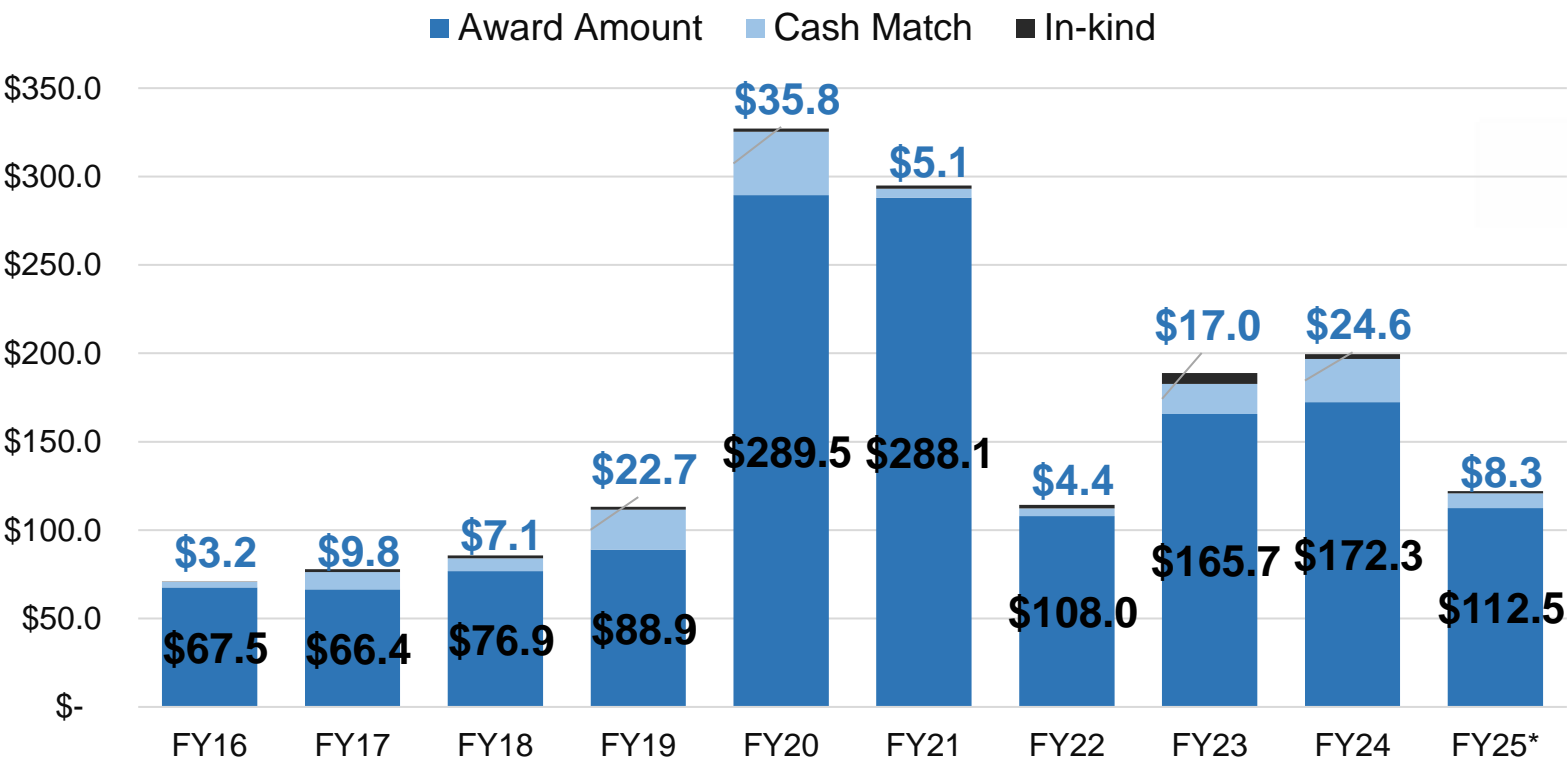


- Oversight of **\$1,594,385,830** in grant awards since FY 16
- Cash match amounts to 9% of overall grants portfolio
- *Cash match must be available, unencumbered, dedicated to projects to minimize audit findings*

**Note: FY25 figures are not finalized and will increase for the remainder of the year*

Grant Administration Portfolio

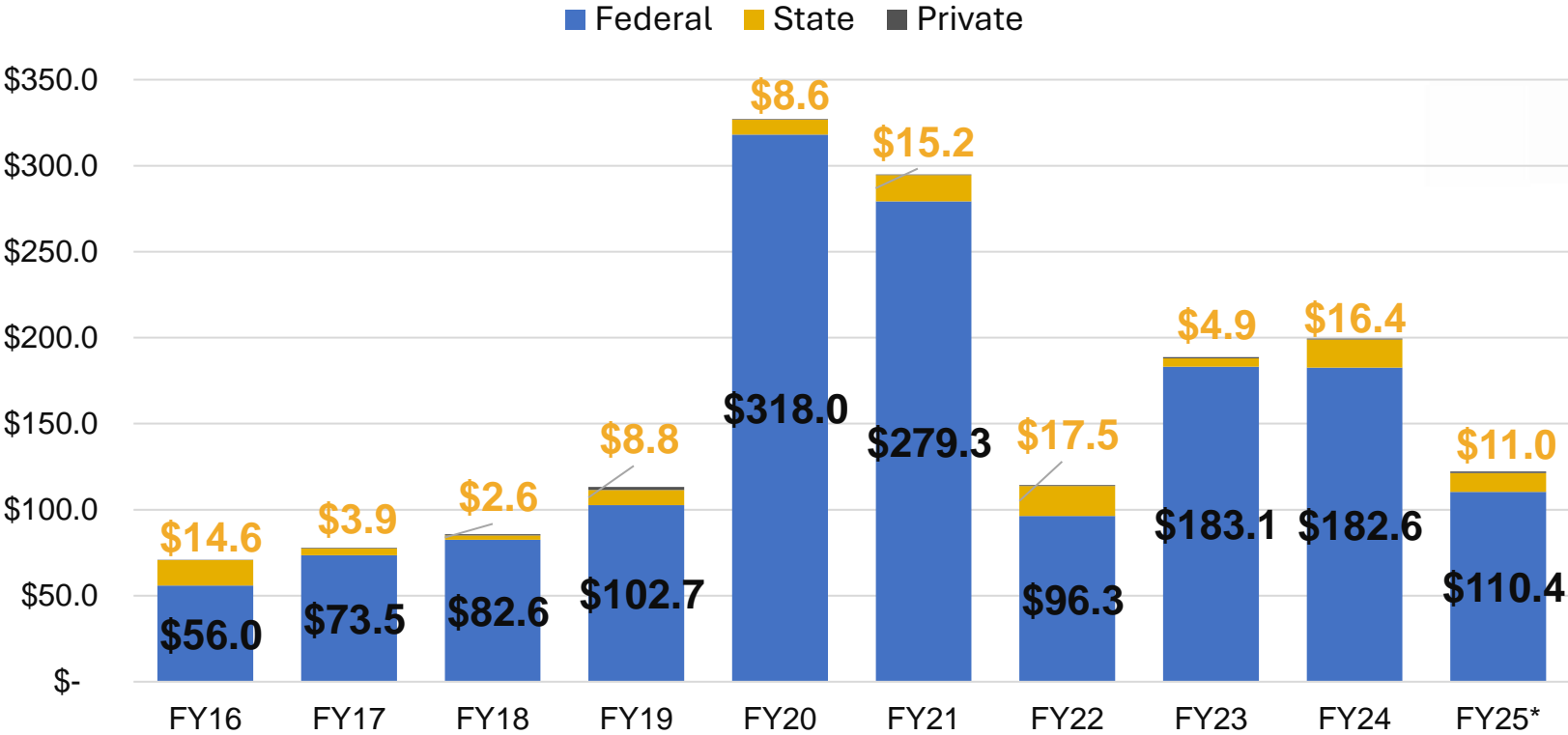
Total Awards Managed from FY 2016 – Present
(in millions)



**Note: FY25 figures are not finalized and will increase for the remainder of the year*

Federal, State, and Private Awards by Fiscal Year

Total Awards Managed from FY 2016 – Present (in millions)



**Note: FY25 figures are not finalized and will increase for the remainder of the year*

COVID19 Legislation Funding

Awards by Agency	Awarded	Cash Received
Department of Treasury (CARES + ARPA)	\$311,049,735	\$311,049,735
American Library Association	\$20,000	\$20,000
CARES - Texas Department of State Health Services	\$1,308,091	\$1,165,246
Department of Health and Human Services	\$10,281,302	\$8,994,475
Department of Justice	\$1,293,840	\$1,293,840
Department of State Health Services	\$6,342,847	\$5,106,364
Federal Aviation Administration	\$37,059,989	\$31,233,646
Federal Transit Administration	\$87,642,975	\$87,642,976
National Association of County and City Health Officials	\$100,000	\$100,000
National Endowment for the Art	\$250,000	\$250,000
National Endowment for the Humanities	\$117,000	\$117,000
Texas Commision on Enviromental Quality	\$116,900	\$116,863
Texas Health and Human Services Commission	\$26,279	\$8,738
U.S. Department of Housing & Urban Development	\$13,922,225	\$13,648,553
Total	\$469,531,183	\$460,747,438
Total Minus CARES + ARPA	\$158,481,448	\$149,697,703

- ARPA-funded programs will end December 2026
- Staff is identifying new funding sources for priority programs

Cash Received by Department

**Note: Figures include competitive and formula grants. FY25 figures are not finalized and will increase for the remainder of the year*

DEPT	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*	Total
AIRPORT	\$3,467,034	\$3,854,361	\$17,415,662	\$4,632,029	\$4,538,092	\$16,871,448	\$14,230,005	\$16,809,212	\$12,517,680	\$18,363,640	\$112,699,165
ANIMAL SERVICES		\$30	\$110,620	\$85,000	\$20,000	\$50,000	\$50,690	\$250	\$5,230	\$9,750	\$331,570
CAPITAL IMPROVEMENT	\$13,582,247	\$5,224,904	\$4,624,477	\$13,133,923	\$5,761,132	\$7,854,087	\$9,168,571	\$23,521,331	\$7,606,810	\$5,624,526	\$96,102,007
COMMUNITY DEVELOPMENT	\$2,144,838	\$1,927,512	\$2,119,196	\$11,560,718	\$8,706,064	\$9,988,629	\$10,441,495	\$8,484,480	\$18,407,281	\$10,100,188	\$83,880,399
COVID-19					\$119,074,342	\$110,538,619	\$94,021,981	\$7,524,434	\$3,347,019	\$5,083,177	\$339,589,572
ECONOMIC DEVELOPMENT			\$41,673	\$21,970						\$20,000	\$83,643
EL PASO WATER UTILITIES							\$2,506,589	\$913,728	\$3,129,683	\$551,694	\$7,101,694
EMERGENCY DECLARATION					\$1,020,485						\$1,020,485

Cash Received by Department

**Note: Figures include competitive and formula grants. FY25 figures are not finalized and will increase for the remainder of the year*

**\$13,483,258.39 in advance funding was returned to federal government at the end of the migrant crisis*

DEPT	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*	Total
ENVIRONMENTAL SERVICES	\$540,869	\$661,225	\$612,674	\$451,304	\$755,332	\$567,518	\$492,056	\$736,076	\$638,064	\$537,280	\$5,992,398
FIRE	\$222,001	\$253,929	\$316,559	\$1,297,215	\$320,523	\$909,417	\$1,236,631	\$39,663,329	\$2,661,707	\$2,382,534.40	\$49,263,845.56
HEALTH	\$9,656,732	\$11,359,111	\$9,720,457	\$11,264,813	\$10,582,118	\$11,072,323	\$11,509,778	\$11,218,540	\$11,875,279	\$9,819,261	\$108,078,412
LIBRARY	\$39,175	\$65,515	\$89,888	\$66,623	\$36,160	\$117,299	\$137,903	\$163,126	\$126,034	\$96,221	\$937,945
MUSEUM AND CULTURAL AFFAIRS	\$248,218	\$275,248	\$167,188	\$34,000	\$231,724	\$70,312	\$40,000	\$44,000	\$100,261	\$327,219	\$1,538,169
PARKS AND RECREATION	\$17,630	\$162,959	\$188,315	\$148,819	\$197,000	\$893,000	\$37,893	\$1,037,107			\$2,682,723
POLICE DEPARTMENT	\$4,497,536	\$9,092,942	\$7,362,041	\$7,323,557	\$7,974,736	\$7,198,279	\$7,692,269	\$9,946,840	\$10,129,691	\$9,825,131	\$81,043,022
SUN METRO	\$5,544,717	\$10,037,055	\$43,874,395	\$21,494,622	\$44,481,431	\$33,874,694	\$42,677,264	\$37,311,901	\$41,091,713	\$25,377,574	\$305,765,365

Federal Legislative Agenda

On March 3, 2025, City Council approved the [Federal Legislative Agenda](#) for the 119th Congress

Policy Positions

- Maximizing federal resources
- Minimizing legal and financial burdens
- Upholding Local Authority
- Strengthening local-federal partnerships

Priority Areas

- Critical Infrastructure
- Critical Public Services
- Public Safety
- Veterans and Military Partnerships



Responding to Executive Orders and Federal Actions

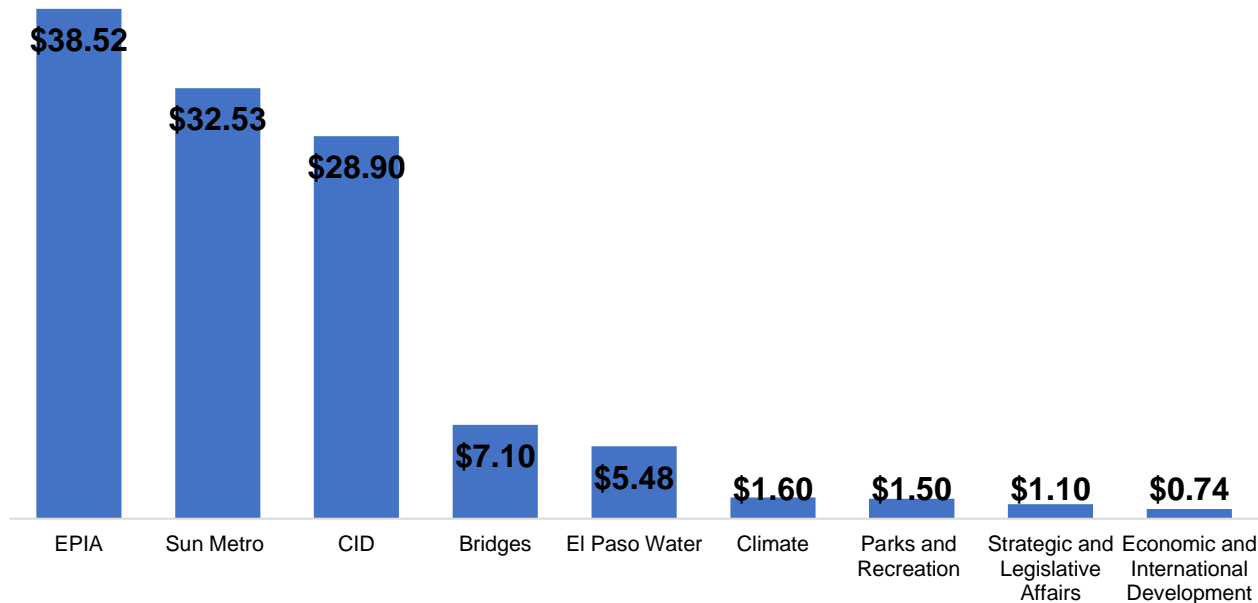
In January 2025, SLA and the Office of the Comptroller deployed the Rapid Response Program in response to Executive Orders:

- Analyzing impacts on City Departments and operations
- Risk management analysis (160+ grants)
- Tracking federal budget and appropriations
- Projecting grant program funding cuts
- Legislative tracking and analyzing

City staff focused on mitigating risks and adjusting scopes of work for \$505 million in grant funds received from FY23-FY25 for critical public services and priority infrastructure projects

Responding to Executive Orders and Federal Actions

Total Grants Awarded, FY22 – FY25 (in millions)



\$100+ million in incoming grants portfolio with agreements underway

\$8.25 million in incoming grants were deprogrammed by Congress via appropriations and budget reconciliation (H.R.1)

Monday.com [Incoming Grants Board](#)

Impacts of H.R.1, the "One Big Beautiful Bill" Act

Signed into law on July 4, 2025

Opportunities

- Incentives for private investment in housing, community, and economic development
 - Opportunity Zone program
 - Low-Income Housing Tax credit (LIHTC)
 - New Markets Tax Credit (NMTC) program
- Increased funding toward State and Local Homeland Security Assistance

Impacts

- DOT Neighborhood Access and Equity Grant rescinded
- Cuts to climate-friendly energy tax credits, especially wind and solar
- Unobligated grants for EPA-funded projects rescinded

**Note: while funding lost, programs are retained*



Rescinded or Suspended Grant Awards

\$11,067,288 (2.2%) (as of June 30, 2025) in grants rescinded out of \$505 million current awarded grants:

- Executive Orders prompting federal agency actions
- Texas agency actions (passthrough grants) prompted by federal agencies

	Grant Award	Match	Total Project	Expenditures	Funding Lost
Department of Health and Human Services (8)	\$14,388,685	0	\$14,388,685	\$11,163,087	\$3,225,598
Federal Emergency Management Agency (2)	\$9,344,009	0	\$9,344,009	\$1,538,619	\$7,805,390
Institute of Museums and Library Services (1)	\$11,625	\$11,625	\$23,250	\$1,350	\$10,275
Texas Commission of Environmental Quality	\$127,975	0	\$127,975	\$101,950	\$26,025
Total	\$23,872,294	\$11,625	\$23,883,919	\$12,805,006	\$11,067,288
Rescinded but later reinstated					
National Endowment for the Humanities (1)	\$15,000	\$15,000	\$30,000	0	\$15,000
Texas State Library & Archives Commission (3)	\$120,200	0	\$120,200	\$25,331	\$94,869
Department of Health and Human Services (2)	\$717,173	0	\$717,173	\$274,548	\$442,625
Total	\$135,200	\$15,000	\$150,200	\$25,331	\$552,494

Rescinded or Suspended Grant Awards

\$19.3 million in funding lost due to federal actions (as of 6/30/25):

- \$8,250,000 (incoming grants)
- \$11,067,288 (awarded grants)

Project / Program Areas:

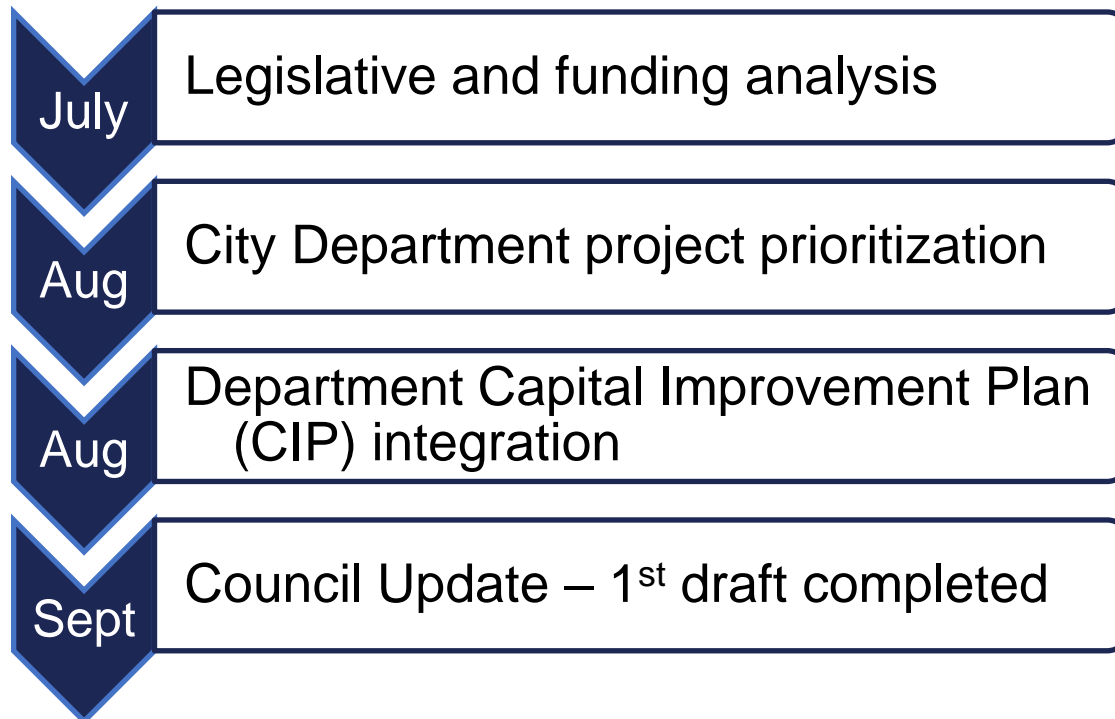
- Public Health
- Migrant response
- DEI-related grants
- FY25 Community Project Funding



FY26 Citywide Grants Strategy

Strategic and Legislative Affairs and the **Office of the Comptroller** will work with all City Departments to develop the FY26 Citywide Grants Strategy:

Timeline



- SLA is hiring 2 additional grant writing positions
- Citywide grants training sessions continue monthly
- Staff will finalize pending federal agreements

FY26 Citywide Grants Strategy

Task 1: Safeguard and Diversify At-Risk Programs

With federal rescissions, program expirations (e.g., ARPA sunsets in December 2026), and policy shifts threatening critical service areas, the City must act decisively to preserve its most vulnerable and essential programs

- 1.1 Use risk assessments from the Rapid Response Program to prioritize grant replacement strategies for programs impacted by executive orders and federal rescissions
- 1.2 Build departmental capacity to pursue alternative funding proactively before sunset periods
- 1.3 Transition funding for core services from time-limited or rescinded grants into new, stable funding streams, such as:
 - Foundation and philanthropic sources
 - Public-private partnerships
 - State grant programs (funded by State revenues)

FY26 Citywide Grants Strategy

Task 2: Embed Grants into Strategic Planning

To maximize funding competitiveness and implementation readiness, grants must be integrated into the City's capital and strategic planning

- Fully align grant pursuits with Council-approved Capital Improvement Plans (CIP), the Comprehensive Economic Development Strategy (CEDS), the City's Comprehensive Plan, and 2026 Strategic Plan
- Ensure grant considerations are embedded in the earliest stages of project development, feasibility studies, and community engagement
- Allocate staff time and technical assistance to high-impact, shovel-ready projects with grant funding potential
- Establish an internal review mechanism to vet project-readiness for grant applications on a rolling basis

FY26 Citywide Grants Strategy

Task 3: Leverage AI Tools and Training to Increase Efficiencies

With constrained staffing and growing complexity in federal applications, AI-assisted grant management will be critical to maintaining a competitive edge

- Expand use of City-approved AI platforms for:
 - Drafting narratives
 - Data analysis and performance metrics
 - Identifying funding alignment
- Launch citywide training on AI applications in:
 - Grant writing and editing
 - Budget modeling and cost estimation
 - Compliance and reporting workflows
- Use AI tools to track efficiency gains and output using key metrics (e.g., average application turnaround time, number of applications submitted, success rates by department)

FY26 Citywide Grants Strategy

Task 4: Expand External Engagement

Adapt to “Fend-for-Yourself Federalism” by aggressively seeking direct appropriations and congressionally directed spending

- Establish and maintain regular and direct contact with:
 - Congressional Offices and Committees
 - The White House and appointed administrators
 - Federal agency program officers
 - National networks (e.g., NLC, GFOA, NGA)
- Strengthen the City’s advocacy infrastructure:
 - Hire a full-time federal lobbyist
 - Expand City of El Paso participation in DC and Austin
- Build relationships with corporate philanthropies, national foundations, and civic funding networks

FY26 Citywide Grants Strategy

Task 5: Continue Zero Audit Finding Record

Mitigate audit risk by evaluating individual Department grant-funded programs and projects —especially on match funding, period of performance, and subrecipient management. Work includes:

- Automating compliance dashboards and communications with Departments for timely reports and match requirements
- Use Automation Monday (AI) to monitor progress, identify risks, and capture lost opportunities

Clean audits ensure the City of El Paso can continue requesting federal, state, and philanthropic funding.

Audit findings can be used as justification to rescind or reduce future funding.

Key Takeaways

- No Single Audit Findings since 2016 because the City of El Paso has strong internal grant controls
- The Citywide Grants Portfolio includes \$1.4 billion in awards since 2016: OTC is currently managing \$505 million in grant-funded programs
- City staff are monitoring and responding to Executive Orders, federal actions, and the H.R.1 One Big Beautiful Bill
- The 2026 Citywide Grants Strategy will help sustain and grow critical programs and infrastructure projects moving forward

MISSION



Deliver exceptional services to support a high quality of life and place for our community.

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government.



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople

MISIÓN



Brindar servicios excepcionales
para respaldar una vida y un
lugar de alta calidad para
nuestra comunidad

VISIÓN



Desarrollar una economía regional
vibrante, vecindarios seguros y
hermosos y oportunidades
recreativas, culturales y educativas
excepcionales impulsadas por un
gobierno de alto desempeño



VALORES

Integridad, Respeto, Excelencia,
Responsabilidad, Personas