

TO: CHAIR AND MEMBERS
EXECUTIVE COMMITTEE OF COUNCIL

DATE: 2019 March 15

FROM: DIRECTOR FINANCE

FILE: 7400-01

SUBJECT: COMMUNITY GRANTS POLICY

PURPOSE: Review of Community Grants Policy and Guidelines.

RECOMMENDATIONS:

1. **THAT** the Executive Committee recommend Council authorize \$100,000 to award community grants for ongoing operating expenses to established Burnaby-based non-profit organizations that provide an ongoing program and/or service that benefits the community.
2. **THAT** the Executive Committee recommend Council authorize a limit for an operating grant award to a maximum of 25% of the annual operating budget of a non-profit society; to a maximum request of \$10,000.
3. **THAT** the Executive Committee recommend Council authorize a CAP of \$25,000 on the total financial assistance to a non-profit organization.
4. **THAT** the following organizations be exempted from the financial assistance and operating grant CAPS:
 - i. Burnaby Arts Council
 - ii. Burnaby Community Services Society - Annual Programs
 - iii. Burnaby Community Services Society - Recreation Credit
5. **THAT** the Executive Committee recommend Council approve the updated Community Grants Policy and Application Form, as appended to this report.
6. **THAT** the Executive Committee recommend Council increase the maximum contribution for travel expenses for recreational sports teams, as presented in Section 5.0 of this report.
7. **THAT** the Executive Committee recommend Council approve the implementation plan for the new Community Granting Policy, as outlined in Section 6.0 of this report.

REPORT

INTRODUCTION

At the Executive Committee meeting on 2019 February 06, delegations from the Burnaby Neighbourhood House and the Burnaby Early Childhood Development provided presentations on their applications for an operating grant which is presently ineligible for financial assistance under the Community Grants Policy. Subsequent to these presentations, the Executive Committee of Council requested that staff review the Community Grants Policy with particular focus on the provision of funding for ongoing operating expenses. Staff were also requested to review the section of the policy that covers recreational sport teams and in particular the maximum contributions the City makes towards travel expenses for sports teams or individuals.

The Executive Committee of Council, at the Open meeting held on 2019 March 06, adopted a report recommending: 1) a policy framework to award grants for operating expenses, as outlined in Section 3.0 of the report; 2) an updated Community Grants Policy and Application Form; and, 3) an increase in the maximum contribution for travel expenses for recreational sports teams. The purpose of this report is to amend the language in Section 3.0 (as underlined), incorporate grandfather provisions, and expand the recommendations to provide greater clarity to the original report, and thereby, provide clear policy direction.

Staff have completed their review of the Community Grants Policy and have also reviewed the policies of other Lower Mainland municipalities to determine their position on the funding of ongoing operating expenses of non-profit groups and organizations. A policy review has also been conducted on the maximum amounts awarded for recreational sports contributions for team travel expenses.

1.0 POLICY SECTION

Goal

- A Connected Community
 - Social connection –
Enhance social connections throughout Burnaby
 - Partnership –
Work collaboratively with businesses, educational institutions, associations, other communities and governments
- An Inclusive Community
 - Celebrate diversity –
Create more opportunities for the community to celebrate diversity
 - Serve a diverse community –
Ensure City services fully meet the needs of our dynamic community

- Create a sense of community –
Provide opportunities that encourage and welcome all community members and create a sense of belonging
- A Healthy Community
 - Community involvement –
Encourage residents and businesses to give back to and invest in the community
- A Dynamic Community
 - Community development –
Manage change by balancing economic development with environmental protection and maintaining a sense of belonging
- A Thriving Organization
 - Organizational culture –
Ensure that our core values are reflected in our policies, programs and service delivery

2.0 MUNICIPAL COMMUNITY GRANT POLICIES ON ONGOING OPERATING EXPENSES

The following Lower Mainland municipalities were surveyed to determine their community grant policy on the funding of either special event, program and ongoing operating expenses of non-profit groups and organizations. For those who provide financial assistance towards ongoing operating expenses, many require the applicant to demonstrate long-term financial sustainability and diversification of funding sources to ensure the organization is not solely reliant on municipal resources.

	Municipal Community Grant Policies Ongoing Operating Expenses	
	Eligible	Ineligible
City of Coquitlam		•
City of New Westminster	City Partnership Grant Program Only	•
City of North Vancouver	•	
City of Richmond	•	
City of Surrey		•
City of Vancouver	•	
City of West Vancouver	•	
District of North Vancouver	•	

3.0 BURNABY COMMUNITY GRANTS PROGRAM

The Community Grants Program is intended to provide financial support to eligible Burnaby-based non-profit societies that deliver specific programs and services that benefit the community. Rather than using City resources as an indefinite funding source, the program has always encouraged organizational long-term self-sufficiency.

A change to the Community Grant Policy's eligibility criteria that would allow for the funding of ongoing operating expenses to eligible organizations will require careful consideration. This is to ensure that all associated risks are taken into consideration as any change in eligibility criteria could have unintended consequences. As there is currently no way of determining how many non-profit societies would take advantage of this potential change in policy, there is a risk that annual community grant applications could rise thereby placing more demand on existing community grant resources. The City typically spends close to or exceeds the current community grants budget on an annual basis.

Community Grants					
2016 Budget	2016 Actual	2017 Budget	2017 Actual	2018 Budget	2018 Actual
\$159,340	\$165,182	\$159,340	\$171,935	\$159,340	\$154,829

A change in eligibility criteria allowing the funding of ongoing operating expenses would likely require an increase to the community grants budget which is primarily funded through property taxes. Staff recommend that an additional \$100,000 be added to the 2019 budget to accommodate additional community grant requests that meet the expanded criteria for operating expenses. Staff will monitor the number of applications and report back on any budgetary implications on an annual basis.

4.0 POLICY FRAMEWORK FOR AWARDING COMMUNITY GRANTS FOR ONGOING OPERATING EXPENSES

Staff have reviewed the City's Community Grants Policy and the relevant policy sections of those municipalities that allow financial assistance to be given to non-profit groups and organizations in support of their programs and ongoing operating activities.

This section of the report outlines a proposed policy framework and eligibility criteria that would allow eligible organizations to make application for financial assistance towards their ongoing operating activities. The intention of providing financial assistance toward ongoing operating expenses would be to support the annual programming and/or operating activities of eligible organizations. Ongoing operating expenses would include regular operating expenses, including professional and administrative salaries

and benefits, supplies and equipment, heat, light, telephone, photocopying, rent, and fixed expenses etc.

The following outlines the proposed policy framework and eligibility criteria:

- **General Eligibility**

Eligibility for an operating grant would be limited to established Burnaby-based non-profit organization that provide an ongoing program and/or service that benefits the community.

Non-profit organizations that organize annual and/or periodic neighbourhood, festivals and special events would continue to be ineligible for an operating grant.

- **Financial Sustainability**

To be eligible for an operating grant, the City would require that a non-profit organization identify, via the City's Community Grant Application, all sustainable revenue funding sources to ensure it is not solely reliant on City resources. Applicants would need to have other cash revenue sources for their activity that may include self-generated revenue (ticket sales, concession, memberships), funding from other levels of government (provincial, federal) and/or private sector support (fundraising, foundations, sponsorship, cash and in-kind donations).

- **Funding Term**

Operating grants would be awarded for a one year term. All operating grants would be subject to annual review and approval by Council who would have the right to decline or reduce the amount of financial assistance.

- **Dollar Limit**

The City would establish funding limits for an operating grant award – e.g. to a maximum of 25% of the annual operating budget of a non-profit society; to a maximum request of \$10,000. Current grants exceeding this limit will be grandfathered under the new policy.

It should be noted that while the City's current Community Grants Policy does not provide for the funding of ongoing operating expenses, the City has, through the Parks, Recreation & Cultural Commission, provided the Burnaby Arts Council with core operating contribution in the amount of \$25,000 annually for over 20 years. As such, the City could "grandfather" the Burnaby Arts Council's core operating grant at \$25,000.

- **CAP on Financial Assistance**

A CAP on the total amount a Burnaby-based non-profit society would be awarded in a given year could be established to ensure no one group or organization unfairly draws from available community grants funds. A \$25,000 CAP would be established (e.g. \$15,000 for a community “program or project grant” and \$10,000 for an “operating grant”). This CAP excludes lease grants and permissive tax exemptions. Current grants exceeding this limit will be grandfathered under the new policy.

5.0 RECREATIONAL SPORTS GRANTS

At the request of the Executive Committee, staff have reviewed the Community Grant Policy in regards to the maximum amounts awarded for recreational sports contributions for team travel expenses. Due to the increase in costs for travel, it is recommended that the maximum contribution amounts be increased by approximately 15%.

At the Executive Committee meeting held on 2019 March 06, the Committee adopted the following:

- a) The proposed increase in the maximum contribution for travel expenses to compete outside of the Province in National and International competitions for a team or individuals who are Provincial Champions is as follows:

	Current Travel Expense Contribution	Revised Travel Expense Contribution
Provincial	\$150 per person	\$175 per person
National	\$175 per person	\$200 per person
International	\$200 per person	\$230 per person

- b) The proposed increase to the maximum grant per team for players that are 1) competing in a Provincial tournament outside of the Lower Mainland, 2) are a resident of Burnaby and 3) are under 21 years of age, is as follows:

Current Maximum Grant Per Team	Revised Maximum Grant Per Team
\$1,000	\$1,150

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From: Director Finance
Re: Community Grants Policy
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6.0 IMPLEMENTATION PLAN

Once Council approves this report, staff will send out letters to all past applicants making them aware of the changes to the Community Granting Policy and the Community Grant Application Form. The policy and form will be available on the City's website and staff will ensure that all applications submitted for the 2019 May 01 Executive Committee meeting and onwards follow the new policy guidelines and form.

7.0 RECOMMENDATIONS

This report reviews specific provisions of the City's current Community Grant Policy and provides a proposed policy framework for awarding community grants for the ongoing operating expenses of Burnaby-based non-profit societies. This report also reviews the maximum amounts awarded for recreational sports contributions for team travel expenses. In conclusion, staff advises that the Executive Committee recommend Council approve the following:

- \$100,000 to award community grants for ongoing operating expenses to established Burnaby-based non-profit organizations;
- A limit for an operating grant award to a maximum of 25% of the annual operating budget of a non-profit society to a maximum request of \$10,000;
- A CAP on financial assistance of \$25,000 per organization;
- The updated Community Grants Policy and Application Form;
- Increase the maximum contribution for travel expenses for recreational sports teams; and,
- The implementation plan for the new Community Grant Policy.



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

NK /ml

Copied to: City Manager
Director Corporate Services
Director Parks, Recreation and Cultural Services
City Clerk

Attachment: 1 – Community Granting Policy, version 1.0 revised 2019 February 28



Community Grant Application

FINANCIAL MANAGEMENT COMMITTEE COMMUNITY GRANTING POLICY

Grant requests which come under the following broad headings will be considered:

A. General Grants

- i. Are given only to Burnaby-based non-profit societies, which in the judgment of Burnaby City Council align with: the City's strategic priorities as outlined in Burnaby's Official Community Plan, the Burnaby Social Sustainability Strategy, the Economic Development Strategy, and the Environmental Sustainability Strategy.
- ii. Are given to defray a portion of costs for established Burnaby-based non-profit organizations. Organizations must receive substantial revenue from other sources.
- iii. Applicants may receive only one Financial Management Committee grant per year.

Ineligible General Requests

- i. General grants ARE NOT available to cover costs of past deficits or capital improvements.
- ii. Organizations that provide funding to 3rd party organizations.

B. Recreational Sport Grants

A Recreational Sport Grant Request will be considered for team travel expenses only.

- i. The application must be made by a support organization.
- ii. The applicant must be a scheduled user of the Parks, Recreation and Cultural Services facilities or belong to Burnaby School District #41 (i.e. Odyssey of the Mind teams)
- iii. Only players that are 1) competing in a Provincial tournament outside of the Lower Mainland, 2) are a resident of Burnaby and 3) are under 21 years of age, will be considered eligible for grant funding.
 - a. The maximum grant per team is \$1,150.
- iv. A contribution will be considered for travel expenses to compete outside of the Province in National and International competitions for a team or individuals who are Provincial Champions. Grant limits outlined in Section B(i)(c) apply.
- v. A contribution will be as follows:

Provincial	\$175 per person
National	\$200 per person
International	\$230 per person
- vi. Consideration will be given only for travel to a National or Western Canada Championship Tournament. In the event that there is both a Western Canada and a National Tournament, only ONE event will be considered for funding.

Grant Evaluation Criteria

1. Applicants must include a direct reference to the various plans and strategies outlined in Section A (i) of the Community Granting Policy.
2. Applications must outline the target audience and the anticipated number of event attendees or Burnaby residents served by the program or service.
3. Applicants must complete and submit the online grant application no later than Wednesday noon one week prior to the scheduled Financial Management Committee meeting date.

a. Incomplete applications will not be considered and it is the responsibility of the grant applicant to ensure the completeness of their submission.

Grant Approval

1. Six affirmative votes from Council are required in order to approve a request.
2. Successful grant applicants are required to acknowledge the City's contribution to their activities and projects in all promotional material. A City of Burnaby logo will be provided to successful grant applicants for acknowledgment purposes.
3. There is no appeal process should a grant be denied or partially funded.

COMMUNITY GRANT APPLICATION

DECLARATION

This declaration is to be signed by two signing officers of your organization.

- I certify to the best of my knowledge that the information provided in this application is accurate, complete and endorsed by the group I represent. On behalf of the applicant organization, I agree to the following conditions if this application is successful:*
- Grant funds must be applied to current expenses and must not be used to reduce or eliminate accumulated deficits or to retroactively fund activities;*
- The organization will make every effort to secure funding from other sources as indicated in its application;*
- The organization will maintain proper records and accounts available for inspection by the City or its auditors;*
- The organization will immediately notify the Office of the City Clerk (in writing) of any changes in the organization's activities as presented in its application. The Office of the City Clerk will determine if subsequent approval by Council is required.*
- In the event that the grant funds are not used for the organization's activities as described in the application, they are to be repaid to the City in full. If the activities are completed without requiring the full use of the City funds, the remaining funds are also to be returned to the City.*
- The organization must acknowledge the financial assistance of the City of Burnaby on all communications and promotional materials relating to its activities, such as programs, brochures, posters, advertisement, websites, new releases and signs. Acknowledgement is provided by using the City of Burnaby logo in accordance with prescribed standards.*

Signature

Title:

Name (Print Name):

Date:

Signature

Title:

Name (Print Name):

Date:

GETTING STARTED

1. Are you? ☐ New Applicant ☐ Returning Applicant
2. Select the kind of Community Grant you are applying for: ☐ General Grant ☐ Recreational Sport Grant
3. Amount you are requesting \$ _____
4. Total cost of the project/event/program etc.: \$ _____

GETTING TO KNOW YOU

1. What kind of applicant are you?

- ☐ Local Registered Non-Profit Society
Society No: _____
Date of Incorporation: _____
- ☐ Registered Charity Charitable No.: _____
- ☐ National/International Non-profit operating locally
Society No: _____
Date of Incorporation: _____
- ☐ Sport or Recreation Organization
- ☐ Other Specify: _____

2. Group/Organization Name: _____

3. Group/Organization Street Address: _____

4. Website (if applicable): _____

5. Grant Application Main Contact Person

Name: _____

Phone: _____

Email: _____

6. Contact person #2

Name: _____

Phone: _____

Email: _____

7. Number of Volunteers

Confirmed: _____

Expected: _____

THE PROJECT/EVENT/PROGRAM

1. Name of the Project/Event/Program: _____
2. Project/Event/Program Location (physical street address or event location):

3. Project/Event/Program Start Date: _____
4. Project/Event/Program End Date: _____

PURPOSE OR BENEFIT

1. Describe the purpose or goal of the project/event/program.
2. Describe the project/event/program, and the activities.
3. Describe how the project/event/program fits into the chosen grant category.
4. Describe how this project/event/program will benefit residents of Burnaby (who will benefit) How many Burnaby residents will be involved with or benefit from the project.
5. Describe how the project/event/program aligns with one or more of the following ([Social Sustainability Plan](#), [Environmental Sustainability Plan](#), [Official Community Plan](#)):
6. Identify your community partners or stakeholders – you may also include letters of support for your project/event/program from these groups as part of the application.
7. If the amount requested from the City of Burnaby is not fully granted, what would you do to make up the difference and/or how would you proceed differently?

EVENT OUTCOMES

1. How will you know if your project/event/program reached its goals? (for example, a goal of engaging youth in environmental activities might include reaching a set target of youth participants)
2. What data and feedback do you collect from your audience/participants? How do you evaluate your programs and services?

LONG TERM VIABILITY

ATTENTION: The grant program is intended to support new organizations and encourage organizational self-sufficiency, while creating a framework of financial sustainability rather than using City resources as an indefinite funding source. It is requested that your organization develop a diverse funding income base and seek alternative methods for self-sufficiency to ensure your organization's long-term operational sustainability.

1. What are your sources of revenue? What percentage of total revenue do they each represent?

<u>Source of Revenue</u>	<u>% of Total Revenue Previous Year</u>	<u>% of Total Revenue Current Year</u>
Earned Revenue (All ticket sales, registration fees, memberships, etc...)		
Grants (All federal, provincial, municipal, foundation and gaming grants)		
Donations and Sponsorships (Cash)		
Donations and Sponsorships (In-kind)		
All donations (cash/in-kind) provided by the City of Burnaby		

2. What other sources of funding are you currently pursuing? Does the organization have a plan for diversification and increase of revenue over the longer term? If yes, please provide a copy of the plan or describe the primary objectives and strategies.

3. Please identify the cash value (\$) all City of Burnaby contributions your organization/program/event has received from the City of Burnaby over the past three (3) years. Additionally, please indicate any other City of Burnaby grant opportunities you will be pursuing in the current year. Failure to identify City of Burnaby contributions may affect your eligibility for grants in the present year and in the future.

	3 years ago	2 years ago	1 year ago	Current Year	
				Awarded	Requested
Grant - Cash					
Grant - In-kind					
Permissive Tax Exemption					
Lease Grant					
Other					

4. If you are a returning applicant and are requesting an increase over your last year grant amount awarded, please provide a rationale for the increase.

5. Describe the top 3 goals for the organization in the current year.

Goal 1:

Description:

Goal 2:

Description:

Goal 3:

Description:

6. Please complete the following:

	Previous Year	Current Year
Number of volunteers (including Board)		
Volunteer hours per year		
Number of voting members		

7. How does your organization work to ensure that programs and services are accessible and inclusive for anyone who has an interest regardless of age, ability, orientation, ethnic/cultural background, socio-economic status? Please share examples and success stories of inclusivity and diversity within your organization and programming. (750 Characters Max)

INSURANCE AND ACKNOWLEDGEMENT

1. Does your organization have general liability insurance? ☐ Yes ☐ No

2. If yes, what coverage?

3. How will your organization, if granted funds, acknowledge the contribution from the City of Burnaby? (maximum 500 characters)

CITY OF BURNABY COMMUNITY GRANT PROGRAM	
OPERATING BUDGET FOR ORGANIZATION OR PROGRAM	
Name of Organization:	
For the Fiscal year:	
Month Fiscal Year Begins:	
Please check the appropriate box if you have received a Permissive Tax Exemption and indicate amount:	<input type="radio"/> Yes <input type="radio"/> No
Amount:	\$

REVENUES	Prior Year Actual	Current Year Budget	Current Year Confirmed? Y/N	Brief Descriptions/ Comments (type of grant and funding period)
Federal Government (Specify)				
1.				
2.				
3.				
PROVINCIAL Government (Specify)				
1.				
2.				
3.				
LOCAL Government (Specify)				
1.				
2.				
3.				
Sponsorships (Specify)				
1.				
2.				
3.				
Earned Revenue				
1.				
2.				
3.				
Fundraising (Net Revenue)				
Individual Donations				
In Kind Sources				
Investment Income				
Other sources (specify)				
1.				
2.				
3.				
Total Revenue				

Expenditures	Prior Year Actual	Current Year Budget	Brief Descriptions/ Comments (type of grant and funding period)
Total Compensation Expense			
Office Supplies & Expenses			
Program & Event Supplies			
Advertising & Promotion			
Travel & Vehicles Expenses			
Interest and Bank Charges			
Licences, Memberships, & Dues			
Occupancy Costs			
Professional & Consulting Fees			
Capital Purchases & Improvements			
Amortization of Capitalized Assets			
Donation, Grants, & Scholarship Expense as part of Charitable Activities			
Education and Training for Staff & Volunteers			
City Services Expenses			
1			
2.			
3.			
Other Expenses			
1.			
2.			
3.			
4.			
5.			
Total EXPENDITURES			
Current surplus (deficit)			

YOUR GRANT APPLICATION IS IMPORTANT

Please be as thorough as possible in the completion of the grant application to ensure that your application is not delayed or denied consideration while additional information is being obtained.

***** New Submission Process*****

- Grant application forms **MUST** be completed in full and be legible.
- Incomplete applications will be returned to the applicant for completion and re-submission for consideration.
- **NEW:** Please **EMAIL** an **ELECTRONIC VERSION** of the **COMPLETE** Grant Application Package (including attachments of supporting materials) to: clerks@burnaby.ca.
- The grant application **MUST** include the organization's operational budget for the current year and accountant prepared or official financial statements for the last complete year of operations.
- For more information please call 604-294-7289.