

To:	Warden Hicks and Members of Grey County Council
Committee Date:	July 25, 2019
Subject / Report No:	SSR-CW-06-19
Title:	Not for Profit Grant Requests
Prepared by:	Brad Noble and Barbara Arbuckle
Reviewed by:	Barb Fedy, Director of Social Services
Lower Tier(s) Affected:	County wide initiative
Status:	Recommendation adopted by Committee of the Whole as presented as per Resolution <i>CW163-19</i> ; Endorsed by County Council on August 8, 2019 as per Resolution <i>CC63-19</i> .

Recommendation

1. That Report **SSR-CW-06-19** regarding **Not for Profit Grant Requests** be received; and
2. That Council endorse the proposed **Not For Profit Grant Process** as outlined.

Executive Summary

Each year Grey County provides funding to a wide range of community organizations for services delivered throughout Grey County. In 2018 it was estimated that non-profit organizations received just over \$1,000,000 in funding from the County for initiatives which align with strategic goals of the county. Formally adopting a consistent approach to handling funding requests within the budget process will enhance transparency, fairness and public awareness of how funds are being used.

Background and Discussion

Some County departments are heavily involved in funding community organizations while other departments may not be involved in any such initiatives. In 2018, Finance, Social Services, Housing, and Planning provided the most funding to support non-profit community organizations and groups.

Currently non-profit community groups may receive funding:

- 1) As specific departmental budget items as part of the County budget; or
- 2) As a special request to council outside of the budget process; or
- 3) Both through the budget process and through special request.

This has created an ad hoc approach for funding and has resulted in a convoluted process for community organizations, County departments as well as Council. Recently, County Council has expressed concern on the current process and has requested that staff bring back a report on the provision of grants for not-for-profit organizations in Grey County.

Environmental Scan

Staff conducted research from April to June 2019 in response to the motion made by Council in response to a recent funding request. Specifically, staff examined:

- 1) Which local non-profit organizations are currently receiving funding;
- 2) How much funding is being provided across all departments for 2018; and
- 3) How jurisdictions outside of Grey County provide funding to non-profit organizations.

Research revealed that many lower tier municipalities (but far fewer upper tiers and regions) have a formal call for applications process for the distribution of funding to non-profit organizations. This is likely in line with the distribution of not for profit entities looking for support. There are far fewer with a broad reach across a whole County or region who might be seeking grant funding for a specific project.

In general, formalized approaches had the following attributes:

- 1) A public-facing annual application process, usually accessible online
- 2) An associated internal policy dealing with non-profit funding;
- 3) An ability to establish a set total for all funding available;
- 4) A set of evaluation criteria used to evaluate all grant funding applications;
- 5) A report-back on project outcomes.

Proposed Process

Staff recommend the following process be formally adopted by Grey County.

1. Adopt and communicate eligibility criteria for projects and organizations.
2. Consideration of a funding request is directed to the appropriate department.
3. If the eligibility criteria are met, and the project considered to have merit, a report is prepared seeking Council endorsement to include in the annual budget.
4. If the project is deemed ineligible or without sufficient merit, the requesting organization retains the ability to have a delegation and speak directly to Council.
5. A final decision on the funding is made when the annual budget is passed.

Eligibility:

1. Not-for-profit corporations, registered charities and volunteer groups are eligible to have funding requests considered by the appropriate County department.
2. Eligible applicants must be in compliance with all conditions and requirements contained in the *Ontario Human Rights Code* and the *Canadian Charter of Rights and Freedoms*.
3. Eligible applicants must be located in Grey County and/or must serve Grey County in its catchment area. A Grey County-based project where the majority of participants are Grey County residents may also be considered eligible.
4. Eligible applicants must be able to demonstrate financial need and how their proposed project would provide benefits to Grey County residents in line with the resources they are requesting.

Ineligibility:

The Grey County non-profit funding is not provided for:

1. Non-project related expenses e.g. accumulated deficits, debt, payroll shortfalls or making direct financial grants to a third party.
2. Projects located outside of Grey County unless otherwise approved by Council.
3. Travel and accommodation expenses for an organization's members or for a third-party to participate in a Grey County based project.
4. Manufacturing businesses or other industrial or commercial enterprises. This includes for-profit entities, individuals and commercial ventures or other individual-specific projects.
5. Projects that are cancelled (funding shall be returned).

Legal and Legislated Requirements

The *Municipal Act, 2001* specifies how a municipality can make grants. Section 107 of the *Municipal Act, 2001* provides municipalities with the power to make grants; but those powers are subject to restrictions outlined in Section 106, which prohibits giving grants to "any manufacturing business or other industrial or commercial enterprise." The proposed not-for-profit funding process complies with the legislated requirements under the *Municipal Act, 2001*.

Financial and Resource Implications

Staff anticipate no increase in financial or resources in maintaining the current non-profit funding process.

Relevant Consultation

- Internal
 - Departments within the County of Grey
- External
 - Informal review of area municipality grant practices (Norfolk, Bruce County and Grey Highlands)

Attachments

None