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## Information Item No. 2

Grants Committee  
September 14, 2015

**TO:** Chair and Members of HRM Grants Committee

**SUBMITTED BY:** *Original signed*  
Amanda Whitewood, Director of Finance & Information Technology/CFO

**DATE:** August 5, 2015

**SUBJECT:** Community Grants Program: Delinquent Reporting Update 2015

### INFORMATION REPORT

#### ORIGIN

November 4, 2013 – Grants Committee approval of default prevention and management protocols.

November 20, 2013 - Audit and Finance Committee approval of default prevention and management practice for programs administered under the Grants Committee. Applicants to programs administered under the auspices of the Grants Committee shall be screened for debt to HRM, extensions shall be limited to one (1) year, and sanctions may be applied to organizations in default of their obligations pursuant to a municipal grant, tax relief, a property sale or lease.

#### LEGISLATIVE AUTHORITY

*HRM Charter* (2008) Section 79 (1) (av) respecting grants and contributions.

#### BACKGROUND

Non-compliance reporting includes the following:

- The addition of grant recipients with overdue progress or final reports and grant recipients liable for the repayment of an ineligible expenditure or any unspent balance of a municipal grant;
- The removal of organizations from the delinquent list who have submitted a complete final report or repayment;
- Identification of accounts issued final notice by registered mail.

Reports, repayment, or reimbursements received after the September 14, 2015, Grants Committee meeting will be updated in next year's status report (2016).

## **DISCUSSION**

It is mandatory that grant recipients are responsible to submit a final report on or before March 31st of the fiscal year the award was issued. Reporting enables an evaluation of the activities funded by HRM and an accounting of public expenditures in accordance with the terms and conditions of a grant or contribution. Failure to report, or funds not used for the specified purpose, can lead to sanctions including the suspension of eligibility or a refund of any financial assistance in whole or in part.

Since 2011, an annual Information Report is submitted to the Grants Committee on the status of overdue reporting or repayment due under the auspices of the *Community Grants Program*. In 2014, the Grants Committee directed staff to send a registered letter to organizations in default once the reporting deadline has passed and a standard reminder notification has been issued. The intent of the notification is to alert the organizations to the application of sanctions for non-compliance.

Unspent or misappropriated funds may be recovered from an applicant and deposited in Account M311-8004. Organizations have the option to make payment through a payment plan whereby the amount due to HRM is paid in smaller monthly installments. Once reporting and/or repayment is complete, eligibility is automatically reinstated.

## **FINANCIAL IMPLICATIONS**

None.

## **COMMUNITY ENGAGEMENT**

The Grants Committee is comprised of a voting membership of one elected member of Regional Council from each Community Council, the Chair appointed from the membership of the Audit & Finance Standing Committee (also an elected member of Regional Council), and six (6) citizens-at-large. Grant Committee meetings are open to the public unless otherwise indicated. Agendas, minutes and reports are available on the HRM website.

## **ATTACHMENTS**

1. Delinquent Reporting: Additions and Reinstatement of Eligibility Update:

Table 1	Addition of Organizations to Delinquent List, as of July 2, 2014.
Table 2	Reinstatement of Eligibility in 2014: Final Reporting/Repayment Received.
Table 3	List of Organizations Deemed Ineligible. Final Notice Issued by Registered Mail July 22, 2014.

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A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Peter Greechan, Community Developer Grants & Contributions, 490-7310

Report Approved by: Original signed  
Bruce Fisher, Manager of Financial Policy & Planning, Finance & ICT, 490-4493

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Attachment 1

**Delinquent Reporting: Additions and Reinstatement of Eligibility Update**

<b>Table 1. Addition of Organizations to Delinquent List as of August 1, 2015</b>		
<b>Organization</b>	<b>Grant</b>	<b>Year Issued</b>
Ink Storm Screen Printing Society	\$1,500	2013
Legacy Centre for Performing Arts Society	\$10,000	2013
Sailable Nova Scotia (partial report submitted - refund to HRM required for ineligible expenses)	\$10,000	2013
Halifax Circus Cooperative Limited	\$2,700	2014
<b>(4)</b>	<b>\$24,200</b>	

Notes to Table 1: The three (3) grants awarded in 2013 were granted a one-year extension with a revised reporting due date of March 31, 2015.

<b>Table 2. Reinstatement of Eligibility in 2014. Reporting/Repayment Received</b>		
<b>Organization</b>	<b>Grant</b>	<b>Year Issued</b>
Halifax West Community Theatre Association	\$5,000	2006
Maritime Muslim Academy	\$10,000	2009
Stepping Stone	\$4,000	2009
Aeolian Singers	\$2,500	2010
Eastern Front Theatre	\$5,000	2011
Eastern Shore Forest Watch	\$1,744	2012
Windsor Junction Community Centre Society	\$10,000	2012
Nova Scotia Youth Orchestra	\$12,550	2013
Phin Performing Arts Society	\$2,000	2013
S.S Atlantic Heritage Park Society	\$1,377	2013
<b>(10)</b>	<b>\$54,171</b>	

<b>Table 3. List of Organizations Deemed Ineligible: Chronological Order by Date of Grant</b>		
<b>Organization</b>	<b>Grant</b>	<b>Year Issued</b>
Beechville Baptist Church	\$500	2007
All Women's Empowerment & Development Association (partial report submitted)	\$5,000	2008
ABC Housing Cooperative Limited	\$2,000	2009
Dunbrack Housing Cooperative Limited	\$4,000	2009
Riverlake Rugby Club (partial report submitted)	\$1,500	2009
Plutonium Playhouse	\$5,000	2011
DaPoPo Theatre Society	\$2,000	2012
Ink Storm Screen Printing Society	\$1,500	2013
Legacy Centre for Performing Arts Society	\$10,000	2013
Sailable Nova Scotia (partial report submitted – refund due to HRM for ineligible expenses)	\$10,000	2013
Halifax Circus Cooperative Limited	\$2,700	2014
<b>(11)</b>	<b>\$44,200</b>	

Notes to Table 3: Final notice sent by registered mail; reminder notification now suspended and organization remains ineligible for funding consideration pending resolution.