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HRM Grants Committee
October 3, 2011

TO: Chair and Members of HRM Grants Committee

SUBMITTED BY:

A handwritten signature in black ink, appearing to read "Mike Labrecque".

Mike Labrecque, Deputy Chief Administrative Officer, Operations

DATE: July 8, 2011

SUBJECT: Community Grants Program: Delinquent Reporting – Status Update

INFORMATION REPORT

ORIGIN

This report originates with staff of Grants and Contributions regarding the status of outstanding final reports for awards issued under the HRM *Community Grants Program*.

BACKGROUND

Typically, the HRM *Community Grants Program* issues awards in full at the time of notification of an award and any applicable terms and conditions of funding. In some circumstances a hold-back is applied or a grant issued using progress payments. All grant recipients are required to complete a final report prior to March 31st of the following year. Final report forms are sent with the award and successful applicants are notified of staff availability to assist with the report.

Note to Readers: The information contained in this report is accurate as of July, 2011. Overdue reporting from grant recipients may be received following the public distribution of this report. Any change in status will be noted in subsequent staff reports.

DISCUSSION

The eligibility of an organization in receipt of a grant who fails to provide final reporting for the expenditure of the award as per the terms and conditions of funding may be suspended (Community Grants Guidebook, p.34). A list of organizations that have not submitted a final report is maintained by HRM staff. Efforts to retrieve overdue reports include reminder letters and telephone calls. In addition, the Nova Scotia Registry of Joint Stocks and Canada Revenue Agency databases are searched to see if the applicant is still in operation. If an organization ceases to exist, efforts to obtain a final report are discontinued.

Table 1 lists organizations in receipt of a grant but no longer in operation. Due to the fact that these non-profit associations no longer exist, final reports for the following organizations have been deemed uncollectable.

Table 1 – Reports Deemed Uncollectable		
Organization	Grant	Year Issued
AIESEC Halifax	\$900	2008-2009
Black Artists Network of Nova Scotia	\$1,500	2004-2005
Black Community Advocates Association NS	\$1,000	2006-2007
Egyptian Canadian Association of Nova Scotia	\$3,500	2009-2010

Table 2 lists active organizations that received a community grant but have not yet submitted the required final report.

Table 2 - Non-Profit and Charitable Organizations Delinquent in Final Reporting (as of July, 2011)		
Organization	Grant	Year Issued
Arthur Kidston Memorial Camp	\$5,000	2006-2007
Beechville Baptist Church	\$500	2007-2008
Hubbards & Area Business Association	\$2,000	2007-2008
Ward 5 Neighbourhood Centre	\$2,343	2007-2008
Alliance Housing Cooperative	\$14,000	2008-2009
All Women's Empowerment & Development Association	\$5,000	2008-2009
Charles Court Housing Cooperative	\$10,500	2008-2009
Halifax Peninsula Housing Cooperative	\$4,000	2008-2009
Sable Island Preservation Trust	\$4,400	2008-2009
St. Margaret's Bay Sailing Club	\$15,000	2008-2009
Tri-Sack Housing Cooperative	\$10,500	2008-2009
Moose River Gold Mines Museum Society	\$1,600	2008-2009

Table 2 continues over page...

Table 2. Continued		
Organization	Grant	Year Issued
ABC Housing Cooperative	\$2,000	2009-2010
Atlantic Housing Cooperative	\$5,000	2009-2010
Bedford Basin Yacht Club	\$5,000	2009-2010
Dunbrack Housing Cooperative	\$4,000	2009-2010
Lutheran Church of the Resurrection	\$2,500	2009-2010
Stepping Stone	\$4,000	2009-2010
Supportive Housing for Young Mothers	\$5,000	2009-2010
National Broadcast Reading Service - Voice Print	\$3,370	2009-2010
YWCA Halifax	\$15,000	2009-2010
Aeolian Singers	\$2,500	2010-2011
Boys & Girls Club of Dartmouth	\$4,000	2010-2011
Cheema Aquatic Club	\$5,000	2010-2011
Columbus Club of Sackville	\$5,000	2010-2011
Fultz Corner Restoration Society	\$5,000	2010-2011
Halifax Camerata Singers	\$5,000	2010-2011
Ink Storm Screen Printing Society	\$1,200	2010-2011
Petpeswick Yacht Club	\$5,000	2010-2011
Pormorze Polish Folkdance Ensemble	\$2,000	2010-2011

A total of 34 delinquent reports have been identified; when compared to the 435 grants completed within the same time period, delinquency represents ~8% of all awards and is relatively small.

Policy Implications:

In the opinion of staff, sufficient time is allocated towards the collection of overdue final reports and ultimately the responsibility for the submission rests with the grant recipient. Without the submission of a final report, it is difficult to gauge the impact the project has had on the community or population it was intended to serve. However, the only recourse for not submitting a report is to deem an organization ineligible to apply to future funding until a final report has been submitted.

There may be other methods that could be developed to encourage organizations in receipt of a community grant to submit a final report or return unexpended funds if the project did not proceed. For example, organizations could be deemed ineligible to receive funds from other HRM funding sources. For example, tax exemption, festival and events grants, less-than-market property sales or leases etc. Creation of a centralized database containing information on all grants and contributions disbursed by HRM would assist in detecting delinquent applicants and aid collection or diminish the risk of further losses by revoking eligibility.

It should be noted that several grants awarded to non-profit housing cooperatives were submitted by a property management company. These management companies have been engaged by several coops, in part because 'professional' management may be a requirement of rent subsidies or capital financing. It would be unfair to penalize all non-profit housing cooperatives for delinquent reporting on the part of a few. However, risk can be reduced by disallowing submissions from third parties acting on behalf of a non-profit.

In summary, a staff report on *Community Grants Program* delinquent reporting will be submitted annually to the HRM Grants Committee and posted to the HRM web site. The aim is to provide full public accountability; on the part of both HRM and the grant recipient.

BUDGET IMPLICATIONS

This is an information report only.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

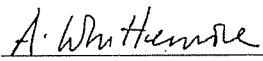
Not applicable to this information report

ATTACHMENTS

None.

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> 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.

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