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**HRM Grants Committee -- December 5, 2011
Special Events Advisory Committee - December 14, 2011**

TO: Chair and Members of HRM Grants Committee
Chair and Members of Special Events Advisory Committee

A handwritten signature in black ink, appearing to read "Brad Anguish".

SUBMITTED BY: _____
Brad Anguish, Director, Community & Recreation Services

DATE: October 19, 2011

SUBJECT: Disclosure Statement and FOIPOP Compliance

ORIGIN

January, 2011 - The Corporate Grants, Donations and Contributions report prepared by the HRM Auditor General made two recommendations in relation to the full disclosure and confirmation of information provided by applicants.

RECOMMENDATION

It is recommended that the HRM Grants Committee and HRM Special Events Advisory Committee approve the wording and expanded use of disclosure statements for grants and contributions as detailed in the Discussion section of this report.

BACKGROUND

The Auditor General's Corporate Grants, Donations and Contributions report (January, 2011) advanced two recommendations intended to strengthen confidence in information provided by applicants, including recourse for non-compliance. Staff have also instituted a disclosure statement in relation to tax exemption for the purpose of distinguishing owner-occupied property from tenancy and to aid detection of any change in use.

The Auditor General's recommendations state:

- Recommendation 24. "All applications should contain a signed certification which confirms all statements and facts in the application are true and correct and an acknowledgement any false statements may result in prosecution". Senior management agreed with the recommendation with the suggestion that a FOIPOP statement could also be added.
- Recommendation 25. "All applications should contain certification the applicant has not applied for or been in receipt of any additional funds or in-kind services from HRM during the current fiscal year. Should there be additional receipts, the source and amount of receipt should be outlined."

This report puts forth several disclosure statements with respect to cash grants, less than market property transactions, and tax exemption programs administered under the authority of the HRM Grants Committee.

DISCUSSION

1. Full Disclosure of Information

The purpose of a disclosure statement is to protect the integrity of the grant and events program and maintain public trust in the veracity of the evaluation process. The following statement encourages full disclosure of information and progressive penalties for partial or misleading information:

Persons providing false, incomplete or misleading information may, at HRM's discretion, be required to reimburse a financial award, in-kind contribution, or real property taxes and may be deemed ineligible for future grants and contributions.

The use of the descriptor "persons" broadens the scope of responsibility beyond that of the applicant to include personal and/or organizational accountability in relation to letters of recommendation or testimony, self-generated or third party data, estimates, audited and unaudited financial statements, and reporting. If approved, this statement would be incorporated in all application forms, final report forms, and program guidelines.

2. Information Sharing and FOIPOP Compliance

Alerting applicants to the type and extent of information sharing is a courtesy and encourages consideration of the accuracy of claims intended to leverage municipal assistance. The following statement includes internal information sharing, requests to or from third parties, and mandatory disclosure under law and will be included in all application forms, final report forms, and program guidelines.

Applicants are advised that information provided to HRM with respect to municipal grants, tax exemption or in-kind contributions may be shared with third parties, including but not limited to volunteer committee members, elected officials, or government agencies. As a municipal body, HRM may also be required to disclose applicant information pursuant to the Freedom of Information and Protection of Privacy Act, the Municipal Government Act, or Halifax Regional Municipality Charter.

If a third party requests an applicant's file it is good practise to advise the applicant to ensure that they are also in receipt of any additional information created during the review process, such as review score sheet, confirmation of municipal debt or by-law violation, and pertinent data gathered by staff as part of the evaluation process.

3. Tax Exemption Disclosure

The nature of program or service offered by a non-profit property owner is a key determinant in awarding tax exemption. Therefore, the use of the property by another party is an important consideration. Hence, the following statement has been added to the *Tax Exemption for Non-Profit Organizations Program* application form:

"The applicant for tax exemption certifies that no party, other than the applicant, has any right whether through lease, sub-lease or assignment, to occupy the property for which an exemption is being sought. This application must be signed by at least one authorized signing officer of the Board of Directors".

This statement has been added to authorization section of the tax exemption application form. This section requires the signature of two (2) persons, one of whom must be a member of the Board of Directors. The latter is intended to ensure that the Board is aware of the actions of any staff or individual Officer.

BUDGET IMPLICATIONS

None. This is an operational and policy issue 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.

ALTERNATIVES

Alternative 1: The Grants Committee and SEAC could choose to approve only some of the clauses. This is not recommended as the clauses will help to improve the transparency of the programs.

Alternative 2: The Grants Committee and SEAC may direct staff to undertake further analysis and revise the clauses accordingly. If this alternative is approved, should provide specific direction to staff on the areas to be reviewed.

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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Report Approved by: Denise Schofield, Manager, Community Development & Partnerships, Community & Recreation Services, 490-6252
