

Lac La Biche County *Policy*

TITLE: Recreational/Cultural Operating Program

POLICY NO: FIN-71-021

RESOLUTION: 20.655

EFFECTIVE DATE: September 12, 2017

DEPARTMENT RESPONSIBLE: Finance and Grants

NEXT REVIEW DATE: August 25, 2023

POLICY STATEMENT:

The County believes that the annual costs of delivering recreational and cultural services in Lac La Biche County is a shared responsibility between the County and local organizations.

To this end, the County will offer a grant program with the intention of supporting reoccurring and presently existing operating expenses incurred by eligible Recreational and Cultural Organizations. Funding will be focused on supporting Facility Operating Costs, with a secondary focus on Other Eligible Operating Expenses as it pertains to the operation of the facility.

Administration shall establish a procedure for this policy and shall be responsible to ensure the spirit and intent of the policy is being adhered to.

DEFINITIONS:

“Facility Operating Costs” and “Other Eligible Operating Expenses” means those costs as identified in *Schedule “B” Eligible Expenses* of the procedure under their respective headings.

“the Program” means the Recreational/Cultural Operating Program.

“Recreational and Cultural Organizations” are those organizations with a core mandate of delivering programs or services with the objective of enjoyment, amusement, pleasure, or contemplation. This includes organizations such as museums, community halls, agricultural halls, seniors clubs, art clubs, and sports organizations.

“Review Engagement” means a financial statement prepared by a Chartered Professional Accountant that provides a lesser level of assurance than an audit engagement but a greater level of assurance than a compilation engagement.

PRINCIPLES:

- Annually, Council will allocate funding for the Program.
- Administration will review applications and provide a recommendation to Council for funding for each application.
- The total funding recommended by Administration will not exceed the budget Council has set aside for the Program. If necessary, the amount of grant funding recommended for each organization will be reduced on a proportional basis to meet County budget requirements.
- Only Organizations listed in *Schedule “A” Eligible Organizations* will be considered for funding by Administration. However, funding (or any level of funding) is not guaranteed for these organizations.

- Administration will recommend funding based on the following principles:
 - a. Grant funding for each organization will be based on an organization's previous expenses. Facility Operating Costs will be considered at **up to** 100% of the value of the expense, while Other Eligible Operating Expenses will be considered at **up to** 30% of the value of the expense.
 - b. Repair and maintenance costs will not exceed 20% of the total expenses considered when determining grant funding. For example, repair and maintenance costs will be capped at \$20,000, if the remaining Facility Operating Costs and Other Eligible Operating Expenses are \$80,000.
 - c. Grant funding may be adjusted based on the following:
 - i. The organization's projected revenues;
 - ii. The organization's projected expenses; and
 - iii. The amount of reserve funding the organization has, and whether that reserve funding is earmarked for future projects and activities.
 - d. The amount of funding recommended for any one organization will not exceed the previous year's approved funding by more than 5%.
 - e. An organization will not be recommended for more funding than is requested in its application.
 - f. To be recommended for over \$50,000 in funding, the financial statements used to determine an organization's grant funding must be a "Review Engagement" or greater.
- Recommendations for under \$2,000 do not need to follow these parameters.

Council Funding Decisions

These parameters are only intended to set an expectation as to how funding is recommended to Council by Administration. It is not intended to imply, or to be interpreted as the amount of funding the County is obligated to provide. Council reserves the right at its sole, unfettered discretion, to approve funding for any applicant organization different than what is recommended by Administration.

"Original Signed"
Chief Administrative Officer

August 28, 2020
Date

"Original Signed"
Mayor

August 29, 2020
Date

SPECIAL NOTES/CROSS REFERENCE: Recreational/Cultural Operating Program Procedure FIN-71-021, PS-011 and CM-71-021

AMENDMENT DATE: August 25, 2020

Procedure

TITLE: Recreational/Cultural Operating Program

PROCEDURE NO: FIN-71-021

RESOLUTION: 20.656

EFFECTIVE DATE: August 25, 2020

DEPARTMENT RESPONSIBLE: Finance and Grants

NEXT REVIEW DATE: August 25, 2023

PROCEDURE:

Roles and Responsibilities

1. County Council will:
 - a. Determine the high-level policy direction of the Program, including the basic principles that impact funding levels;
 - b. Authorize Administration to manage the Recreational/Cultural Operating Program;
 - c. Provide oversight for the Program, and approve amendments or changes to the program;
 - d. Authorize Administration to sign agreements related to the Recreational/Cultural Operating Program in accordance with this procedure;
 - e. Annually, allocate funding for the Program;
 - f. Make the final determination regarding the eligibility for organizations applying for funding; and
 - g. Make the final determination on the grant allocation for each organization.
2. Administration will:
 - a. Manage and administer the program in accordance with the procedure;
 - b. Implement policy principles;
 - c. Monitor and evaluate the effectiveness of the Program;
 - d. Make recommendations to Council regarding the overall nature of the program, when necessary;
 - e. Make recommendations regarding whether new organizations may be added to the list of eligible organizations, or whether existing organizations should no longer be eligible to apply;
 - f. Make annual funding recommendations following the receipt and review of applications;
 - g. Report to Council annually, or as required, regarding awarded funding.

Organization Eligibility

3. In order to be eligible to receive funding, new organizations (not already appearing on the list of eligible organizations) must meet the following criteria:
 - a. The organization must fit the definition of a Recreational and Cultural Organization;
 - b. The organization's primary expenses must be directly related to its mandate as a Recreational and Cultural Organization in connection to the facility from which they deliver their relevant services and programming;
 - c. The organization must own their own facility, or have a long-term lease and be generally responsible for facility costs such as power, utilities, and general upkeep of the facility;
 - d. The facility in question must be a community hall, agricultural hall, seniors centre, museum, outdoor recreation or sports ground, or other similar indoor or outdoor space;
 - e. Membership to the organization must be open to the public, and the organization must offer programs or services that serve the general public;

- f. The organization must be physically based within Lac La Biche County, and primarily serve the residents of Lac La Biche County;
 - g. The organization is a non-profit organization;
 - h. The organization is provincially or federally incorporated and in good standing; and
- 4. Organizations with a mandate of delivering social services or are political in nature are not eligible for funding.
 - 5. Organizations that are already heavily supported by the County for their operations are not eligible.
 - 6. Only organizations which appear on the list in Schedule “A” Eligible Organizations will be considered for funding by Administration.

Inclusion to the List of Eligible Organizations

- 7. Organizations seeking to apply must be added to the list prior to the intake and review of grant applications for that year.
- 8. Administration will make a recommendation to Council regarding whether an organization ought to be included on the list of eligible organizations.
- 9. Council will make the final determination regarding the eligibility of organizations.
- 10. An organization shall submit a written request to be added to the list. The request shall be made to the Senior Manager of Finance and Grants.
- 11. Organizations must provide the County with information to determine the eligibility and nature of its operations. The following information may be requested:
 - a. A summary of the organization’s activities, which specify:
 - i. Number of events held within their last operating year hosted by the organization;
 - ii. Number of events held within the last operating year held by organizations which the facility was rented to;
 - iii. The type, nature, frequency and attendance of programs the organization runs.
 - b. The organizational structure of the organization;
 - c. The number of members belonging to the organization;
 - d. A description of the organization’s facilities;
 - e. The organizations most recent financial statement; and
 - f. Proof of property and liability insurance.
- 12. Administration may request any additional documentation that may be required in order to determine eligibility, or to provide a clear understanding of the organization.
- 13. An organization wishing to be added to the list may request to present to Council. Alternatively, the organization may be asked by Council to present the request.
- 14. Organizations will be notified in writing whether they have been deemed eligible under the Program.

Review of Existing Eligible Organizations

- 15. Organizations that already appear on the list will be assumed to be meeting the expectations of the Program in terms of their efficiency of use of funds, quality of programming, etc.
- 16. On a periodic basis, Administration may complete a review of one or more eligible organizations to assess the quality of programming and other areas of the organization’s operations. This review may require organizations to produce the information required of new organizations.

Reapplying Once an Organization is deemed Ineligible

17. If an organization is denied from being included to the list, Administration will not consider subsequent attempts to reapply to be included on the list of eligible organizations, unless:
 - a. There is a change in the nature of the organization's operations such that they may now fit the criteria;
 - b. The eligibility criteria has changed.
18. If the nature of an organization's operations change, they may be removed from the list and no longer be eligible to apply for funding.

Suspending and Reinstatement Funding Program Privileges

19. Organizations which fail to submit reporting documents, have demonstrated poor management of funds, have unaddressed conflict of interest issues, have been found to be in contravention with legislation under which they are incorporated, or are in any other way unfit to responsibly handle public funds, may have their ability to submit applications suspended.
20. While these organizations will remain on the list of eligible organizations, they will not be eligible to apply for funding until the issues have been remedied and have been given explicit confirmation of that their privilege to reapply has been reinstated.
21. In the case where an organization has its privilege to apply for funding suspended, it may apply to have its privilege reinstated. The request must be submitted to the Senior Manager of Finance and Grants in writing.
22. The organization will be required to provide a summary of how the issues causing their removal has been rectified.
23. Council will make the final determination as to whether application privileges are suspended or reinstated.

Eligible Costs:

24. The funding is intended for eligible expenses within a consecutive 12-month period. This period is normally expected to follow the organization's fiscal year. For organizations with a fiscal year that is the same as the calendar year, it is expected that the funding will be applied to costs in the upcoming calendar year. If an organization has a fiscal year that is different than the calendar year, the organization may apply for funding for the fiscal year they are currently in, provided that no more than 6 months of their fiscal year has occurred as of the date on which the application was submitted.

Funding Agreements and Program Conditions

25. Administration may develop application forms, guidelines, memos, or other forms of communication to relay the requirements and parameters of the Program to organizations.
26. The requirements imposed on an applicant and recipient organization by this policy and procedure shall be reflected in the grant application, guidelines, grant funding agreements, and final report, and any other related documents, which administration will create for the purposes of the funding Program established by the policy.
27. Grant funding agreements will incorporate requirements in addition those outlined in the policy and procedure, which are those conditions and requirements that are deemed appropriate and necessary.

Use of Grant Funds

28. Funding may be spent on Eligible Expenses for the approved consecutive 12-month period. These Eligible Expenses are identified in Schedule "B" Eligible Expenses.

29. Funding must be spent on expenses within the time period identified in the organization's budget, as accepted by the County.

Application Submission

30. Unless otherwise indicated, October 31 is the standard intake deadline for applications.
31. With reasonable notice, Administration may move the intake period to an earlier date. If the intake deadline is extended, no notification will be given.
32. Organizations cannot apply for funding for a 12-month period that has already passed.
33. Late applications will be processed at the discretion of Administration.

Application Review

34. The Senior Manager of Finance and Grants will review an organization's most recent financial statements and in-kind contributions made by the County to the organization in order to determine the maximum amount of funding an organization is eligible to receive.
35. Organizations are expected to supply the County with their most recent financial statements by the application intake deadline, if they are available.
36. Administration reserves the right to use the financial statements available on the date of the application deadline, even if a more recent financial statement is provided at a later date.
37. When reviewing an organization's financial statement, Administration may choose not to use the full value of an expense, or choose not to include an expense identified in an organization's financial statement, if Administration considers the expense ineligible.
38. Administration reserves the right to make the final decision regarding the eligibility of expenses.
39. Administration will review other information provided in the grant application and subsequent requests for information, as well as any other information it considers relevant, in order to determine funding levels.
40. Some organizations have their insurance costs, or other operating expenses paid for directly by the County. For the purpose of determining grant funding, the in-kind value of these contributions will be considered part of the operational funding provided under this policy, when it is reasonable and feasible to do so. The actual cash grant paid to an organization will equal the approved grant, less the value of any in-kind contribution for insurance or other operational expenses covered directly by the County.

Funding Recommendations

41. The Senior Manager of Finance and Grants will make a recommendation to Council for funding. The recommendation will include:
 - a. The amount of funding requested by each eligible applicant organization; and
 - b. The amount of funding recommended by Administration for each eligible applicant organization.
42. Organizations which are approved for funding will receive written notification.
43. Organizations which are approved for funding will be required to enter into an agreement with the County.
44. Funding will only be issued in full following the allocation of funding under the Program, as well the approval of the County Operational Budget for that year.
45. At the discretion of Administration, an advance payment of grant funding may be provided. The contributory payment will not exceed 50% of what was approved in the previous year. Only organizations which were approved for funding in the previous year and which are presently eligible to receive funding may be considered for an advance payment.

Appeals of Funding Decision

46. Administration will not field appeals for funding decisions that are made by Council.

Application Submission Requirements

47. A submission for funding must use the application forms and any additional templates or documents prescribed by the County.
48. The application form will require, at a minimum:
- a. The organization's legal name;
 - b. Act which the organization is incorporated under;
 - c. Contact information;
 - d. Confirmation of eligibility criteria; and
 - e. The amount of funding that is being requested;
49. The application form must be accompanied by the following documents:
- a. An operating budget;
 - b. A summary of the organization's reserve funding;
 - c. The organization's most recent financial statement (if not already provided);
 - d. Insurance certificates for property, liability, bond and crime and volunteer liability;
 - e. A list of the organization's officers and directors, and their contact information; and
 - f. A board approved motion supporting the application.
50. As part of an application, or throughout the year while a funding agreement remains active, an organization may be required to provide the County with any of the following information:
- a. Proof of Non-Profit Society Status for the current year;
 - b. Proof of Insurance and Workers Compensation;
 - c. Organization's most recent financial statements;
 - d. Planned activities;
 - e. List of the organization's officers and directors, and their contact information;
 - f. Balance sheet identifying the year-to-date expenses for the current financial period;
 - g. Pending and awarded grants for the year for which the application was made, including those from other County departments, the Province, Federal Government, or other agencies;
 - h. Most recent facility inspection;
 - i. Organization's Bylaws;
 - j. Capital project plans, including quotes, studies, and budget estimates;
 - k. The information that new organizations wishing to be added to the policy must normally provide; and
 - l. Any other information requested by Administration to ensure that the Organization is operating in a transparent, responsible, safe and fiscally responsible manner.

Acknowledgement of Funding Contribution

51. Organizations that receive an annual operating grant must acknowledge Lac La Biche County as a sponsor on organizational publications and media produced for that year. This does not include publications relating to events which the County does not provide funding for. The County logo and image standards will be supplied and must be followed.

Hall Maintenance and Inspections

52. It is the responsibility of the organization to ensure that the facility is regularly inspected and that maintenance issues and defects are identified and addressed.
53. Applicant organizations must agree to give the County, on an occasional basis, the ability to inspect the hall for the purpose of insuring that maintenance needs and defects have been properly identified, and that maintenance schedules are being followed, or to identify building deficiencies. This includes inspections done by County employees, or inspections done by a 3rd party hired by the County to complete an inspection.

Grant Reporting

54. Organizations will be required to submit their financial statement and a final report (using any prescribed form) for the grant funding year. This report will normally be due by April 30th in the year following the grant year.
55. Administration may extend this deadline at its discretion.
56. The final report must identify how much of the grant funding from the previous year was used.
57. Unspent operational funding must be returned to the County upon request. Alternatively, Administration may subtract unspent grant funding from the organization's allocation in the following year.

"Original Signed"

Chief Administrative Officer

August 28, 2020

Date

SPECIAL NOTES/CROSS REFERENCE: Recreational/Cultural Operating Program Policy FIN-71-021, PS-011 and CM-71-021

AMENDMENT DATE: August 25, 2020

**SCHEDULE “A”
ELIGIBLE ORGANIZATIONS**

1. Craigend Recreational and Agricultural Society
2. Hylo/Venice Recreation and Agricultural Society
3. Lac La Biche Mission Historic Society
4. Owl River Recreation Association
5. 5HV Club
6. Lac La Biche Agricultural Society
7. Lac La Biche Heritage Society
8. Normandeau Community Centre
9. Rich Lake Recreation and Agricultural Association
10. The umbrella organizations of the Plamondon District Community Development Society (PDCDS). This includes:
 - a. Mini Heritage Park;
 - b. Philip Menard Cultural Centre (only that portion relating to the operation of the hall as a community centre, not ACFA in its entirety);
 - c. Plamondon Curling Club;
 - d. Camp 3F; and
 - e. Plamondon Senior Rendez-Vous Centre.
 - f. Plamondon & District Museum

PDCDS (the organization proper) is not eligible for funding, as their operational funding is governed by a separate Memorandum of Understanding dated March 11, 2020.

**SCHEDULE “B”
ELIGIBLE EXPENSES**

1. Facility Operating Costs:

- a. Building Supplies
- b. Materials
- c. Utilities (Power, Water, Heating)
- d. Waste Removal
- e. Telephone, Fax, Security Systems
- f. Garbage Removal
- g. Repairs and Maintenance
- h. Grounds keeping
- i. Insurance, including property insurance, volunteer liability insurance, bond & crime, and compressive general liability, including Additional Named Insured (ANI) insurance costs paid directly by the County.
- j. Bookkeeping
- k. Accountant fees related to the preparation of financial statements.
- l. Other facility operating costs, as the discretion of Administration.

2. Other Eligible Operating Expenses:

- a. Volunteer and Program Personnel
- b. Office Supplies
- c. Staffing as it pertains to the operation of the facility
- d. Programming Costs
- e. Licenses, Fees and Memberships
- f. Volunteer Development and Training
- g. Travel and Meals
- h. Advertising and Promotion
- i. Non-refundable GST
- j. Other eligible operating expenses, at the discretion of Administration.

Expenses that are **ineligible** include, but are not limited to:

- k. Amortization
- l. Debt and fund reduction
- m. Gifts
- n. Endowment funds
- o. Donations
- p. Contracted fundraising professionals and grant writing
- q. Events costs
- r. Honorariums
- s. Capital projects and costs
- t. Alcohol
- u. Other ineligible expenses, at the discretion of Administration