

HCIP Operational Grant Policies & Procedures

Operational Grant Reduction Policy

Preamble

The Edmonton Heritage Council (EHC) delivers Heritage grants on behalf of the City of Edmonton. EHC juries assess applicants and make funding recommendations based on criteria published for each grant stream.

The EHC prefers and encourages stability in Operational Grants. Applicants are not guaranteed the maximum 25% funding, nor that their grant will be maintained at the same amount if their overall eligible expenses decrease. However, the EHC aims to minimize significant and unexpected decreases in funding to any particular organization. This allows organizations to reasonably budget from year to year, but funded organizations are responsible for ensuring that they meet a reasonable standard of activity and accountability consistent with public funding. When funded organizations do not meet this reasonable standard, their funding amount may be reduced the following year.

The intent of this policy is to provide a level of notification to applicants and clear guidance to juries when there is a potential for grant reductions.

Policy

This policy will apply to applicants that are assessed by community juries, specifically Operational Grants at the time of writing.

There are three parts to this policy:

1. Advisories leading to grant reductions
2. Extraordinary Circumstances warranting grant reductions
3. Overall budget reductions leading to grant reductions

Advisories leading to grant reductions

An Operational Grant jury can issue Advisories when they feel that an applicant has failed to meet a reasonable standard related to any of the assessment criteria identified in the program guidelines. Having issued Advisories to an applicant, juries must then make Recommendations and may reduce the applicant's grant funding following the procedure outlined in this policy.

Situations that may cause a jury to issue Advisories include as examples:

- Persistent and ongoing reduction in relevant programming or activities in Edmonton;
- Financial issues such as high debt, ongoing deficits, or similar crises. This may also include non-compliance with EHC's and the City of Edmonton's policies;

- Poor or failing organizational structure (vacant Board positions, lack of staff, absence of long-range strategy, questions of overall capacity/stability);
- Failure to provide sufficient information in their grant application.

Extraordinary Circumstances warranting grant reductions

The EHC recognizes that juries may wish to recommend reduced grants or removal of funding in response to extraordinary circumstances. Examples of extraordinary circumstances may include:

- The complete organizational or financial collapse of an organization
- More than one year of no discernable activity by an organization

If a jury feels that an organization is in an extraordinary situation that warrants immediate grant reductions outside the scope of the other provisions of this policy, they must provide a detailed justification delivered by Grants Staff to the EHC Board of Directors.

In some cases, organizations may submit incomplete applications that are deemed ineligible following administrative review. In this extraordinary circumstance, the application will not be forwarded to the jury, and no grant will be awarded. The organization will be notified that they will not receive funding in advance of the scheduled jury session.

Reductions in overall available grant funds

Grants reductions due to Advisories or Extraordinary Circumstances are suited to situations when overall available grant funds are equal to or lesser than the year before.

Should the situation arise when the EHC's budget allocation will not support stable grant levels for all applicants, then reductions are to be expected as a natural part of the jury's work. The EHC will expect the jury to make judicious grant recommendations with the overall good of the applicant community in mind. The jury may make use of the other two parts of this policy in response to specific circumstances, but will not be obligated by those provisions when recommending reduced grants in this situation.

Procedure – Advisories leading to grant reductions

Year One

- a. The jury may formally notify the applicant of a concern by issuing Advisories and must then make one or more Recommendation(s) specific to the area of concern. This must consist of one or more actions/activities/processes to show that the applicant has acknowledged the issue and is responding.
- b. Along with Advisories, the jury may recommend a grant reduction of no more than 15% from the previous year.
- c. EHC Grants Staff will include in the applicant's notification letter the Advisories identified along with the Recommendation(s). The applicant will have the opportunity to address this as part of the appeals process should they choose.

- d. The applicant must respond to the Advisories in their next application to the same program, either by implementing the Recommendation(s), or another course of action as determined by the applicant.
- e. The subsequent jury will be informed of the Advisories and Recommendation(s) previously provided.

Year Two

- a. The jury assesses the applicant first based on both the evaluation criteria of the grant program and then based on any responses to the issues expressed by the previous juries.
- b. They may determine that the issue has been addressed, or in their opinion is not relevant, at which point they declare that this policy no longer applies to this applicant.
- c. They may determine that the applicant has not adequately responded to the Advisories the applicant's situation warrants and may recommend a reduced grant amount by up to 50% from the previous year. A statement of the Jury's Advisories and Recommendation(s) must accompany grant reductions.
- d. EHC Grants Staff will include in the applicant's notification letter the Advisories and Recommendation(s) by the jury and the applicant will have the opportunity to address this as part of the appeals process.
- e. Should the organization choose to apply again, the subsequent jury will be informed of the application history of the organization, including the previous years' Advisories.

Year Three

- a. Should an organization choose to submit another application, the procedures for Year Two shall apply, except that the jury will have the option to return a grant of any amount, including a response of 'unsuccessful'.

Operational Grant Appeals Policy & Procedure

Intent

The EHC intends its granting process to be fair. There will, therefore, be an appeal process relevant to EHC Operational Grants in order to compensate for situations where a community jury has misunderstood an application.

Policy

All applicants will be provided with a written basis of decision, regarding their initial grant award, from the jury. Operational Grant applicants may appeal to the EHC Board of Directors in the case where it can be demonstrated that the jury was in error in their understanding of the application.

There shall be limited provisions by which an appeal can be made. The following four matters will not be considered as viable grounds for appeal:

1. Changes in circumstances of the Applicant since the date of the Grant Application. The circumstances of the Applicant, and of the appeal must be limited to those at the date on the original Grant Application or the deadline date for submitting the Grant Application, and not the facts or circumstances subsequently arising;
2. Actions of City Departments that have affected the Applicant since the deadline date for filing the Grant Application (e.g. complaints about taxes, utilities, rentals);
3. Changes in the Application since the grant deadline date;
4. A finding of fact regarding fundamental eligibility (e.g. late submission, incomplete Grant Application, Applicant not properly registered as a non-profit organization).

Procedures

1. Applicants will be informed of jury decisions and given 10 working days to notify the EHC Board of their intent to appeal the jury's recommendations. In addition to stating their intent to appeal, applicants will be required to state the basis of their appeal.
2. All appeals will be considered by the EHC Board through consideration of an applicant's written basis of appeal. In addition, applicants will be offered a time specific opportunity to present their basis of appeal in person to the Appeal Committee of the EHC Board.
3. Funds retained pending appeals will be awarded to successful appellants.

Appeal Committee

The Appeal Committee will consist of up to three members of the EHC Board and the EHC Grants Coordinator (non-voting) or Executive Director (non-voting), as needed.