

6.5.iv Policy

GRANTS AND DONATIONS ADMINISTRATION POLICY

Trust Council: December 9, 2009

Amended: June 15, 2016

A: PURPOSE

1. To facilitate a process for seeking and receiving external funding that supports the legislated responsibilities of Trust Council, the Executive Committee, Council Committees, local trust committees and island municipalities and that is cost-effective for taxpayers.
2. To clarify roles and streamline procedures for seeking and receiving grants and donations in order to efficiently and effectively use staff and trustee resources.
3. To ensure all grant applications and funded projects meet strategic, financial and legal requirements of the Islands Trust and funding agencies.
4. To ensure trustees and staff units are aware of grant opportunities, consider the potential for collaborative projects, and have equal opportunity to apply.
5. To preserve the Islands Trust's reputation among funders and donors by presenting a cohesive strategy and avoiding an excess of requests to any one source.

B: BACKGROUND

The *Islands Trust Act* provides Trust Council with the authority to levy property taxes to fund the operations of Islands Trust bodies. To provide cost effectiveness for taxpayers, Trust Council may also direct staff to seek and receive alternative sources of funding. In 2008, Trust Council created a Grants Program Manager staff position in response to trustee requests to increase effectiveness at receiving grants. This policy provides guidance to the Islands Trust bodies seeking external funding or requiring service from that position. In 2014 the Canadian Revenue Agency confirmed *Qualified Donee* status for the Islands Trust, which enables requests to an increased pool of funding organizations and the authority to issue receipts for income tax purposes to donors. This policy does not apply to the Trust Fund Board, which is governed by Policy TFB 06001.

C: REFERENCES

Islands Trust Act: Responsibilities of Local Trust Committees (8 [2]; 21[1]; 24[2])

Islands Trust Strategic Plan

Island Trust Fund Fundraising and Donations Policy (TFB 06001)

Policy Manual: Executive Committee Terms of Reference (2.4.i)

Policy Manual: Associated Islands Project Prioritization Criteria (4.1.xii)

Policy Manual: Priority Setting/Review Guidelines (6.2.i)

Policy Manual: Budget Control and Adjustment Authority (6.5 ii)

Policy Manual: Purchasing Procedure (6.5.iii)

Policy Manual: Local Trust Committee Expense Account (7.2.i)

Additional References:

Standards Program For Canada's Charities & Nonprofits, Imagine Canada, 2012.

AFP Code of Ethical Principles and Standards of Professional Practice, Association of Fundraising Professionals, 2004.

Municipal or public bodies performing a function of government in Canada, Canada Revenue Agency, 2014

Keeping Records, Canada Revenue Agency, 2013

D: DEFINITIONS

In this policy,

“Committees” refers to Executive Committee, council committees (including Trust Programs Committee, Financial Planning Committee, Local Planning Committee and any select committee struck by Trust Council) and local trust committees. Island municipalities are not bound by this policy unless they are seeking support from islands trust staff or committees.

“Donations” refers to gifts freely given to Island Trust without going through a formal application process.

“Grants” refers to gifts granted to Island Trust by a funding agency after application through a granting process.

“Legislated Responsibilities” refers to the roles of Islands Trust bodies as defined in the *Islands Trust Act* per sections 8 (2), 21 (1) and 24 (2).

“Staff Units” refers to the management team, Local Planning Services, Trust Area Services and Administrative Services, including Victoria, Salt Spring and Northern offices.

“Grants Program Manager” refers to the person designated by the Chief Administrative Officer to fulfill this role.

“Primary Applicant” refers to the entity legally responsible for execution of the funded project and meeting the granting agency terms and conditions.

“Project Manager” refers to the staff person or contractor assigned by a committee or senior management staff to manage a project.

E: POLICY and PROCEDURES

1. General Guidelines

- 1.1 This policy applies to all grant applications seeking \$5,000 and over.
- 1.2 This policy applies to grant applications wherein the Islands Trust is named as the primary applicant. It does not apply to grants where community groups are named as the primary applicant with the Islands Trust and/or its committees as supporting partners.
- 1.3 Trust Council and its staff will ensure that the Islands Trust adheres to professional standards such as those developed by Imagine Canada and the Association of Fundraising Professionals.

2. Seeking Grants and Donations

Grant Notification

- 2.1 The Grants Program Manager will maintain a current inventory of grants available to local government agencies including: the grant title, source, eligibility, description, application deadline, funds available, funding guidelines and Islands Trust work program key words.

Grant and Donation Research

- 2.2 The Grants Program Manager will regularly review the Islands Trust Council Priorities Chart and be prepared to provide information on grants relevant to those priorities upon request.
- 2.3 Trust Council and any Committee or staff member may ask the Grants Program Manager to research grant and/or donation opportunities on specific topics. The research must be in support of Trust Council's strategic plan, the Policy Statement or the legislated responsibilities of the Islands Trust body. Significant research requests are subject to a review of work program implications by the Director of Local Planning Services.
- 2.4 The Grants Program Manager's research and advice will be reported to the initiator of the request and the staff member assigned to the relevant committee in a timely manner.
- 2.5 Trustees may also choose to independently research grant and donation opportunities. The Grants Program Manager should be informed about this research so they may provide information on existing relevant research for reasons of efficiency and effectiveness.
- 2.6 Contact with the funder/donor should be done by the Grants Program Manager, unless otherwise agreed by the primary applicant for reasons of efficiency and effectiveness.

Internal Expressions of Interest

- 2.7 A brief expression of interest/project summary will be submitted to the appropriate committee and Grants Program Manager according to the following schedule, which takes into account varying granting agency deadlines. This will provide equal opportunity to apply for limited grant funding, while maintaining confidentiality.
- a) Expressions of interest will be submitted 60 calendar days prior to granting agency's deadline, unless sections 2.7 b, c or d applies. If no expressions of interest are received 60 days before the agency's deadline, the grant may be pursued on a first-come, first-serve basis subject to the criteria and practices recommended in this policy.
 - b) When a grant is announced with fewer than 60 calendar days to apply, the Grants Program Manager will notify all staff and trustees at the same time. Expressions of interest are required within 5 business days following this notification.
 - c) Where no deadline exists or ongoing applications are accepted until the program is fully allocated, expressions of interest should be received as soon as a decision is made. If the project is community-initiated, the Grants Program Manager will keep the project topic confidential. The Grants Program Manager will notify committees and staff that other expressions of interest must be received within 10 business days of receiving notification. Objections to the revised deadline must be received within 2 business days. If objections are noted, the Grants Program Manager will seek a deadline acceptable to all interested applicants or request direction from the Executive Committee.
 - d) If special circumstances require a grant application to begin before the above deadlines, a request for a shorter deadline may be submitted to the Grants Program Manager. If the project is community-initiated, the Grants Program Manager will keep the project topic confidential. The Grants Program Manager will notify

committees and staff of the new deadline. Objections to the revised deadline must be received within 2 business days. If objections are noted, the Grants Program Manager will seek Executive Committee's direction about whether to make an exception to the steps outlined in 2.7 a, b and c of this policy.

- 2.8 The Grants Program Manager will review expressions of interest according to the granting agency criteria. Submissions that do not meet funder criteria will receive feedback and suggestions for potential remedies in a timely manner. Applicants whose projects have potential to partner will be notified so they may consider a joint application.
- 2.9 If a grant opportunity is of interest to multiple applicants, an adjudication process will occur under section 2.10.

Multiple Grant Adjudication Process

- 2.10 When a grant opportunity is of interest to multiple primary applicants within the Islands Trust, the following steps apply:
- a) The Grants Program Manager will contact the granting agency to see if more than one proposal can be submitted and/or approved.
 - b) When only one submission is allowed, the Grants Program Manager will use the applicant's expression of interest/project summary to discuss all projects with the funder to help determine those that are most feasible. If more detailed information is required by the funder on a potential project, the Grants Program Manager will direct them to the appropriate trustee or staff member.
 - c) The Grants Program Manager will contact applicants with the granting agency recommendations.
 - d) Committees must pass a resolution indicating they want to proceed with the grant application. Applicants will then advise the Grants Program Manager of the decision.
 - e) If too many eligible proposals remain, a final decision will be made by the Executive Committee in a timely manner as to which grant proposal will be submitted. This decision will consider the following factors:
 - i. Urgency: to deal with issues in the short term or meet required legislation;
 - ii. Risk: the need to manage potential negative implications;
 - iii. Impact: a project's potential to manage or change a strategic priority on a regional rather than local level;
 - iv. Community Partners: has identified community project partners;
 - v. Need: meets needs of an island community and other agencies; and
 - vi. Funder Advice: meets priorities and recommendations of funder.

Requests for Donations

- 2.11 As a general rule donations will be requested only when a specific need is identified by staff and trustees and approved by the CAO or his/her designate (normally the Director of Local Planning Services).
- 2.12 Donations will only be requested for specific projects as identified by Committees or staff.
- 2.13 Donations will only be requested for projects that align with current Committee priorities.
- 2.14 All requests for donations must be coordinated through the Grants Program Manager to avoid multiple applications to the same potential donor.

Accepting Donations

- 2.15 Donations will only be accepted when the gift is freely given and there is no expectation of benefit, favour or return by the donor. The only benefit would be a tax receipt and a possible donor recognition event or tribute.
- 2.16 Before accepting any donation, the Grants Program Manager will advise the donor to seek professional advice for all the financial, tax or legal considerations.
- 2.17 Donations will be accepted in only the following forms unless the CAO approves an exception:
- (a) Cash
 - (b) Tangible property (including real estate – see 2.20)
 - (c) Stocks or securities
 - (d) Endowments
- 2.18 Donations of tangible property will be accepted only after the following have been assessed:
- (a) Compliance with all Islands Trust Bylaws and/or policies
 - (b) Compliance with the laws, conventions and treaties of other levels of government
 - (c) Consistency with the Islands Trust’s priorities, mandates and strategic and business plans
 - (d) Associated risks (e.g. financial risk, political risk, health and safety issues)
 - (e) Condition of the donation
 - (f) Value of the donation
 - (g) Usefulness of the donation to Islands Trust
 - (h) Cost/Benefit analysis if CAO deems it necessary
- 2.19 Any donations received as stock or securities will be cashed immediately unless otherwise directed by the Executive Committee by resolution after considering the advice of the CAO.
- 2.20 Any donations of tangible property including real estate will be sold at fair market value after offering the Islands Trust Fund Board the opportunity to own the property as a nature reserve. The Trust Fund Board may require a cash endowment for ongoing property management before accepting real estate.
- 2.21 Any donations received in the form of an endowment will be immediately deposited into a designated account and investment and management options will be researched by staff,
- 2.22 Before accepting donations for a specified project the Grants Program Manager will inform the donor that once a receipt for income tax purposes is issued, any remaining funds from the donation cannot be refunded and the funds will be reallocated to other projects by the Executive Committee in consultation with the donor, where possible.
- 2.23 Any donation made without donor direction as to its use will be allocated by the Executive Committee.
- 2.24 If any donations are received by bodies other than the “Islands Trust,” the CAO will advise and seek direction from the Executive Committee.

Project Review

- 2.25 Before applying for grants or seeking donations, Committees will assess the implications for budget and staff resources by:

- a) Seeking input from senior management staff for staff-initiated proposals or regional planning managers for trustee-initiated proposals;
 - b) Reviewing related revenue and expenditure lines in the approved Trust Council budget; and
 - c) Assessing potential for in-kind or cash funds from other project partners.
- 2.26 Committees must pass a resolution to proceed with committee-initiated grant applications before seeking staff support for grant applications, taking into consideration the factors listed in this policy.
- 2.27 Executive Committee approval is required for staff-initiated projects in the following circumstances:
- a) Grant or donation exceeds \$10,000 in value;
 - b) Project is not related to the goals of the Policy Statement, Trust Council's strategic plan or the legislated responsibilities of the Islands Trust;
 - c) Proposal requires formal Trust Council endorsement; or
 - d) Issues remain that cannot be resolved under section 2.10 of this policy.
- 2.28 When Executive Committee approval is required for staff-initiated projects, the committee will consider the following factors:
- a) Budget and staff resources allow for effective administration;
 - b) Compliance with relevant legislation and policies;
 - c) Grant proposal / donor request does not compete with island-based stakeholder proposals to the same funder / donor, to the best of trustee and staff knowledge;
 - d) Grant proposal / donor request supports the relevant committee's work program; and
 - e) Project will be self-sustaining or not require additional resources upon its completion.
- 2.29 If it appears that the investment in fundraising required (including staff salaries) for a special project may exceed 25% of the amount to be raised, Islands Trust staff will seek direction from Executive Committee.

Grant Development & Submission

- 2.30 Prior to grant submission, Committees and staff units will explore the implications for budget adjustments according to Trust Council's Budget Control and Adjustment Authority Policy 6.5.ii.
- 2.31 Committees and staff units will assign a trustee or staff representative to coordinate the writing and development of the draft project proposal, seeking the assistance of the Grants Program Manager as needed. In consultation with the Director of Local Planning Services, the level of assistance provided by the Grants Program Manager will take into account work program implications and the factors outlined in section 2.10 (e) of this policy.
- 2.32 Submissions to the funding agency must be made by the Grants Program Manager on behalf of committees and staff units, unless otherwise agreed by the primary applicant for reasons of effectiveness and efficiency.
- 2.33 The Grants Program Manager will provide notification to the relevant committees and staff of the outcome and terms of the grant if successful. If unsuccessful, the Grants Program Manager will seek feedback from the funder to improve future proposals.
- 2.34 Contact with the funder will be done by the Grants Program Manager, unless otherwise agreed by the primary applicant for reasons of efficiency and effectiveness.

ISLANDS TRUST POLICY MANUAL

3. Tracking & Implementation of Grants

- 3.1 Grant revenue and disbursements and related service contracts will be administered by Islands Trust Administrative Services. The CAO may decide whether to apply an administrative charge to the project, ideally during the proposal-writing stage.
- 3.2 The Grants Program Manager will use the following procedures to track and implement grants:
 - a) Ensure project activities comply with legislation and Islands Trust policies;
 - b) Maintain an accurate database of grants received and provide quarterly updates to the Executive Committee and Trust Council on project status;
 - c) Maintain a financial tracking and reporting system for grants received that complies with individual granting agency terms and conditions; and
 - d) Assist committees and staff units in monitoring performance, auditing costs, meeting deliverables, and complying with reporting requirements.
- 3.3 The Grants Program Manager must be notified of all funds (cash and in-kind) committed by project partners.
- 3.4 Each project must have a project manager assigned, whether staff or contractor, who will be responsible for implementing the project, complying with reporting requirements, and liaising with the Grants Program Manager.
- 3.5 If grant funds are to be used to hire contractors or procure services, procurement is to follow practices consistent with Trust Council Purchasing Procedure 6.5.iii.
- 3.6 Project managers in consultation with a senior manager will submit interim and final reports to the committee or senior staff person who initiated the project and the Grants Program Manager for review in a timely manner. The Grants Program Manager will ensure that required reporting is complete and submitted to the granting agency according to agency deadlines.
- 3.7 The Grants Program Manager will represent the Islands Trust to funding agencies, partners and stakeholders to negotiate increases in funding or extensions in deadlines, unless otherwise agreed by the Grants Program Manager and the primary applicant.

4. Use of Excess Funds

- 4.1 Interest earned on funds from special project grants or donations will be used only for those same purposes or as determined in agreement with the granting agency or donor.
- 4.2 When a special project fails to be completed for any reason, any grant funds will be returned according to the terms and conditions of the granting agency.
- 4.4 When a special project has been completed with excess grant funds remaining, the funds will be returned or administered according to the terms and conditions of the granting agency. For donations for which tax receipt have been issued, see 2.22

5. Relationship to Other Islands Trust Bodies

- 5.1 The Grants Program Manager will encourage committees to collaborate on initiatives of other Island Trust bodies, the Islands Trust Fund and island municipalities wherever possible and avoid competing for the same funding sources, especially when recommended by the granting agency.

5.2 The Grants Program Manager will maintain communication with other Islands Trust bodies and the Islands Trust Fund to keep each other informed of potential grant opportunities, areas for collaboration and the status of funding proposals.

6. Issuance of receipts for income tax purposes

6.1 Receipts for income tax purposes will only be issued as per Canada Revenue Agency guidelines

6.2 Record keeping of the receipting process will be kept by Islands Trust in accordance with Canada Revenue Agency requirements.

Attachment

Grants and Donations Administration Policy Matrix

Appendix 1. Grants Administration Policy Matrix

ADMINISTRATION PROCESS	
GRANT NOTIFICATION	
On-line database of current grants available maintained.	Grants Administrator
GRANT RESEARCH	
Research priorities	Trust Council's Strategic Plan, Policy Statement, Legislated Responsibilities
Request for research from Grants Administrator	Trustee/Committee/Staff → Grants Administrator
Resolution required?	No. Significant research is subject to a review of work program priorities
Research & advice provided	Grants Administrator → Trustee/Committee/Staff
Independent research by trustees	Inform Grants Administrator of topic Existing research will be provided to trustee(s)
Funder contact re: project inquiries	Grants Administrator, unless otherwise agreed by primary applicant
EXPRESSIONS OF INTEREST (EOI)	
EOI Submissions	Staff/Trustee → Committee/Grants Administrator
Deadline for submissions	60 calendar days prior to granting agency deadline, unless sections 2.7 b, c, or d apply
Review of submissions	Grants Administrator → Committee/Staff/Trustee <ul style="list-style-type: none"> ▪ Feedback/solutions provided when funding criteria not met ▪ Applicants with collaborative potential notified ▪ Multiple applicants referred to grant adjudication process in section 2.10
MULTIPLE GRANT ADJUDICATION	
Confirm funder limits re: multiple applications	Grants Administrator
Multiple applications allowed	All eligible applications will proceed
One application allowed	Grants Administrator will use EOI to discuss project viability with funder
Notification of granting agency recommendations	Grants Administrator → Committee/Staff/Trustee
Decision to proceed or not	Committee/Staff/Trustee → Grants Administrator
Resolution required to proceed with application?	Yes
Too many eligible applications remaining?	Final decision made by Executive Committee according to criteria listed in section 2.10 (e)
PROJECT REVIEW	
Determining project costs	Prior to finalization of grant application, committees will determine project costs through: <ul style="list-style-type: none"> ▪ Input from senior management staff for staff-initiated proposals or regional planning managers for trustee-initiated proposals

	<ul style="list-style-type: none"> ▪ Review of related revenue and expenditure lines in the Trust Council budget ▪ Potential for in-kind or cash funds from other project partners
Resolution required for committee-initiated projects?	Yes, by the relevant committee, before grant applications are finalized
Resolution required for staff-initiated projects?	Executive Committee resolution is required in the following cases: <ul style="list-style-type: none"> ▪ exceeding \$10,000 ▪ not related to the goals of the Policy Statement, Trust Council's strategic plan or legislated responsibilities ▪ funder requires resolution with application ▪ subject to issues that cannot be resolved under section 2.10
Factors to consider when debating resolutions	<ul style="list-style-type: none"> ▪ Budget and staff resources allow ▪ Complies with Islands Trust legislation and policies ▪ Does not compete with an island stakeholder ▪ Self-sustaining project ▪ Investment required does not exceed 25% of amount raised
GRANT DEVELOPMENT & SUBMISSION	
Budget adjustments required?	Refer to Budget Control and Adjustment Authority Policy 6.5.ii
Writing of grant application	Committees/Staff to assign trustee or staff to coordinate Requests for Grants Administrator's assistance can be made to TAS Director.
Grant submission	Grants Administrator, unless otherwise agreed with primary applicant
Grant outcome notification	Funder → Grants Administrator → Committee/Staff
Contact with funder	Grants Administrator, unless otherwise agreed with primary applicant
GRANT TRACKING & IMPLEMENTATION	
Receiving, administering and disbursing	Administrative Services
Project manager	Staff or contractor to be assigned as project manager
When using contractors for staff, committee or community-initiated projects	Refer to Purchasing Procedure 6.5.iii Direct awards may be available for community-initiated projects
Interim and final reporting	Project Manager → Committee/Senior Management/Grants Administrator
Funder contact for project revisions & report submissions	Grants Administrator, unless otherwise agreed with primary applicant
USE OF EXCESS FUNDS	
Surplus funds upon completion of project	Refer to section 4
RELATIONSHIP TO OTHER ISLAND TRUST BODIES	
Islands Trust Fund, Island Municipalities	Refer to section 5