



**REPORT TO FINANCE AND
RESPONSIBLE GOVERNANCE
COMMITTEE
JUNE 6, 2023**

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TO: FINANCE AND RESPONSIBLE GOVERNANCE COMMITTEE

SUBJECT: COUNCIL FUNDRAISING POLICY

WARD: ALL

PREPARED BY AND KEY CONTACT: C. SMITH, SENIOR MANAGER, ACCOUNTING AND REVENUE, EXT. 5128

SUBMITTED BY: W. COOKE, DIRECTOR, LEGISLATIVE AND COURT SERVICES
C. MILLAR, CHIEF FINANCIAL OFFICER AND TREASURER

GENERAL MANAGER APPROVAL: D. MCALPINE, GENERAL MANAGER, COMMUNITY AND CORPORATE SERVICES
R. JAMES-REID, EXECUTIVE DIRECTOR, ACCESS BARRIE
I. PETERS, DIRECTOR, LEGAL SERVICES

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the proposed Corporate Policy regarding Council Fundraising as outlined in Appendix "A" to the Report to Finance and Responsible Governance Committee dated June 6, 2023 concerning the Council Fundraising Policy, be approved.

PURPOSE & BACKGROUND

2. The purpose of this Report is to seek Council's endorsement of a Council Fundraising Policy ("Policy"), included as Appendix "A" to this report. This policy provides guidance to members of Council on soliciting and accepting donations and sponsorships for fundraising, accounting for donations received, and the administration of surplus funds. While Council has previously approved a Donations Policy, the City does not currently have a formal Council Fundraising Policy.
3. On March 29, 2023, Council approved Motion 23-A-029 requesting that the applicable City Policies be amended to define a process for members of Council to fundraise or enter into third-party fundraising partnerships on behalf of the City of Barrie, to ensure further accountability and transparency.

ANALYSIS

4. The proposed Council Fundraising Policy balances the role of Members of Council as civic leaders with the need to provide both transparency regarding their involvement in community and benevolent activities, and accountability in carrying out their community service in a manner that promotes public confidence.
5. This Policy is to be utilized in conjunction with the Council and Committee Member Code of Conduct, Donation Policy, and other Corporate Policies as identified in the Council Fundraising Policy.



6. It is recommended that the City's Integrity Commissioner play an advisory role in administering the Council Fundraising Policy. The Integrity Commissioner is responsible for administering the City's Code of Conduct and assists in maintaining high ethical standards at the City of Barrie, and has reviewed the proposed Council Fundraising Policy. The Integrity Commissioner is an independent accountability officer given authority under the *Municipal Act, 2001* and the *Municipal Conflict of Interest Act*. The Integrity Commissioner provides advice and guidance to members of Council on the Council and Committee Member Code of Conduct, and addresses complaints received with respect to possible Code violations.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

7. There are no environmental or climate change impact matters related to the recommendations.

ALTERNATIVES

8. The following alternatives are available for consideration by Finance and Corporate Governance Committee:

Alternative #1

Finance and Corporate Governance Committee could choose not to implement the Council Fundraising Policy.

This alternative is not recommended as the City does not currently have a Policy that provides guidance to Members of Council when undertaking fundraising activities. The Policy aligns with Council's strategic goal of Responsible Governance.

Alternative #2

Finance and Corporate Governance Committee could choose to amend the proposed Council Fundraising Policy.

This alternative is not recommended as the proposed Policy, developed through consultation and review of other municipalities' policies, contains best practices including internal controls to ensure the integrity of a fundraising activity.

Alternative #3

Finance and Corporate Governance Committee could choose not to involve the City's Integrity Commissioner in the process.

This alternative is not recommended as the City's Integrity Commissioner assists in maintaining the high ethical standards at the City by helping to ensure accountability of all members of Council.

FINANCIAL

9. There are no direct financial implications for the City associated with the recommendations contained within this report.

LINKAGE TO 2022-2026 STRATEGIC PLAN

10. The recommendations included in this Staff Report support the following goals identified in the 2022 - 2026 Strategic Plan:

Responsible Governance



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11. The objectives of the Council Fundraising Policy recommended in this report are to strengthen transparency regarding Council members' involvement in community and benevolent activities, and accountability while carrying out community service in a manner that promotes public confidence.



**APPENDIX "A"
COUNCIL FUNDRAISING POLICY**



**Section: A09-Policies & Procedures
Sub-section: LEGISLATIVE AND
COURT SERVICES
Policy #: LCS-023-x**

**Subject: Council Fundraising
Policy
Effective Date:**

POLICY STATEMENT

The City of Barrie is committed to conducting City business in an open and transparent manner. The Council Fundraising Policy balances the role of Members of Council as civic leaders with the need to provide both transparency regarding their involvement in community and benevolent activities, and accountability in carrying out their community service in a manner that promotes public confidence.

SCOPE

This policy supplements the Council and Committee Member Code of Conduct, the Reimbursement of Council Expenses Policy, and the Use of Corporate Resources for Election Purposes Policy, and is not intended to affect the entitlement of a Member of Council to:

- Use their Council budget to run or support community events subject to the terms of the Reimbursement of Council Expense Policy;
- Urge constituents, businesses, and other groups to support community events staged by others in the Member's ward or elsewhere in the City;
- Play an advisory or membership role in any organization staging community events in the Member's ward; and
- Participate with the City and its agencies in staging of community events.

This policy applies to all Members of Council.

PURPOSE/APPLICATION

This Policy provides guidance to all Members of Council on:

- Fundraising by soliciting and accepting donations and sponsorships, accounting for donations received, and administering surplus funds (Council member organized activity);
- Entering into third-party fundraising partnerships (support for benevolent activities and events)

on behalf of the City of Barrie.

DEFINITIONS

For the purpose of this Policy, the following terms shall have the meaning as ascribed to them:

- a) **“Accountability”** is the principle that the municipality will be responsible to its stakeholders for decisions made and policies implemented, as well as its actions or inactions;
- b) **“Benevolent Activity”** means an activity where Members of Council seek and receive donations or sponsorships or organize events that benefit their ward, the City or a local charity, or assist and support various charities, service clubs, or other non-profit and community-based associations;
- c) **“Donation”** means money, in-kind goods or services voluntarily provided in response to fundraising, and for which the donor receives no direct benefit of any kind;
- d) **“Fundraising”** means an activity undertaken for the purpose of soliciting donations;
- e) **“Integrity Commissioner”** means the Integrity Commissioner appointed by Council pursuant to the *Municipal Act, 2001*;
- f) **“Member of Council”** means the Mayor, Deputy Mayor, or Ward Councillor of The Corporation of the City of Barrie. For the purpose of this Policy, fundraising undertaken, and donations accepted by a person acting on behalf of a Member of Council are deemed to have been undertaken by a Member of Council.
- g) **“Sponsorship”** means a financial contribution to an event, recognized by the Council Member publicly, such as in a publication or in the course of an event;
- h) **“Transparency”** is the principle that the municipality actively encourages and fosters stakeholder participation and openness in its decision-making processes. Additionally, transparency means that the municipality’s decision-making process is open and clear to the public;

SPECIFIC POLICY REQUIREMENTS

Council Member Organized Activities

Where Members undertake a benevolent activity as authorized by a Resolution of Council or existing By-law, Members shall:

- Open a City bank account with the Chief Financial Officer and Treasurer and ensure all funds flow through the account;
- All cheques received must be made payable to The Corporation of the City of Barrie;
- Obtain and complete a Members of Council Fundraising Disclosure Statement (Appendix “A”) from the Office of the City Clerk for each fundraising activity;
- Completed Disclosure Statement and bank statement(s) to be turned in to the Chief Financial Officer and Treasurer at the completion of the activity, or at specified periods as requested by the Chief Financial Officer and Treasurer for reconciliation purposes;
- Account for all funds, goods and services donated, including a list of all individuals and organizations who donated;
- Account for all expenditures and distributions undertaken for that activity;



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- Obtain approval from the Office of the City Clerk with respect to the content of all promotional materials including letters, brochures, advertisements, flyers, public and media communications prior to distribution;
 - Not solicit or accept donations from lobbyists or their clients or their employees with active registrations in the City's Lobbyist Registry without written pre-approval from the Integrity Commissioner and/or Lobbyist Registrar, as applicable;
 - Not use any funds, goods or services received for the benevolent activity for any other purpose;
 - Report on these activities as part of Public Disclosure, in a manner and form prescribed by the Chief Financial Officer and Treasurer, on an annual basis in recognition of the fact that preparation for a benevolent activity can take several months;
 - Avoid the improper use of the influence of their office, as well as avoid the provision or appearance of the provision of special treatment to any particular individual or organization;
 - In an election year, a Member of Council must not seek donations and sponsorships for any community event that has not been staged in the previous two years nor accept donations or stage any new community event supported by donations and sponsorships after they have filed nomination papers for election to any office in the City of Barrie.
 - A community event is considered to have been staged in the previous two years if it meets the following criteria:
 - has a very similar, if not the same, event name/title
 - takes place at approximately the same time
 - has the same general purpose;
 - In the case of repeat annual events, an operational amount, not to exceed 10% of the funds raised, may carry over to a subsequent year;
 - Should an activity not proceed, all donations received by a Member of Council shall be returned to the donor by the Finance department where possible;
 - Should a Member of Council receive more donations than required to fund an activity, the surplus shall be returned to the donor where possible, otherwise any unreturned donations will be recorded as sundry revenue and included as part of the annual surplus/deficit for City operations.

Support for Benevolent Activities and Events

Members of Council may support their communities in a variety of ways including, but not limited to:

- accepting honorary roles in organizations;
- lending their names to organization and events to assist in fundraising; and
- encouraging community and corporate donations to registered charitable, not-for-profit, or other community-based groups.

As civic leaders and public office holders, Members of Council supporting community endeavours and projects must also exhibit transparency with their involvement and carry out their community service in a manner that promotes public confidence. Members of Council shall not use the influence their office for any other purpose than the lawful exercise of their official duties and for municipal purposes.

When considering whether to support a third party by organizing a fundraiser or benevolent event, Members of Council are encouraged to disclose all material facts to the Integrity Commissioner and obtain guidance from the Integrity Commissioner with respect to the activity, prior to extending such support, which concludes that the Member does not have a conflict between their private interest and public duty.



The Member shall:

- Ensure that they or their staff do not directly solicit any funds, nor that they receive any funds that are solicited by the organization;
- Ensure that all donations shall be payable directly to the organization and all in kind donations will go directly to the organization;
- Ensure that their commitment and support does not require significant staff time and/or City resources through consultation with City Staff to understand legislative and/or process requirements prior to undertaking the activity;
- Not participate directly in decisions on the disbursement of funds or in the determination of the beneficiaries of the funds and remain at arm's length from the financial aspects of these external events; and

Ensure that if more than \$25,000 in funds net of expenses is raised, the organization is encouraged to publicly disclose audited statements, which should include a list of receipts, expenses, donors and disbursements to beneficiaries.

ADMINISTRATION

The Office of the City Clerk shall post the Members of Council Disclosure Statements on the City of Barrie's website.

An annual archival of all Disclosure Statements must remain for the duration of a Member of Council's term plus one year, after which time the Office of the City Clerk shall remove all archived copies from the City of Barrie internet site.

APPLICABLE EXEMPTIONS

None

LIMITATIONS

This policy does not apply to fundraising undertaken by a Member of Council to raise campaign contributions for the purpose of a municipal election.

The \$250 limit under rule 8 of the Council Code of Conduct does not apply for the purposes of the Fundraising Policy with respect to the amounts received from donors.

RESPONSIBILITIES

Members of Council are required to adhere to this policy and its governing provisions.

The Integrity Commissioner, when requested, will provide guidance regarding how Members of Council can adhere to their Code of Conduct obligations while following this policy.

Where there is a discrepancy between the Council Fundraising Policy and the Code of Conduct for Members of Council, the language of the Code prevails.



LEGISLATIVE AND ADMINISTRATIVE AUTHORITIES

Municipal Act, 2001 - Section 223.3 authorizes City Council to assign functions to the Integrity Commissioner in respect of the application of any procedures, rules and policies of the municipality and local boards governing the ethical behaviour of members of council and of local boards.

Municipal Conflict of Interest Act

UPDATE OF POLICY

This policy, once passed by Council, may be amended by staff for the purpose of minor updates, clarifications, and further explanations. Stakeholders will be included in this process as required. If significant amendments are required, the changes will be submitted to Council for consideration/approval.

REFERENCES AND RELATED POLICIES/DOCUMENTS/FORMS

Council and Committee Member Code of Conduct

Accountability and Transparency Policy

Reimbursement of Council Expenses Policy

Use of Corporate Resources for Election Purposes Policy

Donation Policy

Lobbyist Registry By-law

DEPARTMENT CONTACTS

Legislative and Court Services Department

Wendy Cooke, City Clerk/Director of Legislative and Court Services x4560

Finance Department

Craig Millar, Chief Financial Officer and Treasurer x5130

Colleen Smith, Senior Manager, Accounting and Revenue x5128

INQUIRIES

Integrity Commissioner
Office of the Integrity Commissioner
The Corporation of the City of Barrie
Telephone: (705) 739-4220x5425
Email: integrity.commissioner@barrie.ca



Appendix "A"

Member of Council Fundraising Disclosure Statement

**MEMBERS OF COUNCIL FUNDRAISING
DISCLOSURE STATEMENT**

Councillor: _____
 Ward: _____
 Council Motion or By-law (if applicable): _____
 Name of Fundraising Activity/Event: _____
 Date of Fundraising Activity/Event (if applicable): _____
 Name of Third Party (if applicable): _____

| Donations Received and Revenues Generated by Member of Council | | | | | | |
|---|---|---|-------------------------------|--|--------------------------------|------------------|
| Donor Name or Type of Revenue Generated (ex. ticket or raffle sales) | Description of donation Provide number of event or raffle tickets sold, as applicable | Payment Type (ex cash, cheque, service) | Amount of Donation (\$) | Estimated Amount of In-kind Donation | Amount of Ticket Sales (\$) | Grand Total (\$) |
| | | | | \$ - | \$ - | |
| | | | | \$ - | \$ - | |
| | | | \$ - | \$ - | \$ - | |
| | | | \$ - | \$ - | \$ - | |
| | | | \$ - | \$ - | \$ - | |
| | | | \$ - | \$ - | \$ - | |
| Total amount of payment received by Member of Council | | | \$ - | \$ - | \$ - | \$ - |
| Expenditures Paid by Member of Council | | | | | | |
| Date of Expenditure | Description | Amount (\$) | | | | |
| | | \$ - | | | | |
| | | \$ - | | | | |
| | | \$ - | | | | |
| Total amount of expenditure paid by Member of Council | | \$ - | \$ - | | | |
| Net Funds Raised | | | | | | |
| Net amount raised by activity/event | | | | | \$ - | |
| Distribution/Allocation of Net Funds | | | | | | |
| Amount required for fundraised activity event | | | | | | |
| Activity/event surplus allocation: | | | | | | |
| Sundry revenue to City | | | | | | |
| Amount carried forward for operational purposes | | | | | | |
| Monies distributed to a Third Party, namely: | | | | | | |
| Name of Third Party receiving funds: Sample | | | | | | |
| Name of Third Party receiving funds: | | | | | | |
| Total distribution/allocation of event surplus | | | | | \$ - | |
| Check: Total amount of surplus vs distribution/allocation of surplus (should net to zero) | | | | | | \$ - |

Note: Completed Disclosure Statement and bank statement(s) to be turned in to the Chief Financial Officer and Treasurer at the completion of the activity, or at specified periods as requested by the Chief Financial Officer and Treasurer for reconciliation purposes as per the Council Fundraising Policy