

Calgary



# Guidelines

## The City of Calgary Civic Partner Operating Grant Program

January 2025

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# 1 Background

Each year, The City of Calgary (The City) partners with external organizations to provide effective programs and services in targeted areas, develop and advance strategies and construct, manage and operate City-owned assets. The City makes its most significant investment of operating funding in Civic Partners, a category of partner defined in the Investing in Partnerships Policy (CP2017-01) based on the level of City investment. The City's relationship with Civic Partners supports the delivery of essential and important Civic Partner organizational programs and services for Calgarians.

In 2022 December, Council approved the Notice of Motion EC2022-1378: Developing a New Civic Partnership Program, directing Administration to establish a Civic Partner Operating Grant Program that aligns with current and future Council directions. In 2023 November, Council approved the Terms of Reference for a new Civic Partner Operating Grant Program (CD2023-0752) (the Operating Grant Program) and directed Administration to develop and implement the Operating Grant Program as part of the 2025 November Adjustments to the Service Plans and Budgets.

# 2 Purpose

Targeted operating grant funding supports Civic Partners' capacity to meet mutually agreed upon results for Calgarians by extending, complementing or aligning with The City's direct service delivery. It supports Civic Partners' capacity to deliver high quality programs and services to Calgarians, steward and contribute to City-wide strategies, maintain strong governance and financial management standards and recruit and retain skilled talent.

The purpose of the Operating Grant Program is to streamline requests from Civic Partners for operating grant funding from The City, changing the process we use to allocate budgets to specific Civic Partners. The Operating Grant Program provides a structured, transparent and consistent approach to develop multi-year Civic Partner operating funding recommendations for Council approval.

These Operating Grant Program Guidelines (Guidelines) are based on feedback from Civic Partners, Administration and Council and leading practices for grantmaking. They embed trust-based philanthropy principles throughout the process including two-way communication, shared learning, mutual accountability and relationship building.

Based on the approved Terms of Reference (**Appendix A**), these Guidelines outline the key principles, approaches and processes of the Operating Grant Program. The Operating Grant Program approaches and processes may be leveraged for other multi-year and one-time operating funding opportunities that address targeted needs for Civic Partners.

# 3 Eligibility

Only City of Calgary Civic Partners, as defined in the Investing in Partnerships Policy, that receive operating funding in the year the Operating Grant Program is accepting applications, and are in good standing with The City (e.g., following the terms of their agreement, providing all the required items, having paid any amounts owed to The City for services or taxes, no breaches or defaults), are eligible for the Operating Grant Program.

All eligible Civic Partners will be invited to apply by The City. If a Civic Partner is unsure if their organization is eligible, they should reach out to their Administrative Relationship Contact or email [partnerships@calgary.ca](mailto:partnerships@calgary.ca) to inquire. There will be no open public calls for applications from the community and unsolicited applications will not be accepted.

# 4 Application process

All Civic Partners that are eligible (see **3. Eligibility**) to apply under this Operating Grant Program will receive a written email invitation with details about the application and deadline. If Civic Partners are unsure whether or not they are eligible, they should reach out to their Administrative Relationship Contact to confirm. Applications will be structured so that Civic Partners can easily show their alignment to the Operating Grant Program review criteria.

Once Civic Partners are confirmed as eligible and have received an invitation to apply, they should:

- 1** Review the Guidelines and reach out to their key Administrative Relationship Contact or email [partnerships@calgary.ca](mailto:partnerships@calgary.ca) with any questions.
- 2** Attend an information session to learn more about the application process and ask questions. Information session details will be shared with Civic Partners with the invitation to apply.
- 3** Complete the online application and submit the required documents or materials by 11:59 p.m. on the due date (a deadline date will be established when the Operating Grant Program opens a call for applications). Additional documents may be requested during the review. A confirmation will be sent to Civic Partners when their application is received.

Selected information provided in a grant application may be made public as part of reports or attachments to Council. Civic Partners will have the opportunity to identify which information may be considered confidential under Freedom of Information and Privacy (FOIP) rules.

## 5 Late applications

Late applications will only be accepted if an extension is requested and approved in writing in advance of the application deadline.

## 6 Ineligible costs

The following types of expenses are not eligible for funding under this Operating Grant Program unless specifically approved in advance in writing by The City of Calgary:

- Increases to reserves (operating, capital or other),
- Costs which are capitalized on an organization's balance sheet,
- Capital maintenance,
- Debt or cost of debt,
- Expenses for projects or initiatives that are eligible for capital funding under the Civic Partner Infrastructure Grant Program (CPIG),
- Costs that support the delivery of programs or services outside of Calgary and,
- Costs that are claimed from other third parties or grants,
- Costs that are normally recovered through a fee and,
- Non-cash expenditures, such as depreciation.

## 7 Funding priorities

This Operating Grant Program focuses on multi-year operating funding aligned with The City's existing service planning and budgeting processes to help support the organizational structure and capacity required for Civic Partners to deliver results for Calgarians.

The Operating Grant Program will focus on operating grant requests related to the following areas:

### 7.1 Core operating

Eligible expenses related to organizational structure may include, but are not limited to:

- general operating costs or administration costs,
- staff compensation, development and training,
- advertising, marketing and promotions,
- professional and consulting fees for organizational initiatives, evaluation or research, fund and membership development, and charitable agency agreements, and
- costs that are not covered by other revenue sources (e.g. other granting bodies) and enable Civic Partners to leverage additional revenue from other sources including grants from other sources where appropriate.

### 7.2 Civic Partner organizational programs and services

Funding requests for design and delivery of programs and services are eligible under this Operating Grant Program. Civic Partners will be required to identify these expenses separately from core operating expenses in the application.



## 8 Operating Grant Program Streams

Applications will be grouped into two foundational Operating Grant Program Streams based on a Partner's legal structure, to refine the intake and review process and to allow for tailored review criteria. A Partner's legal structure is one characteristic of the relationship between The City and a Civic Partner that defines responsibilities, accountabilities and the inherent level of risk for The City.

### 8.1 Related authorities

#### 8.1.1 City of Calgary wholly-owned subsidiaries

Controlled entities of The City created by The City through the Alberta Business Corporation Act to deliver a Council-approved mandate and The City is the sole shareholder.

#### 8.1.2 Legislated bodies

Controlled entities of The City established through provincial legislation where The City has a defined governance role and responsibilities, including appointing all board members and approving budgets annually.

### 8.2 Independent external organization

#### 8.2.1 Independent organizations

Established under a range of provincial and federal legislation including the *Societies Act* (Alberta), *Canada Not-for-profit Corporations Act* (Canada) and Part 9 of the *Companies Act* (Alberta).

In addition to the Operating Grant Program Streams defined above, the following considerations may also guide the intake and review process:

- Alignment of a Civic Partner to a City of Calgary service, as identified in The City of Calgary's Service Plans and Budgets.
- Each budget cycle, Council sets priorities or focus areas. These priorities are embedded in The City of Calgary's Service Plans and Budgets and guide decisions about investments. The Operating Grant Program would align with these priorities.
- A Civic Partner's management or operation of a City-owned asset or role in stewarding a City-owned collection or asset.
- A Civic Partner's operating model or structure that defines earned revenue opportunities and other considerations.

## 9 Application review process

An Administrative Grant Review Committee (the Committee) will review all applications and develop funding recommendations for Council approval. The Committee will be guided by a Committee Terms of Reference that will be shared with Civic Partners.

Once an application is submitted, communication specific to the application between a Civic Partner, the Committee and any individual Committee member will only be through the structured, consistent approaches outlined below to support a fair, transparent process. Applicants will be kept informed of the status of their application review during the process including key dates. The review process includes the following steps:

- 1 Committee reviews** – The Committee will review applications including all supporting materials provided by all relevant Administrative subject matter experts related to the request.
- 2 Additional information gathering** – Administrative Relationship Contacts, as defined in the Investing in Partnerships Policy, will be the one-window point of contact between the Committee and a Civic Partner and will coordinate any follow up questions from the Committee. All follow-up questions and answers will be documented and included in the final review package.
- 3 Civic Partner presentations to the Committee** – Structured opportunities for Civic Partners to present their applications to the Committee and respond to questions and answers from the Committee will be offered to all applicants.
- 4 Committee Recommendations** – The Committee will reach consensus on funding recommendations and comments for each application.
- 5 Recommendation Review by Administrative Leadership** – Administrative leadership, including the Executive Leadership Team, will review and accept the Committee's recommendations before they are included in the budget package for Council and communicated to the Civic Partner.
- 6 Recommendations Communicated to Civic Partners** – Communication of funding recommendations and any Committee comments on an application will be provided to Civic Partners prior to Council's budget deliberations. An option to meet with the Major Partners team to discuss the recommendations and the Committee's consensus comments will also be offered to all Civic Partners at this stage. Depending on timing of the public release of Administration's report, The City may request that information shared is to be held in confidence by the Civic Partner until release by The City.
- 7 Recommendations to Council** – Funding recommendations reviewed and accepted by Administrative leadership will be included in Administration's budget package for Council's consideration.

## 10 Review criteria

The review of applications and the development of funding recommendations will be based on criteria that align with The City's wider service planning and budgeting process. Criteria will be tailored to Operating Grant Program Streams to ensure they are appropriate.

Criteria will consider how Civic Partner applications demonstrate the following:

- Clearly defined community or other needs for the Civic Partner's organizational programs and services and clear identification of how the Partner's operations, strategies and plans meet these needs separate and apart from The City's directly delivered services.
- Results for Calgarians that align with Council priorities or focus areas and either extend or complement existing City services or meet a demonstrated need not already addressed by The City.
- Demonstration of delivering results and clearly identified future success measures including quantitative performance measures and, where appropriate, qualitative measures.
- Context for performance by comparing against benchmarks for a Partner's sector or performance comparisons with counterpart organizations, as appropriate.
- Demonstration that the Civic Partner is seeking to address equity, anti-racism, Truth and Reconciliation, accessibility and other key considerations, as appropriate, as community expectations and City policies and strategies evolve over time.
- Leveraging opportunities to collaborate with organizations, where appropriate, to achieve shared results.

The review criteria will also consider the following foundational elements of Civic Partner organizations:

- A Civic Partner's financial health and risks based on information provided and prepared annually for the Civic Partner Audit Report financial review process, Civic Partner Annual Report and related information.
- Structural considerations that impact organizational capacity including a Civic Partner's size, scale and operating model. For example, consideration for opportunities to leverage other funding sources including earned revenue.
- Impact of inflation, population growth or other pressures on a Civic Partner's operations.
- Management, operation or support for management or operation of a City-owned asset, or stewardships of a City collection or asset.
- Specific role of the Partner in:
  - 1 Extending existing City programs or services
  - 2 Complementing existing City services
  - 3 Meeting a demonstrated need not already addressed by The City.

## 11 Funding approval process

All Civic Partners will be formally notified on the outcome of Council's decisions once the official Council meeting minutes have been released by The City Clerk's Office.

The City's four-year Service Plans and Budgets, including approved funding for Civic Partners, is subject to adjustment by Council through an annual process to ensure alignment to changing conditions and priorities. If changes to approved funding levels are to be included as part of an annual adjustments process, Civic Partners will be notified.

For the first round of the Operating Grant Program in 2025, as directed by Council, funding recommendations will be included as part of the November 2025 Service Plans and Budgets adjustments package.

## 12 Lobbying

The Council-approved Terms of Reference specify that applicants or individuals representing their organization must not lobby elected members of City Council or their staff, Administration, or the Committee related to the approval of operating funding for their organization. This clause does not apply to general advocacy or education by Civic Partners related to their organizations' operations, programs or services with City Administration or members of Council or their staff. This is specific to lobbying about a funding request from the date of submitting an application to the Operating Grant Program until the funding recommendations have been approved by Council as part of The City of Calgary's service planning and budgeting process. This requirement recognizes that Civic Partners meet with Councillors and their staff from time to time to plan and advance operational work, but these meetings must not include lobbying related to a funding request under review through this Operating Grant Program.

The purpose of this requirement is to support a fair, transparent process for allocating Civic Partner operating grant funding that removes any need for Civic Partners to provide Administration, Council or the Committee with additional information. All Civic Partners will be provided with the same opportunities to engage with the Committee as part of the review process.

## 13 Reporting

As directed by Council, Civic Partners receiving operating grants will continue to report to Council through existing accountability measures including the Civic Partner Annual Report and Civic Partner Audit Report. Each Civic Partner will also be required to follow any accountability requirements in their legal agreements with The City.

## 14 Agreements and payments

All Operating Grant Program funding will require the execution of a formal operating grant agreement between The City of Calgary and the Civic Partner, or an amendment of an existing funding agreement.

Payment of all Operating Grant Program funding will be through quarterly grant payments by electronic fund transfers. If a different payment schedule is desired, this must be negotiated with The City following the funding approval and reflected in the grant agreement.

## 15 Operating Grant Program evaluation

To support continuous improvement, the Operating Grant Program will be evaluated by The City at least once every four-year business cycle. It will include engagement with Civic Partners, Administration and members of Council as needed to identify challenges and opportunities and gather related feedback. Evaluation results will be shared with Civic Partners.

## 16 Resourcing and support

Throughout the Operating Grant Program process, each Civic Partner will be supported by their Administrative Relationship Contact who is their one-window into The City.

During a business cycle, if there are adjustments or changes to Council priorities, or other guiding direction that will impact future decisions, Administration will share information and resources with Civic Partners to help them better understand changes in priorities or directions in preparation for the Operating Grant Program application processes.

# Appendix A Civic Partner Operating Grant Program Terms of Reference

## Background and authority

The City of Calgary (The City), in keeping with the Council-approved Investing in Partnerships Policy (CPS2017-01) (the Policy), invests in external organizations to achieve results for Calgarians. Investing in partnerships leverages and multiplies The City's resources and partners' knowledge and expertise to deliver targeted programs and services to Calgarians, advance City strategies and support the construction, operation and management of City-owned assets. Under the Policy, partners with some of the most significant levels of operating grant investments from The City are categorized as "Civic Partners".

In 2022 December, Council approved the Notice of Motion EC2022-1378: Developing a New Civic Partnership Program, directing Administration to establish a Civic Partner Operating Grant Program that aligns with current and future Council directions and return to Council for approval.

## Purpose of the Terms of Reference

Following direction from Council in Notice of Motion EC2022-1378, these Terms of Reference provide guidance for the key elements of a formal grant program structure (The Civic Partner Operating Grant Program, or Program) to manage the development of recommendations for all operating grant investments in Civic Partners.

## Purpose of the Civic Partner Operating Grant Program

The purpose of the Program is to provide a structured, transparent and consistent approach to developing recommendations for the investment of operating grant funding in Civic Partner organizations. Targeted operating grant funding supports Civic Partners' capacity to meet agreed upon results for Calgary and Calgarians by extending, complementing and aligning with The City's delivery of its services. Operating grant funding supports Civic Partners' capacity to deliver high quality programs and services to Calgary and Calgarians, steward and contribute to City-wide strategies, maintain strong governance and financial management standards and recruit and retain skilled talent.

The Program structure is based on leading practices for grantmaking, including trust-based philanthropy principles that focus on mutual accountability. Program details will be available in the Program Guidelines (to be developed upon approval of the Terms of Reference) and subsequently available on [calgary.ca](http://calgary.ca). The Program structure may be leveraged for multi-year and one-time operating funding opportunities that address targeted needs for Civic Partners.

## Program foundation and approaches

The Program builds on the foundation of the partnership principles embedded in the Policy and is a targeted Program aligned with the following approaches:

- **Build strong partnerships** through transparency, two-way communication, mutual accountability and shared learning.
- **Focus on funding unique, mutually exclusive programs, services and facilities** to leverage limited operating grant funding resources.
- **Align with Council priorities and City plans and policies** including The City's Multi-Year Business Planning Policy (CFO004) and Budgeting Reporting Policies (CFO006) and related policies where appropriate.
- **Focus on multi-year funding** allocations.
- **Focus on operating funding** to support the organizational infrastructure required for Civic Partners to leverage other funding and resources where appropriate to deliver mutually agreed upon results.
- **Consider a Civic Partner's legal structure** given the inherent level of risk posed for The City by subsidiaries and other related authorities.
- **Leverage a grant review committee structure** to develop recommendations for Council approval.
- **Evolve the Program** as leading practices change related to grantmaking and other areas.
- **Embed broader social, culture and other considerations into the Program** to address equity, anti-racism, truth and reconciliation, and economic, cultural, environmental and social issues.
- **Include a requirement for no lobbying specific to a funding request** by organizations or individuals representing the organization from the date of submission of an application to the Program until the approval of funding recommendations by Council. This does not apply to general advocacy by Civic Partners related to their operations or governance.

## Eligibility

This program is open to applications from Civic Partners as defined in the Policy that have an operating grant from The City. Prior to the application intake period, if there is an investment decision by Council based on a business case or other procedure under section 6.4.2 of the Policy that results in a new "Civic Partner" under the definition in the Policy, funding decisions would be managed through the Program. The Program is not open to funding requests from other categories of partners that are managed through other City processes.



## Program outcomes

The following Program outcomes will guide how the return on individual investments and overall performance of the Program is measured, recognizing the broad range of programs, services and strategies Civic Partners deliver and steward and their contribution to multiple services. Program investments will:

- Contribute to achieving mutually agreed-upon results for Calgary and Calgarians.
- Support Civic Partner organizations to have the required capacity and infrastructure to:
  - a** extend, advance or support The City's delivery of services or to achieve results for Calgarians,
  - b** manage and operate specific City-owned assets appropriately,
  - c** improve and adapt programs and services over time as the community's needs change including expectations related to equity, diversity, inclusion, anti-racism, truth and reconciliation and other considerations when carrying out their individual mandates, and
  - d** demonstrate sound management practices and good governance (financial, board, and organizational).

Civic Partners are required to develop meaningful performance measures that demonstrate their contribution towards achieving the above outcomes in addition to any further outcomes identified in the full Program Guidelines.

## Program priorities

The Program focuses on multi-year funding that contributes to Civic Partners' essential operating costs to support the organizational infrastructure required for the delivery of strategies, programs or services. When resourcing is available, the Program may accept and consider requests for increased levels of one time or multi-year operating grant funding to grow, enhance or modify existing levels of service. More detailed priorities may be defined for each application cycle.

Requests for capital grant funding from The City are managed through existing processes outside of this Program.

## Program streams

The Program adopts a streamed approach to refine the intake and decision making process and allow for tailored evaluation criteria and other approaches to support development of funding recommendations for applicants within a specific stream. At the highest level, applications will be streamed by a Civic Partner's legal structure, either a City controlled entity or an independent entity. Other streams may be identified in the application process including those focused on a particular sector or sub-sector.

## Program process

Key Program process elements are identified below with full details to be included in the Program Guidelines.

### Review, evaluation and decision making

- A grant review committee, guided by support from City subject matter experts, will review applications and develop funding recommendations for Council approval. The Committee is an Administrative Committee and does not fall under the Governance and Appointments of Boards, Commissions and Committees Policy (CP2016-03). Separate terms of reference for the Committee will be developed by Administration.
- Funding recommendations will be based on investment criteria that align with The City's wider service planning and budgeting process.
- The guidelines will provide for a process to discuss funding recommendation decisions with applicants.
- All communication about an application will be through City Administration.

### Approval of recommendations

- Funding recommendations will be provided to Council through the approval of each business cycle's Service Plans and Budgets or the annual adjustments to them.

### Agreements

All recipients will be required to execute a funding agreement with The City outlining terms and conditions of the funding, where appropriate based on a Partner's legal structure. Among other items, agreed-upon performance measures will be embedded in all agreements.

### Reporting and performance measures

- Applicants must identify and report annually on mutually agreed upon performance measures that demonstrate the impact on Calgary and Calgarians and align with the Program Outcomes.
- Program reporting requirements will align with The City's established reporting processes.
- Performance measures must align with The City's corporate standard and consideration will be given for both qualitative and quantitative approaches to demonstrating results.
- Shared measures may be developed in collaboration with Civic Partners to demonstrate collective impact.

### Program evaluation

The Program Guidelines and implementation will be evaluated regularly.

## Effective date

The Terms of Reference are effective upon approval by Council (November 28, 2023).

