

**AN ORDINANCE TO AMEND CHAPTER 2 OF THE CITY CODE
REGARDING THE ALLOCATION, APPROVAL AND NOTIFICATION
OF GRANT AWARDS**

#4414

Sponsors:

**Council
Member
Williams**

**Council
President
Shabazz**

WHEREAS, the City of Wilmington has long provided support to various causes of community benefit and importance in the City, as well as to students pursuing higher education; and

WHEREAS, this support has been effectuated in part through discretionary funds budgeted for the City’s elected officials – historically, the Office of the Mayor and City Council, and more recently the Office of the City Treasurer as well; and

WHEREAS, while internal controls have been in place – both in the City Code and through internal policies and procedures – City Council seeks to legislate additional controls, in addition to furthering internal enhancements; and

WHEREAS, City Council deems it necessary to enact provisions to enhance the transparency and accountability of this process, and to heighten the level of public discussion for grant awards of \$5,000 or more; and

WHEREAS, City Council sees such measures as an opportunity to strengthen the process for supporting these worthwhile causes, and to further provide a boost to the residents and neighborhoods with the greatest needs in Wilmington.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. Chapter 2 of the City Code is hereby amended by amending Section 2-368 thereof by deleting the stricken language and by adding the underlined language as follows:

Sec. 2-368. Allocation of grants.

Any grant applicant seeking funding from the city in an amount ~~that exceeds~~ of \$5,000.00 or more must agree to the following:

- (1) To submit a letter of request outlining the intended uses of the funds.
- (2) To submit adequate proof, as determined by the director of finance, that there are no delinquent fees, taxes or other monies that are owed to the city. No grant funds shall be disbursed by the city to any grantee until all delinquent fees, taxes or other monies owed to the city by such grantee have been paid in full, unless the applicant has a payment agreement with the city. No applicant shall be eligible for a grant who is delinquent in payments under a current payment agreement with the finance department's revenue enforcement division.
- (3) To identify a contact person of the applicant who can answer questions regarding information submitted on the application.
- (4) To submit to the city auditor any budget or financial statements (audited when available) and all required attachments thereto.
- (5) To return to the city any grant funds remaining as a direct result of the termination of all or part of the program/activity for which the city funding has been provided.
- (6) Not to dispose of any surplus funds without the prior written approval of the city department providing the grant program.
- (7) To submit to the city auditor and the ~~department~~ entity overseeing the grant program a ~~brief quarterly~~ report identifying how the program/activity met its

goals and objectives and to provide a financial accounting of the grant program funds. Such reports must be submitted during the grant program on an annual basis, unless a determination has been made by the awarding City entity that reporting of a more frequent nature is required for an individual award of funds, and at the conclusion when all funds have been expended.

(8) For grants meeting the criteria under this section that are awarded by the Office of the Mayor, City Council or the Office of the City Treasurer, approval by resolution of City Council shall be required, as set forth in Section 2-369.

(9) Grantee shall acknowledge, via signature, its understanding of and intent to comply with the provisions of this section.

(10) Failure to comply with the provisions of this section may result in revocation of the grant.

SECTION 2. Chapter 2 of the City Code is hereby amended by adding a new Section 2-369 thereto containing the underlined language as follows:

Sec. 2-369. Approval of grant awards.

For grants awarded by the Office of the Mayor, City Council or the Office of the City Treasurer in the amount of \$5,000 or more, approval by resolution of City Council shall be required, unless such grant awards are included as recipient-specific line items in the adopted annual operating budget. Such a resolution shall be prepared by the entity proposing the award of grant funding, and shall be discussed and heard before the City Council Finance Committee before being brought before the City Council for approval. If a single entity is awarded funds

on more than one occasion in a single fiscal year, a resolution shall be required for any proposed grant funding award which would result in an aggregate funding allocation of \$5,000 or more for that fiscal year.

SECTION 3. Chapter 2 of the City Code is hereby amended by adding a new Section 2-370 thereto containing the underlined language as follows:

Sec. 2-370. Notification of grant awards.

No less frequently than on a quarterly basis, the Office of the Mayor, City Council and the Office of the City Treasurer shall provide written notification to the City Council Finance Committee of all grant awards, excluding scholarships, below \$5,000 unless such grant awards are included as recipient-specific line items in the adopted annual operating budget. Such notification shall contain the following details:

- (1) The name of the individual or organizational recipient(s);
- (2) The amount of funding awarded;
- (3) The stated purpose of the awarded grant; and
- (4) The intended use of the funding.

The City Council Finance Committee shall furnish a template that shall be utilized in reporting grant awards which meet the definition of this section, and such reports, when filed, shall be made publicly available.

SECTION 4. This Ordinance shall become effective immediately upon its date of passage by the City Council and approval by the Mayor.

First Reading..... September 21, 2017
Second Reading..... September 21, 2017
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved as to form this _____
day of September, 2017.

Senior Assistant City Solicitor

Approved this ____ day of _____, 2017.

Mayor

SYNOPSIS: This Ordinance amends Chapter 2 of the City Code regarding the award of grant funding to clarify the threshold for particular reporting requirements for City grants. In addition, this Ordinance adds a new section in Chapter 2 requiring approval by resolution of City Council of any grants of \$5,000 or more awarded by the Office of the Mayor, City Council or the Office of the City Treasurer, as well as a new provision requiring written notification to the City Council Finance Committee of any grants under \$5,000 awarded by those entities. This Ordinance is intended to enhance the transparency and accountability of the process of awarding grant funding to support causes of community benefit and importance.

FISCAL IMPACT STATEMENT: This Ordinance has no anticipated fiscal impact.