

Public Service Grant Council Meeting Minutes

Date: June 16, 2009

Time: 10:05 AM

Present: Alberta Hipps, John Donahoo, Ronald Mallett and Arnold Tritt

Absent: Juan Diaz, Edgar Mathis and Gwen Yates

Staff Present: Roslyn Mixon Phillips, Nancy Kirts, Sue Andrews, Sandy Arts, John Snyder, Linda Platte' and Lawsikia Hodges, Office of General Counsel

Special Guest: Kirk Sherman, Council Auditor's Office

Welcome: Alberta Hipps welcomed everyone and facilitated introductions.

Meeting Minutes: Ms. Hipps asked if there were any changes or comments regarding the May 19, 2009 minutes. **Ronald Mallett motioned to accept the minutes as read and this was seconded by Arnold Tritt. The motion was passed.**

Jacksonville Historical Society: Ms. Hipps explained that she had invited Emily Lisska, Jacksonville Historical Society to speak about accounting issues associated with (2) FY 2008 Public Service Grants her organization had received. Ms. Lisska explained that she has had (2) Public Service Grants for 15 years and used one bank account for both grants. As a result of failing to maintain a separate bank account, her organization has been placed on the Council Auditor's Non-Compliance List. The total amount for both grants was \$39,823. Ms. Hipps asked Nancy Kirts to provide an update on the Jacksonville Historical Society's non-compliance issue. Ms. Kirts explained that she and Roslyn Mixon Phillips were working with the Council Auditor's Office to address their concerns. She went on to explain that the Jacksonville Historical Society used their operating budget to pay for their grant expenses. They had (2) grants and at the end of the year they reimbursed their operating budget with a check for \$9,035.25 and that check is what was being questioned. She went on to say that Grant Compliance staff reviewed the files and verified that all of the grant funds were expended with financial backup as documentation. Ms. Lisska stated that she wrote 51 checks out of the FY 2008 grant account. Ms. Hipps stated for the record that Emily Lisska voluntarily asked if she could present her concerns to the Public Service Grant Council so they could understand the process that non-profit organizations experience once they are on the Council Auditor's Non-Compliance List. Lawsikia Hodges, Office of General Council spoke about non-compliance as it related to Chapter 118. She said the practice in the past had been that if someone had been on the Council Auditor's Non-Compliance List that the Public Service Grant Council had not recommended them funding. Chapter 118.504 is not clear because it states that an organization cannot apply for a grant if they are currently receiving miscellaneous appropriations. Ms. Hipps recognized Kirk Sherman, Council Auditor's Office and thanked him for coming. There was a recommendation from the Non-Profit Center regarding a time line to get audit information to the Council Auditor's

Office. Kirk Sherman stated that the Council Auditor's Office is a reviewer not an administrator. They still need to Grant Compliance staff to review audits and annual reports and sign off on them as well. He said anything that will fast track the system is welcomed.

Council Auditor's Non-Compliance List

Ms. Hipps stated as she reviewed the Council Auditor's Non-Compliance List, she noticed it was comprised of all organizations whether they received a Public Service Grant or not. She suggested that when this list is presented monthly at the Public Service Grant Council meetings, that it only pertain to Public Service Grants. Roslyn Mixon Phillips stated that this list is prepared by the Council Auditors' Office and the Public Service Grant staff does not provide input. A separate list can be requested to only reflect Public Service Grants or the Grant Compliance staff can extrapolate the requested information. The Annual Report is a financial report and the audit is based on grant funding based on the organization's fiscal year and general accounting principles.

FY 2010 Public Service Grant Council's Funding Recommendations Update

Ms. Hipps stated that after the May 19, 2009 meeting, she spoke with Rena Coughlin, Non-Profit Center about convening a meeting of non-profit agencies to facilitate feedback on Chapter 118 changes. Ms. Hipps asked Ms. Coughlin to speak to the Public Service Grant Council regarding highlights of the results of that meeting. Ms. Coughlin stated that she was asked to convene a meeting to get the non-profit reaction to Chapter 118 Changes. However, the meeting changed to discussing the Public Service Grant Council's funding process for FY 2010 and beyond. A subsequent second meeting was also held regarding Chapter 118 Changes. A formal memo addressing the Chapter 118 changes will be sent out to the Public Service Grant Council on June 17, 2009. Agencies gathered with Ronald Mallett to discuss the FY 2010 Public Service Grant funding recommendation process. They discussed what worked and what did not. They felt that this new process was good for the non-profit sector. They appreciated the Public Service Grant Council members taking time to understand the non-profit sector and what they do to contribute to the community. The letter on the funding process was sent in summary form of the ideas and suggestions generated. She said that they felt the process of the funding was confusing; they didn't understand the scoring, and the issue of non-compliance. In the mandatory training they were told to ask for level funding. When they didn't ask for level funding and there were across the board cuts, it didn't seem fair. Ronald Mallett stated that it was very interesting to be a part of that meeting. Roslyn Mixon Phillips stated that there was no entitlement to Public Service Grants. She acknowledged that there were several agencies that had received funding for many, many years. She went on to say that each year is a different process and we can't close the door to new applicants coming into the process. Legislation allows City Council to establish priorities each year, and they change each year, so some agencies that have historically received funding may no longer be eligible. She said that she did not attend every session, but she believed that what was said to the organizations was that there would be level funding for the pool of funds. If the staff had told organizations not to request more, than nobody did what they were asked to do based on reviewing the funding requests as compared with what they received in FY 2009. There were very few exceptions, but in most cases most organizations asked for more dollars than they received in the current year. Ms. Hipps stated that regarding Non-Profit Center's recommendations, the first one was that she was not going to open back

up the FY 2010 Public Service Grant funding allocation recommendations. The second recommendation in terms of requesting the need, the Public Service Grant Council will send their recommendations to the Mayor's Office to address the gap in funding request vs funding recommendations. The third recommendation regarding the quality of evaluation criteria can be incorporated into recommended legislative changes.

Chapter 118 Proposed Changes

Ms. Hipps asked Lawsikia Hodges to speak on the Chapter 118 proposed changes. Lawsikia Hodges stated that this project was a work in progress and that by the July 21, 2009 Public Service Grant Council meeting it should be finalized in draft form. Ms. Hipps asked Kirk Sherman if changes to the Council Auditor's Non-Compliant List could reflect Public Service Grants only. Kirk Sherman stated that a letter is distributed to everyone but there should be no problem in sorting the list by category.

Public Service Grant Council Member's Site Visits

Ms. Hipps thanked everyone for doing the site visits and advised the audience that they will call before coming. Ms. Hipps stated that she still had a few site visits to do herself.

Conflicts of Interest

Ms. Hipps asked Lawsikia Hodges to speak on this subject. Lawsikia distributed handouts: (1) The 2008 Florida Statutes and (2) Definitions. Ms. Hodges stated that there are two bars: (1) Legal Bar and (2) Ethics Bar. The Legal Bar is what must be done legally and the Ethics Bar is what the Public Service Grant Council should do. Ms. Hodges stated that at the May 19, 2009 meeting, the question came up about whether it was a conflict of interest if a Public Service Grant Council Member served on a non-profit board. The answer was no, that there was no conflict of interest. The 2008 Florida Statutes 112.3143 (3)(a) Voting conflicts – states: "No county, municipal, or other local officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss; which he or she knows would inure to the special private gain or loss of any principal by whom he or she is retained or to the parent organization or subsidiary of a corporate principal by which he or she is retained." Ms. Hodges stated for this reason, that scenario was not a conflict of interest. Ms. Hodges, went on the state that the 2008 Florida Statutes Chapter 286.012 states: "No member of any state, county, or municipal governmental board, commission, or agency who is present at any meeting of any such body to which an official decision, ruling, or other official act is to be taken or adopted may abstain from voting in regard to any such decision, ruling, or act; and a vote shall be recorded or counted for each such member present, except when, with respect to any such member, there is, or appears to be, a possible conflict of interest under the provisions." Ms. Hipps stated the Public Service Grant Council should always disclose their positions when voting.

Meeting adjourned

Time: 11:30 AM

Minutes Prepared by: Linda Platte'