

Date: August 30, 2016
To: Mayor, Council, City Manager's Office
From: Service Organizations Sub-committee (Marvin Franklin, Wes Mays, Nancy Yingling)
Re: Service Organizations Funding Management Process

Background

The funding process in recent years has been largely guided by the attached materials ("Funding Framework and Missions"), created to provide both Council and Staff with increased clarity and funding discipline regarding these organizations and their role with respect to our various community missions. The material contains:

- 1) Community Mission Statements
- 2) Service Organizations funding framework in four specific quadrants, characterized by mission: Critical Social Services, Arts & Culture, Partnerships, and Special Interests (the "4th Quadrant")

The 4th quadrant was designed to be a "gauntlet" of sorts where Council could discuss, preliminarily vet and ultimately allow/disallow new applicant participation in the process for budget consideration. At the time, it was thought that while new groups would apply annually, they would be vetted before being allowed to move forward in the process. The objective was to stay consistent with our Missions, firmly discourage "program creep" and reduce time waste.

The above referenced ad hoc committee was organized to recommend to Council approaches to improve our process for evaluating new service organization applicants and provide staff with guidance and support going forward.

The Process Problem and Associated Issues

First: Council has largely failed to implement the "4th quadrant" discipline originally intended. This has resulted in various groups seeking funding which either: a) wastes time, b) offer services which are not consistent with the mission, c) fall short of meaningful community impact or are otherwise illogical, or any combination of the aforementioned. **Second:** Without sufficient guidance, staff has had no choice but to take all applications and allow them to go through the process. **Third:** The subject of Service Organizations and fundings would seem to represent an appropriate opportunity to discuss the issue of Council "self-policing" and internal/external influences on decision-making.

Recommendations and Areas of Discussion

Preliminary Review:

It is recommended that any new applicant (not previously funded) would be preliminarily reviewed at a work session scheduled by staff to determine whether the applicant should be considered during our Annual Budget Meeting regarding Service Organization fundings. If positive interest is shown by Council, then the applicant would be scheduled to present at the Budget meeting. There is no guarantee,

however, that such group would ultimately be funded, only the permission to present. If necessary, a “go/no go” checklist containing fundamental threshold criteria (broader community service/benefit, degree of community enhancement, increased quality of life or imaging provided and so on) could easily be created as a guide for the preliminary review.

Organizations seeking funding outside the spirit of our Service Organization Mission Statements should be discouraged. These would include, but not be limited to, funding of scholarships or grants of any kind, funding viewed as being politically preferenced, funding viewed as “buying” community influence or support, funding that negatively impacts our community image, funding to those representing a narrow community segment, as opposed to broad, or funding targeted toward a sole individual.

Applicants should be made aware that high levels of prudence, selectivity and cost/benefit evaluation by Council are intended to stay consistent with our Mission Framework and discourage “program creep.”

Empower Staff:

It is recommended that previously approved Service Organizations with funding levels of \$10,000 or less would not be required to present during the Annual Budget meeting. Those groups would be considered “recurring,” added to the budgeted numbers by the City Manager, and be consistent with prior year funding levels. In the event that any of the approved organizations seek an increase over prior year funding levels, then such organization would need to present their request to Council during the Annual Budget Meeting. If such increase is a one-time request, then funding would ultimately revert back to funding levels prior to the one-time increase.

It would be staff’s responsibility to inform Council of anything that might cause Council to reconsider funding the approved organizations (mission issues, things harmful to our community image, service impact on our community, financial issues, etc.).

Discussion Regarding Influence and Self-Policing:

In discussing our decision-making process, the committee noted that Council members have done a good job of recusing themselves from situations that may involve conflicts of interests. The sub-committee believes that it is appropriate to discuss the Council’s involvement with service organizations and the impact that it can have on Council discussions, decision making, and staff. Questions:

1. To what extent are Council members and staff involved with the service organization?
Volunteers, Board members, Members, Donors, etc.
2. Should those activities be revealed to Council and staff?
3. Which areas of our involvement lend themselves to some level of scrutiny and individual restraint?
4. Should any of us recuse ourselves from discussions and/or voting regarding the funding of organizations in which we are involved?

Discussion
MISSIONS AND FUNDING FRAMEWORK

I. Critical Social Service Needs

“Our residents, on occasion, experience significant challenges as victims of crime, economic hardship, physical frailties or emergencies. Local agencies meet these needs more efficiently and more effectively than the City of Coppell otherwise could.”

II. Arts & Culture

“Cultural and arts enhance the quality of life in Coppell and help establish a strong sense of community. The City of Coppell prefers to become a sponsor for performances and arts groups through financial and in-kind support.”

III. Partnerships

“Partnering with school, civic, and community organizations enable the city to maximize its services and programs while minimizing costs. The City of Coppell prefers partnering opportunities as an effective approach to achieving multiple objectives contained within its longer term strategic plan, currently Coppell 2030.”

IV. Special Interests

“Funding requests to address the needs of narrower segment of the Coppell community will be considered occasionally. The City of Coppell recognizes that these segments will require higher levels of prudence, selectivity, and cost/benefit evaluation.”

Funding Needs

Critical Social Service Needs:

Family Place
Metrocrest Services (merged with Senior Adult Services)
Children's Advocacy Center
Christian Community Action
Metrocrest Family Services
Coppell Family YMCA
Metrocrest Community Clinic

Benefit: Meets community needs that otherwise would either 1) have detrimental impact on the Community or 2) would force the City to render some service level that it either cannot or would rather not provide.

Capitalization: Capital
Mechanism: Capital Allocation

Hybrid: Funding Needs/Wants

Partnerships:

Coppell Chamber of Commerce
CISD
Economic Development Projects/Programs
Sports Association
Health & Wellness Initiatives
Coppell Nature Park*
Old Coppell/Main Street*

Benefit: Revenues, Jobs, Economic Prosperity, Community Welfare and wellness

Capitalization: Capital, Matching Funds, Bonds, Incentives/Goals

Mechanism: Capital Allocation, Contractual, Infrastructure, Credit Enhancement

Examples: Hard Eight, Container Store, Old Coppell, Artificial Turf Co-Funding*, Kid Country*, Biodiversity Center*

Funding Wants

Arts & Culture:

Coppell Community Chorale
Ballet Ensemble of Texas
~~Texas Creative Arts~~
Coppell Historical Society
Theater Coppell*
Old Coppell Theater Site
Waggin' Tail Dog Park
Coppell Special Olympics
Coppell High School Band

Benefit: Amenities for special interests, sponsorship/branding opportunities, community spirit

Capitalization: Capital, Sponsorships
Mechanism: Capital Allocation, Sponsorships, Facilities/Land

Funding Wants/Needs

Special Interests:

~~Coppell Copperheads Baseball*~~
~~Launchability (Special Care & Career Services)~~
~~Texas Scottish Rite Hospital for Children~~
~~The Warren Center~~
~~Jha'Kyrie Nixon Scholarship Fund~~

Benefit: Amenities for Special Interests, Sponsorship/Branding Opportunities

Capitalization: Capital, Matching Funds, Bonds

Mechanism: Capital Allocation, Infrastructure, Sponsorship

***Matched Funding/Land or Facilities Contribution**