



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Economic Development Division*

### **m e m o r a n d u m**

**TO:** Laurel Lunt Prussing, Mayor

**FROM:** Elizabeth H. Tyler, FAICP, Director, Community Development Services

**DATE:** September 8, 2011

**SUBJECT:** **An Ordinance Revising the Annual Budget Ordinance (Illinois Arts Council Public Art Program Operating Support Grant - 2012)**

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### **Introduction and Background**

In April 2011, the City of Urbana submitted an application for a Program Grant for an Arts Service Organization from the Illinois Arts Council (IAC) for general program operating support in Fiscal Year 2011-2012. Since 1965, the Illinois Arts Council, a state agency, has developed the state's public arts policy, fostering quality culturally diverse programs, and approving grants expenditures. When applying for Program Grants, organizations do not make particular requests; rather applicants submit past, current, and next fiscal year budgets, which the IAC uses to determine award amounts.

On August 26, 2011, the City of Urbana received notice from the Illinois Arts Council that it had been awarded a \$3,500 Public Arts Program grant for general operating support (Exhibit A). Awarded to exceptional arts organizations and organizations with significant arts programming, Program operating support grants may be used for general support of administrative and organizational overhead related to arts activities and arts programming. The award will assist the Urbana Public Arts program in its mission of creating a city where all residents engage with the arts in its many forms and where artists thrive and are valued. Due to the fairly small award amount and the fact that agreement paperwork (Exhibit B) had to be signed and submitted by September 9, 2011 in order to receive funds, staff was authorized by Ron Eldridge, City Comptroller, to sign the document on behalf of the city.

This is the second consecutive year that the Urbana Public Arts Program has received a grant award from the Illinois Arts Council, and this year's award is twice the amount of the one received in 2011. 2011 grant funds were used to increase marketing and promotions through updated print materials. In consultation with the Public Arts Commission, staff recommends the new grant funds be used for general support and improvement of programs, such as Urbana Arts Grants and Art at the Market workshops.

## **Fiscal Impact**

As the grant funds will be budgeted as part of the FY 2011-2012 budget, a budget amendment for \$3,500 will be necessary for general support and improvement of programs. An ordinance approving a budget amendment is attached for Council review and approval.

## **Options**

1. Forward the ordinance to City Council with a recommendation for approval.
2. Do not forward the ordinance to City Council.

## **Recommendation**

Staff recommends that the City Council approve the attached budget amendment ordinance.

Prepared by:

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Christina McClelland, Public Arts Coordinator

Attachments:     Exhibit A: Grant award notice  
                         Exhibit B: Grant agreement  
                         Exhibit C: Budget amendment ordinance



August 26, 2011

City of Urbana  
Attn: Christine McClelland  
400 S Vine St  
Urbana, IL 61801

Pat Quinn  
Governor

Shirley R. Madigan  
Chairman

Terry A. Scrogum  
Executive Director

**RE: 20120143, OPG/VIS**

Dear Christine McClelland,

It is my pleasure to inform you that the Illinois Arts Council has awarded City of Urbana a grant of \$3,500.00 from State funds for Public Art Program operating support. This is contingent on return of documents outlined in the enclosed memorandum as soon as possible, but no later than Friday September 9, 2011. Failure to meet this deadline will result in unconditional forfeiture of these funds.

Please note that due to revised State procedures, we are requiring your submission of a Legal Status Disclosure Certificate (LSDC). After carefully reviewing the grant agreement, make two copies as well as two copies of the LSDC. Sign the original and all copies of these documents and return them along with any other materials specified in the enclosed memorandum to our grants office. All required paperwork must be signed, dated and RECEIVED in the IAC Grants Office by Friday September 9, 2011. As designated Authorizing Official, your signature is required on all documents.

Organizations which receive an IAC grant are required to notify by letter their State Representative, Senator and the Office of the Governor as to the grant amount and the project it helps support.

Illinois Arts Council asks to be informed of any activity relating to this proposal. Grantees should credit Illinois Arts Council in all promotional material and public notices in the following manner: *This program is partially supported by a grant from the Illinois Arts Council, a state agency.* This recognition is essential to educating audiences on the importance of public support for the arts.

If you have any questions regarding the decision making process, please contact Encarnacion Teruel, Director of Visual Arts, Media Arts and Multi-Disciplinary Programs at 312/814-6753 or email [encarnacion.teruel@illinois.gov](mailto:encarnacion.teruel@illinois.gov). Questions regarding grant processing requirements such as not-for-profit verification or procedure for claiming grant funds should be directed to Lynn Strehlow in the IAC Grants Office at 312/814-6763 or [lynn.strehlow@illinois.gov](mailto:lynn.strehlow@illinois.gov).

Sincerely,

Terry A. Scrogum  
Executive Director  
Enc.



# Grant Agreement

Grant Number: 20120143

THIS AGREEMENT, made by and between the ILLINOIS ARTS COUNCIL, an agency of the State of Illinois (hereinafter referred to as COUNCIL) and

NAME: City of Urbana  
ATTN: Christine McClelland  
ADDRESS: 400 S Vine St  
CITY: Urbana, IL 61801

(hereinafter referred to as GRANTEE).

The COUNCIL and GRANTEE hereby agree as follows:

1. Upon execution of this contract, COUNCIL agrees to make a lump sum grant payable to GRANTEE in the amount of **\$3,500.00** for the following program (hereinafter referred to as PROJECT): **for Public Art Program operating support**

#### SPECIAL CONDITIONS:

2. All grant monies payable hereunder shall be expended by GRANTEE for PROJECT between **September 15, 2011** (beginning date) and **August 31, 2012** (ending date).

#### Additionally:

- (a) GRANTEE may expend grant monies for PROJECT expenses incurred between the beginning date above and the ending date of this AGREEMENT, as described in its application to the COUNCIL.
- (b) GRANTEE agrees that all funds issued by COUNCIL pursuant to this AGREEMENT shall be expended only for the specific project described herein.
- (c) If, for any reason, GRANTEE needs to extend the term of this AGREEMENT, application must be made in writing to the COUNCIL prior to the above ending date of PROJECT. If no extension has been requested of, and approved by, the COUNCIL, any monies payable hereunder remaining after the completion of the PROJECT, or after the date set forth above, must be returned to the COUNCIL within 45 days.

3. GRANTEE agrees that credit shall be given COUNCIL on all public notices, publicity, printed programs, public media, and other applicable material. The following language shall be used in such notices:

**'This program is partially supported by a grant from the Illinois Arts Council, a state agency.'**

4. GRANTEE agrees to the following with respect to reports on this grant:

- (a) To submit to COUNCIL within **thirty days** after the ending date of PROJECT a 'Financial Report' on forms provided and a 'Narrative Report' on forms provided or prepared according to instructions provided.
- (b) To comply with any subsequent requirements which may be adopted by COUNCIL with respect to grant reporting.

5. If the grant amount awarded in this contract is in excess of \$25,000 GRANTEE agrees to the following To submit to the COUNCIL quarterly reports within thirty days after the end of each quarter, which describe the progress of the program, project, or use and the expenditure of the grant funds related thereto **Failure to submit timely and acceptable reports will jeopardize the receipt of future funds from the Council.**

6. The GRANTEE agrees to the following:

(a). to account for grant expenditures separately. If separate accounting is not feasible, all grant expenditures shall be properly identified in the records.

(b) to maintain books and records related to the performance of the contract and necessary to support amounts charged to the State under the contract for a minimum of three (3) years from the last action on the contract. Grantee further agrees to cooperate fully with any audit and to make the books and records available to the Auditor General, chief procurement officer, internal auditor, the purchase agency and Attorney General.

(c). upon request, to make available to COUNCIL and the General Assembly of the State of Illinois all audited and unaudited financial statements for each year in which a grant was received from COUNCIL. COUNCIL shall have unlimited access to the accounts, books, records, and other financial documents of GRANTEE supporting information stated in GRANTEE'S application for COUNCIL funds or any subsequent documentation regarding PROJECT funded hereunder.

7. Any and all patents, copyrights, or other legal interests in and to PROJECT, or materials generated in pursuance of PROJECT, shall be the sole and exclusive property of GRANTEE or GRANTEE'S design. GRANTEE, however, agrees to supply COUNCIL with copies of any newspaper articles or related events contemplated hereunder, and hereby grants to COUNCIL free and unlimited license to use such newspaper articles for such purpose as COUNCIL, in its sole discretion, shall determine.

8. GRANTEE agrees that no monies payable hereunder shall be used for the purchase of permanent equipment, capital improvements or construction, to pay balance of GRANTEE'S previous year's deficit, out-of-state touring, or subsidizing an individual's academic study.

9. GRANTEE agrees that no person shall, on the grounds of race, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation, disability, military status, unfavorable discharge from military service, or citizen status, while otherwise qualified, be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination under any program or activity supported in whole or in part by funds provided hereunder.

10. If funds provided hereunder are used in whole or in part for the employment of any person, GRANTEE further agrees that no person shall on the grounds of race, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation, disability, military status, unfavorable discharge from military service, or citizen status, while otherwise qualified, be denied equal opportunity in the hiring process, or be otherwise discriminated against with respect to compensation, terms, conditions, or benefits of employment.

11. GRANTEE agrees that it shall fully comply with all rules, regulations, and other requirements now existing or which may hereafter be adopted by COUNCIL with respect to GRANTS of this nature.

12. Obligations of the State will cease immediately without penalty of further payment being required if in any fiscal year the Illinois General Assembly fails to appropriate or otherwise make available sufficient funds for this agreement.

13. 30 ILCS 705/10 requires all interest earned on grant funds held by GRANTEE to become part of the grant principal when earned and be treated accordingly for all purposes. If the cost of accounting for the interest or allocating the interest to principal is significant in terms of the amount of interest received, then the interest earned on grant funds may be retained by GRANTEE. Interest earned on grant funds, held by GRANTEE after the expiration of the grant, becomes part of the principal and is subject to recovery under 30 ILCS 705/4.

14. GRANTEE certifies under oath that:

(a). It is not barred from being awarded a contract under 30 ILCS 500/50-5. Section 50-5 prohibits a Grantee from entering into a contract with a State agency if the Grantee has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, or if the Grantee has made an admission of guilt of such conduct which is a matter of record. The Grantee further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

(b). It is not barred from being awarded a contract under 30 ILCS 500/50-10.5. Section 50-10.5 prohibits a Grantee from entering into a contract with a State agency if the Grantee, or any officer, director, partner, or other managerial agent of Grantee has been convicted of within the last 5 years of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 or if the Grantee is in violation of Subsection (e). The Grantee further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

(d) It will not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.

(e) It and any affiliate, is not barred from being awarded a contract under 30 ILCS 500/50-aa. Section 50-11 prohibits a contractor from entering into a contract with a State agency if the grantee knows or should know that it, or any affiliate, is delinquent in the payment of any debt to the State as defined by the Debt Collection Board. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

(f) It is not barred from being awarded a contract under 30 ILCS 500/50-14. Section 50-14 prohibits a grantee from entering into a contract with a State agency if the grantee has been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last 5 years. The grantee further acknowledges that the contracting State agency may declare the related contract void if this certification is false.

(g) All professional performers and related or supporting personnel so employed shall receive not less than the prevailing minimum compensation as determined by the Secretary of Labor. Labor standards are set out in 29 CFR Part 505 'Labor Standards on Projects or Productions Assisted by Grants from the National Endowment for the Arts and Humanities.' Copies of this regulation may be obtained by writing to the Grants Office, National Endowment for the Arts, Nancy Hanks Center, 1100 Pennsylvania Avenue N.W., Washington, D.C. 20506-0001.

(h) No part of any project or production will be performed or engaged in under working conditions which are unsanitary or hazardous or dangerous to the health and safety of the employees so engaged. Compliance with the safety and sanitary laws of the State in which the performance or part thereof is to take place shall be prima facie evidence of compliance.

(h) Grantee is not now suspended or debarred from federal sponsorship of grant funding. Suspension of a grant is an action by a Federal sponsoring agency that temporarily suspends Federal sponsorship of the grant pending corrective action by the recipient or pending a decision to terminate the grant by the Federal sponsoring agency. Termination of a grant means the cancellation of Federal assistance, in whole or in part, at any time prior to the date of completion. If you or your organization is suspended or debarred by one Federal agency, you are suspended or debarred by all Federal agencies.

(j) All information in this grant agreement is true and correct to the best of the Grantee's knowledge, information, and belief; that the funds shall be used only for the purposes described in the grant agreement; and that the award of grant funds is conditioned upon such certification.

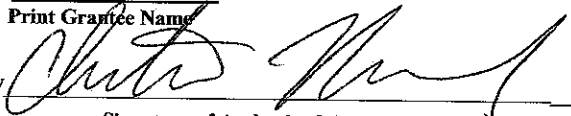
ILLINOIS ARTS COUNCIL:

by \_\_\_\_\_

**TERRY A. SCROGUM**  
Executive Director  
By Lynn E. Strehlow  
Information Services Specialist II

GRANTEE:

CITY OF URBANA  
Print Grantee Name

by   
Signature of Authorized Agent/Individual

CHRISTINE MCCLELLAND  
Print Name of Individual Signing

Public Arts Coordinator 9/1/11  
Print Title and Date

**ORDINANCE 2011-09-111**

**AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE**

**(IL. ARTS COUNCIL GRANT, 2012)**

WHEREAS, the Annual Budget Ordinance of and for the City of Urbana, Champaign County, Illinois, for the fiscal year beginning July 1, 2011, and ending June 30, 2012, (the "Annual Budget Ordinance") has been duly adopted according to sections 8-2-9.1 et seq. of the Illinois Municipal Code (the "Municipal Code") and Division 2, entitled "Budget", of Article VI, entitled "Finances and Purchases", of Chapter 2, entitled "Administration", of the Code of Ordinances, City of Urbana, Illinois (the "City Code"); and

WHEREAS, the City Council of the said City of Urbana finds it necessary to revise said Annual Budget Ordinance by deleting, adding to, changing or creating sub-classes within object classes and object classes themselves; and

WHEREAS, funds are available to effectuate the purpose of such revision; and

WHEREAS, such revision is not one that may be made by the Budget Director under the authority so delegated to the Budget Director pursuant to section 8-2-9.6 of the Municipal Code and section 2-133 of the City Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the Annual Budget be and the same is hereby revised to provide as follows:

FUND: Public Arts  
ADD EXPENSE: Programming, Grant  
ADD REV: State Arts Grant  
AMOUNT: \$3,500

Section 2. This Ordinance shall be effective immediately upon passage and approval and shall not be published.

Section 3. This Ordinance is hereby passed by the affirmative vote of two-thirds of the members of the corporate authorities then holding office, the "ayes" and "nays" being called at a regular meeting of said Council.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

AYES:  
NAYS:  
ABSTAINED:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor