

Agenda No. 491

ORDINANCE NO. 190464

*Amend Charitable Campaign Code to modernize the campaign, maximize community impact, and elevate leadership and giving (Ordinance; replace Code Chapter 5.10)

The City of Portland ordains:

Section 1. The Council finds:

1. On May 24, 1989, Council approved Ordinance No. 161964, which established City Code Chapter 5.10 creating a Citywide Charitable Campaign.
2. The Office of Management and Finance is the bureau charged with administering the Charitable Campaign with assistance from a Charitable Campaign Advisory Committee comprised of Council office staff.
3. For more than 30 years, Chapter 5.10 has remained relatively unchanged, having been amended only a handful of times.
4. As a result, Chapter 5.10 and the Citywide Charitable Campaign are now considerably out of alignment with current best practices.
5. A major concern is that Chapter 5.10 in its current form places complex and restrictive limits on eligibility for participating nonprofits, which results in the exclusion of important grassroots organizations and organizations that aid underserved communities.
6. This prioritization of eligibility requirements renders the campaign unable to make a focused investment in organizations aligned with the City's values and discourages employee participation by disqualifying many

Introduced by

Mayor Ted Wheeler

Bureau

Management and Finance
Chief Administrative Officer

Prepared by

Janet Storm

Date Prepared

May 28, 2021

Requested Council Date

June 23, 2021

Requested Agenda Type

Regular 15 minutes

Date Filed with Clerk

June 14, 2021

- well-loved nonprofits that do not meet the campaign's criteria.
7. Typically, less than 5% of City employees donate through the campaign – far below the industry average of 10% and benchmark goal of 20%.
 8. In addition, oversight and enforcement of eligibility requirements and the processing of donations/vendors is managed by the Office of the Chief Administrative Officer (CAO) and the Bureau of Human Resources and requires extensive staff time and support.
 9. City Council offices are involved in administrative and eligibility details, but don't have a meaningful and visible leadership role.
 10. Furthermore, the fast-paced nature of City Hall has made it challenging for Council staffers to participate consistently on the advisory committee over the years.
 11. In 2020, City Council paused the traditional Charitable Campaign to allow a pilot program to respond to COVID-19 and racial justice issues.
 12. As part of the Pilot, Council also charged the CAO's Office with creating a proposal to modernize the campaign and improve business processes, maximize community impact, elevate City Council leadership and increase participation among City employees.
 13. The pilot focused exclusively on a limited number of organizations partnering with the Portland Bureau of Emergency Management to provide front-line support for COVID-19 and the racial justice initiative.
 14. While the pilot successfully accomplished its intended purpose to provide front line relief and removed a cumbersome application process, it created a heavy administrative burden on the back end as many of the organizations were not already included in the campaign database and needed to be researched and registered with the City as vendors.
 15. Partnering with a workplace giving organization would have greatly relieved this burden as these organizations have access to resources not shared by the City.
 16. As a result of lessons learned from the pilot and an extensive analysis of the business model of the traditional campaign, the Chief Administrative Officer and the Office of Management and Finance recommend that City Code 5.10 be replaced to modernize the campaign, maximize community impact and elevate leadership and giving.
 17. Key improvements to the campaign include:
 1. Removing restrictive and complex eligibility requirements, eliminating the need for an advisory committee, and allowing employees to direct charitable donations to valid nonprofit organizations of their choice.

2. Partnering with a workplace giving partner to be designated by the Chief Administrative Officer to assist in managing the campaign, handle responsibility for allocating funds to the charitable organizations identified in employee pledges, and provide written acknowledgement for donors to meet the requirements of the Internal Revenue Code
3. Empowering the CAO or CAO's designee to formulate, approve and issue policies, administrative rules, and supplemental regulations related to the management and administration of the Charitable Campaign.
4. Inviting each City Council member to select two nonprofits to be featured and highlighted in the campaign. A maximum of 10 organizations will be featured during each campaign. Employees will not be limited to the 10 featured nonprofits.
5. Discontinuing the practice of billing nonprofits for administrative costs and absorbing the cost for the workplace giving organization in the CAO's budget.
6. Setting participation targets and requiring an annual report to City Council.

NOW, THEREFORE, the Council directs:

- a. City Code Chapter 5.10, City Charitable Campaign, is hereby replaced as shown in Exhibit A.

Section 2. The Council declares that an emergency exists in order that there be no delay in implementing the City's 2022 Charitable Campaign; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by Council: June 23, 2021

Action Taken:

MARY HULL CABALLERO

Auditor of the City of Portland

By *Keelan McClymont*

Deputy

Commissioners voted as follows (Yea or Nay)

Rubio -

Ryan - Yea

Hardesty - Yea

Mapps - Yea

Wheeler - Yea