



ALEXANDER COUNTY

Non-Profit Organization Funding Policy

I. Statement of Purpose

The purpose of this policy is to promote partnerships between Alexander County and non-profit organizations whose missions and goals are to improve the overall wellbeing of the citizens of Alexander County through dedicated service and advocacy. It is also the policy of Alexander County to ensure accountability and transparency of the use of public funds and to allow a fair process for submitting, reviewing and approving applications of non-profit organizations to receive said funds.

II. Coverage

This policy shall be applicable to all non-profit organizations who receive public funding, either in the form of a special appropriation, grant, low-interest loan or any type of entrustment with tax-payer dollars.

III. Policy

It is the policy of the Board of Commissioners of Alexander County to carefully review applications for the funding of non-profit organizations with public monies and determine the urgency of need of the non-profit organization's request for funding and its value to the citizens of Alexander County. Alexander County is not required to assist non-profit organizations and will only approve requests for funding when circumstances warrant and the service provided by the organization will provide a vital service and benefit to the public at large. In fact, the North Carolina State Constitution¹ limits the expenditure of public funds for only obligations that are for (1) a public purpose; (2) the activity supported be one in which the local government has statutory authority to engage; and (3) the expenditure is consistent with State and Federal laws.

It is also the policy of the Board of Commissioners of Alexander County to partner with non-profit organizations that can provide certain services through means that are more cost effective or operationally expedient than what local government can provide. Non-profit organizations are also vital to fill in critical gaps that may exist between government services and community needs.

¹ N.C. Const. art V, § 2(1) and (7)

IV. Procedure

The application process shall follow Alexander County's annual budget procedure and shall be timed to complement the time restraints of the preparation and submission of the annual budget and budget message.²

A. Application Process

1. A public notice announcing the annual review process and deadline for applications will be made on the Alexander County Website and in the *Taylorsville Times* in January each year.
2. Completed applications are due to the Alexander County Finance Department by the published deadline and applications received after the deadline will not be considered for inclusion in the annual budget for funding in that fiscal year. However, the application may be given consideration by the Board of Commissioners on an exceptional basis and only if circumstances warrant.
3. Incomplete applications will be deemed ineligible and will be returned to the organization with an explanation of rejection.
4. Submission of a complete and compelling application is no assurance of funding.
5. A public hearing shall be held to allow nonprofit organizations to address the Board of County Commissioners, and for the public to comment on the merits of the funding request.

B. Review and Funding Process

1. Eligible applications will be reviewed by the County Manager and his designees.
2. A recommendation for funding and a recommended amount will be presented to the Board of Commissioners for their consideration as part of the annual budget process.
3. Upon the County Commissioner's approval of the annual budget, letters will be sent to the organizations who submitted applications for funding notifying them of the outcome of their requests. If approved for funding, the organization will coordinate with designated County staff for completion of the required contract.
4. The County will consider funding on an annual basis only, unless the Board of Commissioners desire to enter a multi-year contract based on exceptional circumstances.
5. Applications are required on an annual basis and each new budget year will require new validation and submission of applications and corresponding documentation.

² N.C.G.S. §§ 159-7 – 159-17.1

V. Funding Criteria

To be eligible for recommendation for funding all of the following must be met.

1. Organizations must submit on a yearly basis an IRS tax-exempt letter proving 501(c)(3) status.
2. Each application must be submitted prior to the published deadline and must be complete.
3. Organizations must clearly and succinctly state how the services they provide will meet a community need and describe the benefit incurred by the general public through use of public funding.
4. Each application must include achievable goals and plans for meeting goals.
5. Organizations making funding requests must not duplicate services already funded by Alexander County.
6. Organizations must show financial stability and a history of fiduciary responsibility.

VI. Requirements to Receive Funding

After approval of an application for funding, all of the following requirements must be met.

1. The organization must enter into a written contract with Alexander County for the delivery of services that will include; (1) The scope of services to be provided; (2) payment arrangements; (3) performance and monitoring requirements including submission of annual report documenting program progression.
2. Organizations must understand and certify that Alexander County, at its sole discretion, may examine organization's financial statements and said records may become public records capable of public examination and production.
3. Organizations must understand and certify that public funding may be withheld at any time.
4. An annual performance report documenting the use of public funds and the accomplishments of the program shall be submitted at the end of the fiscal year. Organizations must understand and certify that said documentation may be requested at any time during the fiscal year and funding may be withheld pending production by organization of requested documentation.
5. Organizations approved for funding must certify and acknowledge that failure to comply with any of the above requirements and any additional requirements agreed upon in the contract between Alexander County and their organization may result in suspension of continued funding and reimbursement to Alexander County of funding already received.

6. Organizations receiving public funds must also notify Alexander County of any operational change of the structure of the organization and must show how said changes will affect the goals or implementation of services being provided to the citizens of Alexander County