

POLICY STATEMENT 151
Town Funding of General Non-Profits

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Supersedes: N/A
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PURPOSE

The purpose of this policy is to promote partnerships between the Town and general nonprofit organizations for the benefit of Cary residents, to equitably and efficiently allocate resources to strengthen organizations, and to provide sound and clear methods for decisions.

COVERAGE

This policy, upon adoption by the Town Council, shall be applicable to all requests for support from general nonprofit organizations. "General" is considered to include those nonprofit organizations that are not considered cultural arts related. Typically the "general" designation includes those nonprofit agencies that provide human services.

POLICY

1. **Eligibility:** Organizations serving Cary are defined as those with a 501(c)(3) designation; is a group which regularly comes together for purposes of promoting, providing or supporting services, and is one which is described in one or more of the following: uses a location within Cary's corporate limits for its primary service place, has an office in Cary, has a majority of Cary residents in its service population, or conducts a majority of its activities and programs in Cary. Regional organizations which focus a significant program in Cary, but otherwise conduct business and operations outside of Cary, may also be considered for support or sponsorship for Cary-based services. Applications will be available on the Town of Cary's website, at the Administration Department at Town Hall. Applications will also be distributed to those agencies that either requested funding in a prior year or after the prior year's application deadline.
2. **General Funding Assistance:** Organizations may apply to the Town of Cary for operating funding assistance, specific program costs, or for capital items necessary for successful execution of their mission. These requests will be handled as part of the annual budget year planning process. Funding awards of \$1,000 or more may require an audited copy of financial statements per Town finance policy statement #112. As with all funding appropriations, Town Council action is required for approval of all nonprofit funding actually awarded.
3. **Funding Amount:** The total amount of funding available for award to all general nonprofit organizations shall be equal to \$1.00 (one dollar) for each person living in the Town of Cary as of January 1 of the preceding fiscal year, rounded to the next thousand. The population will be estimated by the Town of Cary Planning Department staff. Total funding will be split among the various qualifying general nonprofit organizations. If the total amount of qualifying requests is less than the funding available, not all of the funding will be distributed.
4. **Funding Criteria:** The general nonprofit application will be maintained by the Town Manager's office and will be aimed at collecting information related to the following:
 - a. The number of Cary citizens directly served by the organization (generally, the larger the number of Cary citizens served, the greater the value to the

- community, but only benefiting a few individuals does not necessarily eliminate it from the possibility of being considered for Town of Cary funding).
- b. How well the mission and services of the organization match those of the Town of Cary
 - c. What the impact on Town operations would be if the general nonprofit could no longer provide its services
 - d. The level of Town resources necessary to provide the same level of benefits to the citizens and community of Cary as the general nonprofit currently provides
 - e. How long the general nonprofit organization has been in existence (generally, a nonprofit that has been in existence longer has proven its value to the community and its ability to raise funds, but being a new nonprofit does not necessarily eliminate it from the possibility of being considered for Town of Cary funding)
 - f. Whether or not an organization received funding in a prior year will not be a determining factor in the recommendation process. Each year is evaluated independently of any prior year funding decisions. Therefore, an award one year is not a guarantee of funding in any future year(s).
5. Recommendation Process: The recommendation process will be managed and scheduled as part of the Town of Cary's annual budget preparation cycle. Completed applications will be reviewed by a representative of the department most closely affiliated with each organization requesting funding. These staff representatives will meet as a group to discuss the requested funding levels of each organization and will reach a consensus on what they as a group believe to be the most efficient, effective, and equitable funding distribution given the completed applications and how well they address the funding criteria referenced above. The funding recommendations made by this group will be reviewed with the Town Manager for any adjustments and inclusion in the Proposed Budget. Following delivery of the Proposed Budget to the Town Council, nonprofit organizations will be notified of the amount of funding recommended for their organization. Typically this will occur by the end of May.
 6. Funding Decisions: The general nonprofit application packages received will be available for Council and public inspection in the Town Manager's Office. Any adjustments that the Town Council makes to the recommended funding amounts included in the proposed budget can be made as part of the budget approval process. All agencies requesting funding will be notified of Town Council's final funding decisions by the end of the first full week of the fiscal year (first full week of July).
 7. Funding Distribution: All final general nonprofit funding amounts will be distributed to the respective organizations by the of the first month of the fiscal year (July).
 8. Funding Usage: Funds distributed by the Town of Cary may only be spent as indicated in the nonprofit application for which the funds were awarded. Proof of the respective expenditures including actual receipts may be requested as verification by the Town of Cary. Town of Cary funding distributed to general nonprofit organizations may not be used for political activities.