

CITY OF MADISON, ALABAMA
Guidelines for Funding Outside Agencies

Section 1 Policy

It is the policy of the City of Madison to consider Funding Requests from agencies committed to providing community service programs that fulfill a public purpose in that the services to be performed benefit, promote, serve and enhance the quality of life for the community at large for a cost or in a manner that the City could not provide more efficiently or for less cost.

1.1 Definition

Eligible Agency: An eligible agency must be a not-for-profit (public or private), charitable (public or private), governmental, or quasi-governmental entity organized and existing under Alabama law. The agency must be recognized by and provided proof of tax-exempt status under Section 501(c) of the Internal Revenue Code of the United States, unless the agency is a governmental or quasi-governmental entity. An agency complying with this provision, but whose proposed service program or project fails to meet the evaluation criteria presented in Section 3 of this document, "may" not receive funds from the City.

Section 2 Procedures

The City's process for funding an outside agency request is as follows:

- 2.1 Funding requests considered on a regularly scheduled basis once during each fiscal year (October 1 – September 30). The scheduled period for consideration is during the development of the upcoming fiscal year operating budget.
- 2.2 The City of Madison should receive all Funding Requests no later than the first Monday of August. Reminder letters will be sent by the City to all outside agencies who received funding in the current fiscal year.
- 2.3 The Mayor and the Finance Committee will propose a certain "total" dollar amount to be allocated (divided up based on requests) to fund outside agencies' requests for the fiscal year. The Mayor and the Finance Committee will recommend the amount to the City Council for approval during the regular process of adopting the annual operating budget.
- 2.4 The availability of funds awarded will be subsequent to October 1 for the funding cycle of each year and released accordingly upon contract approval by Madison City Council.
- 2.5 City operations, capital expenditures, and City programs will receive priority over "all" Funding Requests from outside agencies.
- 2.6 Funding Requests from outside agencies will be treated as the lowest priority in the budget process and will be considered only after meeting the other needs of the City government.

- 2.7 The City of Madison reserves the right to terminate funding for outside agencies at any time. Approval of funding for one fiscal year does not impose a commitment on the City for funding in future years.
- 2.8 No funding decision shall be considered final until the agency and the City enter into a contract for the services to be rendered, said contract governing all aspects of the agency's responsibilities and the conditions under which payment for the agency's services will be rendered.

Section 3

Evaluation Criteria

The Mayor and the Finance Committee may utilize the criteria listed below in the evaluation and prioritization of Funding Requests.

- 3.1 Agency's ability to demonstrate the effectiveness and relevancy of a project or service to the community.
- 3.2 The ability to meet a specific or relevant need in the community.
- 3.3 The likelihood the project, service, funding, etc. will produce successful results.
- 3.4 Service impact to the citizens of Madison and the number of citizens.
- 3.5 The agency's history of success.
- 3.6 The City Council shall not approve a Fund Request for an agency when another agency is providing the same service.
- 3.7 History and standing habits of the agency.
- 3.8 Budget review of available funds, limitations and or restraints.
- 3.9 Effective use of requested funding, including matching contributions, additional sources, and effort of outside search for financial assistance.
- 3.10 Degree of benefit to the City of Madison and its citizens including number of citizens, geographic areas and specific impact (quantified).
- 3.11 The financial need of the agency and its ability to implement the services and/or programs based upon available resources.
- 3.12 The amount of previous Funding Requests and the amount received from the City of Madison.
- 3.13 The effectiveness of the services and/or program and the impact on the City of Madison community based upon measurable performance data.

Section 4 Submittal Instructions

Agencies must adhere to the following instructions for successful submittal of the Funding Requests:

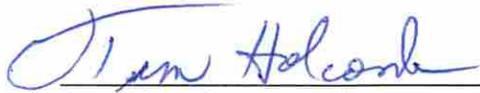
- 4.1 The Mayor's office of the City of Madison should receive the Funding Request prior to, or on, the first Monday of August.
- 4.2 A second copy of the Funding Request should be delivered to the Finance Department of the City of Madison prior to, or on, the first Monday of August.
- 4.3 The appropriate agency authorities must complete and sign the Funding Request (funding request to be on agency's letterhead).
- 4.4 The Funding Request "must" be clearly identified on the outside of the envelope ("Agency Name" – Funding Request).

Section 5 Required Information

Funding Requests should contain the following information and/or documentation.

- 5.1 Amount requested from the City of Madison.
- 5.2 A brief narrative of the agency's program(s) and demonstrated benefit to the citizens of Madison.
- 5.3 The relationship of expected total agency revenue for the proposed operating year to City of Madison citizen participation.
- 5.4 The relationship of proposed total agency expenditures for the proposed operation year to City of Madison citizen participation in detailed breakdown.
- 5.5 An official statement of support for the Funding Request from the governing body of the agency.
- 5.6 All Funding Request information to be on agency's letterhead and signed and dated by appropriate representative of the agency.
- 5.7 A copy of the budget (*for the fiscal year the funds are being requested*) must accompany the request. In addition, a copy of the budget or financial statements for the previous fiscal year must accompany the request.
- 5.8 A copy of the Section 501(c) declaration by the Internal Revenue Service must accompany the Funding Request. If requesting entity has submitted, in prior years, a copy of the Section 501(c) declaration, this requirement is waived by the City. City will retain all Section 501(c) declarations from previous years.

GUIDELINES APPROVED BY FINANCE COMMITTEE THIS 28TH DAY OF JULY, 2014.



Tim Holcombe – Council District # 1
Finance Committee Chair

7-28-14

Date



Roger D. Bellomy, CPA
Director of Finance

07-28-2014

Date