



GUIDELINES FOR THE FUNDING OF NON-PROFIT AGENCIES

Presented by

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OBJECTIVES

Strategic Partnership Grants:

Respond to Commissioner request for updated Strategic Partnership Grants funding process

Guidelines for the Funding of Non-Profit Agencies:

Refine the Commissioner resolution establishing countywide guidance for non-profit funding



STRATEGIC PARTNERSHIP GRANTS:

Current Process

- Applications open in December & are due in February
- Funding runs July – June
- Grants aligned to Strategic Priorities and/or Sustainability Goals
- Funding decided directly by Commissioners
- Grants administered as performance contracts



STRATEGIC PARTNERSHIP GRANTS:

Strengths

- Standardized online application form
- Performance contracts with clear scope of work & individualized measures
- Contract monitoring of fiscal and program performance
- Performance reporting in online dashboard
- Nested in Strategic Partnerships department with Community Engagement



STRATEGIC PARTNERSHIP GRANTS: Challenges

- Fluctuation from year to year in process for how Commissioners decide grants
- Rationale for grant decisions not standardized
- Late applications accepted inconsistently
- Not all organizations receiving Strategic Partnership Grants are nonprofit agencies
- Some organizations are overly dependent on County grants



STRATEGIC PARTNERSHIP GRANTS:

Recommendations

1. Applications open in Dec; Due in Feb (no late applications)
2. Confirm previous year funding as grant budget
3. Align grants to goals in County strategic plan
4. Limit funding to only non-profit organizations that have been in active operation for a minimum of 2 years
5. Limit grant funding to 3 years for a single project
6. Limit funding to less than 30% of annual agency budget
7. Conduct legal review to confirm that all projects meet a public purpose that County has authority to spend funds on
8. Establish a grant committee



STRATEGIC PARTNERSHIP GRANTS:

Grant Committee

Options considered:

- Commissioners decide grants directly (current process)
- Sub-committee of Commissioners
- Committee including staff
- Committee of community volunteers



STRATEGIC PARTNERSHIP GRANTS:

Grant Committee

- Establish a 9-member committee of community volunteers to review applications and recommend grant funding
- Members apply to & are appointed by Board of Commissioners
- 3-year staggered terms
- Representation of each of the Board's strategic focus areas:
 - Environmental stewardship; Educated and capable community; Vibrant economy; Resident well-being
- Clear conflict of interest policies (e.g. no current or recent officer or decision-making role for any applying nonprofit)



STRATEGIC PARTNERSHIP GRANTS:

Grant Review

- Committee responsible for creating a grant funding recommendation to Board of Commissioners for consideration as part of budget process
- Open process - Publish all materials online & hold meetings open to the public
- Include a presentation/interview for finalists
- Committee reviewers score proposals independently in online grant software
- Utilize a standardized, points-based scoring system



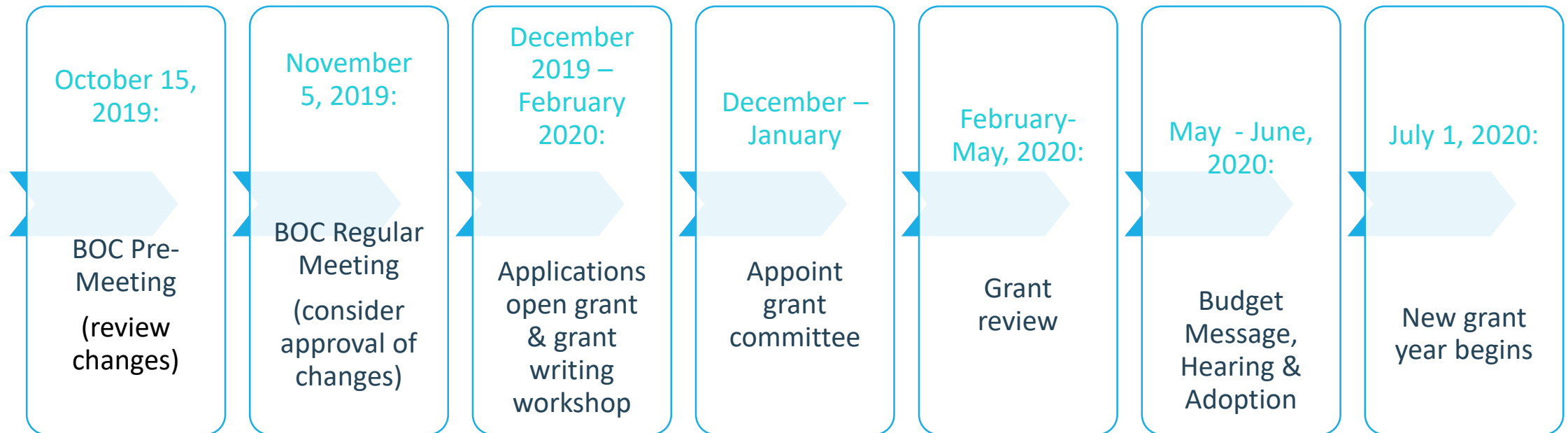
STRATEGIC PARTNERSHIP GRANTS:

Grant Scoring Criteria

- Alignment to Commissioner goals (strategic plan)
- Public purpose & community need
- Impact & cost effectiveness of model/project design
- Project plan is clear, measurable, achievable
- Demographics of client population
- Performance outputs, outcomes & demonstrated success
- Extent and quality of community partnerships & collaborations
- Leverages other funding and/or community connections
- Organizational financial health & sustainability
- Connection to other County funding/contractual relationships



DISCUSSION AND NEXT STEPS



NON-PROFIT FUNDING RESOLUTION:

Current Guidance

- Commissioner Resolution 13-05-01
- Established 2008, Amended 2013
- Institutes a structured process for grants (formal application, performance contract)
- Includes various requirements and suggestions on allowable funding (administrative costs & capital funding percentages)
- Requires extensive financial reporting



NON-PROFIT FUNDING RESOLUTION:

Strengths

- Establishes accountability for non-profit funding
- Emphasizes fiscal and program performance
- Institutes contracts as the method of ensuring accountability for grant awards
- Emphasizes transparency and fiscal stewardship through open books & financial reporting requirements



NON-PROFIT FUNDING RESOLUTION: Challenges

- Unclear which of County's multiple grant programs providing funds to non-profit agencies this applies to (*Strategic Partnership; Affordable Housing; Community Recreation; Isaac Coleman; Tipping Point; Early Childhood*)
- Funding eligibility criteria is narrow to specific grant programs and is a mix of required/recommended
- Financial assurances difficult to apply as written (requires full audit for all non-profits)
- Inconsistent practices across the organization



NON-PROFIT FUNDING RESOLUTION:

Recommendations

1. Acknowledge the multiple grant programs for providing public funds to non-profit agencies
2. Establish criteria that applies to all non-profit organizations receiving grant funding from Buncombe County, regardless of the specific grant program through which funding is provided
3. Require all grants to use a published, well-defined, accountable process for awards
4. Require that all grant awards be administered via performance contracts with a scope of work that defines services, deliverables and reporting measures



STRATEGIC PARTNERSHIP GRANTS:

Recommendations, Continued

5. Require that non-profits also open their books for the division of the organization funded with public funds and submit annual financial assurances, to include:
 - a) Copies of annual IRS tax filings (Form 990s)
 - b) Financial statements based on a tiered structure, consistent with industry standard practice (audits for organizations with revenues of \$300,000 or greater, Reviews for those with revenues between \$100,000 and \$300,000, and Compilations for those with revenues less than \$100,000)

Include a process for non-profits to request a waiver to use another third party provided document



DISCUSSION & NEXT STEPS

