MEMORANDUM

To: Mayor and City Councilors

From: Rich Olson, City Manager
         Angela Cole, Assistant to the City Manager

Date: April 27, 2015

Re: DISCUSSION/CONSIDERATION – Revision to the Community Support
         Grant Initiative

BACKGROUND:

During your October 27, 2014 Work Session City Council instructed staff to review and revise the Community support Grant (CSG) program statement and application. Council's directive also included specific ways to address the unsatisfactory application response, nonprofit and/or tax exemption status of applicants, and staff-level review.

Prior to FY2012-13, the City Council had handled the distribution of CSG funds differently each year. During the preparation of the FY2012-13 budget, several issues surrounding the distribution of grant funds were discussed. At that time staff suggested a five-point outline to better manage the grant award process. Council has directed the CSG process using this same framework for three fiscal cycles. With the revised application staff recommends continuing four of the five procedural steps:

1. That an advertisement be placed in The Daily Advance along with placing the ad on the City's website and Channel 11 encouraging groups to apply for funding. Preference would be given to 501(c)(3) groups and those who the City has funded previously.
2. In addition, a letter announcing the funding cycle would be sent to those organizations that have received an allocation previously and to organizations stating an interest in the grant.
3. ~~A request for funding would begin via a letter instead of a formal application. The letter must include the group's name, their tax status, the amount of request, the purpose for the funding and the group's deliverables. After the proposed deadline, staff would develop a spread sheet, which would reflect this information.~~

4. The groups' requesting funding would be given an opportunity to provide presentation to the City Council, including a brief overview their organization, their need for funding and expenses, and how the citizens of Elizabeth City would benefit from their program. This presentation would occur during a Special City Council meeting.
5. During a separate meeting or Work Session, the City Council would then allocate the funding.

For the past three funding cycles City Council had budgeted $50,000 for the Community Support Grant program. During the FY2014-2015 program year City Council appropriated $48,150.00 of these funds to 14 different organizations. This year, the City Manager's proposed budget continues the $50,000.00 allocation.

ANALYSIS:

Based on City Council directives staff has addressed the following:

- Mission/Program Statement – revision of the CSG mission and purpose statement to include a narrower vision and ensure limited or no funding to organizations duplicating existing City services
- Budget submittal – the inclusion of organization and/or program-specific budgets at the time of application
- Tax exemption status – adding the requirement that applicants maintain Internal Revenue Service 501(c)(3) tax exemption status or (alternatively be) a State recognized not-for-profit organization
- Years of service – applicant/application priority based upon the number of years an organization has been in operation
- Focused programming – rank and prioritize grant award based upon the City Council-adopted goals, priorities, and recognized needs
- Funding limitations – establish per-organization funding limits/maximums; establish per annum funding rate increase (based upon previous year's grant award)
- Supporting documents – identify specific documents (audited financial statements and reports, board/organization bylaws, nonprofit and/or tax exempt verification, program certifications (Federal, State, regulatory agency, etc.), identification/verification of other funding sources (both government and non-government), and number of direct and indirect program beneficiaries
- Application review process – refine application process to include: pre-application workshop, applicant/organization interview, staff-level review of applications, evaluation checklist (filtering of flawed (non-responsive) applications and organizations), intergovernmental/agency "synchronization", and post-award audit/report.

A copy of the proposed application, evaluation score sheet, and critical dates documents are attached. Staff will give a presentation at your work session highlighting various elements of the application revision.

STAFF RECOMMENDATION:

Approve the Community Support Grant application and supporting documents.

CITY OF ELIZABETH CITY
COMMUNITY SUPPORT GRANT
2015-16 APPLICATION
Investing in the enhancement and future of Elizabeth City

The City of Elizabeth City makes funds available to non-profit, tax exempt, government, or for-profit community support organizations that provide activities, programs, and services to residents of Elizabeth City, but are beyond the City's ability to fully support. Organizations, which can be reasonably categorized under the heading of providing a public service that promotes the health, safety, welfare and quality of life of Elizabeth City residents, and access for children to arts and sciences activities, are eligible for funding.

Funds for this grant come from the City of Elizabeth City's General Fund. All Community Support Grant funding will occur during the award process in October. Off-budget funding may be granted in the rare instance that additional funds become available during the grant cycle. The City Council reserves the right to use part of or all of the discretionary funds available to them during the budget year. Money not used will be returned to the General Fund. The minimum grant award to an organization shall be $500.00. The maximum grant award amount to an organization shall be $5,000.00. Only one application per agency shall be considered per grant cycle.

Technical assistance may be available by contacting the City Manager's Office at (252) 337-6864 for an appointment.

GENERAL GUIDELINES

The City Council determined a priority of services based on the needs of the community. Applications shall be analyzed for funding in accordance with the following priority of needs based on service impacts to the community, duplication of services from other agencies, other sources of agency funding, and presentation critique:

    a. Basic needs: food and clothing
    b. Housing/Shelter: non-financial assistance
    c. Health and medical treatment, including mental health
    d. Arts and cultural activities, including creative and performance arts
    e. Scientific literacy and exploration
    f. Recreation and athletics/sports

Grants are for allowable expenses incurred between October 1, 2015 and September 30, 2016. Expenses remaining to be paid after September 30, 2016 will not be paid with City of Elizabeth City grant funds. Unspent funds must be returned to the City of Elizabeth City.

APPLICATION DEADLINE

Applications must be received for time stamp no later than **4:00 p.m. on Friday, August 14, 2015.** Applications MUST be mailed or physically delivered to:

> Angela Cole, Assistant to the City Manager
> City of Elizabeth City
> **Administration Department**
> **306 E Colonial Avenue, 2nd Floor**
> PO Box 347
> Elizabeth City, North Carolina 27907-0347

APPLICANT ELIGIBILITY

Organizations that submit an application are required to meet the following criteria:

- Proposed use of funds must benefit residents of the city of Elizabeth City.
- Must be a non-profit, tax exempt 501(c)(3) organization, in good standing with the State of North Carolina, and must have an active Board of Directors in compliance with IRS Section 501(c)(3); or an unincorporated non-profit association as defined by the North Carolina Secretary of State.
- Organization must procure and maintain insurance, as required by the City of Elizabeth City.
- Must have been programmatically operating for at least one (1) year prior to the application deadline.
- Any property taxes and liabilities due to the City of Elizabeth City must be paid in full.

RESTRICTIONS ON USE OF COMMUNITY SUPPORT GRANT FUNDS

The City of Elizabeth City will not fund the following:

- The duplication of services or programs offered by the City of Elizabeth City and/or other non-profit agencies.
- Social functions, parties, receptions, fund-raising benefits, refreshments or beverages.
- Licensing fees of any kind.

- Underwriting, investments, bonds, or any financial obligation.
- Interest and/or depreciation on loans, fines, penalties, or costs of litigation.
- Retroactive funding or operating deficits.
- Office equipment or furniture, including computers.
- Purchases that would have been previously supported through government funding.

NON-DISCRIMINATION POLICY

The City of Elizabeth City does not discriminate against any persons on the grounds of race, color, national origin, religion, sex, or age, per Title VI of the Civil Rights Act, Section 109.

PROVISIONS FOR PERSONS WITH DISABILITIES:

If any person with an interest in applying for Community Support Grant (CSG) funding is a person with a disability, as defined by Section 504 of the Rehabilitation Act of 1974, and who requires an accommodation to participate or take interest, that person must make a request for accommodation to Katherine Felton, Human Resource Director, (252) 335-21994 or email kfelton@cityofec.com. Such request shall include a description of the accommodation sought, along with a statement of the impairment that necessitates the accommodation. Any request for accommodation shall be reviewed and a response provided within five business days of receipt of such request. Notice of any accommodation granted will be promptly provided to the requester.

SUBMITTAL REQUIREMENTS

Applications must be complete at the time of submission. No additional information will be accepted after the deadline date and time unless specifically requested by the City. Applications may not be submitted by facsimile (fax) or by electronic mail (e-mail), since we require an original signature.

Submit one signed and notarized original, and one scanned copy of the entire original application on a flash drive. Please do not submit additional items other than the requested information. Brevity and clarity are appreciated. A cover letter is not required. Do not use staples to bind your documents.

Applicants must attend the pre-application workshop on Friday, July 17, 2015 and also make a formal presentation to the City Council to have their application considered for funding. A schedule of critical dates will be made available to applicants at the pre-application workshop.

APPLICATION FORMAT

The grant application consists of an application summary page and 15 narrative questions. DO NOT CHANGE THE FORMAT OF THE APPLICATION SUMMARY PAGE. The application is designed so that you can write as much as you need to answer the questions. However, please keep in mind that brevity will be appreciated by the Community Support Grants review panel. It is imperative that you review the Grant Instructions before preparing your submission. Only applications that received on the Elizabeth City Community Support Grant Application for will be considered for funding.

After completing the application, please insert the following attachments in the order shown:

a. Detailed current annual agency budget, including sources of funds. If you are an area-wide agency, please submit only the annual budget for the Elizabeth City office and the services it provides. If you do not have an Elizabeth City office or budget, please indicate the portion of your budget that is designated for or provided to Elizabeth City citizens.

b. Copy of the organization's recent financial statements. These must include the Balance Sheet and Statement of Revenues and Expenditures.

c. List of Officers and members of Board of Directors

d. Resume of Director

e. Copy of the organization's Constitution and By-Laws

f. Minutes from the most recent Board of Directors annual general meeting

g. Copy of the organization's IRS Letter of Determination certifying federal tax-exempt status, if applicable

h. Copy of the most recent audit of your financial records, including the management letter. If no audit has been completed in the last two years, please explain why. Only one (1) copy of the audit is required.

NOTICE OF AWARD

The Community Support Grant application and review process is deliberate but fast-moving. So as to respect the programming and activity constraints of the applicants, City Council will make every effort to determine funding for all applicants by mid-October. The proposed Award Notification date for this year is **October 16, 2015**. Applicants will be informed by written correspondence from the City Manager.

CITY OF ELIZABETH CITY
COMMUNITY SUPPORT GRANT
APPLICATION SUMMARY

Agency Information	Staff Use Only
Organization Name:	Date & Time Submitted
Address:	

Director's Name:	Phone:	Fax:
Director's Title:	E-mail:	

Website Address:
Tax I.D. Number:
Are you tax exempt under IRS Tax Code 501(c)(3)?   Yes ☐   No ☐   (Please check one)
How long has your organization been in existence? _____Years _____Months

Who should we contact if we have questions concerning this application?

Name:	Phone:	E-mail:

Grant Request

Has your organization received funding from Elizabeth City? Yes ☐   No ☐   (Please check one)
If 'Yes' to the above question, please indicate amount, date and purpose.
Total Grant Amount Requested: $
Summary Description of Grant Request (one or two sentences):
Total Number of Clients or Citizens Expected to be Benefit by this Grant:

Indicate type of services to be provided:

☐ Basic needs (food, clothing)   ☐ Scientific literacy and exploration

☐ Housing/shelter (non-financial assistance)   ☐ Recreation and athletics/sports

☐ Medical or mental health   ☐ Professional development and training

☐ Arts and cultural activities   ☐ Other:

Signatures and Conditions

We certify that to the best of our knowledge the information provided in this application is accurate and complete and is endorsed by the organization that we represent. If our organization receives funding through the City's Community Support Grant, we agree to the conditions below and to any other conditions approved by City Council.

Signatures of Two Authorized Officers from the Board of Directors

Authorized Official's Name:	Title:
Signature:	Date:
Authorized Official's Name:	Title:
Signature:	Date:

Conditions

1. In the event that the funds are not used for the purpose as described in the application, or if there are misrepresentations in the application, all ineligible expenses as deemed by the City shall be repaid to the City of Elizabeth City.

2. If there are any changes in the funding of the request from that described in the application, the funding recipient must provide written notification of these changes to the City Manager for approval.

3. The organization will make or continue to make attempts to secure funding from other sources as indicated in its application.

4. The organization will keep proper books of accounts of all receipts and expenditures relating to the purchase of the request. Records to justify expenditures must be maintained by the agency for a period of four years.

5. If the purchase proposed in the organization's application is not started, or not completed, and municipal funds remain on hand, or the purchase is completed without requiring the full amount of municipal funds, or Council directs the funds be returned, these funds will be returned to the City through the City Manager.

6. The City reserves the right to use materials relating to its support of this project in its promotional and advertising campaigns.

7. The organization will hold the City of Elizabeth City harmless from any claim or liability that may arise or result from the operation of any program/project service(s) assisted by the City of Elizabeth City.

NARRATIVE QUESTIONS

1. **Grant Request Budget Summary:** Provide a line-item budget for your grant request, using the categories listed below.

Category	Total Project Budget	City Funding Requested
Personnel		
Operational		
Occupancy		
Direct Services		
Other		
Total Grant Request		

2. **Description of Grant Request:** Please explain your request. Define the who, what, where, and how of the request. You should specifically describe and quantify the services or products to be provided with the grant funds and how these services will be delivered. If this is a project, state how long it will take to complete it. Where appropriate, please discuss how your grant request fits in with your long-term goals for your clients; for example, if self-sufficiency is your ultimate goal for your clients, explain how your grant request will work with other parts of your program so that clients can achieve self-sufficiency.

3. **Work Schedule:** Provide a proposed schedule for the use of grant funds. The schedule should provide milestones and deadlines for accomplishment of tasks or the delivery of services. These projected milestones and deadlines are a basis for measuring actual progress during the term of the grant agreement. Generally, you should plan to complete all expenditures within 9 months of the start of your grant so that there is time to submit for reimbursement before the expiration of the grant.

4. **Need Justification:** Explain why your service or project is needed in the community.

5. **Agency Description:** Briefly describe the mission and activities of your organization, and explain how the activities to be funded in your grant request fit in with your other activities. Tell us about your agency mission and its activities to accomplish the mission. Explain how the activities to be funded by this grant fit in with your other activities.

6. **Agency Experience:** Describe the experience of the organization in carrying out the type of activities proposed in this application and the length of time the organization has been involved in providing the proposed services. If the agency does not have prior experience in providing the proposed service, please indicate experience and successes in carrying out similar programs.

7. **Duplication of Services:** Describe how your request provides a public benefit not otherwise met in Elizabeth City. If other agencies are providing the same or similar services, please explain why your program should receive funding instead of utilizing other existing similar programs.

8. **Outreach:** Explain how you conduct outreach to potential clients, particularly the hard-to-reach component of your target population.

9. **Agency Accessibility:** Describe the accessibility of your program and your location to your clients. For example, are you geographically easy to reach? How do your clients get to your facility? What are your hours of operation? Are your facilities handicap-accessible? Do you have bilingual staff? If your proposed activity will be conducted in locations away from your main facility, how will clients access the services?

10. **Performance Measures:** Describe how the grant request fits the needs of the population to be served, how the target population's needs are assessed, and what performance measures will be used to evaluate the success of the proposed project.

11. **Funding Sources:** List all efforts to obtain funding for your program from other sources, including all pending or denied applications.

    If funding is not granted, will the project or service go forward? Yes ☐ No ☐

    Will the project or service continue after the grant funds end? Yes ☐ No ☐
    If yes, explain how funding will be provided after grant funding ends.

12. **Volunteers:** Please describe how volunteers will be utilized for the proposed activity and estimate the amount of volunteer time to be dedicated to the activity.

13. **Partnerships:** List all agencies or organizations with which you are collaborating regarding the services to be provided through this grant request. Briefly describe the extent of collaboration.

14. **Federal Funds:**
    State the amount of federal funds (from all sources) received in FY 2014-15: $
    Does the amount of federal funds (from all sources) that you expect to receive in FY 2015-16 exceed $500,000? Yes ☐ No ☐

15. **Additional Information:** Provide any other information that may be pertinent to this application but was not stated in previous questions.

COMMUNITY SUPPORT GRANT
SCORE SHEET

Please evaluate the attached grant proposal using the following scale for each point in the scoring sheet.

I. **Clarity and Relevance (50 Points)**

a. **Demonstration of a real need or problem.** Proposal documents demonstrate a real need or problem (it uses convincing data, industry reports, case studies, interviews, focus group results, etc.).

b. **Innovation/Creativity/Uniqueness.** The concept is innovative and not redundant with other projects funded by other local agencies or organizations.

c. **The objectives are clear, appropriate, and measurable.** The objectives should explain why it is important to the community, in terms of the longer-term benefits to final beneficiaries. The application response also should show how the program fits into the local government policies, as well as into the overall objective of the Community Support Grant fund. The objective should also include measurable indicators for monitoring and evaluation purposes (quantity, quality, target group(s), time, and place).

d. **The project outputs, outcomes, and results are clear, tangible, and do include measurable indicators.** The outputs, outcomes, results are "products" of the activities undertaken, the combination of which achieve the Purpose of the project. *[For example, the project will result in improved beneficiaries status, greater public awareness, provision of services, research findings, etc.]*

e. **Methodology.** The proposed methods, approaches, and strategies are realistic, reasonable, effective, outcome-oriented – drawing on best practice and the latest thinking and research.

f. **The project activities are expected to achieve the expected outputs, outcomes, and results.** The actions (and means) that have to be taken or provided to produce the results. They summarize what will be undertaken by the project.

g. **The target group(s) in the project is/are well defined.** The

group/entity who will be positively affected by the project and with whom the project will work very closely is clearly identified.

h. **The project activities are reflected in the estimated budget.** The activities of the project have a cost for implementation, and this should be shown in the estimated budget.

i. **Monitoring and Evaluation Plan.** *Monitoring* can be defined as the systematic and continuous collecting, analyzing and using of information for the purpose of management control and decision-making. Project monitoring is an integral part of day-to-day management. Its purpose is to provide the information by which management can identify and solve implementation problems, and assess progress in relation to what was originally planned. The purpose of *Evaluation* is to review the achievements of the project against planned expectations, and to use experience from the project to improve the design of future projects and programs.

II. **INFLUENCE AND IMPACT (25 Points)**

a. **There is a long-term, wide, and large impact on local labor market, and social needs.** The expected results of the projects will have an impact on the development of the labor market and social needs.

b. **There is a significant potential impact on institutional improvement and human resources.** *[For example, new equipment, technology, training, development of systems, etc.]*

c. **External benefits are measured by partnership.** The **score** should be given upon the clarity of the partnership, and supportive documents [For example, a Letter of Agreement showing the objective of the partnership, the role of the partner in the project, and the benefits of this partnership for both stakeholders and target group.]

   o Develop *partnership* programs with local, regional and state agencies and institutions.

   o Develop *partnership* programs and projects with the *private sector/industry*;

   o Develop partnership programs and projects with the public sector, including local and regional authorities.

III. FEASIBILITY AND SUSTAINIBILITY (25 Points)

a. **The applicant/organization has a history in management and implementation capacity.** The institution has credibility for this kind of work (strength, name recognition, a history or track record of achievements, related mission and goals).

b. **The human and physical resources allocated to this project are appropriate.** Internal staff expertise, use of external consultants, advisory committee.

c. **The project is sustainable; it will be institutionalized; alternative sources of funding will be pursued.** The likelihood of a continuation in the stream of benefits produced by the project after the period of external support has ended. Does the institution insure a source of funding or does it show a commitment to cover all needs of financial resources to the project after the end of the CSG funds?

d. **In-kind contributions.** There are in-kind contributions.

e. **The expected risks and the tools to overcome them are well defined.** External factors and events that could affect the progress or success of the project.

COMMUNITY SUPPORT GRANT
CRITICAL DATES

Please be aware of the following important dates for the Fiscal Year 2015-16 Community Support Grant program.

ACTION ITEM	DATE
Authorization to Open Application Process	July 13, 2015
Pre-Application Workshop	July 17, 2015
Application Filing Deadline	August 14, 2015
Presentations to Finance Committee	September 2015
Committee Review & Evaluation	September 28, 2015
Council Deliberation & Decision	October 12, 2015
Award Notifications	October 16, 2015

All dates are subject to change. Changes to the schedule will be communicated by electronic mail.