

POLICY ESTABLISHING GUIDELINES FOR FUNDING OF NON-PROFIT ORGANIZATIONS

Purpose

The purpose of this policy is to provide guidelines to Board and staff in making decisions regarding funding requests by local non-profit organizations. The Town of Zebulon wishes to contribute to the efforts of these organizations that enhance or supplement services provided by the Town. However, the Town recognizes that it has limited revenue sources to use for such purpose, and that the expenditure of public funds should be properly accounted.

Eligibility

To be eligible to apply for funding from the Town of Zebulon, an organization must meet the following criteria:

1. The organization must be able to provide documentation that shows compliance with all applicable federal and state laws related to tax-exempt status.
2. The operations of the organization must benefit the residents of the Town of Zebulon by meeting one of the following quality of life standards.
 - a. Safety
 - b. Education
 - c. Transportation
 - d. Health
 - e. Cultural & Recreational Services
3. The organization is governed by a volunteer board of directors that serves without compensation.
4. The organization is subject to an independent audit or review annually.

Criteria

Requests for funding from non-profit organizations will be submitted to the Board of Commissioners for consideration. The criteria used to evaluate the requests may include, but are not limited to the following criteria:

1. The number or percentage of Zebulon citizens served by the organization.
2. How well the services of the organization match the needs of Zebulon citizens.
3. What the impact on Town services would be if the non-profit could not provide its services to citizens.

Funding

Requests from non-profit organizations will be handled as part of the annual budget process. An application deadline will be established each year based on the Town's budget calendar. All decisions regarding funding of non-profit organization programs will be made prior to the beginning of each fiscal year. All organizations requesting funding will be notified of the Board of Commissioner's decisions by June 30.

No mid-year requests will be considered.

The total amount of funding available for award to all non-profit organizations shall not exceed \$5,000 for any fiscal year, with no more than \$1,000 awarded to any single non-profit organization.

Funds distributed by the Town of Zebulon may only be spent as indicated on the application submitted by the organization. Proof of expenditures may be requested as verification by the Town. In the event that funds are not used as indicated, the full amount of funding may be required to be returned to the Town.

Any organization receiving funding will hold the Town of Zebulon harmless from any claim or liability that may arise or result from the operation of any program or service assisted with funding from the Town of Zebulon.

This policy will remain in effect until amended by the Board of Commissioners.