

CITY OF DOTHAN, ALABAMA

CITY COMMISSION POLICY - NO. 16

AGENCY AND NON-PROFIT APPROPRIATION GUIDELINES

I. PURPOSE

The City of Dothan is committed to assisting and encouraging local non-profit organizations in their mission, purpose, and continued success. The City of Dothan believes that appropriations and in-kind assistance to such organizations serves a greater community purpose, provides a valuable resource for city residents, and can assist with exposing Dothan residents to cultural and educational opportunities which the city cannot provide in the course of its daily operations and budget.

Article IV, Section 94 of the Constitution of the State of Alabama prohibits municipalities from giving anything of value to private individuals, associations or corporations. This policy establishes conditions that must be met by agencies and other non-profit groups prior to receiving funding and/or waivers from the City of Dothan.

FOR PURPOSES OF THIS POLICY, REQUESTING AGENCY, NON-PROFIT GROUP, ETC. SHALL HEREAFTER BE CALLED "AGENCY" AND THE CITY OF DOTHAN SHALL HEREAFTER BE CALLED "CITY"

II. GENERAL POLICIES

- A. ALL requests by "Agencies" to the "City" for funding must be approved by the City Manager and the City Commission.
- B. The "agency" must certify that its purpose is to support education, healthcare/wellness, crime prevention, or recreation. A statement regarding the purpose of the "agency" must be provided with the funding request.
- C. Only "agencies" based in the City of Dothan will be eligible for funding appropriations and/or waivers.
- D. If, after a request has been filed and/or approved, the "agency's" exemption status is terminated or modified in any manner, the "agency" must immediately notify the "City" of such change.
- E. Any "agency" receiving funding and/or waiver approval must agree to grant sponsorship status to the "City" for any event benefiting from said funding and/or waiver. The level of sponsorship will be agreed upon by the parties.
- F. Funding and/or waiver approvals cannot be assigned or transferred and are valid only for the "agency" specifically named on submitted tax exemption documentation, with the exception of any events sponsored by the "City" or as approved by the City Manager.

III. GUIDELINES FOR REQUESTING FUNDS

- A. In order to ensure such appropriations are made in a responsible manner, the City of Dothan shall only consider appropriation requests to non-profit “agencies” as follows:
1. The “agency” must complete the Non-Profit Organization Funding Request Application.
 2. The “agency” must have a current 501(c)3 designation by the Internal Revenue Service and provide proof of the same. The “agency” must provide an explanation if its non-profit status has ever been revoked or suspended. Governmental “agencies” shall not be required maintain such status.
 3. The “agency” must certify that it has enacted bylaws and governance and that the “agency” abides by the same. The “agency” must provide copies of its Bylaws and any other organizational / operational governance documents to the “City” to have on file.
 4. The “agency” must certify that its board of directors meets no less than quarterly. A list of meeting dates and locations for board meetings must be provided. The “agency” must certify that it maintains minutes of all board meetings and must make the same available for inspection upon request. All board meeting dates must be made public through press release and held in accordance with the Alabama Open Meetings Act.
 5. The “agency” must provide audited financial statements / reports, and tax returns for the three (3) most recent fiscal years (dated no later than 180 days after the calendar/fiscal year ended); any such audit must be unqualified and conducted according to GAAP.
 6. The “agency” must provide its proposed annual budget for the fiscal year for which a funding appropriation is sought and budgets for the three (3) most recent fiscal years.
 7. The “agency” must disclose the salaries of its five most highly compensated employees along with the respective percentage of the total organization payroll for each such employee.
 8. The “agency” must provide the identities of the five (5) largest sources of funding for the operation and maintenance of the “agency”.
 9. The “agency” must state the specific purpose of the funding requested.
 10. The “agency” must provide a list of all officers and board members of the “agency” and the percentage of financial support provided by board members. The “agency” must disclose if any employee or board member of the “agency” is related by blood or marriage to any City of Dothan employee or any member of the Dothan City Commission.

11. Any “agency” approved for funding must provide 1st quarter and 3rd quarter financial statements which must include year to date budget revenues and expenditures.
12. Any “agency” which fails to provide any information required herein shall have any further regular appropriations suspended until the organization addresses its disclosure deficiency.
13. Any “agency” failing to comply with the terms of funding as stated herein may be penalized in subsequent years with funding denial.
14. The “agency” must certify that it requires each board member and officer to execute a conflict disclosure statement. Said conflict disclosure statements must be presented upon request.
15. All requests for funding must be submitted, along with all documentation set forth herein, no later than July 1, of each year prior to the budget year for which funding is being requested to the City of Dothan City Manager’s office.
16. All certifications requested herein must be executed by the highest ranking officer of the board of directors of the “agency” AND the highest ranking employee of the “agency”.
17. No “agency” should consider a prior year funding allocation as an indication or guaranty of future funding.
18. Disclosure rules and requests may be changed or modified. Disclosures made may require further disclosure should questions arise regarding data provided by such disclosure.
19. Any requests for documentation must be provided to the Dothan City Clerk within a reasonable time, but no later than 30 days after said request is made.

IV. GUIDELINES FOR REQUESTING WAIVER OF EXPENSES FOR USE OF “CITY” FACILITIES

- A. **ALL** requests by “Agencies” to the “City” for waivers must be approved by the City Manager.
- B. Prior to filing a request for use of a facility, the “agency” must contact the venue to verify availability of all **potential** dates needed for the event. The “agency” must complete a contract to “hold” or “temporarily reserve” those dates.

- C. To be considered for any waiver(s) of expenses associated with the use of “City” facilities, **ALL** requests must be submitted in writing to the Head of the Department whose facility is being requested for use. The request will then be forwarded to the City Manager, along with a staff recommendation, for consideration of approval. All request must include the following:
1. A copy of the contract to “hold” the facility, as set forth above
 2. A copy of the “agency’s” current letter of exemption status (IRS form 501C3) or Application for Recognition of Exemption (IRS Form 1023).
 3. Description of the event, including date, type of event, overall purpose and beneficiaries
- C. In addition, if the “agency” has previously been granted waiver(s) from the “City”, a detailed report of the use and result of previous appropriation(s) must be included with the current request.
- D. If the request/waiver is approved by the City Manager, the “agency” must deliver to the appropriate Department Head a copy of the approved waiver/resolution, proof of insurance (per facility requirements) and a deposit, if applicable, for any portion of the expenses not included in the waiver/resolution.
- E. The “agency” shall comply with all terms and conditions of the facility contract and any riders attached thereto, unless otherwise waived in writing
- F. Within 45 days from the conclusion of the event, the “agency” must submit a Profit & Loss Statement (Income Statement) to the “City’s” Finance Director.
- G. Within 45 days from the conclusion of the event, the “agency” must remit ten percent (10%) of all profits received for the event in excess of \$5,000 but not to exceed the amount of the expenses waived. This amount should be remitted to the “City” through the Department Head whose facility was utilized.
- H. Failure to adhere to any part of these guidelines shall result in the “City’s” refusal to waive expenses for any future events as may be requested by the “agency”.
- I. Rental rates are as follows:

Civic Center*:	Commercial & Convention all days	\$1,000
	Thursday – Saturday (Civic Rate)	\$1,000
	Sunday – Wednesday (Civic Rate)	\$ 800
	Sunday – Wednesday (Non-Profit)	\$ 250

Opera House*: Commercial & Convention all days \$ 600

Thursday – Saturday (Civic Rate) \$ 600

Sunday – Wednesday (Civic Rate) \$ 400

Sunday – Wednesday (Non-Profit) \$ 150

* Plus any incidental costs as specified in the approved rate schedules and as set forth in the signed rental contract and any riders attached thereto.

Leisure Service Facilities:

Rates are those specified in the approved rate schedules or charges as deemed necessary by the City Manager and waivers will be for City of Dothan sponsored events.


V. RESERVATION OF AUTHORITY

The City Commission reserves the authority to amend, modify or change this policy.

IV. APPROVAL AND EFFECTIVE DATE

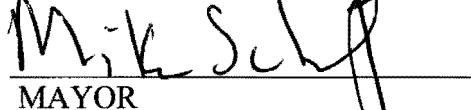
This policy is adopted and approved in Regular Session of the City Commission on this 4th day of August, 2015.

RECOMMENDED BY:



CITY MANAGER

APPROVED BY:


MAYOR
COMMISSIONER
COMMISSIONER
COMMISSIONER
COMMISSIONER
COMMISSIONER
COMMISSIONER

ATTEST BY:


CITY CLERK