

CITY OF CLINTON

501c3 NON-PROFIT ORGANIZATION FUNDING REQUESTS

Municipal governments are prohibited from making direct donations and in-kind contributions to non-profits under Article III, Section 31 of the Iowa Constitution. However, there are two situations in which public funds may be provided to a non-profit.

1) When the payment is for economic development purposes as outlined in Chapter 15A of the Code of Iowa, specifically Chapter 15A.1(1)(a), 15A.1(1)(b), and Chapter 15A.2.

- a. 15A.1(1)(a): Economic development is a public purpose for which a city may provide grants, loans, guarantees, tax incentives, and other financial assistance to or for the benefit of private persons
- b. 15A.1(1)(b): For purposes of this chapter, economic development means private or joint public and private investment involving the creation of new jobs and income or the retention of existing jobs and income that would otherwise be lost.
- c. 15A.2: Before public funds are used for grants, loans, tax incentives, or other financial assistance to private persons or on behalf of private persons for economic development, the governing body of the city that is dispensing those funds shall determine that a public purpose will reasonably be accomplished by the dispensing or use of those funds. Any or all of the following factors should be considered:
 - I. Businesses that add diversity to or generate new opportunities for the city's economy should be favored over those that do not.
 - II. Economic Development activities that should attract, retain, or expand businesses that produce exports or import substitutes, or which generate tourism-related activities.
 - III. Economic Development activities or use of funds that are targeted toward businesses that generate public gains and benefits, which gains, and benefits are warranted in comparison to the amount of the funds dispensed.

2) When the government enters into a contract for services with the non-profit.

- a) Agreements should be reduced to a written contract; the contract should be approved by a resolution of the council; and the purpose of the expenditure of the tax dollars in question should be clearly documented in the minutes.
- b) The terms and conditions of each party to the contract should be plain, detailed, and unambiguous.
- c) There should be clear language as to how much the city is paying, the schedule of payments, and what the city (or the public) is receiving from the non-profit in return. Overall, consideration should be balanced for each party and the city should seek the highest value possible for taxpayers.
- d) When the city contracts with a non-profit and the non-profit is not providing a clear service directly to the city but rather the service is to the public, the public benefit will be the 'consideration', or benefit, the city receives under the contract. This consideration, how the public (as a whole) is benefitting should be made clear in the contract.

- e) The total cost of the contract and required supporting invoices and/or documentation should be clearly defined. The city should ensure it is not overpaying for the product or services received. For example, if, under the contract, the non-profit is to provide X number of meals to homebound people, the contract should clearly state how the public is benefitting as a whole and clearly state what documentation is required to support the number of meals provided.
- f) All contracts should include a requirement for the non-profit to account to the city for the public funds and how they are spent to meet the state's public purpose requirement. The form and frequency of that accounting should be clear in the contract.
- g) The contract should be signed by a representative of the city and a representative of the non-profit.

The purpose of this Application is to determine if there is an appropriate relationship between the applying organization and the City of Clinton.

Completed applications submitted on or before October 31 each year will be reviewed as quickly as our committee process allows. Due to our committee cycle and budget process, those applications submitted after October 31st will not be considered for funding until the next fiscal year. A completed application does not guarantee funding.

Please review the criteria for funding information prior to completing the application. Email one copy to anitadalton@cityofclintoniowa.gov **or** mail/bring one copy to City Hall, located at 611 S 3rd Street, Clinton, IA 52732.

Attachments that cannot be emailed (audit, etc.) can be mailed or dropped off, but must be received by the deadline.

1. Organization Background:

Name of organization: _____

Address: _____

Federal ID #: _____

Name of CEO/Program Director: _____

Phone #: _____ Fax: _____ E-Mail: _____

Web Site: _____

Fiscal year: from: _____ to: _____

Provide/Attach to Application:

Audit/Annual Financial Review:

- If annual budget is under \$100,000 provide most recent completed financial application financial forms
- If annual budget is \$100,000 to \$249,000 provide most recent review/compilation/annual revenue and expense statement
- If annual budget is \$250,000 or over provide most recent annual audit

Most recent 990/990EZ/990N

One page list of Current Board Members with officers identified

2. Agency Information:

Agency was formed in: _____

Mission: _____

List the Agency's major programs:

1. _____
2. _____
3. _____

3. Program Information:

Program Name: _____

Is this your first request for funding from the City of Clinton? Yes No

What other organizations are you requesting funding from? _____

What specifically will funds be used for? _____

Total \$\$ requested: _____

What are the expected results? _____

What measures will you use to confirm that the indicators and results are achieved? _____

Describe how the data will be collected: _____

What other organizations will you work with to achieve the listed results? _____

List Key Project Personnel and their Roles and Qualifications

Name	Title	Qualifications

<i>INDICATORS</i>	<i>INPUTS</i>	<i>ACTIVITIES</i>

IS THERE ANYTHING ELSE YOU WANT US TO KNOW?

4. Funding and Budget Information:

How much funding is being requested? _____ Total Program/Agency Budget: _____

What are your major sources of funding for this program?

Funding Source	Amount	Used For

Impact Program Budget

This budget is for the PROGRAM that you would be requesting funding for (not the agency budget). If the program or agency covers multiple counties, it must be for CLINTON COUNTY ONLY. In Columns A, B and C, for 'from' and 'to' fields, list a month and year.

Column A is for your current year's budget. Column B is for the actual to date revenue and expenses for the current year.

Column C is for the year you would be requesting funds for.

		Column A Current Budget From: To:	Column B Revenue and Expenses To Date for Current Year From: To:	Column C Proposed Budget From: To:
	REVENUES			
	A. Contributions			
	B. Grants			
	C. Fundraising (Events and cash gifts)			
	D. City Government			
	E. Program Service Fees			
	F. County Government			
	G. Other			
1.	TOTAL REVENUE			
	EXPENSES			
2.	A. Salaries			
	B. Benefits/Taxes			
	TOTAL PERSONNEL EXPENSE			
3.	A. Occupancy			
	B. General Operating Expenses			
	C. Program Supplies and Training materials			
	D. Direct Client Services			
	E. Dues			
	F. Insurance			
	G. Other			

	TOTAL NON-PERSONNEL EXPENSES			
4.	TOTAL EXPENSES (2&3)			

Impact Program Budget Explanation:

Describe other in both revenues and expenses (If greater than \$5,000 or 20% of budget, please break out by line item).

Revenues	Amount	Description
Expenses	Amount	Description

Contact Information of person completing this application:

To be Completed by Finance Committee:

Date Reviewed _____

Finance Committee Chair _____

Approved? _____

Finance Director _____

City Council Meeting Date _____

City Administrator _____