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## Town of Apex

### **POLICY FOR FUNDING FOR NON-PROFIT AGENCIES**

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#### **Purpose:**

The purpose of this policy is to promote partnerships between the Town of Apex and nonprofit organizations for the benefit of Apex residents, to equitably and efficiently allocate resources to strengthen organizations, and to provide sound and clear methods for decisions.

#### **Policy Statement:**

The Town of Apex has no statutory requirement to fund non-profit agencies or other similar community organizations. Accordingly, Apex may elect to provide a grant to a non-profit organization to carry out activities that serve a public purpose and that are vital to the Town. In each case, the Town Council will carefully review the circumstances surrounding the request and determine the urgency of need and its value to Apex. The programs or services provided by the nonprofit organization should fulfill one or more of the following:

- Complement or enhance a vital Town service at a reduced cost.
- Provide a more cost effective or operationally expedient service than the Town.
- Fill in a critical gap that may exist between government services and community needs.

Requests for funding for direct staffing costs and/or requests for services that duplicate services that are already available to the public through other means will be given the lowest funding priority.

#### **Eligibility:**

Organizations eligible to apply for funding are those with a 501C(3) designation and is a group which regularly comes together for purposes of promoting, providing or supporting services, and is one that conducts a significant amount of its activities and programs in Apex.

Organizations requesting funding should be able to document that they provide on-going services to the community, are governed by a volunteer board of directors that serves without compensation, and that their financial management is subject to an independent audit/review at the completion of the year for which the funds are requested.

Requests for funding will only be accepted during the Town's annual budget preparation process. Applicants for funding are required to submit the following documents to the Town on or before February 28th of each year to be considered for funding in the Town's next fiscal year budget:

- Each organization must submit a "Non-Profit Agency Funding Application", as provided by the Town of Apex.
- Applicants are required to submit a copy of their organization's annual budget.
- Submit a list of all board members (name, address, term and office).

- Provide a non-discrimination statement that is consistent with Federal and State non-discrimination law.
- Provide conflict of interest statement (organization does not pay board members for participation on the board or hire board members to do other work).
- Submit an IRS tax-exempt letter or other documentation confirming 501(c)(3) nonprofit status.
- Submit the most current IRS Form 990 or 990EZ
- Submit audited, reviewed or compiled financial statements prepared for the most current fiscal year.
  - In all cases where the Town provides \$10,000 or more annually, a financial audit conducted by an independent certified public accountant will be required annually with a copy of the audit report, management letter (if any), and a copy of the agency's final budget for the audit period.
  - In other cases, where the Town provides less than \$10,000 annually, an audit is recommended but not required by the Town. An agency meeting this criteria may provide the Town with a review prepared by a certified public accountant or a copy of the IRS Form 990 Annual Information Return for the period(s) in which funds are received under a grant from the Town.
  - The Town, at its discretion, may require an examination of any agency's financial records by the Town's Finance Department.
- The agency must retain financial records that support the disbursement of funds from a Town grant for at least three years.
- The agency must ensure that adequate internal controls exist, to the satisfaction of the Town's Finance Director, to ensure the protection of all assets. Bank statements must be reconciled monthly and actual signatures must be required on checks for the disbursement of funds.
- Funded services must be equally available to all eligible residents of the Town.
- The applicant organization should clearly demonstrate its ability (i.e., that it has appropriate staffing, financial resources, equipment, etc.) to provide the proposed services.
- Proposals shall clearly document the need for the proposed services.
- Proposals shall identify the number of Apex residents that are expected to receive direct services during the fiscal year as a result of Town funding.
- Renewal requests shall indicate the actual number of Apex residents served during the funded period.
- Proposals that request funding for services that are already available in the Town must clearly demonstrate that they will address an unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services.

*Note: All criteria under this process must be met; otherwise, the organization is deemed ineligible. Whether or not an organization received funding in a prior year will not be a determining factor in the recommendation process. Each year will be evaluated independently of any prior year funding decisions. Therefore, an award one year is not a guarantee of funding in any future year(s). Eligibility does not guarantee funding. The funding amount may differ from the amount requested.*

**Review Process:**

A public notice announcing the funding process for nonprofit organizations will be made on the Town's website in January of each year. This annual process is timed to complement the Town's annual budget process. Formal applications that are received after the February 28th deadline or do not provide the required information as set forth herein will be deemed ineligible for funding. Eligibility for funding will be reviewed by the Finance Committee of the Town Council, Town Manager and Finance Director. The Finance Committee will make a recommendation to the Town Manager regarding how to budget for each agency requesting funding.

**Funding Process:**

A recommendation for funding and a recommended amount will be presented to Town Council for their consideration as part of the annual budget process. Subsequent to Town Council approval of the annual budget, letters will be mailed to each applicant notifying them of the outcome of their request. Successful funding awards will be effective for one year, unless an exception is made by the Apex Town Council.



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**Town of Apex**  
**NON-PROFIT AGENCY FUNDING REQUEST APPLICATION**

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Application and attachments must be received by February 28, 2019.

- Completed and signed Application Form
- List of Board of Directors: Include addresses, dates of appointment and length of term to be served.
- Articles of Incorporation and/or current Corporate Bylaws
- Copy of IRS tax-exempt status determination letter (A notarized copy of IRS Form 1023 will be accepted from organizations that have completed the form and submitted it to the IRS but that have not yet received a determination letter.)
- Copy of most recently filed IRS Form 990
- Copy of most recent independent audit or financial review as applicable (Organizations that are not required by law to have an independent audit must clearly state the reason for their exemption from the requirement.)
- Current Budget: a schedule of planned revenues and expenses (for entire organization) for the current year and the proposed year, specifically identifying all sources of revenue for both periods

*If approved, you will also be required to submit an executed copy of Standard Assurances by Town Assisted Agencies and/or Organizations.*

Return completed application and all attachments to:

Town of Apex  
ATTN: Town Clerk  
PO Box 250  
Apex, NC 27502

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*For Town Use*

Date Received: \_\_\_\_\_ By: \_\_\_\_\_

Date Reviewed: \_\_\_\_\_ By: \_\_\_\_\_

Date of Approval: \_\_\_\_\_

## **PART I: AGENCY INFORMATION**

Agency Name: \_\_\_\_\_

Director or Application Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Legal Status:

Private non-profit    Community Association    Other \_\_\_\_\_

Agency 501(c)(3) Number: \_\_\_\_\_ or Federal Tax ID Number: \_\_\_\_\_

Amount of Town funds requested for:

Capital costs (construction or large specific purchase): \_\_\_\_\_

Operating costs: \_\_\_\_\_

**TOTAL REQUEST** \_\_\_\_\_

## **PART II: PROGRAM INFORMATION**

**A. Describe the overall public purpose your agency meets.** (Please limit your response using only the space provided below.)

**B. Provide the following information about your clients based on your most recent data. Information current as of (date) \_\_\_\_\_.**

RESIDENCE OF CLIENTS SERVED

Town of Apex: \_\_\_\_\_

Wake County: \_\_\_\_\_

TOTAL: \_\_\_\_\_

*Because funding is provided through tax dollars, particular attention should be paid to documenting services provided within the Town limits of Apex.*

**C. Identify specifically how the requested funds will be used, what you seek to accomplish with the requested funds, and how this grant will help you achieve your organization's goals. (Please limit your response using only the space provided below.)**

**D. Describe the impact your organization has on the quality of life for the citizens of the Town of Apex and local Wake County residents. (Please limit your response using only the space provided below.)**

**E. Are there similar services currently available from other providers in the Town of Apex? Who currently provides these services? How will your service differ or add additional value? (Please limit your response using only the space provided below.)**

**F. How will you ensure services are equally available to all eligible residents? (Please limit your response using only the space provided below.)**

**PART III: FINANCIAL INFORMATION**

**A. List your agency’s principal sources of funding including corresponding percentages of Budget:**

Funding Source	Amount	% of Annual Budget
Grant Monies		
State of NC		
Town of Apex - requested		
Other Sources (please specify below)		

**B. Provide the following budget expense information in percentages for the current year:**

OPERATING EXPENSES \_\_\_\_\_ % of Annual Budget  
 SALARIES and FRINGE BENEFITS\* \_\_\_\_\_ % of Annual Budget

\*Number of people receiving Salary, Stipend, or Fringe Benefits\_\_\_\_\_

**C. Indicate the level of “in kind” support your agency receives and/or expects to receive from the Town of Apex for items such as Staff Time, Facility Use, Advertising/Promotion, etc.:**

**D. Has your agency ever had an independent financial audit?**  Yes  No

Date of Last Audit \_\_\_\_\_

#### **PART IV. CERTIFICATION**

As the chief executive officer of this agency, or his/her designee, I certify that the above information is true and complete to the best of my knowledge and belief; I further agree that any funds received in response to this grant application will be used for the purposes for which they were requested and that the receiving organization will comply with the procedures and requirements set forth in this application. *I further agree that any granted funds not used for their specified purpose must be returned to the Town of Apex, NC.*

\_\_\_\_\_  
Signature of Executive

\_\_\_\_\_  
Date



**STATE OF NORTH CAROLINA  
WAKE COUNTY**

**STANDARD ASSURANCES BY TOWN ASSISTED  
AGENCIES AND/OR ORGANIZATIONS**

**I. PURPOSE**

- A. For each fiscal year, any “non-departmental” (non-direct or “outside”) agency or organization requesting Town assistance funds must submit an original signed copy of this document with their budget package request.
- B. These assurances shall act to hold the Town of Apex harmless from any liability that the agency or organization may incur.

**II. ASSURANCES AFFIDAVIT**

The authorized official of the agency or organization given below hereby swears and affirms:

- A. The agency/organization is a legal entity under Federal and State laws and is authorized to provide services being proposed for financial assistance from the Town.
- B. The agency/organization has the legal authority and the institutional, managerial, and financial capacity to ensure the proper planning, management and completion of the project(s) proposed for Town financial assistance.
- C. The agency/organization will establish safeguards to forestall the appearance of or actual conflicts of interest or personal gain.
- D. The agency/organization will comply with all Federal, State, and local laws and regulations.
- E. The agency/organization will comply with Federal and State laws and regulations related to Workplace Drug Abuse and Treatment, workplace health and safety, workers compensation, and other applicable workplace requirements.
- F. The agency/organization will comply with Federal and State laws and regulations related to the Fair Labor Standards Act, Hatch Act, Private Employer Verification Act (e-verify), taxes and other personnel requirements.
- G. The agency/organization will comply with applicable program/project services standards, contracts and regulations for any program/project services assisted by the Town.
- H. The agency/organization will comply with Federal and State laws and regulations, including but not limited to the Iran Divestment Act, related to financial and compliance audits and will submit a copy of each audit report to the Town Manager within 60 days after issued.
- I. To the extent permitted by law, the agency/organization will defend, pay on behalf of, indemnify and hold the Town of Apex, its elected and appointed officials, employees, and agents harmless against any and all claims, demands, suits or losses, including all costs connected therewith, for any damages which may be asserted, claimed or recovered against or from the Town of Apex that may arise or result from the operation of any program/project service(s) conducted by the agency/organization.

- J. The agency/organization will submit promptly to the Town Manager any information requested related to any program/project services assisted by the Town.
- K. The agency/organization will comply with any Town ordinance or policy applicable to any program/project service assisted by the Town.
- L. All Town funding shall be utilized strictly for the operation, maintenance and capital needs of each agency/organization and in accordance with Subsection N of this Affidavit.
- M. The agency/organization will submit a semiannual report of its uses of Town funding and the tangible benefits of the funded activities to Town residents.
- N. The agency/organization will only use Town funds for the purpose in which the funds were appropriated and approval of the funding requested based. The agency/organization will repay any funds that are in violation of the stated purpose for receiving the appropriation within 60 days of notification.

**Certification**

The above assurances will be complied with for the financial fiscal year starting on July 1, \_\_\_\_\_ and ending June 30, \_\_\_\_\_.

Agency/Organization \_\_\_\_\_

Box/Street/Route \_\_\_\_\_

Town/State/Zip \_\_\_\_\_

Federal Tax ID Number \_\_\_\_\_

By (Signature) \_\_\_\_\_

Typed Name \_\_\_\_\_

Title \_\_\_\_\_

Date Submitted \_\_\_\_\_

NORTH CAROLINA  
 \_\_\_\_\_ COUNTY

I, a Notary Public of the County and State aforesaid, certify that \_\_\_\_\_, personally appeared before me this day and acknowledged that he/she is a director/manager of \_\_\_\_\_, and that by authority duly given as a director/manager of the company, the foregoing instrument was signed and sealed by him/her on behalf of the company and acknowledged said writing to be the act of said company.

Witness my hand and official stamp or seal, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
 [Signature of Notary Public]

My Commission Expires: \_\_\_\_\_