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## Non-Profit Funding Policy

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**Purpose:** To establish a policy that ensures an accountable, objective, and fair process for submitting, reviewing, and approving nonprofit agency grant or loan requests.

**Policy:** The Town of East Bridgewater has no statutory requirement to fund nonprofit agencies. Accordingly, it is the policy of the Town not to provide recurring annual funding to non-governmental agencies, aside from those who provide a vital service to the Town. Notwithstanding the above, the Town of East Bridgewater may, when circumstances warrant, elect to enter into a contract with a non-profit agency to provide services that are vital to the Town. In each case, the Board of Selectmen will carefully review the circumstances surrounding the request and determine the urgency of need of the agency's requested assistance and its value to the town.

In each case, the programs or services provided by the non-profit agency must do one or more of the following:

- Provide a vital service that the Town does not provide
- Provide a service for the Town through means that are more cost-effective or operationally expedient than what the government can provide
- Fill in a critical gap that may exist between government services and community needs

### **Procedures:**

#### 1. Application Process

- A public notice announcing the annual review process for applications will be made on the Town's website in February of each year. This annual process is timed to complement the annual budget process.
- The application form will be available from the Town's website and at the Board of Selectmen's office.
- Non-profit agencies that have a compelling need for funding may complete the non-profit funding application.
- Applications are made available annual in November and are due back to the Treasurer/Collector by the published deadline.
- Applications received after the published deadline will not be considered for inclusion in the annual budget for funding in that fiscal year.
- Incomplete applications will be deemed ineligible for funding and will be returned to the nonprofit agency with an explanation of the rejection.



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- The submission of a complete and compelling application is not an assurance of funding.
- A public hearing will be held to allow nonprofit applicants to address the Board of Selectmen and for the public to comment on the merits of the funding request.

### 2. Review and Funding Process

- The Finance Committee will review eligible applications.
- A recommendation for funding and a recommended amount will be presented to the Board for their consideration as part of the annual budget process.
- Upon the approval of the annual budget, letters will be sent to the agencies who submitted applications for funding, notifying them of the outcome of their requests. If approved for funding, the agency will coordinate with designated Town staff for completion of the required contract.
- The Town will consider funding on an annual basis only.
- Applications for funding are effective for one year. Each new budget year will require validation and submission for each funding request.

**Funding Criteria:** Applications will be reviewed and recommended for funding based on the following:

- Must submit IRS tax-exempt determination letter stating 501(c)3 non-profit status
- Must submit a completed application by the published deadline
- Must state community need for services and provide a service that meets the descriptions in the policy statement above
- Must state achievable, outcome-based goals and outline a plan to meet goals
- Must not duplicate services already funded by the Town of East Bridgewater
- Must demonstrate the diversity of funding sources
- Must demonstrate financial stability
- Provide a most recent 990 Form

### **Requirements to Receive Funding:**

- Enter into a contract with the Town for the delivery of services; the contract will include:
  - a. the scope of services to be provided
  - b. payment arrangements
  - c. a requirement for performance monitoring and submission of an annual report documenting program success



EFFECTIVE: JANUARY 27, 2020

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- The Town, at its discretion, may require an examination of any agency's financial statements.
- An annual performance report documenting the use of the Town's funds and the accomplishments of the program will be submitted at the end of the fiscal year.

Failure to comply with any of the above requirements may result in the suspension of current funding and/or elimination of future funding.

### **EFFECTIVE DATE:**

This Policy was adopted by the Board of Selectmen on **JANUARY 27, 2020** and shall become effective immediately.

William Dowling, Chairman

1.27.20

Board of Selectmen      Date:

Carole Julius, Vice Chairman

1.27.20

Board of Selectmen      Date:

David Sheedy, Clerk

1.27.20

Board of Selectmen      Date:



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## Non-Profit Funding Policy

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Organization Name: \_\_\_\_\_

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

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Contact Person / Title: \_\_\_\_\_

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

### Financial Information

Total Annual Budget: \_\_\_\_\_

Total Clients Served Annually: \_\_\_\_\_

East Bridgewater Residents Served Annually: \_\_\_\_\_

***Please attach a copy of your annual budget***

### **Funding Request Information**

Please attach a document detailing the following information:

1. Funding amount requested;
2. Funding uses;
3. Scope of services to be provided using the funds;
4. Documentation on East Bridgewater residents who will benefit from the services/program;
5. A copy of the last annual audit completed by the organization;
6. A brief synopsis of the reporting which will be provided to the Town to ensure compliance with the use of the funds;
7. 501(c)(3) non-profit organizations must provide a copy of the previous calendar year form 990; and
8. a listing of board/organization members.

Signed: \_\_\_\_\_

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

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_