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101 South Broad Street
Brevard, NC 28712

**TRANSYLVANIA COUNTY
NONPROFIT AGENCY FUNDING APPLICATION INSTRUCTIONS
FISCAL YEAR 2021**

General Instructions

The Nonprofit Agency Funding Application is formatted in Microsoft Excel. Please follow the instructions below for submitting an application:

1. Download the application from the e-mail attachment or the Transylvania County website.
2. Complete the application following the instructions provided below.
3. Please submit one (1) electronic copy to Allen.McNeill@transylvaniacounty.org. We are not requiring a hard copy of your applications, just ensure a signed copy of the application is included with your email.
4. You may also provide a physical copy by submitting one (1) original hard copy, with the necessary signatures and attachments, mailed or delivered to:

Allen McNeill
Budget and Management Analyst
101 South Broad Street
Brevard, NC 28712

All applications submitted by the deadline and determined to be complete will be considered as submitted. All sections of the four (4) page application must be complete in order to receive consideration. Failure to comply with the application process may disqualify an organization from future consideration for funding.

Applications are due on Wednesday, March 25th, 2020. The hard copy must be postmarked no later than that date, and the electronic copy must be submitted no later than 5:00 pm on that date.

Under Appendix A, please review the information provided on "Accountability Requirements for Certain Entities that Receive Appropriations from Local Governments". While this law will not impact the contract or auditing relationship between the County and the Agency, please be aware of its requirement prior to submitting an application.

Section Instructions

Section I- Organizational Information

- Please provide contact information for the organization.
- If the request is for a specific program within your agency, indicate the program name.

Section II - Service Summary

- The questions in the Service Summary section help the application review committee and the Board of Commissioners to determine how the requested funding will be utilized, how your

agency is best poised to provide this service, and how your service will support the Transylvania County Strategic Plan. **Answers should be limited to the space provided.** Attachments may be submitted, if necessary, but should not exceed one page per question. Please do not submit brochures. Do not staple any documentation to be included with the application.

- You may contact Allen McNeill, Budget and Management Analyst at 828.884.1940 or Allen.McNeill@transylvaniacounty.org should you have questions regarding this, or any other section of the application.

Section III - Performance Measurement

- Within the space provided, **clearly** list and describe the objectives of the service. **Please ensure each objective is quantifiable and measurable.**
- Please list the key activities that will be provided to accomplish the service goals.
- Please list all service outputs. This should include, but is not limited to, the number of clients directly impacted by the service.
- Identify and describe three to four measurable outcomes. These will focus on the impact, effectiveness, efficiency and/or productivity of the service.
- If the grant is funded, an interim report on these performance measures will be required to be submitted to the County by January 31, 2021, and a final report will be required by July 31, 2021.

Section IV - Budget Details

- Section IV asks for specific budgetary information regarding the organization requesting County funding. Please provide actual revenue figures for FY 2019, estimated figures for FY 2020, and budget projections for FY 2021. Please specify any "other" revenue in the space provided. Likewise, please provide actual expenses for your organization for FY 2019, estimated expenses for FY 2020, and budget requests for FY 2021. If you use a calendar year instead of a fiscal year for accounting purposes, please provide actual data for 2018 and 2019 and your budget for 2020. Note that the total revenue and total expenses calculate automatically based on the amounts entered for each line.

Attachments

- Include your agency's most recently filed IRS Form 990 with your application.
- **Only the 990 is required, not the supplemental schedules.** If your agency's budget is less than \$50,000 annually and you do not file with the IRS, please submit a copy of your e-postcard that states you are still in business and under the threshold.

Contracts

- All nonprofits receiving funding from County Government must enter into a Performance Agreement with Transylvania County for the fiscal year. By signing the Non-Profit Agency Funding Application, the agency agrees to execute the Performance Agreement which will be provided to the agency following adoption of the budget by the Board of Commissioners.

FINAL CHECKLIST

- Application form, completed and signed by both the agency's Fiscal Officer (Business Manager) AND Executive Director (Program Manager)
- IRS Form 990
- Submitted by Wednesday, March 25th, 2020 at 5 p.m.

Appendix A

Accountability Requirements for Certain Entities that Receive Appropriations from Local Governments

In North Carolina, local government units have broad authority to appropriate monies to private entities (including nonprofits, corporations, associations, and individuals). The monies, however, must be expended by the private entities only on projects, services, or activities that the local government could have supported directly.

If a municipality or county has statutory authority to finance a particular program, service, or activity, then it may give public monies to a private entity to fund that program, service, or activity. This is the public purpose test - Transylvania County cannot fund grant projects unless it is a service that Transylvania County Government could provide. If Transylvania County provides your organization a grant to provide services under this process, those services must be available to the public.

For a complete list of authorities, please see NC G.S. 153A-149.

For a list of services that Transylvania County is interested in partnering with private entities to provide, please see Appendix B (Partnership Services for Transylvania County.)

The General Assembly also requires certain entities that receive public funds-namely nonprofit corporations to comply with specified transparency requirements.

S.L. 2012-169 requires a nonprofit corporation that receives over \$5,000 of public funds (from a local government, the State, or the federal government) within a fiscal year in grants, loans, or in-kind contributions, to provide the following information upon written request from any member of the public:

- (1) The nonprofit's latest financial statements. The financial statements must include a balance sheet as of the end of the fiscal year and statement of operations for that year. They also must contain "details about the amount of public funds received and how those funds were used."
- (2) The nonprofit's most recently filed Internal Revenue Service (IRS) Form 990, Form 990-EZ or a copy of its Form 990-N submittal confirmation. A nonprofit may redact information not required for public disclosure pursuant to 26 U.S.C. § 6104(d)(3). Alternatively, a nonprofit may satisfy this requirement if it posts this information on its website or if another entity posts the information as part of a database of similar documents. The information must be accessible by the general public without charge. Also, if another entity maintains the information, the nonprofits must include a link to the other entity's website on its own website.

Appendix B

Partnership Services for Transylvania County

1. Agricultural Extension. - To provide for the county's share of the cost of maintaining and administering programs and services offered to agriculture by or through the Agricultural Extension Service or other agencies.
2. Arts Programs and Museums. - To provide for arts programs and museums as authorized in G.S. 160A-488.
3. Auditoriums, coliseums, and convention and civic centers. - To provide public auditoriums, coliseums, and convention and civic centers (if the county is co-purchasing, leasing or otherwise using the space.)
4. Health. - To provide for the county's share of maintaining and administering services offered by or through the local health department.
5. Historic Preservation. - To undertake historic preservation programs and projects.
6. Hospitals. - To establish, support and maintain public hospitals and clinics, and other related health programs and facilities, or to aid any private, nonprofit hospital, clinic, related facility, or other health program or facility.
7. Housing. - To undertake housing programs for low- and moderate-income persons as provided in G.S. 153A-378.
8. Human Relations. - To undertake human relations programs.
9. Libraries. - To establish and maintain public libraries.
10. Mental Health. - To provide for the county's share of the cost of maintaining and administering services offered by or through the area mental health, developmental disabilities, and substance abuse authority.
11. Parks and Recreation. - To establish, support and maintain public parks and programs of supervised recreation.
12. Public Transportation. - To provide public transportation by rail, motor vehicle, or another means of conveyance other than a ferry, including any facility or equipment needed to provide the public transportation. This subdivision does not authorize a county to provide public roads in the county in violation of G.S. 136-51.
13. Schools. - To provide for the county's share of the cost of kindergarten, elementary, secondary, and post-secondary public education.
14. Social Services (a) - To provide for public assistance required by Chapters 108A and 111 of the General Statutes.
15. Social Services (b) - To provide for the public welfare through the maintenance and administration of public assistance programs not required by Chapters 108A and 111 of the General Statutes, and by establishing and maintaining a county home.

Appendix C

Services for K-12 Students Receiving Public Education

During prior appropriation cycles for nonprofit entities, Transylvania County staff have been asked to respond to applications requesting appropriations to organizations that provide services to students enrolled in Transylvania County Schools. This appendix serves to clarify that information.

It is important to begin by stating that local governments in North Carolina are not able to operate the way charitable foundations do when they offer funding. The two most important ways that a local government in North Carolina differs from a charitable foundation are the following:

1. Local governments may only contract with any person, association, or corporation to carry out a public purpose (it cannot offer funding as a grant, something must be received in return)
2. If a local government chooses to contract out this service, it must be a something that the county is authorized by law to engage in. (counties can only do what counties can do and cities can only do what cities can do)

Transylvania County's process for funding projects for nonprofit entities is not designed with the intent of providing assistance to projects that narrowly or exclusively benefit students of Transylvania County Schools.

The County Government is only allowed to fund projects which it could directly operate if it chose to do so as a county government. County governments are not authorized to directly provide education, rather they pay a share of the cost to the defined local government entities responsible for education: the Transylvania County Schools System.

If you are a private entity with a project proposal that disproportionately benefits students of Transylvania County, your first point of contact should be the Transylvania County Schools system (TCS) and the Transylvania County Board of Education (TCBOE.)

This is not to say that the Transylvania County Board of County Commissioners or Transylvania County Government cannot or will not appropriate public funds for your project, but rather that state law vests in the local school system the responsibility for planning and executing services for individuals enrolled in a public school in our community. As a result, it is reasonable that they should have the right to review and prioritize any requests that might affect that mandate.

Appendix D

Addendum Regarding Requests for Capital Projects

During prior appropriation cycles for nonprofit entities, Transylvania County staff have been asked to respond to applications requesting appropriations to organizations that provide services to students enrolled in Transylvania County Schools. This appendix serves to clarify and address questions about this issue.

It is important to begin by stating that local governments in North Carolina are not able to operate the way charitable foundations do when they offer funding. The two most important ways that a local government in North Carolina differs from a charitable foundation are the following:

1. Local governments may only contract with any person, association, or corporation to carry out a public purpose (it cannot offer funding as a grant, something must be received in return)
2. If a local government chooses to contract out this service, it must be a something that the county is authorized by law to engage in. (counties can only do what counties can do and cities can only do what cities can do)

With that in mind, there are complications that arise in evaluating requests for capital projects. A county cannot explicitly appropriate funding to a capital project unless that capital project is providing some public function or service to the county's citizens. In this case, that means that the building or land has to serve a purpose outlined by the relevant state law for county functions. If the county could not build the structure, then it cannot fund the construction of your structure. Furthermore, it must consider what services will be provided at that structure – a county government, for example, cannot build or operate a school as the laws of North Carolina lay out that constructing and operating public schools is a task left to the local school system.

Providing this service will require the execution of a contract between your organization and Transylvania County Government. If you apply for funding to meet a capital need for your nonprofit organization, as noted earlier, Transylvania County must translate that request into a contract. When the application is formalized as a contract, the County must be able to define what it is receiving in return for the funding.

In return for public funding for a capital project, organizations will be asked to commit in a contract to a certain amount of time during the grant period (in this case, July 1st, 2019 through June 30th, 2020) where the facility will be able to serve a public purpose once the capital funds have been expended and the project completed. Given the nature of the service, the contract conveys a real estate interest. In these special circumstances, the contract will be a lease between the County that secures the right of the public to access to the facility.

It is preferable that your organization, when making the request, determine in advance what hours your facility will be freely available to the public. Failing to identify this as a part of your grant request will require that Transylvania County staff negotiate those hours, which may delay consideration of your request.