



## 2020 Outside Agency Requests

The City of Vermillion has annually distributed funds to local organizations to aid in conducting projects or services that promote the general welfare of the community. The amount of funding varies each year depending on available resources and the needs of the City's public services. City Administration looks favorably upon an organization's ability to sustain its general operating activities and gives preference to proposals for one-time capital improvements projects and projects which align with the goals of the City of Vermillion. Requests for other types of expenditures may also be considered. The City Council ultimately determines the amount of funding awarded and any special terms or conditions of such funding.

In order to be considered for funding in the 2020 budget, this form must be completed and submitted to the City Manager by **July 10, 2019**. Staff will then review all requests, present the information to the City Council, and notify applicants of any actions taken. Applicants may be requested to appear before the City Council in August to explain their request.

The City of Vermillion is authorized to provide funds under SDCL 9-12-11 to organizations that meet the definition of an incorporated non-profit corporation under SDCL 47-22-1(8). Any organization that does not qualify as a non-profit corporation will not be considered for funding. As the complexity and objectives of projects funded may change from year to year, a new request must be submitted every year to allow the City Council to categorize the contributions to Outside Agencies. Two types of contributions are identified. Independent Agencies are funded from either the General Fund or the BBB Fund depending on the use of the money on a year-by-year basis. The second category of requests is named City Legislated Agencies as they are typically organizations where the City Council is involved with the appointment of Board members or the funds are to assist with a city run program.

### **Section 1: Outside Funding**

**Purpose:** It shall be the policy of the City of Vermillion that certain steps shall be followed in the request for funding by outside agencies.

## **Section 2: Procedure**

The City Council will appropriate a certain amount of dollars for outside agency funding during the budget process for the upcoming fiscal year. Requests for funding for a budget year are received by the City once each year. City operations, capital expenditures, and programs will receive priority over outside agency funding requests. Funding of an organization will not constitute a precedent for contributions in subsequent years.

## **Section 3: Funding Evaluation Criteria**

Agencies must demonstrate that City funding does not duplicate a service already being provided by another agency. If so they must possess a statement from the existing agency explaining why this is not duplication or that this duplication provides a necessary service. If the agency or this service is receiving a County general fund contribution or funding, the agency would then need to demonstrate why City residents should contribute twice or at a greater percentage to this organization. All applicants must be agencies based in Vermillion or agencies which provide services in Vermillion who can demonstrate a significant Vermillion client base. Agencies must provide financial statements (or financial information) and a budget. Agencies must be non-profit. Agencies must complete an outside agency funding request form. Funds will not be allocated to political action committees, political candidates, or political campaigns or any organization conducting a religious activity.

## **Section 4: Priority for Funding**

The ability to meet a specific or relevant need in the community. The organization's history of success. The likeliness of the requested project, service, funding, etc., to produce successful results. Relationship to City mission, goals, and/or objectives such as the number of individuals impacted, service to City residents, financial stability of agency, and ability to deliver the requested service.

## **Section 5: Agency Requirements**

Following funding Agencies must provide an annual report of expenditure of city funding. Provide annual report of effectiveness of services for which agency received city funding. City funding shall be used only for the purpose and

service(s) duly authorized and in accordance with the approved budget. Any deviation from the approved service proposal may be made only with the City's prior written approval. If not, funds must be returned immediately to the City.