

EXECUTIVE SUMMARY



To: Mayor and City Commission

From: Sarah Hannah-Spurlock, Assistant City Manager

Meeting Date: January 5, 2016

Subject: Establishing Process for Distribution of Funds to Non-Profits

At the August 4, 2015 Commission meeting, Commission directed staff to draft an application process for Commission consideration, whereby local non-profit organizations apply for available funding from the City as part of the annual budget process starting with fiscal year 2017. The purpose for the application process was to provide a fair and consistent opportunity for all legitimate non-profits in Key West to receive funding from the City.

Background

For the past several years, the City has allocated funding to a few non-profits. The 2015-16 General Fund budget contains a total of \$140,400 in such funding:

- ✓ \$35,000 A Positive Step of Monroe County
- ✓ \$25,000 Boys and Girls Club
- ✓ \$5,000 Keys to Be the Change
- ✓ \$1,800 AARP
- ✓ \$10,800 Girls Softball
- ✓ \$19,400 Lil Conch Baseball
- ✓ \$10,000 Soccer League
- ✓ \$7,000 Hockey League
- ✓ \$18,000 Jr Football League
- ✓ \$4,400 PAL (Police Athletic League)
- ✓ \$4,000 Lacrosse

When the City Commission initially expressed interest in an application process, I sent a memo to the Commission in June of 2015 describing how the County awards funds to non-profits. One avenue of distribution is through the Human Services Advisory Board (HSAB). The board consists of five members with each county commissioner appointing one member. Members serve two year terms or until the termination of the respective commissioner's term. The board's purpose is to review funding requests from non-profit human services agencies and make recommendations to the BOCC.

The BOCC determines a budget amount available for funding through the HSAB application process. The fiscal year 2016 budget was set at about \$1.8 million. The applications for funding requests are available for interested and relevant non-profits in March and are due to the County in April. The applications are then reviewed by the HSAB in late May. Applications are evaluated based on weighted criteria in three categories: medical services receive 65% of the total available funding, core social services receive 35%, and quality of life improvement services receive 5%. A recommendation for funding is presented to the BOCC.

Awarded recipients must enter into a contract with the BOCC for the funds. Payment is on a reimbursement basis and certain expenses are not eligible. Recipients must also complete an annual performance report before they are awarded for funds the following fiscal year.

Staff Recommendation

As part of the application process staff recommends that a posting of available funds be distributed to the non-profit Key West community in the next 60 days. Disbursement of grant will be on a reimbursement basis. The simple application will include items such as:

- ✓ Proof of non-profit status, financial stability and insurance
- ✓ A description of how funding will be used including a program budget
- ✓ Formal indication of applicant's board support in the form of a resolution
- ✓ Anticipated measurable outcomes
- ✓ Performance report if money had been received in prior year
- ✓ Expenses and revenues

Based on the applications, Commission would then make the decision on which non-profits receive funding and the dollar amount they will receive.

Commission Direction Requested

Staff is requesting Commission direction on the following points:

- 1) Amount of money to be distributed. The County Commission, for example, identifies a total funding amount at the beginning of the process. This allows the HSAB to make a comprehensive recommendation to the Commission.
- 2) Application components. A draft application and sample agreement are attached.
- 3) Should the application include a matching requirement?

- 4) Identification of a funding purpose. The County, for example, provides funding for health and human services. Identifying a purpose ensures that the Commission's goal is met and becomes part of the application process. Only non-profits that fit the purpose will have their applications considered.
- 5) Possible creation and composition of an advisory committee.
 - a. Each commissioner appoint their own committee member (like the HSAB)
 - b. Committee members to be appointed by the Mayor and approved by the Commission
 - c. As a way to mitigate perceived partisanship, the City could request applications from interested citizens interested in serving on an advisory committee and the Commission would choose from those applications.
 - d. In lieu of a citizen advisory committee, a staff committee could review applications and make recommendation to Commission
 - e. None of the above. The Commission reviews the applications and makes determination without a committee or staff recommendation

cc: Jim Scholl, City Manager