

**TOWN OF HERNDON, VIRGINIA**

**RESOLUTION**

**FEBRUARY 11, 2020**

**Resolution-** to amend Resolution 16-G-03, adopted January 12, 2016, which established a policy for the disbursement of town funds to non-profit organizations.

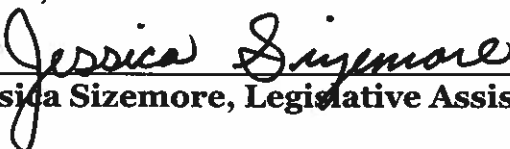
**WHEREAS,** the Town of Herndon recognizes the important contribution non-profit organizations make to the overall quality of life in Herndon; and

**WHEREAS,** under the Code of Virginia, localities may appropriate public funds to any charitable or non-profit organization if the organization provides services to residents of the locality and if such organizations are not controlled in whole or in part by any church or sectarian society; and

**WHEREAS,** the Town Council must make informed decisions regarding disbursement of town funds.

**NOW, THEREFORE, BE IT RESOLVED** that the Town Council of the Town of Herndon, Virginia, hereby adopts the attached eligibility criteria and reporting requirements, as amended, for the disbursement of funds to charitable or non-profit organizations.

**This is certified to be a true and accurate copy of Resolution 20-G-09 adopted at a legally convened meeting of the Town Council of the Town of Herndon on February 11, 2020.**

  
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Jessica Sizemore, Legislative Assistant



Attached for reference is the eligibility criteria and reporting requirements, as amended, for the disbursement of funds to charitable or non-profit organizations.

## **Amended Eligibility Guidelines for Disbursement of Town Funds to Charitable or Non-profit Organizations**

**Adopted by Resolution 20-G-09, February 11, 2020**

### **Eligibility**

- Organizations applying for funds must be community-based and provide services or activities in Herndon.
- Must be established for a minimum of two years.
- Must be chartered or incorporated through the Virginia State Corporation Commission.
- Must be a tax-exempt entity as determined by the federal Internal Revenue Service (IRS).
- Must provide an amount from other sources equivalent to 50 percent of the funds requested from the town and document how these funds will be raised. Herndon Community Television (HCTV) is exempted from this requirement as HCTV provides direct services to the government by acting as the town's public television access station.

### **Application Process**

#### **Application**

All organizations applying for funds must submit a completed Non-Profit Donation Request Application by the deadline for submission. Unless otherwise noted, the following documents must be submitted with all applications:

1. **Transmittal Letter** - All organizations applying for funds must submit a transmittal letter that includes the following information:
  - a. Purpose of the organization and description of its programs and activities.
  - b. Goals and objectives of the organization for the next fiscal year.
  - c. Major accomplishments the organization achieved in the Town of Herndon for the past calendar year.
  - d. Specific benefit(s) of the organization's services and activities to Herndon residents.
  - e. Amount of funding requested from the town.

- f. Purpose for which donation will be used.
  - g. A brief statement of current fundraising activities.
  - h. Statement signed by the principal officer acknowledging that membership or participation is open to all residents and businesses in the town without regard to race, national origin, religion, or sex.
- 2. A budget detailing how the requested funds will be used. The budget should include a listing of services the organization provides the citizens of Herndon and the corresponding amount for each service.
  - 3. A copy of the IRS tax exemption certificate.\*\*
  - 4. An up-to-date listing of names and affiliations of the principal officers and Board of Directors.
  - 5. A copy of the organization's most recent financial report.

Organizations requesting \$5,000 or greater must also submit the following:

- 6. A copy of the certificate of incorporation.\*\*
- 7. A copy of the most recent tax return or a copy of IRS form 990.
- 8. A copy of the organization's Annual Report.

\*\* Organizations that previously applied for and received town funds in the current fiscal year do not need to resubmit items (3) and (6) under the "Application" section (above) unless there are changes or updates to these documents. If changes were made, please submit the most current version of the document(s) with the application.

### **Distribution of Funds**

Approved funds will be disbursed in the first month of the fiscal year.