

<b>SUBJECT – OUTSIDE ORGANIZATIONS Funding</b>	<b>Number 135.1</b>	<b>Revised</b>	<b>Review Date</b>	<b>Effective Date 1-23-95</b>	<b>Page 1 of 3</b>
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I. Definition:

- A. An outside organization is defined as a nonprofit organization incorporated by the State of North Carolina and which is not a Joint City-County Agency.

II. Eligibility:

- A. Eligibility is limited to nonprofit organizations which have a central office in the City and which have a community service function considered to be of significant importance to the City and which have been established for at least 90 days.
- B. The organization must be governed by a Board of Trustees or a Board of Directors. Either Board must have minority representation.
- C. The organization must assure that it does not aid or perpetuate discrimination on the basis of handicap in providing any aid, benefit, or service as pursuant to Section 504 of the Rehabilitation Act of 1973, as amended.

III. Application:

- A. Each applying organization must submit a copy of its Bylaws, a list of the membership on the governing board, a satisfactory statement of problem definition and anticipated solution and a proposed budget showing anticipated revenues and expenditures. These materials along with the request for appropriation must be submitted by March 22 to the City Manager’s Office. Along with the proposed budget the agency must submit a statement of previous funding sources as well as funding sources for the fiscal year for which funding is requested in such detail as may be required by the City Manager.

IV. Funding:

- A. Appropriations shall be made for a fiscal year period beginning July 1 and ending June 30.

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B. Monetary disbursements shall be made by quarter and only after a review of quarterly operations and financial statements and pre-audit by the Internal Audit office of the Finance Department. Quarterly operational and financial statements shall be in such detail as required by the Finance Director acting in compliance with the fiscal control laws of the State of North Carolina pertaining to local government. These quarterly reports must be submitted to the office of Internal Audit in the Finance Department, City Hall, 433 Hay Street, Fayetteville, North Carolina. If after a review of the previous quarterly financial report, it is determined that expenditures were made which were not in compliance with the fiscal control laws, the amount of those expenditures may either be deducted from the next quarter's appropriation or the next quarter's appropriation may be withheld, depending on whichever is recommended by the City Manager.

C. At any time the City Manager deems necessary or appropriate, an Internal Audit may be made of the organization's books or records to assure the accuracy and reliability of the financial condition of the organization.

V. Early Termination:

A. The City Council may terminate any grant at the end of any quarterly period.

VI. End of Fiscal Year:

A. Organizations must provide the City a certified audit or other audit by independent auditors approved by the City Manager of their financial operation for the grant period.

B. All unused funds, on a proposed basis of the entire certified revenue and expenditure audit, must be returned to the City's General Fund.

C. Application for renewal grants, for each one-year period, must be made on the same requirement basis as the original grants. The City Council, at its option, may deny renewal grants.