



Community and Regional Organizations Grant Guidelines and Procedures

A. Statement of Purpose

The City of Portsmouth (City) recognizes that nonprofit organizations play an important role in improving the quality of life for our community. To encourage nonprofit organizations to provide services that affect the welfare of Portsmouth residents, the City has established the following policy for awarding monetary support to qualified nonprofit organizations. These awards are intended to:

1. Provide incentive funding to nonprofit organizations serving Portsmouth, whose services are easily accessible to Portsmouth residents and whose service costs can be documented. A goal of the process is to encourage community support for programs so that the City's funds can be replaced with funds from other sources. This will allow the City's funds to be directed towards new programs in the future.
2. Provide funding for services or programs to meet the specific needs of Portsmouth residents and support the City Council's Vision Principles. Each nonprofit organization will be divided into a program category based on the service they provide to the City. Specific programs or services may be subjected to term limitations.
3. Provide a systematic, impartial, and informed process through which nonprofit organizations may request funding from the City.

B. Applicant Eligibility

An applicant is eligible to apply for an award from the City through the *Community and Regional Organizations* (CRO) program if it meets the following criteria:

1. The applicant must provide documentation showing that they have met the legal requirements to be a certified, 501(c)(3) organization meeting the legal requirements of the Commonwealth of Virginia, the Internal Revenue Service (IRS), and the City of Portsmouth. Further, the applicant's nonprofit status must be independent of the City of Portsmouth. No programs administered by the City of Portsmouth or its departments may apply for funding through CRO.
2. The applicant must provide documentation of significant, measurable direct services provided to the residents of Portsmouth. The organization must be able to provide an unduplicated count of the residents served.
3. If an applicant is located outside of the City's limits, it must be able to show that Portsmouth's residents utilize the majority of the direct service it provides.

4. Per Section 15.2-953 of *the Code of Virginia*, the applicant cannot be controlled in whole or in part by a church or sectarian society. Factors considered in deciding whether a particular organization is controlled by a church or sectarian society include the organization under which the tax-exempt status is obtained, who administers the organization, and the level of funding from a church or sectarian society.
5. The applicant may not have any permanent City of Portsmouth employees, or any elected or appointed City officials involved in the CRO application or reporting process.
6. The applicant may not receive grants from other City of Portsmouth resources. For example, the applicant cannot be eligible to apply for a grant while receiving a grant or funding through the Neighborhood Incentive Grant, Museum and Fine Arts Commission, or Community Development Block Grant (CDBG).
7. Contractual services that a grant applicant provides the City must be disclosed in grant applications. Payments for such services do not automatically exclude an applicant from grant eligibility. However, grant funds will not be provided to support the same services or costs which are provided under contract to the City.
8. The applicant must have fulfilled all service, reporting, auditing, and payment obligations for any previous loans or grants from the City.
9. Programs, activities, employment opportunities, and any other operations of the applicant, which may be funded totally or partially by the City of Portsmouth, must comply with local, state, and national legal requirements related to nondiscrimination.
10. The applicant cannot use CRO funding as a means to provide a grant or pass-through funding for other nonprofit organizations. No funds provided under this grant shall be used for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress or the Virginia General Assembly, except in presentation to the Congress or General Assembly itself. Nor shall grant funds be used to pay the salary or expense of any Grantee or agent acting for such Grantee related to any activity designed to influence legislation or appropriations pending before the Congress or the Virginia General Assembly.
11. All funds awarded through CRO are to remain local (Portsmouth) and are not to be used to fund national organizations (i.e., dues, etc.).
12. If awarded a grant, the City shall have the right to audit all books and records relating or pertaining to the agreement, kept by or under the control of Contractor, including, but not limited to those kept by Contractor, its employees, agents, assigns, successors, and subcontractors. The contractor shall maintain such books and records, together with such supporting or underlying documents and materials, for the duration of the Agreement and at least three years following the completion of the Agreement, including any and all renewals thereof.

C. CRO Application Procedure

The following guidelines are established as minimum procedures for awarding funds through the *Community and Regional Organizations Program*:

1. Application Process:

- a. The Grants Officer (CRO Reviewer) evaluates applications, determines funding allocations, as well as recommends policies and procedures for the program.

The Grants Officer (CRO Reviewer) coordinates the grant application process, leads the grant review process, and serves as the central contact for the applicants.

- b. Organizations interested in applying for CRO funding can find the application and guidelines at <https://www.portsmouthva.gov/cro>. If an organization does not have access to the website, an application can be sent by contacting the Grants Officer (Douglas Weller) at 757-393-8831 ext. 6228.
- c. Completed applications are to be returned by the stated deadline.

Applications received or postmarked after the published deadline will be deemed ineligible for that year. It is the responsibility of the organization to assure that the application is delivered to the place designated for receipt of applications and before the time set for receipt of applications.

Applications will also be disqualified if all required information is not provided by the deadline. No applicant will be contacted regarding missing items. It is the applicant's responsibility to ensure that all the necessary documents are provided.

- d. Applicants must return completed application with attachments **by 5:00 p.m. Friday, February 10, 2023 to:**

Via postal service:

**CRO Reviewer
C/O Finance Department
Attn: Grants Officer
801 Crawford Street
City Hall Building, 5th Floor
Portsmouth, VA 23704-3822**

or

Via email:

civic@portsmouthva.gov

- e. Copies of completed applications and related materials will be distributed to members of other City departments when necessary.

2. Application Requirements:

- a. An application is considered complete when all of the requested information on the application is completed and all of the requested documents have been submitted by the deadline date. Any additional pages and/or comments outside of the space provided will not be considered.
- b. Attachments to the application must include:
 - The IRS determination letter verifying the applicant's nonprofit, 501(c)(3) status, or proof of application of that status.
 - The most recent IRS filing (Form 990 or 990EZ).
 - The request for taxpayer ID Number & Certification-Substitute Form W-9.
 - A Reviewed Financial Statement or Audit Financial Statement by an independent Certified Public Accountant for the most recently completed fiscal year.
 - The applicant's by-laws.
 - The applicant's charter (Articles of Incorporation).

- The applicant's registration with the Commonwealth of Virginia Department of Consumer of Affairs (if applicable to the request).
- Three bids of each capital item costing more than \$1,000 (if applicable to the request).
- The applicant's board of director's listing.

Applications will be disqualified if the above mentioned required attachments are not provided.

3. Application Review:

- Applications will be reviewed by the Grants Officer (CRO Reviewer) as part of the budget process. Specific questions concerning the applications may be followed up with the applicant, when appropriate.
- If needed, City departments will be conferred regarding requests for funding closely associated with the services for which funding is being requested. The purpose of this meeting is to determine if the requested funding would address needs in the community that are not currently being met.
- If necessary, the applicant may be scheduled for a meeting with an evaluation committee. The meeting is the applicant's opportunity to further explain its program and proposed services. There is no provision for appeal beyond the committee.
- All reviews of the applications will be completed before the proposal of the City's operating budget each year.

4. Grant Award:

- All grant allocations are subject to the availability of funds during the fiscal year. The City reserves the right to fund, in whole or in part, any, all, or none of the applications. The City also reserves the right to hold, stop, or reallocate undispersed funds awarded to an organization due to unforeseen emergencies, such as a pandemic or natural disaster.
- Before reviewing the applications, the Department of Finance (or Budget Team) will inform the Budget Officer (CRO Reviewer) of the allocated funding amount that will be recommended to Council for the *Community and Regional Organizations Program*. The proposed allocated funding amount will be used to assist the Grants Officer (CRO Reviewer) in determining each organization's recommended funding level.
- City Council appropriates a block of funding for the CRO Program during its first meeting in May when the operating budget is adopted.
- An award letter will be sent to each organization soon after the adoption of the Operating Budget, no later **than June 15th**. A report indicating the requested and granted amounts for each applicant is compiled and forwarded to the City Manager and Council for their information.

D. Payment and Reporting

- Agency Reporting:** After the determination of the funded levels of the organizations, the Grants Officer (CRO Reviewer) will ensure that all of the necessary forms required for accepting the award, requesting payments, and financial reporting are posted online. A table of report due dates is also listed in these guidelines on page 6 (**Table 1**).

- a. **Conditions of Award:** An organization awarded funding must first accept the allocation by completing the **Community and Regional Organizations Award Agreement (Award Agreement) (CRO1)** which outlines the requirements of the award. The form must be signed by the agency director or designee and returned to the Grant Officer (CRO Reviewer) before the release of the first payment.
- b. **Summary of Services:** This form (**CRO2**) requests both quantitative and qualitative information about the project for which your organization received funding. It is used to report Service Delivery before the end of the City's fiscal year (June 30).

If the amount of award is different from the amount requested and this will have an impact on the level of services provided, the organization must reflect the revised figures in the Proposed Services section before the release of the final payment. The Proposed Services section outlines the type and level of services to be provided to Portsmouth residents.

Failure by any organization to submit a progress report will disrupt future payments. If an organization does not submit a progress report on time, a courtesy letter will be sent out to the organization reminding them to submit their progress report. If any organization fails to comply, it may result in the loss of funding for the reporting period and/or the remainder of the year.

2. **Payment Request and Monitoring:** The Grants Officer (CRO Reviewer) and appropriate oversight department is responsible for reviewing reports and payment requests for consistency with funds allocated for a grant agency, and for ensuring that funds are not released if reporting and other grant requirements have not been fulfilled by the agency.
3. **Request for Funds:** Grant amounts that more than \$10,000 *for other than capital outlay* should be requested in three payments, with the first payment (50%) available at the beginning of the fiscal year (July); the second payment (25%) available in January and the third payment/final payment by May 1, pending completion of the **Request for Payment (CRO3)** form for each payment. Grant amounts that are \$10,000 or less can be requested in their entirety at the beginning of the year. For *capital outlay grants* that exceed \$10,000, 50% can be requested at the beginning of the fiscal year (accompanied by a vendor's price quote), second payment of 25% in January and the third/final payment of 25% by May 1. The **Equipment Purchases (CRO4)** form must accompany the Request for Payment form. All capital outlay requests that exceed \$1,000 must be accompanied by three bids and will be reviewed by the City's Department of Finance before payment is released. A receipt for the purchase of the capital outlay item(s) is required before the final payment can be made.
4. **Final Deadline:** With the exception of grants less than \$10,000, grant recipients must submit the **Summary of Services (CRO2) and the Financial Report (CRO5)** by May 1 before the City will issue the final payment. Grants less than \$10,000 are responsible for completing these forms by the May 1 deadline.
5. **Funds Not Requested for Disbursement:** Funds allocated in a fiscal year are intended for use in that particular year. If not requested by May 31, the City cannot guarantee that funds will be available for disbursement.
6. **Report of Audit by an Independent Certified Public Accountant:** Prior to the disbursement of the final payment, a copy of the agency's audit report for the previous fiscal year must be forwarded to the CRO Review Committee with the final request for payment by May 1.

Table 1: Reporting Schedule

Activities Provided Timeframe:	Grants up to \$10,000	Grants Over \$10,000	Capital Equipment Grants over \$10,000
July	<ul style="list-style-type: none"> • Grant Agreement • Request for Payment 	<ul style="list-style-type: none"> • Grant Agreement • Request for Payment (50%) 	<ul style="list-style-type: none"> • Grant Agreement • Request for Payment (50%)
January		<ul style="list-style-type: none"> • Request for Payment (25%) 	<ul style="list-style-type: none"> • Request for Payment (25%)
May (Due by the 1 st)	<ul style="list-style-type: none"> • Summary of Services • Financial Report • Audit Report 	<ul style="list-style-type: none"> • Request for Payment (25%) • Summary of Services • Financial Report • Audit Report 	<ul style="list-style-type: none"> • Request for Payment (25%) • Summary of Services • Financial Report • Audit Report

All reports and forms can be submitted electronically to civic@portsmouthva.gov

Please note: The Grants Officer (CRO Reviewer) reserves the right to amend any of the guidelines and procedures stated above.