

**RESOLUTION NO. 2023-245-R**

**ADOPTING A REVISED POLICY FOR APPROPRIATIONS TO OUTSIDE AGENCIES**

**WHEREAS**, the City Council of the City of Madison, Alabama, recognizes the need to appropriate funds to outside agencies for services rendered to the City; and

**WHEREAS**, the City Council of the City of Madison, Alabama, desires to update the policy for funding outside agencies; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Madison, Alabama, that the attached document identified as the POLICY FOR APPROPRIATIONS TO OUTSIDE AGENCIES FOR THE CITY OF MADISON, ALABAMA, is adopted as the policy for funding outside agencies.

**READ, APPROVED AND ADOPTED** this 14<sup>th</sup> day of August 2023.

---

*Ranae Bartlett, Council President  
City of Madison, Alabama*

---

*Lisa D. Thomas, City Clerk/Treasurer  
City of Madison, Alabama*

**APPROVED** this \_\_\_\_\_ day of August 2023.

---

*Paul Finley, Mayor  
City of Madison, Alabama*

**CITY OF MADISON, ALABAMA**  
**Policy for Appropriations to Outside Agencies for the City of Madison, Alabama**  
**Adopted by Resolution # 2023-245-R**

**Section 1      Policy**

It is the policy of the City of Madison to consider *Funding Requests* from agencies committed to providing community service programs that fulfill a public purpose in that the services to be performed benefit, promote, serve and enhance the quality of life for the community at large for a cost or in a manner that the City could not provide more efficiently or for less cost.

1.1      **Definition**

Eligible Agency: An eligible agency can be a for-profit (public or private), not-for-profit (public or private), charitable (public or private), governmental, or quasi-governmental entity organized and existing under Alabama law. An agency complying with this provision, but whose proposed service program or project fails to meet the evaluation criteria presented in Section 3 of this document, “*may*” not receive funds from the City.

**Section 2      Procedures**

The City’s process for funding an outside agency request is as follows:

- 2.1      Funding requests considered on a regularly scheduled basis *once* during each fiscal year (October 1 – September 30). The scheduled period for consideration is during the development of the upcoming fiscal year operating budget. *No appropriation applications will be accepted after the initial fiscal year budget is adopted.*
- 2.2      The City of Madison shall receive all Funding Requests no later than the *first Monday of August*. Reminder letters will be sent by the City to all outside agencies who received funding in the current fiscal year.
- 2.3      The total dollar amount to be allocated to fund all outside agencies’ requests will not exceed three percent (3%) of the beginning fund balance of the current fiscal year (not the fiscal year for which the budget is being prepared).
- 2.4      The availability of funds awarded will be subsequent to October 1 for the funding cycle of each year and released accordingly upon contract approval by Madison City Council.
- 2.5      City operations, capital expenditures, and City programs will receive priority over “all” Funding Requests from outside agencies.
- 2.6      Funding Requests from outside agencies will be treated as the lowest priority in the budget process and will be considered only after meeting the other needs of the City government.

- 2.7 The City of Madison reserves the right to terminate funding for outside agencies at any time. Approval of funding for one fiscal year does not impose a commitment on the City for funding in future years.
- 2.8 No funding decision shall be considered final until the agency and the City enter into a contract for the services to be rendered, said contract governing all aspects of the agency's responsibilities and the conditions under which payment for the agency's services will be rendered.

### **Section 3**

#### **Evaluation Criteria**

The Mayor and the Finance Committee may utilize the criteria listed below in the evaluation and prioritization of Funding Requests.

- 3.1 Agency's ability to demonstrate the effectiveness and relevancy of a project or service to the community.
- 3.2 The ability to meet a specific or relevant need in the community.
- 3.3 The likelihood the project, service, funding, etc. will produce successful results.
- 3.4 Service impact to the citizens of Madison and the number of citizens.
- 3.5 The agency's history of success.
- 3.6 The City Council shall not approve a Fund Request for an agency when another agency is providing the same service.
- 3.7 History and standing habits of the agency.
- 3.8 Budget review of available funds, limitations and or restraints.
- 3.9 Effective use of requested funding, including matching contributions, additional sources, and effort of outside search for financial assistance.
- 3.10 Degree of benefit to the City of Madison and its citizens including number of citizens, geographic areas and specific impact (quantified).
- 3.11 The financial need of the agency and its ability to implement the services and/or programs based upon available resources.
- 3.12 The amount of previous Funding Requests and the amount received from the City of Madison.
- 3.13 The effectiveness of the services and/or program and the impact on the City of Madison community based upon measurable performance data.

**Section 4 Submittal Instructions**

Agencies must adhere to the following instructions for successful submittal of the Funding Requests:

- 4.1 The Mayor’s office of the City of Madison shall receive the Funding Request prior to, or on, the first Monday of August.
- 4.2 A second copy of the Funding Request shall be delivered to the Finance Department of the City of Madison prior to, or on, the *first Monday of August*.
- 4.3 The appropriate agency authorities must complete and sign the Funding Request (funding request to be on agency’s letterhead).
- 4.4 The Funding Request “must” be clearly identified on the outside of the envelope (“Agency Name” – Funding Request).
- 4.5 *No appropriation request will be considered if submitted after the first Monday of August.*
- 4.6 *No extension of time will be granted to an agency to submit its appropriation request.*

**Section 5 Required Information**

Funding Requests should contain the following information and/or documentation.

- 5.1 Amount requested from the City of Madison.
- 5.2 A brief narrative of the agency’s program(s) and demonstrated benefit to the citizens of Madison.
- 5.3 All Funding Request information to be on agency’s letterhead and signed and dated by appropriate representative of the agency.