

Application for Outside Agency Funding

Form Revised 1/2025



Martinsville
A CITY WITHOUT LIMITS

Previous contribution received \$ _____ FY _____

Agencies receiving funding are required to submit semi-annual report to City Council by November 30.

Note: Only the information provided on these lines will be considered.

No attachments will be considered other than the required documents specified.

1. ORGANIZATION CONTACT INFORMATION:

Organization Name _____

Mailing Address _____

City of Martinsville Location _____

Contact Person _____

Contact Person Title _____

Contact Mailing Address _____

(if different from above) _____

Contact Telephone _____ Contact Fax _____

Contact E-Mail _____

2. ORGANIZATION CATEGORY:

<input type="checkbox"/> Church, religious denomination, religious order	<input type="checkbox"/> YMCA or similar religious association	<input type="checkbox"/> Girl Scouts/Boy Scouts
<input type="checkbox"/> Religious missionary assoc.	<input type="checkbox"/> Educational institution	<input type="checkbox"/> Boys' or Girls' Club
<input type="checkbox"/> Benevolent association	<input type="checkbox"/> Orphanage; nursing care facility	<input type="checkbox"/> Agricultural or Farm Club
<input type="checkbox"/> Cemetery (private or public)	<input type="checkbox"/> Red Cross	<input type="checkbox"/> Animal cruelty prevention
<input type="checkbox"/> Veterans' organization	<input type="checkbox"/> Hospital or sanitarium	<input type="checkbox"/> College alumni association
<input type="checkbox"/> Museum	<input type="checkbox"/> Habitat for Humanity	<input type="checkbox"/> Other (specify): _____
<input type="checkbox"/> Historical foundation/assoc.	<input type="checkbox"/> Volunteer fire or rescue organization	

When was the organization first established? _____

When did/will the organization begin operations in City of Martinsville? _____

What is the organization's federal tax designation? (Circle one)

501(c)(3) 501(c)(4) 501(c)(6) 501(c)(7) Other: 501(c)(_____) (please insert #)

What is the organization's purpose? _____

What activities or services are provided by the organization? _____

3. PROJECT DESCRIPTION

Describe in detail the project(s) that will be created by the city's contribution of financial or in-kind support.

Note: City does not provide funds or in-kind support for on-going expenses.

Amount of contribution or in-kind services requested

4. RELEVANCE TO CITY'S GOALS AND INITIATIVES

Describe how the project(s) will advance one or more of the city's adopted initiatives. The city's Goals & Initiatives may be downloaded at <http://www.martinsville-va.gov/> (example: *XYZ Organization will address city's goal of prevention, detection, and intervention of gang related activity as outlined under the heading under Gang Related Activity.*)

5. Briefly describe the impact the previous funding from the City of Martinsville had on your program, project, or organization. Some discussion to items may include:

- Number of persons served and demographics served.
- Describe how your organization used the funding to leverage additional funds, either through grants or other means?
- Describe the overall impact of these funds on your program, project, or organization.

6. ORGANIZATIONAL COLLABORATION

What other organization(s), if any, are performing a similar service or project? _____

What other organizations will collaborate with the organization to complete the described project(s)

Describe in detail the financial and in-kind contributions of other organizations that will advance the project(s)

7. TIMETABLE AND OUTCOMES

Describe what outcomes for the project(s) are expected over the course of the next fiscal year. Submission of a progress report is required. (example: *Over the next year, XYZ Organization will inform 100 residents on how gangs are formed and how to identify gang related activity by.....*)

Provide in detail the timetable that the organization expects to meet the outcomes described above (example: *XYZ Organization will work with 25 different residents each quarter*)

Identify the means in which your organization will measure the success of the outcomes described above

(example: XYZ Organization will measure its success through the use of a questionnaire. Participants will be given questionnaires at beginning and ending of program. Questionnaires will be used to determine what information was known prior to the program, what was learned and how the program can be improved)

REQUIRED DOCUMENTS TO BE SUBMITTED Some may not be applicable to this organization. If any required document is not available, please identify the document and provide a brief explanation.

- **IRS Exemption Determination Letter**
- **Financial statements for two prior years**
- **Articles of Incorporation or Organization, and any amendments thereto**
- **Certificate of Good Standing from the State Corporation Commission**

**CITY OF MARTINSVILLE
ADMINISTRATIVE REGULATION**

Regulation Title: Outside Agency Funding Policy

Effective Date: January 15, 2026

Subject: Financial Administration

Last Reviewed: December 8, 2025

Regulation Number: FA-2

Supersedes:

Approved:



Robert Fincher, Interim City Manager

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1. PURPOSE

The City of Martinsville recognizes the essential role nonprofit organizations play in improving the quality of life for residents, particularly by providing services and activities the City does not have the capacity to deliver directly. Although the City's resources are limited and neither an application nor a presentation to City Council guarantees financial assistance, the City is committed to supporting initiatives that positively impact the community.

The purpose of this policy is to establish clear parameters and procedures for reviewing, awarding, and monitoring City funds provided to outside agencies that request monetary contributions during the annual budget process or at any point throughout the fiscal year.

2. SCOPE

This policy applies to all outside agencies requesting monetary contributions from the City of Martinsville and to all City staff, including those within the City Manager's Office and the Finance Department, involved in the review, budgeting, approval, or disbursement of such funds.

Exclusions to this policy may be granted by the City Manager when appropriate and consistent with § 15.2-953 of the Code of Virginia, and any other applicable local, state, and federal laws.

3. DEFINITIONS

Outside Agency: A nonprofit or community-based organization that is not a department, board, or commission of the City requesting monetary support from the City of Martinsville.

Mandated Agency: An agency, program, or service for which the City is legally required under federal or state law to provide funding, participation, or support, either directly or through contributions to a partner organization. Examples include the Blue Ridge Regional Library, the Henry-Martinsville Department of Social Services Contribution, E-911, Piedmont Community Services, and the Henry-Martinsville Health Department.

Appropriation Period: The fiscal year for which City Council approves funding, beginning July 1 and ending June 30, unless otherwise specified by Council.

4. ELIGIBILITY

A. Criteria

All requests for monetary contributions to outside agencies shall align with a complementary service, demonstrable community benefit, or service that the City could provide but currently does not.

Requesting agencies must meet the following eligibility requirements:

- Agencies must have a primary place of business in Martinsville-Henry County and/or provide activities or services that benefit City of Martinsville residents.

- Agencies must be a nonprofit and maintain an IRS 501(c)(3) nonprofit status throughout the term of their authorized appropriation period. Exceptions may be made to certain providers of community services, rescue squads, fire companies, and arts organizations, as stipulated under Va. Code § 15.2-953.
- Agencies must have been in operation for at least two (2) years and demonstrate viable, ongoing activities before requesting City funds.
- Agencies must maintain good standing with the City of Martinsville by complying with all application and reporting requirements, adhering to applicable City ordinances, State code, and federal law, and remaining non-delinquent on City-issued billing.

B. Ineligible Use of Funding and Related Restrictions

The following restrictions apply to all requests for monetary contributions. Agencies will be deemed ineligible if any of the conditions below apply:

- City funds may not be used to support or promote religious worship, instruction, or political campaigns or activities.
- Agencies may not use City funds in a manner that discriminates on the basis of race, color, gender, religion, disability, sexual orientation, marital status, or national origin.
- City funds may not be awarded to individuals or used for the direct benefit of a single private individual.
- City funds may not be awarded to for-profit (taxable) entities.
- Agencies whose proposed activities are determined by the City Council to be inconsistent with the public interest may be deemed ineligible.
- Agencies that are currently engaged in litigation against the City may be subject to additional legal review to determine whether funding presents a conflict of interest.

5. REQUESTS FOR FUNDING OR CONTRIBUTIONS

A. During the Annual Budget Process

i. Application

As part of the annual budget process, outside organizations must submit an Application for Outside Agency Funding form with all supporting documents to the City Manager's Office at city.manager@martinsvilleva.gov by February 28 prior to the fiscal year that they are being considered. For example, an organization requesting City funds for FY 2026-27 (beginning on July 1, 2025) must apply by February 28, 2026.

All applications are reviewed by the City Manager's Office and must provide the following:

- organization contact information
- organization category and details (e.g., federal tax designation, purpose, activities or services provided, etc.)
- projects that may be created and/or funded with the City's financial contribution, their expected impact, and how they are relevant to the City's goals and initiatives
- amount of monetary contribution requested
- impact of previous funding, if applicable
- names of similar organizations providing a similar service or project and potential collaborators
- required documents (e.g., IRS Exemption Determination Letter, Financial Statements for two prior years, Articles of Incorporation, and Certificate of Good Standing)

Only complete applications will be considered for funding. Incomplete applications must be completed at the agency's earliest convenience, within five (5) business days following its receipt of the City's request for completion or clarification.

ii. Council Review

Upon initial review by the City Manager's Office, the City will incorporate all eligible applications into an Outside Agency Request document for review by the City Council prior to the appropriate budget work session in which funding for outside agencies will be discussed.

As part of the City Council's review process, applicants may be required to provide a ten-minute presentation at a regular Council meeting preceding the adoption of the City's budget on or before June 30. If a presentation is required, particularly for non-mandated agencies, the City will coordinate with the primary contact listed on the application. No shows for required presentations are not guaranteed funding.

The following principles and funding priorities will guide any contributions to outside agencies:

- mandated agencies (see Section 3, Definitions)
- alignment with Council priorities
- avoidance of duplication of services
- demonstrated community impact

- fiscal responsibility
- regional benefit (if applicable)
- past performance and compliance history

iii. Award Letter

After two public hearings as required by the Code of Virginia, the Council will either approve or deny external funding. Their decision (and further instructions, if approved) will be communicated by letter at the City's earliest convenience following the Council's official vote.

All Council-approved agencies must sign and return an outside agency funding agreement before any contribution is appropriated. The agreement outlines mutual expectations for the City and outside agency, ensuring mutual understanding and compliance with policy requirements such as funding uses and reporting schedules.

Contributions awarded to an outside agency do not constitute a precedent for contributions of any kind or amount in subsequent years unless explicitly communicated. Agencies must reapply for funding annually.

B. During an Active Fiscal Year

If an outside agency is not awarded City funds during the annual budget cycle or seeks additional support mid-year, they may contact the City Manager's Office to request an application and opportunity to present to Council. Agencies requesting City funds during an active fiscal year are subject to the same eligibility, funding, and monitoring requirements established throughout this policy.

Unless requests are for addressing a public emergency pursuant to Sec. 2-42 of the City Code, the Chief Financial Officer must certify that an unappropriated or unencumbered sum is available for transfer. Mid-year funding requests are not guaranteed to be approved and are limited to what is available in the City Council's contingency fund for that fiscal year.

6. REPORTING AND MONITORING

Outside agencies that have received funding from the City of Martinsville are required to submit an annual report to the City Manager's Office during the receiving fiscal year on November 30. Reports are submitted to the City Manager's Office via a provided form and will be relayed to Council at the preceding meeting.

The semi-annual report must describe how the agency has used its appropriated funds to advance one or more of the City's initiatives, as well as the expected outcomes for the

upcoming quarter. Failure to submit required reports or to demonstrate satisfactory progress toward stated outcomes will be considered in Council's evaluation of future funding requests.

Any agency receiving City funds must submit a financial audit or financial review, completed at the agency's own expense. The City may require additional monitoring materials or financial documentation, depending on the amount appropriated and based on legal or administrative guidance.

7. AUTHORITY TO DENY FUNDING AND RECLAIM APPROPRIATIONS

The City Council retains the right to deny an outside agency's request for funding or contributions. At the discretion of Council, the City may also request that any remaining balance of its appropriation be returned should the receiving agency violate its shared funding agreement or become ineligible to receive City contributions under any other City contract or Section 4 of this policy (e.g., loss of nonprofit status, cessation of operations, or material noncompliance during the appropriation period).