

CITY OF DOTHAN, ALABAMA

CITY COMMISSION POLICY - NO. 16

AGENCY AND NON-PROFIT APPROPRIATIONS – CONDITIONS FOR RECEIVING

I. PURPOSE

Article IV, Section 94 of the Constitution of the State of Alabama prohibits municipalities from giving anything of value to private individuals, associations or corporations. This policy establishes conditions that must be met by agencies and other non-profit groups prior to receiving funding and/or waivers from the City of Dothan.

The City of Dothan while supportive of all agencies and non-profit groups, which are the backbone of the quality of life for Dothan's citizenry, is unable to partially fund or fund all the agencies and non-profit groups that come before it.

FOR PURPOSES OF THIS POLICY, REQUESTING AGENCY, NON-PROFIT GROUP, ETC. SHALL HEREAFTER BE CALLED "AGENCY" AND THE CITY OF DOTHAN SHALL HEREAFTER BE CALLED "CITY"

II. GENERAL POLICIES

- A. **ALL** requests by "Agency" to the "City" for funding and/or waivers must be approved by the City Manager.
- B. Any funding and/or waivers granted to an "agency" must result in a public benefit.
- C. Only "agencies" based in the City of Dothan will be eligible for funding appropriations and/or waivers.
- D. If, after a request has been filed and/or approved, the "agency's" exemption status is terminated or modified in any manner, the "agency" must immediately notify the "City" of such change.
- E. Any "agency" receiving funding and/or waiver approval must agree to grant sponsorship status to the "City" for any event benefiting from said funding and/or waiver. The level of sponsorship will be agreed upon by the parties.
- F. Funding and/or waiver approvals cannot be assigned or transferred and are valid only for the "agency" specifically named on submitted tax exemption documentation, with the exception of any events sponsored by the "City" or as approved by the City Manager.

III. GUIDELINES FOR REQUESTING FUNDS

- A. To be considered for any funding from the "City", **ALL** requests must be submitted to the City Manager in writing, together with a copy of the following:

1. The most recent annual financial audit of the “agency. (dated no later than 180 days after the calendar/fiscal year ended);
 2. Current letter of exemption status (IRS form 501C3) or Application for Recognition of Exemption (IRS Form 1023).
- B. In addition, if the “agency” has previously been granted funding and/or waiver(s) from the “City”, a detailed report of the use and result of the previous appropriation(s) must be included with the current request.
- C. If the event will produce “heads on beds” (overnight stays in local motels), the “agency” **must first** file a request for special funding through the Dothan Area Convention and Visitors’ Bureau (DCVB). Should the DCVB deny the request, the “agency” may then file a request with the City Manager, following the guidelines set forth in III-A & B above. A copy of the rejection notification from the DCVB must also be included with the request.

IV. GUIDELINES FOR REQUESTING WAIVER OF EXPENSES FOR USE OF “CITY” FACILITIES

- A. Prior to filing a request for use of a facility, the “agency” must contact the venue to verify availability of all **potential** dates needed for the event. The “agency” must complete a contract to “hold” or “temporarily reserve” those dates.
- B. To be considered for any waiver(s) of expenses associated with the use of “City” facilities, **ALL** requests must be submitted in writing to the Head of the Department whose facility is being requested for use. The request will then be forwarded to the City Manager, along with a staff recommendation, for consideration of approval. All request must include the following:
1. A copy of the contract to “hold” the facility, as set forth above
 2. A copy of the “agency’s” current letter of exemption status (IRS form 501C3) or Application for Recognition of Exemption (IRS Form 1023).
 3. Description of the event, including date, type of event, overall purpose and beneficiaries
- C. In addition, if the “agency” has previously been granted waiver(s) from the “City”, a detailed report of the use and result of previous appropriation(s) must be included with the current request.
- D. If the request/waiver is approved by the City Manager, the “agency” must deliver to the appropriate Department Head a copy of the approved waiver/resolution, proof of insurance (per facility requirements) and a deposit, if applicable, for any portion of the expenses not included in the waiver/resolution.

- E. The “agency” shall comply with all terms and conditions of the facility contract and any riders attached thereto, unless otherwise waived in writing
- F. Within 45 days from the conclusion of the event, the “agency” must submit a Profit & Loss Statement (Income Statement) to the “City’s” Finance Director.
- G. Within 45 days from the conclusion of the event, the “agency” must remit ten percent (10%) of all profits received for the event in excess of \$5,000 but not to exceed the amount of the expenses waived. This amount should be remitted to the “City” through the Department Head whose facility was utilized.
- H. Failure to adhere to any part of these guidelines shall result in the “City’s” refusal to waive expenses for any future events as may be requested by the “agency”.
- I. Rental rates are as follows:

Civic Center*: Commercial & Convention all days \$1,000
Thursday – Saturday (Civic Rate) \$1,000
Sunday – Wednesday (Civic Rate) \$ 800
Sunday – Wednesday (Non-Profit) \$ 250

Opera House*: Commercial & Convention all days \$ 600
Thursday – Saturday (Civic Rate) \$ 600
Sunday – Wednesday (Civic Rate) \$ 400
Sunday – Wednesday (Non-Profit) \$ 150

* Plus any incidental costs as specified in the approved rate schedules and as set forth in the signed rental contract and any riders attached thereto.

Leisure Service Facilities:

Rates are those specified in the approved rate schedules or charges as deemed necessary by the City Manager and waivers will be for City of Dothan sponsored events.

V. RESERVATION OF AUTHORITY

The City Commission reserves the authority to amend, modify or change this policy.

IV. APPROVAL AND EFFECTIVE DATE

This policy is adopted and approved in Regular Session of the City Commission on this 29th day of November, 2005.

RECOMMENDED BY:

M. L. S.
CITY MANAGER

APPROVED BY:

Pat Thomas
MAYOR

COMMISSIONER

James M. Kawano Jr.
COMMISSIONER

COMMISSIONER

ATTEST BY:

Pam McCoy
CITY CLERK

COMMISSIONER

[Signature]
COMMISSIONER
