

RESOLUTION TO AMEND THE MEMPHIS CITY COUNCIL COMMUNITY GRANT PROGRAM FOR FY25

WHEREAS, the Memphis City Council desires to promote community programming and improve neighborhoods; and

WHEREAS, Tenn. Code Annotated § 6-64-111, empowers the Memphis City Council to appropriate funds for the financial aid of nonprofit organizations working to promote the general welfare of Memphis residents; and

WHEREAS, nonprofit organizations and citizens work together to meet the needs of Memphians in need by extending the reach of City of Memphis Services; and

WHEREAS, the Memphis City Council recognizes nonprofit agencies as valued partners in the continuing efforts to improve the lives of Memphians; and

WHEREAS, it is important to the members of the Memphis City Council to prioritize funding specialized programs congruent with the needs of the City, the Memphis City Council will be cognizant of financial requests that exceed more than thirty percent of their total operating budget; and

WHEREAS, the Memphis City Council seeks to create a transparent process for the publication, application, and selection process for deserving nonprofit organizations within our City; and

WHEREAS, government grants are funded by tax dollars, so stringent compliance and reporting measures will be in place to ensure the money is well-spent; and

WHEREAS, the Memphis City Council wishes to reopen the Community Grant Program from October 21, 2024, to October 25, 2024, to allow nonprofit agencies to submit grant program applications; and

WHEREAS, if an FY25 Memphis City Council Community Grant Program application was previously submitted and deemed complete, nonprofit organizations are NOT required to reapply to be eligible for funding; all nonprofit organizations who meet eligibility requirements are invited to apply.

NOW, THEREFORE BE IT RESOLVED, that the Memphis City Council does hereby amend the Memphis City Council Community Grant Program for Fiscal Year 2025 (“FY25”) (July 1, 2024 – June 30, 2025), establishing a policy for meeting the needs of citizens and nonprofit requests for financial assistance as set forth below:

Nonprofit Organizations and Agencies working to improve the general welfare of citizens will have the opportunity to apply to the Memphis City Council Community Grant Program. The funding decisions of the Memphis City Council are final and subject to the availability of funds.

Eligibility

All applicants shall be a tax-exempt 501(c)(3) organization, with an official address listed within the City of Memphis, that has been in operation under its tax-exempt status for two years prior to the application. The organization must provide proof of current programming and successful track record in providing the services for which they are requesting funding within the City of Memphis. The nonprofit organization’s program should address one of the following City of Memphis priorities: Crime and Drug Prevention, Youth Empowerment, Economic Development, and Poverty. The organizations must be in compliance with State requirements and show proof of current certification status. The funds shall only

be used for public use and cannot be used for political activities, to support any election or campaign or political party; or to support any group or activity that discriminates based on race, color, religion, sex, national origin, disability, or age. The Memphis City Council will not award funding in an amount that exceeds more than fifty (50%) percent of an organization's expenses, as reported on the most recently filed and accepted IRS form 990EZ, 990-N, and 990.

The Council, at its discretion, can award a one-time allotment that exceeds the 50% threshold if the organization has a specific capital improvement need and will be able to enhance services as a result of the improvement.

Grant Workshop

All applicants for FY25 grant funding must attend a mandatory grant presentation workshop hosted by the Memphis City Council. The workshop will cover the necessary information and documentation required to successfully complete the grant application. At the conclusion of the workshop, applicants will receive a certificate of completion. This certificate must be uploaded with application materials for the application to be considered complete. Failure of a representative of the applicant organization to attend the workshop and submit the certificate in the application will disqualify the organization from applying for the FY25 grant program.

Application

All agencies requesting funding shall submit a complete application and presentation. Proof of nonprofit status and financial information must be submitted with an application along with a presentation that further clarifies the goals the organization intends to accomplish with their requested funds.

Only applications submitted during the application period or deemed complete from a previous application period in FY25 will be considered for a Memphis City Council Community Grant for FY25.

Applications and presentations shall be submitted online using a link on the Memphis City Council website.

Organizations are prohibited from applying or accepting grant funds on behalf of a separate organization. Applications must be made under the 501 (c) (3) organization seeking grant funding. Any organizations that accept grant funds on behalf of a separate organization will be disqualified and may be required to remit awarded funds to the City of Memphis.

The Community Grant Program is aimed at providing funding for programming that addresses Crime and Drug Prevention, Youth Empowerment, Economic Development, and Poverty. As such, applications with funding requests solely for personnel expenses will not be awarded funding.

Applications will be available October 21-October 25, 2024. All completed applications must be submitted and received by Friday, October 25, 2024, at 5:00 p.m.

Late or incomplete applications will not be submitted to Council Members for consideration for an FY25 grant if not received by the deadline. Organizations that submit a late or incomplete application must wait until the start of the FY26 Memphis City Council Community Grant Program to submit a new application to receive funding, with no exceptions.

Application Review

All applications will be reviewed by the Grants Administrator and Grants Office staff following the application deadline. The staff will review applications to ensure all eligibility criteria are met. The staff shall then submit the list of qualified agencies for City Council Review for grants during FY25. All applicants must submit **either** an IRS 501(c)(3) Determination Letter **or** a Certificate of Existence from the Tennessee Secretary of State, the organization's most recently filed and accepted IRS Form 990EZ, 990-N, or 990, the IRS Form W-9, and a complete presentation, using the template provided by the City Council at the time of application submission. The IRS filing submitted must be from tax year(s) 2021 to the most recent tax year to be accepted. Verification of tax filings must come from the IRS. Letters from tax preparers and other non-IRS documentation for tax verification purposes shall not be accepted.

The name of the organization listed on all documents and IRS filings must match the applicant's name. **If the applicant's name does not match the organization identified on the Charitable Organizations filing, including all IRS documentation and/or any documentation from the Secretary of State, the application will not be considered.** The staff will evaluate applications and presentations to ensure all applications are complete, address a public need, show proof of current nonprofit status, and a demonstrated history of community involvement. Priority will be given to first-time applicants.

All documentation will be reviewed and verified through the IRS website <https://www.irs.gov/charities-non-profits/annual-filing-and-forms>

If any information contained in the application does not match the information provided to the IRS, the application will be null and void, and the applicant may not re-apply until the next fiscal year (FY2026). If any application information is found to be fraudulent or inaccurate, the organization will be ineligible to receive funding in the current fiscal year and for the next three fiscal years (FY26, FY27 and FY28).

Budget Presentation

Upon request, applicants may be asked to present before Memphis City Council. To be eligible to present, organizations must have submitted a completed application by the deadline.

All agencies presenting before the Budget & Audit Committee during FY25 will have an allotted time to make a budget presentation. The completed presentation template, submitted with the application, shall be used during the presentation. The template will include space to provide current contact information, how the requested funds will be used to enhance the quality of life for citizens, and financial reporting documents.

Grant Award Requirements

Upon final approval of a Council resolution awarding grant funding, organizations that have been allocated funding will be notified. If the organization has not responded to the award notification within **10 business days** to provide the requested paperwork to the City of Memphis Finance Division, the award may be rescinded, and funding may be reallocated by Councilmembers. All documentation turned in to the City of Memphis Finance Division must be listed under the name of the registered organization that applied for the funding. All organizations must complete a direct deposit form for disbursement of funds if they are awarded funding from the grant program. To appropriately track expenditures for reporting purposes, any award totaling less than \$10,000 must be deposited into a separate account designated for the grant funding. Any award amount of more than \$10,000 must be tracked via accounting software.

Grant Disbursement

All grant award recipients must submit a final grant report to the Memphis City Council and City of Memphis Finance Division by **May 1, 2025**. This report shall include an accounting of funds spent, proof of public use, and current nonprofit status.

Failure to submit a final grant report that is approved by the City of Memphis Finance Division will disqualify an organization from submitting an application for a City Council grant for the next fiscal year. The City of Memphis Finance Division may also request that the funds awarded to the recipient be returned to the City of Memphis.

Any approved applications for grant funds will be included in the FY25 Budget. All grant recipients are required to comply with the guidelines set forth by the City of Memphis Finance Office. **Failure to comply with the guidelines required by the Finance Division may result in forfeiture of the grant award.** Every grant recipient must accept the funds and complete an agreement with the City of Memphis Finance Division.

THEREFORE, BE IT FURTHER RESOLVED that the Memphis City Council, as a whole, will distribute the \$2,600,000 in grant funding during FY25 from the Community Initiatives Grants line item included in the FY25 Budget, and each Council Member shall allocate at least seventy-five (75%) percent of his or her allotted funds by November 12th, 2024; the remaining twenty-five (25%) percent must be allocated by December 17th, 2024, to ensure adequate time for disbursement before the end of the calendar year and submission of the final grant report before the end of the fiscal year.

BE IT FURTHER RESOLVED that all allocations must take place by resolution on the following meeting dates: November 12th and December 17th of 2024, to reduce the quantity of resolutions over the course of the year.

BE IT FURTHER RESOLVED that, in the event there is a City Council vacancy, the interim Council Member may only allocate one-twelfth (1/12) per month of the funding balance that is available for that specific district, to be allocated based upon the time the individual will be filling the vacancy.

Sponsor:
JB Smiley, Jr.