City of
Santa Monica®

Matching Grant Program Guide

The City of Santa Monica offers annual matching grants to qualifying neighborhood groups to assist in communications activities and membership building. Applications for funds for the current fiscal year will be accepted through May 4, 2009, with funds awarded later in May.

Important change to the grant cycle

Over the next year the city is aligning the grant cycle with our fiscal year as described in the cover memo. For this cycle only, the city will be awarding a matching grant of up to $6,000 for the application period ending on May 4, 2009. The city is increasing the grant amount for this cycle in order to extend neighborhood funding through two spring/early summer seasons. The next application period for neighborhood grants will begin in June 2010, with funds awarded after the beginning of the city's 2010-2011 fiscal year on July 1, 2010.

Qualifying for the Matching Grant Program

To qualify for these funds, a neighborhood organization must:

- Represent a commonly recognized neighborhood within Santa Monica;
- Possess tax-exempt status as a nonprofit organization under Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Service Code or Section 23701(d) or 23701(f) of the California State Franchise Tax Code;
- Have an active board of directors or officers, selected in accordance with association bylaws, who meet regularly, with meetings open to the public;
- Hold at least one general membership meeting annually;
- Maintain a membership list of at least 50 active members (residing at separate addresses) or 10 percent of eligible households within the neighborhood boundaries as defined in the bylaws, whichever is less.

As of April 30, 2008, five 501(c)(3) or 501(c)(4) neighborhood organizations had met these qualifications: Friends of Sunset Park, North of Montana Association, Ocean Park Association, Pico Neighborhood Association and Wilshire/Montana Neighborhood Coalition.

Should any other groups representing geographical areas commonly recognized as neighborhoods in Santa Monica achieve tax-exempt nonprofit status during the remainder of calendar year 2009 and wish to apply for and qualify for matching funds, additional funds will be allocated to the program so that all such groups can receive funding. Newly formed groups will be eligible for a $4,000 matching grant upon completion of the grant application. All recognized neighborhood groups will be eligible for FY2010-2011 matching grant funds as of July 1, 2010. It is anticipated that the FY2010-11 grant funds will again be set at $4,000 per group.

In addition, grant recipients must adhere to the reporting guidelines below. Organizations will not be considered for future matching grants or other City funding unless proper documentation is submitted in accordance with the guidelines.

Projects Eligible for Funding

Because the Neighborhood Organization Matching Grant Program is designed to support projects and activities to further communication and build membership from within the neighborhood the organization represents, a wide range of projects will be eligible for funding. Such projects and activities may include:

- Publishing and distributing a newsletter
- Publishing and distributing membership/meeting announcements
- Purchasing ads announcing meetings and events
- Hiring a student intern to coordinate mailings, make phone calls, etc.
- Purchasing a computer for use in preparing written materials or maintaining a website
- Installing/maintaining a phone/fax/Internet connection dedicated to organization business
- Implementing or participating in an event aimed at improving communication and increasing membership
- Conducting a neighborhood interest survey
- Developing an organization database
- Participating in workshops or training programs to help the organization's leadership develop community organizing and outreach skills and strategies.

The funds can be used for a combination of projects and activities supporting communication and membership building. Creativity is encouraged!

Restrictions on Use of Funds

The intent of this program is to allow neighborhood organizations flexibility in using the matching funds for communication and membership-building purposes, without heavy City oversight or intrusion into organization affairs. As long as an organization uses the funds for the purpose(s) stated in the application, only the following restrictions shall apply:

- No City funds shall be used by the participating neighborhood organizations for projects or activities involving political campaigns, candidate endorsements, or ballot measures.
- No City funds shall be paid to individual organization members, their relatives or business associates, except as a reimbursement for a product or service purchased with personal funds. (Example: The secretary of the organization uses a personal credit card to pay for copies and is reimbursed from the grant account. The receipt from the copies and a copy of the reimbursement check are attached to the report.)

About the Neighborhood Organization Match

The organization match must be at least one-half the value of the grant amount requested *(i.e., $3,000 for a $6,000 grant or a "half match")*.

Volunteer time will be valued at $14 an hour. Volunteer services include tasks such as soliciting and writing or editing newsletter articles, addressing and stamping envelopes, hand-delivering flyers and posting information on the website. However, if an organization member performs a volunteer task for the organization that he or she does professionally, such as graphic design and layout for newsletters or website design, it may be considered a professional services donation.

Professional services are valued at the reasonable and customary value of the product or service contributed by the professional to the proposed project. Although the City will accept documentation of the provider's standard hourly rate for the match, comparisons will be made to the mean hourly rate for the occupation as determined by the U.S. Bureau of Labor Statistics for the L.A.-Long Beach metro area to ensure a reasonable valuation.

Donor contributions may be pledged rather than in-hand at the time of application, but *written evidence* (including letters of receipt, cancelled checks and/or bank statements) must be provided with the mid-cycle or final report that the donations were actually received. *If such evidence cannot be provided, the City may not allow pledged contributions to be included in the organization's match for the following fiscal year*.

Donated materials or supplies are valued at the price that would have been paid for them if purchased. Borrowed equipment can also be considered part of the match and valued at the amount that would have been paid to rent.

Cash is an acceptable match, but grant funds from a previous cycle and other city funding provided to the neighborhood organization *can not* be used towards the match.

Documenting the Organization's Match (for Application)

Following are acceptable ways to document your organization's match as part of the application. (Note: volunteer time, professional services and donations of materials and supplies are referred to as the "In-kind Match" in the budget section of the application form.)

Volunteer Time

Sign-up forms with number of hours each person is willing to donate, type of labor; OR

Pledge letters from individuals promising to donate a specific number of hours and explaining what type of work each will do for your project.

Professional Services

Pledge letters on professional/business letterhead from individuals promising to donate a specific number of hours to the project, explaining the type of work to be done, and giving the individual's standard hourly billing rate.

Donations of Materials, Supplies, Things

Pledge letters on company letterhead pledging a specific material donation and its retail value; OR

Invoice or bid form showing type of donation and value (e.g., printing 5,000 copies of 8-1/2 x 11 flyer--$250, postage and distribution--$700 donated by XYZ Mailing House).

Cash Match

Photocopies of bank statements;

Photocopies of checks;

Photocopies of commitment letters;

Fundraising plan, if not all cash match is secured by application deadline (will need to document funds raised at end of the fiscal year)

Review and Approval of Applications

If an organization qualifies for participation, documents its match, commits to a specified plan to use the City funds for communication and membership-building purposes, and provides a complete application with required documentation (all as outlined in these guidelines), the application may be approved administratively by the City Manager or designee.

Should applications be considered incomplete, organizations will be given an opportunity to provide the missing information. Should the City Manager or designee have concerns about the eligibility of a proposed project, the concerns will be discussed with the applicant organization to determine jointly how the project or activity might be altered to eliminate concerns.

To be complete, an application must describe how funds will be used, set forth a proposed budget for the project and be accompanied by an organization membership list (including addresses—to remain confidential or to be returned upon the organization's request) of at least 50 individuals or 10 percent of the eligible addresses within the group's boundaries, a list of all elected board members and organization contact information (address, phone & fax numbers, e-mail address), a copy of the organization's bylaws,* proof of the organization's tax-exempt nonprofit status, and documentation of neighborhood organization match.

**If the organization's bylaws were submitted with a funding application for the previous year, and the bylaws have not been amended in the interim, the bylaws on file with the City Manager's Office will suffice for this application.*

Approval & Funding

Applications will be accepted through May 4, 2009. The neighborhood organization will be notified in writing of approval or contacted by phone if further information is necessary. Once funding is approved, a warrant for the funds will be requested by the City Manager's Office, made payable to the neighborhood organization, and will be available for pick-up at City Hall within approximately two weeks from the date of funding approval.

City matching grant funds must be kept in a bank account separate from the organization's other funds, in order to assure its use only for purposes specified and to simplify record-keeping and reporting. The bank fee to maintain the account is an appropriate use of the City funds.

Checks must be deposited in a separate bank account designated for grant funds (see below). Neighborhood organizations have until July 30, 2010 to expend all funds awarded for this cycle. Any remaining grant funds ($100 or more) may be returned along with the final report as described below.

Reporting Use of Funds

Neighborhood organizations will be required to submit to the City Manager's Office a Mid-cycle and Final Grant Report on forms provided by the City, documenting that the project for which the City funds were designated was accomplished, detailing how the funds were spent and including paid receipts. A mid-cycle progress report is due on December 15, 2009 and a final report is due on July 30, 2010. Bank statements reflecting the initial deposit of the City funds and full documentation of the

program expenditures should be included. As of July 30, 2010, all grant funds from this cycle are to have been expended and a check for any remaining grant funds ($100 or more) may be included with the final report, made payable to "The City of Santa Monica".

Documentation can be provided in a variety of ways, depending on the type of project. If an organization newsletter were the funded project, for example, along with budget detail on and receipts for design, printing and distribution costs, copies of the newsletters should be submitted. If purchase of a computer were the project, a copy of the paid invoice should be provided, along with a letter detailing where the computer is housed, who has access to it and how it has been used for organization business. Acceptable documentation of fund use will be agreed upon by the City and the neighborhood organization prior to the release of funds.

Staff will report to the City Council annually as part of the budget process on the use of the Neighborhood Matching Fund Program, providing information on programs and activities conducted to benefit neighborhood communication and to increase organization membership.

Application

Applications are available online and from the City Manager's Office by calling (310) 458-8301 (Room 209, City Hall). Applications should be submitted to the City Manager's Office **no later than May 4, 2009** to the attention of the Neighborhood Grants Administrator.

Questions about the program may be directed to Rachel Waugh at rachel.waugh@smgov.net or (310) 458-8301.

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