Guidelines for Disposition of Gaming Funds

Washington County Gaming Commission
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1. General

The purpose of these guidelines is to set forth procedures for funding requests from the Washington County Gaming Commission. To qualify for funding, a request must benefit general charitable purposes. The following charitable organizations are eligible to receive distribution from the fund:

A. Those organizations approved by the Board of County Commissioners of Washington County as organizations to which the BOCC may contribute annually in accordance with Section 1 – 108 of the Public Laws of Washington County, Maryland. (A list is available by contacting the Gaming Office).

B. Bona fide charitable organizations recognized by the IRS as a tax-exempt charitable entity with a valid 501(c)(3) status, be located in Washington County, and provide support, which generally benefits any of the following purposes within Washington County, Maryland.

- Health and Human Services
- Emergency Services
- Civic and Community Activities
- Athletic and Recreation Activities
- Educational and Cultural Activities

The organization cannot be a political or government organization or sub-organization.

2. Application Period

Completed applications are to be submitted to the Gaming Office no later than 4:30 p.m. on Friday, May 7, 2010. NO application, additions, or corrections will be accepted after this date and time.

3. Funding Award Schedule

The funds available in this distribution represent July 1, 2009, through June 30, 2010, Gaming Fund revenue. The distribution announcement will be made at the Washington County Gaming Commission's August meeting.

4. Disposition of Funds

A. All gaming fund allocation decisions are final and are made at the Gaming Commission's discretion.

B. An application that conforms to all the criteria is not assured either full or partial funding.

C. All applicants will be notified of their allocations by letter from the Gaming Office.

D. The Gaming Commission's goal is to provide equal opportunity for all qualified applicants. The Gaming Commission has a special provision to fund the United Way of Washington County as an exception of an umbrella organization in order to preclude any competition among member agencies or any other eligible agencies for funding. Annually, at its discretion, the Gaming Commission may set aside an amount not to exceed three percent (3%) of available charitable funds for allocation to the United Way (net amount after legislatively set obligations to the Fire and Rescue Association have been met).

5. Policies Affecting Eligibility

A. An applicant cannot be an umbrella organization (except the United Way), and all funds must be used exclusively in Washington County. Funds cannot be redistributed outside of Washington County.

B. An applicant must provide its services without discrimination on the basis of race, creed, sex, age, color, national origin, martial status familial status, sexual orientation, or disability.

C. Organizations holding an annual tip jar operator's license are not eligible.

D. Churches (religious entities) are not eligible to receive funds. Separate organizations that may operate within a church facility and has their own 501(c)(3) status *may* be eligible. (i.e. operation of a homeless shelter and/ or food distribution point)

E. Applicants must be dedicated to improving the quality of life for the citizens of Washington County.

F. Applications will not carry over into the next funding period. A new application must be submitted for each new funding period.

G. Distributions from the Gaming Fund may not exceed $100,000 per application. Organizations may apply for multiple projects by submitting separate applications for each project.

H. In order to receive gaming funds, an organization must be qualified by the IRS as a 501(c)(3) organization at the time of application. It is suggested that applicants check their status by contacting the Internal Revenue Service. The Gaming Office will be checking the status of each applicant. Those organizations found not to have a valid charitable organization status at the time of application will not be considered for funding.

I. A person legally authorized to obligate the applying organization must sign the application. This is usually the President, Executive Director, CEO, Chairman, etc. Should a person not commonly recognized as a person with this authority sign the application, the Gaming Commission may require confirmation of that person's authority. Once authority is established to be valid, the application will be considered.

J. In order for an application to be considered, the submitting organization must be a corporation, a limited liability company, or an unincorporated association. In order for a corporation to be considered for funding, its articles of incorporation or articles of organization, may not be in a "forfeited" status at the time of application. The status of each organization will be checked with the State Department of Assessments and Taxation prior to consideration of the application. It is strongly suggested that an applicant check its status prior to submitting an application.

An unincorporated association that makes application for gaming funds must complete the enclosed Notice of Responsible Person form in order to be considered for funding.

6. Funding Request

A. The Request for Funding form must be completely filled out. Remarks such as "n/a" or "see statement" are not satisfactory. A person(s) authorized to legally bind the organization to an agreement must sign the application(s).

B. Application submission:

- **Applications under $60,000 – submit an original, and three additional copies.**
- **Applications of $60,000 or more – submit one original, and seven additional copies.**
- **If multiple applications are submitted, the total sum of the requested funding amounts from all applications will determine the number of copies to be submitted. If the sum equals less than $60,000, submit an original, and three additional copies. If the sum totals $60,000 or more, submit one original, and seven additional copies.**

C. Organize the application according to the attached checklist and use the checklist as a cover sheet. Indicate with a check mark on the checklist all sections to ensure all information is included. Should certain information not be included within the section, insert an explanation and/or clarification as to why it is missing.

D. Each section must be separated with a labeled divider. The title and location of the tabs within the request must follow the format in the checklist sequence.

E. Applications arriving in the Gaming Office after the due date and time will be returned to the organization and your request <u>will not</u> be considered.

F. The Gaming Commission reserves the right to request additional information for clarification.

NOTE: An application that conforms to all the criteria does not assure funding.

7. Public Funding Hearings

The Gaming Commission will be holding funding hearings on July 13-14, 2010. While it is not required that an applicant appear for a hearing, it is strongly suggested. The commission utilizes these hearings to ask questions they may have, or clear up issues that may adversely effect their funding decisions. Please refer to the cover letter of this packet for information on how to schedule a hearing.

8. Factors Considered by the Gaming Commission:

In an effort to aid applicants with the preparation of their application, the Gaming Commission has put forth the following factors they consider when making their funding decisions. These factors include, but are not limited to:

- Type of service rendered to the community (health, sports, entertainment, etc…).
- The number of persons served.
- The cost per client/person served.
- Is the viability of the organization dependant on Gaming Commission funding?
- What is the long-term viability of the organization?
- The information contained in the organization's financial report.
- The type(s) of project(s) for which funding was requested.
- Completeness and clarity, of the application packet.
- Proof that funds received previously were expended for approved purposes.
- Has the organization demonstrated an effort to become self-supportive through fundraising activities and by other means?
- Did a representative of the organization appear before the Gaming Commission at the scheduled public funding hearings to describe their request and answer questions?
- The total amount of gaming funds available for distribution.
- Are the services your organization provides, also provided by another agency?
- Amount of funding an organization receives from other sources (government, grants, fundraising, etc…).

9. Funding Application packet:

When an organization is submitting more than one Request for Funding you need to submit only one application packet. You will need to complete a separate "Request for Funding" form for each request. All "Request for Funding" forms will be placed in the front of the application packet. In addition, each request should be accompanied by a brief summary of the project, budget proposal, and estimates related to the request. These supporting documents should be included under the DOC tab. The supporting documents for the first request should be labeled "DOC A". The second request "DOC B". Please assign each Request for Funding form a letter designation starting with the letter "A" in the upper right hand corner of the first page of the Request for Funding form. Requests for all operating funds must be itemized in detail.

10. Submitted applications may be considered public documents.

Please be aware that any and all applications submitted, as well as supporting documentation may be considered public documents. As such, all applications and supporting documents may be viewable and obtainable by the public under the provisions of the Public Information Act, MD Code Ann., State Government Article 10-613.

Tab Identification:

To receive consideration for funding by the Washington County Gaming Commission, an organization must submit the following material in the order listed on the checklist. Each section should be separated with a tab style divider. All applications must be bound with a 3 ring binder, prong folder, or by similar method. The use of paperclips of any style, and individual sheet protectors are strongly discouraged.

REQUEST:
Request for Funding Form. This form must be submitted in the exact format as the copy provided. No changes to this format will be accepted. An application received with the incorrect format may be disqualified from consideration.

SUM:
Complete a brief one-page summary of your request.

IRS LTR:
A legible copy of the letter issued by the IRS to the specific organization certifying their tax-exempt status as a charitable organization under the IRS Code Section 501(c)(3). The actual name of the organization applying must be the same as approved by the IRS. Your IRS 501(c)(3) designation must be valid in order to be considered for funding. You can check your charitable status by calling 1-877-829-5500, or going to the web site www.irs.gov. The Gaming Office will be checking the validity of your non-profit status. All organizations without a valid 501(c)(3) status will be disqualified from receiving funding.

FORM 990:
IRS Form 990 or 990EZ, if required to be filed with the IRS. (Generally required for income exceeding $25,000 per year.) If your organization is not required to file these forms please indicate the reason.

FIN:
The organization's own and separate annual and most recent financial statement showing revenue and expenses. Larger entities with significant assets must submit financial statements prepared by outside accountants. Also, include the organization's most recently approved budget.

ENDOW:
Statement of Endowment Funds of the organization showing amount and how funds are invested. If organization has no endowments, so state.

MGT:
A complete list of organizational officers, directors, and other key emplyees.

FUNDS:
Funding received from local, state, and government sources. Also, must show funding obtained or currently requested from all other sources.

PAST:
Evidence of how funds most recently received from the Gaming Commission was spent. **A mere statement that funds have been spent is not sufficient. Invoices, proofs of purchase or cancelled checks are required. Failure to provide this information may result in a denial of funding.**

DOC:
Documentation, budget, estimates related to the request (i.e. two bids or two proposals). If your organization is submitting more than one request, include each request under a separate tab (i.e. DOC-A, DOC-B).

NORP:
A completed and signed Notice of Responsible Person Form. Required only for unincorporated associations. If your organization is not an unincorporated association this tab may be omitted.

W-9:
Completed Internal Revenue Service form W-9 & Washington Co. Vendor form (included in application packet).

NOTE: A checklist for the required documentation is attached. The Checklist order must be followed and may not be modified. Failure to include all required information may result in the disqualification of the funding application.

NAME OF ORGANIZATION:_____

CHECKLIST

All tabs must be identified by TAB ID, separated by dividers, and attached to Funding Form

	TAB ID	ITEMS
__	REQUEST	Insert all Request for Funding Forms.
__	SUM	Attach a brief, no more than one page, summary describing your request.
__	IRS LTR	Attach legible copy of IRS Letter proving tax-exempt status under 501(c)(3).
__	FORM 990	Attach Form 990 or 990EZ, if required to file, or state why not required to file.
__	FIN	Financial statements, most recent budgets, balance sheets, audits, records prepared by outside accountants (see note below).
__	ENDOW	Endowment funds (Explain)
__	MGT	List of organizational officers and directors, i.e. management teams.
__	FUNDS	Identify and list all government agency funding and funds received or currently applied for from all other sources.
__	PAST	Provide copies of invoices/cancelled checks covering most recent funds received and spent on projects. Explain unspent funds.
__	DOC	Documentation, budget, estimates related to the request (i.e. two bids or two proposals). If your organization is submitting more than one request, include each request under a separate tab (i.e. DOC-A, DOC-B).
__	NORP	A completed and signed Notice of Responsible Person Form. Required only for unincorporated associations. If your organization is not an unincorporated association this tab may be omitted.
__	W-9	Enclose a completed IRS W-9 and Washington Co. Vendor form (Included in your application packet).

Important Note:

Failure to attach all required information listed above (i.e. 501(c)(3), current financial data, etc.) to the *Request for Funding* form may result in disqualification of the funding application.