DRAFT

Town of Herndon
Community Donation Policy

I. Purpose

The purpose of this policy is to establish a fair, transparent, and consistent process for providing Town donations to qualified community-based nonprofit or not-for-profit organizations that deliver programs, events, and services which advance the Town's strategic priorities and enhance the quality of life in Herndon.

This policy consolidates and replaces all prior donation programs, including the Community Cultural Festivals Donation Policy (as amended, 25-G-36) and the Small (De Minimis) Donation Policy (25-G-41), creating one unified structure for annual community donations administered by Town staff under guidelines set by Town Council.

Donations and Town support are discretionary and subject to funding availability and operational capacity.

II. Policy Objectives

1. Equity and Transparency: Ensure equal opportunity for qualified organizations to apply for Town donations through a clear, time-bound, and publicly announced process.

2. Strategic Alignment: Direct Town resources toward programs that reflect the Town's strategic priorities.

3. Operational Efficiency: Empower Town staff to administer the program objectively, without requiring case-by-case Town Council action.

4. Accountability: Provide clear evaluation criteria and consistent reporting requirements.

III. Program Structure

1. Program Administration: The program is administered by Town staff under the direction of the Town Manager.

2. Town Council Role: Confirms program framework and evaluation matrix, as well as annual funding allocation through the annual budget adoption process. Town Council does not review or approve individual applications.

3. State Code Authority: In accordance with the Code of Virginia Section 15.2-953, localities may appropriate funds to any charitable or non-profit organization if the organization provides services to the residents of the locality and if such organizations are not controlled in whole or in part by any church or sectarian society.

IV. Donation Categories

1. Community Donation
    a. To support qualified community-based nonprofit or not-for-profit organizations providing community-based programs, events, educational initiatives, or services that align with the Town's strategic plan.
    b. Maximum annual funding and application requirements:
        i. Eligible organizations may submit only one application per fiscal year. An eligible organization may request funding for multiple programs, services, events, or initiatives within a single application.
        ii. Maximum donation of up to $50,000 per organization per fiscal year, regardless of the number of programs, services, or events included in the application.
        iii. Applications submitted by the same organization in excess of this limit, or outside of the single-application requirement, will not be considered.
    c. Town Facilities and Services (Cost Recovery; Subject to Availability): Town facilities and Town-provided services, including but not limited to Police, Public Works, Parks, or other operational support, are not guaranteed and are subject to staff availability, operational capacity, and approval through applicable Town processes. Organizations requesting the use of Town facilities or Town-provided services in support of an event, program, or activity must include the full cost of such facilities and services in the project budget and donation request submitted with the application. Approved donation awards may be used to pay for eligible Town facility use fees and Town-provided services on a cost-recovery basis. The Town does not waive facility fees or donate services under this policy. Town services are not donated, not waived, and not guaranteed.
    d. Donation awards will not exceed 75% of the organization's annual revenue, based on the organization's most recently completed fiscal year financial statements, and inclusive of the value of any Town facilities or services funded through the donation award.
    e. Donation requests under this category are evaluated using the Community Donation Evaluation Matrix.

f. Awards are discretionary and subject to available funding; submission of an application does not guarantee funding.
g. Awardees are required to submit an annual summary describing fund use and program outcomes of previous year donations.

2. De Minimis (Small) Donations
    a. To provide small discretionary contributions to non-profit and not-for-profit organizations.
    b. De Minimis Donations are defined as a donation of cash, services, or items with a value per donation of less than $250.
    c. Approval of small donation requests are determined by the Town Manager.

3. Facility Use Fees
    a. The Town Manager is authorized to waive Town facility use fees for federal, state, and local elected representatives and other governmental entities when hosting official constituent of public meetings in or on Town-owned properties. The Town does not promote or advocate political or religious events or activities. This provision does not apply to nonprofit or community organizations requesting support under the Community Donation Program.
    b. For all other qualified, community-based nonprofit or not-for profit organizations, donation requests made under the Community Donation program may be used to pay for facility use fees for events or activities held on Town-owned property.
    c. Use of Town property and facilities for events funded through this program remains subject to the Town's Special Events Guidelines and Special Event Permit requirements.

V. Funding and Eligibility

1. Annual Funding: Council appropriates a total funding amount each fiscal year during budget adoption. Once funds are exhausted, no additional awards are made with the fiscal year.
2. Eligible Applicants: Nonprofit or not-for-profit organizations 501(c)(3), 501(c)(4), or 501(c)(6) in good legal standing, based in Virginia with address of record on file with SCC, established for a minimum of two years, providing services, programs, events, or activities that benefit the residents of the Town of Herndon. Individuals and businesses are not eligible for funding through this program. Monies will not be remitted to individuals, business entities, or announced

candidates for political office. The Town does not promote or advocate political or religious events.

VI. Application and Review Process

1. Community Donation Program

During the annual open application period, organizations will submit a Community Donation Request Application. See timeline below. (Events subject to the Special Events Guidelines may also be evaluated using criteria outlined in the Special Event Rating Scale for operational and designation purposes.)

These deadlines apply to all categories of donation requests of $250 or more in value.

Step	Timeline	Responsible Party	Description
Application Period	January 1 – February 15	Applicant	Organizations submit applications with required documentation (event/program/service description, proposed budget, anticipated impact).
Staff Review & Evaluation	February 16 – May 15	Community Donation Evaluation Committee	Committee reviews and scores applications using the Council-approved evaluation matrix.
Award Determination	May 15 – June 15	Town Manager	Town Manager reviews staff recommendations and approves final awards.
Award Notification	July 1	Finance Department	Applicants notified of results; award agreements issued.

The Community Donation Evaluation Committee consists of three Town staff members appointed by the Town Manager. Committee members with a conflict of interest shall recuse themselves from scoring or discussion of the affected application.

Applications that do not include required documentation, including a complete and itemized budget accounting for Town facility and service costs where applicable, may be deemed incomplete and not eligible for funding.

2. De Minimis (Small) Donation

Organizations may request a Small Donation (value of less than $250) from the Town throughout the year; these requests are not limited to the open application period for donations of $250 or more.

Organizations may request a Small Donation by submitting the request to the Town Manager's Office and/or their designee. The Town Manager will review and either approve or deny small donation requests. The decision of the Town Manager is final.

Funding for small donations is included as part of the donation allocation made by Town Council during the annual budget process. Donation requests under this program are subject to funding availability, and on a first-come first-served basis.

VII. Evaluation Criteria Matrix

All applications for the Community Donation Program are evaluated using the following matrix:

Community Donation Evaluation Matrix

Category	Weight	Evaluation Factors	Scoring Guidance (1–5)
Community Benefit	30%	The extent to which the proposed event, program, or service is open and welcoming to all members of the community and fosters civic engagement, cultural celebration, education, or enrichment.	**1 (Limited):** Serves a defined population or area of the Town or group; narrow or exclusive audience. **3 (Moderate):** Free and open to the public; serving two or more defined populations or area(s) of the Town, but limited engagement. **5 (Strong):** Free and open to the public, broad public benefit, multicultural, and focused on community building.
Alignment with Town Strategic Priorities & Brand	20%	Demonstrates direct alignment with one or more focus areas of the Town's Strategic Plan. Reinforces the Town's "Live Differently" brand.	**1 (Weak):** Does not reference specific Town Strategic Plan focus areas or the "Live Differently" brand. **3 (Moderate):** Cites at least one strategic focus area and includes the Town brand in promotional materials. **5 (Strong):** Provides a detailed plan showing how it directly implements two or more Town strategic goals and uses the town brand as a central theme.

Category	Weight	Evaluation Factors	Scoring Guidance (1–5)
Financial Soundness & Sustainability	20%	Financial health, realism of proposed budget, leveraged funding sources, and ability to sustain the initiative beyond Town support.	**1 (High Reliance):** Town funding accounts for 75% or more of the total initiative budget. **3 (Balanced):** Town funding accounts for 40%–60% of the initiative budget, with at least one other committed funding source (e.g., grants, sponsorships). **5 (Sustainable):** Town funding is less than 25% of the initiative budget, and a multi-year financial plan identifies secured funding for future years.
Organizational Capacity	10%	The organization's ability to successfully plan and deliver the proposed initiative, based on experience, staff/volunteer capacity, and partnerships.	**1 (Minimal):** Organization has less than two years of experience with similar initiatives and no documented partnerships. **3 (Moderate):** Organization has successfully completed at least two similar initiatives and has one or more active partners. **5 (Proven):** Organization has 5+ years of experience, a dedicated project lead, and formal written agreements with multiple community partners.
Community Reach & Impact	10%	Anticipated reach within the Town of Herndon and regional visibility. For events: expected attendance. For programs/services: measurable participation or outcomes.	**1 (Small Group):** Expected attendance for events or program participation is less than 50 people. **3 (Moderate):** Expected attendance for events or program participation is 50–500 people, with documented outreach to at least two different community demographics. **5 (Strong):** Expected event attendance or program participation exceeds 500 people or serves a regional audience with specific, measurable KPIs for impact.

Category	Weight	Evaluation Factors	Scoring Guidance (1–5)
Economic Impact	10%	For events or initiatives that attract visitors or promote local business engagement. Not applicable to all requests; scored "N/A" if not relevant.	**1 (Minimal):** No plan for local vendor/business involvement or visitor attraction. **3 (Moderate):** Includes at least two local Herndon businesses as vendors or partners. **5 (Clear Benefit):** Documented plan to attract out-of-town visitors (e.g., hotel stays) and uses at least five local vendors/businesses.

VIII. Post-Award Requirements

Awardees must sign an agreement, use funds as stated, and submit a report within 60 days of project completion including attendance, outcomes, and financial summary.

IX. Prohibited Contributions and Repayment of Funds

1. The Town shall not waive facility use fees or donate Town services, personnel time, or resources as part of the Community Donation Program. Town facilities, staff support, and operational services (including Police, Public Works, Parks, or other departments) shall be provided on a cost-recovery basis only.

   Donation funds awarded under this policy may be used, if approved, to pay for eligible Town facility use fees and Town-provided services identified in the applicant's approved donation request and budget.

   Funds shall not be remitted to individuals, for-profit businesses, or announced candidates for political office. The Town does not promote or advocate political or religious events or activities.

2. Donation funds awarded under this policy must be used for the purposes, programs, services, or events identified in the approved application and agreement.

   If an organization fails to initiate, complete, or substantially carry out the approved program, service, or event; materially deviates from the approved use of funds without prior written approval from the Town; or otherwise uses the funds in a manner inconsistent with the approved application or agreement, the Town may require repayment of all or a portion of the donated funds.

The Town Manager shall determine whether repayment is required and the amount of repayment, based on the circumstances and documentation provided. Failure to repay funds as required may result in ineligibility for future Town donations and other remedies available to the Town.

X. Policy Amendments

The Town Manager is authorized to make non-substantive administrative updates and revisions to this policy and set administrative fees, as appropriate.

XI. Effective Date

This policy is effective upon date of adoption and replaces the Community Cultural Festivals Donation Policy as amended (Resolution 25-G-36) and the De Minimis (Small) Donation Policy (Resolution 25-G-41).