Community Donation Policy

Town Council Work Session

January 13, 2026

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Community Donation Policy

Why?

- Council requested review of the Town's donation policy(s)
- Stated Policy Objectives:
  - support representative and diverse community event programming
  - support local non-profit organizations

What the policy will do.

- Create a fair, transparent, and consistent donation framework
- Consolidate prior donation programs into one unified policy
- Reduce ad-hoc and case-by-case Council decisions
- Align Town funding with strategic priorities

What This Means for the Community

- Clear expectations for nonprofits and community
- Predictable and equitable funding process
- Responsible stewardship of Town resources
- Increased transparency and accountability
  - Utilizes objective evaluation criteria
  - Written agreements and reporting requirements

Current Donation Program

- Community Cultural Festivals Donation Policy
  - Community event focused

Fiscal Year	Program Budget	Approved Donation Amount	Balance
FY 2024	$60,000	$27,015	$32,985
FY 2025	$60,000	$49,257	$10,743
FY 2026	$60,000	$5,050	$54,950

- Small Donations
  - Town Manager authorized up to $250
- Direct Budget Allocation or Council Authorized (i.e:)
  - FY 2026: Next Stop Theater
  - FY 2025, 2026: Chamber of Commerce (FNL)

Proposed Donation Program

Governance & Roles

- Town Council:
  - Approves program framework
  - Approves evaluation criteria
  - Sets annual funding allocation
- Town Manager/staff:
  - Administers the program

Process

- Virginia-based 501(c)(3), (4), or (6) eligible to apply
- Annual open application period
- Reviewed and scored by staff evaluation committee using Council-approved matrix
- Final award decisions made by Town Manager

Proposed Donation Program

- Policy Highlights:
  - Donation requests can be for events, community-based programs, educational initiatives, services
  - $50K max donation per organization per FY
  - Town Services are not donated or waived; subject to availability and capacity
  - All requests are reviewed using the Council-approved evaluation matrix
  - Awardees required to submit an annual summary of fund use and program outcomes
  - De Minimis donations authority included

Town Council Guidance

- Town Council:
  - Consensus/guidance on the **overall policy design**
  - Consensus/guidance on the **evaluation criteria**

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.
Financial Soundness & Sustainability	20%	Financial health, realism of proposed budget, leveraged fu nding 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.

Category	Weight	Evaluation Factors	Scoring Guidance (1–5)
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.
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.

Community Donation Evaluation Matrix

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Next Steps

- Incorporate feedback - staff prepare use cases utilizing policy and evaluation criteria
  - Schedule work session to finalize policy
- Policy Adoption
- Funding allocation
- Administrative implementation by staff
- Public communication and roll out

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Appendix - Definitions

- **Town-Sponsored Special Event:** any Special Event directly organized and conducted by the Town of Herndon. This designation may also include externally organized events formally designated as Town-Sponsored through an adopted budget and agreement.
- **Town-Supported Special Event:** any Special Event externally organized but supported via the Community Donation Policy.
- **External Special Event:** any private or nonprofit event using Town facilities without Town funding.
- **Town Services:** services provided by the Town that are required and/or necessary for event production like police, public works, and parks and recreation.