

## Non-Profit Summary

Arlington County works with numerous non-profit organizations to provide a wide range of services to the community. These services are funded through a variety of local, state and federal sources.

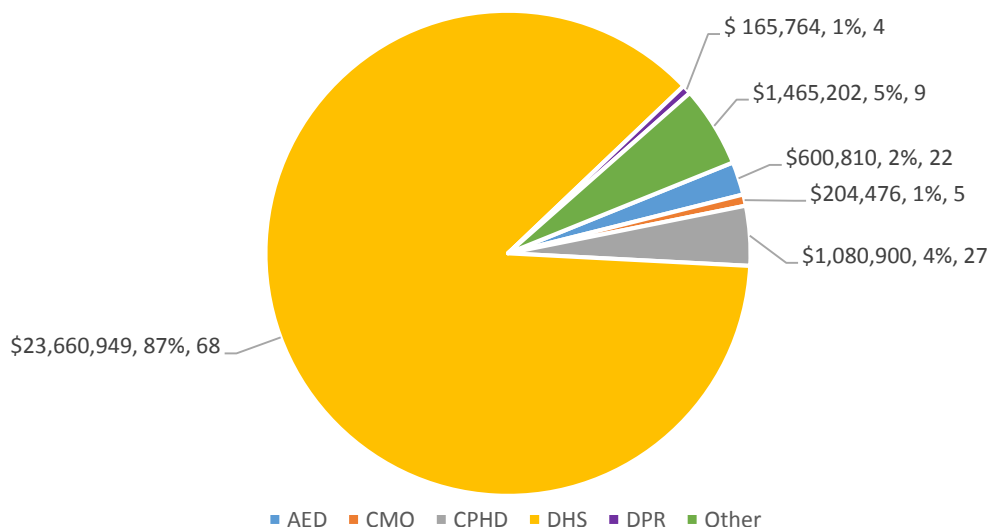
In the FY 2017 adopted budget guidance to the County Manager, the County Board directed the Manager to provide a summary of the various non-profit organizations that the County provides grant funding to and/or contracts with for services.

In response to the County Board's direction, the Department and Management and Finance worked with each department to obtain detailed information on each non-profit organization that performs County services and/or receives county funding. The compiled list of non-profit organizations (available [in more detail](#) here) includes organizations receiving funding in the FY 2017 Adopted Budget.

## Non-Profit Summary Statistics

Total funding provided to non-profit organizations in the FY 2017 Adopted Budget across all funds is approximately \$27.2 million for 135 different programs<sup>1</sup>, and 96 unique organizations. Of the total funding \$26 million is funded through the General Fund, \$946,750 is funded in the Community Development Fund, and \$184,000 is funded through the Stormwater Fund. The pie chart below illustrates the FY 2017 Adopted Budget for non-profits by department. As the pie chart shows, the Department of Human Services manages the majority of the County's non-profit relationships.

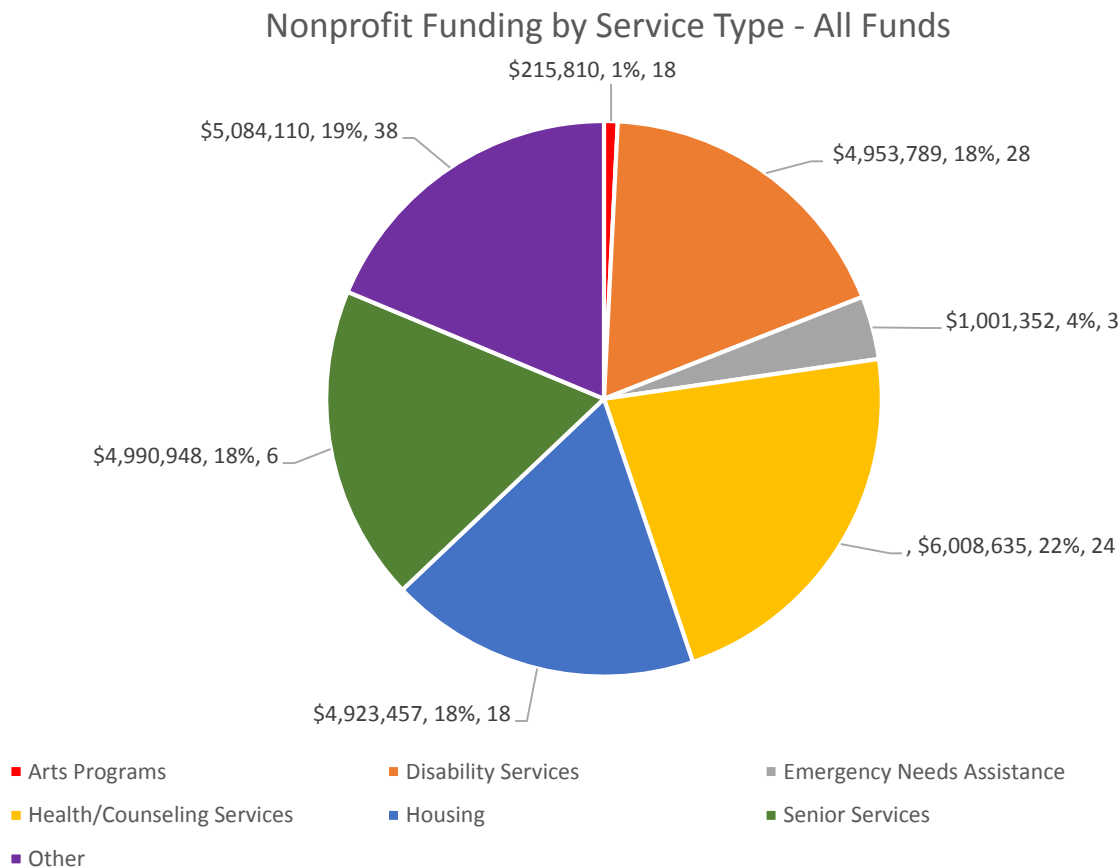
Non-Profit Funding by Department - All Funds



The following chart depicts non-profit funding across all funds by the type of service provided. The vast majority of services provided by non-profit organizations, approximately \$21 million, fall into the categories of housing, disability, seniors, and health and counseling services. This

<sup>1</sup> The number of different programs includes each arts grant recipient (18 in total) and excludes non-profit organizations that only receive in-kind contributions (8).

demonstrates that our relationships with local non-profit organizations is illustrative of the County’s priority of providing safety net programs to those most in need.



\$15.0 million of total non-profit funding (or 55 percent), are for contracts for goods or services that were competitively bid. Out of those non-profit organizations that did not go through the competitive procurement process, another five percent of funding was awarded through an alternative competitive review process (including non-profit organizations funded through the Community Development Fund, the Arts Grants process and the bi-annual review of disability non-profit organizations).

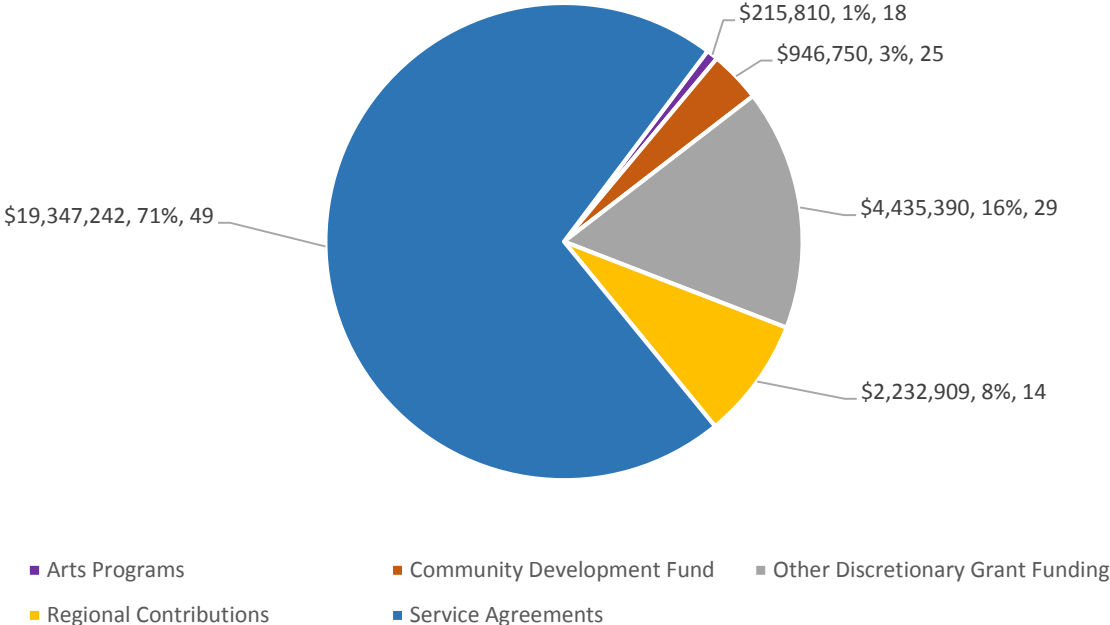
The Department of Human Services (DHS) manages the majority of the County’s non-profit relationships. DHS non-profits primarily fall into the categories of health and counseling services (\$5,442,490 or 23 percent), senior services (\$4,961,372 or 21 percent), disability services (\$4,710,639 or 20 percent), and housing services (\$4,588,807 or 19 percent). These service categories are consistent with the department’s key areas of focus as well as County-wide trends. Out of the 68 non-profit organizations working with DHS, 38 (or 56 percent) were awarded funds through a competitive evaluation process and 30 non-profits (or 44 percent) were awarded funds through a non-competitive evaluation process.

# Non-Profit Funding Evaluation and Processes

Non-profit organizations enter into relationships and agreements with the County in a variety of ways, depending largely upon what funding source the non-profit is seeking and what services the non-profit is providing. These different avenues vary in their process and evaluation criteria. For example, a non-profit seeking Community Development Fund dollars goes through a defined evaluation process and ultimately the Community Development Citizens Advisory Committee makes recommendations to the County Board for funding. In contrast, a non-profit that is seeking General Fund dollars may go directly to the Board to request funding and/or go to the department that is primarily responsible for liaising with them. As a decentralized organization, the departments each have their own internal process for evaluating non-profit requests and recommending to the County Manager increased or new funding for organizations during the budget process. In addition, the County has a number of competitively bid and sole source contracts with non-profits that provide services on behalf of the County.

There are several evaluation criteria and processes that are used to award funding to non-profit organizations. These evaluation processes are often specific to the funding source. Below are brief descriptions of the various avenues the majority of the non-profits are using to enter into agreements with the County. It is important to note that some non-profit organizations receive funding for more than one program.

Non-Profit Funding by Evaluation Process



## Arts Programs

*Number of FY 17 Grants: 18, Total FY 17 Budget: \$215,810, Average grant: \$11,989*

The Arlington Commission for the Arts (Arts Commission) follows the guidelines set forth in the County Board approved "[Policy for the Support of Arts Organizations and Artists](#)" which was adopted in December 1990. The policy authorizes the Arts Commission to make decisions regarding the granting of facilities and technical services and to make recommendations to the County Board regarding the County's direct financial support to Arlington arts organizations and artists. The Arts Commission oversees a comprehensive process for the distribution of the County's arts grants resources. Potential grantees must submit an application for support to the Arts Commission. Advisory panels consisting of art experts and County staff then review the applications. Both the panelists and County staff will make formal presentations to the Arts Commission. The Arts Commission reviews each application with panel representatives and County staff and makes final funding recommendations. Applicants are notified of the Commission's decisions and are given the opportunity to appeal any recommendation.

The Arts Commission can recommend two types of financial support: 1) Excellence & Access Grants; and 2) Spotlight Grants. Excellence & Access Grants are used for specific projects or initiatives planned by the organization. Spotlight Grants are targeted to individual artists and fund a proposed work that was described in their respective grant applications. Financial support is also complemented by access to facilities and technical services, which the Commission will award to many of applying organizations under this grant program. [The FY 2017 Arts Grant awards](#) went to 18 non-profit organizations and two individual artists. The non-profit awards ranged from \$2,707 to \$27,237.

## Community Development Fund

*Number of FY 17 Grants: 25, Total FY 17 Budget: \$946,750, Average grant: \$37,870*

The Community Development Fund is a pool of funding comprised of federal, state and local sources. The purpose of the Community Development Fund is to improve the housing, neighborhood and economic conditions of Arlington County's low and moderate income residents by effectively administering its funding sources. The funding sources include:

- Federal Community Development Block Grant (CDBG);
- Federal and State Community Services Block Grant (CSBG);
- Arlington County's Affordable Housing Investment Fund, Housing Services (AHIF Services); and,
- General funds as determined by the County Board.

Grants are awarded on a one-time basis and according to the County's fiscal year (the current fiscal year is July 1, 2016 through June 30, 2017). CDBG is funded by the U.S. Department of Housing and Urban Development (HUD). CDBG funding is determined through a formula comprised of several measures of community need, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas. CSBG is funded through a grant from the U.S. Department of Human and Health Services and is administered by the Virginia Department of Social Services. The CSBG funding is awarded to an individual state based on its percentage of low-income population relative to the entire country. Each state develops its own allocation plan. Virginia's allocation method is a blended rate based on the percentage of low-income population in a jurisdiction, the overall number of

jurisdictions served in the state and the square mileage served by each jurisdiction. AHIF funding in FY 2017 is \$200,000 for housing services.

Grants are awarded through a competitive evaluation process and based on the amount of funding available. Grants between \$20,000 and \$50,000 may be requested for public services that serve low and moderate income residents, such as neighborhood, job training, youth and/or senior programs. Housing development, homeownership, housing rehabilitation, certain economic development, and business development programs (such as microenterprise or small business assistance) are eligible for grants up to \$100,000. Funding priority is given to submissions which support [the FY 2016-2020 Five Year Consolidation Plan](#) objectives to create and sustain affordable housing, promote healthy and self-sufficient families, stabilize families at risk of homelessness and foster vibrant and sustainable neighborhoods. Additionally, the ability of a non-profit to leverage County funds against other resources is part of the evaluation criteria. Proposals are reviewed by county staff to determine which funding source is appropriate and whether the proposal is responsive to the solicitation. Required contents of proposals, eligibility requirements, evaluation criteria and deadline information are included in the [Notice of Funding Availability](#).

Responsive proposals are forwarded to the Community Development Citizens Advisory Committee (CDCAC) and the Citizens Advisory Commission on Housing (Housing Commission). County staff and CDCAC review projects for CDBG and CSBG funding. County staff and the Housing Commission review AHIF housing service proposals. Once funding recommendations are made by County staff, CDCAC and the Housing Commission, those requests are included in the County Manager's Proposed Budget and presented to the County Board in February. The County Board approves both the [Annual Action Plan for the Community Development Fund](#), which is required by HUD, and the [Adopted Budget](#) which appropriates the funding.

#### Regional Contributions<sup>2</sup>

*Number of FY 17 Grants: 14, Total FY 17 Budget: \$2,232,909, Average Grant: \$159,494*

The County also contributes to some non-profit organizations through the [Regional contributions portion](#) of the annual budget. Regional contributions are grouped into four categories based on the type of organization being funded and the nature of its work. The first two groups include government and quasi-government organizations that address issues and problems that have a regional impact.

The third group includes non-profit organizations that focus on community-wide issues. These organizations must present a budget request to the County on an annual basis. The requests are submitted to the department responsible for overseeing their work, primarily DHS. The FY 2017 Adopted Budget for the third group is \$2,120,999. In FY 2017, ten non-profits are funded with an average grant of \$212,100.

The fourth group includes non-profit organizations that provide services to individuals with disabilities. The County Manager's Office of Human Rights is responsible for managing contributions to the disability non-profit organizations with the assistance of the Disability Advisory Commission. The Disability Advisory Commission conducts a bi-annual grant

---

<sup>2</sup> The Animal Welfare League of Arlington and Friends of Guesthouse are not included in Regional Contributions because these contracts have been competitively bid for services they provide on behalf of the County. They are included in the section titled, "Agreements to Provide Services on Behalf of the County." Virginia Adult Probation and Parole is not included because the contribution is strictly for a salary supplement. Additionally, the Mary Marshall Scholarship portion of the Northern Virginia Community College contribution is also included.

application process and awards grants to nonprofit organizations that provide services to Arlington residents with physical and sensory disabilities. During this process, the Disability Advisory Commission will review non-profit organization applications based on the following criteria:

- The County's need for the services;
- Measurable outcomes of the program;
- The agencies' experience and capacity to provide the service; and,
- The overall amount of program funding available.

The Disability Advisory Commission presents its funding recommendations to the County Board during the budget process for formal approval. [The Adopted FY 2017 Budget for disability regional contributions](#) was \$111,910. The four grants awarded range from 11,059 to \$48,354 (an average of \$27,976 per grant). The third and fourth groups of regional contributions are included in the compiled list of non-profit organizations.

#### Other Discretionary Grant Funding

*Number of FY 17 Grants: 29, Total FY 17 Budget: \$4,435,390, Average grant: \$152,944*

As part of the annual adopted budget process, the County Board awards funding to specific non-profit organizations. In some cases, the Board appropriates grant funding to a non-profit based on requests it receives directly from organizations. In other cases, the County Board appropriates funding to organizations based on recommendations received from the County Manager and respective departments during the proposed budget process. In these cases, the relevant department works with the County's Attorney's Office to formulate an agreement that lists the applicable terms and conditions that the nonprofit organizations must meet to receive funding. If the County Board awards ongoing funding, the funding amount is included in the base budget of the respective department going forward. Discretionary non-profit awards are a funding tool that can be used to enable the County to assist in a variety of situations, such as funding service gaps and enabling organizations in the community to increase their fund raising capabilities. For example, the Arlington Food Assistance Center leverages discretionary County funds with other donations to serve more residents. Often the organizations receiving discretionary grants are the only organization that can provide that particular service or activity, such as the Marine Corps Marathon. Another example is the County Board providing funding to the Buckingham Gates of Arlington Tenants Association (BU-GATA). This organization is the only provider with the necessary community connections and outreach capacity to perform the work.

The evaluation process for this type of funding is often decentralized and usually relies on analysis and a recommendation from the department. In recent years, the types of services most frequently funded with discretionary funds have been housing, emergency needs and senior services. It is important to note that once the Board awards ongoing grant funding in one fiscal year, the funding is included in the base budget in future fiscal years until the Board chooses otherwise through future budget actions.

#### Agreements to Provide Services on Behalf of the County

*Number of FY 17 Agreements: 49, Total FY 17 Budget: \$19,347,242, Average Award: \$394,842*

Non-profit organizations may also enter into agreements to provide services on behalf of the County through the County's procurement process. This is commonly done for social safety net

services provided by the County. For example, DHS may seek vendors to administer a program to help individuals dealing with substance abuse issues. DHS works with the Purchasing Division in the Department of Management and Finance to determine the appropriate procurement method. The various procurement methods are described in more detail below.

Contracts for goods and services are determined through two main types of award methods: competitive solicitation and non-competitive solicitation. Competitive solicitation methods include: Rider Agreements which are contracts for goods and services that are based on a competitive solicitation process that was administered through another jurisdiction; Quick Quotes which are electronic quotes that can be used for purchases of goods and services under \$100,000; Invitations to Bid which are used for goods and services over \$100,000 with a very specific set of requirements (commonly called specifications); and Requests for Proposals which are used for services over \$100,000 for which specifications are not well-defined at the time of solicitation.

Non-competitive solicitation methods include: Sole Source which is allowed for goods and services that are, after an internal review process, deemed to be only available through one supplier; Exempt Purchases which includes a list of purchase types that are exempt from competitive solicitation requirements as deemed by the Virginia Public Procurement Act and/or the Purchasing Agent; Emergency Purchases which are expedited purchases of goods and services necessary to mitigate immediate dangers to health and/or well-being of residents which must be authorized by the Purchasing Agent; and purchases of goods and services under \$5,000 per vendor per fiscal year which do not require competitive quotes.

#### In-Kind Services

In some cases, the County provides non-profit organizations with non-monetary resources or in-kind services. Examples of in-kind services include County staff time spent on non-profit initiatives and free use of County space for non-profit events and activities. The compiled list of non-profits does not include every non-profit entity receiving free use of County space or staff time, as this list changes over time and are often one-time requests. However, the list does include in-kind contributions that are governed by a formalized agreement or arrangement and non-profits who, in addition to funding from the County, are also receiving in-kind services. The formalized agreements are often agreements for use of County space, particularly at facilities managed by the Departments of Parks and Recreation (DPR).

#### Conclusion

The County works with approximately 100 non-profit organizations to deliver a wide range of services. Some non-profit organizations receive funding for more than one program. The vast majority of the activities performed by these non-profit organizations are for housing, disability, senior and health and counseling services. Approximately 60 percent of funding going to non-profits is awarded through some sort of competitive process, whether it be through a competitive solicitation to provide services on behalf of the County, the Community Development Fund process, the Arts Grants process, or the disability biennial review process. Additionally, 29 non-profit organizations (or 16 percent of the funding) are awarded as discretionary grant funds.