



*The* CITY OF PARIS

Date Approved by City Council: February 22, 2021

## **Non-Profit Organization Contracting Policy**

### **Introduction**

It shall be the policy of the City Council of the City of Paris to contract with non-profit organizations to provide services in the pursuit of public purposes that benefit the community where the services provided by such non-profit organizations cannot be reasonably or cost-effectively provided by the City. To accomplish this, parameters must be established to maintain fairness, manage fiscal constraints and remain in financial compliance with the Texas Constitution Article III, Section 52. This policy is therefore designed to provide the parameters that will guide the City Council in making determinations towards contracting with Non-Profit Organizations.

### **General Guidance**

It shall be the intent of the City Council that priority consideration will be given to requests that mirror and/or compliment a service provided by the City of Paris and/or perform a public benefit that is believed to be more cost effective and efficient than had the City of Paris itself performed said task. Requests that are more in line with the mission and objectives of other public entities such as Lamar County, Public Schools, and/or Paris Junior College, can be considered, but are more appropriately redirected to those governing bodies. Services that have no clear and/or definable public purpose will not be funded.

Given the likelihood of reviewing many worthy causes and there being differing opinions and priorities among the members of the City Council, the following policy is designed to assist the City Council with systematically making the tough decisions necessary to fulfill the general intent.

### **Consultation**

The City Manager may be consulted by any non-profit organization seeking funding for the purpose of determining eligibility per this policy. The City Manager cannot assist a non-profit organization in the preparation of their application thereby giving an entity an unfair advantage; however, the City Manager may provide general guidance to help define the public purpose of the application.

### **Parameters**

1. Only applications from registered non-profit organizations, whether officed in the City of Paris or not, will be considered.
2. Only requests that have a direct public benefit to any number of the citizens of Paris will

be considered.

3. Applications will be accepted starting April 1<sup>st</sup> and due to the City Manager's Office no later than May 31<sup>st</sup>. Applications received before April 1<sup>st</sup> or after May 31<sup>st</sup> will not be considered.
4. Non-profit organizations are limited to one application each fiscal year.
5. Requests can be for, but not limited to, programming, services, capital improvements, equipment, supplies, material, etc., so long as the funding advances the services to be provided under the contract and a definable public purpose is evident.
6. Requests cannot be in an amount that exceeds 25% of the non-profits' operational budget.
7. Approval of a request cannot commit the City to approval of future requests.
8. The total amount that the City shall budget for the procurement of services from non-profit organizations shall be capped at \$100,000.00 in each fiscal year, subject to **Process of Approval** section 11
9. Financial assistance for non-profit organizations shall be capped at a total of \$15,000.00 per organization in each fiscal year.
10. The City Attorney must provide an affirmative opinion that the use of funds as listed in the application appears to qualify as a public purpose and that the services to be provided by the non-profit meet the requirements of the Texas Constitution and this policy.
11. Awarded entities shall agree to and sign the City's **Non-Profit Services Agreement** as written.
12. Awarded entities that fail to comply with the written conditions of the City's **Non-Profit Services Agreement** will be disqualified from re-applying for future public funding under this policy for a period of three (3) fiscal years.

### **Process of Approval**

1. City Staff will advertise in the Paris News twice, starting in early April, the acceptance of applications, as well as posting on the City's website.
2. City Staff will not forward an application to any entity unless request is made by the entity during the application acceptance period.
3. Applications will be available on the City's Website or in the City Manager's Office.
4. City Staff will receive applications up until May 31<sup>st</sup> but not before April 1<sup>st</sup>.
5. City Staff will process the application using the **Parameters** in this policy.
6. A presentation will be given to the City Council at the next available City Council

meeting, said presentation to include a list of eligible applications as well as ineligible applications for City Council review. Unless otherwise decided on by the City Council, only those applications that were determined eligible shall be considered for the rest of this **Process of Approval**.

7. The City Council may debate the merits of any and all applications upfront, but shall, at the same City Council Meeting, as individual City Council Members rank each individual application in order of recommended priority discussion and consideration by the City Council.
8. City Staff shall compile the rankings of each individual City Council Member and present the order of discussion and consideration to the City Council.
9. The City Council shall examine each application in the order of compiled ranking and shall vote to either accept the application or reject the application prior to proceeding to the next application on the compiled ranking list. This shall continue until the total allowed cap of Section 8 of **Parameters** is reached. The City Council shall not skip any application, but must vote to approve or reject each one in order.
10. The City Council may consider a lesser amount than requested by an applicant. A City Council Member may make such a request of a lesser amount upon reaching the application in the order of ranking. The City Council may debate said lesser amount. A combination motion of approving the application with a lesser amount of funding may be voted on. If approved, then the City Council shall proceed to the next applicant on the list. If not approved, then the City Council can consider another combination motion of a different lesser amount and approval of the application. If no lesser amount is approved by the City Council, the City Council shall vote to approve or reject the application for the original requested amount prior to proceeding to the next application in the order of ranking.
11. If an application is ranked such that its approval would exceed the total cap of \$100,000.00, then the City Council can vote to approve a lesser amount to balance out the \$100,000.00 cap, or approve a higher amount beyond \$100,000.00, but not to exceed the total amount requested in the application or an additional \$5,000.00 to the total cap, whichever is smaller, thus a max \$105,000.00 total. Any remaining balance in the total cap shall be unused and incorporated into the rest of the Fiscal Year balancing of the budget.
12. If a tie in compiled City Council Member ranking exists, then applications shall be considered and voted on in order of the following criteria until the tie is broken:
  - a. In order of least amount of funding requested to most amount of funding requested.
  - b. In order of least overall entity operating budget to most overall entity operating budget.
  - c. In order of most number of years funded by the City of Paris to least number of years funded by the City of Paris, prior to this year.
  - d. An entity whose primary office is located in Paris, TX.
  - e. If a tie remains after the above, the City Council shall vote on an order for discussion and consideration.

13. Approved applications will be incorporated in to the overall fiscal year operational budget and is therefore still subject to final City Council approval. If approved, funding will be made available upon the signing of the City's **Non-Profit Services Agreement** and following the start of the new fiscal year, which takes place October 1<sup>st</sup>.

14. Individual City Council Member rankings shall be public records.

**Amendment**

The City Council reserves the right, by majority vote, to amend any portion of this policy at any time or to temporarily deviate from said policy, subject to financial and/or legal constraints.

**Non-Profit Organization Contracting Policy**

**City Council Member Ranking Scorecard**

Please rank on the right hand side of the following list the Non-Profit Organizations in the order of Recommended Priority Discussion. Do not rank any two or more organizations the same.

<u>Organization</u>	<u>Dollar Amount</u>	<u>Rank</u>
1.	\$	_____
2.	\$	_____
3.	\$	_____
4.	\$	_____
5.	\$	_____
6.	\$	_____
7.	\$	_____
8.	\$	_____
9.	\$	_____
10.	\$	_____

**Non-Profit Organization Contracting Policy**

**Application**

**It shall be the policy of the City Council of the City of Paris to contract with non-profit organizations to provide services in the pursuit of public purposes that benefit the community where the services provided by such non-profit organizations cannot be reasonably or cost-effectively provided by the City. To accomplish this, parameters have been established to maintain fairness, manage fiscal constraints and remain in financial compliance with the Texas Constitution Article III, Section 52. All applicants must read the Non-Profit Organization Financial Assistance Policy as well as complete the following information to be eligible.**

**Important – Please submit a copy of your agency’s most recent financial statement or audit, a detailed budget to support this request, and a copy of your *Certificate of Fact – Status* with the State of Texas Office of Secretary of State.**

**Date:** \_\_\_\_\_

**Agency Name:** \_\_\_\_\_

**Agency Mailing Address:** \_\_\_\_\_

**Agency Phone Number:** \_\_\_\_\_

**Agency Fax Number:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_

**Contact’s Title:** \_\_\_\_\_

**Contact’s Mailing Address:** \_\_\_\_\_

**Contact’s Phone Number:** \_\_\_\_\_

**Contact’s Email Address:** \_\_\_\_\_

**Requested Amount:** \_\_\_\_\_

**Total Operating Budget:** \_\_\_\_\_

**Identification of Request:** \_\_\_\_\_

**List other sources of funding you are pursuing for this same request and the amounts:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Check all City Departments your request is most in line with and/or compliments:

Animal Control	_____	Capital Improvement	_____
City Attorney	_____	City Clerk	_____
City Engineer	_____	Code Enforcement	_____
Community Development	_____	EMS	_____
Finance/Audit	_____	Fire	_____
Fire Marshall	_____	Garage	_____
IT	_____	Library	_____
Lift Station	_____	Main Street/HPC	_____
Parks/Recreation	_____	Police	_____
Street	_____	Traffic	_____
Trash/Sanitation	_____	Warehouse	_____
Wastewater Treatment	_____	Water Production	_____
Water/Sewer	_____	Other	_____

**IMPORTANT:** On a separate typed document, not to exceed two pages, standard type and font, please provide the following narrative:

- Description of Project.
- Description of Need.
- Scope of Work / Methodology.
- Description of how this is a public purpose/benefit.
- How this project will benefit the citizens of Paris.
- Location/service area of Project.
- Supporting reasons for which City Department(s) your request is most in line with.
- Any other applicable details to support your application.

Have you received funding from the City of Paris in the last five years? Yes \_\_\_/No \_\_\_

- If Yes, please either attach a copy of the previous agreement with the City of Paris or a brief description of the amount awarded, year awarded and the project.

Check Off:

- Have you read the City of Paris Non-Profit Organization Financial Assistance Policy? Yes \_\_\_/No \_\_\_
- Have you attached a separate typed document with your narrative? Yes \_\_\_/No \_\_\_
- Have you completed the above application truthfully to the best of your knowledge? Yes \_\_\_/No \_\_\_
- Is a detailed project budget, including columns and descriptions for allocation of city funding and the agency's matching funds attached? Yes \_\_\_/No \_\_\_
- Is your organization's most recent financial statement and/or audit included with your application? Yes \_\_\_/No \_\_\_
- Is a copy of your entities *Certificate of Fact – Status* from the Texas Office of Secretary of State included with your application? Yes \_\_\_/No \_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

**NON-PROFIT SERVICES AGREEMENT**

**STATE OF TEXAS           §**  
  **§**  
**COUNTY OF LAMAR       §**

This Non-Profit Services Agreement, hereinafter referred to as the "Agreement," entered into by and between the City of Paris, a home-rule municipality with its offices located at 135 First Street S.E., in the City of Paris, Lamar County, Texas, hereinafter referred to as "CITY" and \_\_\_\_\_ whose mailing address is \_\_\_\_\_, \_\_\_\_\_, Texas \_\_\_\_\_ and is located in the City of Paris, Lamar County, Texas, hereinafter referred to as "SERVICE ORGANIZATION".

**WITNESSETH**

**WHEREAS**, SERVICE ORGANIZATION possesses certain specialized expertise, personnel, equipment, and training necessary to provide certain community-based specialized services unique to said organization and unavailable from any other readily available source; and,

**WHEREAS**, CITY desires to enter into a Non-Profit Services Agreement with the SERVICE ORGANIZATION to provide such specialized services to City of Paris and its citizens; and,

**WHEREAS**, the Service Organization will provide certain specialized services as described herein and as further described in the Service Organization's mission statement to the community that will benefit the City by: 1) providing specialized services for which the City has limited or no expertise; 2) providing specialized services in a more efficient manner and at a lower cost; 3) providing specialized services under a recognized name and as a recognized source in the community for specialized expertise in the area of said specialized services; and,

**WHEREAS**, the City Council finds and determines that contracting with said SERVICE ORGANIZATION will benefit the health, safety, and welfare of the citizens of the City of Paris in the furtherance of a public purpose;

**NOW, THEREFORE, FOR AND IN CONSIDERATION OF THESE PREMISES**, and the mutual consideration as set out herein, CITY and SERVICE ORGANIZATION agree as follows:

**I. Scope of Services**

SERVICE ORGANIZATION agrees to provide the following services as set forth in more detail in the Request for Funding documents attached hereto and incorporated herein as Exhibit "A" to CITY and its citizens during the term of this agreement:

\_\_\_\_\_  
\_\_\_\_\_



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## II. Funding

For and in consideration of these services, CITY agrees to provide partial funding to the SERVICE ORGANIZATION, in the form of a one-time payment, in the amount of \_\_\_\_\_ DOLLARS AND NO/100 (\$.00) to be paid to SERVICE ORGANIZATION within 30 days following an initial billing and invoice from SERVICE ORGANIZATION to CITY for said services. Said invoice shall be in a form and contain such information as CITY shall require. Upon receipt of the aforesaid one-time payment, SERVICE ORGANIZATION shall be obligated to provide said services throughout the term of this Agreement.

## III. Reporting

No later than ninety (90) days prior to the termination of this Agreement as provided herein, SERVICE ORGANIZATION shall provide to CITY the following information in writing:

1. A financial statement, in such detail and containing such information as CITY shall require;
2. A report of the number of citizens of the City of Paris served and directly benefitted by the services provided under this Agreement during the previous nine (9) months of services, or such other similar information as the CITY shall require;
3. Any other information which CITY may reasonably require.

## IV. Agreement Term

This Agreement shall begin on October 1, 20\_\_ and end on September 30, 20\_\_.

## V. Termination

This Agreement may be terminated by either party hereto at any time upon ten (10) days written notice of termination to the other party. Such notice may be delivered personally to the address shown in this agreement or by forwarding said notice to the other party by certified mail, return receipt requested and shall be effective ten (10) days following receipt thereof by the other party. If the SERVICE ORGANIZATION terminates the Agreement prior to providing all the services required herein, the SERVICE ORGANIZATION shall refund that portion of the funding received \_\_\_\_\_ DOLLARS AND NO/100 (\$.00) on a pro rata basis.

## VI. Release/Indemnification

**BY ENTERING INTO THIS AGREEMENT, THE SERVICE ORGANIZATION EXPRESSLY AGREES TO DEFEND, INDEMNIFY AND HOLD THE CITY OF PARIS, TEXAS AND ITS OFFICERS, AGENTS AND EMPLOYEES HARMLESS FROM AND**

**AGAINST ALL DAMAGES, INJURIES (INCLUDING DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, PENALTIES, SUITS, JUDGMENTS AND COSTS, INCLUDING ATTORNEY'S FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO, OR RESULTING FROM THE SERVICE ORGANIZATION'S ACTIVITIES OR SERVICES PROVIDED UNDER THIS AGREEMENT AND/OR CAUSED BY THE NEGLIGENCE, ERRORS, OMISSIONS OR INTENTIONAL WRONGFUL ACTS OF THE SERVICE ORGANIZATION OR THE SERVICE ORGANIZATION'S OWNERS, OFFICERS, EMPLOYEES OR AGENTS.**

**VII. Independent Contractor**

SERVICE ORGANIZATION shall be considered for all purposes under this Agreement an independent contractor, and not an employee, agent, or other representative of CITY. Nothing in this Agreement shall change the SERVICE ORGANIZATION's independent contractor status or create any kind of joint enterprise between the SERVICE ORGANIZATION and the CITY.

**VIII. Miscellaneous**

This Agreement may be assigned by SERVICE ORGANIZATION only with the express written consent of the City Manager of the City of Paris, Texas.

SERVICE ORGANIZATION and CITY agree that the services provided under this Agreement are to be performed in Lamar County, Texas, and venue for any and all legal actions arising under this Agreement, if any, shall lie exclusively in the State Courts of Lamar County, Texas and in the Federal Courts for the Eastern District of Texas.

This Agreement, and every provision hereof, shall be considered severable, and the invalidity or partial invalidity of any section, clause, or provisions of this Agreement shall not affect the validity of any other portion of this Agreement.

This Agreement shall be interpreted exclusively under the laws and ordinances of the State of Texas and the City of Paris.

**EXECUTED** this \_\_\_\_\_ day of October, 20\_\_.

-----Signature Page to Follow-----

**CITY OF PARIS, TEXAS**

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Grayson Path, City Manager

**ATTEST:**

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Janice Ellis, City Clerk

**APPROVED AS TO FORM:**

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Stephanie H. Harris, City Attorney

*[Name of Entity]*

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*[Name of Authorized Representative/Title]*