**2012-2014**

**Nonstate Agency**

**Instructions**

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**Virginia Department of**

**Planning and Budget**

**September 2012**

Overview

## These instructions are to be used for preparing and transmitting budget requests for nonstate agencies for the 2012 – 2014 biennium, which covers the period covers July 1, 2012, through June 30, 2014. Any funding appropriated by the General Assembly for FY 2013 will not be available until the enactment of the 2013 Appropriation Act which could be in either May or June.

## Nonstate agencies are defined in §§2.2-1505 (<http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+2.2-1505>) and §4-5.05 of the 2012 Appropriation Act (<http://lis.virginia.gov/cgi-bin/legp604.exe?122+bud+24-5.05>).

## The primary purpose of state support of nonstate agencies is to assist with capital expenditures or improvements and organizational or operating assistance of a limited duration to help during periods of growth or change and other expensive items of a one-time nature. State support is not available and should not be sought for operating support on a continual or long-term basis.

Your request will consist of a completed Form NSA-1, Nonstate Agency Budget Request. **Agencies must submit this form electronically to DPB along with any supporting materials no later than 5:00 P.M. October 31, 2012.** Each Form NSA-1 should cost out and justify one budget request. The request proposed in each Form NSA-1 should be a discrete unit that can be evaluated on its own merit, independently of any other proposals. Under certain circumstances, several strategies or actions may be tightly related and cannot be viewed independently. If so, they may be grouped together in one Form NSA-1.

Submit your requests and documentation as an e-mail attachment to the following address: nonstatebudget@dpb.virginia.gov. No requests will be accepted after the deadline. Please note that requests may be subject to the review by the Office of the Attorney General to determine if funding conforms to constitutional requirements.

Questions regarding the **application** process may be directed to: Don Darr at (804) 786-1131 or don.darr@dpb.virginia.gov or Andrew Diefenthaler at (804) 786-6756 or andrew.diefenthaler@dpb.virginia.gov

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If your agency is appropriated funding in the 2013 Appropriation Act, you will be required to complete a separate application (including proof of matching funding) to receive payment. The Department of Historic Resources (DHR) administers this Payment Application.  To obtain this application, after you have been appropriated funding in the 2013 Appropriation Act, contact Patty Hurt at DHR at patty.hurt@dhr.virginia.gov or (804) 862-6198.  Questions regarding the **payment** process for nonhistoric nonstate entities may be directed to Patty Hurt (contact information above) or for historic nonstate entities, to Jennifer Mayton at (804-862-6408) or jennifer.mayton@dhr.virginia.gov

**Criteria for Funding**

The following are general guidelines that must be followed to be considered and approved for state funding:

**Location** - Your agency must be located in and operate in Virginia.

**Purpose** - The requested state support must be for a purpose clearly identifiable as cultural, historic, or artistic in nature or related to human services. It must be for capital expenditures or operating assistance of a limited duration.

**Ineligible Agencies** - The Constitution of Virginia prohibits state appropriations to a religious agency or a private institution of higher education.

**Federal Income Tax Exemption** - Your agency must be a nonprofit agency exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

**Matching Funds** - The matching fund requirements, summarized from Attachments A and B, stipulate that:

* Your agency must present an equal match for the state grant, whether the grant is for operating or capital purposes. **Please be aware that the required match must be certified by the Secretary of Finance prior to the funds being released**.
* Match must be in cash, cash equivalent (securities which can be converted to cash within 30 days), or in-kind unless the agency is a political subdivision.
* Match must be from local or private sources. "Local" means funds from local governments, other local entities and federal funds. It excludes state funds.
* Match must be available on July 1, 2012, for funding requested for FY 2013 and July 1, 2013, for funding requested for FY 2014. If not available until after July 1, the state grant will be released when the matching funds are available. Note the following requirements of §2.2-1505 of the Code of Virginia:
1. Funds received and spent prior to the effective date of the state grant are not eligible to be counted as a match. Likewise, in-kind match must be available within the grant period.
2. If available funds were used to meet the match requirement for any state grant issued by any previous appropriation act, they may not be used to satisfy the new matching requirements even if they are still available.
3. Match funds must be concurrent with the purpose for which state funds are requested. This means that the proposed expenditure of the match funds must be the same as that for the state funds.

**Virginia Public Procurement Act** - If your agency plans to use more than $10,000 for capital expenses, the Virginia Public Procurement Act may apply. See section 2.2-4343 A.14 of the Code of Virginia (<http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+2.2-4343>)

## **Pass-Through** - The request should be for your agency directly. A pass-through from your agency to another agency not owned or controlled by your agency will not be approved.

**Instructions for completing Form NSA-1,
Nonstate Agency Budget Request**

This form is available in Microsoft Word format on DPB’s web site at <http://dpb.virginia.gov/forms/forms.cfm>. If you fill in the form in Microsoft Word, spaces provided for you to will expand as needed to fit the information.

**A. Background**

1. **Legal name.**  Give the official name of the agency. This means the name under which it is incorporated or otherwise authorized to do business in Virginia.
2. **Location.**  Give the address (street and city) of the principal office or location and the address of any other offices or locations.
3. **Chief executive officer.**  Provide the contact information for the president, executive director, or chief executive officer of your agency.
4. **Legal status.** Check the appropriate box to indicate whether your agency is a corporation, foundation, authority, partnership, political subdivision, or other. If “other,” please describe.
5. **Statutory authority.** If your agency is established by statute enacted by the General Assembly of Virginia, identify the statute (Act of Assembly or Code of Virginia) and date of its enactment. If your agency was not established by statute, indicate how it was established.
6. **Tax status.** If your agency is exempt from taxation under § 501 (c) (3) of the United States Internal Revenue Code, show the tax identification number and date of approval. If it is not exempt, enter “No exemption.”
7. **Affiliation with higher education.**  Indicate any affiliations your agency has with a private institution of higher education by identifying the institution and describing your agency’s affiliation with that institution. If your agency has no such affiliations, enter “None.”
8. **Affiliation with religious agency.** Indicate if your agency is a religious agency or affiliated with a religious agency by identifying the religious agency and describing your agency’s affiliation with that agency, if any. If your agency has no such affiliations, enter “None.”

**B. Agency Profile**

1. **History.**  Provide a brief paragraph summarizing the history of the agency, including when and why it was created and by whom.
2. **Services.** List the current activities and services provided by the agency, factors impacting service delivery, and any anticipated changes over the next six years.
3. **Mission.** Cite the mission statement of the agency and the date it was developed. The mission is a statement of an organization’s purpose; the fundamental reason for an organization’s existence. If no mission statement exists, please explain why.
4. **Goals.** List each of the goals identified by the agency and any additional supporting information. A goal is a broad statement of the long-term results needed to accomplish the organization’s mission and achieve its vision.
5. **Customers:** The customer section should contain a list of the agency’s customers (i.e., the customer base) and should include the number of current customers being served and the number of potential customers. This section should also document any anticipated changes in the customer base. This information should be compiled from the organization’s service area plans. A customer is defined as any individual, group of individuals, organization, or organizational units for whom products and services are supplied. Customers could be internal or external.
6. **Performance measurement.** Please include a brief description of how your agency monitors the productivity and effectiveness of its services.
7. **Agency budget**. The section contains a table that depicts the total agency actual budget for the previous fiscal year and estimates for the current and next fiscal years. Break out funding by major fund source, such as grants, admission fees, state funding, sales, etc. After listing all of the major fund sources, provide a grand total for the agency. Note if the agency uses a fiscal year different from the state’s fiscal year, which runs from July 1 to June 30, please convert to the state fiscal year.

**C. Request and Justification**

1. **Requested state appropriation.** Fill in the table to indicate the amount the agency is requesting for operating funds and the amount being requested for capital improvements. Operating expense requests are to be identified as one-time or recurring.

“**Operating expenses”** means payment of salaries, purchase of supplies, heat, light, power and other expenses of normal maintenance and operation. It includes equipment for normal operation, such as typewriters, computers, calculators, and computer software. “**Capital expenses**” means expenditures for acquisition and purchase of land and structures, construction of buildings, renovation of buildings, major repairs, and other capital purposes. It includes equipment associated with construction and renovation of buildings.

1. **Description of how the money will be spent.** Describe the product, service, or facility that will be financed by the state appropriation. If the request is for operating expenses, indicate whether the expenses are one-time or on-going. If on-going, describe how the expenses will be funded once the state grant ends. If the request is for capital purposes, describe the proposed facility or improvements to the existing facility. What is the timeline for the procurement? Also, indicate what impact the capital expense will have on your agency’s operating plan and how any additional operating expenses will be funded.
2. **Methodology for cost of proposal.** Provide an explanation of the methodology used to calculate the costs of the requested funding.
3. **Economic benefit.** Describe how theproposal will result in economic benefits to the Commonwealth of Virginia in terms of visitation, employment, payroll, or other economic contributions.
4. **Other sources of support.** Identify other funding sources, along with the amount, intended to be used in addition to the state appropriation for the purposes for which funding is being requested? What percentage is the requested state grant of the total amount of support you anticipate for this purpose?
5. **Expected outcome.** Indicate how you will measure the success of the effort if this proposal were to be funded, giving the specific outcome you expect. What public purpose will be served by a state appropriation to the agency? How will state funding help the agency carry out its mission? Who will likely benefit from the state appropriation (describe customers, clients, etc.)?
6. **Consequences of not funding.** Describe the impact on services, products, customers, goals, or objectives if this request is not funded.

**D. Matching Funds**

Provide in the table the amount and a description of the proposed matching funds. Identify the source of the proposed matching funds and when they will be available. The state appropriation will be available on July 1 or shortly thereafter. The matching funds should be on hand and available on the same date. If the proposed match includes in-kind contributions, please describe in detail. After the last entry, provide a grand total.

**E. Certification**

Provide the name and working title of the person or persons filling out the form as well as agency information and signature of the chief executive officer.