

Public Purpose Funds Procedures

Background

Public Purpose Funds (PPF) first became available in 1989, following the construction of Roosevelt Island's Manhattan Park development, when New York State established the fund to support community uses, in lieu of the developers paying sales tax on construction materials. As awards were made over the ensuing years for various purposes, the fund was reduced. In 2008, the RIOC Board made a first-time direct appropriation of \$100,000 for the fund's replacement as part of RIOC's adopted budget and has continued to make these funds available annually at its discretion. As part of a process adopted at the May 22, 2008 RIOC Board meeting, the Roosevelt Island Residents Association ("RIRA") took on the role of reviewing applications and making recommendations for funding to the RIOC Board. RIRA's recommendations were based on the merits of each PPF applicant to the community and available funding. PPF are made available through an annual application process. Eligible applicants must request funding each year that the funds are available.

In keeping with the Mission Statement and core values RIOC practices in achieving its mission (appended as Exhibit A), Public Purpose Funds are meant to be investments in the direct services of eligible entities — supporting programs and projects that enrich the Roosevelt Island community.

Eligibility

Applicants must be nonprofit organizations operating on Roosevelt Island, incorporated in the State of New York and compliant with annual State and Federal reporting requirements for nonprofit organizations including but not limited to the New York Non-Profit Revitalization Act of 2013, and certified as tax exempt under Internal Revenue Code (IRC) section 501(c)(3) or 501(c)(4). Please note that organizations recognized under IRC section 501(c)(4) as tax-exempt social welfare organizations, may apply for PPF only if the requested funds are: (i) not intended or used for lobbying or other political activities; and (ii) are intended and used for an activity that directly relates to a power, duty or purpose of RIOC.

Funding Exclusions

Given the guiding values for the use of PPF, certain types of requests are excluded from consideration. RIOC reserves the right to make exceptions to these limitations on a case by case basis where: (i) the use of PPF for the excluded purpose is intrinsic to the success of the project/program; and (ii) the benefit of the project/program to the Roosevelt Island community in RIOC's sole judgment is deemed to outweigh the imposition of such exclusion.

Requests for funding will be excluded if they:

- Solely benefit one individual or family;
- Fail to provide sufficient benefits to the Roosevelt Island community at large;
- Sponsor fundraising events, provided however that donations may be accepted at events held as part of an approved program / project

The above list is not exhaustive. There may be other circumstances where requests are excluded. Applicants in doubt about the eligibility of a request should consult with the relevant RIOC staff during the letter of intent ("LOI") submission period discussed below.

Letter of Intent Submission Period

Provided that PPF have been allocated for a given year, RIOC will annually solicit a form LOI available to interested organizations via its website and post notice of the LOI submission period to the extent practicable. A panel of RIOC staff will be formed to review LOI's and determine eligibility, which will be determined by:

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(i) conformity with the guidelines outlined in Eligibility above; and (ii) RIOC's review and determination of any possible conflicts with Funding Exclusions outlined above. Notices will be sent via e-mail to ineligible organizations. Eligible organizations will similarly be notified and be provided with an official application.

Letter of Intent Attachments

All applicants are required to have and maintain appropriate licenses and permits for provision of the services they perform. RIOC, by awarding Public Purpose Funds, does not substitute its judgment for that of the licensing agencies. RIOC reserves the right to ask for proof of proper licensing as well as the ability to communicate with the licensing entities and obtain access to relevant files and documents reflecting performance, fiscal and other evaluations performed of the applicant by licensing and funding entities.

In addition to applicable proof of licensing, applicants must provide the following to RIOC:

1. Certificate and Articles of Incorporation or other certification by New York State of business/legal status.
2. 501(c)(3) or 501(c)(4) tax exempt certification
3. Most recently filed IRS 990.
4. CHAR 500 or CHAR 410
5. Current Financial Statement Signed by Treasurer (or comparable position)
6. Most recent Audited Statement (for those Applicants required by applicable law to produce an Audited Statement)
7. Copy of Board Profile including names of board members, a brief profile of each, their employer or affiliation, years on the board, office held and committee participation
8. By-laws, or other rules, regulations, guidelines internally adopted as governing the Applicant
9. Resume or CV for each member of senior leadership

Application Attachments

1. Proof of Insurance or certification that Applicant will acquire insurance as specified in Grant Award Requirements below if PPF are awarded to the Applicant
2. Most recent detailed budget identifying all sources of funding (further instructions will be specified in the Application).
3. List of staff required for proposed programming (including titles, job descriptions, salaries, and special licenses/requirements)
4. No more than three (3) Signed Letters of Support (Optional)
5. Certifications from the applicant, with language substantially similar to the following:
 - a. Applicant will certify that they will not propose grants for any organization in which they, directly or indirectly, through business, investment or family, have or are negotiating to obtain, an ownership or investment interest or a compensation arrangement, or from which they otherwise expect to receive any direct benefit not otherwise available to the community".
 - b. Applicant will certify that they are in compliance with all applicable laws, rules and regulations including but not limited to the New York Non-Profit Revitalization Act of 2013.
 - c. Applicant will certify that the application is true and accurate and that they will comply with all requirements, requests for information, rules and regulations of the Roosevelt Island Operating Corporation.

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Application Submission Period

Applications will be accepted until a deadline date set at the time the application is made available.

Technical assistance will be available to eligible applicants for approximately two weeks from the application's release. Responses to questions raised (via a specified PPF E-mail address) prior to a set Q/A cutoff date defined in the application will be sent to all eligible applicants throughout the Application Submission Period. Thereafter, a complete list of all questions/answers will be sent to eligible applicants and posted on the website.

Staff Application Review Period

RIOC Staff will review applications for completeness and, if necessary, will send a request for applicants to supply any missing information prior to the Community Review Period.

Community Review Period

Following the Staff Application Review Period, RIRA as the community's voluntary representative will review applications following guidance provided by RIOC, the performance of which will preclude RIRA from applying for Public Purpose Funds; the review will be conducted in a manner substantially similar to the following:

- RIRA will form an Ad Hoc Public Purpose Fund Committee ("Committee") for the purpose of reviewing applications and making funding recommendations to RIRA's Common Council and the RIOC Board;
- Prior to RIOC's acceptance of any member on the Committee, RIRA, through the Committee's chairperson will provide RIOC with a written affidavit from each proposed Committee member certifying that:
 - he/she shall not recommend grants for any organization in which he/she, directly or indirectly, through business, investment or family, have or are negotiating to obtain, an ownership or investment interest or a compensation arrangement, or from which he/she otherwise expect to receive any direct benefit not otherwise available to the community;
- After RIOC reviews and accepts such affidavits, RIOC will distribute electronic copies of applications provided by RIOC to all Committee members;
- The commencement of the Community Review Period will be contemporaneous with RIRA's receipt of the applications;
- No later than one month from the Community Review Period's commencement, allowing the Committee ample time for review and deliberation as to the merits and bona fides of the applications, RIRA will collaborate with RIOC for the scheduling of community presentations along the lines embodied in the following:
 - RIOC will post notice of the community presentation dates to the extent practicable
 - Each applicant will make ten-minute presentations of their proposed program/project
 - After each applicant's presentation there will be a question/answer session for RIRA Committee members followed by an open question/answer session
 - Public attendees will be given an opportunity to ask questions
 - Multiple community presentation sessions will be scheduled as necessary to allow for the presentation of all projects/programs

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- A quorum (defined as half plus one) of Committee members must be present at each presentation; however, recordings of community presentations shall be available to the public via the appropriate section of RIOC's web site, allowing any absent Committee members to consider pertinent information
- After all community presentations have concluded, RIOC will provide the Committee with standardized forms for the independent evaluation by each Committee member of each applicant's programs/projects. Criteria to be considered will focus on pertinent aspects of the program/project and its community impact. The Committee will have no more than one (1) week to complete all evaluations, by taking into account the Committee's earlier review of all Applicants' merits and bona fides as well as Applicant's community presentations, a copy of which will be compiled and sent to RIOC.
- The independent evaluation submitted by each Committee member will certify compliance with RIOC's guiding provisions, in language substantially similar to the following:
 - The evaluation scores submitted by the undersigned have been arrived at independently and without collusion, consultation, communication or agreement with any other reviewer(s), Public Purpose Fund applicant(s) or potential Public Purpose Funds applicant(s).
 - The evaluation scores submitted by the undersigned have not been disclosed to other reviewer(s), Public Purpose Funds applicant(s), or potential Public Purpose Funds applicant(s).
 - The undersigned did not induce any potential Public Purpose Funds applicant(s) or Public Purpose Fund applicant(s) to refrain from submitting an application, or to submit an application.
 - This submission is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any Public Purpose Funds applicant(s) or potential Public Purpose Funds applicant(s).
 - The evaluation scores submitted by the undersigned have been arrived at in due consideration of the application and scoring instructions provided by RIOC.
 - Prior to submitting the evaluation scores, the undersigned had either (1) attended all applicant public presentations, or (2) viewed recordings of such presentations; and taken into consideration any pertinent information or issues there raised.
- RIRA's Committee will take such actions as necessary to produce funding recommendations for the RIRA Common Council, conforming to the guidelines required under Board Approval below and the following prioritization of evaluation scores:
 - Average Score Ranging from 85 - 100%: Highest Funding Prioritization
 - Average Score Ranging from 70-85%: Medium Funding Prioritization
 - Average Score Ranging from 50-70%: Lowest Funding Prioritization
 - Average Score Lower than 50%: No Funding

RIOC Board Approval

Final recommendations provided by RIRA will be presented by RIOC staff to the RIOC Board for its approval. The form of recommendation shall be in a memorandum outlining:

1. The funding amount originally requested for each applicant;
2. The funding amount being recommended for each recommended applicant;

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3. A general overview of each applicant's project or program;
4. Justification for the recommended amount. The justification should address: (a) the average evaluation score received by the applicant on the 100-point scale; (b) any considerations taken into account by the PPF Committee relative to the nature of the program/project; and (c) the manner in which the Committee decided upon the allocation of the recommended amount.

RIOC does not guarantee that any or all PPF approved by the Board will be awarded in the full amount originally requested by the applicant. Given budget constraints, RIOC strives to leverage limited resources while providing the best possible mix of support to approved organizations.

Grant Award Requirements

Prior to encumbrance of PPF, recipients of PPF ("Grantees") must satisfy to RIOC the following as applicable:

- Submission of a modified program / project budget, reflecting any reduction in awarded funds from the initial request.
- Organizations that received funding in the previous year must have submitted all relevant documentation accounting for the use of the PPF and the grant must be closed.
- Organization must be in compliance with all terms, including any documentation required by RIOC to approve a grant award and proof of insurance as provided below.

Roosevelt Island Operating Corporation Insurance Requirements

Grantees shall insure and shall require each of its subcontractors to carry the following insurance:

- *Commercial General Liability Insurance* providing both bodily injury including death and property damage insurance in a limit of not less than two million dollars (\$2,000,000.00) combined single limit basis. Such insurance is to be written on an occurrence basis and shall name each of the Indemnitees as an Additional Insured.
- *Automobile Liability and Property Damage Insurance* in an amount not less than five hundred thousand dollars (\$500,000.00) combined single limit for both bodily injury and property damage;

Grantees shall provide *Worker's Compensation Insurance* and *Employer's General Liability Insurance* as required under the Worker's Compensation Law.

Certificates of Insurance for all aforementioned coverages shall be provided to RIOC prior to the commencement of Work and bear notations evidencing a minimum of 10 day cancellation notice to RIOC. Such insurance policies shall name RIOC, the Empire State Development, the Division of Housing and Community Renewal, the State of New York and the City of New York as additional insureds.

Certificates all addressed care of:

c/o
Roosevelt Island Operating Corporation
591 Main Street
Roosevelt Island, New York 10044

RIOC will keep certificates on file for the other New York State and New York City Agencies.

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Disbursement

Once all requirements have been met, each Grantee will enter into a funding agreement with RIOC specifying all relevant terms and conditions of the funds.

Grant disbursements will be made in two parts:

- 50% upon execution of the funding agreement
- 50% upon provision of a complete accounting of the first 50%, providing all documentation relevant to substantiate that expenses incurred were in line with the purposes of the grant.

After all grant monies have been spent, the grantee must provide a final accounting.

Adopted December 11, 2014