



COUNTY OF
DURHAM

WENDELL M. DAVIS COUNTY
MANAGER

October 15, 2020

Dear Nonprofit Community,

As the County continues to implement the Managing for Results (MFR) business model across the organization, we are now experiencing the effects of these efforts in every facet of our enterprise. Through process improvements, performance analysis, and the realignment of County dollars to support higher priorities and operational efficiencies, we are seeing significant changes materialize. The foundation of this approach includes systematically distributing resources based on Strategic Plan alignment, performance evaluation, and cost efficiency to maximize use of public dollars. The County's MFR approach to the solicitation and financial support of nonprofit organizations is following the same path, as we have seen in the nonprofit process changes recommended over the last year.

In the fall of 2019, the County's Nonprofit Funding Program was re-envisioned to establish best practices and make process improvements where applicable, based off lessons learned over the past several years. Those results were shared with the Board of County Commissioners and an approach was determined where the County would continue its support of nonprofit organizations by implementing key findings from the process review that align with the principles of MFR. During the last 20 years, the County has awarded approximately \$20 million through the Nonprofit Funding Program and we look forward to seeing these important relationships continue.

Of the process modifications that resulted from the revised nonprofit development and application process, central among them were:

1. Refine RFP process to target desired community outcomes. Narrow the RFP process to address a maximum of four specific strategic objective areas
2. Move funding and oversight to relevant departments
3. Elevating the decision-making authority of our own subject matter experts at the departmental level.
4. Better performance measures developed with Durham County staff

The County currently funds 43 nonprofits through the RFP Nonprofit award process, some with as little as \$5,000 per year (22 funded between \$5,000 and \$10,000) It is difficult to determine the impact of such awards based on performance data review, compliance audits, or other non-profit reports. Refining the RFP process to focus on up to **four** narrowly focused target areas will yield greater community impacts through increased coordination between the County and nonprofit agencies. This model will result in fewer nonprofits awarded county funding.

Projected fiscal trends show the overall county budget expenses outpacing projected revenue levels over the next decade. Such patterns require improved use of current local dollars that yield the greatest return.

Funding fewer targeted nonprofit partners can help the County reached desired strategic outcomes in the most efficient way through leveraged resources..

Instead of disbursing small amounts of funding to a variety of agencies to make incremental changes, the County will fund fewer agencies with larger awards, which allows nonprofits to make significant progress toward key County outcomes in specified target areas. For the FY 2020-21 funding period, the RFP for strategic target areas would occur by October 15, 2020, with contracts awarded to nonprofit agencies in January 2021. The following approach will be taken with regards to funding nonprofits in FY 2020-21 and FY 2021-22.

1. The nonprofit application and funding cycle will be for 18 months, starting in January 2020 and going through June 2022. The application process will start October 15th, 2020 with Requests for Proposals (RFPs) that address the County's most pressing needs. RFPs will be facilitated at the departmental level and will be announced in January 2021. Currently funded nonprofits are welcome to apply for an RFP if they provide the service delivery type solicited in the RFP four target areas.
2. This year's RFP will provide grants to nonprofits that are providing direct response to the COVID-19 pandemic. Many Durham residents are struggling financially due to the pandemic. The County wants to fund nonprofits that are providing direct service and support that help the community during the most challenging period.

We believe that these modifications to the nonprofit process will further bring about greater community impact and will ultimately lead to making the most strategic investments with the most efficient use of public dollars. As with any change, we expect these modifications will generate questions not addressed in the information above. If that is the case, please contact Anna Hawksworth at ahawksworth@dconc.gov. To all of the County's nonprofit service providers, we appreciate the commitment that you have made to the betterment of the Durham community and look forward to continuing these important relationships.

Regards,



Wendell M. Davis