

Town of Newcastle
Town Appropriation Request Policy

Purpose: A Town Appropriation Request Policy is hereby established for the Finance Committee and Board of Selectmen to utilize during the development of the annual budget when considering the merit of an organization's request of the Town Meeting to appropriate town funds. This policy came about as a result of several questions and concerns raised by "Not for Profit" entities with respect to clarification of the guidelines being used and the affordability of a certified audit for smaller organizations with limited financial resources.

Policy: Under this policy an appropriation request in any amount by a "Not for Profit" organization or agency must include one of the following financial documentation of information:

- I. A copy of the most recent financial audit as attested or certified to by a Certified Public Accounting firm or professional:

- II. A representation or compilation of basic financial information which at a minimum includes:
 - The most recent year end's balance sheet (listing assets, liabilities, and balances)
 - Statement of Income Earned
 - Profit/Loss Statements in the form of generally accepted accounting and bookkeeping standards.
 - Signed by the organization's treasurer or in the absence of such an official the highest ranking management official.
 - A copy of the organization's operating budget as approved by a governance board.
 - A disclosure of current funding sources including any application for grants or other types of similar funding requests.

Without an accurate representation and acknowledgement of responsibility for the preparation of documents, the Town's representatives charged with the evaluation and review of these materials are incapable of performing their due diligence. Under this policy their decisions may be influenced and/or reflect the quality and reliability of the organization's representation of its financial condition or status. Subsequently, it is the organization's responsibility to ensure that submittals are thorough and compiled in an understandable and acceptable format. When this is not the case the organization will be notified accordingly and will be asked to resubmit their financials and to take responsibility for a better accounting of their records.

Enactment: This policy will be implemented upon a majority vote of the Board of Selectmen. Any change or amendment to the policy will also require a majority vote by the Board of Selectmen.

Date of Adoption: 04-26-10

Ellen McFarland _____
Chairperson

Robert Plourde _____
Vice Chair

Patricia Hudson _____

Lee Straw _____

Ellen Dickens _____