



2026 NASTTPO WORKSHOP  
BILLINGS MT

**SURVIVING BUDGET CUTS AND  
FUNDING COMMUNITY PREPAREDNESS**

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# **CHASING MONEY CAN BE A TRAP**

**WE NEED TO SHOW VALUE FOR OUR PROGRAMS**

**Success is not about how well we spend money.**

**Government grants come with strings that don't fit your objectives.**

**We tend to create projects that fit the money.**

**Don't let a grant define your vision!**



# **NON- TRADITIONAL SOURCES OF \$\$**

**Taxes, Impact Fees, Fines, Forfeitures,  
Enterprise Funds, Utility Rates,  
Hazmat Reimbursement, Restitution  
Awards, General Funds**

**Enforcement settlements (SEPs)**

**Sell services to other groups/entities**

**Seek donations (money or “in-kind”)  
from the community.**

- **Just ask**

**Create a nonprofit – more on that later**

# **CAN LEPCs CHARGE FEES?**

- **I'VE SEEN THEM CALLED:**
  - **TIER II review fees, TIER II processing fees, or fees based on chemicals reported**
- **NO LEGAL AUTHORITY IN EPCRA**
- **STATE OR LOCAL GOVERNMENT COULD AUTHORIZE FEES**
- **BE CAREFUL ABOUT PREEMPTION BY STATE FEES**

# WHAT CAN YOU DO WITH A 501(c)3 ?

**IT'S A CORPORATION INDEPENDENT OF GOVERNMENT**

**OWN PROPERTY - BUY, SELL  
AND DONATE EQUIPMENT**

- **Raise \$\$ and buy equipment for community groups and government**

**ENTER CONTRACTS**

- **Hire accounts/consultants**

**MAKE DONATIONS and  
REIMBURSEMENTS**

- **To community groups, LEPCs and government**

**DO ANYTHING THAT ISN'T  
ILLEGAL**

- **Can do almost all the things that federal grants don't let you do.**

# CREATE YOUR OWN FUNDING SOURCE

## CREATING A 501(c)(3) IS NOT DIFFICULT

### CREATE STATE NONPROFIT CORPORATION

- File with Secretary of State
  - Additional articles on conflict of interest and disposition of funds (standard language – more later)
  - Registered Agent
  - \$50 is the typical fee
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# **CREATING A 501(c)(3) IS NOT DIFFICULT - PART II**

## **APPLY FOR AN EMPLOYER IDENTIFICATION NUMBER**

- **Essentially the social security number for a corporation**
- **On-line - takes five minutes and you get it immediately**
- **YOU WILL NEED THIS TO OPEN A BANK ACCOUNT  
AND APPLY FOR 501(c)3 STATUS**

# **CREATING A 501(c)(3) IS NOT DIFFICULT - PART III**

## **501(c)(3) APPLICATION TO IRS**

**Form 1023-EZ**

**Requires A Charitable Purpose & Initial Board of Directors**

- Supporting Local Emergency Preparedness Is Perfect**
- Additional Articles Get Attached**
- Conflict of Interest & Disposition of Funds Provisions**

**\$250 Fee**

**Fees can be reimbursed from donations later or it's a charitable deduction to whomever paid.**

# **CONFLICT OF INTEREST PROVISIONS**

- **APPLIES TO THE BOARD OF DIRECTORS AND OFFICERS**
- **BOARD MEMBERS CAN AND SHOULD BE ANYONE**
  - Conflict of interest provisions keep everyone out of trouble
- **THE RULES ARE SIMPLE:**
  - Don't vote on any board decision that benefits you individually or the organization that employs you.
  - Don't be a paid contractor or consultant to the nonprofit unless disclosed to and approved by the Board.

## **ADVANTAGES**

- **Board of Directors Decides on Use, Priorities & Conditions for Funds**
- **Not Part of Government Agency**
  - **No Open Records, Public Meeting Rules**
- **Not Subject to State/Local \$ Policies**
- **Not Subject to State/Federal Grant Limits, Conditions or Terms**
- **Money Raised Stays Local**
- **Can be Used for any Legal Activity**
- **Donations are Deductible**

# QUESTIONS & HELP

**Thank You**

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