



Grant Making Policy and Procedures

Community Foundation of Crawford County, Inc.

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Community Foundation of Crawford County

Grant Making Policy and Procedures

The screening and decision-making process of an increasing number of grant applications to the Community Foundation of Crawford County (CFCC) is a difficult and time-consuming process. Non-compliance with any application policy or guidelines may result in the rejection of an application.

Grant applications must be completed in accordance with the approved publicly published application. An application is available for download from our website at www.CF-CC.org. Agencies are welcome to contact the CFCC staff for a Word version or to answer questions.

Grant applications and all attachments become the property of the CFCC. Information contained in the grant application will be considered confidential. No copies will be made for the applicant or released to other persons unless required by law. We recommend all applicants save a copy to be retained in their files.

The CFCC Grants Committee and CFCC Board of Directors may, from time to time, consider exceptions to this policy. Approval of the majority of the Board of Directors, under existing By-Laws, will be required to approve such exceptions.

Applicants are reminded of the importance of declaring other successful applications and sources of funding to support their project. This provides an opportunity to demonstrate additional efforts in obtaining funding. Non-disclosure of other sources of funding for the project may result in the disqualification of the application or grant.

The CFCC prefers the use of qualified local contractors or vendors by grant recipients, if practical.

Eligibility:

CFCC encourages nonprofit staff and Boards of Directors to attend classes and workshop that improve their knowledge of the field and their roles within their organization.

All not-for-profit agencies providing services to residents of Crawford County, Indiana are eligible to apply. Applicants must have received an IRS Letter of Determination, must be listed in good standing in the IRS Publication 78 and/or in the Tax Exempt Organization Search (<https://www.irs.gov/charities-and-nonprofits>) and must have completed the required filing with their Secretary of State (<https://www.in.gov/attorneygeneral>), for the State of Indiana. Schools, religious organizations, some civic organizations and local governmental units may be exempt from this requirement.

Grant applications should typically be submitted by the nonprofit whose clients, constituents, or organization will benefit from the grant. This non-profit is the owner who provides all required insurances and would be liable in the event of an incident. Organizations supporting another non-profit organization's mission, such as PTO's, Band Boosters, Auxiliaries, etc., may gather information and create the application, but the parent non-profit must submit the application. Applications submitted on behalf of another eligible nonprofit must follow all other applicable requirements of this Grant Policy and should clearly explain why the beneficiary nonprofit is unable or unwilling to submit the application. The applicant should further ensure all relevant policies or approval processes of the applicant, beneficiary organization, and the Foundation are followed.

The Community Foundation of Crawford County does not award grants to:

1. Purchase real estate that has not been identified and appraised. (Refer to Grants for Real Estate Purchases section.)
2. Political activities or those designed to influence legislation.
3. Individuals (except scholarships and education desk drawer grants).
4. Religious organizations for the purpose of furthering that religion.*
5. Reimburse for items or expenses purchased/obtained prior to the grant award.
6. Grant requests for fundraising events are not typically awarded.
7. Purchase souvenirs, or other personal items including clothing, uniforms, or shoes.
8. Purchase food items unless specifically allowed in the grant agreement.
9. Fund wages (collectively salaries, stipends, bonuses, or benefits). An exception is possible if it is a start-up organization, or if the CFCC award will leverage external funding for wages; however, the applicant should anticipate that a CFCC grant may not be repeated for this purpose in subsequent grant cycles.
10. Provide funding for capital improvements on privately owned property.

* Additionally, grants to religious organizations will be limited to projects that benefit the community at large, preserve a historical site (typically 100 years or older), or respond to an immediate health or safety related problem. Faith specific equipment and routine maintenance will not be funded.

Competitive Grant CycleS:

The CFCC will accept grant applications at specific times as approved by the Board of Directors annually. Applications must typically be submitted by the advertised date to be considered. A new application will be available on the CFCC website each season. Decisions will be made by a date selected by the Board of Directors with the intention of awarding at the CFCC's annual Donor Appreciation/Grant Awards Reception. Applicants will be foretold of this date.

Geographic Distribution:

Except where limited by the applications presented, the CFCC Board of Directors will strive to achieve equitable distribution of grant awards throughout the geographic regions of the county.

Grant Categories:

CFCC supports grant awards that improve the quality of life throughout Crawford County. Grant applications are considered under the following primary categories:

Arts & Culture
Human Services
Recreation

Government
Historical Preservation
Community Projects

Education
Health & Safety
Environment

Field of Interest Fund Access:

All grants awarded from CFCC Field of Interest Funds must be approved by the CFCC Board of Directors.

Grants for Capital Improvements on Leased Property:

CFCC will typically not provide funding for capital improvements on leased real estate unless there are at least twenty (20) years remaining on the lease.

Grants to Providers:

Providers are defined as agencies that provide programs or services to the clients of other agencies (supported organizations) in Crawford County. To ensure the benefits of the grant meet the needs and expectations of the supported organization, Provider applicants must ensure appropriate Endorsement Letters from the leadership of the supported organization are included with the application. Defining the number of individuals to be served and a per-participant cost basis aids our Grants Committee in determining the value of the project. Other partnering sources of funding for these programs are encouraged and should be clearly identified in the application.

Providers utilizing property or facilities owned by another agency for the purpose of providing services or programs should also include Endorsement letters from the agency owning the property and a copy of the signed lease agreement. The CFCC will not provide a grant award to an agency for construction on property owned by another agency. The owner (or lessor) must submit these requests.

Grants to Schools:

It is the policy of the CFCC that grant requests from school corporations, public or private, or employees thereof, shall be defined and limited as follows:

A. Capital Projects:

Capital Projects are requests for funding for the purchase of, or costs related to, the procurement of assets which are for the long term benefit of the corporation, staff, or students. Such assets will be considered Capital if they have a useful life of three or more years, or are depreciated on a scheduled basis. Items may be determined to be Capital items at the discretion of the CFCC Grants Committee and include the following:

- Buildings Playground Equipment
- Vehicles Desks/furnishings
- Computer/Technology Lab Equipment
- Textbooks Athletic facility improvements
- Activity uniforms Library Books

Other sources may include any other grant providing resource, private individuals or businesses, or the applicant corporation. Successful applicants will be expected to provide written proof that matching funds are committed before any CFCC funds will be released.

B. Program Projects:

Program Projects are requests for funding for the purchase of, or costs related to, the procurement of assets or services which are for the short term benefit of the School Corporation, staff, or students. Items may be determined to be Program Projects at the discretion of the CFCC Grants Committee.

The Foundation will entertain applications requesting 100 % funding for Program Projects, however, securing other funding to offset costs is recommended. Any applicable student activity fees must be declared and applied toward the program. Other partnering sources of funding for Program Projects are encouraged and should be clearly identified in the application. The requirement of disclosing other sources of funding under the Application Information section of the application also applies.

Grants for Real Estate Purchases:

CFCC will consider grants for the purchase of real estate. These applications must include a current (within six months) appraisal of the property to be purchased. An accepted offer, purchase option, or purchase contract should also be included if available and may be required prior to awarding the grant.

Grant Application Content:

Continuity of all applications expedites the grant reviewing process. With appropriate notice, applicants may call the CFCC staff and request a review prior to submission. The following documents must be included with your completed and signed application form:

1. A single page cover letter signed by the President/Executive Director and the Board of Director's President/Chairperson or Treasurer.
2. List of current board members with positions, employer/title, county, and state of principal residence, and phone &/or email. This information is used to signify Crawford County representation on the applicant's board and allows grant committee and CFCC board members to contact them, as needed.
3. Organization's **actual income and expenditures for the past fiscal year (Budget Vs. Actual), and projected income and expenditures for the current fiscal year** if the organization operates in Crawford County only. If the organization operates in other counties or regionally, please provide **actual income and expenditures for the past fiscal year (Budget Vs. Actual), and projected income and expenditures for the current fiscal year** showing Crawford County compared to the overall income and expenditures.
4. An electronic link to, or copy of, your signed Form 990, 990-EZ, or 990-N. If it has been 18 months or more since the fiscal year end date of the Form 990 you are submitting, provide a written explanation signed by the applicant and contracting authority along with documentation, such as an IRS Extension Request Form 8868, as to why a more current Form 990 is not available. Failure to file is not an acceptable explanation. If you chose to e-file your form, you must attach the IRS e-file Signature Authorization for an Exempt Organization Form 8879-EO. CFCC may request a signed letter on letterhead from the filing entity that the Form 8879 has been submitted to the IRS.
5. Annual Audit (if applicable): Audits must be performed by a "qualified auditor". A qualified auditor is an accountant (or firm of accountants) which an agency hires as an independent third-party to review its financial information.
6. Endorsement Letters. Grant Applications from Providers must include Endorsement Letters signed by the organization providing the clients for the service being offered by the Provider. These letters should not be general supportive letters but declare a firm commitment that clients have been (or will be) scheduled to participate in the referenced program or activity. Additional information indicating the number of clients scheduled to participate is preferred. See "Grants to Providers" above.

7. Additional supporting information (typically optional, but may serve to enhance the application):
- A. Proposals, bids or estimates of the project to be funded. If bids are not submitted, they may be required for some grants before funds are released. See Distribution of Funds below.
 - B. Photographs of the facility or project.
 - C. Brochures, annual report, or newsletters.
 - D. Documentation if the facility is a registered historical site.
 - E. Accepted offer and/or real estate description.
 - F. Letters of Support for an application from another agency or individual may be included in the Grant Application. These letters should include meaningful and pertinent information about the application content. Letters received external of the application will *not* be included for consideration by the Grants Committee.
 - G. If video or other non-printed material is available, note in application these can be provided to the committee upon request.

Signatures:

The CFCC Grant Applications, Agreements, Periodic Reports, Amendments, and Extension Requests **require two different** signatures of the agency at two organizational levels. One signature must be from the board chair/president of the governing body and the other from the executive director/president, senior staff, or another board member if there are no paid staff members. The organization may be required to submit minutes of their meeting recording the discussion and approval of the aforementioned documents. Current CFCC staff, board, board elect, or community volunteer members are not eligible to sign these documents.

The aforementioned documents from:

- All county-owned entities, excluding the Crawford County Public Library, must include a signature of the President of the Board of County Commissioners affirming the Board of Commissioners has approved the document.
- Regional sewer and/or water districts organized as independent non-profits under Indiana statutes must also include a signature from the parent municipality under which they were organized; typically the county commissioners.
- Faith-based organizations should include one signature from a member of the governing level in the church such as an officer of the board of trustees, advisory council, or treasurer **and** the board chair.
- Schools must include the signature of the chair of the school board and the school superintendent.

Litigation:

If an applicant organization is currently (or has been in the past twelve months) involved in any litigation or inquiry from a state or federal regulatory agency that may have an impact on the organization's operations, disclosure in the CFCC application is required. The organization must explain in the application the details of the litigation.

Application Assistance:

Applications that do not contain all of the required information may not be considered. To facilitate the preparation of complete grant applications, applicants **may request a grant application review prior to submission**, giving the CFCC ample time to conduct a review. This service is provided to assist you and does **not** reduce or replace the applicant's responsibility for the content of the application. Contact the

Foundation office at (812) 365-2900 if you have any questions or to request your application review. Once an application is submitted, no additions or corrections to the application will be allowed.

Grant Application Solicitation and Conflict of Interest:

Personal solicitations to Grants Committee members or CFCC Board of Directors are strongly discouraged and may result in the disqualification of the application. All CFCC board members and Grants Committee members are required to declare any personal interest in any grant application. This declaration eliminates their participation in voting on the grant application and will be recorded in the minutes as an abstention. Board members who violate the Conflict of Interest Policy or fail to report a solicitation may be forced to resign from the board of directors.

CFCC employees do not participate in the grant making process with the exception of clerical assistance and providing members with requested factual information on a project or agency.

Grant Application Announcements:

The CFCC Board of Directors has the final authority and responsibility for approving or rejecting and announcing all grant applications. The CFCC is not responsible for any grant award announcements except by formal email and Facebook postings from our staff. The CFCC staff or board members are not authorized to release any information on the status of a grant application prior to final board approval.

Grant Agreement:

Each successful grant applicant will be assigned a Grant Number and two officials of the agency must sign a Grant Agreement, one being the board chair. Failure to sign the Agreement or comply with any provision of the content therein may result in forfeiture of the grant award. The properly signed Grant Agreement must be returned within 30 days from the date of the agreement. The CFCC Executive Director has the authority to approve up to one (1) six-month extension.

Reports:

The Grant Agreement will provide reporting due dates. Any grantee with overdue reports (6 month, 12 month, extended evaluation, or Final Report Form) will not be eligible to apply for new grant funding for a six month period beginning the day after the overdue report is submitted. The overdue report must be submitted before any funds will be released on the existing grant.

Distribution of Funds:

For capital grant expenditures above \$10,000, at least two (but not more than four) bids/quotes may be required before funds will be released. If bids/quotes are required, this will be stipulated in the Grant Agreement. The grantee must provide a written explanation if they do not want to use the lowest bid/quote. The Foundation reserves the right to question or refuse payment for bids/quotes deemed questionable or inappropriate.

Grant Period and Extensions:

The Grant Agreement will state the grant period based on information provided in the application but will not typically exceed twelve months. Extensions for a period not to exceed six months may be requested in writing and may be approved by the CFCC Executive Director. This request requires **two different** signatures of the agency at two organizational levels, one being the board chair or Treasurer,

and must state why the grant should be extended. Additional extensions may be requested in writing but will require approval by the CFCC Board of Directors.

Amendments:

The CFCC will allow only **one** approved amendment per grant awarded. Amendments must be submitted in writing and approved by the Grants Committee Chairperson and President & CEO. This request requires **two different** signatures of the agency at two organizational levels, one being the board chair.

Youth Philanthropy Grants:

The Youth Philanthropy Council of the CFCC is a philanthropic leadership development program. Youth Philanthropy grants are focused on supporting Crawford County. Grants are encouraged to engage or serve youth in society by creating healthy, guiding relationships with adults, providing constructive free time activities, offering character-building opportunities, and encouraging a sense of community. Activities can include, but are not limited to, arts, music, sports, leisure and other activities where young people can make friends in a fun and safe environment.

Procedure for Due Diligence and Expenditure Responsibility

In order for the Foundation to ensure that grants will be used for charitable purposes consistent with the nature of the grant request and purposes of the designated fund from which grants are made, the following guidelines are used:

1. Grants from designated and agency endowments are distributed annually to the designated organization or agency following the CFCC's verification of their 501(c)(3) status.
2. When the (final) grant check is issued, a Grant Final Report Form is also provided. The Grantee is required to provide invoices, receipts, or other such documentation to confirm appropriate use of the funds. Foundation Representatives may also conduct site visits to verify expenditures.
3. Recipients of competitive grants from the Foundation must sign a Grant Agreement that defines the amount and purpose of the grant. The Agreement also stipulates that other terms the grantee described in the Grant Application may also be terms of the grant.
4. Periodic Report Forms may be required to document appropriate use of the funds. Periodic site visits by Foundation Representatives may also be conducted.

The Foundation will verify the grant recipient is in good standing with the Internal Revenue Service and must be current with required state annual filing requirements such as the Indiana Secretary of State Business Entity Report. The requirement of these documents provides the Foundation with the current operating status of the requesting organization. Grants to organizations other than those described in section 170 (b) (1) (A) of the Internal Revenue Code have additional guidelines as described below:

Guidelines for Administration of Grants and Endowments to Non-Section 501(c) (3) Type Organizations that require the exercise of Expenditure Responsibility

- A. “EXPENDITURE RESPONSIBILITY” requires the Foundation to exert all reasonable efforts and establish adequate procedures:
1. To see that the grant is spent only for the charitable purpose for which it is made,
 2. To obtain full and complete reports from the grantee organization on how the funds are spent, and
 3. To make full and detailed report on the expenditures to the IRS.
- B. The exercise of expenditure responsibility may involve one or more of the following elements:
1. Conduct a pre-grant inquiry – the Foundation should conduct a limited inquiry concerning the potential grantee before the grant is made; this should deal with matters such as the identity, past history and experience, management, activities and practices of the grantee organization; this written inquiry should be complete enough to give reasonable assurance that the grantee will use the grant for its intended purposes.
 2. Obtain certain commitments from the grantee – each grant must be made subject to a written commitment signed by the appropriate officer or director of the grantee organization, and include the following:
 - a. an agreement to repay any amount not used for the purposes of the grant,
 - b. an agreement to submit a full and complete report to the Foundation on the manner in which the funds are spent and the progress made towards accomplishing the purposes of the grant,
 - c. an agreement to keep records of receipts and expenditures and to make its books and records related to the grant available for inspection by the Foundation at all reasonable times, and
 - d. an agreement not to use the funds to influence legislation or the outcome of political elections, not to make grants to an individual for travel or study purposes unless other specific IRS requirements for grants to individuals are satisfied, or not to undertake any non-exempt activity that would cause the grant to be a taxable expenditure.
 3. Commit to certain actions with respect to violations of these requirements – any diversion of grant funds, including income distributed from an endowment fund, found to be used outside of the grant commitment, will be treated on the Community Foundation’s books as a taxable expenditure, unless:
 - a. the Foundation takes all reasonable and appropriate steps to recover the grant funds, and
 - b. withholds any future payments to the grantee, until it has received sufficient written assurances that future diversions will not occur, including the institution of extraordinary precautions to prevent inappropriate use of the grant funds in the future.

C. The Foundation will be deemed by the IRS to have made a taxable expenditure:

1. Unless it only makes grants to organizations for which it has conducted a pre-grant inquiry (meaning a grant application);
2. When it has failed to obtain the necessary written commitments from the grantee organization that was subject to the pre-grant inquiry; and
3. If the Foundation fails to report on such activity to the IRS.

D. If the Organization and Foundation agree that the charitable purposes will include scholarships, all applicable policies of the Scholarship Policy must be followed and the Foundation Board of Directors or their assigned agents must approve:

1. The scholarship application and criteria,
2. The selection committee and process, and
3. The final recipient(s) of any award.

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