

**Decatur County Community Foundation**  
**Policy and Procedure for**  
**Grants from the Community Fund (Discretionary) Endowment**

The following is the policy for administration of grants from the Community Fund (Discretionary) endowment of the Decatur County Community Foundation under the control of its Board of Directors. This policy does not apply to any other endowment funds of the foundation. This Community Fund Endowment will only make grants to projects benefiting Decatur County residents. Organizations requesting a grant should be a 501(c)(3) not-for-profit entity, an educational institution or a government entity. If an organization does not have the requisite 501 (c)(3) designation, it may find a qualified agency or entity to act as its fiscal agent.

**Goal for Annual Distribution of Community Fund (Discretionary) Grants**

In January of each calendar year the board shall designate an amount that will be the goal for distribution of grants that calendar year from Community Fund (Discretionary) endowment of the foundation. When determining this amount, the board shall give due regard to the financial changes in the annual income of the endowment and other fiscally responsible considerations. Consultation with the Investment Committee (See Appendix #B.1) of the board is recommended. In the event that during the year, a grant review committee finds an extraordinary grant application that needs more funding than the allocated amount, that committee may recommend that the foundation board exceed the allocated amount and the board may make adjustments accordingly.

**Grant Stewardship**

The Board of the Foundation shall be a careful steward of the contributions that donors have entrusted to the management of the Foundation. When making any grant, the board should not approve grants that are speculative or represent a high risk of loss of the donor's contributions. The board may also consider retaining title to property purchased under grants so that the salvage value of failed grants may return to the Foundation for reuse in some other grant.

**Types of Grants Offered by Foundation**

The Decatur County Community Foundation shall offer the following types of grants from the Community Fund (Discretionary) Endowment. Each of these types of grants shall have its own characteristics and procedures.

- Large Project Grant
- Small Project Grant
- Sustainability Grant
- Thank A Teacher Grant
- Opportunity Grant

## Community Fund (Discretionary) Grant Criteria and Priorities

Within the total annual goal for grant distribution, the board shall establish goals to promote a balanced, broad range and variety of grant applications and distributions.

Community Fund grants must fall into one of the following categories:

- Youth and Family enrichment- the grant should promote positive growth and development of young people or strengthen families.
- Community Development/Civic Engagement- the grant should demonstrate that it will strengthen the organization's ability to enhance the well being of the community. It should promote the development of an increased quality of life within the community and foster stronger relationships among individuals or groups.
- Cultural Life- the Grant should add to or enhance the variety of artistic and cultural opportunities available to all in the community.
- Education-The grant should demonstrate an ability to help residents gain knowledge and the skills necessary to better themselves economically or socially. The grant could focus on ways to allow citizens to develop skills.
- Health and Recreation- the grant should demonstrate the ability to help residents develop healthy life styles.
- Charitable Community Activities- the grant should provide relief to less fortunate citizens of the community.

The Foundation places the highest priority to funding projects which are:

- New and innovative projects or programs, including start ups
- Projects for which foundation funds can be used as match or seed money
- Projects which make a significant impact in the community
- Projects which act as a catalyst for action and community participation

The Foundation places lower priority towards requests in the following areas:

- Individuals, except in the form of Scholarships
- Programs that appropriately fall under government funding
- Projects where the foundation is the sole funder
- Advertising
- Projects considered part of the school curriculum
- Attendance at conferences, seminars or other projects

The Foundation typically will not fund:

- Make-up Operating Deficits
- Political Activities
- Post-event or after the fact situations
- Debt Reduction
- On-going operating expenses ( With the exception of Sustainability Grants)
- Religious organizations for religious purposes
- Individual and team travel expenses
- Creation of an endowment
- Annual Appeals ( With the exception of Sustainability Grants)

### **Grant Obligations**

All grant recipients are required to comply with the following requirements:

- Publicly acknowledge the Foundation's contribution to the project
- Return any unused grant money.
- Provide final reporting or receipts specific to grant requirements
- All grants given by the Foundation shall be given under a grant agreement that describes with reasonable specificity the terms, conditions, reservations or expectations under which the grant is being given. The grant recipient must comply with this agreement.
- No grant application will be accepted from any applicant who has not successfully completed the terms of all previous grant agreements regardless of when the previous grant was awarded.
- If based upon reasonable evidence, an applicant has presented false or misleading information on any aspect of an application, the board shall censure the applicant and declare the applicant ineligible for future grants from the Foundation for a fixed period of time of at least 18 months or more.

### **Grant Denials**

The applicant for any grant project that is not funded will receive notification in writing through a Denial Letter (See Appendix # A.1)

### **Large Project Grant (LPG)**

Within the annual distribution goal, the board shall allocate an amount that will be available for large grant distribution each year for community projects that range between \$1,500 and \$20,000 currently. From time to time, by formal board action, the board may change, at the beginning of the calendar year, the designated maximum amount for large grants. However, any change in the maximum amount shall apply to the entire calendar year. To promote fair and equal consideration of grant applications, the Board shall establish a LPG Evaluation process with standards that are known to the applicants and followed by the LPG Review committee. As a part of that process, at the beginning of each year the board will establish a calendar of LPG cycles, periods with beginning and ending deadlines for grant submission, review and approval. This calendar will be publicized to the community and followed by the LPG Review committee.

A Large Project Grant Review Committee (see Appendix #B.2) appointed by the Foundation Board of Directors will review and recommend action on LPG requests to the Board of Directors. All LPG applications shall be submitted to this LPG Review committee under the process noted below before being presented for formal consideration by the Foundation Board of Directors. Grant applications are reviewed to determine how the request meets with community needs, meets Foundation guidelines and falls in line with available funds.

All LPGs are subject to the following rules unless otherwise changed by formal action of the board of directors:

1. An organization may only receive one LPG grant within any consecutive twelve (12) month period. If a LPG application is rejected, it may not be resubmitted for the next twelve (12) month period. However, a grant applicant may apply for a separate, unrelated LPG within the same year
2. LPG applications are accepted only within the Grant Cycle periods as established in the board calendar.
3. Except for extraordinary circumstances which shall be expressed in the minutes of the Board of Directors, LPGs shall not be made for the operating purposes of any existing organizations or programs. The board may approve LPGs for operating purposes for newly established ( less than 3 years old) organizations or programs
4. LPG projects must be completed within 12 months. Failure to complete the LPG within this time period may prompt the Foundation to request return of the granted funds.

### **Large Project Grant Application Process**

Each organization that wishes to be considered for a LPG must first submit a Letter of Intent Form (See Appendix A.2) within one of the LPG Cycles as established by the Board of Directors. This Letter of Intent is reviewed by the LPG chairman and the Foundation Executive Director to see if it complies with general grant guidelines. No LPG application packet will be sent without this Letter of Intent. Form letters will neither be reviewed nor acknowledged.

If the letter of Intent is not accepted, the organization will receive written notification (See Appendix A.3). Upon acceptance of the Letter of Intent (See Appendix A.4), the organization will receive a grant application packet (See Appendix #A.5). Information that will be requested in this packet will include:

- a. Relevant financial information of the project under the grant application,
- b. Financial information and financial history of the organization including the organization's history of grants from the Decatur County Community Foundation and all other sources.
- c. Verification of the applicant's status as a nonprofit corporation in good standing with both the Internal Revenue Service and the State of Indiana.
- d. Any other materials requested by the LPG Committee.

A volunteer LPG committee (See Appendix #B.2) will review the completed packet. A member of that committee may contact the organization to request a site visit. The entire LPG committee will review the applications and results of agency visits. Their evaluations are recorded on the LPG Judging Sheet (See Appendix #A.6). Their recommendation is forwarded to the Decatur County Community Foundation's Board of Directors, who will make final funding decisions. This recommendation

will include terms and structure of the payment of the grant, which may be setup in a Cash, Matching, or Loan grant format. In a Matching Grant format the foundation will offer the grant applicant an amount of cash if the applicant can obtain a designated amount of funding from other sources. In a Loan Grant format the Foundation can offer a grant in the form of a non-interest bearing loan to a charitable organization only. Large project Cash grants will be paid to the recipient upon final Decatur County Community Foundation Board approval.

The Board may choose to fund the recommended grant as written by the LPG committee, part of the grant, or provide no funding at all. All applicants will be notified in writing regarding funding decisions (See Appendix #A.7).

Within 12 months of board approval of the grant, grant recipients are required to complete a Large Grant Report Form (See Appendix #A.8), which is included when they receive their funding check. This report must be completed and returned to the Foundation before an organization can apply for another LPG. **If an organization fails to provide the completed LPG report form by the end of the twelve month period, the organization will not be eligible for other Foundation grants. Grant eligibility will resume once the LPG report is finalized.**

### **Small Project Grant**

Within the annual distribution goal, the board shall allocate an amount that will be available for grant distribution each year for community projects that do not exceed \$1,500. Organizations seeking a Small Project grant should be a 501 (c)(3) not- for-profit entity, an educational institution or a government entity. If an organization does not have the requisite 501 (C)(3) designation, it may find a qualified agency or entity to act as its fiscal agent. A rotating committee of three Foundation board members will examine and make recommendations to the board relative to applications received for small grants.

The small project grant application form (see Appendix #A.9) and the committee recommendation form (see Appendix #A.10) shall be used for review and approval of these grants. Grant applications will be accepted at any time. Grant applications received by the 5<sup>th</sup> of the month will be reviewed by the Board of Directors and approved by the fourth Friday of that same month. Grant applications must include proof of 501 (c)(3) status and a copy of the organization/project budget and project description. Grant applications that are incomplete will be returned to the applicant. The board shall consider such grants at any regular or special meeting.

Payment of the grant request will be made upon approval of the grant by the board. Grant recipients will be notified in writing of their award (See Appendix #A. 11). Small project grants must be completed within 6 months of board approval. The recipients must provide invoices and other proof of project expenditures within 60 days of completion of the granted project or the grant recipient will not have successfully completed the grant and may not be eligible for future funding. The foundation may request return of funds not used for the granted purposes or not reported on within the 60 days.

## Sustainability Grant

Within the annual distribution goal, the board shall allocate an amount that will be available for grant distribution each year for recurring community projects that merit ongoing foundation support. The aim of these grants is to give groups better ability for long term planning and goal setting and to ensure their ability to continue benefiting our community.

### **Sustainability Grant Parameters**

- The organization or project to receive sustaining funds should have a track record of at least three years of successful operation. Start-up projects should apply for small or large project grants if they desire funding from the Foundation.
- The organization has goals that meet the criteria established for large and small grants from the Community Fund (Discretionary) endowment of the Foundation.
- The organization or its sponsoring organization has a 501 (c)(3) designation from the IRS.

### **Sustainability Grant Benefits**

- The Foundation will provide a specified annual grant for a period of three years without the need for an organization to reapply each year.
- The maximum annual grant will be \$1,500, or \$4,500 over the three year granting cycle.

### **Sustainability Grant Procedures**

- Organizations that want to be considered for a Sustainability Grant need to apply by November 30 of the year prior to when the grant is to begin. The Foundation's Sustainability Grant Application (see Appendix #A.12) should be used to make this application. Grant requests will be reviewed and action recommended using the Sustainability Recommendation Form (See Appendix #A.13) by the executive committee (Appendix #B.2) of the Foundation board.
- Final approval of Sustainability Grants will be made by the entire Foundation Board at its February meeting. The number of Sustainability Grants given each year by the foundation will depend on the foundation's annual grant allocation budget. The annual grant allotment will be paid in February after Foundation board approval. Grant recipients will be notified in writing of approval of their application (See Appendix #A.14) or denial (See Appendix #A.15).
- Grant recipients are required to submit a Sustainability Annual Report (See appendix #A.16) to the foundation regarding the use of the foundation funds. Failure to provide this information by November 30 of the granting year may cause next year funding to be delayed or cancelled.
- Any material change to the grant recipient's operation should be reported to the Foundation at once. **Such a material change may prompt a review in funding by the Executive Committee of the board.**

At the end of the three year grant cycle, the organization may apply for another sustaining grant under the foundation policies that are in effect at that time. Prior receipt of a grant is not an indication of the success of a future grant application, so organizations should take care to build their own fund raising plan for future needs

### **Thank A Teacher Grant**

Within the annual distribution goal, the board shall allocate an amount that will be available for grant distribution each year to classroom teachers for innovative projects that would not be funded by other means such as school budgets or grants. The amount of each classroom grant shall not exceed \$400, unless otherwise changed by the board. **Thank A Teacher grants will be paid to the appropriate school corporation.**

Guidelines and eligibility for funding are outlined on the Thank A Teacher grant application form (See Appendix #A.17). Thank A Teacher Grant applications are accepted twice a year with deadlines for receipt of applications of October 1 and February 1. The Scholarship Committee (See appendix #B.3) reviews these grant requests and their recommendations are forwarded to the Board of Directors and will be voted on at November and March meetings. Grants are awarded on merit and availability of funds. Grant Recipients will be notified in writing about the acceptance of their grant (See Appendix #A.18)

### **Opportunity Grant**

The Board of Directors of the foundation may see an unmet need within the community that falls outside normal large, small, or sustaining grant parameters and processes. The board can make a proactive grant decision relative to that need at any regular or special meeting.

Within the annual distribution goal, the board shall allocate an amount that will be available for opportunity grants each year. Opportunity Grants may take the following forms:

- **Challenge Grant-** Board of Directors may solicit a grant application to meet a community need it has identified. The Board of directors will select the application most likely to accomplish the purpose of the grant.
- **Matching Grant-** the foundation will offer an amount of cash that will be given to an applicant if the applicant can obtain a designated amount of funding from other sources.
- **Loan Grant-** The Foundation shall offer a grant in the form of a non-interest bearing loan to charitable organizations only.
- **Cash Grant-** A Cash payment will be made to the grant applicant with the same reporting requirements as outlined with a large project grant.

The application process for approving Opportunity grants will be established by the board as unusual projects or needs are identified. Terms and structure of the payment of the grant will also be set by the board.