



*Here for Good*

**Community Foundation**  
for Monterey County

**Grant Eligibility**  
**2014**

## Grant Eligibility Policy

- Community Impact Grants are open to 501(c)3 nonprofit organizations and public agencies serving Monterey County residents. All requested funding must directly benefit residents of Monterey County.
- Organizations or collaboratives that are not legally incorporated may partner with a tax-exempt, 501(c)3 organization which will serve as the Fiscal Sponsor for the proposed grant. The Fiscal Sponsor must agree to be accountable to the CFMC for the programmatic and financial outcomes of the grant and have a signed agreement with the sponsored group verifying the terms of the arrangement. Fiscal Sponsors may submit more than one application on behalf of different sponsored groups and/or one for their own organization.
- All organizations applying for a grant should be current on reporting obligations for past CFMC grants.

***Only one Community Impact grant per organization will be awarded annually, unless the grant is to a Fiscal Sponsor or for a multi-organization collaborative project (see definition in Frequently Asked Questions at [www.cfmco.org/guidelines](http://www.cfmco.org/guidelines)).***

### Exclusions

Grant funds cannot be used for the following types of activities:

- Activities that are non-secular or promote a religious doctrine
- Academic research
- Funding to K-12 schools and public agencies that would supplant tax-supported, mandated services or the acquisition or renovation of equipment and facilities
- Fundraising campaigns or fundraising events
- Creation of, or addition to, endowment funds
- Payment of debt or legal settlements
- Political or partisan purposes
- Expenses incurred prior to the grant award date

In addition, the CFMC does not support organizations that discriminate in their employment practices, volunteer opportunities, or delivery of programs and services on the basis of race, religion, gender, national origin, age, disability, veteran status, marital status, sexual orientation, or any other characteristics protected by law.

# Grant Approval Policy

## APPROVAL LEVELS CFMC Board Approval, December 17, 2012

Authority → ↓ Grant Type	Fund				Est. Yearly Total
	Board*	Ex Comm*	CEO	VPGP	
Community Impact Opportunity	All		All		\$2 million
Neighborhood	All				\$100k (max. grant \$10k)
Women's Fund	>\$25,000		≤\$25,000		\$50k (max. grant \$4k)
Stanton Fund	All				\$75k
Donor Advised	>\$49,999		-	≤\$49,999	\$200k
Non-Point Source	>\$49,999		≤\$49,999		\$2 million
HIV and TCBB	>\$49,999		≤\$49,999		\$230k
Sp.Prijts/CLP2 Board	>\$49,999		≤\$49,999	-	\$40k
Discretionary	All				\$500k
Schol & Awards				All	exception small awards
Restricted Payouts				All	\$200k
GEN Interfund	All				\$1.7 million from GEN to other programs

\* Executive Committee authorized to approve grants on behalf of Board, as needed between Board meetings

Multi-Year grants: Amount approved is entire total, not by year

**ALL GRANTS APPROVED AT OTHER LEVELS MUST BE RATIFIED BY THE FULL BOARD**

\\SBS2\Shared\GRANTS AND PROGRAMS\G&P Policies and Procedures\Approvals\Approval Levels Approved 20121217.xls]Sheet1

Printed 4/8/2014 9:09



## Community Foundation for Monterey County

### Due Diligence Policy and Procedures

It is the policy of the Community Foundation for Monterey County (CFMC) to make grants to nonprofit organizations which are both legitimate and trustworthy. In addition, applicants to any competitive process will be evaluated as to their efficiency, sustainability, effectiveness, and compliance with the guidelines established for the fund or funds designated for that process.

It is the policy of the Community Foundation for Monterey County to make no donor advised or competitive grants to:

- Individuals, or grants which will benefit any specific individual;
- Supporting organizations of any type;
- Private non-operating foundations;
- Entities which provide any benefit to a donor advisor or related party;
- Organizations which cannot or will not document their tax-exempt status and / or charitable objectives.

These exclusions serve the purpose of avoiding any taxable distributions, including those requiring expenditure responsibility, as defined by Pension Protection Act 2006.

To these ends, the following procedures are defined.

For any potential grantee, the following information is to be obtained:

- Copies of Federal and State exemption letters, showing exemption status;
- A declaration that the above are still in effect, signed by the CEO or Board Chair;
- Description(s) of current charitable activities;
- Current year operating budget;
- Most recent financials (no more than a month old) – Balance Sheet or Statement of Financial Position, and Income Statement or Statement of Activities;
- List of current Board members with affiliations.

For competitive applicants, acquisition of this information is part of the application process. Documents are attached electronically to the agency's permanent profile record and are evaluated as part of the review and approval process. In some cases, depending on the findings of that review, conditions may be included in the grant such as more stringent evaluations, payment in installments, and/or required consultation with CFMC's Management Assistance staff.

For Board Discretionary grants, this information is requested as part of the Request for Proposal if not already on file. For Agency Payouts, the information is on file as part of the Fund Agreement documents. (Sample RFPs and Fund Agreements are located elsewhere in this Standards document.)

For donor advisor recommendations, in addition to the list above, we also require the most recent Form 990, up to and including the signature page. Religious or governmental institutions may have differing documents, and will have no 990. Procedures are as follows:

- The Grants Administrator first seeks information from the organization's web site, from updates to Publication 78, from GuideStar, and from Charity Navigator.
- At present CFMC has no access to such services as Charity Check, but future subscription is expected in 2011.
- The remaining required information and documents are requested by letter from the Grants Administrator to the organization's CEO or Board Chair. Follow-up letters will be sent until the requested information is received or the donor advisor no longer wishes to recommend the grant.
- When the information received and researched is complete, it is attached electronically to the agency's permanent profile record. When analysis of these documents verifies that the organization does not fall into any of the excluded categories listed above, the request, with supporting documentation, is routed by the Grants Administrator for approval by the Director of Grants and Donor Advisor Services. If the grant exceeds \$50,000, the Director of Grants and Donor Advisor Services requests explicit approval from the Board's Executive Committee. The grant will not be made until full approval is received.
- The Donor-Advised Grant Recommendation form (attached) requires the donor to acknowledge these restrictions in a general sense, but it is our responsibility to determine whether the agency meets them through analysis of documents, as detailed above. The Donor Advisor will be advised by the Director of Grants and Donor Advisor Services if we are unable to verify the suitability of the recommended organization.

The Grant Award letter (sample attached) requires the recipient of any CFMC grant to confirm its tax-exempt status, the use of the awarded funds for the specific stated purpose and time limit, and establishes time frames within which 1) acknowledgment must be received and 2) grant funds must be expended. Follow-up letters will be sent once for grants under \$10,000 and twice for those \$10,000 and up; the acknowledgments, or documentation of follow-up, are attached electronically to the agency's permanent profile record.

All competitive grants require evaluations; a similar follow-up procedure occurs, except that agencies will be contacted quarterly for at least two years. Future funding is dependent upon the grantee's satisfactory reporting.