

# **Clark County Community Foundation, Inc.**

## **Grant Application Policies and Procedures**

The Grant Allocation Committee (“Committee”) is responsible for reviewing all grant applications received that request financial support from the Clark County Community Foundation, Inc. (“CCCCF” or “Foundation”).

The Foundation conducts one annual grant allocation cycle from October 1 to November 15<sup>th</sup> of each year. Only under rare circumstances would a grant be made outside of these grant cycle dates.

Once all applications have been received, the Committee will review the applications for conformity to guidelines and requirements. Initial acceptance of grant applications does not guarantee funding. All applicants will be notified in a timely manner of the final status of their application.

All successful grant recipients are expected to include the Foundation logo in all public materials pertaining to the grant award. The Foundation logo can be found at [www.clarkccf.org](http://www.clarkccf.org) under the “About Us” menu tab.

The Committee, as part of the due diligence requirements of this Policy, will perform and document the following procedures (as applicable) for each grant application received by the Foundation. Due diligence procedures performed and evaluation of the contents and merits of each application received will be documented by completion of Exhibit B “*Grant Application Due Diligence Cover Sheet and Checklist.*”

### **I. Verify Charitable Purpose / Non-Profit Status**

#### **1. Charitable status and purpose:**

- a.** Grants may be made to public charities, meaning organizations described in section 501(c)(3) and 509(a)(1), (a)(2), or (a)(3) of the Internal Revenue Code, and to private operating foundations. The Foundation will normally not make grants to private non-operating foundations.
- b.** Grants may also be made to units of government for public purposes. This includes Native American tribal governments.
- c.** In exceptional circumstances, grants may be made to other types of nonprofit organizations or businesses. Using expenditure responsibility as a guideline, the Foundation will carefully supervise any such grants and document that the funds granted were used solely for charitable purposes.

#### **2. Verification of public charity status will be done using one or more of the following methods to verify a potential grantee’s charitable status:**

- a.** Internal Revenue Service, Exempt Organizations Select Check, <https://www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Select-Check>.
- b.** Internal Revenue Service – Exempt Organization - Business Master File, <https://www.irs.gov/charities-non-profits/exempt-organizations-business-master-file-extract-eo-bmf>.

- c. Grantee’s Internal Revenue Service determination letter or group ruling letter identifying grantee as included in that ruling,
  - d. GuideStar’s Charity Check as [www.guidestar.org](http://www.guidestar.org),
  - e. Verification of church status for houses of worship and affiliated schools not found on the above lists.
3. Verification of units of government:
- a. The Foundation will ensure that the unit of government (a political subdivision such as county, city, village, township, school district, etc.) is listed in the current official directory of Clark County, WI.  
(<http://www.co.clark.wi.us/DocumentCenter/Home/View/255>).
  - b. In most cases, the Foundation will maintain a printed copy of the political subdivision grant applicant’s website home page (if available).
  - c. For Native American tribal governments, the Foundation will consult the list maintained by the Department of the Interior’s Bureau of Indian Affairs. See Bureau of Indian Affairs link:  
<http://www.bia.gov/WhoWeAre/BIA/OIS/TribalGovernmentServices/TribalDirectory/index.htm>.
  - d. The Committee will analyze, with assistance of legal counsel if necessary, situations in which governmental status is not clear.

## **II. Application Preparation and Submission**

1. All grant applications must be received in a timely manner and in accordance with the Application Form “*General Grant Application Instructions*.”
2. Grant applications must be complete and signed by an authorized party to be considered for funding.
3. A Grant Application Due Diligence Cover Sheet and Checklist (Exhibit B) must be completed for each grant application received.
4. At the discretion of the Committee, applicants may be contacted to verify any information related to grant applications received. Forms of communication with potential grantees include, but are not limited to:
  - a. Interview of key staff (as identified in the grant application)
    - i. By written correspondence / email
    - ii. In-person meeting
    - iii. Telephone
    - iv. Site visit
  - b. Interview of grantee’s collaborative partners;
  - c. Interview other grantee funding sources; and
  - d. Any other identified parties who may provide input or verification of information submitted by a grant applicant.

### **III. Project Evaluation**

1. Projects described in grant applications should support and make a positive impact on the quality of life of the citizens and / or communities of Clark County, WI.
2. Projects should improve or enhance an identified need within Clark County.
3. Projects should promote opportunities for citizens and communities to work together in achieving its goals and objectives without duplicating services or programs already available.
4. Projects should promote positive habits, behaviors, activities and programs that support the principles of the Foundation's Code of Ethics.
5. Projects should be fiscally responsible and results driven.

### **IV. Specific Funds - Due Diligence Procedures**

#### **1. Unrestricted – Clark County Community Fund**

Grants from the Clark County Community Fund are awarded at the recommendation of the Grant Allocation Committee and at the sole discretion of the Foundation's Board of Directors. This fund supports worthy projects which meet the stated requirements.

#### **2. Unrestricted – Field of Interest Funds**

Grants awarded from unrestricted Field of Interest Funds must be specifically requested on the current grant application form. Applicants may request funds from one or more Field of Interest Funds on the same application form.

- a. Agricultural – Examples include but are not limited to: 4-H Clubs, Future Farmers of America (FFA) clubs or Alumni, and events, activities, or projects related to farm or agricultural subjects or topics.
- b. Arts / Cultural / Historic – Examples include but are not limited to: events, activities, or projects related to art, dance, theatre, music, photography, museums, culture, or history.
- c. Citizens / Communities of Clark County, WI – Examples include but are not limited to: basic needs and programs and events that support improved quality of life. Food pantries, Meals on Wheels, clothing / coat drives, Holiday projects and other community events will be considered.
- d. Education (not scholarships to individuals) – Examples include but are not limited to: literacy programs, educational projects, activities or programs, student organizations, booster clubs, reading, or any educational event that is not normally paid for by school tax levy for mandatory curriculum.
- e. Youth – Examples include but are not limited to: projects, programs, events or activities whose primary focus is for the benefit of people age 18 or younger. 4-H clubs, scouting, recreational, sporting, educational, cultural or skills and training programs will be considered.
- f. Seniors – Examples include but are not limited to: programs, events or activities whose primary focus is for the benefit of people age 60 or older.

Caregiving and support, food pantries, educational or recreational projects, programs or events will be considered.

### **3. Restricted – Designated Funds**

Before establishing a designated fund, the Foundation verifies that the *proposed designee* is considered a public charity or unit of government. Distributions are generally made once each year after public charity or government unit status are re-affirmed.

### **4. Restricted – Agency Endowment Funds**

Before establishing an agency endowment fund, the Foundation verifies that the organization seeking to establish the fund is a public charity. If a government unit, such as a public library, seeks to establish an agency endowment fund, the Foundation will consult with legal counsel to determine whether this is permissible under current Federal and Wisconsin law.

Agency endowment distributions are generally paid out once each year to the relevant organization named in the fund after public charity or government unit status is re-affirmed.

### **5. Restricted – Donor Advised Funds**

- a.** The Foundation will make grants from donor advised funds to most public charities and units of government.
  - i.** The Foundation will follow the verification process outlined in Section I of this document to verify public charity status or government unit status.
  - ii.** In addition, the Foundation will follow the “*Process for Determining Supporting Organization Status*” outlined in Exhibit A of this Policy to determine whether a potential public charity grantee is a Type III supporting organization that is not functionally integrated or supports an organization controlled by the donor, fund advisor, or related persons. If either of these conditions is present, the Foundation will either refuse the grant or exercise expenditure responsibility.
- b.** The Foundation does not make grants from donor advised funds to the following:
  - i.** Grants to individuals, including grants payable to a school, college or university for the benefit of an individual selected by the Foundation.
  - ii.** Grants or other similar payments, including expense reimbursements to donors, advisors or other related parties.
  - iii.** Any grant for a purpose that is not charitable.
  - iv.** Any grant to a private non-operating foundation.
- c.** The Foundation will normally not make grants from donor advised funds that require the exercise of expenditure responsibility. This includes grants to nonprofit organizations that are not public charities and grants to businesses.
- d.** If the Foundation elects to make an expenditure responsibility grant, it will follow the following process:

- i. The Foundation will conduct a pre-grant inquiry to determine whether the proposed grantee is reasonably likely to use the grant for the specified purposes and that those purposes are charitable.
- ii. The Foundation and grantee will sign a written grant agreement that includes all provisions required by Internal Revenue Department Treasury Regulations.
- iii. The grantee will be required to maintain the grant funds in a separate account on the grantee's books.
- iv. The grantee will be required to submit a written report summarizing the project promptly following the end of the period during which it used all grant funds and to submit any interim reports the Foundation may require.

## V. Grant Allocation Committee

### 1. Committee Members

- a. Members of the Committee shall be appointed by the Foundation Board of Directors in accordance with its Bylaws. The Board will strive to appoint persons with reasonable knowledge of the educational, cultural, civic, public or other charitable needs of the Clark County, WI area.
- b. The Committee will be comprised of not less than five (5) and not more than nine (9) persons. The chairperson of this Committee shall be appointed in accordance with Foundation Bylaws.

### 2. Committee Responsibilities

- a. The Committee is responsible for implementing the current *Grant Application Policies and Procedures* of the Foundation.
- b. The Committee shall meet as often as necessary to orient each Committee member with the current Policy and to timely complete their duties by the required deadlines of each grant cycle.
- c. The Committee, upon completion of their duties and after due consideration and evaluation, will select and recommend to the Foundation Board of Directors which Grant Applications (if any) should receive current grant cycle funding and at what amount.

### 3. Good Faith

Grant Allocation Committee members shall at all times act in good faith as they review, consider, evaluate and recommend applications presented to the Foundation during each grant cycle.

Each committee member shall read and affirm their responsibilities in accordance with the Foundations *Conflict of Interest Policy and Disclosure Form and the Code of Ethics*.

#### 4. Confidentiality

Committee members are required to maintain confidentiality in regard to any confidential information they may hear, read, or become aware of in their capacity as Grant Allocation Committee members. Each Committee member shall read and complete the Foundation's *Confidentiality Policy* prior to beginning their duties.

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This Clark County Community Foundation, Inc. – *Grant Application Policies and Procedures* document was initially adopted at the November 3, 2016 Board of Director's Meeting. Revisions to this document were reviewed and accepted by the Board of Directors at their July 5, 2018 meeting.

#### *Attested to and by:*

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**Steven W. Hemersbach**  
President, Clark County Community Foundation, Inc.

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Date

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**Carrie A. Morrell**  
Secretary, Clark County Community Foundation, Inc.

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Date

## Exhibit A

### Process for Determining Supporting Organization Status

Supporting organizations receive public charity status from the IRS due to their particular relationship with another publicly supported charity or government unit. Based on that relationship, a supporting organization is defined as Type I, Type II, or Type III. Type III supporting organizations are further defined as functionally or non-functionally integrated. The Foundation must exercise expenditure responsibility if it makes grants from a donor advised fund to any type of supporting organization that supports a public charity which is controlled directly or indirectly by the donor, donor advisor, or a related person. Expenditure responsibility is also required for grants to any non-functionally integrated Type III supporting organization.

The Foundation will take the following steps to determine whether a grant recommendation from a Donor Advised Fund requires expenditure responsibility because the grantee is a supporting organization:

1. Verify that the organization is a public charity by checking its status in IRS Publication 78, the organization's IRS determination letter, or IRS Business Master File.
2. Determine if the public charity is a supporting organization from one of the following sources:
  - a. The IRS Business Master File (BMF) and the potential grantee's IRS determination letter, or
  - b. A report from a third party that includes:
    - i. the grantee's name, EIN, and public charity classification under §509(a)(1), (2), or (3);
    - ii. a statement that the information is from the most currently available IRS monthly update to the BMF, along with the IRS BMF revision date;
    - iii. the date and time of the Foundation's search, the documentation of which, must be retained in electronic or hard-copy form.
3. Determine the type of Supporting Organization from one of the following sources:
  - a. For Type I or Type II supporting organizations a written representation signed by an officer, director, or trustee of the grantee if both of the following are true:
    - i. The representation describes the process used for selecting the grantee's officers, directors, or trustees and references the pertinent provisions of the grantee's organizing documents that establish the grantee's relationship to its supported organization.
    - ii. The Foundation collects and reviews copies of the grantee's governing documents. If the grantee's governing documents are not sufficient to establish the relationship, the Foundation must also collect organizing documents from the supported organization.
  - b. To determine whether a Type III supporting organization is functionally integrated, the Foundation will do the following:
    - i. Obtain the grantee's written representation identifying the organization it supports.





**Grant Application Due Diligence – Cover Sheet  
Exhibit B**

**Name of Grant Applicant:** \_\_\_\_\_

**Date Application Received:** \_\_\_\_/\_\_\_\_/2018    **Grant Allocation Review Date:** \_\_\_\_/\_\_\_\_/2018

Check Fund(s) that Application requested financial support from:

**UNRESTRICTED FUNDS**

- Clark Co Community Fund
- FOI – Agriculture       FOI - Arts / Cultural / Historic       FOI – Education
- FOI – Citizens / Comm       FOI – Seniors       FOI - Youth
- \_\_\_\_\_       \_\_\_\_\_

**RESTRICTED FUNDS**

- 1897CCJM End Fd       Friends CCFairgrds - DA       \_\_\_\_\_

**Grant Awarded? (Yes / No)**    **Grant Amt Requested \$** \_\_\_\_\_    **Amt Awarded \$** \_\_\_\_\_

**Comments / Conditions:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signed by (Grant Committee): \_\_\_\_\_    Date: \_\_\_\_\_

Date Applicant Notified: \_\_\_\_\_    By: \_\_\_\_\_

**If Grant is Awarded:**

*Terms and Conditions of Grant Award* form  Sent \_\_\_\_/\_\_\_\_/\_\_\_\_     Returned \_\_\_\_/\_\_\_\_/\_\_\_\_

Check #: \_\_\_\_\_    Check Date: \_\_\_\_\_    Date Mailed: \_\_\_\_\_

**Grant Application Due Diligence – Checklist  
Exhibit B**

**Application Number:  
2018 - \_\_\_\_\_**

1. Is Application complete, including attachments? \_\_\_\_\_
2. Was the Application received by the required due date / time? \_\_\_\_\_
3. Check the type of entity that best describes this Grant Applicant:
  - a. Public charity under IRC Section 501(c)(3), 509(a)(1, 2, or 3) \_\_\_\_\_
  - b. Other Non-profit organization (describe below) \_\_\_\_\_
  - c. Governmental unit (County, City, Village, Township, School District, Native American Tribal) \_\_\_\_\_
4. Verify Applicant’s public charity status (describe or attach findings) \_\_\_\_\_
5. Verify Applicant is a governmental unit with its oversight unit \_\_\_\_\_
6. If the Applicant is a religious organization, verify it meets IRS criteria.
7. Is the Applicant based in Clark County, WI? \_\_\_\_\_
8. Is Application signed by an authorized party? \_\_\_\_\_
  - a. Describe (below) how the Committee determined that this is a true statement: \_\_\_\_\_
9. Has the Applicant previously received a grant award from the Foundation?  
When? \_\_\_\_\_ Fund \_\_\_\_\_ \$ Amount rcvd \_\_\_\_\_
10. Does the Project meet the criteria of the Fund they are requesting a grant from?
11. The Project as presented does not appear to support or use funds (if granted) for any of the following expenditures, programs or reasons:
  - a. Annual campaigns;
  - b. Other endowment or pass-through funding;
  - c. Direct support of individuals;
  - d. Lobbying or political organization activities;
  - e. Events, activities or programs that do not support or benefit the citizens and communities of Clark County, Wisconsin.

YES	NO	N / A
1	_____	_____
2	_____	_____
3	_____	_____
a	_____	_____
b	_____	_____
c	_____	_____
4	_____	_____
5	_____	_____
6	_____	_____
7	_____	_____
8	_____	_____
9	_____	_____
10	_____	_____
11	_____	_____
a	_____	_____
b	_____	_____
c	_____	_____
d	_____	_____
e	_____	_____

