



GRANT POLICIES

OUR MISSION: To strengthen and improve the quality of life in East Chicago through

- **Strategic Grant Making,**
- **Providing Leadership** and
- **Serving as a Community Resource.**

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GRANT/GRANTEE PERFORMANCE POLICIES The following policies are effective July 1, 2009. They relate to program grant operations, data and payment processing, funder recognition, and grant adjustments. Grantees must adhere to these policies and should the Foundation determine deviation from the policies, it may affect current or future funding.

1) PROGRAMMATIC GRANT ADMINISTRATIVE SUPPORT COST LIMITATIONS POLICY ^(07/07):

- Program administrative support cost is to be limited to fifteen percent (15%) of the total approved grant cost.
 - Such program support will be assessed annually.
 - These costs may not be increased above the 15% level if budget adjustments are requested.
- Costs will cover administrative personnel, finance/accounting costs and other related costs as approved by Foundation staff or grant subcommittee, so long as the costs directly support a program.

2) FOR-PROFIT ORGANIZATION GRANTS POLICY ^(07/07):

- No For-profit Organizations will be funded with Foundation dollars except by authorization of the Board of Directors.

3) GRANT PROCESSING DEADLINES POLICY ^(05/09):

- Foundation staff will not accept any LOI, RFP, pre-applications or applications that are submitted after the posted deadline. Such documents will be referred to the next cycle, if applicable.
- The deadline for grantees to submit draw-down requests is the 15th of the month. Should the 15th fall on a Holiday, Saturday or Sunday, then the following working day.
 - All submissions must be in our office by the end of the business day.
 - Any late requests will be processed the following month.
- Dissemination of grantee/applicant information:
 - All checks will be processed and mailed within ten working days after the last Friday of each month.
 - Foundation staff will not address inquires regarding the status of a grant check (either by phone, email or in person) until after that time.
 - All grant checks will be mailed to the grantee.
 - Grantees must provide a valid mailing address so that they may receive all correspondence/checks from our office.
 - If a grantee has not received a check seven days after it has been mailed, the grantee must notify the Foundation office. Within thirty (30) days after the grantee has given notification, the Foundation will initiate the process of check voiding/check re-issuance.
- Staff will document all violations of this section (3. c.). Should a grantee organization receive three violations within a calendar year, that organization will be placed on probation ⁽¹⁾.

4) EXTENDING EXISTING GRANTS THROUGH NEW GRANTS POLICY ^(05/09):

- New grants, awarded to continue existing grants, are to be conditionally approved as follows:
 - Existing grants will remain open thirty (30) days after the new grant award letter to finalize existing grant cost draw-downs and close the existing grant. If any balance remains, the funds will be returned to the Foundation.
 - After 30 days the existing grant will be closed which activates the new grant and permits access to the new funds.

5) ACTIVE GRANT DOCUMENTATION POLICY ^(05/09):

- The Foundation will not release payment for any draw-down requests which totals less than \$100 unless that request will close out the program.
- Grantees are required to provide proper documentation on payout and budget expenditures, including proper itemized receipts for all expenditures.
 - Except as noted below, detailed receipts will serve as the only required proof that they utilized Foundation funding properly. If any draw-down requests contain non-documented expenditures, the Foundation will withhold all draw-down payment requests until satisfactory receipts are submitted, or the grantee withdraws non-documented requests from the draw-down. Future advances may be reduced accordingly.
 - Organizations will be required to provide the Foundation with copies of canceled checks/bank statements or credit card statements, ***if and only if***, they cannot provide paid, itemized receipts.
 - If an organization cannot provide all proper proof of expenditures in alignment with the grant budget, the Foundation will accept a signed affidavit from the organization's CEO, CFO and appropriate program personnel indicating that all undocumented funds were utilized properly. A meeting with the organization may be required if determined by the Foundation.
 - Organizations will only be able to use the affidavit process, as approved by the Foundation. If the affidavit process needs to occur, the organization will be placed on probation ⁽¹⁾ until the program is closed.
 - Multiple failures to comply with policy regarding the documentation and use of Foundation grant funds will result in grantee suspension ⁽¹⁾.
- If an organization is delinquent in completing their close out documentation by the given deadline:
 - They will become ineligible to receive any further funding from any active or new grants they may have with the Foundation until all reporting requirements are satisfied.
 - Should that organization have any pending grant applications during that time period, they will be tabled until such time the grantee has provided the required documentation.
- Regarding active grants, if an organization goes sixty days without any activity (meaning either submitting a draw-down request, updated expense form or contacting the Foundation to update the progress of the program) then the Foundation will issue a letter informing them that they have thirty (30) days to contact the Foundation regarding this issue.

- i) Failure to respond will automatically reclassify the program as a frozen grant. Any unused grant funds will not be assessable.
- e) The organization must complete all required close-out documentation within thirty (30) days of the last drawdown.
- i) Final payment on draw-down requests will not be released until all grant documentation is accepted and processed.
 - (1) After the thirty (30) days and until they have completed the close-out process, the organization will be on probation⁽¹⁾.
 - (2) Should an organization have two grants frozen due to lack of contact (during any time of the calendar year), they will be placed on suspension⁽¹⁾.

6) GRANT PAYMENT ADVANCES POLICY^(04/09):

- a) Grantees will receive grant payments using the following formula:
 - i) 50% upon all grant documents being finalized and approved;
 - ii) 40% upon the completion of the Grant Interim/Progress Report and resolution of all previous grant expense issues; and
 - iii) 10% upon the completion of the Grant Closeout Report and resolutions of all previous grant expense issues, and where applicable submission of an approved, revised Grant Budget.
- b) Grantees may opt-out of the grant payment formula and work under another, approved grant pay-out process only if the grantee requests to opt-out on their letterhead.
- c) The staff may issue advance funds for invoices and purchase orders (POs).
 - i) Until the grantee properly documents the payment of those advance-paid invoices or POs, all future funds will be withheld; and/or
 - (1) if advance-paid invoices/POs are not properly documented at the end of the grant and the payment of those invoices or purchase orders are required to close out a grant, the grantee will be placed on probation⁽¹⁾ until proper documents showing payment are accepted.
 - ii) Grantee requests for funds to support pending purchase orders/invoices must be included in the documentation packet for the advancement.
 - (1) If proper documentation is not provided, all funding payment/reimbursement shall be withheld until all grant documents are provided.

7) FUNDER RECOGNITION POLICY^(07/07):

- a) Programs receiving funding support equal to 50% or more of the monetary value of the program (total program costs excluding voluntary and donated items) will place the Foundation as a “Title Sponsor”
 - i) Promotion material (mailer, banners, shirts, etc) will identify the Foundations of East Chicago as a “Title Sponsor” *[including logo]* equal in prominence to the program operator in regards to the XYZ Program with other sponsors listed in descending order of funding support.
- b) Programs receiving funding support between 25% and 49% of the monetary value of the program (total program costs excluding voluntary and donated items) will place the Foundation as a “Major Sponsor”
 - i) Promotion material (mailer, banners, etc) will identify the program such as, “ABC Organization’s XYZ Program is sponsored by the Foundations of East Chicago *[including logo]*” with other sponsors listed in order of funding support.
- c) Programs receiving funding support below 25% of the monetary value of the program (total program costs less voluntary and donated items) will place the Foundation as a “Sponsor”
 - i) Promotion material (mailer, banners, etc) will identify the program such as, “ABC Organization’s XYZ Program” is sponsored in part by the Foundations of East Chicago *[may include logo]* with other sponsors listed.
- d) Funds paid to individuals for stipends, payroll, etc. will include notation that the funds are from a Foundations of East Chicago grant.
- e) If a grant (grantee) fails to comply with the promotional policy, the program will be placed on probation⁽¹⁾.
- f) If multiple programs fail to comply, the organization will be placed on suspension⁽¹⁾.

8) GRANT BUDGETS ADJUSTMENT POLICY^(07/07):

- a) Organizations have thirty (30) days following the Grant Orientation meeting to submit their Grant Budget.
- b) Grantees, during the course of the grant, may make only one change to the grant budget, they are encouraged to meet with the Foundation to discuss any potential changes.

(1) DEFINITIONS

Probation: An organization is placed on **probation**, when it has violated or failed to comply with Foundation policies and/or procedures. If an organization is placed on probation:

1. It will not be able to access any funds from the grant that is not in compliance.
2. Probationary status applies to the person in charge of the grant who is in violation and not necessarily to the entire organization. (i.e. if one school or one department in an organization’s system is delinquent in turning in close out documentation, the entire organization will not be placed on probation).
3. If a person and/or organization that is currently on probation or was placed on probation within the past twelve months violate Foundation policies that warrant another probation, the person and their affiliated organization will be automatically placed on suspension.
4. If an organization does not complete the necessary procedures to be removed from probation within 180 days, the person and their affiliated organization will be automatically placed on suspension.
5. In order for an organization’s grant to be removed from probation, the program/grant manager must first satisfy all the conditions which led to its probation.
 - a. A meeting between Foundation staff and the organization’s grant management team must occur prior to removing the probation.
6. The Board of Directors and Grant Subcommittee (if applicable) will be notified regarding all probationary statuses.

Suspension: An organization is placed on **suspension**, when multiple probation issues are documented, or use of Foundation funds is questioned on multiple grants:

1. All active grants of the suspended organization will be frozen until the organization has satisfied all conditions.
2. Any pending grant applications that an organization has with the Foundation will be tabled until the suspension is removed.
3. In order for an organization to be removed from suspension, it must first satisfy all the conditions which led to its suspension.
 - a. A meeting between Foundation staff and the organization’s management team and its Board of Directors (if applicable) must occur prior to removing the suspension.
4. The Board of Directors and Grant Subcommittee (if applicable) will be notified regarding all suspension statuses.