Frequently Asked Questions

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What is the Responsive Grant making Program?

CFNRV currently offers two grant opportunities through our Responsive Grantmaking Program (formerly our "Semi-Annual Grant Program") once each year. CFNRV's grants are divided into two broad categories: **general operating support** grants which offer up to $3,000 to be used at the grantee's discretion, and **programmatic support grants** which offer up to $5,000 and must be used for the specific purposes stated in the grantee's application. **Please note that not all organizations are eligible for both types of grants (see below for more information).**

What is the difference between an Operating Support and Programmatic Support Grant?

General operating grants

General operating grants support an organization's infrastructure and administrative costs. They are meant to provide unrestricted funding to help support and maintain an organization as it pursues its mission. This type of grant is flexible and gives the grantee the ability to use the funds where they are most appropriate. Priority consideration will be given to those non-profits demonstrating strong management and a proven track record of accomplishments. **General Operating support grants are only eligible to those organizations who have had 501c (3) status for 5 years or more. They are not eligible to units of local government. A request for operating support should also not be for more than 1/3 of the organizations total operating budget.**

Programmatic grants

Programmatic grants support a specific activity, project or program and must be tied to specific, project-based outcomes. Program grants require the submission of an additional programmatic budget that outlines the total income and expenses of the project or program for which you are requesting financial support. Program grants can help: sustain successful existing programs, existing programs scale-up (in terms of the number or areas served), make quality improvements to existing programs, start new programs, or make purchases for needed equipment, supplies, or training that support a specific program. **Programmatic support grants are eligible to new and established 501c (3) organizations or units of local government.**

What are these 'categories' within Programmatic Support Grants?

For classification purposes, applicants for programmatic support grants must also indicate which of four categories their application best fits. These categories are based around how funds would be used if granted and are defined as follows:

- **Sustain Grants:** These grants keep good programs going at their current levels of service. These grant funds must be used for a specific, pre-defined purpose, but can be used for any mission-related need the program has.

- **Seed Grants:** These grants fund new projects or programs.
- **Scale-up Grants:** These grants fund organizations that wish to expand their current services to a greater number of clients but are not significantly changing the way they execute their programs. Essentially, these grants fund doing the same thing, only bigger.
- **Build Grants:** Build funds support programs investing in themselves to get better at what they do. Build funds should be used to sustainably improve the quality of program services. Examples may include new equipment, professional development/training, needs assessments, significant improvements to program processes or strategy, etc.

No sub-category has a specific funding amount allocated to it, nor is any category favored over another. We use these classifications to help our distribution committee make "apples to apples" comparisons between grant applications.

Who is Eligible for CFNRV Grants?

Registered 501c(3) organizations or units of local government (such as schools or libraries) operating within the New River Valley (defined as the counties of Floyd, Giles, Montgomery, and Pulaski, and the City of Radford) are eligible for CFNRV grants.

Colleges and Universities may submit programmatic grant requests to CFNRV. Requests for operating support will not be considered. All project or program requests must demonstrate a tangible New River Valley community benefit. We encourage colleges and universities to partner with another community based organization, when applicable. CFNRV does not look favorably on grant requests that include university indirect (overhead) rates.

In addition, General Operating Support grants and Programmatic Support grants have different eligibility requirements:

- **General Operating Support** grants are available to organizations serving the NRV with 501c (3) status for at least five years.
- **Programmatic Support** grants are available to any registered 501c (3) organization or unit of local government serving the NRV and offering services in one of our eight areas of interest.

If my organization is not categorized as a 501(c)(3), can I use a fiscal agent to apply for a grant?

We are only able to fund 501c3 organizations or units of local government. If you do not fall into one of these categories, your organization is still eligible to apply provided you do so using a fiscal agent. A fiscal agent is another organization, categorized as a 501c3 organization or a unit of local government, which is willing to receive and manage the funding on your behalf. We have recently changed and clarified the requirements for applicants choosing to use a fiscal agent.

If you choose to use a fiscal agent, your application will need to include the following from your fiscal agent:

- Acknowledgment in writing (a signed letter or memorandum of understanding) that the Fiscal Agent is willing to accept and manage funds on your organization's behalf to support the implementation of your project or program. *Note: You can upload this as a letters of support in the additional materials section of the application.*
- A copy of the fiscal agent's federal IRS Determination Letter indicating 501(c)(3) tax exempt status.
- A copy of the fiscal agent's most recent audit or financial statement.

The documents that we will need from your organization (i.e. the organization in charge of implementing the project or program), include the following:

- A complete application (your organization should be listed as the applicant)
- A project/program budget
- An operating budget
- Up to date list of board members

Should your project be funded, the Community Foundation will issue the check to your fiscal agent and it is up to you to work with your fiscal agent to access that funding and to make sure that the post-grant evaluation is completed and submitted on time.

What documentation is needed to verify my non-profit or local government status?

Applicants that are non-profit or religious charities must attach a copy of their original IRS Letter of Determination (LOD) indicating their status as a 501(c)(3) not-for-profit. This letter would include the applicants EIN number. Sales and Use Tax Certificates of Exemption cannot be used to verify your organization's 501c3 status. Units of local government should include a letter on government letterhead with its EIN (Employer Identification Number) or a government information letter that describes government entity exemption from Federal

income tax and cites applicable Internal Revenue Code sections pertaining to deductible contributions and income exclusion. **Please see our website for examples of what an IRS determination letter looks like**. If you fail to upload verification of your non- profit or local government status, your application will not be considered a complete application and will be removed from the review process.

What if I am unsure of my 501(c)(3) status or I have misplaced my 501(c)(3) IRS determination letter?

If your nonprofit has misplaced your IRS 501(c)(3) determination letter, you can get another copy. Call the IRS Customer Service for nonprofit organizations at 1-877-829-5500 and give them your nonprofit's name. It will also help if you have your nonprofit's Employer Identification Number (EIN). We suggest calling first thing in the morning, before the wait gets too long. Please plan ahead because it can take a while to receive another copy of your letter.

If you are unsure whether your organization has it's 501(c)(3) or if your status is still active, there are two ways to find out. Go to http://apps.irs.gov/app/eos/ and type in your corporate name and location. If you don't find your nonprofit's name on the list, it does not necessarily mean that it does not have its 501c3. Call the IRS Customer Service for nonprofit organizations at 1-877-829-5500 and give them your corporate name (and EIN if you have it).

What should I do if my organization is not required to complete a full IRS Form 990 and/or does not have an audited financial statement?

The IRS Form 990 is a type of tax return submitted to the IRS that provides an overview of the organization's financial activities, governance structure and public benefit accomplishments over the past year. It is a way for the IRS to ensure that tax-exempt organizations are indeed operating under their tax-exempt purpose.

- Organizations with budgets of $50,000 or more should upload a copy of their FULL and MOST RECENT 990 form, not just the first page.

- Churches (which are exempt from filing a 990) and organizations with gross receipts less than $50,000 should submit either an audited or unaudited financial statement (a balance sheet or a profit and loss statement) from the most recent FULL fiscal year.

- Do NOT submit your 990 e- Postcard receipt or your auditor's summary report, these are not acceptable.

What financial and board of directors information should I provide if I am applying as a unit of local government?

For financial information, it would be preferred if you could provide the budget for your particular unit of local government (for example your individual school or recreation center). However, if you do not have a separate budget from your local town or county, please go ahead and include their most recent budget. For the board of directors, if you are applying to support a particular program and initiative that has an advisory board/committee please upload information on the members of this group. If not, please upload a list of your town council or board of supervisor's members.

What are the acceptable file formats for CFNRV's online grants system?

Please upload ONLY .pdf or Word documents (.doc or .docx). Please do not attach excel documents as they cannot be read correctly within the system. For Mac users, so sorry, 'pages' files are incompatible and will first need to be converted to a pdf.

What causes an application to be removed from the grant review process?

There are multiple reasons why applications get removed from the grant review process. Some examples include:

- The wrong file format, which means that reviewers don't have complete information.
- An additional material (audit, board of directors, verification of tax exempt status) was not uploaded at all.
- Applicants upload the wrong materials, such as the sales exempt tax certification versus their 501c3 letter, or a picture of their 990- Post Card, the first two pages of the 990, or just the letter from the Auditor instead of the actual FULL 990 or audit.
- Incorrect supporting materials from an applicant's fiscal agent were uploaded.
- Applicants have uploaded out of date materials. We want to see your most recent 990's or annual budgets.
- You have not completed your post grant evaluation from a prior year's grant award.

We HATE having to remove applications from the review process! Please don't let this be you. Make sure you upload additional materials in the right places and that you double check you have included the correct files. If you have any questions or need further clarification don't just guess, CALL US at 540-381-8999.

What does the CFNRV mean by 'measurable impact' for my project?

You should be able to identify the overall goal/s of your project, whether it be feeding hungry neighbors or expanding access to arts education. You should <u>also</u> be able to demonstrate clearly that you've met that goal. That is, you should be able to point to something that's different in the community or with your clientele that you can attribute to your program, and that difference should be measured in some way. That's measurable impact.

For example, if your goal is to provide at least 50% of kids in a given elementary school with weekend meals, then you'll know when you've reached that goal by comparing the number of kids you serve with the population of the elementary school. If your goal is to encourage a love for the arts among an elderly population, then you may identify as a measurable impact that 90% of the clients in your program report on a survey that their love for the arts has grown since starting the program. We understand that impact is not always easy to measure, but you should be able to articulate your intended impact and how you will know if you have succeeded.

What is the difference between a program and operating budget?

The Operating Budget is the financial statement that is submitted annually for approval by the nonprofit organization's Board of Directors. It is a projection of Income and Expenses for the <u>organization's</u> fiscal year. Please submit your organization's most up to date operating budget.

The Project or Program Budget estimates the resources required to carry out the program or project which is being proposed for funding. Project budgets can be presented in a variety of formats, but should include a detailed estimate of <u>all</u> the costs required to complete project as well as <u>all</u> support to be received or revenue to be earned.

What kind of information should be included in my project budget?

The project budget should be a full and accurate reflection of **<u>both</u>** the expenses and revenues (income) associated with your project or program.

Expenses should include the costs of materials, food items, or other tangible goods <u>as well as</u> indirect costs such as staff, office space or venue, equipment, etc. For example, if a staff person intends to devote 30% of his/her time to this project, then the staff expense would be listed as 30% of that staff person's overall salary and benefits. Please make sure to identify which expenses would be paid for with CFNRV funds and which will come from other sources. Sharing itemized expenses is helpful, especially in cases where only partial

funding is available. An itemized budget helps to ensure that we can fully fund a discrete portion of your request.

Revenues should document all the sources of support for the project including the value of both financial and in-kind contributions such as volunteer hours or donated food items. Revenues should indicate funds that have been secured as well as those that are pending. For example, list all organizations to which you have applied for a grant (including the CFNRV) and note whether that funding has been requested, pending or received/secured. Similarly, if you intend to support the project with a fundraiser, your revenues should include a goal for that fundraiser.

Finally, the **Budget Narrative,** allows you to provide a brief explanation of specific revenues or expenditures. For example, if you include donated food items in your revenues, you may wish to explain from where you are getting those items (e.g. Walmart, a local food drive). If you are planning to make a large purchase, with funds received, you may also include evidence of the item's cost.

How does CFNRV define "area of interest" for grants?

As a way of classifying and organizing our grant applications, CFNRV has changed its system for defining areas of interest. Those areas of interest are defined in our 'area of interest definitions**'** document at www.cfnrv.org/grants/responsive-grants/. Please read through the definitions and examples carefully to help determine how your application should be classified.

What is the difference between "primary" and "secondary" area of interest?

The organizations CFNRV works with provide myriad benefits to the New River Valley, and it can be difficult to narrowly define the benefits an organization provides. To make things easier, we have split our areas of interest into primary and secondary categories.

Primary area of interest is the main mission of your organization or the program for which you are applying for a grant. As a rule, your primary area of interest should be defined by a distinct, measurable, sought-after goal of the services your organization or program provides. Use that goal with our area of interest definitions to decide how to classify your grant request.

Secondary area of interest is another distinct, measureable, sought-after goal of your organization, program, or project. Some things to keep in mind with secondary area of interest:

- You may enter up to two (2) secondary areas of interest
- Secondary area of interest is **not** required. Entering a secondary area of interest simply helps us better categorize your grant application and neither helps nor hinders your chance of being awarded a grant.
- Often programs that seek to provide one benefit will end up providing other benefits to their clientele, but unless your organization or program takes specific steps to pursue that side benefit, it should not be counted as a secondary area of interest. A child who receives food assistance will likely have better health, do better in school, and be a better part of their community, but if the program providing this food assistance does not actively pursue delivering those other benefits, the primary area of interest would be "poverty" and no secondary area of interest would be selected.

Do I have to select a secondary area of interest?

No, the only required field for your grant application is primary area of interest. Adding a secondary area of interest helps us categorize your application but in no way helps or hinders your chances of receiving funding.

How do I define geographic service area?

Your geographic service area is based upon where your **clients** come from. The CFNRV currently divides the New River Valley into six (6) different geographic service areas: Floyd County, Giles County, Montgomery County, Pulaski County, the City of Radford, and "All NRV." Geographic service area is not necessarily where your offices are located.

What's the difference between "primary" geographic service area and "secondary" geographic service area?

Primary geographic service area is the area from which a clear majority of your clientele comes. **Secondary geographic service area** is any other area from which a significant portion, but not the majority, of your clientele comes. You may select up to two (2) secondary geographic service areas.

Selecting "ALL NRV" as your Geographic Service Area

There are two possible reasons to select "All NRV" as your primary service area:

- It is truly impossible to define a single majority area from which your clientele comes. Your organization or program has about the same number of clients from areas throughout the New River Valley.
- You serve significant percentages of clientele from four (4) of the defined geographic areas of service.

If you select "All NRV" as your primary geographic area, **do not** select any secondary geographic service areas.

How does CFNRV define "significant" percentages of our clientele?

In short, we don't. You can define for yourself what constitutes a significant portion of your clientele for the purposes of identifying your geographic area of interest, but here are a few things to note:

- Your **primary geographic area of interest** should be either the place from which over 50% of your clientele comes **or** if no group represents over 50% of your clientele, the place from which the largest group comes.
- This helps us categorize your grant and determine if an organization is qualified for specific funds.
- If you're not sure, you can always contact us at the foundation.

Do I have to select a secondary geographic service area?

No. Secondary geographic service areas are optional and should only be selected if a significant portion of your clientele comes from a single defined geographic area.

I'm new to grant writing. Any tips you could share?

Check out these two great online resources:

- Introduction to Project Budgets https://www.youtube.com/watch?v=YyUer7iR1SE
- Introduction to Proposal Writing- https://www.youtube.com/watch?v=F1NhEhovepA

What if I still need help?

No problem! We're here to help. For questions about our responsive grant program application, contact us by phone at 540.381.8999, or e-mail our Director of Community Programs Kim Thurlow, kimthurlow@cfnrv.org to get more help.