

**GROVE ROTARY FOUNDATION
GRANTS & GIVING STRATEGY, POLICIES and PROCESSES**

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OVERVIEW - STRATEGIC INTENT

Per the organization's by-laws, the Grove Rotary Foundation, Inc. is formed to promote educational, charitable and scientific activities. Funding for the Foundation comes primarily through fundraising activities and direct donations. The Foundation carries a 501 (c)3 tax status.

The Grove Rotary Foundation was created to foster education, support charitable purposes and assist scientific purposes by making a difference in the local community - the City of Grove, Oklahoma — Delaware County, Oklahoma and the greater Grand Lake Area in Oklahoma.

The giving mission of the Foundation is managed by the Board of Trustees. The focus of the Foundations's charitable giving is primarily for the following:

1. EDUCATION: Enhance, by offering financial and volunteer assistance, student educational development through and beyond high school whether it is college, technical training, apprentice training or other professional training.
2. CHARITABLE : Provide assistance through groups and organizations to sustain individual health, dignity, protection, and to furnish generosity toward the needy.
3. OTHER WORTHY CAUSES: The Foundation may also support other projects, allowed under the IRS 501(c) 3 designation, which are supported and approved by the Members.

The Foundation Trustees establish the strategic direction and policy for all Giving Programs. The Trustee's utilize elected and appointed committees to collect, evaluate and recommend giving awards and grants. The committees are responsible for managing their specific Committee Processes in accordance with the Foundations Policies and strategic intent for giving.

The Foundation grant programs include, but are not limited to:

- The annual Scholarship Program (SP)
- The annual Charitable Giving Program (CGP)
- Urgent Needs Grants (UNG)
- Special Projects Grants (SPG)

The Board of Trustees establishes amount of grantable funds each year as part of the annual budget process. The amount of funds available are communicated to each committee during the budget process. The Board of Trustees, may allocate additional funds as needed per the policy established in the By-Laws.

The Foundation employs and enforces a conflict of interest policy to avoid possible conflicts among members of the Trustees, the Committees, potential grant seekers, and ultimate grant recipients.

Section 1: ANNUAL GRANTS BUDGET

The Board of Trustees sets the budget of grantable funds each year as part of the annual budget process. The Foundation Members approve the annual budget recommend by the Trustees.

The Trustees provide the annual budget to each grant committee chair as part of the budget process. The Board of Trustees may allocate additional funds as needed per the policy established in the By-Laws. An approval vote may be required by the Members as outlined in the By-Laws.

Committee Chairs submit their grant requests, in person, to the Trustees during a regular scheduled Trustee meeting. Committee Chairs are to secure an agenda spot prior to the scheduled meeting.

In establishing the Charitable Giving budget, it is the intent of the Trustees to establish a maximum annual disbursement for use of funds. Each fiscal year, the Trustees will also set the maximum amount to be awarded to any one grantee in a fiscal year.

- The grant budget will include both an initial allotment and a contingency (generally 10% of the total available funding).
- The contingency is to be used for unanticipated needs that may be brought before the Committee and Trustees during the fiscal year.
- To ensure the greatest number of grants are awarded to as many qualified recipients as possible, no more than \$5,000.00 will be awarded to any one unique Charitable Giving application in a grant year.

In establishing the Annual Scholarship budget, it is the intent of the Trustees to establish a maximum annual disbursement for use of funds. The budget amount will be based on the number of Trustee approved scholarships, that have been presented by the Education Committee, which may include:

- Previous awarded college scholarships having a balance due to recipients in good standing
- New college scholarships to the annually awarded recipients
- New vo-tech scholarships awarded annually

In establishing the Urgent Needs / Special Projects budget, it is the intent of the Trustees to evaluate the potential need each fiscal budget cycle. The Trustees can choose to, or not to set aside a pre-determined amount to meet these unanticipated needs.

Section 2: CHARITABLE GIVING POLICY

Sec 2. (A) Grant Consideration Policy: It is the desire of the Grove Rotary Foundation that all charitable giving grant requests be made through the formal grant process. In order to stay true to the Rotary 4 Way Test, the Foundation policy is that every grant application is to be reviewed. If an application is not to proceed through the process, the reasons are to be noted and discussed within the Committee.

The Trustees may review grants for specific purposes, outside of the process, and make a recommendation of approval to the Members. Utilizing a published process provides for fair and informed decisions on all grant applications when taken into context with the annual giving budget and the worthiness of all applications as a whole. The scope of the Foundations' Charitable Giving Program include:

- a. A service area of the City of Grove, Delaware County Oklahoma and the greater Grand Lake Area in Oklahoma.
- b. Organizations that embrace the concepts of accessibility, fairness, inclusiveness and diversity included in the guiding principles of Rotary.
- c. Funding ongoing charitable projects of The Grove Rotary Club, as allowed under the IRS 501(c) 3 designation.
- d. Funding requests that represent defined projects or programs including specific requests for material, equipment, etc.
- e. Prioritization based on proximity to Grove with the priority being 1) the City of Grove 2) Delaware County and 3) the greater Grand Lake Area in Oklahoma.
- f. Projects that are under the direction of a local organization or local affiliate.
- g. Submissions that adhere to the annually published process.

Sec 2. (B) Grants Types Not Funded Policy: The Foundation policy is not to fund the following types of grants:

- a. Individual Sponsorships
- b. Organizations outside the service area as defined in Section 2 (A) a..
- c. Ongoing operating expenses
- d. Political projects or those that are primarily related to political causes
- e. Religious organizations for religious purposes

- f. Sabbatical leave or scholarly research
- g. Costs already incurred
- h. Endowments and debt reduction
- i. Fundraising events unless sponsored or co-sponsored by the Grove Rotary Foundation
- j. A commitment to more than one year's funding

Sec 2. (C) Urgent Needs Grants Policy: From time to time, eligible organizations may have a need for funding that is urgent and unanticipated and that could not have been requested during the annual application process.

Such requests should be:

- a. For needs that are unanticipated outside the normal giving cycle.
- b. For needs not previously denied by the Trustees, Members or current Charitable Giving Committee
- c. For needs substantially different than other grant requests by the same organization
- d. Clear, with enough detail, to explain why the need is urgent and worthy of consideration.

Sec 2. (D) Special Projects Grants Policy: From time to time, the Trustees and/or Membership may wish to fund a special project. Such projects should be:

- a. For a project that falls within the Foundation's charter and one that is supported by the By-Laws
- b. For a project that is outside the scope of the annual Charitable Giving process
- c. For a project that will receive the approval of the Trustees and the Membership

Section 3: CHARITABLE GIVING COMMITTEE

The Charitable Giving Committee is comprised of nine (12) Grove Rotary members in good standing. Committee members are accountable for upholding the Rotary 4 Way Test during their service. Committee members serve a 3 year term, with 1/3 of the committee members exiting the committee each year. All terms will begin July 1 each new fiscal year.

Sec 3. (A) Committee Member Candidates: Committee member candidates need to have at least 1 year of active service in the Grove Rotary Club. Rotarians interested in serving on the committee will self-identify their desire to serve during the Club's annual committee recruitment period and notify the Nomination Committee Chair of their interest. In addition, the Giving Chair and the Trustees can nominate Rotarians to serve. In the event of a vacancy, the Trustees will appoint a Member to fill the vacant position for the remainder of the vacating members' term.

In an effort to include new and differing points of view, committee nominee preference should be given to Rotarians who have not served on this committee in the recent past. Past service does not exclude a Rotary Member from serving on this committee again, however Committee members completing their 3 year term, will be restricted from serving on this committee again for a period of 3 years (no consecutive terms).

In conjunction with the Nominating Committee, the Charitable Giving Chair will review the applicants and present the field of qualified applicants to the Trustees for review, selection and approval. The Board of Trustees, by a majority vote, will elect the Giving Committee Members to a 3 year term of service.

Sec 3. (B) Committee Chair and Chair-Elect: The Committee Chairperson and the Chair-Elect are selected from the twelve elected committee members. The Chair and Chair-Elect candidates are nominated by the Foundation Trustee Chair and approved by a majority vote of the Trustees. The Committee Chair and the Chair-Elect should be members who have served on the committee for at least one year or more. The Chair will be the primary presenter of grant request information to the Trustees. The Chair may be required to attend Trustee meetings as necessary. At the end of the Chair's term, they will serve, one year, as a non-voting, ex-officio member of the Committee for the new grant cycle year.

Sec 3. (C) Trustee as a Committee Member: The Foundation Vice-Chair will be designated by the Trustee Chairperson to serve as a non-voting, ex-officio member of the committee, and act as a liaison between the Trustees and the Charitable Giving Committee. The Trustee Liaison should attend all Charitable Giving Committee meetings.

Sec 3. (D) Conflicts of Interest: Care should be taken in appointing Grants Committee members to avoid possible conflicts of interest among members of the Grants Committee and potential grant seekers. Committee members and Foundation Trustees are restricted from receiving financial or other in-kind benefit from a Foundation charitable grant. All conflicts of interest and any potential conflict of interest

should be disclosed to the Giving Committee Chair in advance. Conflicts will then be submitted, in writing, to the Trustees.

Members conflict of interest may include, but not be limited to:

- Being a Rotary grant sponsor of the grant in question
- Being employed or having a family member employed by the benefiting organization
- Having significant client or customer relationship with the grant requestor
- Serving on the Governing Board, or a position of authority, of the grantee organization.

All Grants Committee members with conflicts of interest and shall:

- Declare their conflict of interest before any discussion of the grant request occurs
- Abstain from voting on any grant awards for which there is a conflict
- Abstain from proactively presenting and/or proactively providing guidance on any grant awards for which there is a conflict

Section 4: CHARITABLE GIVING PROCESS (managed by the Charitable Giving Committee)

The Charitable Giving process is an annual process self-managed by the Grove Rotary Foundation in conjunction with the Grove Rotary Club. The Charitable Giving Committee is accountable for managing and maintaining the process. The typical annual cycle runs from November to January, but may change as circumstances dictate. This process is subject to change depending on the needs of the Foundation and Club.

Typical cycle timeline:

- Grant Committee formed and trained — September & October
- Grant cycle opening — November 1st
- Grant cycle closing — November 30th
- Internal committee review of the grants — December
- Selection of recommended grants — December/January
- Submission for approval to the Trustees — January
- Grant approval by the Trustees — January
- Presentation of the selected grants and funds — January.

Sec 4. (A) Process Timing: The annual process begins in September with the incoming and outgoing Committee Chairpersons reviewing the grant application process and forms. Recommend changes, if needed, are presented to the Foundation Trustees for review and approval. Any changes to the grant applications should be completed by October 1st of each year. The Committee then meets to discuss the current year process, timing, any modifications to the process or application and sets the calendar for the Charitable Giving cycle. New committee member orientation occurs early in the cycle. The giving calendar is communicated to the Trustees and the Club.

Sec 4. (B) Grant Cycle Communication: Once the Committee has determined the calendar, communication of the annual process can begin. Club members should receive detailed information on when the grant process will be released to the public and any changes to the process and/or application. Communication of the annual grant cycle will occur, at a minimum by:

- Communication to Rotary members in a Club meeting
- Posting on the Club webpage and Facebook account
- Posting on the Club internal site
- Announced via coverage in local news media
- Promoted by Club members social media accounts, at their own choosing

Sec 4. (C) Grant Application: The grant application will be posted on the Grove Rotary Club web site for public retrieval. Guidelines and a grantee check list will be included in the grant application package.

Each submitted application is required to have the support section, in the application, completed by the respective Rotarian grant sponsor. If unable to complete the digital section, the Rotarian's support can be provided in an email with the submission packet. The Rotary sponsor is responsible for the final review of the grant application before it is submitted. The Rotary sponsor will review the application for completeness, using the checklist provided, sign off on the application, and email the documents to the Committee. All submitted applications are to be emailed to: groverotaryccc@gmail.com

Sec 4. (D) Grant Application Receipt: Completed applications will be received by the Chair of the Charitable Giving Committee or their designee and reviewed for completeness, catalogued, and then distributed to the members of the Charitable Giving Committee at least two weeks in advance of the application review meeting. A master list of all applications should be kept by the Chairperson and shared with the committee to ensure that all members receive a copy of each application.

If an application is incomplete, the Chair shall make his/her best effort to notify the applicant and request the desired or necessary information. The committee may require addition documentation to justify and support the request, such as bids, estimates and/or project budgets. The Rotary sponsor should be prepared to assist the Committee as required to collect this information.

If the request is over \$1,000, more information may be necessary. Based on the complexity and size of the project, this could include a mission statement, by-laws, list of board members, budgets, annual income and expense statements, other funding and 501(c)(3) documentation.

Sec 4. (E) Grant Review by the Committee: The Committee Chair will maintain the working copies of the grant applications in the designated Grove Rotary drive (established google drive) for the Charitable Giving Process. The drive should make communication with committee members more fluid and consistent. If a shared drive is deemed inefficient for the committee members, then e-mail distribution will be sufficient.

Upon completion of the annual process, the Committee Chair is required to post all applications, recommendations and final award documentation in the Grove Rotary Foundation's private shared drive. The Foundation's executive assistant can assist with the posting.

a. In order to maintain an environment of open discussion while maintaining confidentiality, the annual Giving Committee meetings are only open to members of the committee, the Trustee liaison, a recording secretary if needed, and the Immediate Past Committee Chair, serving in an ex-officio role. If required for a specific application, the Chair may bring in a subject-matter-expert to provide insight on the specific grant application topic. Discussion and votes shall be kept confidential, so that every committee member feels comfortable expressing their thoughts and feelings without fear of repercussions or their comments taken out of context.

b. The actual committee review of all submitted applications, will at a minimum, include the following steps:

- 1) Committee instructions for review and scoring of each grant received (sent before review meeting)
- 2) Budget communicated for the current cycle with any reserves noted
- 3) Review of the method for discussion and scoring of all applications received. Scoring should use a 1 (lowest) to 5 (highest) scale for rating each application. The start of each application discussion should start with a new member and rotate around the attending committee members.
- 4) Recording secretary identified for the meeting
- 5) Role taken as each committee member has to be present for the discussion in order to vote; there will be no voting by proxy.
- 6) A motion is required to be made for full or partial funding, or as a challenge grant, by a voting committee member. A majority vote for moves the application to approval recommendation. This can also be done by consensus.

- 7) Challenge Grants consideration if an application is better suited as a matching funds grant. A Challenge Grant application is one where the matching funding will not be awarded if the recipient organization fails to secure the rest of that project funding in a timely manner.

Sec 4. (F) Grant Application Funding: It is not necessary for the Committee to give out the full allocation of budgeted funds. The Committee should not fund grant applications it determines does not meet the Guiding Principles of the Grove Rotary Foundation.

If the Committee determines there are too many worthy applications and not enough funds, then the Committee should recommend partial funding for enough projects to come within budget. The Committee could then present a detailed request to the Trustees for increased grant funding for the projects the Committee deemed most worthy. The Trustees will then determine if additional Grant Request funding is warranted and/or available.

The Charitable Giving Chair will present the committee recommendations to the Trustees during a regular scheduled Trustee meeting. At a minimum, the presentation will include:

- 1) An ordered listing of the committee recommendations including organization name, project, brief description, amount recommended and the average vote for each grant.
- 2) Identification of any Challenge Grants and the details for the grant.
- 3) Enough working detail to be able to answer questions about the decisions of the Committee without divulging personal comments made in confidence during Committee discussions.
- 4) Total amount of the allocated, approved budget for the cycle being spent with the recommendations.

Sec 4. (G) Grant Application Funding Approval: The Trustees will have final approval on all grants. The Trustees are encouraged to respect the opinions and decisions of the Committee, unless there is an overwhelming need or cause to change a recommendation from the Committee. If the Trustees have reason to disagree with some of the Committee decisions, this should be brought to the Committee Chairperson's attention for reconsideration by the Committee in a called meeting. The Trustees will provide written communication of their funding decision to the Charitable Giving Chair. Once finalized, the Trustees will instruct the Foundation Treasurer to prepare checks for the approved funds.

Sec 4. (H) Funded Grant Awarding: Upon receipt of the funding decision by the Trustees, the Committee Chair or designated representative will prepare and mail letters and/or e-mails to all applicants notifying them of their success or denial. Such letters should be concise and professional.

The Committee Chair will invite successful grant recipients to send a representative to the Grant Awards Rotary Meeting. Such meeting should be scheduled for the last Wednesday in January or a meeting date deemed appropriate by the Rotary Programs Committee and/or the Grove Rotary Club President.

Checks or “Challenge Grant” letters should be disbursed to the approved Grant recipients at this Grant awards meeting of the Grove Rotary Club.

Grant recipients should make arrangements to have a representative of their organization receive the grant in person at a designated Grove Rotary Meeting. Grant recipients should be willing to speak at a Grove Rotary meeting during the year to educate Rotarians about what their organization does for the community.

Sec 4. (I) Grant Follow Up

Funded Grant applicants will be asked to provide timely accounting documentation as to how their money was spent (which could include receipts). The Committee Chairperson will set appropriate deadlines for this documentation based on the anticipated timeline for the project. The assistance of the Grant sponsor may be requested in order to acquire the necessary information. Recipients who fail to properly report and account for expenditures may be denied future grant funding.

Before the end of the fiscal year, in which the grants were awarded, the Chair will return to a scheduled Trustees meeting to report on the grants provided and the outcomes recorded. Any issues will be reported.

Section 5: URGENT NEEDS REQUEST PROCESS (managed by the Charitable Giving Chair and the Trustee Chair)

Urgent Grants will be reviewed by the Giving Committee Chair and the Trustee Chair. Urgent Grant requests will leverage the criteria established Charitable Giving policy.

The Charitable Giving Chair and Trustee Chair will review the urgent request and present a recommendation to the Trustees. If approved by the Trustees, but outside the normal budgetary policy of the Foundation, the request would need to be taken to the Membership for a vote.

Section 6: SPECIAL PROJECT PROCESS (managed by the Trustees)

Special Project requests should be communicated to the Chair of the Trustees for review and consideration. The evaluation will use the criteria established in the Charitable Giving policy. The Trustees may review requests for specific purposes, outside of the Charitable Giving and Urgent Grant processes. Projects approved by the Trustees, that are allowed under the IRS 501(c) 3 designation, will be recommended to the Members for approval.

SECTION 7: EDUCATION/SCHOLARSHIP PROCESS (managed by the Education Committee)

The Education Committee process is detailed in a stand alone document titled: POLICY AND PROCEDURE FOR THE ORGANIZATION AND OPERATION OF THE FOUNDATION EDUCATION COMMITTEE.