



## ***Toledo Rotary Club Foundation Grant Policies and Procedures***

*The Toledo Rotary Club Foundation was established to support the educational and charitable efforts of the Rotary Club of Toledo. Foundation funding is made possible through the generous contributions of members of the Rotary Club of Toledo and its friends.*

### **Grant Priorities**

The Toledo Rotary Club Foundation funds grants exclusively to nonprofit, 501(c)(3) tax-exempt organizations. The Foundation only considers projects with community or international value. Among local projects, those that will have an impact in the City of Toledo or throughout the Northwest Ohio region are preferred.

Projects meeting the needs of disadvantaged citizens – especially youth, disabled, and elderly – are preferred. Funds may be approved for programming that reaches out to new or different clients or a new program. Capital items will only be funded if depreciable and specific in nature.

The Toledo Rotary Club Foundation will not fund the following:

#### **1. General Operating Expenses** “Operating expenses” include, but shall not be limited to, the following:

- Payroll and any payroll related expenses
- Insurance
- License fees
- Rent
- Fundraising costs
- Research
- Marketing
- Professional fees
- General building maintenance and repairs
- Office supplies
- General office computer hardware and software
- Utilities
- Taxes
- Vehicle expenses
- Travel expenses

Notwithstanding the foregoing, the Foundation shall have the discretion to fund operating expenses that will be used solely for (a) a designated program not previously offered by the organization that is directly

related to its charitable purpose and service to the community, or (b) the expansion of an existing program directly related to the organization's charitable purpose and service to the community that will significantly increase the number of persons benefitting from such program. In addition, while general building maintenance and repairs will not be funded, building maintenance, repairs, additions and/or replacements may be funded when they primarily benefit a portion of the building directly associated with the carrying out of the organization's charitable purpose and service to the community.

**2. Debt Repayment** Grant funds will not be provided to pay for a program, project, or purchase that has already been expensed prior to approval of the Toledo Rotary Club Foundation grant.

**3. Lines of Credit**

**4. Endowments**

### **Types of Grants**

The Toledo Rotary Club Foundation funds two types of grants: traditional and transformational.

**Traditional Grants.** Traditional grants are the most common grants funded, and typically each year the Toledo Rotary Club Foundation funds approximately 20 traditional grants. Traditional grants are limited to \$10,000 per grant, except for grants in support of "camperships" which are limited to \$750 per grant. Applicants may only apply for a grant one time during a Rotary fiscal year. Organizations receiving traditional grant funding may not apply for another grant within 2 years of receiving the grant.

**Transformational Grants.** A Transformational Project is one that:

- Affects a broad sector of the community (local, regional or global)
- Has the overwhelming support of the Rotary Club of Toledo and has been designated and approved by the Club Board and Foundation Trustees,
- Is likely to be a multi-year commitment, and
- Has a sustainable goal of making a significant, long-term, positive impact.

For example, the Rotary Club of Toledo has a history of funding projects that have become lasting legacies. The Club's efforts in 1917 to send a 14-year old boy with no hands and undeveloped arms and legs to school grew into the establishment of the Glendale Feilbach School (named after Toledo Rotarian Charles Feilbach) and a statewide movement for "crippled children." The movement eventually spread across the nation as the National Society for Crippled Children, the forerunner of the Easter Seals organization, which continues to this day.

Another example of a Transformational Grant would be the grant given as part of the Rotary Club of Toledo's 100<sup>th</sup> anniversary in 2012. In celebration of our centennial year, the Toledo Rotary Club Foundation pledged \$300,000 to establish a beautiful riverfront park in the Middlegrounds in downtown Toledo.

At the Rotary Club's discretion, a Request for Proposals (RFP) may be released seeking transformational project proposals to address a specific community need whereby multiple proposals will be reviewed to determine the program that will best fit that need.

Agreed upon benchmarks for the initial year of funding must be met before subsequent years will be funded. The Toledo Rotary Club Foundation reserves the right to refuse to fund subsequent years if the agreed benchmarks have not been timely met.

## Grant Procedures

- Grant Applications are located on the Toledo Rotary website, [www.toledorotary.org](http://www.toledorotary.org).
- By submitting a grant application, applicants agree to follow all the grant procedures outlined herein.
- Applicants shall complete and submit the application and all supporting documentation through the Rotary's website ([www.toledorotary.org](http://www.toledorotary.org)). The following supporting documentation is required:
  - 1) The organization's Mission Statement or comparable statement of purpose,
  - 2) IRS letter evidencing 501(c)3 or comparable tax-exempt status under the IRS code,
  - 3) An itemized project budget, **including specifics of how the requested funds will be used**, and
  - 4) The organization's most recent annual financial report.
- For traditional grants, three grant cycles are completed each Rotary fiscal year which begins July 1<sup>st</sup> and ends June 30<sup>th</sup>. Grant application deadlines for traditional grants are July 31<sup>st</sup>, October 31<sup>st</sup>, and March 31<sup>st</sup>.
- Only a small number of transformational grants are funded, and it is expected that there will be many years when the Foundation entertains no requests for transformational grants. Unless an RFP has been issued, check with the Rotary Office before applying for a transformational grant to see if the Rotary Foundation will be funding any new transformational projects.
- The Rotary Club members decide which grants will be funded via their committee process. After the Executive Director determines that the application is complete and the request meets the Rotary's eligibility requirements, the grant application will be distributed to the appropriate committee leaders for the committee's review, discussion, and, when appropriate, site visit.
- All applicants requesting funding should be prepared to appear before the appropriate Rotary committee upon request and to host a site visit, if requested.
- The Rotary committees verify the use of funds, obtain photos and other documentation as required, and evaluate the effectiveness of each grant request. After completing its due diligence, the committee leaders forward their grant recommendations to the Foundation Advisory Committee (FAC) which continues the vetting process and recommends grants for approval to the Toledo Rotary Club Board.
- When all of the grants approved at the committee level cannot be funded due to fund limitations, the FAC may hold over grants to the next cycle to be reassessed against all the other grants approved by the committees in that cycle. Reconsidering a grant in a subsequent cycle does not guarantee it will be funded.

- The Board reviews each submittal and recommends grants for approval to the Foundation Trustees who determine the final allocations.
- All grant recipients will be notified in writing by the Toledo Rotary Club Foundation Board of Trustees, and no member (including Officers of the Club or Foundation Trustees) or committee shall commit the Toledo Rotary Club Foundation to any expenditure of funds without prior approval of the Toledo Rotary Club Foundation Board of Trustees.
- Grant recipients shall cooperate, upon request, with an audit of project funds by the Toledo Rotary Club Foundation to determine compliance with stated purposes and goals. Such audits are performed at Toledo Rotary Club Foundation's expense.
- Applicants whose projects are approved will be expected to sign a Rotary Grant Agreement and to complete and return a Rotary Grant Report. For traditional grants, the Rotary Grant Report is due within 6 months. For transformational grants, multiple Grant Reports may be due and shall be due as set forth in the Rotary Grant Agreement, or, if the Rotary Grant Agreement is silent on this point, within six months of each receipt of grant funds. Traditional grant funding approved must be expensed within six months of approval of funds. Transformational grant funding must be expensed as set forth in the Rotary Grant Agreement, or, if the Rotary Grant Agreement is silent on this point, within six months of each receipt of grant funds. Organizations that do not adhere to the Rotary Grant Agreement must return the funds approved to the Toledo Rotary Club Foundation. Organizations that do not adhere to the Rotary Grant Agreement may not apply for a grant for two years and must show significant organizational changes at that time.

For additional information, please contact:

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