

# **In God We Trust Foundation, Inc.**

## **Policy #13-05: Grants to Organizations**

**January 25, 2013**

**ADOPTED BY BOARD OF DIRECTORS**

### **Grants to Organizations**

This organization anticipates that it will seek out established 501(c)(3) organizations which with which it can cooperate in executing particular projects in our areas of interest. We do not expect unsolicited applications. The organization therefore will not maintain an application, and any of such will be instructed to prepare a proposal, the thoroughness of which will give an indication of the reliability and reality of the inquiring organization.

The procedure followed will depend upon whether the organization elects to accept an application, or whether the grant is in the form of a joint plan of action executed with another 501(c)(3).

**Whether by proposal, or by a joint plan of action**, the following information will be obtained:

- A current W-9 form.
- A copy of organization's 501(c)(3) determination letter.
- A current copy of the organization's charitable registration in its home state.

**Whether by proposal, or by a joint plan of action**, following information will be aggregated for each charitable endeavor funded:

- Responsibilities of this organization and those of the grantee.
- An overview of the project.
- Anticipated outcomes of the project.
- A project description describing the significance of the project, the chosen strategy, and prospects for success. Objectives that can be reached during relevant time periods, should be emphasized and, if appropriate, a description of how these intermediate objectives relate to a long term goal or strategy.
- A description of how the organization can measure and evaluate the project's success.
- A work plan and timetable.
- A project budget and funding plan.
- Identities and qualifications of those individuals, by specific name, who will bear primary responsibility for the success of the initiative, and a clear statement of how much of their time will be devoted to the project.

**Where by proposal:**

- All of the above, and
- Copy of most recent 990, and audit if applicable.

### **Compatibility with charitable goals.**

To ensure compatibility with this organization's charitable goals, and to enhance the prospects for success, the following guidelines are used to judge potential grants:

- Seek out stable, proven organizations with successful track records, and help to assure their continued strength, effectiveness, and renewal.
- Support leaders who have demonstrated the ability and determination to succeed.
- Foster synergy among the organization's grants.
- Pay special attention to regions and policy areas that are not well covered by other funders.
- Fund projects that are based on good practical solutions.
- Make long-term commitments to core projects.
- Favor efforts that foster collaboration by groups and that consciously pursue support from sectors of society outside their base.

**Monitoring and enforcement where by a proposal:**

1. This procedure is reasonably calculated to result in performance by grantees of the activities that the grants are intended to finance; and
2. The organization will supervise the grant to determine whether the grantee has fulfilled the grant terms.
  - a. The organization will follow-up properly to determine whether grantees has performed the activities that the grant was intended to finance and have not diverted grant funds away from the original purposes of the grant.

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- b. Periodic progress reports must be made to the organization, at least once a year, to determine whether grantees have performed the activities the grants are intended to finance, and
- c. If these reports are not made or there are other indications that grants are not being used as intended, the foundation must investigate and take corrective action, and
- d. The organization will keep records relating to all grants to individuals, including--
  - i. Information obtained to evaluate potential grantees,
  - ii. Identification of grantees, including any relationship of the grantee to the organization that makes the grantee a disqualified person,
  - iii. Amount and purpose of each grant, and
  - iv. Follow-up information, including required annual reports and investigation of jeopardized grants.

If more specific procedures are developed where an organizational grant is made, those procedures will not differ materially from those described above, and will focus on providing greater detail to achieve proper implementation.

**Terms and Conditions.** The terms and conditions of each grant to an organization are contained in a letter sent to each recipient of such a grant. The recipient is required to communicate its acceptance thereof by a letter in writing to the organization. Terms and conditions include specific purpose of the grant, its duration, the total amount of the grant, requirements for narrative reports, including due dates for such reports.

**Procedure for Exercising Supervision.** The organization will arrange to receive a completion report and for matters involving a period of time longer than 60 days, periodic progress reports. A Board will follow the matter and determine whether the grant purposes are being or have been fulfilled, and to inquire into any questions requiring further investigation.

**Investigation where diversion indicated.** Where reports or conduct indicates that all or any part of grant funds are not being used for the purposes of such grant, the organization will initiate an investigation. While conducting the investigation, the organization will withhold further payments to the extent possible until it has determined that no part of the grant has been used for improper purposes, and until any delinquent reports have been submitted.

If the organization determines that any part of a grant has been used for improper purposes, the organization will take all reasonable and appropriate steps to recover diverted grant funds or to insure the restoration of diverted funds and the dedication of other grant funds held by the grantee to the purposes being financed by the grant. These steps will include legal action unless such action would in all probability not result in the collection of a judgment.

If the organization determines that any part of the grant has been used for improper purposes and the grantee has not previously diverted grant funds to any use not in furtherance of a purpose specified in the grant, the organization will withhold further payments on the particular grant until (i) it has received the grantee's assurances that future diversions will not occur, (ii) any delinquent reports have been submitted, and (iii) it has required the grantee to take extraordinary precaution to prevent future diversions from occurring.

If the organization determines that any part of the grant has been used for improper purposes and the grantee has previously diverted foundation grant funds, the organization will withhold further payment until the three conditions of the preceding sentence are met and the diverted funds are in fact recovered or restored.