



Grantmaking Procedure and Policy

This policy outlines the processes governing grant recommendation, administration, approval, and payment for the Hendricks County Community Foundation (HCCF). As a nonprofit organization, HCCF's primary program is funding charitable projects, programs, and organizations through grants. Scholarship awards are also considered grants and follow these same policies.

HCCF's grantmaking is carried out through a combination of donor-directed funds and unrestricted funds, with unrestricted grantmaking publicly communicated as Stronger Together.

All grants must be made in furtherance of charitable purposes as defined by the IRS. Second to that, donor intent is paramount to our work and is laid out in each fund agreement. In limited circumstances where donor intent can no longer be fulfilled, the Board of Directors may redirect grantmaking through the exercise of variance power as provided in the applicable fund agreement.

To ensure we are doing our part to foster a welcoming and inclusive community, it is HCCF's policy that programs, funding and employment with HCCF are available and open to all persons without regard to race, sex, age, color, religion, national origin, marital status, sexual orientation, gender identity, disability, citizenship status, genetic information, military service/veteran status, or any other category protected under state or local law.

Spendable amounts are released annually in January or February based on the *Spending Policy for Endowed Funds*. Some funds may have spendable that carries over from prior years. At any time, donors may also choose to make gifts directly to spendable to increase their impact.

HCCF staff are responsible for implementing the *Due Diligence Policy*. When grants are made to charitable projects conducted by non-501(c)(3) organizations, expenditure responsibility is required and is administered in accordance with that policy. Grants over \$25,000 require prior review as outlined in the *Financial Controls Policy*.

Grant Approval and Payment Authority: The Board of Directors delegates authority to HCCF staff to recommend, approve, process, and pay grants in accordance with fund agreements, Board-approved grantmaking programs, and applicable policies. Routine grants made under this authority are reported to and approved by the Board of Directors post facto (after payment). The Board retains authority over grantmaking strategy, approval of grantmaking programs, and any grants requiring prior approval under HCCF policies.

Process for Endowed (Permanent) funds:

Restricted Funds – The Board authorizes staff to make grants consistent with the Fund Agreement, and such grants are generally approved post facto at a future Board meeting.

- Designated, & Agency Advised Funds: Grants are made in first quarter, once spendable has been released, to support the organization or program as laid out in Fund Agreement. Staff is authorized to administer and issue these grants and the Board approves post facto.
- Field of Interest Funds: Grants are generally made as part of the unrestricted grantmaking process. However, when they are not, HCCF staff may solicit applications from organizations. The Board authorizes staff to make solicitations and grants as appropriate under fund agreement and approves grants post facto.
- Donor Advised Funds: See the *Donor Advised Fund Handbook*. Grants are made by recommendation of the donor representative. Typically, the donor will use the Grant Recommendation Form; however, HCCF will accept other forms including but not limited to email, letter, or phone call from fund representative. The Board authorizes staff to make grants and approves post facto.
- Scholarship Funds: See the *Scholarship Fund Handbook* for detailed policies and procedures. Scholarship awards are made through a structured, objective, and nondiscriminatory process. HCCF administers a standard application process with a public application period open to eligible students based on HCCF guidelines and fund-specific criteria. Applicants are matched to scholarship opportunities in accordance with each fund's criteria and donor intent. Applications are then reviewed and scored by a county-wide Scholarship Advisory Committee (SAC) appointed by the Board of Directors, using a standardized rubric approved by the Board. The SAC recommends recipients and alternates to the Board of Directors, which retains final authority over all scholarship awards. Scholarship payments are made directly to accredited educational institutions, and staff is responsible for administration, including monitoring eligibility for renewable awards.

Unrestricted Funds

- General Unrestricted Funds: Unrestricted funds represent resources that may be used to respond to community needs in alignment with HCCF's charitable purposes. The Deedee Daniel Opportunity Fund is the largest unrestricted fund. HCCF also has unrestricted funds that reflect general charitable intent and desires without specific restriction. Each year, spendable amounts from these funds are administered in accordance with Board-approved grantmaking plans, either through specific grants or through a pooled grantmaking fund administered by HCCF (the "Stronger Together Grantmaking Fund"), allowing for a flexible and strategic response to community needs.

This collective unrestricted grantmaking is publicly communicated as Stronger Together, HCCF's shared identity for unrestricted giving and grantmaking.

The Board of Directors considers and approves a proposal from staff at the Annual Board Meeting outlining the upcoming year's unrestricted grantmaking approach. This may include, but is not limited to, competitive grant programs, strategic initiatives, non-competitive grants, or other responsive grantmaking activities. Staff is authorized to implement the approved grantmaking plan, and all grants are approved post facto by the Board of Directors. Competitive grants may be approved by the Board prior to payment.

- Legacy Funds: See *Legacy Fund Handbook*. Each year, spendable amounts from Legacy Funds are contributed to the Stronger Together Grantmaking Fund and recognized as part of Stronger Together.

Non-Permanent/Pass Through Funds: Grants are made according to the fund agreements generally through recommendations from Fund Reps; staff is authorized to process and make grants and the Board approves post facto.

Grantee Reporting: The Board authorizes the staff to determine whether reporting is necessary and to what level is required based on the grant, the fund, and the organization receiving the grant.

Unexpended/unclaimed grant and scholarship funds are typically requested to be returned after 12 months; however, the Board authorizes the staff to allow variances on a case-by-case basis.

When necessary, the Executive Committee or Board of Directors may be convened for discussion and action on any matter related to this policy or HCCF grantmaking.