

**GRANT POLICY AND GUIDELINES  
THE HOLSTON CONFERENCE OF THE UNITED  
METHODIST CHURCH FOUNDATION, INC.**

The Holston Conference Foundation, as a part of its mission and service, shall make grants to qualified charities as determined by the Internal Revenue Service from the funds that have been placed with the Foundation for such purposes, and may also make grants from allocations made from the Foundation's undesignated funds.

When the donor has made specific instructions in the appropriate instrument regarding distributions to qualified charities, the Holston Conference Foundation shall follow the instructions of the governing document. When a donor has made an unrestricted gift with distributions at the sole discretion of the Holston Conference Foundation, grants will be made following the guidelines as defined in this document; however, funds that are available for strategic implementation by the Holston Conference Foundation (i.e., Norwood Trust or Foundation Mission and Ministry Fund) will be subject to the discretion of the entire Board of Directors and not the Grant Committee.

Seminary and Higher Education grants are governed under this document and are the purview of a sub-committee appointed by the Executive Director and Grant Committee Chair following the criteria established by donors.

An endowment fund that is specifically controlled by a Donor Advised Fund (DAF) agreement typically states that the Foundation will give due consideration to the advice of the donor on distribution of funds. The Executive Director is authorized to approve grants governed by DAF agreements, providing the request is consistent with the intent of the fund agreement and the consideration and awarding of the grant complies with the mission of the Holston Conference Foundation. The Executive Director shall provide a report of all approved Donor Advised grants to the Grants Committee at the regularly scheduled meeting.

Grants made by the Foundation will be to only qualified public entities that meet the standards set forth in Section 501 (c) (3) of the Internal Revenue Code and be related to The United Methodist Church.

**A. RESPONSIBILITIES OF THE GRANT COMMITTEE**

1. With the assistance of the Executive Director, assure that all grants are consistent with the fund agreements and donor intent.
2. Adhere to the specific guidelines of this policy and procedure.
3. Review applications received by the Foundation.
4. Meet as a committee annually to review, discuss and vote on each application.
5. When requested by the Executive Director, the Grant Committee will consider and vote on emergency grant requests or additional strategic proposals that occur after the annual grant committee meeting.
6. Report to the Board of Directors activities of the committee including award recipients and amounts awarded.

**B. NATURE OF THE GRANTS**

1. Applicants for grants should be related to the United Methodist Church, preferably within the geography of or closely connected to the Holston Conference. They may also be part of a sponsoring group that is ecumenical and to which the United Methodist Church is related.
2. Grants will be for the current or ensuing calendar year.
3. Grants will be given for one year at a time.

4. Grants are not intended to be the ongoing sustainable support for a ministry or sustain; however, applications may be made for a second and third year grant, each year, but if awarded, will be on a phase-out basis (with some exceptions).
5. Seminary and Higher Education Scholarships are awarded based on the criteria established by the donor. For these grants, there will be a yearly review and with an annual application, as with other grants.
6. The committee encourages proposals that have significant or strategic impact in ministry.
7. Requests for grants for staff salaries will generally not be considered; however, grants may be awarded to fund training opportunities for staff positions/programs.
8. Requests for grants to fund the purchase of capital equipment and building improvements are discouraged.
9. The typical range of grants is \$250 - \$3,000, but each individual fund will award grants based on its own size and performance and in compliance with donor instructions.

### **C. GRANTS COMMITTEE PROCEDURE**

1. The Grants Committee and/or staff may investigate the project or group making application through interviews, correspondence and/or visits to the project, with an attempt to discover both the feasibility and the viability of the project being considered through the investigation.
2. The Committee may contact the appropriate District Superintendent for his/her analysis.
3. The Committee will make reports to the Foundation Board at its Board of Directors meeting.
4. By giving a grant, the Grant Committee does not give assurance of continued support beyond the year the grant is given.
5. The Grants Committee will inform all applicants concerning the Committee's action.
6. The Grants Committee will hold an annual meeting in the spring of each year after the annual deadline (generally in April or May) to discuss and vote on applications and determine award amounts.
7. Emergency or strategic grant requests that arise after the Grant Committee meeting will be considered on a case-by-case basis and forwarded to the Grant Committee for consideration at the recommendation of the Executive Director. Such requests can be voted on by a called meeting, either in person, by email, or conference call or electronic vote.
8. A vote of over two-thirds of the Grant Committee is needed to approve any grant requests.
9. Grant funds must be used for the program or ministry outlined in the application. If program or purpose changes the Foundation must be contacted.

### **D. PROCEDURES AND METHODS OF APPLICATION**

1. Applications for grants are available from the Foundation office upon request. Applications/specific guidelines are also available on the Foundation's website.
2. Applications must be returned before the grant deadlines.
3. Appropriate signatures/approvals must accompany all grant applications or requests.
  - a. Local church grants must have the approval of the Senior pastor and appropriate governing board or officer of the church.

- b. Institutional or ministry grants beyond the local church should have approval of the authorized board and/or officer.
  - c. The District Superintendent must approve requests from District or multi-charge/charge/missional hub applications.
  - d. Appropriate Conference staff or an officer of the Conference must approve requests coming from the Conference or Conference boards and committees as well as the committee/board chairperson.
4. Grant applications should list all sources of total funding and a budget for each project.

#### **E. REPORT FROM FUNDING GROUPS**

- 1. A report is required from the recipients of each grant, including the way the grant was used, visible results, who was served, numbers served, photos of the ministry in action, etc.
- 2. Failure to provide a report to the Foundation may exclude future grants to a recipient.
- 3. Other reports may be requested from time to time.
- 4. Upon completion of the funded program/grant cycle an evaluation form must be submitted.

#### **F. DISBURSEMENTS**

- 1. Grants will be distributed the following Foundation distribution period (generally the 15<sup>th</sup> of the month after the committee meets).
- 2. Applicant should indicate a date on the application when funds are needed to complete implementation of the project. (This is no guarantee that the funds will be available when requested.)
- 3. Scholarships are awarded in August or September with ½ applied to the fall semester of the same year and the second half to the spring semester of the following year.

#### **G. AMMENDMENTS TO THE POLICY/GUIDELINES**

- 1. Amendments to this policy and guidelines must be approved by a 2/3 majority vote by the Foundation's Board of Directors.

#### **H. CONSIDERATION IN AWARDING**

- 1. Systemic Impact/Need: The ability of a proposed grant to meet the needs of those they are serving or wanting to serve. Is the project proposal well thought out or is it too much in the infancy stage to really move ahead this year? Will the grant serve the disadvantaged in some way? (Such as: the elderly, children, youth, ethnic groups, those in trouble because of battering, hunger, incarceration, chemical dependency, etc.?) Does the project serve people or institutions which are presently incapable of caring for themselves because of accumulated circumstances?
- 2. Alignment: The ability of a proposed grant to align with United Methodist's mission to make disciples for the transformation of the world.
- 3. Cooperation/Multiple Strategies: Is it a new ministry program from which others could learn? If it is, will the sponsoring group share and be willing to share with other groups

insights and experiences? Funds may be requested using a variety of granting methodologies, e.g. matching funds, challenge grants, scholarships, direct grants.

4. Sustainability: Funding is based on whether or not the project will be able to sustain itself without grant money or Foundation support in the future. Sustainability covers the following information: Background, financial health, debt, risk tolerance, pastoral leadership, etc. Can the project get adequate funding in the future from other groups, including the possibility of being self-supporting? Given the guidelines of reduced funding in subsequent years, is the project capable of continuing with 50% funding in the second year and 25% funding in the third year?
5. Support: Does the grant application have the pastor/appropriate governing board support? Does the project have the support of the corresponding board or group in their Circuit, District or Conference? Is there a broad base of interest and volunteer support?
6. Catalyst/Leverage: Funding is designed to serve as a catalyst for growth and change that builds capacity and increases resources for mission & ministry. Projects that demonstrate creative thinking and growing outreach ministries to enhance and expand holistic personal and congregational stewardship are desired.