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## GRANTS POLICY

*Revised: December 2, 2014*

*Approved: May 23, 2000*

### PURPOSE OF POLICY

The purpose of the Grants Policy is to ensure that all Catholic Community Foundation of Minnesota (“CCF”) grants are made in a manner consistent with donor intent and the mission of CCF. The mission of CCF is to support financially the spiritual, educational and social needs of our Catholic Community. The policy also ensures that donor advised funds are administered in a way that provides donors the opportunity to make grantee recommendations while ensuring CCF retains the final authority to determine the use and distribution of the grant. The policy defines two types of funds: endowed and non-endowed. Non-endowed funds are grouped in the following categories: Unrestricted and Donor Advised.

### GUIDELINES FOR GRANTMAKING

Potential grant recipients will be evaluated to assure that the recipient:

1. Has a mission consistent with the mission and goals of CCF; and
2. Is a qualified tax-exempt charitable organization.

All distributions will be made in accordance with any donor-imposed restrictions. In addition:

1. At least 50% of the grants awarded by CCF in any three-year period will be made to organizations within the state of Minnesota.
2. At least 50% of the grants awarded by CCF in any three-year period will be made to Catholic organizations or those that are intrinsically aligned with the philosophy and teaching of the Roman Catholic Church.
3. No grants will be made to organizations that are operated in ways, or profess teachings or philosophies, antithetical to the teachings of the Roman Catholic Church.

### FUND CATEGORIES

#### A. ENDOWED FUNDS

##### Types of Endowment Funds

There are six types of Endowed Funds:

1. **Designated Funds** are funds whereby the grant distribution is made only to a named organization specified by the donor. In a fund there maybe more than one specified organization.

2. **Field of Interest Funds** are funds whereby the grant distribution is made only to the area of interest specified by the donor.
3. **Undesignated Funds** are funds where the donor has put no restrictions on the annual use of grant. The staff will make recommendations to the Grants Committee for use of these grants.
4. **Term Endowments** are funds set-up by the donor for a specific use and after the expiration of a stated period of time or occurrence of a specific event all or part of the principal may be expended depending on the donor wishes.
5. A **Donor Advised Fund** may also be created as an endowed fund.
6. **Beneficiary Endowed Funds** are legally the asset of the Foundation and follow the same guidelines for grant distribution. These funds begin issuing annual distributions only if the value of the historical gift or combined with appreciated value reaches \$50,000. (Note: These funds are carried as a liability on the Foundation's Statement of Financial Position)

## **B. NON-ENDOWED FUNDS**

### Types of Non-Endowment Funds

There are two types of Non-Endowed Funds

1. **Unrestricted funds** provide the Foundation with the flexibility to direct grants to the current needs. The donor has not imposed stipulations as to the use of the grant, and principal as well as income may be used. The Grants Committee has final approval on the use of unrestricted funds.
2. **Donor Advised Funds** are established by written agreement whereby the donor, or designated advisors, has the privilege to make recommendations as to the charitable beneficiaries of grant distributions; the recommendations are advisory only. Donor Advised Funds may be non-endowed (provisional) or endowed. If non-endowed, the grant distribution may include income, principal or both from the fund. Endowed Donor Advised Funds will follow the same calculation as defined in the CCF Endowment Fund Policy.

## **APPROVALS, RATIFICATIONS AND RECOMMENDATIONS**

### Approvals

The Grants Committee shall approve all grants, including the following:

1. Donor Advised Fund grant recommendations submitted at regular meetings
2. Annual Community Priority Grants
3. Initiatives for Community Priority Grants
4. Temporarily Restricted Community funds (Term Endowments)
5. Annual review of the Quasi-Endowed Funds of the Foundation for grant amount and distribution
6. Proposed grant uses for undesignated endowed funds and unrestricted funds with input from the CCF staff
7. Annual grant making for Tuition Assistance Program

### Delegation and Ratifications

1. Between meetings of the Grants Committee, Donor Advised Fund grants of up to \$50,000 must be approved by the President or Vice-President of Development & Donor Relations; and Donor Advised Fund grants over \$50,000 must be approved by two of the following: President, Grants Committee Chair, or Vice Chair of the Board.
2. All Donor Advised Fund grants approved pursuant to the preceding paragraph must be submitted to the Grants Committee for review and ratification at its next regular meeting.

### Recommendations

The Grants Committees shall review and recommend for Board approval:

1. Redirection of designated beneficiary, per fund agreement or donor request with input from CCF Staff
2. Changes to the Grants Policy