

## Iowa Veterans Foundation Policies and Procedures

This policy serves as a guideline for the Iowa Veterans Foundation (hereafter known as IVF) staff, board members, volunteers, outside advisors' who assist prospective donors who wish to make gifts to the IVF, actively solicit gifts and grants, and to assist grant applicants to further the benefit of veterans of the State of Iowa (hereafter known as Veterans).

### 1. DEFINITIONS.

1.1. Veteran means: A person who served in the active military, or military auxiliaries of the United States, and who has been discharged or released honorably or under honorable conditions.

1.2. Veterans Organization means: an authorized agency that advocates on behalf of veterans and whose services solely benefit veterans or has specific program(s) solely benefitting veterans.

1.3. Financial assistance means:

1.3.1. For a veteran: Payment towards costs for housing (i.e., rent or mortgage) or associated expenses such as fixtures (i.e., water heater) furnishings (i.e., beds or bedding) and utilities essential to operating the home (i.e., water, electricity, & gas or expenses essential to maintaining a purchased property) to help prevent veteran from becoming homeless.

1.3.2. For a Veterans Organization: expenses to assist in providing program services, not to include overhead or organizational costs of running a veteran service office or organization.

1.4. Limited assistance means: that financial support may be granted to an individual veteran one time only unless special circumstances dictate additional support.

### 2. GIFT ACCEPTANCE POLICY

As gifts can encourage others to give or do the opposite, this gift acceptance policy is intended only as a guide and allows for flexibility on a case-by-case basis.

#### 2.1. GUIDELINES

2.1.1. The President of The IVF and any Executive Committee members, have authority to solicit and/or accept gifts on behalf of The IVF.

2.1.2. The President of The IVF may establish a Gift Review Committee responsible for recommending whether or not The IVF should accept proposed gifts. The Committee shall consist of no less than three members from the Board of Directors. The President shall have the authority to appoint other volunteers on an ad hoc basis, who have special expertise that may be needed in order to make a decision on a specific gift.

2.1.3. The Gift Review Committee may consider each gift according to its intended use, restrictions, liabilities and financial impact on The IVF now and in the future. Only gifts, bequests, devises, endowments, trusts and similar funds that are designated for the use of The IVF consistent with the stated goals and mission of Veterans will be considered for acceptance.

2.1.4. The President or gift solicitor will refer to the Gift Review Committee, before acceptance, gifts that are given with unusual restrictions or designations, have the potential of jeopardizing the tax-exempt status or violating IVF policies, local, state or federal laws.

2.1.4. Gifts may be accepted when designated to benefit a specific organization or project. The IVF will honor such a designation when the designated organization or program is approved for an IVF grant. However, IVF cannot accept gifts that are conditioned solely upon any designation. When gifts are offered with a designation, the IVF should provide notice that the designation cannot be honored when the organization or project when the organization project does not meet grant criteria, as set forth in IVF policies, herein.

## **2.2. TYPES OF GIFTS**

### **2.2.1. CASH**

2.2.1.1. The IVF, regardless of amount, shall accept all gifts by cash, electronic transfer, credit card, or check.

2.2.1.2. Checks shall be made payable to Iowa Veterans Foundation, unless otherwise specified. In no event shall a check be made payable to an individual who represents the IVF.

### **2.2.2. LIFE INSURANCE**

2.2.2.1. The IVF will accept gifts of life insurance policies only when the IVF is named as the owner and beneficiary of 100% of the policy.

2.2.2.2. If the policy is paid-up, the value of the gift for the IVF's gift crediting and accounting purposes is the policy's replacement costs.

2.2.2.3. If the policy is partially paid up, the value of the gift for the IVF's gift crediting and accounting purposes is the policy's cash surrender value.

### **2.2.3. TANGIBLE PERSONAL PROPERTY**

2.2.3.1. Gifts of tangible personal property to The IVF should have a use related to The IVF's exempt purpose.

2.2.3.2. Gifts of jewelry, artwork, collections, equipment, and software shall be accepted with approval by the IVF. Other matters that will be taken into consideration by the IVF before deciding on acceptable gifts of personal property include: transportation cost; storage cost; cost of selling; cost of maintenance and repairs; location of property; cost of insurance.

2.2.3.3. Such gifts of tangible personal property defined above shall be used by or sold for the benefit of the IVF or Veterans.

2.2.3.4. Depending upon the anticipated value of the gift, the IVF shall have a qualified outside appraiser value the gift before accepting it.

2.2.3.5. The IVF adheres to all IRS requirements for disposing gifts of tangible personal property and filing appropriate forms.

### **2.2.4. PLANNED GIFTS AND MEMORIALS.**

2.2.4.1. The IVF may accept assets transferred through bequests that have immediate value, or that can be liquidated. Gifts that appear to require more cost than benefit shall be discouraged or rejected.

2.2.4.2. The IVF discourages bequests that require the IVF to legally administer trusts, or act as co-trustee of a charitable trust.

2.2.4.3. The IVF shall not act as an executor (personal representative) for a donor's estate.

3. POLICIES FOR IOWA VETERAN FOUNDATION FUNDING GRANTS. The IVF generally supports projects that seek to improve the health, independence, and quality of life of veterans and their dependants. Eligible applicants include veterans, their dependents, and veterans organizations. Applicants must be reside within the State of Iowa.

3.1. GRANT RESTRICTIONS. IVF will not accept proposals that:

3.1.1. Seek to fund obligations (e.g., deficits, building costs, mortgages and other loans) incurred prior to grant notification.

3.1.2. Participate in, or intervening in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office [within the meaning of section 501(c)(3) of the Internal Revenue Code ("IRC")].

3.1.3. Carry out propaganda or otherwise attempting to influence legislation or any specific public election [within the meaning of section 4945(d) of the IRC].

3.1.4. Undertake any activity for any non-charitable purpose or to the extent that use of grant funds would constitute a "taxable expenditure" [within the meaning of section 4945(d) of the IRC] or in any other manner which would jeopardize or cause the Foundation to lose its status as an organization exempt from federal income tax under section 501(c)(3) of the IRC.

3.1.5. Benefit for-profit businesses.

3.1.6. Support private foundations as described in IRC 509(a), as well as organizations qualifying under 509(a)(3).

3.2 Limited Assistance to Individual Veterans

3.2.1. IVF does not accept grant applications or requests from individual veterans or dependants. IVF may provide limited financial assistance to individuals referred by the Pottawattamie County Veteran Affairs Department.

3.2.2. The Pottawattamie County Veteran Affairs Department will verify the eligibility and the need of the individual veteran or dependant. The President or Treasurer of The IVF may authorize a grant payment with formal application as set forth in IVF policies herein.

3.2.3. The Department will provide The IVF with sufficient information about the individual veteran or dependant receiving a grant, as well as receipts for purchases sufficient to provide appropriate financial accounting.

3.2.4. Financial assistance to individuals referred by The Pottawattamie County Veteran Affairs Department should not replace or duplicate assistance available through state or federally funded veterans programs. Rather, IVF may provide individual financial assistance only when the Department determines that assistance is not otherwise available through other sources. In no case shall financial assistance to an individual exceed \$1,000.

3.3. Fiscal Sponsorship of Veterans Organizations

3.3.1. Fiscal Sponsorship allows Veterans Organizations to apply for funding for non-commercial projects. The non-profit tax-exempt status enables the IVF to assist Veterans organizations since many do not accept application proposals from individuals. Additionally, 501(c)(3) status allows the IVF to receive charitable deductible contributions from individuals—a major incentive for individuals considering making a donation to a project that benefits Veterans.

3.3.2. As a fiscal sponsor, the IVF acts as a non-profit tax-exempt umbrella organization that accepts and administers contributions made to a project. The IVF is legally responsible for the funds received on behalf of fiscally sponsored projects and must insure that the funds are used for charitable activities, as agreed upon between the donor and recipient, and that the donor reporting requirements are met and in a timely fashion. It does not mean that IVF is the fundraiser or in any way connected to the actual production of a project. All proprietary rights, title, interest in and to the completed project will belong sponsored Veteran organization.

3.3.3. Budget & Justification – Projects may be proposed as one-time projects or as continuing projects for periods of one-year. Vehicle or equipment costs may not exceed \$100,000 for the entire project period.

3.3.4. Pass-Through Fiscal Sponsorship is appropriate for a grant from a single funding source. In this arrangement, IVF serves as the project’s fiscal sponsor on a one-time basis. Along with all reporting requirements, IVF issues the Project Director a 1099 independent contractor tax form at the end of the year for the entire amount of the grant. It then becomes the responsibility of the organization to account for the money as income and expenses for all tax purposes. Veterans organizations sponsored by IVF on a Pass-Through basis do not receive additional Program Benefits.

3.3.5. Grant Reporting and Payment Schedules.

3.3.5.1. When a project contemplates multiple financial transactions over a period of time, the grant award to a Veterans Organization requires the submission of periodic reports. The schedule of these reports is as follows:

Reporting Schedule	
Grant Acknowledgment	The grantee must return the original signed Grant Acknowledgment Form. Upon the receipt of the signed Grant Acknowledgment Form, the first payment on the grant will be made, as outlined below.
Interim Expenditure and Progress Report	The Interim Expenditure and Progress Reports are due from the grantee within 30 days following the mid-point of the grant period (the first 6-months of the one-year project). Upon the Foundation’s receipt and approval of the interim report, the second payment on the grant will be made, as outlined above. The senior officer must sign the report.
Final Expenditure and Progress Report	The Final Expenditure and Progress Report are due within 30 days of the completion of the project. The senior officer must sign the report. The Final Expenditure Report should show a zero balance, or, if any funds remain, they should be returned at this time in a check made payable to the IVF. Upon the Foundation’s receipt and approval of the Final Report, the 10% initially retained from the grant award may be sent to the grantee, assuming all grant funds have been spent and accounted for.

3.3.5.2. Payments in excess of \$xx,xxx are made to the Veterans Organization in three installments according to the following stipulations:

Payment Schedule	
Retainer	10% of the total award is retained by the foundation until a grant successfully completes all requirements.
1st Payment	45% of the total award is paid to the grantee upon the foundation's receipt of the signed Grant Acknowledgement Form.
2nd Payment	45% of the total award is paid to the grantee upon the foundation's receipt and approval of the grantee's Interim Expenditure and Progress Report.
Final Payment	The 10% retainer will be paid upon the foundation's receipt and approval of the Final Expenditure and Progress Report.

### 3.3.5.3. Extensions and Amendments

3.3.5.3.1. Any proposed changes to the agreed-upon terms of the grant as laid out in the Grant Acknowledgment Form must be made in writing, at least one month in advance of the proposed change. Such written requests must be signed by the senior officer and should detail the reason(s) for any other relevant information about the change. Agreement to the request must be acknowledged in writing by IVF are to be considered binding.

3.3.5.3.2. "No-cost" Time Extensions. "No-cost" time extensions are considered on a case-by-case basis. Requests must detail in writing the circumstances or reasoning in terms of the agreed-upon Grant Acknowledgement Form. Grants can only be extended a maximum of 6 months.

3.3.5.3.3. Budget Changes. The total amount of the grant cannot be increased. A request to move funds among approved categories or into a previously unapproved category must state in writing the specific amounts in question with a justification/rationale.

3.3.5.3.4. Location Changes. Recurring grants are awarded to the host organization and not to the officers. If there is a change in the senior officer, the IVF must be notified in writing within 30 days of the change.

3.3.5.4. Completion of Grant. Upon completion of the grant objectives, the grantee has 30 days to liquidate all commitments against the grant account and to submit a Final Expenditure and Progress Report. Unspent funds must be returned to the IVF at that time. The IVF will not to approve requests for alternate uses of unspent funds outside the original grant goals and objectives.

3.4.6. Copyrights. IVF does not accept applications for funds to be used exclusively for the publication or marketing of books, manuals, or audiovisual materials to be sold either at cost or for profit. Unless otherwise specified in the terms of an individual grant award, the grantee is free to retain copyright of such materials.

### 3.4.7. Publicity

3.4.7.1. Materials produced using IVF grants should clearly indicate that it was supported, in whole or in part, by funding from the Iowa Veterans Foundation.

3.4.7.2. Grantees are encouraged to submit a photograph, and a brief summary statement to the Foundation together with their signed Grant Acknowledgment Form. "Action" photos are preferred to head shots or in addition to head shots. These photos and summary statement may be used for

IVF publications, or for posting on the IVF Website, as deemed necessary to let our constituents know how grant funds are being used and for other promotional purposes.

3.4.7.3. Organizations receiving grants will cooperate with the IVF in making announcements through the news media of the grant award. IVF will provide the Project Director with a sample press release about the approved grant which may be used for publicity within the host institution and peer community. Grantees are encouraged to publicize the results of their projects using the usual avenues for dissemination (e.g., press releases, journals, newsletters, etc.)

### 3.5. Equipment and Transportation Grants.

3.5.1. This type of capital grant helps a Veterans organization acquire and/or meet the needs of a physical asset (e.g. water heater, refrigeration, or van).

3.5.2. The applicant organization must make the case that the new acquisition will help it better serve Veterans and their dependants.

3.5.3. Capital requests will focus on both the applicant's current activities and financial health, and financial and programmatic plans for the next several years. For example, the IVF wants to ensure that if it helps an organization improve its facility then the organization will have the resources to manage it.

3.5.4. Ownership of Property. All allowable purchases of vehicles, apparatus, equipment, and materials with IVF funds will be the property of the grantee.

3.6. The Treasurer shall maintain an administrative fund not to exceed \$2,000 in order to ensure that The IVF may meet the costs of operation, accounting, and financial reporting

## 4. GRANT APPLICATIONS.

4.1. Applications for financial assistance should be directed to the IVF, submitted through a veteran service officer, certified licensed veteran case or social worker, or recognized veteran's service organization.

### 4.2. Organization Application Procedures

4.2.1. Biographical sketch: Background information on the grantee and organizational officers associated with the project not exceed two (2) pages.

4.2.2. Supporting Documents – Supporting documents and letters of reference outlined in paragraph 4.1, above, are optional, but are considered helpful in assessing the grantee as well as the appropriate use of the proposed grant. The supporting documents should not exceed 10 pages.

4.2.3. Evaluation of a Grant Application. IVF is authorized to review requests for financial assistance, determine eligibility based upon definitions in paragraph 1 of this policy, determine the amount of assistance to be provided, and authorize a check to execute payment. IVF reserves the right to deny expenditure of financial assistance under this policy for budgetary reasons or when such assistance as not in line with the purposes of the Foundation.

4.2.3.1. The appropriateness or "match" between the project and the stated mission of the IVF. The description demonstrates how the proposal will involve or benefit veterans and dependants.

4.2.3.2. Organizational effectiveness. For full consideration, an organization must demonstrate

strong leadership, financial health, and establish that staff possess an appropriate level of knowledge and understanding to effectively implement a program or service for which the organization seeks funding. Applicants may be asked to provide financial records to include tax returns, banking records, and other financial accounting records. The organization may be asked to disclose its administrative pass through costs to demonstrate operational effectiveness and high ethical standards of conduct.

4.2.3.3. Specific, realistic, accomplishable goals, within a reasonable time frame and budget, using appropriate levels of staff time. Funding request details should be specific, realistic, and justified. Applicants may be asked to present a business plan for the project that provides details on milestones, construction plans and permitting, associated contractors, and administrative oversight designed to bring a project to a successful completion. In addition, applicants should present a back out or project termination plan should fundraising efforts fall short of project requirements.

4.2.3.4. Details if the applicant has or intends to request funds from other sources. Is the amount sought from the IVF the whole budget, or is the applicant hoping to secure other funding as well? If the applicant is seeking other sources of funding, what percentage of the total budget is the amount sought from the IVF?

4.2.3.5. Support outside of the Foundation. Sufficient local and other financial support exists to ensure the project or program will be implemented and will continue after the grant period. Our goal is to help Veterans organizations achieve a high level of effectiveness and impact. Our objective is not to sustain any individual organization indefinitely. A grant award should not be perceived as any indication of future or recurring funding.

4.2.3.6. Impact and evaluation. Grant applications must demonstrate impact and a clear evaluation plan with measurable outcomes that will be reported at the end of the grant period.

4.2.4. Signature Pages Submission of the original signature pages, signed by the senior officer empowered to legally obligate or execute financial instruments on behalf of the organization. IVF must have the signed original form before making a determination on funding the application.

4.2.5. Grant Acknowledgement. Organizations receiving grants may be sent a Grant Acknowledgment Form to complete and return to the IVF. If the IVF elects to request the Form, no funds can be disbursed until the foundation receives the original Grant Acknowledgment Form, signed senior officer of the organization. By returning to the Foundation a signed Grant Acknowledgment Form, the grantee agrees to either abide by IVF policies or to terminate the grant at such time that new policies become effective.

## 5. IVF CONTACTS

5.1. Grant administration, policy and program questions should be directed to:

Darlene McMartin  
Grant Portfolio Phone: 712-249-5101 Email: [info@iowaveteransfoundation.org](mailto:info@iowaveteransfoundation.org)

5.2. Mailing address:

Iowa Veterans Foundation, 227 S. 6<sup>th</sup> Street, Council Bluffs, IA, 51503