

MORDEN AREA FOUNDATION INC.  
**Grant Application Form**  
(See granting policy attached)



***Please be thorough and brief:***  
Short, descriptive title of the project:

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Short, descriptive title of the applicant:

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Funding requested: \_\_\_\_\_

Total project cost: \_\_\_\_\_

If MAF can only grant partial funding, would the project proceed? Please circle one: Yes No

Applicant organization:

contact name \_\_\_\_\_

organization name \_\_\_\_\_

address \_\_\_\_\_

phone \_\_\_\_\_ cell \_\_\_\_\_

email \_\_\_\_\_

Date Established: \_\_\_\_\_

Number of employees & volunteers: \_\_\_\_\_

CRA Charitable Number/ Rural Municipality /Town/City Agreement if no Charitable No.

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NOTE: letter of agreement must be submitted for MAF to pay out grant. See Schedule "A" attached.

**Please do not submit the following information**, but ensure that it will be available if requested:

- The applicant's latest financial statement.
- The applicant's budget for the current year.
- A list of the applicant's Directors and Executive.

Mission/purpose of your organization:

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Geographical area and population served:

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Your board's resolution date and number authorizing this request, if applicable:

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Expand on the project – who will benefit and how, importance of and need for this project, innovative aspects of the project, significance of MAF participating:

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How will you measure the success of this project?

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Planned expenses and timeline:

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NOTE: Please attach quotes if available.

Confirmed and unconfirmed sources of revenue:

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Your plans for acknowledging your partnership with the Morden Area Foundation:

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Signing Authority

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Morden Area Foundation

13 – 379 Stephen Street, Morden, MB R6M 0G8

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Email [info@mordenfoundation.ca](mailto:info@mordenfoundation.ca)

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# MORDEN AREA Community Grant Program Policy FOUNDATION & Guidelines

Invest. Partner. Build.

About the Morden Area Foundation:

The Morden Area Foundation (the Foundation) was established in 1993 for the purposes of establishing permanent endowment funds and distributing the income for the long-term benefit of the community. The Foundation is dedicated to enhancing the quality of our community life by funding local projects that address social, health, heritage, sport, recreational, art and culture, child welfare, youth development, family well-being, educational and environmental needs and priorities in Morden and the surrounding area.

The Foundation is funded by many donors, from all walks of life, gifts range from a few to thousands of dollars. These gifts are invested in a capital fund with only the income from the investments being used for grants, which assist a wide variety of local initiatives. Donations to the Community Foundation will serve the entire community year after year, for good, forever.

The Foundation is governed by a Board of Directors comprised of volunteer members of the community who serve for four years and is supported by a part-time executive director. The Board evaluates each grant application and distributes grants to those projects they feel will most benefit the area.

## Formal Requirements:

Grants are made to projects or programs that are delivered in or significantly positively impact the City of Morden and the surrounding area (R.M. of Stanley). Grants are made to Canada Revenue Agency (CCRA) registered charities or other qualified donees under *The Income Tax Act* (Canada).

Non-profit organizations that do not have a charitable registration number can be sponsored by a registered charity. It is a requirement that the non-profit organization and the registered charity have a written agreement that formalizes the relationship between the two that meets CRA requirements. The application must be made by the registered charity and include a confirmation of the written agreement.

## The Morden Area Foundation grants will generally NOT fund:

- Endowment funds with other organizations
- Core ongoing operating expenses
- Fundraising events
- Retroactive expenses
- Debt retirement or cover deficits
- Individuals
- Direct religious activities

## Evaluation Criteria for Grant Applications

The Foundation gives preference to projects and programs where a moderate amount of grant money will have a significant impact. Successful grant proposals are ideally characterized by a well-planned approach, evidence of community support, efficient use of resources, ability to serve a need in the community, collaboration, volunteer participation and citizen involvement. In order to utilize the resources of the Foundation for maximum community benefit, each grant application will be evaluated on the following criteria:

1. The project should build on the strengths of the community to respond to identified needs and priorities.

2. The applicant organization must demonstrate responsible financial and legal accountability.
3. The project must be undertaken by organizations that are well governed and managed.
4. The project must be realistic and within the capacity of the applicant to carry out.
5. The project should not duplicate existing services, or if so, demonstrate why the overlap is warranted.
6. The applicant should provide evidence of collaboration with other agencies.
7. The project or applicant should include evidence of support from other funding sources or the broader community. If partnering with another organization in this application, then please include a letter of support from that organization.
8. The project or applicant should demonstrate a reasonable probability of ongoing support from other funding sources in the future, or clearly indicate that the project is intended to continue for a limited time span or is a discrete project/purpose for which all costs have been disclosed on the application.
9. The project must be located in or of a direct benefit to the residents of Morden and the surrounding area.
10. Capital projects will be considered if there is a demonstrated need.
11. Pilot or demonstration projects must include provision for an evaluation (measure of success) and a realistic plan for financial viability beyond the pilot stage.
12. The applicant should disclose if they have applied to the Foundation previously, and if so, the amount of previous grants awarded and the dates they were received.
13. Preference is given to projects which:
  - encourage more efficient use of community resources;
  - expect to test or demonstrate new approaches and techniques in the solution of community problems;
  - address the underlying causes of problems in our community rather than dealing only with the symptoms;
  - are developed in consultation with other agencies and planning groups and those which promote coordination, cooperation and sharing among organizations and the elimination of duplicate services;
  - promote volunteer participation and citizen involvement in the community;
  - demonstrate evidence of community support and organization initiative;
  - support segments, issues or needs of the community that have not recently received funding from the Foundation;
  - are deemed by the Board to be of high value, impact or importance to the community.

*Grant Application Guidelines and Processes:*

1. Grant application deadlines are once per year: September 30th. Social Impact Investing, or social impact / leveraged flow through fund grants (as described below) will be considered on a case by case basis as they arise and are not subject to these deadlines.
2. Grants shall be in the prescribed form, are available on our website and shall include:
  - Name and contact information for the organization/project

- Charitable registration number or letter accompanied by a written agreement from the sponsoring registered charity
- Basic information describing the organization and its management i.e.) members of the current board and executive director
- Financial information, including financial statements and/or current budget for the organization and for the project should be available on request. They do not have to be attached to the application.
- Complete description of the project including a statement as to the community need, issue, or segment that will benefit by the project, how the project will be supported by the community or vice versa, the importance of and need for the project, any expected measurable outcomes for the project, and should highlight innovation and collaboration with other community partners.
- Total project cost and amount of funds requested from the Foundation
- Date funds are required by
- How the Applicant will recognize the Foundation's support
- Authorized signature

3. The Foundation will review all qualified applications received based upon their merit in relation to the grant criteria listed in this policy and funds available for distribution. The Directors of the Board may request additional information if deemed necessary, conduct interviews of representatives of the applicant, consider such other information as the Directors may consider reasonable, and may set terms and conditions on any grants awarded.

4. The Board of Directors shall have the final decision in awarding grants. Approval of grants will be by way of motion carried by the Board.

5. All changes to a project or application after the Foundation has approved a grant must be brought back to the Board for re-approval.

6. Proof of expenditures must be provided to the Foundation for grants awarded before payment of the grant.

7. Applicants will have one year from the date they receive notification that their application has been approved by the Foundation to submit their fund request (along with proof of expenditures). Should the grant not be used within the one-year time limit, the applicant may make a written request for an extension of time. The extension is subject to the approval of the Board of Directors. Failure to either use the grant or request an extension within the one-year time limit will result in the grant lapsing. Lapsed grants will become available for distribution at the next grant application deadline.

8. Successful applicants will be notified by the Executive Director.

9. All successful applications will be required to submit a Final Impact Report upon completion of the project with a deadline of November 30 of the following year. The Final Report should contain the following elements: a final budget detailing project revenues and expenditures, a press-ready story and photographs demonstrating the project impact, and samples of any public recognition of the Morden Area Foundation grant.

10. In order to enhance the benefit of the grant to the recipient organization and other community groups, the final project evaluation will involve analyzing the measurable outcomes set during project planning and should include a determination of what the project organizers would keep the same, what they would change for future projects. Such reflections may uncover useful learnings about how the project evolved over time and the reasons for the change which may be used to improve future projects and organizations through the development of best practices.

**The Foundation Board has the authority to withhold or recover grant funds misused or misapplied and has an obligation to investigate allegations of misuse, misallocation or misconduct.**

### **Social Impact Granting**

The Foundation provides loans and investments that work alongside our conventional grant making toward dual goals: producing measurable social impact and building re-usable resources for the future. The Foundation may lend to Canadian charities and others qualified as described in Section 110 of the Income Tax Act. On occasion, not-for-profit organizations without charitable status may be sponsored by a registered charity, such as the City of Morden.

Working in concert with *experienced partners and resources*, funds are available for loans or investments to charities, non-profits and social enterprises that benefit this community that still meet CRA's qualified donee criteria. The investments can help organizations acquire assets, achieve scale, and launch or expand a program. As loans are repaid, funds become available for use with other projects, creating a continual recycling of charitable capital.

The Benefits of this type of investment is that it:

1. Produces greater leverage and scale by using a portion of assets as recyclable, low-interest, or market-rate loans across multiple non-profit sectors.
2. Introduces new and different financial tools, increasing organizational expertise and ultimately strengthening the sector.
3. Provides access to capital that may not be available or affordable through traditional lenders.
4. Expands impact across the broader community.
5. Attracts new donors interested in achieving greater community impact.
6. Allows donors to receive a charitable tax receipt while their donation is working in two ways: firstly, it supports the cause of their choice in the amount they choose. Secondly, it grows the Foundation's endowment fund increasing resources available for future projects and programs indefinitely.

### **Loans / Mortgages**

Where determined by the Board to be in the community or surrounding area's best interest to provide funds to an applicant for the purpose of completing a capital project or implementing a program, the Foundation may lend funds to the applicant at an interest rate and with re-payment terms as determined by the Board at the time of the loan application. The interest rate may be lower than the amount of interest earned on other investments held by the Foundation and it may also be lower than the then prevailing commercial lending rate as set by the Bank of Canada from time to time.

The loan applicant should be a recipient the Foundation has had a past relationship with, be in a sound fiscal position or have a sound fiscal plan to repay the loan, and must otherwise meet the Foundation's grant making policy requirements.

There is no application deadline for social impact investments. Each application will be reviewed and determined on its merits on a case by case basis.

Any loan granted by the Board as stated above shall be guaranteed by the City of Morden and/or secured by a real property mortgage, whenever possible.

In the event of default, or if the loan becomes otherwise delinquent, the outstanding balance of the unpaid loan may be written off as a grant in the next or over the next several granting periods following default, at the complete discretion of the Board.

The Board, in its absolute discretion, may determine to forgive any or all payments due or the balance remaining due under a loan. In this case, the amount forgiven shall be included as part of the grant funds available for granting in the fiscal period the payment is due, or over several of the immediately following fiscal periods the payment is due.

### **Social Impact / Leveraging Investment Program**

This is an opportunity for the Foundation to support projects the donor wishes to support. Leveraging funds is a strategy for donors who wish to know they are addressing an immediate need within the community by donating today, while growing the Foundation endowment fund to address future needs, with the intent of granting funds to a local registered charity in need that the donor wishes to support.

For example:

Jane Doe would like to donate to a very worthwhile project within the City of Morden and area in the amount of \$5,000. Instead of donating directly to that local registered charity, Jane Doe donates to the Foundation.

When donating to the charity itself, the monies are required to be spent within one year and on that one project of interest. With the Foundation, Jane Doe's \$5,000 will be deposited to the Foundation general endowment fund and will be held in perpetuity. Jane Doe's donation will earn interest for future annual granting, year after year, thereby allowing several projects to be funded over several years rather than just the one project that one year. Jane Doe also receives a tax receipt from the MAF.

The Foundation Board likes the project Jane Doe chose and will support it as well. The Board then chooses to use their annual granting power to grant \$5,000 as the donor's original donation plus adds \$2,000 to increase the grant. This becomes a win-win-win scenario granting \$7,000 to a charity in need chosen by Jane Doe.

Jane Doe receives instant gratification by donating the \$5,000 to the Foundation who will grant it through to Jane Doe's charity of choice, while the Foundation endowment fund grows because of Jane Doe's \$5,000 donation, and the local registered charity receives the grant because of the annual the Foundation granting power.

The recipient of the funds from the Foundation must meet the Foundation's formal granting policy requirements as set out in the Foundation's By-laws and policies.

For recipients who do not meet the Foundation's formal policy requirements in that they lack a charitable number, the recipient is required to approach the City of Morden or the Rural Municipality of Stanley to inquire about a flow through funds agreement allowing payout of the grant in accordance with CRA rules.

Donors will receive recognition on the Foundation's website, Facebook page, other social media used by the Foundation and print and media recognition for its contribution to the Foundation and the recipient's project or program of choice. The donor will also receive satisfaction in knowing that its contribution is working in two ways: firstly, the donor's contribution is growing the Foundation endowment fund, to be available for future projects and programs. Secondly, the donor receives immediate gratification that they are contributing to a local charitable cause they are passionate about.

**The Foundation reserves the right to withhold or recover grant funds misused or misapplied and to investigate all allegations of fraudulent use or misrepresentation.**

Monitoring:

This Policy should be reviewed every 3 years.

Board Acceptance:

This policy was reviewed and approved by the Foundation Board June 17, 2015

This policy was reviewed and approved by the Foundation Board June 10, 2020. Next review in 2023.



## SCHEDULE "A"

### Confirmation of Written Agreement Between a Registered Charity and a Non-profit Organization

The Morden Area Foundation is restricted by the Income Tax Act to make grants only to organizations that are Registered Charities (RC).

Non-profit organizations (NPO) who do not have a Registered Charity number can only apply through a RC with which they have a formalized partnership (through a written agreement), a history of collaboration, and a similar mission and vision.

Please note: If there is no written agreement, the RC may not be able to clearly establish that a project is charitable and that it is carrying on activities in keeping with its mandate. This could jeopardize the status of the RC under the Income Tax Act.

The project grant, if approved, will be made out to the RC for disbursement to the NPO.

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In compliance with the recommendations of the Income Tax Act, this is to confirm that:

**Name of Registered Charity:**

Address:

Registered Charity #:

Has entered into a formal written agreement with:

**Name of Non-Profit Organization:**

Address:

To take on the project:

as part of its own activities and in keeping with its mandate.

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Registered Charity Representative

Date:

For more detailed information:

Canada & Revenue Agency: [www.cra-arc.gc.ca/tax/charities](http://www.cra-arc.gc.ca/tax/charities) or call 1-800-267-2384