Jewish Community Foundation Legacy Fund Application FAQ

1. **What is the Community Legacy Fund?**
   The Community Legacy Fund is comprised of unrestricted permanent endowments contributed to the Foundation. Grants are awarded from the Community Legacy Fund after review and evaluation by the Foundation's Grants Committee and approval by the Board of Trustees.

2. **How are grants from the Community Legacy Fund changing?**
   The Jewish Community Foundation Board of Trustees voted to change Community Legacy Fund granting from general program grants to Core and Innovation/Emerging/Emergency grants. There will still be two cycles, but the Core application deadline will be March 1 and Innovation/Emerging/Emergency application deadline will be October 15.

3. **Why are you changing the focus of your grants from programmatic grants to Core (unrestricted) funding and Innovation/Emerging/Emergency funding?**

   A. <u>Core</u>:
   It is hoped that this move will help ensure the sustainability of the Kansas City Jewish community. Core grants tend to be the most coveted type of grant dollars because they allow greater flexibility and are commonly associated with the long-term success of non-profit organizations. We hope that this move will also streamline the grant application process for agencies.

   By taking care of expenses that individual donors don't typically support, we hope that agencies will be enabled to fundraise more effectively. For example, if a small agency was not previously able to pay for a financial audit, the agency could now apply for underwriting for this expense which would bolster the agency's financial accountability which could attract more donors.

   B. <u>Innovation/Emerging/Emergency</u>:
   It is hoped that this type of funding will help agencies better respond to unmet community needs. Funding for Innovation/Emerging/Emergency programs will support high-quality, new programs that provide an innovative approach or solution to an existing or emerging community need, or respond to financial emergencies within the Service Area (defined below in number 6) or that respond to humanitarian emergencies within or beyond the Service Area.

4. **What types of expenses will you cover**?
   A. <u>Core</u>
   Core support is available for funding operations central to the accomplishment of an agency's mission and typically include the items that are listed on Management and General Expenses on Part IX, Statement of Functional Expenses of an IRS Form 990. For example, these might include rent, compensation and benefits for

administrative/executive staff, payroll taxes, audit expenses, etc. The Jewish Community Foundation will also consider security costs as a core expense.

B. Innovation/Emerging/Emergency
Innovation grants will provide programmatic support for new programs. The common form used by Jewish funders will still be used, and the types of expenses covered remain the same. Emergency grants are meant to provide support for extraordinary crises.

5. Who is eligible for Core Grants?
A. An organization that self-identifies as a Jewish communal organization and maintains the quality of Jewish life and/or promotes the pursuit of tikkun olam (repairing the world).

B. Houses of worship are excluded unless they contribute a unique, essential service not otherwise available within the Jewish community that is essential to the Jewish community or Jewish life.

C. Applicants for Core Grants must meet *all* of the following requirements:
- Must be located within the service area (defined below)
- Must serve the Jewish community
- Must be qualified as tax-exempt under section 501c3 of the Internal Revenue Code, as amended (the "Code") or, if providing essential services under section 3B above, an equivalent religious exemption under the Code as a Jewish house of worship
- Must have missions compatible with the Jewish Community Foundation.

6. Who is eligible for Innovation/Emerging/Emergency Grants?
Applicants for Innovation/Emerging/Emergency grants must
- Be qualified under section 501c3 of the Code;
- Have missions compatible with the Jewish Community Foundation or are undertaking a program in formal collaboration with an organization eligible for a Core grant as demonstrated by a letter of support from the Core-qualified partner; and
- Address Innovation/Emerging/Emergency as defined in Section 2(B) above.

7. What geographic area will you support?
Core
Support is restricted to Kansas City and neighboring Jewish communities. This includes Manhattan, Kansas to the west, St. Joseph, Missouri to the north, Columbia, Missouri to the east and Joplin, Missouri to the south.

If an organization's national office is not located in Kansas City, but has a Kansas City affiliate which directly serves this geographic area, that organization may apply, but grant dollars will be restricted for use solely within the Kansas City area.

Innovation/Emerging/Emergency
Support for Innovation/Emerging grants are restricted to the Service Area above.
Support for Emergency grants may be given to the Service Area or beyond.

8. **For what size grant can I apply?**
    Core Grant requests and allocations may not exceed the lesser of 50% of the applicant's average annual budget for the prior five years or 20% of the total amount available to spend for all Core grants in a given year.   The application form has a section which asks for the average annual budget of the past five years.

    The exact figure for 2018 will be known in early February, but as a rule of thumb, you should apply for similar amounts to that which was received in the past.

    Innovation/Emerging/Emergency
    Applicants may apply for up to 100% of the amount available to grant for this category. Successful applicants may apply for a maximum of two consecutive additional years of funding for a total of three years of funding.

9. **Can I still apply for a program grant?**
    If, in the past, you had submitted multiple program grants, it is recommended that you apply for one Core grant, using the Core grant form. If you are a house of worship applying for a program that is essential to our community, you may use the core form, but you must also submit the program budget. If you are applying for funding for an innovative/emerging or emergency programs, you will use the Jewish Funders program application form.

    How is this Core Funding Application different from the previous grant application?
    This application focuses on your agency. You will be asked to describe how you will use funding to support your agency, not a program**.**

a. **Are the answers limited to the box sizes?**
    Text boxes can be manipulated to accommodate the text that you enter. However, be mindful that the application is limited to 4 pages, not including the financial documents requested.

b. **Do we have to answer every question/section?**
    Unless noted otherwise, every section should yield an opportunity to share new information with us about your agency. Nonetheless, if you believe the section or question is inapplicable, please note that on your submission.

c. **Is there a page limit and what type size should we use?**
    Yes. Please limit your application to a maximum of four (4) pages PLUS the requested financial information. Please use at least 10pt type, although we would prefer 11 if possible.

d. **How was this application created and will it change again in the future?**
    The application is the result of input from funder professionals, committee members who review these applications, and agency professionals. As with any document that relies on broad input, there may be items which need further improvement.

e. **What are cash reserves?**

A cash reserve is a pool of liquid funds (e.g. cash or other readily available forms) available within an agency to fund expenses beyond what the operating cash flows provide. Some agencies also refer to these as "operating reserves" or "board designated operating reserves."

f. What are some suggestions for answering the question about Endowments and other Special Funds?
The question on page one requests **agency**-level information. Funders are interested in your agency's present and future stability and view the development of endowments and special funds as a positive. We want to develop the most complete understanding of your agency possible within reasonable time constraints

Endowments, special funds or restricted funds (different agencies may use different references) should be reported based on whether they benefit your agency, *regardless of who actually holds the funds* (e.g. a supporting foundation or restricted fund based at the Jewish Community Foundation or other similar entity).

g. What's the Budget Explanation?
You may recall that we are often asking you for additional financial information based on your submittals. We would appreciate your help in anticipating those questions by explaining any material variances. Note that the variances at the agency level are targeted to aggregate income and aggregate expense (and surplus/deficit). You can explain material variances in narrative format OR in footnotes to your financials.

h. How should we complete the FY 2018 Budget on Exhibits A if we don't have a budget in place yet?
If you are far enough into your current fiscal year that you can project next year or have begun initial budget preparation, please use that information to complete this column. If you are more than halfway through your current fiscal year and/or this funding will be for your next fiscal year, we would expect to see such a projection. Please don't hesitate to talk with us prior to grant submission if you have concerns about completing this column.

10. Where do I find the application form/ How do I apply?
   a. Applicants must contact the Director of Funder Services and Education at the Jewish Community Foundation prior to applying. If contact is not made prior to submission, the applications may not be reviewed.
   b. After January 2, you may download the grant application forms at https://www.jcfkc.org/grants-scholarships/grants. Forms will be updated each year.
   c. Applications must be submitted electronically to both astarks@jcfkc.org and bfine@jcfkc.org.

11. Is there anything that is not eligible for funding?
As in the past, Community Legacy Fund dollars may not be used to support:
1. Capital campaigns
2. Fund-raising events/campaigns
3. Endowment, reserves, or other saving programs

12. When will I be notified about funding?

Applicants for Core grants will be notified by July 15, 2018. Applicants for Innovation/Emergent/Emergency Funding will be notified by December 28.

13. Do I still have to recognize the Community Legacy Fund in my publicity?

Yes. More details about this will be shared with grant award letters.