

## **Grant Funding Guidelines for Yearly Meeting Committees**

Approved by Permanent Board, December 11, 2021

The Yearly Meeting has several committees that make grants to individuals, committees, meetings, and outside organizations. Committees are urged to follow the following best practices for grant-making:

1. Only certain committees are authorized by the Yearly Meeting to make grants. Those committees are listed in the Finance Committee Handbook, which can be found on the Yearly Meeting website.
2. Committees making grants should have the following information listed on their webpage: purpose of the grants, eligibility, funding limits (if any), application requirements, deadlines, oversight requirements (if any), and reporting requirements. A statement of non-discriminatory practices of the grant-making committee should be included in the grant information.
3. Some committees are authorized to support outside organizations. Unrestricted gifts to an outside organization from an authorized committee do not require a budget or reporting. Otherwise, support of outside organizations is done through the NEYM annual operating budget, approved annually by Sessions.
4. Ideally, all grant applications should be reviewed and approved by the entire committee. Time-sensitive grant applications that arrive between committee meetings may need an alternative process, but in this case, approvals should be done by at least three people, one being the committee clerk (or co-clerk). The entire committee should still be informed and invited to participate.
5. All grant requests should include a budget.
6. A 1099-NEC tax form needs to be issued to any individual grantee receiving living expense funds in excess of \$600 (2021 amount). This does not include funds received for purchasing materials and services. For grants to individuals of \$1000 or more, or where a 1099 tax form would need to be issued per above, it is expected that financial oversight will be done by an oversight committee and administered by the treasurer of a monthly or quarterly meeting. Plans for financial oversight of grants should be part of the grant application, and supporting letters from the proposed oversight committee and meeting, or other entity providing the fiscal oversight, should be included with the grant application.)
7. At the discretion of the grant-making committee, some grants to individuals where no 1099 tax form would be required, like travel grants, may be exempted from the requirement for financial oversight. In this case, the check(s) would be issued directly to the grantee, who is then responsible for financial reporting.
8. Grants to groups within NEYM (other than monthly meetings) need financial oversight as explained above.

9. Grants for specific designated projects to monthly meetings, or organizations outside NEYM, should not need a financial oversight body. The meeting or outside organization acts as its own oversight body.
10. While the NEYM Accounts Manager is responsible for sending checks (signed by a designated signer) for grants, the NEYM Accounts Manager or Treasurer should not be asked to provide financial oversight or administration for any grant. (The Accounts Manager and Treasurer are available to guide monthly meeting treasurers in how to issue 1099 tax forms.)
11. All grant recipients should be required to submit annual reports on the progress of funded projects for the duration of time for which the project is funded, and a final report at the end of the time for which the project is funded. Failure to submit required reports should result in a cessation of grants to that individual or organization.
12. Any changes to funded projects that require a major change in the submitted budget should receive approval of the oversight body, as well as the NEYM grant-making committee. Grant recipients should be informed of any requirements for approval of project/budget changes when they receive their grant.
13. The guidelines above are not intended to place unreasonable burdens on either the grant-making committee or the grant recipient. While it is expected that most grants will follow these guidelines, there will be occasions where a different granting, oversight or reporting process may be more beneficial to reach the goal of the particular grant project.
14. Funds used for pastoral care purposes, such as the Fund for Sufferings, are considered to be gifts, not grants. The use of these funds is usually confidential, and no report back to a committee, or the committee clerk, is expected. Since the recipient is not receiving the gift because of any service or ministry they are performing, the gift does not need to be reported on form 1099.