



DATE

XXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXXX  
XXXXXXX, XX XXXXX

Dear XXXXXXXX:

The Foundation for Appalachian Kentucky is pleased to award a charitable grant in the amount of \_\_\_\_\_ and 00/100 (\$XXXXXXX) dollars to the (GRANTEE NAME) This grant was made at the recommendation of the (FUND ADVISOR) for the (FUND NAME).

The grant is subject to the terms as outlined in the enclosed grant agreement. Please note that this grant award is independent from any other awards and no assumption of future funding should be made based on this award. After you have reviewed the agreement, please sign and return one copy to the Foundation for Appalachian Kentucky promptly.

By accepting this grant your organization certifies to the Foundation for Appalachian Kentucky that (1) this grant may not be used to satisfy the payment of a pledge or other personal or corporate financial obligation on behalf of the above-reference Fund Advisor(s); and (2) no goods or services (memberships, tickets to events, benefits of a personal or corporate nature, etc.) will be provided to any individuals or entities as a condition of this grant. Please note that "Fund Advisors" include related persons described in Section 4967 of the Internal Revenue Code.

We are very pleased to have the opportunity to support you in your efforts to XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX If you have any questions regarding your grant, please do not hesitate to contact Kristin Collins, Associate Executive Director at 606.439.1357 or by email at [kristin@appalachianky.org](mailto:kristin@appalachianky.org).

Sincerely,

Joel Brashear  
Board Chair

**Grant Agreement**

Grantor: Foundation for Appalachian Kentucky  
Grantee: \_\_\_\_\_  
Grant Period: \_\_\_\_\_  
Grant Amount: \_\_\_\_\_

The Foundation for Appalachian Kentucky (Foundation) is pleased to provide the above-referenced grant subject to the following conditions:

1. **Purpose:** Grant funds shall be used solely for the purpose of XXXXXXXXXXXXX, as specified in the grantee’s proposal incorporated herein by reference (hereinafter “Project”).
2. **Payment:** These funds will be released upon our receipt of (1) this Grant Agreement, and.or (2) confirmation of mini/pass-thru grants to providers. A check from the Foundation will be issued within 7 business days of receipt of such confirmation.
3. **Budget, Fiscal Period(s), and Expenditures:** Grant funds shall be used only as indicated in the line items of the approved budget. Grantee must obtain **advance written approval** from the Foundation for the disbursements deviating from the line items of the approved grant budget. **Only expenses directly attributable to the grant are allowed; therefore, a general overhead percentage or indirect costs are not allowed.** No portion of the grant funds may result in any personal benefit to any Grantee or Foundation Officer or Director, employee, or his/her spouse or parents, as well as children, grandchildren, and great grand children on their respective spouses for any purpose.

Expenses must be incurred against the budget and fiscal period as follows:

**Budget Item**

|                        |                    |
|------------------------|--------------------|
| XXXXX                  | \$ 0,000.00        |
| XXXXX                  | \$ 0,000.00        |
| TOTAL Foundation Funds | <u>\$ 0,000.00</u> |

4. **Accounting: Grantee must maintain a separate accounting for this grant.** This should be accomplished through the establishment of a separate general ledger account, fund, or cost center. Grantee is encouraged to used all interest earned on grant funds to further the Project; however, a formal accounting of each income is not required.
5. **Reporting:** Grantee will submit a short narrative detailing its accomplishments with the grant, as well as a financial report of the project demonstrating how the Foundation’s

funds were used at the end of the grant project. The Foundation may also request that the grantee attend a board meeting to share the good works of the project.

**6. Audit:**

A. Grantee shall (i) maintain complete and accurate separate accounting, detailing receipts and expenditures made under the grant and (ii) retain these records during the Grant Period and continuing at least four (4) years after receipt and approval of the Final Report. During this time, Grantee shall make such records available to the Foundation (or its designated representatives) for inspection or audit at the

Foundation's expense and on reasonable notice to Grantee.

B. The Foundation may also, at its expense and on reasonable notice to Grantee or any sub-grantee, monitor and evaluate operations under this grant, including onsite visits to observe Grantee's/sub-grantee's procedures and talk with Grantee's/sub-grantee's personnel.

**7. Repayment/Termination of Grant Funds:** If the Foundation, in its sole discretion, determines that grant funds are not being used by Grantee in an effective and efficient manner to further the grant's purpose or that Grantee has otherwise failed to comply with the terms of this Commitment, the Foundation may direct Grantee to repay to the Foundation any grant funds not used in accordance with this Commitment.

**8. Equal Opportunity:** The Foundation gives high priority to the realization of equality of opportunity for all members of society and strongly encourages diversity by the Grantee in all aspects of the Project covered by these grant funds.

**9. Royalties:** Publications, instructional modules, or other products, materials, or information (including computer software) developed in connection with this Project should come into the public domain and shall NOT provide royalties or otherwise inure to the personal benefit of individuals connected with this grant. Any moneys realized by Grantee from product sales must be utilized exclusively for this Project or for educational and charitable purposes. Grantee agrees to include this condition in any sub-grant utilizing funds from this grant.

**10. Release and Indemnity:** Unless prohibited by law, Grantee shall release, indemnify, defend, and hold harmless the Foundation, its officers, directors, and employees from and against all claims, damages, or injuries to person or property of the Foundation, Grantee, or any third party arising out of (directly or indirectly) or related in any way to the negligent actions or omissions of the Grantee, its officers, employees agents, or sub-grantees under this grant or Project, except to the extent the claims, damages, or injuries are cause by the negligent act or omissions committed by the Foundation.

**11. Tax Requirements:**

A. Grant funds (including any income earned thereon) may be expended for charitable, educational, literary, or scientific purposes in accordance with the document(s) listed in paragraph 1 of this grant agreement and the terms of this Commitment. Grant funds may be used to inform the public or influence public

policy consistent with the document(s) listed in paragraph 1, subject to the provisions of paragraph 11B below.

- B. Under the U.S. Internal Revenue Code ("Code") Grantee may not use grant funds nor any income earned thereon:
1. To carry on propaganda or otherwise to attempt to influence legislation (within the meaning of Section 4945(d)(1) of the Code),
  2. To influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive (within the meaning of Section 4945(d)(2) of the Code),
  3. To make grants to individuals or to other organizations that do not comply with the requirements of Section 4945(d)(3) or (4) of the Code, or,
  4. To undertake any activity other than for a charitable, educational, literary, or scientific purpose specified in Section 170(c) (2) (B) of the Code.
- C. Grantee represents that it is a governmental unit or an organization described in Section 501(c) (3) of the Code and is not a "private foundation" within the meaning of Section 509(a) of the Code. Grantee will notify the Foundation immediately of any change in its tax status, including any substantial change in its sources of support for any taxable year affected by this grant. Grantee agrees to ensure that any sub-grant utilizing Foundation funds will not be made to any organization on the Office of Foreign Assets Control (OFAC) Specially Designated Nationals & Blocked Persons List.

12. **Compliance with Laws:** Grantee or any sub-grantee will comply with all applicable local, state, and federal laws and regulations.
13. **No Control:** Beyond the rights and obligations specifically stated in this letter, the Foundation disclaims any legal right to control or otherwise influence the Grantee's use of any funds provided pursuant to this Agreement. Furthermore, it is expressly understood that in making this grant the Foundation assumes no obligation to provide additional funding to Grantee.
14. **Grantee** agrees to immediately notify the Foundation of (A) changes in persons holding senior executive positions at the Grantee (B) changes in the Grantee's organizational structure, financial condition, management, professional staffing, and operations that (i) threaten the Grantee's financial stability (ii) cause significant differences from the initial representation to the Foundation of the Grantee's financial position, or (iii) affect the Grantee's ability to complete the Grant Project as agreed.
15. **This Agreement** contains the entire agreement between the Foundation and the Grantee relating to the subject matter hereof, and supersedes all prior and contemporaneous negotiations, correspondence, understandings and agreements between the parties relating to the subject matter hereof. This Agreement may be modified or amended only by mutual written consent of the parties.

16. **The Foundation's** waiver or failure to enforce the terms of this Agreement in one instance shall not constitute a waiver of rights hereunder with respect to other violations of this Agreement.

Foundation for Appalachian Kentucky, Inc.

\_\_\_\_\_

*Signature - Joel Brashear, Chairperson*

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

\_\_\_\_\_

Date

\_\_\_\_\_

*Signature - XXXXXXXXXXXXXXXXXXXXXXXX*

\_\_\_\_\_

Date