

Grant Terms and Conditions

- 1. Use of Grant Funds** – Grant funds from the Pottstown Area Health & Wellness Foundation (“The Foundation”) can be expended only for the project activities and expenses set forth in your funding request/application. Alternate use of grant funds is permissible only if the Grantee has first contacted the Foundation to propose such changes, and subsequently received Foundation approval, in writing, to proceed with the authorized changes. Under no circumstances shall the grant funds be used for any purpose that would cause the grant to be deemed a “taxable expenditure” within the meaning of Section 4945(d) of the Internal Revenue Code and the Treasury regulations thereunder. **Note: These Terms and Conditions are agreed to in the Signed Approval Letter and are thus a legal contract. Failure to adhere to them may result in returning a portion or all of the grant made and could impact eligibility for future grant funding.**
- 2. Changes in Use of Grants Funds**
Variance Requirements– Grantee is **required** to alert the Foundation of any significant change to the organization, or to the project, that could impede its ability to undertake the activities or achieve the goals outlined in the grant application. Such changes could include alterations to Grantee’s budget, staffing, work plan, funding from other sources, or relationships with other organizations, etc. If there is any doubt about the importance of a change, the Foundation should be consulted. Furthermore, the grant funds may not be transferred or assigned to any other entity, without prior written approval from the Foundation. Please see the Grantee Variance Requirements for more information on having a variance approved, with particular attention to budget revisions.
- 3. Change in Tax Exempt Status** – Should Grantee receive notice of a change in its tax exempt status from the Internal Revenue Service (loss of Section 501(c)(3) status), becoming a private foundation under Section 509(a), etc., or if the purpose and mission of the Grantee organization substantially changes, the Grantee must notify the Foundation within ten (10) calendar days of such change. In the event Grantee’s tax exempt status is revoked, expenditures of grant funds must cease immediately and all unspent funds must be returned to the Foundation.
- 4. Grant Disbursement** – Grant funds will be disbursed by the Foundation to the Grantee in one lump sum payment as soon as possible following the execution of grant approval letter by Grantee. In certain circumstances, the grant agreement will be set up to release payments at different intervals or over a period of years for multi-year grants. Based on the nature of the project, some grants will require documentation in order for Grantee to be entitled to initial and/or subsequent payments.
- 5. Grant Term** – The grant term, starting date, and end date are clearly stated in the grant agreement letter. The term months of a grant can vary; however, they can only be changed by a written request (see variance requirements). Grant funds must be expended in full no later than thirty (30) days after the conclusion of the grant period unless otherwise requested in writing by the grantee. Requests for an extension on fund usage or changes in project must be presented with final report. These revisions to grant timing and usage must be authorized in writing by the Foundation.

- 6. Reporting** – Grantees must adhere to the reporting conditions set forth in the executed grant agreement letter. Should a grantee complete their scope of work and expend their funds prior to the end of their grant term, they may request to submit a final report ahead of schedule, or in lieu of an interim report, with written approval by the Foundation.
- 7. Reversion of Grant Funds** – The Grantee will return to the Foundation any unexpended funds remaining thirty (30) days after the conclusion of the grant period, unless otherwise agreed by the Foundation in writing as outlined in #5. Moreover, the grantee will immediately return all unexpended grant funds to the Foundation, in the event of a grant termination discussed below. If the grant has less than \$500 slated for return, please contact a Program Officer prior to the end of the grant term.
- 8. Termination of Grant** – The Foundation reserves the right to terminate this agreement if, in its sole discretion, the Foundation determines that the Grantee has made any misrepresentations, has in any way misappropriated grant funds, or has done anything inconsistent with its application or with the terms and conditions. The Foundation shall be entitled to a return of any misappropriated funds. A declaration of bankruptcy by your organization will automatically terminate the grant.
- 9. Grantee Monitoring** – The Foundation may, at its expense, monitor and conduct an evaluation of operations under this grant, which may include visits by representatives of the Foundation to observe the Grantee's program procedures and operations and to discuss the program with Grantee's personnel.
- 10. Accounting and Financial Review** – A complete and accurate record of the funds received and expenses incurred under this grant must be made by the Grantee. The Foundation may, at its own expense, and with reasonable notice to the Grantee, audit or have audited the records of the Grantee insofar as they relate to the activities funded by this grant.
- 11. Future Grants** – By making this grant, the Foundation assumes no obligation to provide future or continuing support for the Grantee. Furthermore, if the Foundation's financial status changes negatively, the Foundation reserves the right to cancel or reduce future grant payouts on any multi-year commitments it has made.
- 12. Record Keeping** – Grantee agrees that financial and program records and supporting documentation will be made available, at the request of the Foundation, for a period of five (5) years from the date of receipt of the grant funds.
- 13. Interest Earned** – Any earnings which accrue to the Grantee as a result of investing funds awarded under this grant shall be used for the specific purposes of the grant and, in cases where the interest earned exceeds \$1,000.00 per year, shall be reported in the financial section of the progress reports submitted to the Grantor.
- 14. Prohibited Activities** – No part of these grant funds may be used to attempt to influence legislation or to participate or intervene in any political campaign on behalf of or in opposition to any candidate for political office.