

**Baptist Community Ministries**  
**and**  
**Insert Grantee Organization**

**Award Agreement**  
**Insert Project Name**  
**Grant #**

This Award Agreement (hereafter referred to either as the "Award Agreement" or "Agreement") is hereby entered into effective as of the date specified below by and between Baptist Community Ministries, 400 Poydras Street, Suite 2950, New Orleans, Louisiana, 70130, represented herein by its President, Byron R. Harrell (hereafter referred to as "BCM"), and **(insert Grantee corporate name, address, and zip code)**, a nonprofit corporation organized under the laws of the State of Louisiana, represented herein by its **(insert name and title of Grantee senior executive)** (hereafter referred to as "Grantee").

**WITNESSETH:**

**Whereas**, BCM is a private, grantmaking foundation with an endowment created for the purpose of improving the quality of life for the citizens of the greater New Orleans region as a healthy community; and

**Whereas**, BCM has adopted Mission, Vision and Values statements which call for it to develop and invest in a variety of strategic and tactical initiatives to improve the health of the community across a broad spectrum of issues; and

**Whereas**, Grantee satisfies BCM prerequisites as outlined in the current version of the BCM Grant Application Guidelines and will, as a condition of this Agreement, continuously do so during the term hereof; and

**Whereas**, BCM does not and will not exercise control over Grantee and in all respects will treat Grantee as a separate and independent contractor and operational implementation of the subject Grant will be solely the responsibility of Grantee; and

**Whereas**, the BCM Board of Trustees has resolved to award a grant to Grantee subject to and in accordance with the terms of this Award Agreement, and

**Whereas**, representatives of Grantee acting as signatories to this Agreement attest to having the authority to commit Grantee to the terms and conditions of this Award Agreement.

**NOW THEREFORE**, the parties to this Award Agreement do hereby agree as follows:

1. **Grant Term and Grant Award**: The term of the Grant Award shall commence on \_\_\_ and end on \_\_\_\_\_(hereafter referred to as the "Grant Term"). BCM hereby awards and Grantee hereby accepts a \_\_\_ year grant in the amount of \_\_\_\_\_. The

term of the first year of the Grant shall commence on \_\_\_\_\_ and end on \_\_\_\_\_ in the amount of \_\_\_\_\_ payable to Grantee in accordance with the terms described in the following paragraph (hereafter referred to as the "Grant Award"), all subject to the terms and conditions of this Award Agreement.

**No Matching Requirements:**

Upon the signing of this Award Agreement, BCM will fund 65% of the amount payable for the first year of the Grant. The second installment will be payable at the beginning of the eighth month of the current grant year. The BCM Program Officer, after reviewing the second quarter **Budget vs. Actual Report** submitted by the Grantee, will make a determination of expected cash needs of the Grantee during the remainder of the current grant year. If deemed necessary, the Program Officer has discretionary authority to reduce (from 35%) the amount of the second installment.

**With Matching Requirements:**

Upon receipt of evidence that Grantee has received funds from other sources sufficient to meet the BCM matching requirements stated in Paragraph 1, BCM will fund 65% of the amount payable for the first year of the Grant. The second installment will be payable at the beginning of the eighth month of the current grant year. The BCM Program Officer, after reviewing the second quarter **Budget vs. Actual Report** submitted by the Grantee, will make a determination of expected cash needs of the Grantee during the remainder of the current grant year. If deemed necessary, the Program Officer has discretionary authority to reduce (from 35%) the amount of the second installment.

Future award segments of this grant for years two or beyond may be paid contingent upon an acceptable Grantee performance in year one and completion of mutually acceptable Amendments to the terms and conditions of this Award Agreement including new Program Objectives and Action Steps and Program Operating Budget for each grant year.

BCM will withhold (\_\_\_\_\_ thousand dollars) of the award amount to be retained by BCM pending completion by Grantee of all requirements of this Award Agreement, including completion of a final (terminal) report and submission of related material necessary for BCM to evaluate the operational and financial impact of Grantee activities.

2. **Grant Award Number:** The tracking number for this Grant Award is **(insert number)** (hereafter referred to as the "Grant Award Number"). The parties shall refer to this Grant Award Number on all correspondence between them relating to the Grant Award and/or this Award Agreement.
3. **United States Internal Revenue Service/Grantee Tax Status:** BCM awards grants only to organizations in documented and uninterrupted compliance with the provisions of section 501(c)(3) of the United States Internal Revenue Code, as amended from time to time, and all regulations relating thereto. A current IRS tax determination letter has been provided or other evidence that documents the tax

exempt status of Grantee. Grantee represents that: (i) it is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); (ii) it is not classified as a private foundation under section 509(a) of the Code or it is an exempt operating foundation described in section 4940(d)(1) of the Code; (iii) it is listed as a tax exempt organization in Publication 78, Cumulative List of Organizations described in section 170(c) of the Code published by the Internal Revenue Service, or is one of the eligible donees generally not listed such as churches and certain affiliated organizations, group exemption subordinate organizations, or a governmental unit; and (iv) it has not been notified of a change in its tax exempt or private foundation status under the Code. If for any reason the Grantee becomes a private foundation, then the Grantee agrees that; (i) this Grant Agreement shall terminate and the Grantee shall be obligated to return all monies which have not been expended for the purpose of the grant; and (ii) with respect to any monies expended by the Grantee, the Grantee agrees to take any necessary action to permit BCM to count the grant as a qualifying distribution under section 4942(g)(3) and (h) of the Code and to submit to BCM promptly after the close of the Grantee's annual accounting period a full and complete written report signed by an appropriate officer, director, or trustee showing that the qualifying distribution has been made, the name and address of the recipient or recipients, the amount received by each and that all the distributions are treated as distributions out of corpus.

4. **Use of Grant Award Funds:** Grantee shall use all funds provided hereunder solely and only for the specific and limited purposes approved by the BCM Board of Trustees authorizing the Grant Award. If, during the term hereof, Grantee wishes to utilize any portion of the Grant Award for purposes other than or different from those specified in this Agreement, Grantee shall submit a request to do so to BCM in writing. BCM shall not be obligated to agree to Grantee's request in whole or part. Should the parties be unable to agree on the prospective use of the then-remaining funds contained in the Grant Award, BCM shall have the right to terminate this Award Agreement and Grantee shall return all unused grant funds to BCM. Under the applicable laws of the United States, all grant funds must be expended for charitable, scientific, literary or educational purposes or the prevention of cruelty to children or animals, within the meaning of section 170(c)(2)(B) of the Code, and not be expended for any other purpose.
5. **Use of Grant Award Funds for Political Purposes:** No part of the grant may be earmarked to influence specific legislation or a specific election. However, grantees may engage in certain lobbying activities in accordance with IRS regulations. BCM encourages all 501(c)(3) public charities to make the 501(h) "lobbying" election when filing their Form 990 tax return with the IRS.
6. **Use of Grant Award Funds for Expenses Pre-Dating this Agreement:** Unless specifically provided for in this Award Agreement, no portion of the Grant Award shall be used to pay for expenses incurred, reserved, accrued or committed to by the Grantee prior to the Grant Term as specified in Article 1 of this Agreement.

7. **Use of Grant Award Funds for Property or Equipment Acquisition:** Provided expenditures for capital acquisition are specifically included in the attached Program Operating Budget, Grantee may utilize Grant Award funds for such purposes. At the close of the Grant period, title to all equipment acquired by Grantee in accordance with the provisions of this Article shall remain vested in Grantee.
8. **Other Sources of Funding:** Prior to the execution of this Agreement, Grantee shall disclose to BCM all other sources of funding as well as all pending grant applications for the project specified in this Agreement. Grantee shall supplement such disclosure, as appropriate, during the Grant Term.
9. **Reversion of Grant Funds:** At the end of each year during the Grant Term specified in Article 1 of this Agreement, or in the event of termination of this Agreement for any reason (see Articles 18 and 19), the Grantee shall return to BCM all unexpended and/or improperly expended Grant Award funds. The amount returned to BCM shall be based on its pro rata participation relative to all other funders in the program/project. Specifically, a determination will be made at the beginning of each year as to what percentage of the Program Operating Budget (see Article 11) BCM will agree to fund and this percentage will be noted on the budget document. Based on the final Budget vs. Actual Report (see Article 13) for the year, Grantee will be required to refund the excess, if any, of BCM grant funds disbursed during the year over its pro rata share of actual program expenses.
10. **Fidelity Bond:** At the option of BCM, Grantee may be required to obtain a Fidelity Bond, at its sole cost, covering all representatives of Grantee who shall receive or handle funds disbursed pursuant to the provisions of this Agreement. BCM hereby agrees that the cost of the required Fidelity Bond shall be reimbursable to Grantee out of the proceeds of the Grant Award. The Fidelity Bond shall name BCM as loss payee. If, during the term hereof, Grantee fails to maintain the Fidelity Bond as required in this Article, BCM shall have the right to terminate this Agreement upon written notice provided to Grantee in the manner provided below (in which case the provisions of Article 8, hereof, shall be applicable.)
11. **Financial Management Procedures:** Prior to the disbursement of any funds to Grantee hereunder, Grantee shall designate and provide to BCM the name of the commercial bank and/or fiscal agent that will serve as the depository of funds provided to Grantee under this Agreement. Grantee shall separately account for all funds advanced as a part of this agreement. Under certain circumstances, before the agreement is signed, BCM may require Grantee to establish a separate checking account for all monies advanced hereunder. Should, during the term, Grantee desire to change the commercial bank originally designated to serve as depository of funds, Grantee shall provide written notice of such change in the manner provided below at least seven (7) business days prior to the effective date of the change. BCM reserves the right to object to and prevent any such change in the event it reasonably believes its interests may be adversely affected by the proposed change.

Notwithstanding any provision to the contrary contained herein, Grantee acknowledges and agrees that during the term hereof, BCM shall have the right to monitor and review Grantee's accounting, funds disbursement, financial practices and internal audit and control systems and policies. As a condition of the continuation of this Agreement, Grantee attests that financial records are kept in conformity with accounting principles generally accepted in the United States of America.

Prior to funding a grant, Grantee will notify BCM of the auditor engaged by Grantee. If during the term of the agreement Grantee changes auditor, Grantee will immediately notify BCM of this change.

During the term of this Agreement, Grantee agrees to provide BCM with audited year-end financial statements for the entire Grantee organization within 180 days of the close of the Grantee's fiscal year.

Grantee shall submit and BCM shall rely upon the specific cashflow requirements of this grant in accordance with the Grantee **Program Operating Budget** attached hereto and made a part of this agreement.

**12. Objectives and Outcomes:** The performance of the Grantee in accomplishing the purposes of this Agreement will be measured and evaluated relative to the achievement of specific objectives and outcomes in accordance with Grantee **Program Objectives and Action Steps** made a part of this agreement and attached hereto. BCM reserves the right at any time during the Grant Term to terminate this Agreement following a 30 day written notice to Grantee of the failure or likely failure of the funded program to attain the objectives and/or outcomes anticipated or of the sole determination by BCM that the program outcomes are significantly fewer or less than expected (See Article 20).

**13. Grantee Reporting Requirements:**

**Progress Reports:** During the term of this Agreement, Grantee shall furnish BCM with Progress Reports, which will include a narrative about program activities and results to date relative to objectives outlined in the Program Objectives and Action Steps of this Award Agreement. Deadlines for submitting Progress Reports will be set forth in the Program Objectives and Action Steps of this Award Agreement. From time to time BCM shall contact Grantee in order to review a previously submitted Progress Report or arrange a site visit to Grantee offices and/or locations to review grant activities. Upon expiration of the Grant Term, Grantee shall prepare a Final Grant Report which shall review the performance and activities over the course of the entire Grant Term.

**Budget vs. Actual Reports:** Grantee shall also be required to report on actual financial results as compared to the Program Operating Budget. Grantee is required to submit a Budget vs. Actual Report and deadlines for submitting will be set forth in the Program Operating Budget of this Award Agreement. The final Budget vs. Actual Report shall include a financial statement accounting for the use

of all Grant Award funds, which statement shall be certified as true, complete and accurate by the chief executive officer or chief financial officer of Grantee or, at the request of BCM, audited in accordance with generally accepted auditing standards by a certified public accountant reasonably acceptable to BCM.

14. **Evaluation:** BCM requires an appropriate evaluation design and plan for the funded project to be submitted for approval as a component of the Program Objectives and Action Steps. An appropriate evaluation design will include, but not be limited to, a description of the overall evaluation design, sampling procedure, data collection instruments and procedures, and analysis procedures. BCM deems such evaluation efforts as helpful to projects to meet their goal(s), particularly by pointing the way to developing or improving projects in the course of implementation.

Grantee will work with BCM staff or their representative(s) in establishing an evaluation plan for the funded project. The level of evaluation activity required by BCM is determined by the funded award amount. If used, the external evaluators will be compensated directly by BCM. Grantee may be included in the selection process of any External Evaluator which will be at the discretion of BCM. Additionally, Grantee may include in the Program Operating Budget funding for internal evaluation as determined by Grantee needs. In such case, Grantee will make available in a timely manner any data from the internal evaluation to BCM or its representatives.

Grantee agrees to cooperate fully with BCM staff and any independent evaluators by providing data which is reasonably requested, by being reasonably available in matters relating to the grants, and by responding cooperatively to feedback which may arise from the evaluation process (i.e., making improvements in the program as deemed necessary for success.)

15. **Public Disclosure and Announcements:** Public disclosures of the Grant Award made hereunder may be made by the Grantee subject to the provisions of this Article. Public recognition of BCM as the source of program funding is authorized and encouraged. Grantee and BCM will agree to coordinate public announcements of the initial approval of the grant. Grantee may use the BCM name in future public announcements associated with the funding of the grant so long as there is no implied endorsement by BCM of program findings or conclusions. Grantee hereby authorizes BCM, at the sole discretion of BCM, to publicly disclose the nature of this Agreement and the amount and purpose of the Grant Award to any other individual, the public or other organization including but not limited to grantmaking organizations.
16. **Copyrights and Patents:** Reports, articles, books, images, products, inventions and any other intellectual property produced by Grantee as a direct result or with the proceeds of the Grant Award (hereafter referred to as the "Grant Produced Material" or "GPM") may be copyrighted or otherwise legally protected by Grantee in accordance with the policies and practices of the Grantee. Grantee has the right to retain all royalties, income or earnings from GPM. Subject to all applicable

provisions of this Agreement, Grantee is encouraged to widely disseminate and encourage the public use of all such GPM. Specifically, Grantee shall provide at least one copy of all GPM to: Nonprofit Knowledge Works (hereafter referred to as "NKW") at no cost and additional copies for a charge not to exceed the per unit printing or production cost of the GPM for its internal use free of royalty, profit, or fees. NKW will be free to copy, include and manipulate data and distribute information from this GPM as it solely deems appropriate so long as Grantee is not specifically identified without Grantee approval. Grantee shall provide copies of all such GPM to BCM, and hereby authorizes BCM to provide copies of GPM to the Board of Trustees and to disseminate GPM within the BCM organization in furtherance of its objectives. Expenses associated with the dissemination of GPM to persons or entities other than BCM or organizations specified above may qualify as an expense to be paid out of the Grant Award so long as such expenses are specified in the Program Operating Budget made a part of this Agreement.

17. **Release from Liability:** Grantee hereby agrees to indemnify, defend and hold BCM harmless from and against any claims or liability arising out of or related to Grantee operations and/or use of the proceeds of the Grant Award.
18. **Termination by Grantee:** Grantee may terminate this Agreement for any reason following a 30-day written notice to BCM. If Grantee exercises the right to terminate this Agreement, the provisions of Article 9 (Reversion of Grant Funds) become operable.
19. **Grant Suspension by BCM:** During the term of this Agreement, the BCM Program Officer overseeing the implementation of this grant may enact a suspension of grant funding in the event of an unresolved Grantee issue of performance, outcome, financial management, public perception or any other changed condition. Suspension of grant funding may not be appealed. If Grantee is unable to successfully resolve these issues in a timely manner, the Program Officer will recommend grant defunding to the BCM Board of Trustees.
20. **Grant Defunding by BCM:** Only the Board of Trustees may defund any previously awarded grant. Defunding actions involving grants for aggregate sums less than \$100,000 are not subject to appeal by the Grantee. In the event it issues a preliminary decision to defund a previously approved grant for aggregate sums equal to or greater than \$100,000, the affected Grantee may, within 15 days of notification of such action, appeal for reconsideration by the Board. Failure by the Grantee to appeal a preliminary decision to defund within the above time constraints will be deemed a voluntary relinquishment of all rights to appeal and the grant will be defunded. The request for an appeal by the Grantee shall: (1) be in writing, (2) succinctly state the reason for the appeal, and (3) present material in support of the Grantee position. Within 60 days of receiving a complete and timely request for an appeal, the Board shall provide Grantee with a written decision regarding defunding. In its sole discretion, the Board may examine none, any or all records in the written request for an appeal or in the possession of the Grantee, its employees or agents. The Board may interview none, any or all employees, agents, or related persons regarding any aspect of the grant and/or examine any

other evidence available. The Grantee, by requesting an appeal of a preliminary decision to defund, agrees to provide to BCM any related material reasonably requested by BCM. Failure to fully disclose all significant issues known by Grantee or that should have been known by Grantee relative to the grant or the appeal may also result in defunding. All defunding decisions by the BCM Board of Trustees are final. In the event the grant is defunded, the provisions in Article 9 (Reversion of Grant Funds) become operable.

- 21. Notices:** All notices provided to either party hereunder shall be in writing and considered delivered when placed in the U.S. Mail, first class postage paid, addressed to the parties at the addresses provided hereinabove.

THE PARTIES HERETO hereby enter into this Grant Award Agreement:

\_\_\_\_\_  
Byron R. Harrell, Sc.D.  
President  
"BCM"

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Insert Name of BCM Program Officer)  
Vice President – (Insert Zone) Grants  
"BCM"

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Insert Name and Title of Grantee Representative)  
(Insert Grantee Organization Name)  
"Grantee"

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Insert Name of Grantee Board Chairman)  
Chairman of the Board  
"Grantee"

\_\_\_\_\_  
Date