



## MINNESOTA HUMANITIES CENTER (MHC) GRANT FUNDING 2024 FESTIVAL FAQ's

### GENERAL INFORMATION

**Q. What is the maximum amount I can request under the Community Identity & Heritage Festival Grant?**

The maximum amount you can request under the Community Identity & Heritage Festival grant is \$50,000.

### ELIGIBILITY

**Q. Am I eligible to receive funding from MHC if I'm receiving funding from another source such as a Foundation, a Legacy funder (Minnesota Historical Society or the Minnesota State Arts Board), or a state administrative agency (Department of Administration, Department of Education, or Department of Employment and Economic Development)?**

Yes, you may receive funding from MHC only if the activities and costs that you seek within your MHC proposal are not covered by another funder. For example, if you need \$50,000 for your entire project and you have received \$25,000 from the Department of Administration, you may apply for up to \$25,000 from MHC for eligible expenses that are not covered by the grant from the Department of Administration.

**Q. What does it mean to be "in good standing" with IRS and MHC?**

An organization is in good standing when it has completed all IRS reporting requirements and can receive tax-deductible charitable contributions. MHC uses the [IRS Tax Exempt Organization Search](#) to determine if the organization is in compliance.

An organization that has failed to complete a prior grant, has a history of inconsistent and inaccurate financial reporting, or a history of overdue reports may not be in good standing with MHC. If you are unsure whether you are in good standing with MHC, contact Laura Adams, Grants Administrator, at 651-772-4244, or [laura.adams@mnhum.org](mailto:laura.adams@mnhum.org). MHC may grant an exemption to an organization that is not in good standing with MHC if the applicant uses a Fiscal Sponsor.

**Q. Does my organization have to be a nonprofit to qualify for this grant?**

No, this funding is available to for-profit organizations as well as non-profit organizations.

## **TECHNICAL ASSISTANCE**

**Q. Can we receive technical assistance from MHC?**

Yes, MHC is available to provide technical assistance to complete online submissions through the close of the deadline. Contact the MHC Grants team by email at [submissions@mnhum.org](mailto:submissions@mnhum.org) to request technical assistance.

**Q. Can we receive feedback from MHC about our application before we submit it?**

Yes, MHC is available to review drafts of your proposal and budget. This allows applicants time to incorporate MHC's feedback prior to their submissions by the deadline. Contact the MHC Grants team by email at [submissions@mnhum.org](mailto:submissions@mnhum.org) to coordinate MHC's review of draft documents.

## **APPLICATION SUBMISSION**

**Q. I don't have access to a computer. Do I have to apply online?**

The preferred method for applying for an MHC grant is to apply online. However, you do not need to submit your application online. If you need accommodation to submit a hard copy of your application to MHC, contact Laura Adams, Grants Administrator, at 651-772-4244, or [laura.adams@mnhum.org](mailto:laura.adams@mnhum.org).

**Q. Can there be co-applicants on a grant?**

No. While there may be multiple collaborators on a grant proposal, one individual or organization must be designated as the lead applicant. The lead applicant will serve as the main contact for MHC and contact for MHC and the party responsible for submitting all documents to MHC.

**Q. Can I be listed as a collaborator on multiple applications?**

Yes, you may collaborate on multiple applications if you are not the lead applicant on more than one application. You may only be awarded one grant per round as a lead applicant.

**Q. Can I apply for funds to host a benefit or fundraiser?**

No, Minnesota law prohibits Legacy funds from being used to support a benefit or fundraiser.

**Q. Can I apply for funds to assist with a community parade?**

No, parades are not an eligible expense under this grant opportunity.

**Q. If I or my organization is hosting a festival which includes a parade, does that make us ineligible to receive this funding?**

This does not make you ineligible to receive this funding. However, you cannot use this funding to cover expenses for the parade. You may only use the funds to support the festival.

**Q. Can this funding be used for the costs associated with planning a festival or event?**

Yes, as long as the planning is finished by June 30<sup>th</sup>, 2025.

**Q. What should I consider as I am deciding how much to request?**

Applicants, at a minimum, should consider the scale and scope of their projects, alternative possible funding sources, and the duration of the project in determining the amount to request.

MHC provides information sessions, one-on-one support, and resources to help applicants factor all the various considerations (size of project, reach and impact, project updates, and financial tracking and reporting requirements), when determining how much to request.

We strongly recommend applicants take advantage of MHC support in developing project ideas and drafting requests for funding. Review of past grant cycles shows applicants who sought support and incorporated feedback from MHC prior to their submissions, were more successful in reviewing awards. Please contact us early in the open application period so we can be as helpful as possible.

**Q. How many festivals on average apply for the full grant amount of \$50,000? Is there a better chance of receiving this funding if you apply for less?**

This is the first time MHC is offering this grant opportunity, so we do not have any previous data to answer this definitively. We do have lots of interest in this grant, so we anticipate the pool to be very competitive.

**Q. What type of expenses can I consider in deciding how much to request?**

The following expenses may be considered within any grant proposal:

- Wages, salary, and benefits of staff working on the project for the hours (hourly employee), or proportionate salary (management employee) spent by the individual working on the project, and
- Compensation due to independent contractors for designing, administering, and implementing the project including paying an artist a stipend or fee for their work.

There are some expenses that **should not** be considered within a grant proposal:

- Fund parades.
- Cover costs expended before the grant agreement is fully signed,
- Start, match, add, or complete any type of capital campaign,
- Support capital costs (such as improvements, construction, property, or equipment,
- Support the purchase of equipment (such as iPads, computers, monitors and AV),
- Pay for indirect costs or other institutional overhead charges not directly related and proportional to, and necessary for, the activities outlined in the project proposal,
- Support benefits and fundraisers,
- Purchase promotional giveaway items such as t-shirts, keychains, or gifts to promote the applicant's brand,
- Food expenses when expenses are either (i) incurred during the planning phase of the project, or (ii) are not essential to the final program,
- Wages, salary, and benefits of staff for the time that such individuals are not working on the project, and
- Fund out-of-state expenses such as out-of-state travel and lodging.

**Q. Can applicants receive funding for their project from other sources?**

Yes, you will be asked to list all funding sources on the application.

**Q. What type of financial documents do I need to submit with my application?**

The following financial documents may be considered with the grant proposal:

If your grant application is \$24,999 or less, you do not need to submit any financial documents to MHC.

If your grant application is \$25,000 or more, you will need to submit the following additional financial documents to MHC:

- If annual revenue is less than \$750,000, you will need to provide your IRS 990 form,
- If annual revenue is \$750,000 or more, you will need to provide your most recent certified audit.

Failure to timely provide any of the above financial documents to MHC may prohibit the applicant's grant proposal from being considered by MHC.

**Q. When will I be notified about my application?**

Application reviews will begin November 1, 2024. MHC expects to make a final determination in forty-five (45) business days.

## FISCAL SPONSOR

If you need a Fiscal Sponsor, you will be considered the awardee, and the Fiscal Sponsor will be considered the Grantee under the grant agreement. A Fiscal Sponsor may not charge more than ten percent (10%) of the total grant award.

### **Q. What is a Fiscal Sponsor?**

A Fiscal Sponsor works at a minimum, with the awardee to:

- a. Ensure that all financial reports required to be submitted to MHC under the grant agreement are timely and accurate,
- b. Produce all financial reports as supporting documentation for the grant to MHC or other Minnesota governmental entities when requested, and
- c. Maintain all financial reports and supporting documentation for six (6) years after completion of the grant as required by Minnesota law.

The awardee remains solely responsible for ensuring that all programming is implemented as described within the grant agreement.

### **Q. What is the responsibility of a Fiscal Sponsor?**

A Fiscal Sponsor must maintain all necessary records to show and account for the use of grant funds awarded to the Grantee. Under [Minn. Stat. §16C.05, subd. 5](#), A Fiscal Sponsor should ensure that all books, records, documents, and accounting procedures and practices relevant to the grant contract are maintained for a minimum of six (6) years from the end of the grant contract to allow for examination upon request by MHC, the State of Minnesota, the State Auditor, or the Legislative Auditor.

A Fiscal Sponsor is required to participate in a Grantee orientation training session consistent with the terms of the grant agreement and the initial grant award by MHC to the Grantee. Failure to participate in the orientation training session may result in suspension of the grant contract.

## GRANT AWARD

### **Q. What happens after we receive notice, we were awarded a grant?**

MHC will forward correspondence to you to ensure that grants funds can be promptly distributed to you. You will be asked submit W-9 and ACH authorization paperwork to MHC.

MHC will also forward information on how you can access MHC online grant management system. The online grant management system is the primary means by which MHC communicates with Grantees. In order to facilitate communication with MHC, please become

familiar with the online grant management system. MHC will also forward information to you on how you access MHC Grantee Toolkit.

Finally, MHC will forward information to you on how you can attend Grantee orientation training. If you have a Fiscal Sponsor, both you and your Fiscal Sponsor are required to attend the Grantee orientation consistent with the terms of the grant agreement.

**Q. Is there a date by which funds must be expended?**

Your project should be completed, and all funding should be used by May 30, 2025 to allow for your final reporting to be finished and submitted by July 30, 2025. This is because this funding was allocated to MHC by the state legislature and the end of their fiscal year is on June 30, 2025.

**Q. Is the online grants management system the only way MHC communicates with Grantees?**

No. While MHC relies primarily on the online grants management system for most communication with Grantees, MHC can and does communicate with Grantees by phone, email, and written correspondence.

**Q. How often does MHC make payments?**

Payments are made by MHC to Grantees on the payment schedule outlined in the grant agreement that has been negotiated with the Grantee.

**Q. What information must I submit in order to request payment from MHC?**

In order to request payment from MHC, you will need to provide invoices setting forth expenses incurred and information as to whether spending on the project is consistent with the budget for the project.

**Q. Once my payment request from MHC has been approved, when can I expect to receive payment?**

MHC will issue payment within thirty (30) days once your payment request has been approved.

**Q. What training is required once the proposal has been accepted?**

All Grantees, awardees, and their Fiscal Sponsor, are required to participate in one Grantee orientation that is consistent with their grant agreement. No other training is required.

While not required, many successful awardees take advantage of MHC Grantee Toolkit resources and establish regular consistent communication with MHC's grants team who can

provide coaching and directions to ensure successful completion of your grant within the terms of your grant agreement.

**Q. Does MHC expect awardees to acknowledge their award?**

Yes! Minnesota law requires recipients of the Legacy grants to acknowledge receipt of such funding to the general public. The grant agreement between the awardee and MHC will set forth the Legacy logo, MHC logo, and acknowledgment language that should be used by the awardee. MHC anticipates that for Legacy grants that awardees and Grantees will include the Legacy logo, MHC logo, and acknowledgment language in public and annual reports.

**Q. Will I have to submit progress reports on the grant agreement?**

Yes, Grantees will be required to submit one interim report, and your grant agreement will outline the schedule as to when your interim report is due to MHC.

**Q. Can I pay individuals working on the grant with cash?**

No. Due to the difficulty in creating and maintaining electronic files and paper documentation for cash transactions, the State of Minnesota does not allow awardees to pay vendors with cash.

**Q. Can I use PayPal? Can I pay individuals working on the grant with gift cards?**

MHC strongly discourages the use of PayPal, Venmo, or any similar online payment processor by a grant awardee. MHC also strongly discourages the use of gift cards by a grant awardee. A grantee must seek MHC approval for these types of payments in advance.

## **POST AWARD**

**Q. Will I need to provide a final progress report to MHC?**

Yes. Your grant agreement will detail that a final report is due to MHC. MHC will use information from your final report to update the Legislature and the public on the success of your project.

**Q. What financial reporting must I provide MHC when the grant has been completed?**

Upon conclusion of the grant agreement, the Grantee or Fiscal Sponsor must provide information to allow MHC to conduct a financial reconciliation. The level of financial reporting that must be provided to MHC when the grant has been completed is dependent on the amount awarded and whether the Grantee or Fiscal Sponsor obtained an advance. Any grant agreement for \$50,000 will require one (1) on-site visit from MHC. Detailed information about what financial reporting needs to be provided can be found in the Grantee orientation training, Grantee Toolkit, and grant agreement.