

## Program Description

The Miami Foundation (the Foundation) has agreed to serve as Fiscal Sponsor for the community grantmaking program of Knight Foundation's Knight Arts Challenge (KAC) initiative. Knight will provide a list of recommended grants to the Foundation. As Fiscal Sponsor, the Foundation is responsible for:

- Conducting due diligence on grantees recommended by Knight
- Deciding whether to accept grantees recommended by Knight
- Entering into grant agreements with grantees
- Setting up grantee Funds at the Foundation
- Managing KAC grant dollars deposited at the Foundation
- Collecting, reviewing and approving all match documentation and interim/final reports submitted by grantees
- Processing payments to grantees
- Working with grantees to identify and explain major budget variances
- Submitting interim/final narrative and financial reports to Knight

## Establish your relationship with The Miami Foundation (Fiscal Sponsor)

### 1. Complete an updated project budget

Submit a project budget using the provided template **in Excel format** to The Miami Foundation and Knight Foundation. The final budget must reflect the amount awarded, and must be approved by both the Foundation and Knight. Please send the budget to both Lindsey Linzer at [LLinzer@miamifoundation.org](mailto:LLinzer@miamifoundation.org) and Adam Ganuza at [ganuza@knightfoundation.org](mailto:ganuza@knightfoundation.org).

If the grantee is not a 501(c)(3) organization, The Miami Foundation's 4% administration fee must be allocated on the full grant amount in the updated budget (*e.g. if Knight recommended a \$35,000 grant to a for-profit company, there must be a line item in the budget that accounts for the \$1,400 fiscal sponsorship administration expense.*)

### 2. Sign your agreement and policy manual

After an in-person Grantee 101 session, The Miami Foundation will send you a grant agreement and policy manual via DocuSign. Both signed documents are due back to the Foundation within 30 days of receipt or the grant offer may be rescinded.

## Match your grant

Once the grant agreement and policy manual have been signed, fundraising efforts can begin. In order to make funds available, the grantee will need to keep track of all documents for proof of match and submit to the Foundation for review. Proof of match documentation includes:

- Letter(s) of intent/pledge (must be signed and on letterhead)
- Ticket sales reports
- Copies of checks for individual and corporate donations
- Copies of deposit slips (for cash donations)
- Crowdfunding website reports
- Bank statements

Match dollars must be raised within the specified term as outlined in your grant agreement with The Miami Foundation.

To submit proof of match, complete the required Match Cover Page template and submit it along with the supporting documentation to <https://themiamifoundation.submittable.com>. The Match Cover Page template may be found at <http://miamifoundation.org/knightwinners/>.

**Note that only 25% of the required match can be related to in-kind gifts**, which are defined as contributions of goods or services, other than cash grants. In-kind gifts can include supplies, materials, space and professional services (*e.g. if a donor contributes \$100 of artists' supplies including canvas, paints and brushes, the fair-market value of those items can be used as an in-kind gift.*)

The grantee must **fully** match each payment tranche of the grant **before** the grant dollars can become available for expenditures. Payment tranches will be specified in the Grant Agreement between the grantee and the Foundation. (*e.g. if the grant award is for \$50,000 payable over two years in \$25,000 tranches, the grantee must submit proof that \$25,000 was raised in the first year to access the first tranche of funds.*)

Knight Arts Challenge winners, **which are not 501(c)(3) organizations** (but may be for-profit corporations, partnerships or individuals), are eligible to open a separate Fiscal Sponsorship Fund at The Miami Foundation to assist with raising their match requirement. With a Fiscal Sponsorship Fund, the grantee is able receive tax deductible charitable contributions for the Knight project to that Fund. If contributions are made as grant, prior approval from The Miami Foundation is required. A 4% fee will be charged for each deposit received.

Note: The Fund term and scope is limited to the term and scope of the KAC grant. Once the grant term has ended and all funds are expended toward the Knight Arts Challenge project, the Fiscal Sponsorship Fund will close. All funds must be used toward the KAC-approved project. Any remaining funds not used for the purpose of the project are retained by The Miami Foundation.

## **Grant Disbursement For 501(c)(3) organizations**

Once the Grantee has **fully** matched the tranche of the Knight Arts Challenge grant and submitted all approved proof of match documentation, The Miami Foundation will issue a lump sum payment to the organization equal to the matched tranche.

## **For non-501(c)(3) organizations or individuals**

Once the Grantee has **fully** matched the tranche of the Knight Arts Challenge grant and submitted all approved proof of match documentation, The Miami Foundation will hold the grant dollars. The grantee can then start expending the matched grant tranche by submitting payment requests.

Payment Requests should include the appropriate supporting documentation for each request and must be submitted via Submittable at <https://themiamifoundation.submittable.com>. The Payment Request Guidelines may be found at <http://miamifoundation.org/knightwinners/>. For questions about payment request, please contact [paymentrequest@miamifoundation.org](mailto:paymentrequest@miamifoundation.org).

## Important reminders

- Payment requests submitted with proper documentation by **Friday at 5:00 p.m. EST** will be processed for payment by Friday of the following week. ACH payments are The Miami Foundation's preferred method of disbursement and guarantees availability of funds by Friday. **Note: Payment requests submitted the week prior to a federal holiday or the week of a holiday may be delayed.**
- The Foundation will issue any required 1099 forms to independent contractors and the project representative.
- The Foundation monitors grant expenditures on an ongoing basis. If the Foundation identifies expenditures greater than a 5% variation for each budget line item, the Foundation will notify the appropriate Knight Program Director. If the progress on the implementation of the grant is not satisfactory or the budget variances are significant, The Miami Foundation may halt all grant payments at its discretion until said issues are resolved.

## Reporting

Reports are due on October 31st each year that the grant is active. The grantee must provide Narrative Reports to The Miami Foundation. Reporting templates may be found at <http://miamifoundation.org/knightwinners/>. Please submit all completed reports at <https://themiamifoundation.submittable.com>.

**501(c)(3) organizations** that received a lump sum payment **must** submit a Financial Report documenting how grant dollars were expended **in Excel format**. If there is a variance greater than 5% from the approved grant budget, the grantee must request and explain the variance in writing. The Miami Foundation will work with the grantee to request the variance from Knight before any expenses are incurred.

**Non-501(c)(3) organizations/individuals** do not need to submit a Financial Report. The Miami Foundation will track fund expenditures on behalf of the project.

The Miami Foundation will review and submit all grantee reports to Knight Foundation on an annual basis.

## Amendments and Exceptions

To request an amendment or exception, use the designated form at: <http://miamifoundation.org/knightwinners/>. Amendments or exception requests may include, but are not limited to, the following:

- Grant extensions
- Change in project activities
- Change in budget
- Match disbursement exception

## Contact Information

The subject line for any email sent to The Miami Foundation or Knight Foundation regarding your grant must use the following format: KAC “City” “Year” – “Grantee Name,” “Subject” (e.g., “KAC Miami 2016 – Perez Art Museum Miami, extension request” or “KAC Detroit 2015 – University of Michigan, match question”).

Match documentation, reporting and payment requests must be submitted to <https://themiamifoundation.submittable.com>

For general questions, please contact [LLinzer@miamifoundation.org](mailto:LLinzer@miamifoundation.org)

### Lindsey Linzer

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The Miami Foundation  
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### Adam Ganuza

Arts Program Officer  
Knight Foundation  
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## Agreement Terms

I have read and understood the Knight Arts Challenge Policies and Procedures Manual.

### Grantee:

**Name:** \_\_\_\_\_  
(Type or print name and title of person signing the acknowledgment)

**Signed:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
(Authorized signature of senior executive officer)