

Center of the World Festival, Inc. (COWFEST)

Policy on Grants and Assistance to Individuals

COWFEST is exempt from federal income tax under section 501(c)(3) of the IRS Code as a nonprofit public charity, not as a private foundation. Therefore, COWFEST does not have to adhere to the more demanding requirements imposed upon Foundations for grant awarding. However, COWFEST does acknowledge the reporting requirements of IRS Form 990 in regards to awards and grants and aid given to individuals. Form 990 requires that COWFEST maintains records to substantiate amounts, eligibility, and selection criteria used for grants. It also requires that COWFEST monitors its grants to ensure that such grants are used for proper purposes and are not otherwise diverted from the intended use.

The mission of COWFEST is broad and is outlined in the Bylaws as Article 2, Section 2 "Objectives and Mission". The Articles of Incorporation provide a concise definition: "The specific purposes for which this corporation is organized are to provide charitable, educational, and scientific services to promote communitas theater and artistic creativity interconnected with eco-systems, cultural history, and local sustainable community as processes and venues for bringing about community change. These charitable, educational, and scientific purposes will take the form of workshops, networking, cultural tourism, festivals, literature, and other venues, which evolve, from the communitas theater approach." We refer to this body of knowledge as "The Theme" of a yearly season of events.

One of our programs will be the awarding of grants to individuals for travel, study, and for the production and promotion of a product which supports The Theme. A grantee's activities in pursuit of The Theme might involve study, research, writing, teaching, lecturing, developing or speaking at a symposium, publishing a treatise in either print or electronic media, or engaging in any other activity which would serve to improve the skills or talents or broaden the understanding of the grantee in The Theme area, and which would make a contribution to the body of knowledge in The Theme area.

The grant application takes the form of a submission of an artistic product in an event category. In the grant application the prospective grantee will describe his or her project in support of The Theme. COWFEST will select grantees under procedures described below, monitor their projects, and evaluate their work to assure that grant funds are properly utilized.

COWFEST intends to award grants on an objective and nondiscriminatory basis. COWFEST's grant-making procedures are as follows:

1. Grant recipients will not be chosen from any particular educational or scientific institution, or from any particular geographic location.
2. The key criterion will be a demonstrated commitment to The Theme area.
3. A grant recipient must either be an individual whose activities will make a contribution to The Theme, or whose funded project(s) will enhance the knowledge, or improve the skills and talents of the grantee in The Theme area. A grantee will fulfill all the submission criteria set forth for the particular artistic event for which they are applying.
4. COWFEST Board of Directors and Voting Members and other volunteers will contact both traditional and nontraditional educational, scientific, cultural, and social institutions to make known the availability of the grants. COWFEST will also publicize the grant program in various publications and make the grant applications generally available to the public.
5. COWFEST Board of Directors and Voting Members and other volunteers will select competing grant recipients from among the individuals who submit completed applications. The final selection will vary according to the particular event for which they are applying. For example, the playwriting event recipient will be determined by a community of audience participants.
6. COWFEST will pay the grant funds directly to the grant recipient.
7. Each grant recipient must agree in writing to use the grant funds to defray the expenses associated with the approved project.
8. COWFEST will not use grant funds to compensate recipients for performing personal services for COWEST.
9. COWFEST will not award any grants to its founder, officers, or directors, or to members of the founder's family, or to any disqualified person with respect to COWFEST, or for a purpose that is inconsistent with the purposes set forth in IRS Code section 170(c) (2)(B).

With respect to the monitoring of grants, COWFEST will follow this procedure. COWFEST will require a written progress report from each grantee at least once a year. This report must include a summary of the use of the funds awarded, and how such use fulfilled grant purposes.

In those instances where the reports submitted, or other information (including the failure to submit reports) indicate that all or any part of a grant is not being used for intended purposes, COWFEST will investigate and will withhold further payments to the extent possible until COWFEST has received delinquent reports.

If COWFEST learns that all or any part of a grant is being diverted from the intended purposes, COWFEST will take all reasonable and appropriate steps to recover the grant funds and/or to ensure restoration of the diverted funds to the purposes of the grant. This would include legal action if deemed appropriate under the circumstances.

COWFEST shall retain complete records with respect to all grants awarded. These records shall include all information obtained by COWFEST to evaluate the qualifications of potential grantees, the identification of grantees (including any relationship of any grantee to any COWFEST directors or officers), the completed application of each grantee, the amount of each grant, the date(s) of each grant payment, evaluation reports from grantees, and any additional information that COWFEST may secure in the course of the grant administration process.

COWFEST will follow Section 4945 of the IRS Code to the extent that it applies to 501(c)(3) nonprofit public charity organizations. Section 4945(g) of the Code provides, in part, that subsection (d)(3) shall not apply to an individual grant awarded on an objective and nondiscriminatory basis pursuant to a procedure approved in in this section, in particular: the purpose of the grant is to achieve a specific objective, produce a report or other similar product, or improve or enhance a literary, artistic, musical, scientific, teaching, or other similar capacity, skill or talent of the grantee.

With the policy, COWFEST attests that it performs this grant program within all limitations imposed upon it by the IRS approval of its 501(c)(3) nonprofit status.