

GUIDELINES FOR  
LWVNYS EDUCATION FOUNDATION  
LOCAL GRANTS MANAGEMENT SERVICE



League of Women Voters of New York State  
Education Foundation  
62 Grand Street, Albany, New York 12207  
518-465-4162 or 1-866-598-6971 (toll free)  
[www.lwvny.org](http://www.lwvny.org)

# LWVNYS EF Guidelines for Local Grants Management Service

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# Introduction

**THIS PUBLICATION DESCRIBES HOW THE GRANTS MANAGEMENT SERVICE WORKS AND LISTS THE STEPS YOU MUST FOLLOW IN USING IT.**

*“Why does the League of Women Voters have a Local Grants Management Service?”*

**Short Answer:** So that local Leagues can solicit tax-deductible donations.

**Long Answer:** All state and local Leagues are classified by the IRS as 501(c)(4) nonprofit organizations. As such, donations to them are not tax-deductible.

***Your donors must  
make their checks  
payable to the  
“LWVNYS  
Education Foundation”***



The League of Women Voters of New York State Education Foundation (LWVNYSEF) was established in 1952 as a separate, tax-exempt organization with a 501(c)(3) status. Organizations with 501(c)(3) status are allowed to solicit contributions that are tax deductible as charitable donations. By allowing the LWVNYSEF to act as their agent or “sponsor” in the fundraising process, local Leagues can solicit tax-deductible donations for their own local use. The way this works is simple: Leagues solicit donations, donors write out checks to the LWVNYSEF, the LWVNYSEF deposits the funds, and finally, the LWVNYSEF cuts checks back to the local Leagues in support of educational projects.

There are, of course, rules and conditions that go along with the process, as well as steps that must be meticulously followed.

***It is important to abide by these rules. Otherwise, the LWVNYSEF risks losing its 501(c)(3) status.***

# Using the Education Foundation

In order to use the grants management service for your funding, your project must meet IRS and League criteria.

## **The IRS criteria are:**

1. ***The project must be educational.*** The project must be completed for the purpose of informing the public in a fair and objective manner. Through the project, your League cannot advocate a particular position on legislation or urge any action to affect legislation (federal, state or local). The project cannot involve the development of a League position by consensus or other form of agreement nor can it promote a League position. The project cannot involve work with political parties or candidates for office, other than nonpartisan voters service activities. It cannot influence the outcome of an election.
2. ***The project must serve the general public, not League members exclusively.***
3. ***The project cannot be at all related to League membership activities.*** The project's resource cannot be used to support the membership recruitment or membership maintenance activities of your League. Education Foundation resources cannot be used to promote League membership. Thus, internal membership materials would not qualify for funding under this service.

## **The League criteria are:**

1. New projects cannot be started before the approval application is ***submitted and approved.*** The LWVNYSEF must ensure that it will meet IRS and EF criteria.
2. The project ***must not give*** direct grants to outside organizations.
3. The project must be ***nonpartisan.***
4. If your project generates income, the income ***must be used*** for educational purposes only.
5. The LWVNYSEF must be ***properly credited.***

***The LWVNYSEF reserves the right to review materials and require changes. If the project differs from the concept submitted on the initial project approval request form, or if the project does not meet the above criteria, funds may not be disbursed.***

## Step By Step

The following list describes each step in the process of using your LWVNYSEF grants management account. This is followed by a Helpful Hints section.

**STEP 1.** Select a project and develop a budget.

**STEP 2.** When you get donations, submit funds with the **Deposit Form**. If you have different subaccounts in your grants management account, be sure to indicate into which accounts the funds should be distributed. The LWVNYSEF will send periodic statements with local grants management account balances.

**STEP 3.** When you are ready to request your funds, mail (or fax) the **Project Approval/Withdrawal Form**. **NO funds** can be distributed without the withdrawal form.

**STEP 4.** Within two months of the project's completion, submit the **Final Report Form**, along with any results of your project that can be mailed (i.e., pamphlets, press clippings, videotapes, etc.).

*Keep your own records of grants management account transactions. Your League treasurer should keep a permanent record of all deposits and withdrawals from your grants management account so they can be reconciled with the LWVNYSEF records. The names and addresses of donors should also be a part of your records.*

*Retain documentation on all project expenses for seven years. You are legally required to keep an accounting (including receipts) of all project expenses.*

# Helpful Hints

## Project Development

“I’d like to do a project, but I cannot think of anything to do!”

Here are some examples of educational projects your League can do:

- Voters service and /or citizen information projects (forums, debates)
- Publications (listings of elected officials, balanced information on issues)
- Educational public meetings (seminars, conferences, forums or workshops)
- Media programs that discuss issues in an unbiased way (radio, TV, slide presentations)
- Purchase and distribution of educational League publications
- Public interest lawsuits, monitoring the implementation of laws

## Budget Development

Once you have selected your project, you can begin to estimate expenses and develop a budget. Your budget should include the following components:

- **Direct Costs**

Direct costs are expenses specifically for the project. Examples of direct costs are printing, editing, layout, postage, supplies, distribution, promotion, phones, out-of-pocket expenses of volunteers and salaries.

- **Indirect or Overhead Costs**

These costs are general operating expenses incurred when completing a project, such as office rent, equipment use and utilities. A portion of these expenses can be attributed to the project based on use. However, to prove this, records must be maintained that show the project used these services or items.

- **Office Expenses**

Your League can charge a portion of office or telephone expenses associated with your ongoing citizen information service or other Education Foundation projects. These costs should be documented through financial logs. The proportion of League time and funds spent on this educational activity needs to be tracked and recorded to ensure the percentage of office expenses charged to the Education Foundation is proportional to the project compared with all League activity. For example, if 20% of your League’s time and resources go to conducting the citizen information service—then 20% of the cost of phones, rent and office expense can be paid from of Education Foundation monies.

- **In-Kind Contributions**

In-kind contributions such as equipment, materials or services cannot be considered as tax-deductible contributions to the LWVNYSEF for local Leagues. A business that wants to make such a gift might instead consult an accountant or attorney to investigate classifying the gift as a deductible business expense.

## Frequently Asked Questions

*“Can I buy a computer with the money I raise?”*

Equipment such as computers may be purchased with Education Foundation dollars provided that the equipment will be used for education projects only. Under certain legal restrictions, a League (the 501(c)(4) entity) may pay to share the equipment.

*“Can we use our Grants Management account to satisfy our Per-member-Payment (PMP)?”*

Funds already deposited in your Grants Management Service account can be used to meet PMP obligations. Leagues may also raise new, unrestricted tax-deductible contributions to satisfy up to 50% of their yearly PMP obligation to both the State and National Leagues.

*“How does my League use Grants Management funds to pay PMP?”*

Education Foundation funds are not technically used to “pay” PMP. To assist local Leagues in maximizing use of their unrestricted 501(c)(4) funds, the State and National Leagues allow local Leagues to make a donation from their grants management account to the Education Foundation in lieu of two quarterly PMP payments. Leagues wishing to take advantage of this option can indicate such intent on the Project Approval/Withdrawal Form in the appendix.

*“What about when I combine an educational project with a membership project, such as inserting something into a League newsletter?”*

If your League produces educational issue inserts for your newsletter, you may pay for only the insert pages with grants management account funds. Additionally, the material must be distributed to the public to meet the diversity criterion. Therefore, that distribution cost also should be included in your budget.

# Project Approval

## General Guidelines

- Allow a minimum of two weeks for processing of your request.
- Do not exceed your LWVNYSEF grants management account balance.
- Do not exceed your approved project budget by more than the established percentage as indicated in the deviation chart below.

### ***“What if we do not have time to wait for approval?”***

In an emergency, you may request and receive approval over the phone. Call the State Office at 518-465-4162 or email [lwny@lwny.org](mailto:lwny@lwny.org). Make sure you follow up with a written request. No funds will be disbursed without a written request. The LWVNYSEF reserves the right to reject a follow-up written request that differs from the original phone description.

### ***“If we do the same project every spring, do we have to submit a new project approval form each year?”***

No. Only if the project changes in a significant way – for example – you used to use the funds to print *They Represent You* and now you’re deciding to put that on your website rather than print hard copies. On every request for withdrawal for ongoing projects – we require that you submit a short description of the project (see the approval form). We use this to continue to monitor and make sure the project still meets 501(c)(3) requirements.

### ***“What if our project goes over budget?”***

Sometimes, project budgets will exceed original projections. If this happens, the LWVNYSEF Grants Management Service allows you to spend additional funds without completing more paperwork. However, there are established limits (see chart below) on how much the project can exceed the approved budget before you must seek approval.

<b>Budget Deviation Chart for Project ReApproval</b>	
<b>Approved Project Budget (\$)</b>	<b>Accepted Total Deviation from the Approved Budget</b>
1-1,000	25%
1,001-3,000	20%
3,000-5,000	15%
5,000+	10%

# General Suggestions

## Donation Follow-Up

**Always** thank donors for their contributions. It is important that you thank donors as it will continue to keep you in a good relationship with them. IRS regulations REQUIRE that donors receive acknowledgements for donations over \$250. ***The LWVNYSEF does not acknowledge donations that are received and deposited by local Leagues.*** Keep track of the names and addresses of all donors. You might consider include some information about the League with every thank you letter you send.

## Additional Record Keeping Tips

- Keep records of grants management account transactions for reconciliation with LWVNYSEF records.
- Retain documentation on all project expenses. Under the law, you must keep accounting (including receipts) of all project expenses for seven years.
- Keep accounts balanced.

## Credits

The LWVNYSEF must be credited on project material. Publications for community distribution, including programs for meetings or seminars, must credit the LWVNYSEF. Donors may be credited on publications as well, but check with them first. Some donors prefer to remain anonymous.

Examples of wording for credits on project materials:

“Prepared by the League of Women Voters of (name of your League), published by the League of Women Voters of New York State Education Foundation, and financed by contributions from (name of donors).”

“This seminar conducted by the League of Women Voters of (name of your League) and has been made possible by a contribution from (name of donors) to the League of Women Voters of New York State Education Foundation.”

“Published by the League of Women Voters of (name of your League) and funded by contributions to the League of Women Voters of (name of your League) and the League of Women Voters of New York State Education Foundation.”

## Final Checklist

- Make sure your planned project is educational in nature; no advocacy or membership activities allowed.
  
- Submit funds using the **Deposit Form**. Make sure checks are made out to the “LWVNYS Education Foundation.”
  
- Before requesting funds, work up a budget and a project work plan.
  
- To formally request funds from your grants management account, complete the **Project Approval/Withdrawal Form** complete with budget and project information.
  
- Within 60 days of the completion of your project, submit the **Final Report** form, complete with the results of your project and a financial accounting. If your income exceeded your expenses, be sure to remit the extra funds for redeposit in your grants management account. If your expenses exceeded income (within the stated limits), indicate if you are requesting additional reimbursement.
  
- If you need any help, **CONTACT THE STATE OFFICE** at 518-465-4162 or email [lwvny@lwvny.org](mailto:lwvny@lwvny.org). We're here to help!!

# DEPOSIT FORM

## LWVNYS EF Grants Management Service

League of Women Voters of New York State Education Foundation  
62 Grand Street, Albany, NY 12207  
Phone: (518) 465-4162 Fax: (518) 465-0812

Date: \_\_\_/\_\_\_/\_\_\_

LWV of: \_\_\_\_\_

\$

TOTAL AMOUNT TO BE DEPOSITED

**FOR LWVNYS EF USE**

Date Received: \_\_\_/\_\_\_/\_\_\_

### Depositor Information:

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Fax: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

*Please Include the Details of Your Deposit Below*

Number of Checks Enclosed \_\_\_\_\_

Ck # \_\_\_\_\_ Amount \_\_\_\_\_

Ck # \_\_\_\_\_ Amount \_\_\_\_\_

Ck # \_\_\_\_\_ Amount \_\_\_\_\_

Ck # \_\_\_\_\_ Amount \_\_\_\_\_

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Ck # \_\_\_\_\_ Amount \_\_\_\_\_

Ck # \_\_\_\_\_ Amount \_\_\_\_\_

Ck # \_\_\_\_\_ Amount \_\_\_\_\_

(Please make sure the total amount of all checks equals total amount for deposit listed above)

*If funds should be allocated to subaccounts within your grants management account, please provide the information here:*

	Amount
General account:	\$ _____
Subaccount: _____	\$ _____
Subaccount: _____	\$ _____
	\$ _____ Total

Send this form to LWVNYS Education Foundation at address at top of page. Keep a copy for your records. (Revised 4/2/04)

**PROJECT APPROVAL/  
WITHDRAWAL FORM**

**LWVNYS EF Grants Management Service**  
 League of Women Voters of New York State Education Foundation  
 62 Grand Street, Albany, NY 12207  
 Phone: (518) 465-4162 Fax: (518) 465-0812

Date: \_\_\_/\_\_\_/\_\_\_  New Project  Continuation Of Existing Project  Change in Existing Project

LWV of: \_\_\_\_\_

\$ \_\_\_\_\_  
Requested Withdrawal Amount

**The check should be forwarded to: (Please Print or Type)**

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**FOR LWVNYS EF USE**

Date: \_\_\_/\_\_\_/\_\_\_

Approved \_\_\_\_\_  
*(authorized signature)*

Denied:

Reason(s) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Yes, I would like to use Education Fund money to satisfy up to one half of my League's yearly**

**State or**  **National PMP obligation \$ \_\_\_\_\_ (amount)**

**(Please include a copy of the PMP statement you would like paid)**

*(Once the transfer is made you will see the credit on your next PMP statement. No check will be sent to you.)*

**PROJECT TITLE:** \_\_\_\_\_  
 (Please describe project below or attach project budget/description to this form. Please include relevant dates.)

**PROJECT BUDGET**

Estimated Income:		Estimated Expenses: (List items to be funded by this grant below)	
Ed Fund Grant Requested	\$ _____	a.	\$ _____
Local League Funds	\$ _____	b.	\$ _____
Total Other Income	\$ _____	c.	\$ _____
<b>PROJECT TOTAL</b>	<b>\$ _____</b>	d.	\$ _____

(Be sure total matches the Requested Withdrawal Amount above) **TOTAL \$ \_\_\_\_\_**

**Project Title & Description (Include relevant dates):**

**Details of how you plan to carry out your project. Include distribution and visibility plans.**

**FINAL REPORT FORM**

**LWVNYS EF Grants Management Service**

League of Women Voters of New York State Education Foundation  
 62 Grand Street, Albany, NY 12207  
 Phone: (518) 465-4162 Fax: (518) 465-0812

Date: \_\_\_ / \_\_\_ / \_\_\_

LWV of: \_\_\_\_\_

The following is a final financial and program report of the grant made for expenses incurred in connection with the following project. (SEE BELOW FOR FINANCIAL ITEMIZATIONS.)

PROJECT TITLE: \_\_\_\_\_

Signature of Project Manager/Treasurer: \_\_\_\_\_

Project Manager Name (print): \_\_\_\_\_

**PROGRAM DESCRIPTION:** On a separate piece of paper, please describe the activities completed with this grant. Please include a brief description, project accomplishments, distribution and visibility and all relevant dates.

**FINAL PROJECT BUDGET**

<b>PROJECT TITLE:</b> _____	
<p>Actual Income:</p> <p>Ed Fund Grant Requested    \$ _____</p> <p>Local League Funds         \$ _____</p> <p>Total Other Income         \$ _____</p> <p><b>PROJECT TOTAL</b>             \$ _____</p>	<p>Actual Expenses: (List items funded by this grant below)</p> <p>a. _____ \$ _____</p> <p>b. _____ \$ _____</p> <p>c. _____ \$ _____</p> <p>d. _____ \$ _____</p> <p style="text-align: right;"><b>TOTAL \$</b> _____</p>
<p>If Actual Income exceeds Actual Expenses, the amount you are remitting to your Grants Management account: \$ _____                  (please make check payable to LWVNYS EF)</p>	
<p>Person to whom check should be issued:</p>	
<p>Name: _____ Phone: _____ Email: _____</p>	
<p>Street Address: _____ City: _____ State: _____ Zip: _____</p>	

*Please send a copy of this report and one copy of any material published through this project to the LWVNYS EF no later than 60 days following the completion of this project. Keep a copy of your League files. REMEMBER TO KEEP ALL RECEIPTS AND FINANCIAL RECORDS FOR THIS PROJECT!*