

LAKE AREA FOUNDATION

Instructions for Community Development Grant Funding Applications

ABOUT THE INSTRUCTIONS

These instructions explain how to complete the Lake Area Foundation grant application, calculate the required match, prepare the project budget, and identify the required attachments. Please read the entire application and these instructions before beginning. Complete every question that applies to your organization and project.

Applications are evaluated using the information submitted by the deadline. Clear, specific answers help the Review Committee understand the project, its readiness, its community benefit, and whether the proposed budget is complete and realistic.

CURRENT FUNDING INFORMATION

Review the current Notice of Funding Opportunity for the applicable funding source, award limits, deadlines, Courtesy Review deadline, and submission requirements. If these instructions conflict with the Notice of Funding Opportunity, the Notice controls.

CONTACT INFORMATION

Questions about eligibility, requirements, or submission procedures may be directed to:

Email: laf@lcadd.org

Phone: (270) 866-4200

LAF staff can answer questions regarding technical requirements and procedures. However, LAF staff cannot assist with application preparation, project design, or otherwise advise applicants on how to make a proposal more competitive.

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BEFORE YOU BEGIN

- If completing the application digitally, please download the Fillable PDF file and open it in Adobe Acrobat Reader. Fillable fields and formulas may not work as intended in browsers.
- If completing the application by hand, please print the Manual PDF file. Handwritten applications should be written in neat, clear print. Please do not use cursive.
- Use N/A when a question does not apply. Do not leave an applicable question unanswered.
- Do not alter the application. Carefully read the instructions given. Responses must fit within the provided space unless the section specifies otherwise. Do not attach additional pages.

FUNDING OPPORTUNITY

Select only one funding opportunity for each application. The correct fund is determined by the geographic area receiving a direct and substantive project benefit. See the table below.

Funding Opportunity Selection – Quick Reference Guide	
Project directly benefits <u>only</u> Russell County.	Russell Co. Development Fund (RCDF)
Project directly benefits Russell County <u>and</u> at least one other eligible county.	Lake Cumberland Area Development Fund (LCADF)
Project directly benefits one or more eligible counties <u>other than</u> Russell County.	Lake Cumberland Area Development Fund (LCADF)

What counties are served by the LAF?

LAF's service area includes Adair, Casey, Clinton, Cumberland, Green, McCreary, Pulaski, Russell, Taylor, and Wayne Counties in Kentucky.

Does my organization's location determine which funding opportunity I should apply for?

No. The correct opportunity is based on the counties that will directly benefit from the specific project or project phase described in the application, not the applicant's address, headquarters, or overall service area. For example, an organization located outside Russell County must still apply for RCDF if the proposed project will directly benefit only Russell County.

How do you define Direct Benefit?

LAF considers a project to directly benefit a county when it intentionally provides services, improvements, access, or other meaningful benefits within that county. Incidental participation by individuals from another county or vaguely defined area benefits that cannot be directly attributed to the project do not automatically make the project regional.

Can I submit more than one application during a funding cycle?

Yes, applicants may submit multiple applications for consideration during a grant cycle IF each application is for a different, unrelated project. This includes submitting applications for both RCDF and LCADF or submitting multiple applications for one opportunity.

However, an applicant may receive only ONE award per funding cycle. This limit applies across both RCDF and LCADF, meaning an applicant cannot receive an award from both funds during the same cycle.

If you submit more than one application, you must complete the Project Priorities table in the application to rank your projects from your highest to lowest funding priority. This will assist LAF in making an award decision if multiple projects submitted by the applicant are considered for funding.

Can I still apply if my organization serves more than just the counties served by LAF?

Yes, but with certain caveats:

- **RCDF:** Funds must be used exclusively for activities directly benefitting Russell County.
- **LCADF:** Funds must be used exclusively for activities directly benefitting one or more counties within LAF's service area.
- LAF funds cannot be used for activities benefiting counties outside LAF's service area.

Fundable Example: A statewide children's program applies for RCDF funds to offset participation costs specifically for children from Russell County.

Non-fundable Example: A statewide children's program applies for LCADF funds to support general programming without identifying a direct benefit to children from LAF's service area.

APPLICANT INFORMATION

FIELD	INSTRUCTIONS
Organization Name	Enter the applicant's official legal name. If the applicant commonly operates under another name, include that name after the legal name as a "doing business as" or DBA name.
Organization Type	Local Government: A county, city, or other local government. Public Agency: A public entity that is not a local government, such as a tourism commission, utility district, fire district, library, or other Special Purpose Government Entity. Public School: A public elementary school, secondary school, school district, or other public educational institution. Private School or Organized Homeschool Association: A private school or organized homeschool group serving children from multiple unrelated households. Individual family homeschools do not qualify. Nonprofit Organization: An organization with current IRS 501(c)(3) status, including public charities and private foundations. Private Business: A privately-owned for-profit business, including a sole proprietorship, partnership, LLC, or corporation. Other: An applicant that does not fit another category. If chosen, please briefly identify the organization type.
Tax ID / EIN	Organizations without a Tax ID or EIN cannot directly receive an LAF award. Do not enter an individual's Social Security number. For organizations that use a parent organization's Tax ID or EIN (such as a nonprofit sports team organized under a local university), the parent organization must apply on your behalf and identify your organization as the intended recipient within the application. If uncertain, please contact the LAF for guidance.

Authorized Signer	The Authorized Signer is the person at the organization who has authority to sign a grant agreement and legally commit the applicant to its terms if an award is made. Examples include executive director, board officer, business owner, mayor, judge executive, superintendent, or other authorized official.
Application Contact	The Application Contact is the person the LAF should contact with questions about the application. This may be the person who prepared the application or who is most familiar with the proposed project. The Application Contact can, but does not have to be, the same person as the Authorized Signer.

PROJECT INFORMATION

FIELD	INSTRUCTIONS
Project Title	Enter a short, descriptive name that clearly identifies the proposed project. For example, "Example County Children's Book Fair Project."
Project Address	Enter the physical address or addresses where the project will take place. If the project will not take place at any specific site, enter "N/A."
Project Benefits	Select every county that will receive a direct and substantive benefit from the project. Do not select a county based only on the applicant's location, general service area, or possible incidental participation.
Status of Other Funding Sources	Answer based on funding status as of the application deadline. Funding is secure only if it is currently available or supported by a formal award or written commitment. Unsecured funding does not make a project ineligible, but the Review Committee will consider its effect on project readiness and timing.
Anticipated Start Date	Enter the date you realistically expect the proposed project or project phase to begin. Consider any remaining funding, approvals, purchasing, scheduling, or other preparations that must be completed first.
Narrative Responses	Read each prompt fully and follow the stated word limit. Do not attach additional narrative pages. Do not reduce font size or enable text scrolling within the PDF.

PRIVATE BUSINESS APPLICANTS

Private businesses may apply for LAF funding, but the proposed project must provide a direct and substantive benefit to the broader community.

Projects that solely or primarily benefit the business, its owners, or its paying customers are not eligible. Some benefit to the business does not automatically make a project ineligible, provided that the principal purpose and benefit of the project are community focused. LAF funds may not be used for ordinary business operating expenses.

Eligible for LAF Funding	Ineligible for LAF Funding
A childcare center proposes creating a sensory friendly playground that will be available to children throughout the community at no charge, including children not enrolled at the center.	A childcare center proposes creating a sensory friendly playground that will be available only to children who are enrolled as paying clients of the business.

Private business applicants must also demonstrate why LAF assistance is needed and why the project cannot reasonably be funded through available business resources or other financing.

FIELD	INSTRUCTIONS
Public Access Commitment	Select the minimum period the business can reasonably guarantee the promised public access. Choose “N/A” only for a one-time project or activity that will not create an ongoing facility, service, or resource. Any access commitment may be incorporated into the grant agreement.
Narrative Responses	Be complete and candid about the project’s community benefit, the business’s financial need, and any private benefit the business may receive. Private benefit does not automatically make a project ineligible, but reviewers will consider whether it is reasonable and secondary to the broader community benefit.

PROJECT FINANCES

All financial information must describe the same whole project or project phase. The Funding Total and Expense Total must match, and the amount assigned to LAF in the expense table must equal the LAF grant request.

Whole Project or Project Phase

If applying for one phase of a larger project, do not include the entire project budget. Include only the activities, funding, and expenses that are associated with the phase for which you are requesting LAF funds. The phase should have a clear purpose and produce a meaningful result on its own.

Whole Project Application	Project Phase Application
An organization applies for LAF funding for a community event. They plan to use the funding for a variety of overarching event expenses.	An organization applies for LAF funding for a community event. The event isn't taking place for another year, but they will use the LAF funds for reservations that must be booked immediately.
The application should include <u>all</u> funding and expenses necessary to plan and conduct the event.	The application should include <u>only</u> the funding and expenses associated with the reservations.

Committed Cash Match Requirement

Applicants must secure Committed cash funding equal to at least 20% of the LAF grant amount requested. The match requirement is NOT based on total project or phase cost.

All Committed cash funding included in the project or phase may count toward this requirement, not just applicant funds. A separate match contribution from the applicant is not required if the other Committed cash funds already meet or exceed the minimum amount.

The following will not be counted toward the committed cash match requirement:

- Donated labor, materials, property, or other in-kind contributions.
- Pending grants or loans.
- Anticipated fundraising, sales, fees, or registration revenue.
- Verbal or informal pledges.

Committed cash above the minimum threshold may result in more favorable consideration.

Drafting a Complete and Correct Project Budget

Application budgets must pass both of the following tests in order to be complete and correct:

Committed Cash Match Test:

Committed cash funding must total at least 20% of the LAF request. All Committed cash funding sources count toward this requirement, so a separate “Match” line is not required.

EXAMPLE
An applicant with a \$15,000 project requests a \$5,000 LAF grant. Their minimum committed cash match requirement is \$1,000. They also applied for a \$10,000 grant from another foundation.
If the other grant was already awarded at the time of their LAF application, those committed grant funds will cover the LAF’s minimum match without the applicant having to add additional funds of their own.
If the other grant is still pending at the time of their LAF application, the applicant would need to commit at least \$1,000 cash of their own funds in order to be eligible.

Balanced Budget Test:

The total of all cash funding sources must equal the total cash cost of the project or phase. This includes the LAF request and all Committed and Pending cash funding. Pending funding may be used to balance the proposed budget, but it does not satisfy the committed cash match requirement.

EXAMPLE
An applicant with a \$15,000 project requests a \$5,000 LAF grant. Their budget also lists an additional committed grant award of \$5,000, totaling \$10,000 in funding. Even though this passes the committed cash match test, it fails the balanced budget test.
In order to correct this error and be eligible for the desired grant, the applicant could commit \$5,000 of their own cash, identify another funding source to pursue, or use a combination of both. So long as the new funding totals \$15,000, it will pass the test.

Determining the Allowable LAF Grant Request

LAF grant requests must meet all of the following conditions:

- The request cannot exceed \$5,000.
- It cannot exceed the portion of the project or phase that is not covered by other funding.
- The budget must include Committed cash funding equal to at least 20% of the request.

The following sections explain in more detail how to determine an appropriate LAF grant request.

Starting from the Desired Grant Amount

If you already know how much you wish to request, you can use the following formula to determine the minimum amount of Committed cash funding the project must include:

$$(\text{LAF Request}) \times 20\% = \text{Minimum Committed Cash Match}$$

To confirm that your desired grant amount is appropriate for your total project costs, use the following formula:

$$(\text{LAF Request}) + (\text{Min. Committed Cash Match}) = \text{Minimum Total Project Costs}$$

If your project/phase's total costs are below the resulting figure, you must either adjust your LAF Request amount or add to your scope of work.

However, remember that all expenses must be reasonable, documented, and necessary to complete the proposed project or phase. You should not add additional expenses to meet the minimum if those additions do not substantially improve the project.

The table below provides a quick reference for common LAF grant request amounts.

LAF Request, Match, and Total Cost – Quick Reference Table					
LAF Grant Request	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Min. Cash Match	\$200	\$400	\$600	\$800	\$1,000
Min. Total Cost	\$1,200	\$2,400	\$3,600	\$4,800	\$6,000

Starting from the Total Project or Phase Cost

If you know the total project or phase cost, use the following calculation to determine the maximum LAF request the budget can support:

$$\text{(Total Project/Phase Cost)} - \text{(Total of All Non-LAF Funding)} = \text{Funding Gap}$$

If the Funding Gap is \$5,000 or less, that is the maximum allowable request. If the Funding Gap exceeds \$5,000, your maximum request is \$5,000 and you will need to identify other sources to cover the additional remaining gap.

Note that this calculation only determines how much LAF funding will fit within the budget. You must still confirm that the project includes Committed cash funding equal to at least 20% of the request.

Project Finances - Summary Amounts

The amounts entered at the beginning of the Project Finances section should match the detailed tables that follow.

FIELD	INSTRUCTIONS
LAF Grant Funding Requested	Enter the amount being requested from the LAF, not to exceed \$5,000. This figure must match the figure listed on the “LAF Grant Requested” line in the Project Funding table.
Total Committed Cash Match	Enter the total of non-LAF cash funding that has been Committed to the project, <u>even if</u> the total exceeds the minimum match requirement.
Total Cost of Project or Phase Funded	Enter the full cost of the project/phase covered by the application. This should equal both the Funding Total and Expense Total.

Potential for Partial Award

Select “Yes” only if the project can proceed with a reduced award and the applicant can cover the funding gap. Selecting “No” does not affect eligibility.

Completing the Project Funding Table

Follow these instructions to ensure the Project Funding table is correctly completed:

- List all Committed and Pending cash funding sources.
- Do not include in-kind contributions. These may be discussed in the narrative.
- Combine similar sources with the same status. Similar sources with differing commitment statuses should be reported separately.
- The Funding Total must match the Expense Total.
- Attach additional pages if needed.

Completing the Project Expenses Table

Follow these instructions to ensure the Project Expenses table is correctly completed:

- List only cash expenses for the project or phase.
- Group related expenses into practical categories, such as materials or labor.
- For each line item, specify how the expense will be allocated between the LAF request and Other Funds. These figures should add up to the line item’s total cost.
- The LAF Funds total must equal the grant request.
- The Expense Total must equal the Funding Total.
- Include cost documentation for each LAF-funded expense.
- Attach additional pages if needed.

Explaining Budget Discrepancies

The Project Funding and Project Expenses totals should match. If they do not, first check for missing entries or calculation errors.

If the discrepancy is intentional, identify the amount, explain the reason, and describe how the funding gap will be addressed. Applications without a reasonable explanation and plan for covering a funding gap may be disqualified.

Project Priorities

Complete this section only if the applicant is submitting more than one RCDF or LCADF application during the same cycle. List all submitted projects, including this one, in priority order and identify the applicable funding opportunity.

An applicant may receive only one LAF grant per cycle. The ranking will be used if more than one project would otherwise be selected.

Checklist for Final Review

Financial errors may cause an application to be returned for correction or removed from consideration. Before submitting, confirm:

- ☐ All amounts relate to the same whole project or project phase.
- ☐ Only cash funding and expenses are included.
- ☐ Committed cash funding equals at least 20% of the LAF request.
- ☐ Pending funding is not counted toward the match.
- ☐ The LAF Funds subtotal of expenses equals the LAF request amount.
- ☐ The Funding Total and Expense Total match.
- ☐ The summary amounts match the detailed tables.
- ☐ Documentation is included for all Committed third party funding.
- ☐ Cost documentation is included for each LAF funded expense.
- ☐ The Applicant Funds Certification is completed, if applicable.

REQUIRED ATTACHMENTS

Attachments should be clearly labeled and submitted with the application. Include only materials that are required or directly support the proposed project. Excessive background materials, promotional documents, or unrelated organizational records are not necessary.

Project Cost Documentation

Required for all applications.

Provide one source of documentation for each expense LAF funds would pay. Acceptable documents include:

- Vendor or contractor quotes
- Written cost estimates
- Price sheets or catalog pages
- Printed or saved online listings

Documentation must identify the source, item or service, and estimated price, including applicable taxes, shipping, or installation. One document may support multiple expenses if the relevant items are clearly identified. You do not have to provide multiple quotes for individual items.

Budgets prepared by the applicant, handwritten estimates, and unsupported figures are not sufficient. If an exact price is unavailable, provide the best estimate and explain its basis.

Committed Funding Documentation

Required for each Committed funding source to be provided by a third party. Applicant funds are certified on the application and do not require additional documentation.

Acceptable documents include:

- Grant award or approval letters
- Loan approval documents
- Signed commitment letters
- Other written confirmation from the funding source

Documentation must identify the source, amount, and project or phase supported. Verbal pledges, unsigned statements, pending applications, and general letters of support do not qualify.

Nonprofit Status Documentation

Required for nonprofit applicants.

Provide the applicant's IRS 501(c)(3) determination letter. The organization name and EIN should match the application. State registration, articles of incorporation, and sales tax exemption certificates are not substitutes.

If using a parent organization's 501(c)(3) status, the parent organization must apply on the project's behalf and provide its determination letter.

Business Financial Information

Required for private business applicants.

Provide financial information for the most recently completed calendar or fiscal year using one of the following:

- Profit and Loss Statement
- Income and Expense Report
- Financial summary prepared and signed by the applicant

The document does not need to be audited or prepared by an accountant. A summary prepared by the applicant must show the reporting period, total revenue, total expenses, and net profit or loss.

Businesses operating for less than one year should report from opening through the most recently completed month.

Do not submit personal tax returns, Social Security numbers, bank account numbers, or other unnecessary personal information.

APPLICATION CERTIFICATIONS

Before submitting:

- Confirm that the application is signed by the Authorized Signer you listed.
- If applicant funds are listed as Committed, complete the Applicant Funds Certification and enter the same amount shown in the Project Funding table.
- Complete the Private Business Certification only if applying as a private business.

If the Authorized Signer cannot make any of the required certifications, please contact the LAF.

SUBMISSION PROCEDURES

Applications must be submitted by mail, carrier service, or hand delivery to:

Mailing: Lake Area Foundation, P.O. Box 1570, Russell Springs, KY 42642

Physical: LCADD Office, 2384 Lakeway Drive, Russell Springs, KY 42642

Applications must be in the LAF's possession by 4:00 p.m. Central on the deadline stated in the Notice of Funding Opportunity. A postmark dated on or before the deadline is not sufficient. Applicants are responsible for allowing enough time for delivery.

Faxed or emailed applications are not accepted. Illegible/incomplete applications may be rejected.

COURTESY REVIEWS

The LAF cannot assist applicants in preparing their application or provide advice or guidance as it relates to application competitiveness.

However, applications received by the Courtesy Review Deadline listed in the Notice of Funding Opportunity will be checked for completeness and technical correctness. Applicants will have an opportunity to correct identified issues and resubmit before the final deadline.

A Courtesy Review does not evaluate project merit, guarantee eligibility, or ensure an award. Applicants remain responsible for the accuracy and completeness of their submissions.

Applications received after the Courtesy Review Deadline, including resubmissions, will be accepted as submitted. Courtesy reviews do not extend the final deadline.