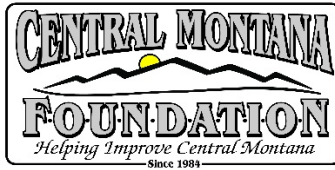


**P.O. Box 334
224 W. Main St., Suite 316
Lewistown, MT 59457**



(406) 538-6130

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CENTRAL MONTANA FOUNDATION OPERATING GUIDELINES

VISION: To meet the needs of current and future residents of Central Montana in relation to education, health and general economic improvement.

MISSION: To encourage charitable giving, build endowments, and distribute funds to improve life in Central Montana.

GOALS:

- Cultivate philanthropy to improve life in Central Montana.
- Communicate with finance professionals and donors about the advantages of charitable giving.
- Serve as a resource and catalyst for education regarding charitable activities.
- Help local non-profit and tax-exempt organizations build stable incomes through permanent endowments.
- Provide thoughtful consideration of grant requests from Central Montana Foundation's unrestricted funds.

SERVICE AREA: Central Montana Foundation serves the five county region of Fergus, Garfield, Judith Basin, Petroleum and Wheatland Counties. Central Montana Foundation's focus is to partner with tax-exempt and not-for-profit organizations located within these boundaries on projects enhancing life for its residents.

Grants from Central Montana Foundation's unrestricted funds are limited to tax-exempt or organizations with existing projects in Fergus, Garfield, Judith Basin, Petroleum or Wheatland Counties that meet not-for-profit status as defined under Section 501(c)(3) of the U.S. Internal Revenue Code, and who are registered and in good standing with the Montana Secretary of State.

1. The following are NOT eligible for Central Montana Foundation grants:
 - a. Grants to individuals.
 - b. Courtesy advertising.
 - c. Testimonial dinners.
 - d. Automatic renewal of grants.
 - e. Reimbursement of funds already expended on a project.
 - f. Grants to political organizations.
 - g. Organizations whose primary purpose is to influence legislation, to participate in or intervene in any political campaigns on behalf of any, or against any, candidate for public office.
 - h. Grants to religious organizations.
 - i. Requests that are discriminatory, illegal or harmful, or which pose an unacceptable conflict of interest to the community.

2. Major areas of interest are:
 - a. Scholarships/Education.
 - b. Projects that benefit the most people possible.
 - c. Projects that meet critical community needs.
3. Guidelines for giving:
 - a. The Foundation accepts gifts of money, stock, bonds, land and personal property available for resale, and other assets.
 - b. Gifts may be restricted or unrestricted.
 - c. Donors to the Foundation may be eligible for tax benefits.
 - d. Professional advice from attorneys and/or accountants should be considered prior to giving.
4. Guidelines for unrestricted funds:
 - a. General operating expenses of the Foundation salaries for Financial Advisor, Secretary and/or Director may come from these accounts.
 - b. An Administrator/Fund Raiser salary may come from these accounts.
 - c. Larger projects may come from these funds.
 - d. A portion of these funds may be considered for scholarships.
 - e. Guidelines for unrestricted funds should be kept flexible, thus allowing the Foundation Board discretion on how to best distribute these funds.
 - f. The Board will prioritize all requests for funds.
5. Guidelines for Permanent Endowment accounts (including Scholarships):
 - a. Applicant organization must be tax-exempt or meet not-for-profit status as defined under Section 501(c)(3) of the U.S. Internal Revenue Code and be registered and in good standing with the Montana Secretary of State. Donors setting up scholarship endowments are exempt from this requirement.
 - b. Organization must complete an application for a permanent endowment approved by the Foundation Board of Directors.
 - c. Applications should be sent to:

Central Montana Foundation
P.O. Box 334
Lewistown, MT 59457
 - d. Applicant must abide by the endowment agreement, with the principal portion of the fund to remain intact, with only the dividend and income available to be spent.
 - e. Applicant must verify that they have the required minimum balance to open the permanent endowment at time of application.
 - f. In regards to the management of permanent endowments, Central Montana Foundation adheres to the Uniform Prudent Management of Institutional Funds Act.
6. Guidelines for Pass Through accounts:
 - a. Applicant organization must be tax-exempt or meet not-for-profit status as defined under Section 501(c)(3) of the U.S. Internal Revenue Code and be registered and in good standing with the Montana Secretary of State.
 - b. Organization must complete an application for a pass through account approved by the Foundation Board of Directors.

- c. Applications should be sent to: Central Montana Foundation
P.O. Box 334
Lewistown, MT 59457
 - d. Applicant must abide by the pass through agreement.
 - e. Applicant must verify that they have the required minimum balance to open the pass through at time of application.
 - f. In regards to the management of pass through accounts, Central Montana Foundation adheres to the Uniform Prudent Management of Institutional Funds Act.
7. Guidelines for Donor-Advised Funds:
- a. Donor-Advised Funds are irrevocable and owned and controlled by the public charity (CMF).
 - b. Donors to a Donor-Advised Fund will be provided with a charitable gift receipt in the year when the donation was given.
 - c. Donors who set up a Donor-Advised Fund provide nonbinding recommendations regarding distributions to tax-exempt or organizations that meet not-for-profit status as defined under Section 501(c)(3) of the U.S. Internal Revenue Code, located within the United States.
 - d. Donors may request a Donor-Advised Fund Agreement by contacting:
Central Montana Foundation
P.O. Box 334
Lewistown, MT 59457
406.538.6130
8. Grant Application procedure:
- a. Applicant organization must be tax-exempt or meet not-for-profit status as defined under Section 501(c)(3) of the U.S. Internal Revenue Code and be registered and in good standing with the Montana Secretary of State.
 - b. Submit a completed application to the Foundation.
 - c. Be prepared to make a five-minute maximum presentation to the Board of Directors.
 - d. The Board will determine if the request meets the criteria of the Foundation and then make a decision on funding.
 - e. Recipients agree to abide by the terms of Central Montana Foundation grant awards and to grant reporting requirements.
 - f. Written requests should be sent to: Central Montana Foundation
P.O. Box 334
Lewistown, MT 59457
 - g. Central Montana Foundation's regular monthly meeting is the 4th Tuesday of each month.
9. Request requirements:
- a. Brief description of the project.
 - b. Project activities and timeline.
 - c. Sources of funding for ongoing operation and maintenance of project.
 - d. Fundraising activities for project.
 - e. Number of people benefited by the project.

- f. Proposed operating budget.
- g. Other sources of funding.
- h. Current financial position.
- i. Project budget.
- j. Sources of income/matching funds for the project.
- k. Proof of eligibility as tax-exempt entity or active registration with Montana Secretary of State.

10. Request categories:

- a. General: These requests are to be limited to less than \$5,000. Requests which are received by the 10th of the month will be presented and discussed during the regular monthly meeting, but may or may not be acted upon at that meeting. Requests received after the 10th of the month will be put on the agenda for the following regular monthly meeting. The Board recognizes that some requests may require immediate action and if so, this policy may be amended by the Board. Distribution of funds will generally be immediate with consideration given to availability of funds. Funds are to be expended within one year of award. Recipient must abide by the terms of the grant contract and reporting requirements or forfeit the award.
- b. Major: These requests are for major projects that exceed the limitations of the general requests. The Board will act on these requests once per year. These major grant requests (\$5,000+) must be received by the Foundation by April 1st and will be discussed at the May annual meeting, and may or may not be acted upon at the meeting. Distribution of funds for these projects will be at the discretion of the Board, based on the availability of funds, project needs and other considerations. Funds are to be expended within one year of award. Recipient must abide by the terms of the grant contract and reporting requirements or forfeit the award.

11. Distribution of undesignated funds:

- a. General Projects: Funds for general projects will come from the earnings of CMF's General Fund and other unrestricted permanent endowments. At the Board's discretion, earnings may be moved from these unrestricted funds to help fund major projects.
- b. Major Projects: Funds for major projects will come from 60% of the Mildred Bryte Estate fund. At the Board's discretion, earnings may be moved from these unrestricted funds to help fund other projects.

12. All terms, conditions, fund balances and criteria included in these guidelines are subject to change at the discretion of the Central Montana Foundation Board of Directors.