Grant Guidelines for Broad Reach Foundation, Venturous Theater Fund and From Now On Fund

Revised March 5, 2026

Broad Reach Foundation has multiple program areas designed to advance our mission to promote healthy ecosystems, coexistence, community resilience and human well-being. This document includes guidance on the following topics:

- Types of funding requests
- Funding restrictions
- Entities that are fiscally-sponsored by another US-based 501c3 organization
- Guidelines for organizations that engage in advocacy and lobbying

If you have specific questions about these guidelines, please reach out to your program contact. If you have questions about using our grants management system, Foundant, please reach out to Dan Darbandi, dan@broadreachfdn.org.

Types of Funding Requests

We provide multiple types of grants including:

- general operating support
- project support
- program support

Most grants are awarded for a 12-month period. We also provide multi-year support. However, multi-year awards are typically reserved for organizations that the Foundation has funded previously rather than new applicants.

Funding Restrictions

We do not typically fund the following types of requests:

- Capital or endowment campaigns
- For-profit commercial ventures or product development
- Scholarships
- Religious activities
- Sponsorship for events primarily focused on fundraising

We cannot fund:

- Electioneering, including campaigns for candidates for public office, electoral campaigns or any activities designed to directly support a candidate for public office
- Grants to individuals
- Lobbying (see more detail on page 3)

Fiscally-sponsored projects

Fiscally-sponsored projects are common in the nonprofit sector. A fiscal sponsor is a public charity exempt under 501(c)(3) of the Internal Revenue Code that provides control and oversight over the activities of a non-exempt group ("project"). These activities must further general charitable purposes as defined in Section 501(c)(3). Fiscal sponsors may receive grants for activities that further charitable purposes but will be carried out by organizations that are not themselves exempt public charities under Section 501(c)(3).

When applying for a grant from Broad Reach Foundation, fiscally-sponsored projects will be prompted to upload a current copy of their fiscal sponsor agreement or memorandum of understanding between the fiscal sponsor and the sponsored entity. We require this because a grant would be paid to the fiscal sponsor and restricted for the fiscally- sponsored entity. We need to ensure the fiscal sponsor has meaningful fiscal control and governance oversight of the fiscally-sponsored project.

A fiscal sponsor agreement should include the following information and be signed by both parties:

- Details on financial management, such as how funds are received and disbursed by the fiscal sponsor, the administrative fee structure, and reporting requirements.
- Define the roles and responsibilities of the fiscal sponsor and fiscally-sponsored project;
- Indicate the duration of the agreement (spanning at least the length of the proposed funding period);
- Describe the services and oversight the fiscal sponsor provides;
- Indicate the procedures for termination of the fiscal sponsor relationship.

Please make sure to review the agreement before including it with your application. We cannot accept agreements that:

- Contain an end date that occurs before the projected grant start date,
- Contain an end date that occurs during the projected grant period,
- Indicate a defined end date, but do not stipulate what the end date is.

Open ended fiscal sponsorships are acceptable provided they stipulate how the sponsorship may be terminated. Fiscal sponsorship agreements noted as renewing on a specific date should include a note that they will last for the duration of the projected grant.

If you need more information about fiscal sponsorship agreements, these samples might be helpful: https://www.d7.ncnonprofits.org/resources/sample-fiscal-sponsorship-agreements

Guidelines on Lobbying

Public policy has a big impact on many of the Foundation's programmatic interests. Many nonprofits engage in advocacy and lobbying to influence public policy outcomes. "Advocacy" and "lobbying" are sometimes used interchangeably even though there are specific definitions according to the IRS. Broad Reach Foundation is a "private foundation" and under US tax laws may not pay or incur any amount to "carry on propaganda or otherwise attempt to influence legislation". This is often referred to as the IRS prohibition on lobbying. This prohibition extends to the grants the Foundation makes and activities conducted by grantees with funds from the Broad Reach Foundation. The IRS provides very specific definitions of lobbying, rules about lobbying activity and exceptions to the lobbying prohibition. The information below is intended to help familiarize applicants with these definitions and rules. It is not legal advice. Applicants should secure their own legal counsel for questions about potential lobbying activity.

<u>What is the definition of lobbying for the purposes of private foundation rules?</u>

For purposes of the private foundation rules, lobbying can take two forms:

1. Direct Lobbying is any attempt to influence any legislation through communication with:

- any member or employee of a legislative body or any government official or employee who may participate in the formulation of the legislation;
- about specific legislation; AND
- Reflects a view on such legislation.

All elements must be present for there to be direct lobbying.

2. Grassroots Lobbying is any attempt to influence any legislation:

- a communication that attempts to affect the opinions of the general public;
- refers to specific legislation;
- reflects a view on such legislation; AND
- encourages the recipient of the communication to take action with respect to such legislation (e.g. providing "calls to action" with contact information for a legislator).

All elements must be present for there to be grassroots lobbying (a more inclusive definition applies to some paid mass media communications.) Identifying the sponsor of the legislation does not count as a call to action.

What is specific legislation?

Legislation is "action by the Congress, any state legislature, any local council, or similar legislative body, or the public in a referendum, ballot initiative, constitutional amendment or similar procedure." It includes:

- specific legislative proposals (including those not yet introduced)
- foreign and domestic legislation, including local legislation
- authorizing and appropriations legislation
- tax bills
- Senate confirmation of administration appointees
- legislative resolutions, even if they have no binding effect
- treaties subject to legislative approval
- a ballot initiative or referendum

Please note that this definition includes legislation introduced in foreign countries and legislation discussed at the local level with a city council or similar body.

What is **not** considered specific legislation?

Legislation does not include:

- Broad pledges or public commitments, which do not reference or address specific legislative line-items, proposals or appropriations
- administrative rules or regulations enacted by a government agency or department
- actions solely within executive power
- judicial decisions or other government activities not subject to legislative vote or approval.

Are there any exceptions to the lobbying prohibition?

Yes, there are exceptions to the general prohibition on lobbying that apply to both a foundation and its grantees. Specifically, two of the most commonly used exceptions are:

- technical advice or assistance provided to a legislative body in response to a written request for advice or assistance; the request for assistance must be made in the name of the requesting legislative body rather than an individual member thereof; and the response must be available to every member of the legislative body.

- nonpartisan analysis, study, or research that includes a full and fair exposition of the facts to enable the public or an individual to form an independent opinion or conclusion and such communication may not be limited to, or be directed toward persons who are interested solely in one side of a particular issue.

What are some examples of lobbying and non-lobbying/use of exceptions?

Lobbying examples

• Drafting, negotiating or providing comments on the terms of a bill

• Encouraging support of appropriations that are subject to legislative approval

• Expressing support to a legislative official for confirmation of an administrative appointee

• Emailing an op-ed with legislative recommendations directly to a government official

• Urging policymakers to increase funding for a specific program that has a line item in the legislative budget

Non-lobbying/use of exceptions examples

• Monitoring the progress of legislation that will impact programmatic objectives

• Providing testimony before a congressional committee addressing a broad social issue (e.g., support of better data collection on childhood hunger)

• Providing written information to a Senate committee in response to a written request for such information from the chair of the committee

• Discussing legislative proposals with the media or other non-government audience

• Broadly disseminating a non-partisan report providing a full and fair analysis of the impact of gas prices on EV vehicle sales.

Are non-legislative communications impacted by these rules?

A foundation can fund discussions with executive/administrative officials (government heads, governors, agency, ministry and department heads, mayors, staff, etc.) when the subject matter does not include specific legislation or legislative proposals. There is no prohibition against influencing the regulatory process or influencing spending decisions that do not require legislative approval.

Can a foundation like Broad Reach Foundation make grants to public charities that lobby?

Only in two specific cases:

1. A foundation may make general operating support grants to public charities, as long as

(i) the grant funds are not earmarked in whole or in part for lobbying AND

(ii) the public charity grantee has complete discretion to determine how the grant funds will be used.

2. A foundation may make project grants to public charities that lobby, as long as

(i) the grant funds are not earmarked in whole or in part for lobbying AND

(ii) the amount to be provided by the foundation does not exceed the amount budgeted by the grantee for activities of the project that are not attempts to influence legislation (i.e., the foundation cannot be the sole funder of the project and the foundation funds the non-lobbying components of the project).

(iii) The grantee's budget must be certified by an officer, and the Foundation must not have reason to doubt its accuracy.

Grant Applications

For general support grants, a broad description of the organization's activities is appropriate.

If you are requesting project support and part of the project involves direct lobbying or grassroots lobbying, you must explain that you have sufficient funding other than Broad Reach Foundation funding to cover the lobbying portion of the project. Specifically, you must provide the Foundation with a budget which allocates expenses between lobbying and non-lobbying activities or indicates that $0 is allocated for lobbying in the project budget. The amount of the requested grant must not be more than the amount of the project budget allocated for non-lobbying purposes. The Foundation may not earmark or direct the grant to be used for lobbying.

Grant Reports

After receiving a grant, you must report to the Foundation on at least an annual basis to describe how you have used the Foundation's grant funds. If you provided a project budget in the grant application, we expect reports to describe how you have accomplished the activities outlined in that budget and to see the supporting financial statements. Should your reported activities differ from those approved by the Foundation in making the grant, the Foundation may ask for additional information to ensure that those activities are consistent with Foundation's charitable purposes. If those activities involved lobbying or political intervention, tax law requires that we seek correction of those expenditures, as described in the Foundation's grant agreements.

A grantee with many different funding sources for one project may engage in lobbying as part of the project. However, any grant reports submitted to Broad Reach Foundation must clearly indicate that no Foundation funds were used to carry out lobbying activities.