

**Precinct One/McCarty Road Landfill Community Service Corporation
Community Grants Program**

Guidelines and Expenditure Responsibility

1. Purpose

The Precinct One/McCarty Road Landfill Community Service Corporation (“Corporation”) supports innovative programs that serve to educate and positively impact the community. The purpose of the Corporation’s Community Grants Program is to fund board-approved grant requests to eligible organizations.

2. Eligible Organizations

Eligible organizations are 501(3)(c) organizations in good standing and schools (K-12 and institutions of higher education and foundations affiliated with institutions of higher education) located within Harris County Commissioner Precinct One.

Organizations not eligible to receive grant funds include organizations that are closely affiliated with the directors, officers or staff of the Corporation. An organization or a person who is closely affiliated with the directors, officers or staff of the Corporation is one who has decision-making authority as an executive or member of a body of the grant applicant.

3. Payee of Grant Awarded

The Corporation will make payment directly to the grant recipient to be used for the purposes expressed in the grant application. Such funds shall be paid to the grant recipient on the condition that the funds are used solely for the purposes set out in the application.

4. Selection of Grant Recipients

The Corporation’s board shall appoint a Grant Review Committee composed of one or more board members and one staff member. The Grant Review Committee shall evaluate grant applicants based on:

- a. Organization’s background and need for the project
- b. Project objectives and impact
- c. Project evaluation
- d. Community partnerships and support

- e. Future funding plans
- f. Staff qualifications
- g. Matching funds
- h. Budget

Members of the board of the Corporation and the Grant Review Committee should not be in a position to derive a private benefit, directly or indirectly, from any grant recipient selected.

5. Reports and Records

The Corporation will maintain records on all grant recipients, including the name and address, the purpose of the award, amount of the award, and the manner of selection of the award.

The Corporation will also maintain records of all information obtained to evaluate the potential grant recipients and records to substantiate that it exercised oversight and investigation, if any, as set forth below. If a grant recipient is classified as an operating foundation by the Internal Revenue Service, the below-mentioned reports and records requirements do not apply.

The grant recipient must submit a written report, within the time period set out in the grant award, that documents the expenditure of funds awarded for the eligible purposes listed in the grant recipient's application.

If the Corporation concludes that a grant recipient has not used the funds awarded for the eligible purposes set out in the grant recipient's application, the Corporation will take appropriate action and seek a refund of the grant award. Specifically, if the Corporation determines that any part of the grant award has been used for improper purposes and the recipient has not previously diverted funds to an improper purpose, the Corporation shall:

- Take all reasonable and appropriate steps to (i) recover the funds or (ii) ensure the restoration of the diverted funds to appropriate purposes as set out in the grant application; and
- Withhold further awards or payments after becoming aware that a diversion may have taken place until the Corporation (i) has received the recipient's assurances that future diversions will not occur, and (ii) requires the recipient to take extraordinary precaution to prevent future diversions.

In cases where a recipient has previously diverted grant funds received from the Corporation, and the Corporation determines that grant funds have again been used for an improper purpose, the Corporation shall:

- Take all reasonable and appropriate steps to (i) recover the funds or (ii) ensure the restoration of the diverted funds to appropriate purposes as set out in the grant application; and
- Withhold further awards or payments until (i) the misused funds are recovered, (ii) the Corporation has received the grant recipient's assurances that future diversions will not occur, and (iii) the Corporation requires the recipient to take extraordinary precautions to prevent future diversions.