



**MINNESOTA HUMANITIES CENTER (MHC) GRANT FUNDING 2023  
FAQ's**

**GENERAL INFORMATION**

**Q. What competitive grant lines has the Minnesota Legislature asked MHC to administer in 2023?**

<b>Grant lines</b>	<b>Eligibility</b>	<b>Grant Focus</b>	<b>Available Funding</b>	<b>Maximum</b>
Civics	Organizations	Law, Democracy, Government, and Debate.	\$300,000	\$150,000
Capacity Building	Organizations	Training and Consultation for grant writing & reporting, fundraising, operations, and nonprofit management).	\$750,000	\$75,000
Emergency Response	Organizations	Grieving, Healing, Memorials, and Recovery.	\$100,000	\$30,000
Children's Museums	Children's Museums	Serving the needs of Children through exhibits & programs.	\$2,200,000	NA
Cultural Heritage*	Organizations & Individuals	Create, celebrate, and teach art, culture, and heritage.	\$8,000,000	NA

\*MHC has been directed by the Minnesota Legislature to award \$2,000,000 of the Cultural Heritage grants with a minimum grant award of \$150,000.

## ELIGIBILITY

**Q. Am I eligible to receive funding from MHC if I'm receiving funding from another source such as a Foundation, a Legacy funder (Minnesota Historical Society or the Minnesota State Arts Board), or a state administrative agency (Department of Administration, Department of Education, or Department of Employment and Economic Development)?**

Yes, you may receive funding from MHC only if the activities and costs that you seek within your MHC proposal are not covered by another funder. For example, if you need \$50,000 for your entire project and you have received \$25,000 from the Department of Administration, you may apply for up to \$25,000 from MHC for eligible expenses that are not covered by the grant from the Department of Administration.

**Q. What does it mean to be “in good standing” with IRS and MHC?**

An organization is in good standing when it has completed all IRS reporting requirements and can receive tax-deductible charitable contributions. MHC uses the [IRS Tax Exempt Organization Search](#) to determine if the organization is in compliance.

An organization that has failed to complete a prior grant, has a history of inconsistent and inaccurate financial reporting, or a history of overdue reports may not be in good standing with MHC. If you are unsure whether you are in good standing with MHC, contact Laura Adams, Grants Administrator, at 651-772-4244, or [laura.adams@mnhum.org](mailto:laura.adams@mnhum.org). MHC may grant an exemption to an organization that is not in good standing with MHC if the applicant uses a Fiscal Sponsor.

## TECHNICAL ASSISTANCE

**Q. Can we receive technical assistance from MHC?**

Yes, MHC is available to provide technical assistance to complete online submissions through the close of the deadline. Contact Laura Adams, Grants Administrator, at 651-772-4244, or [laura.adams@mnhum.org](mailto:laura.adams@mnhum.org), to request technical assistance.

**Q. Can we receive feedback from MHC about our application before we submit it?**

Yes, MHC is available to review drafts of your proposal and budget up to one week before the deadline. This allows applicants time to incorporate MHC's feedback prior to their submissions by the deadline. Contact Laura Adams, Grants Administrator, at 651-772-4244, [laura.adams@mnhum.org](mailto:laura.adams@mnhum.org), to coordinate MHC's review of draft documents.

Please contact Laura Adams, Grants Administrator, at 651-772-4244, [laura.adams@mnhum.org](mailto:laura.adams@mnhum.org), with your technical assistance questions.

## **APPLICATION SUBMISSION**

### **Q. I don't have access to a computer. Do I have to apply online?**

The preferred method for applying for an MHC grant is to apply online. However, you do not need to submit your application online. If you need accommodation to submit a hard copy of your application to MHC, contact Laura Adams, Grants Administrator, at 651-772-4244, or [laura.adams@mnhum.org](mailto:laura.adams@mnhum.org).

### **Q. Can there be co-applicants on a grant?**

No. While there may be multiple collaborators on a grant proposal, one individual or organization must be designated as the lead applicant. The lead applicant will serve as the main contact for MHC and contact for MHC and the party responsible for submitting all documents to MHC.

### **Q. Can I be listed as a collaborator on multiple applications?**

Yes, you may collaborate on multiple applications if you are not the lead applicant on more than one application. You may only be awarded one grant per round as a lead applicant.

### **Q. Can I apply for funds to host a benefit or fundraiser?**

No, Minnesota law prohibits Legacy funds from being used to support a benefit or fundraiser.

### **Q. What should I consider as I am deciding how much to request?**

Applicants, at a minimum, should consider the scale and scope of their projects, alternative possible funding sources, and the duration of the project in determining the amount to request.

MHC provides information sessions, one-on-one support, and resources to help applicants factor all the various considerations (size of project, reach and impact, project updates, and financial tracking and reporting requirements), when determining how much to request.

We strongly recommend applicants take advantage of MHC support in developing project ideas and drafting requests for funding. Review of past grant cycles shows applicants who sought the support and incorporated feedback from MHC prior to their submissions, were more successful in reviewing awards. Please contact us early in the open application period so we can be as helpful as possible.

**Q. What type of expenses can I consider in deciding how much to request?**

The following expenses may be considered within any grant proposal:

1. Wages, salary, and benefits of staff working on the project for the hours (hourly employee), or proportionate salary (management employee) spent by the individual working on the project, and
2. Compensation due to independent contractors for designing, administering, and implementing the project,

There are some expenses that **should not** be considered within a grant proposal:

1. Expenses for travel outside of the State of Minnesota,
2. Durable equipment such as iPads, computers, monitors and AV,
3. Support capital costs (such as improvements, construction, property, or equipment),
4. T-shirts, promotional items, or gifts given to promote the applicant's brand,
5. Food expenses when expenses are either (i) incurred during the planning phase of the project, or (ii) are not essential to the final program,
6. Wages, salary, and benefits of staff for the time that such individuals are not working on the project, and
7. Start, match, or add to any type of capital campaign.

The following additional expenses may be considered within a **Capacity Building** grant proposal:

Capacity Building grants also allow organizations to obtain reimbursements of expenses for business consultants and nonprofit management experts for their time providing training and coaching. Grantees may not seek reimbursement to offset expenses incurred for the consultant or expert to travel to Minnesota to provide training and coaching.

The following additional expenses may be considered within an **Emergency Response** grant proposal:

Emergency Response grants also allow organizations to obtain reimbursements of expenses incurred to process grieving, encourage healing, create memorials, and assist the community in recovery.

**Q. What type of financial documents do I need to submit with my application?**

The following financial documents may be considered within a **Cultural Heritage, Capacity Building, Emergency Response, and Civics** grant proposals:

If your grant application is \$24,999 or less, you do not need to submit any financial documents to MHC.

If your grant application is \$25,000 or more, you will need to submit the following additional financial documents to MHC:

- If annual revenue is less than \$750,000, you will need to provide your IRS 990 form,
- If annual revenue is \$750,000 or more, you will need to provide your most recent certified audit.

The following financial documents may be considered within a **Children's Museum** grant proposal:

- If your annual revenue is less than \$750,000, you will need to provide their IRS 990 form.
- If the annual revenue of the organization is \$750,000 or more, the organization will need to provide a copy of its certified audit.

Failure to timely provide any of the above financial documents to MHC may prohibit the applicant's grant proposal from being considered by MHC.

**Q. Is all of the information I submit to MHC public data?**

Yes, unless you specifically identify the data that you submit to MHC as a trade secret or proprietary information, all of the information you submit to MHC is public data subject to production to the public upon a data practices request submitted to MHC.

**Q. When will I be notified about my application?**

MHC expects to begin making official notifications of grant awards in December 2023.

## **FISCAL SPONSOR**

If you need a Fiscal Sponsor, you will be considered the awardee and the Fiscal Sponsor will be considered the Grantee under the grant agreement. A Fiscal Sponsor may not charge more than ten percent (10%) of the total grant award.

**Q. What is a Fiscal Sponsor?**

A Fiscal Sponsor works, at a minimum, with the awardee to:

- a. Ensure that all financial reports required to be submitted to MHC under the grant agreement are timely and accurate,
- b. Produce all financial reports as supporting documentation for the grant to MHC or other Minnesota governmental entities when requested, and
- c. Maintain all financial reports and supporting documentation for six (6) years after completion of the grant as required by Minnesota law.

The awardee remains solely responsible for ensuring that all programming is implemented as described within the grant agreement.

**Q. What is the responsibility of a Fiscal Sponsor?**

A Fiscal Sponsor must maintain all necessary records to show and account for the use of grant funds awarded to the Grantee. Under [Minn. Stat. §16C.05, subd. 5](#), A Fiscal Sponsor should ensure that all books, records, documents, and accounting procedures and practices relevant to the grant contract are maintained for a minimum of six (6) years from the end of the grant contract to allow for examination upon request by MHC, the State of Minnesota, the State Auditor, or the Legislative Auditor.

A Fiscal Sponsor is required to participate in a Grantee orientation training session consistent with the terms of the grant agreement and the initial grant award by MHC to the Grantee. Failure to participate in the orientation training session may result in suspension of the grant contract.

**GRANT AWARD**

**Q. What happens after we receive notice, we were awarded a grant?**

MHC will forward correspondence to you to ensure that grants funds can be promptly distributed to you. You will be asked submit W-9 and ACH authorization paperwork to MHC.

MHC will also forward information on how you can access MHC online grant management system. The online grant management system is the primary means by which MHC communicates with Grantees. In order to facilitate communication with MHC, please become familiar with the online grant management system. MHC will also forward information to you on how you access MHC Grantee Toolkit.

Finally, MHC will forward information to you on how you can attend Grantee orientation training. If you have a Fiscal Sponsor, both you and your Fiscal Sponsor are required to attend the Grantee orientation consistent with the terms of the grant agreement.

**Q. Is the online grants management system the only way MHC communicates with Grantees?**

No. While MHC relies primarily on the online grants management system for most communication with Grantees, MHC can and does communicate with Grantees by phone, email, and written correspondence.

**Q. How often does MHC make payments?**

Payments are made by MHC to Grantees on the payment schedule outlined in the grant agreement that has been negotiated with the Grantee.

**Q. What information must I submit in order to request payment from MHC?**

In order to request payment from MHC, you will need to provide invoices setting forth expenses incurred and information as to whether spending on the project is consistent with the budget for the project.

**Q. Once my payment request from MHC has been approved, when can I expect to receive payment?**

MHC will issue payment within thirty (30) days once your payment request has been approved.

**Q. Can I get reimbursed for expenses I incur after I receive notice that my proposal has been accepted but the grant agreement has not been executed?**

No, Minnesota law prohibits reimbursement of any expenses prior to execution of a grant agreement. Please therefore sign and return your grant agreement to MHC as soon as possible to maximize the expenses for which you may seek reimbursement.

**Q. What training is required once the proposal has been accepted?**

All Grantees, awardees, and their Fiscal Sponsor, are required to participate in one Grantee orientation that is consistent with their grant agreement. No other training is required.

While not required, many successful awardees take advantage of MHC Grantee Toolkit resources and establish regular consistent communication with MHC's grants team who can provide coaching and directions to ensure successful completion of your grant within the terms of your grant agreement.

**Q. Does MHC expect awardees to acknowledge their award?**

Yes! Minnesota law requires recipients of the Legacy grants to acknowledge receipt of such funding to the general public. The grant agreement between the awardee and MHC will set forth the Legacy logo, MHC logo, and acknowledgment language that should be used by the awardee. MHC anticipates that for Legacy grants that awardees and Grantees will include the Legacy logo, MHC logo, and acknowledgment language in public and annual reports.

**Q. Will I have to submit progress reports on the grant agreement?**

Yes, Grantees will be required to submit one interim report and your grant agreement will outline the schedule as to when your interim report is due to MHC.

**Q. Can I pay individuals working on the grant with cash?**

No. Due to the difficulty in creating and maintaining electronic files and paper documentation of cash transactions, the State of Minnesota does not allow awardees to pay vendors with cash.

**Q. Can I use PayPal? Can I pay individuals working on the grant with gift cards?**

The State of Minnesota strongly discourages the use of PayPal, Venmo, or any similar online payment processor by a grant awardee. The State of Minnesota also strongly discourages the use of gift cards by a grant awardee.

If you decide to use PayPal, Venmo, or use a gift card for an individual working on the grant, please contact Laura Adams, Grants Administrator, at 651-772-4244, [laura.adams@mnhum.org](mailto:laura.adams@mnhum.org), **before payment is made**, so MHC can provide you with advice on how to minimize the likelihood of the State of Minnesota declining your request for funding under the terms of your grant agreement.

**POST AWARD**

**Q. Will I need to provide a final progress report to MHC?**

Yes. Your grant agreement will detail that a final report is due to MHC. MHC will use information from your final report to update the Legislature and the public on the success of your project.

**Q. What financial reporting must I provide MHC when the grant has been completed?**

Upon conclusion of the grant agreement, the Grantee or Fiscal Sponsor must provide information to allow MHC to conduct a financial reconciliation. The level of financial reporting that must be provided to MHC when the grant has been completed is dependent on the amount awarded and whether the Grantee or Fiscal Sponsor obtained an advance. Any grant agreement for \$50,000 will require one (1) on-site visit from MHC. Detailed information about what financial reporting needs to be provided can be found in the Grantee orientation training, Grantee Toolkit, and grant agreement.





## MINNESOTA HUMANITIES CENTER (MHC) GRANT FUNDING 2023 Information Session FAQ's

### Capacity Building Questions

**Q. Can you clarify what it means to fund "Assist with capacity building and fundraising capabilities." but exclude "Support benefits and fundraisers."**

Meant to invest in infrastructure (staff/training/consultants).

**Q. Under Capacity Building, can you create and hire a new staff person not just increase existing staff capabilities?**

No. Funding is available to provide training and assisting staff and to retain professional/experts to build the skills and capabilities of staff.

**Q. Are only organizations able to apply for capacity building?**

Yes, only organizations are eligible to apply.

**Q. For organizations to be eligible for a capacity building grant, does their budget need to be under a certain amount?**

No, there is no budget requirement.

**Q. How does MHC define capacity building?**

The state statute does not provide a definition for capacity building in the legislative language. Applicants are encouraged to review the posted details regarding the funding availability and grant goals to determine if their needs align with the information posted at [www.mnhum.org/what-we-do/grants/capacity-building-grants/](http://www.mnhum.org/what-we-do/grants/capacity-building-grants/).

**Q. I have a civic engagement cohort and I'm wondering if the financial management needs fall under the Civics or the Capacity Building category because they are both for the administration and we also offer financial literacy. I want to know if I could be funded to provide the financial literacy to my cohort participants as well as to my staff.**

Capacity building is for a cultural organization. You need to be a cultural organization for capacity building, meeting all of the cultural heritage requirements. If you can meet that, then you'd want to make the case in your proposal how bringing in an external consultant to support the financial literacy of your cohorts further your organization's capacity.



## MINNESOTA HUMANITIES CENTER (MHC) GRANT FUNDING 2023 Information Session FAQ's

### General Questions

**Q. Can we apply for both the Cultural Heritage grant and the Capacity Building grant?**

Yes.

**Q. Can a cultural organization “receive” a cultural heritage grant and a Capacity Building grant?**

Yes.

**Q. Is there a reimbursement grant, or are funds distributed up front?**

The preferred method is reimbursement. However, there is the option to request an advance. The RFP will also detail what is required of both.

**Q. Is there a limit to what percent of an organization’s annual budget an MHC grant can be?**

There is no set percentage.

**Q. Do you do all or nothing funding, or can a partial dollar amount be awarded?**

Yes, we can award partial funding.

**Q. Do you anticipate projects will be able to begin in the first week of January 2024?**

Yes.

**Q. Do you award a new organization that hasn’t received grants in the past, and only runs off donations and fundraising?**

Yes, if you meet the eligibility requirements.

**Q. Once an outside scholar is in Minnesota, can funds be used to pay them for their participation in a project?**

No.

**Q. Does MHC award fiscally sponsored organizations or only 501c3 nonprofit organizations?**

We accept fiscally sponsored organizations.

**Q. What is the spending start date? When will we hear whether we've been funded or not?**

The spending start date is when your contract is fully executed. MHC anticipates making award notifications prior to January.

**Q. What is the local required financial match?**

There isn't one.

**Q. Under Allowable Expenses, is there a requirement/limitation that the core project staff members must be MN residents?**

They need to be Minnesota-based.

**Q. Can I apply for a new expansion of our work?**

New work would include an expansion of previous work. You would need to make the case of why funding is needed. Was it a new community? Is it a new geographic area?

**Q. Are greater MN communities a priority population?**

The statute does not direct MHC with specificity about greater Minnesota communities.

**Q. Can the grant pay for remote-working staff or contractors? For example, if a staff person is out-of-state for a month during the grant period, but is working on Minnesota programming, can that person be paid for that time?**

If the staff member is Minnesota-based. All staff and contractors must be Minnesota residents.

**Q. Everything is happening in Minnesota. But we have one staff person who no longer lives in Minnesota. Would they still be able to work on this project using funds from the grant?**

No. We're not going to be monitoring workstations, however, depending on the size of the grant, we are going to look at payroll records. If their payroll records indicate they're paid anywhere other than Minnesota, that is not an allowable expense.

**Q. Do we have to name a person we will be contracting with, or can we just list the amount of the contract, and find someone who will work for that amount?**

If you're awarded, we will need more visibility. In the proposal, there's no assessment criteria that would prohibit you from navigating it that way.



**MINNESOTA HUMANITIES CENTER (MHC) GRANT FUNDING 2023  
Information Session FAQ's**

**Fiscal Sponsor Questions**

**Q. Do you have any advice for finding financial sponsors?**

We can provide a list of fiscal sponsors we have relationships with, send an email address to Laura Adams, MHC Grant Administrator, [Laura.Adams@mnhum.org](mailto:Laura.Adams@mnhum.org)

**Q. Can a unit of government (i.e. a school district) serve as a fiscal sponsor?**

Yes.

**Q. Fiscal sponsors or fiscally sponsored organizations?**

This would be the same, either way.