

Grant Guidelines  
**THE RECOMPENSE FUND**  
A Nonprofit Corporation  
Organized Under the Laws of the State of Maine

The Recompense Fund (the “Fund”) is a Maine nonprofit corporation that makes grants to exempt organizations described under Section 501(c)(3) of the Internal Revenue Code.

The income and principal of the Fund are dedicated exclusively to organizations on and benefitting Chebeague Island, ME.

## **I. Background**

With the donations of year-round and seasonal residents, businesses and friends, The Recompense Fund supports the work of the Chebeague Island nonprofits that answer and anticipate the needs of the island community. Board members, who are either year-round residents or have a significant connection to Chebeague Island, decide how to distribute Fund resources by evaluating grant requests.

## **II. Priorities**

The Recompense Fund strives to sustain and grow a diverse, vibrant year-round island community while nurturing a healthy relationship with its seasonal islanders.

The Fund encourages nonprofits to develop grant applications that address island priorities. Collaborative projects are encouraged.

Priority will be given to applications for projects that:

- help to reduce economic barriers to living on the island
- provide or increase access to educational and enrichment programs for Chebeague islanders of all ages
- preserve and protect the built and natural environment, including projects that reduce energy consumption
- sustain year-round social and cultural resources for the community
- provide access for persons with disabilities
- support training programs to fulfill island job opportunities
- help to sustain the island as a year-round community
- support efforts/projects that provide housing options for year-round residents
- provide improvements to transportation to and from and within the island
- achieve state-of-the-art cell and broadband/internet service
- enhance residents’ opportunities to remain on the island for their entire lives
- develop leadership skills for any island nonprofit organization
- support activities, projects, or programs that enhance healthy life habits and well-being

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**III. Types of Support**

The Recompense Fund will award three types of grants during the regular annual grant cycle: project grants, equipment and facility grants, and capacity-building grants. The Fund also provides funding for a limited number of small, off-cycle grants and for overhead expenses.

**a. Project Grants for new or expanding projects**

To be considered for funding, projects must have a clear beginning and end (i.e., not be an ongoing project.) Expanding projects are those that serve new populations or those that have new or significantly different content.

**b. Equipment and Facility Grants (Capital Expenses)**

Grants under this section are for equipment and facilities improvements and generally must be supported by technical (engineering, architectural and the like) studies. In some cases, grants may be made for facilities assessments leading to facility plans or for other kinds of technical consulting support. Multiple pricing quotes should be shared when possible.

**c. Capacity-Building Support**

Capacity-building grants support operations and efficiency efforts for organizations that serve the island. Examples of support include:

- strengthening board and leadership engagement
- enhancing staff skills and accreditations
- improving existing services and programs
- creating new strategic plans
- building monitoring, learning, and evaluation efforts
- strengthening financial management and developing fundraising plans

**d. Small Grants**

The Recompense Fund understands that Chebeague nonprofits may face special opportunities or needs outside the Fund's annual grant cycle. Small grants of \$500 may be awarded during any calendar year. The Recompense Fund has a total of \$2,500 per year to disburse in small grants. An organization may apply for a small grant during the same year it applies for a regular grant.

Applications for small grants may be submitted as a letter to the Fund and address needs or special opportunities within the Fund's priority areas (see Section II above) at any time during the calendar year. Awards may be made at any time outside of the annual grant cycle, following a process that is transparent, fair, clear and speedy. The Executive Committee's vote to approve a small grant award must be unanimous, in accordance with its bylaws.

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**e. Overhead expenses**

We understand that organizations have ongoing overhead expenses (sometimes referred to as operating or indirect costs) that cannot be directly linked to a project but are, nonetheless, critical for organizational health. Applications may include or be entirely for a request for overhead expenses. This money may be used at the discretion of the grantee.

**IV. Eligibility (other than “small grants”)**

Regular Annual Grants

Applications are posted on the Fund’s website, [www.recompensefund.com](http://www.recompensefund.com), along with guidance for grant writing and for seeking assistance in preparing the application. Applications are due no later than April 30th of each calendar year. Results are communicated to applicants in June.

The Fund’s Rapid Response committee offers feedback on draft applications before final submission. In 2023, draft applications must be received by April 8th.

A maximum of three consecutive grants may be considered to support a single project. After receiving up to three grants to support such a project, an organization may apply for grants to support other new or expanding projects or capital expenses.

Progress Reports for all grants must be submitted no later than April 1 of the following year.

Grants for specific purposes may not be converted to another purpose without prior approval from The Recompense Fund board. Approval must be requested by submitting a letter to the board president. Any unapproved expenditures must be paid back to the Fund before an organization may submit a new grant application.

If there are unused funds after the completion of a project, the grantee will inform The Recompense Fund board.

If an approved project is not pursued and the grantee proposes a different but similar project, the board has discretion whether or not to grant approval. If the new proposal is substantially different from the original approved project, the board will request that the funds be returned to The Recompense Fund.

The Recompense Fund will not contribute financially to endowments or capital campaigns. This includes costs related to verbal or written requests for financial support such as appeal letters or fundraising events.

The following types of organizations are eligible to apply for grants:

- Nonprofit, charitable organizations tax-exempt under section 501(c)(3) of the Internal Revenue Code and also classified as an organization described in sections 509(a)(1) or 509(a)(2) (not a foundation)
- The Town of Chebeague Island
- The Chebeague Island School
- Groups without any tax status may apply via a fiscal sponsor that is an eligible

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organization as described above

In addition, please note that grants cannot reimburse expenses that have already been incurred by an organization.

**V. Emergency Grants**

At any time during the year, by a three-quarters vote of the board members present at any full Board meeting for which due notice of the matter has been given, the Recompense Fund may make an exceptional grant to meet an emergency need of an island nonprofit organization otherwise eligible for funding under Section IV. Such grants will be rare. This authority is intended solely to give the Fund's board flexibility to respond to unexpected and critical needs which might affect the sustainability of an organization or of individual programs.

Emergency grants may in whole or in part be applied towards general operating costs in support of a nonprofit's mission, augmenting the working capital needed to sustain operations. A grant request must identify how the nonprofit plans to fund the shortfall in the future, to avoid a similar threat to its financial viability or the financial viability of a particular program.

Supporting documentation may include financial statements (current and future) identifying new or enhanced revenue sources and cost efficiencies for the period over which financial sustainability is achieved, and such additional information as the Board considers appropriate to the situation.

**VI. Annual Review and Amendments**

The Recompense Fund shall review these Grant Guidelines, at least annually, at any regular or special meeting of the Board of Directors. Grant Guidelines may be amended by the Board at any regular or special meeting by majority vote of those members present.

History

Adopted: January 7, 2021

Revised: February 15, 2022 (to reflect change in relationship with Maine Community Foundation)

Revised: October 30, 2022 (to eliminate cap on overhead expenses, adopt emergency grant section, and require annual review)

Revised: January 26, 2023 (change date of review from April 15th to April 8th, change emergency to need in small grant section)