Citi Foundation Grant Program

Guidance for Applicants

Citi Foundation

Last Updated November 2022

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Citi Foundation

Mission & Focus

Citi Foundation's Mission and Focus Areas

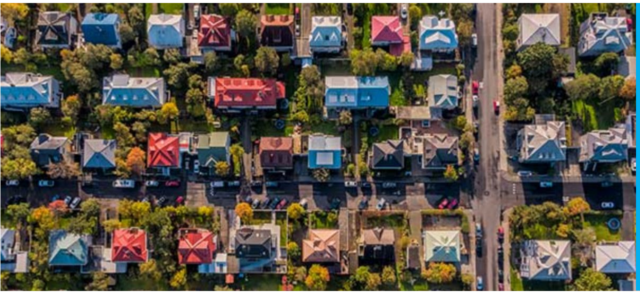
The Citi Foundation's mission is to promote economic progress and opportunity for low-income people and communities around the world.

Youth Economic Opportunities

Help low-income young people become employed or start an income-generating business

Financial Inclusion

Develop a more inclusive financial system that provides greater access to low-income communities and individuals



Community Solutions

Break down silos and bring stakeholders together to develop and scale solutions to the most pressing community challenges

For more information review the Citi Foundation's 2023 Grant Guidelines

Grantmaking Process

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Citi Foundation's Grantmaking Process

The Citi Foundation provides philanthropic funding globally. Although we have a global mission and investment strategy, the grantmaking process differs slightly outside the United States. This document provides information applicable to all grants, but also includes information specific to U.S. and international programs as described below:

U.S. Programs

- If your organization is applying for funding to implement a program in the United States, specific guidance will be indicated in **teal**.
- Specific items that pertain solely to programs being executed in the United States include the Community Reinvestment Act (CRA). (See slides 16-19.)

International Programs

- If your organization is applying for funding to implement a program outside of the United States, specific guidance will be highlighted in **purple**. Organizations that are based in the U.S. but proposing to implement programs outside the U.S. should follow this guidance.
- Specific items that pertain solely to programs being executed outside the U.S. include additional documentation requirements and, if necessary, the engagement of a funding partner. (See slides 21-22.)

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Citi Foundation's Grantmaking Cycle*

Step 1:
Nonprofit Invited to Apply

Step 2:
Citi Foundation Review

Step 3:
Citi Foundation recommends or approves program for funding

Step 4:
Applications for programs being implemented outside the U.S. will, in most cases, be sent to our funding partner
(See slide 22)

Step 5:
Ongoing monitoring, progress reporting and communications

Please note: If a grant application is submitted without complete documentation and/or unclear programmatic information, the Foundation will reach out to your organization during its review.

*We strive to work quickly to review grants once applications are formally submitted, however please note that the grantmaking process <u>could take up to 6 months</u>. When we reach out for additional information, please respond on a timely basis to prevent delays in reviewing & processing your application.

Citi Foundation's Review

The Foundation assesses an organization's financial health, management of existing Foundation grants and the new program design when considering a grant request.

- If your organization has received funding from the Citi Foundation in the past, please submit any due or past due reports and/or account for any unspent funds from previous year grants.
- When reviewing a new grant request, the Citi Foundation specifically considers the following:

NGO Strength & Application Quality	Programmatic Strength & Alignment	Diversity, Equity & Inclusion (DEI)
✓ Completeness of required documentation ✓ NGO's financial health ✓ NGO's leadership and governance	✓ Strategic alignment with the Foundation's mission and priorities ✓ Program design and effectiveness ✓ Impact measures and attainability of results	✓ Degree to which the organization is proactively advancing DEI, including through its hiring practices, board composition, procurement practices, programming, etc.

If there are any issues in your organization's financials, significant changes in the leadership at your organization, or other due diligence matters worth noting, please address them in the grant application so that we have the information during our review.

- Note that all funding decisions will be reviewed in alignment with the Citi Foundation Guidelines. Please read these carefully before applying, as they contain information on what the Foundation does fund and does NOT fund.

Our Results Approach, Investment Types & Focus Areas

Citi Foundation

Our Results Approach

The Citi Foundation Grant Guidelines contain detailed information about our three focus areas, investment types, and the results we seek in each – our guidelines are the framework for our results-oriented approach.

Within the Citi Foundation application, we ask applicants to:

- Provide a results statement that captures both qualitative and quantitative targets to summarize overall outcomes.
- Provide detailed information on how results are measured.
- Provide numerical values for a set of common KPIs, if the program directly impacts community members.

The Citi Foundation uses this results-oriented framework to understand, measure, and assess the merits of each grant investment we make.

Please ensure that you carefully consider our grant guidelines, as well as the next few slides, as you complete the results sections in the application.

Investment Types

You should have had a discussion with your Citi relationship manager about which investment type applies to the program for which you are requesting funds. Please make certain you have agreed on this in advance since the grant application questions, including the results statement you will be asked to create, are different for each investment type.

Direct Service

- Investments in Direct Service are focused on the positive gains that will accrue for individual participants, communities, or organizations.
- If your organization provides technical assistance and training to other nonprofit organizations to build their capacity to expand their work and increase their impact, this is also a Direct Service investment.

Capacity Building & Planning

- Investments in Capacity Building & Planning are focused on how your <u>own</u> organization will be different and how this will enable you to increase results for those you serve.

Systems Change

- Investments in Systems Change are focused on how your work will inform change on a macro-level, including changing practitioner practices. These programs may require both short- and long-term results to be defined.

Creating a Results Statement

Program results are specific changes in core participant behavior or community condition that define success. They are tangible, verifiable, and within the influence of the applicant organization. In the application, you will be asked to define program results by creating a results statement.

To create a results statement…

1. Identify the change(s) in behavior or community condition you seek

For Direct Service programming, these could be changes such as reduce financial instability, start a business, or become employed. For Systems Change, focus on changes such as policy or practice, and for Capacity Building & Planning, focus on change in a specific condition within your organization.

2. Specify the degree of change you consider a success

For Direct Service programming, the degree of change could range from expecting participants to gain new skills to expecting that the result of the program would encompass participants starting a business or being employed. For Systems Change and Capacity Building, determine both short- and longer-term impacts of the grant. Ensure you focus on outcomes instead of outputs.

3. Estimate how many participants or the specific system/practice that will be impacted or changed

Take into consideration past experience with other participants or similar efforts your organization has already led to determine and quantify the change and impact the grant will have.

4. Specify the timeline your result(s) will be achieved

The results statement must be clear on the results you anticipate achieving by the program end date and can also allude to longer term expected outcomes. The latter is particularly important for Systems Change and Capacity Building & Planning grants.

Program Results Statement Samples

Examples:

Youth Economic Opportunities

By the end of the grant period:
- ***Direct Service***: 80% or more of youth participants become employed or start a youth-led microenterprise within one year of program completion
- ***Capacity Building & Planning***: The Organization's volunteers are better prepared to support diverse students and have developed stronger relationships with youth participants, increasing the number of diverse students engaged this year by 30%
- ***System Change***: The organization was able to increase financial and non-financial resources that are deployed to advance economic opportunities for young people

Financial Inclusion

By the end of the grant period:
- ***Direct Service***: 90% of participants demonstrate increased financial knowledge and skills, and at least 100 will increase their savings by 50%
- ***Capacity Building & Planning***: Over 70% of entrepreneurs have enhanced their financial and entrepreneurial capacities through expanded business knowledge and financial skills provided by the organization's mobile app, launched as a result of increased capacity
- ***System Change***: Data and insights from the organization's annual trend reports are used to design products, programs, and solutions to improve people's financial lives

Community Solutions

By the end of the grant period:
- ***Direct Service***: 50% income increase for women-owned social enterprise and improved living conditions for up to 500 families
- ***Capacity Building & Planning***: The organization increases reach and meets the needs of the BIPOC communities it serves by deepening its commitment to integrating equity and racial diversity into its programs
- ***System Change***: Round tables and research leads to at least 10 NGOs and community members adopting best practices in community mapping

Slides 15-19 include guidance for programs being implemented in the United States. If your organization is implementing a program internationally, please skip to slide 21.

Standard Application Attachments – U.S. Programs

Complete Externally Audited Financial Documents

- Must include some part of calendar year 2021
- Must include the auditor's letter with a signature
- Must include complete financial statements
- Must include the auditor's notes

Program Budget

- Must be completed in the Citi Foundation required Excel template
- If your Program Officer identified your program as multi-year, please complete the Multi-Year Program Budget template
- Must be in U.S. dollars

2023 Projected Organizational Budget

- Must be in U.S. dollars
- Must show a comprehensive breakdown of both income and expenses
- You can find an example by clicking on this link

Copy of a Blank Voided Check

- Must show the legal name of your organization
- Must show the ABA routing number for ACH EFT deposit (not wire transfer)
- Must show your account number
- The account and routing numbers must match the information you enter into the application

OR an Official Bank Letter

- Must be on the bank's letterhead (not your organization's letterhead)
- Must be signed by a bank officer
- Must list your organization's legal name
- Must include the ABA routing number for ACH EFT deposit
- Must include your account number
- The account and routing numbers must match the information you enter into the application

Community Reinvestment Act (CRA) Overview

The Community Reinvestment Act (CRA) was enacted by Congress in 1977 to encourage depository institutions to help meet the needs of the communities in which they operate, including low- and moderate-income (LMI) individuals and neighborhoods.

- **Programs that are executed in the United States are reviewed internally by Citi for CRA eligibility. CRA-eligible activities fulfill one of the four primary purposes of community development, which:**
  1. Serve a population of over 50% low- and moderate-income (LMI) individuals or communities (LMI census tracts);
  2. Provide affordable housing to over 50% LMI individuals;
  3. Provide financing, access to financing, or technical assistance to small businesses (i.e., annual revenues of $1,000,000 or less) either in LMI census tracts or that employ or will create employment for LMI individuals;
  4. Revitalizes/stabilizes LMI or other CRA-eligible geographies (includes FEMA designated disaster areas (DDAs) or areas targeted by Federal, state, local, or tribal governments, such as HUD Promise Zones) by attracting or retaining, new businesses or residents

- **Slides 17-19 will provide more guidance on how to respond to the below question in your application, which will aid us in determining the CRA eligibility of your program:** How do you verify the percentage of low- and moderate-income individuals served (either through community services or affordable housing)? For programs supporting small businesses (i.e., annual gross revenues of $1,000,000 or less) how do you confirm the businesses are located in low- and moderate-income census tracts and/or employ LMI individuals? For programs supporting the revitalization/stabilization of LMI geographies or certain CRA-eligible designated geographies, please confirm LMI census tracts benefitted or that the geography is a FEMA designated disaster area (DDA) or an area targeted by federal, state, local, or tribal governments.

This response should:

1. **Provide the method used** to determine whether the program serves LMI individuals (through community services or affordable housing) or small businesses or revitalizes/stabilizes LMI or other CRA eligible designated geographies (e.g.. FEMA-designated disaster areas (DDAs) and HUD Promise Zones).
2. **Reference the data, documentation and/or statistics** captured in the method used; if necessary, calculations should be included.
3. **Confirm the majority (more than 50%)** of program beneficiaries served are LMI individuals or communities, small businesses, or located in CRA eligible designated geographies.

LMI Verification for U.S. Programs – Youth Economic Opportunities

Example Response:

As outlined in our mission, we serve students who are primarily from low- and moderate-income (LMI) families. According to the ***National Center for Education Statistics (NCES) 2021-2022 data****, there were a total of 1,804 students at the participating schools; of these,* ***1,041 (or 58%) were considered LMI because the income limits for participation in the National School Lunch Program (NSLP) fall below 80% of MFI****. We can* ***confirm that our program will serve over 50% LMI students as defined by Free and Reduced Lunch Program statistics.***

Provide the Method Used

Methods include:

- Receipt of Income Restricted Public Benefits such as the NSLP
- Intake Forms

Reference Data, Documentation and/or Statistics

Data includes:

- NSLP Free and Reduced Lunch (FRL) Statistics
- Individual Income of Participants

Confirm Majority

- You must confirm, based on method used and information collected, whether your program will serve over 50% LMI clients

LMI Verification for U.S. Programs – Financial Inclusion

Example Responses:
Programs Serving Individuals or Communities:
*NFCI will determine the number of participants who are classified as low- and moderate-income by collecting **client intake forms** from each participant, which will **capture data related to individual income**. Based on the client intake forms, we will **determine that over 50% of our program participants have individual income that is less than 80% of the Federal Financial Institutions Examination Council (FFIEC) estimated MFI.***
Programs Serving Small Businesses:
*We obtain **client intake forms** that **capture information related to the small business, including address and annual revenue**. Based on the client intake forms, we will determine whether **over 50% of small businesses served by this program have annual revenue of $1 million or less and are located within a low- and moderate-income census tract (as defined by the FFIEC), and therefore create, retain or improve jobs for LMI individuals or in LMI geographies.***

Provide the Method Used

Methods include:
- Receipt of means tested Public Benefits such as Medicaid, SNAP or TANF
- Intake Forms
- Tax Forms of Small Businesses
- Small business' location in a LMI census tract

Reference Data, Documentation and/or Statistics

Data includes:
- Individual Income of Participants
- Annual Business Revenue
- LMI Census Tract (www.FFIEC.gov) or federally-targeted area of revitalization/stabilization

Confirm Majority

- You must confirm, based on method used and information collected, whether your program will serve over 50% LMI clients

LMI Verification for U.S. Programs – Community Solutions

Example Response:

*We rely on a variety of sources, including **intake forms and tax forms** to ensure that 51% or more of our work benefits low- and moderate-income census tracts, such as **US census tract data from the Federal Financial Institutions Examination Council** (FFIEC); in addition, our target service area has been **designated as an Urban Renewal Zone by the State**. We also conduct our own income verification process. This information is collected in accordance with federal and state funding regulations on income qualifications, so we can confidently **verify that over 51% of impacted individuals are low- and moderate-income, earning less than 80% of the FFIEC-estimated median family income.***

Provide the Method Used

Methods include:
- Receipt of means tested Public Benefits such as Medicaid, SNAP or TANF
- Intake Forms
- Tax Forms of Small Businesses
- Small business' location in a LMI census tract

Reference Data, Documentation and/or Statistics

Data includes:
- Individual Income of Participants
- Annual Business Revenue
- LMI Census Tract (www.FFIEC.gov) or federally-targeted area of revitalization/stabilization

Confirm Majority

- You must confirm, based on method used and information collected, whether your program will serve over 50% LMI clients

Citi Foundation

Slides 21-22 include guidance for programs being implemented outside the United States.
If your organization is implementing a program in the United States, please skip to slide 23.

Standard Application Attachments – International Programs

Annual Report
- Must be from 2021 or later
- Must list a summary of the organization's activities and programs throughout the year
- Does not need to be a published document - it can be in the form of annual board meeting minutes, a newsletter covering events of the complete year, or a document completed specifically for the Citi Foundation
- English is preferred but not required

Governing Documents
- Should be a listing of the organization's bylaws
- English is preferred but not required

Registration Document
- Certification of the organization's registration with an official signature, stamp or seal
- Must be dated
- Can be in the local language

Complete Externally Audited Financial Documents
- Must include some part of calendar year 2021
- Must include the auditor's letter with a signature
- Must include complete financial statements
- Must include the auditor's notes
- English is preferred but not required

Program Budget
- Must be completed in the Citi Foundation required Excel template
- If your Program Officer identified your program as multi-year, please complete the Multi-Year Program Budget template
- Must be in U.S. dollars

2023 Projected Organizational Budget
- Must be in U.S. dollars
- Must be submitted in English
- Must show a comprehensive breakdown of both income and expenses
- You can find an example by clicking on this link

Banking Details or Document
If "Charities Aid Foundation America" appears at the top of your application:

CAFA BANKING DETAILS
- Please complete the Request for Wire Transfer Information document

Otherwise:

COPY OF A BLANK VOIDED CHECK
- Must show the legal name of your organization
- Must show the ABA routing number for ACH EFT deposit (not wire transfer)
- Must show your account number

OR AN OFFICIAL BANK LETTER
- Must be on the bank's letterhead (not your organization's letterhead)
- Must be signed by a bank officer
- Must list your organization's legal name
- Must include the ABA routing number for ACH EFT deposit
- Must include your account number

Funding Partner Process – International Programs

The Citi Foundation works with Funding Partners, such as Charities Aid Foundation of America (CAF America), and U.S. Affiliates (e.g., JA Worldwide)* to conduct its international grantmaking. Grant requests are not approved until the Funding Partner or U.S. Affiliate has conducted a separate review and provides approval.

Citi Foundation Recommends Program for funding to Funding Partner or U.S. Affiliate for Final Due Diligence Review and Approval

→

Funding Partner or U.S. Affiliate conducts additional due diligence and application review

During their review, Funding Partner or U.S. Affiliate may request additional information from grant applicant to complete review *(This review can take approximately 30 days)*

→

Funding Partner or U.S. Affiliate makes final funding decision and approves or declines request

Organizations that are recommended for funding to Funding Partner must confirm the following:

- It understands that it is applying to Funding Partner for funding
- The information provided to Citi Foundation is accurate, current and still valid
- The name and title of the person authorized to sign the Grant Agreement
- Confirmation of the program start date and how many months the program will run once funding is received
- A detailed budget
- Funding Partner may request additional information and documentation, as necessary, to complete its due diligence review

We kindly ask your organization to:

1. Respond quickly to requests for information from the Funding Partner or U.S. Affiliate for timely review
2. Understand a grant award cannot be publicly communicated until final approval is received from the Funding Partner or U.S. Affiliate

In some instances, another U.S. public charity may serve as the Funding Partner or the Fiscal Sponsor if approved by Foundation management.

Reporting Requirements

Reporting Deadlines and Report Expectations

Program Start Date	Interim Report	Final Report
Dictates Interim and Final Report Deadlines	**Due 6 months after Program Start Date**	**Due 1 month after Program End Date**
• Ensure your program start date accounts for the time that it will take for the Citi Foundation *and the Funding Partner (if appropriate)* to review the grant application • Programs that will take more than 12 months to implement should be discussed with relationship managers and clearly articulated in the grant application	• Provide an update on program • Highlight issues that might require changes in the program to meet goals or complete implementation • Provide an opportunity for the relationship manager and Foundation to help NGO course correct before time and funds run low	• Capture program outcomes and activities • Confirm program expenditures • If all funds have not been fully spent, you will be unable to submit the final report*

***If your program will not be complete or if funds will not be fully spent within the grant period, you should reach out to your Citi relationship manager as early as possible to request a modification. <u>Don't wait until your report is due</u>!**

If necessary, additional reports can be added and/or report deadlines can be amended to correspond with program implementation. If reports are not submitted in a timely manner, future funding decisions may be affected.

Ongoing monitoring and progress reporting are valuable opportunities to communicate progress of the program and course correct where necessary

When completing your progress reports, highlight any of the following issues and connect with your relationship manager or the Citi Foundation about the appropriate next step(s):

Interim Report

1. Your organization is not on-track to spend down grant funds by the end of the grant period
2. Your organization would like to spend remaining grant funds in a different way than indicated in the approved program budget
3. Your organization would like to make significant change(s) to the program model
4. Your organization does not anticipate reaching results indicated in approved grant application

Final Report

1. Your organization did not spend all the grant funds
2. Your organization did not achieve results stated in the grant application

If you encounter any of these issues during the course of the grant period but a report is not yet due, reach out to your relationship manager or the Citi Foundation so that a plan of action can be determined. Do not wait for the report to be due. In many cases, a Grant Modification may be required.

Approval is required for any Grant Modification requests before any changes can be implemented.

For Programs Implemented Outside the U.S.: Grant Agreement Expiration Date

Applicable to grants funded through a Funding Partner. Organizational changes or significant changes in the program and/or program budget should be communicated to the Foundation before the grant agreement expiration date. Approval is required for any Grant Modification requests before any changes can be implemented.

Next Steps

- Submit any outstanding progress reports for previously funded programs
- Review the Citi Foundation's 2023 Grant Guidelines
- Access the Citi Foundation grant application via the grant portal: http://citi.fluxx.io
- Complete the application
- Upload all required documentation to the application
- For technical assistance contact:

  foundationsupport@citi.com **(U.S. Programs)**

  internationalgrantsupport@citi.com **(Programs Outside the U.S.)**