

Otto Bremer Trust Community Responsive Fund FAQs

March 13, 2026

Eligibility

1. What would make a non-conforming grant eligible?

Grants may be non-conforming in one of four ways.

- Last fiscal year's expenses were less than \$2 million.
- The organization has not had five years of successful operations.
- The organization must complete annual audited financial statements prepared by an independent CPA.
- The grant amount exceeds 10 percent of the organization's previous fiscal year's public philanthropic financial support.

The grant must conform in all other ways outlined in the framework provided by OBT. Non-conforming grants must align with at least one focus area.

2. Would a proposal with multiple nonconforming elements be eligible? For example, the organization is less than five years old and had less than \$2 million in expenses last year.

Yes, the grant may have multiple nonconforming elements. The grant must conform in all other ways outlined in the framework.

3. Several local organizations do similar work but did not have expenses of more than \$2 million last year. Can these organizations apply as a coalition and consolidate their finances—including their previous fiscal year's actual expenses—into one entity?

No. The legal entity receiving grant funds must have had previous fiscal year's actual expenses of more than \$2 million.

4. Our organization is the backbone of a local coalition in which we have some financial relationship. Could that coalition apply for a grant through the OBT Community Responsive Fund?

No.

- 5. If an organization works in multiple locations across our funding geography, is it eligible to receive multiple grants through the OBT Community Responsive Fund?**

Yes. The Trustees are open to individual grants that are restricted to different locations. However, pooling multiple regions together to receive a larger grant is not allowed. The maximum grant is \$75,000.

- 6. Is a national organization allowed to apply on behalf of an affiliated organization or program in our region?**

OBT prefers to directly support local affiliates to retain the most financial resources possible for direct service work. Therefore, the assessment of local organizations with national affiliations should be based on the size of the local organization itself. Local organizations that do not meet the established OBT Community Responsive Fund criteria may be presented as a non-conforming grant.

- 7. Food banks that procure and distribute food to partner meal sites and food pantries are not eligible for “food banking” activities. What if a food bank also operates its own meal site or food pantry? Would grants for those purposes be eligible?**

Yes, direct meal site and food pantry services are eligible for consideration. However, large-scale food storage and distribution center activities that primarily function to supply food to other local organizations are not eligible for support through the OBT Community Responsive Fund.

- 8. Are government-owned hospitals or joint-powers healthcare systems eligible?**

No. However, affiliated 501(c)(3) hospital and healthcare foundations may be eligible.

- 9. If an eligible healthcare entity (e.g., hospital, clinic, etc.) applies for and is awarded a grant, would it be allowable for the grant funds to be disbursed to its related foundation?**

Yes. The grant could be made to either the hospital or its related foundation. If the grant is made to the foundation, please list the foundation as the grantee on the grant submission spreadsheet, but input financial information for the hospital/clinic. Also, include an explanation/note in the entry so it is clear to our Trustees when they are providing input.

- 10. Are we required to use a particular process to identify grantees?**

No. Intermediaries may develop and use a grant application process that they find effective for their community. Please note that, given the specific eligibility criteria, intermediaries have often found it efficient to use an invitation-only process, rather than an open call for applications.

11. Short-term and emergency shelter beds are described in the focus area of shelter. Does this focus area allow for providing hotel stays when shelters are full, or providing hotel stays in rural areas where a stand-alone emergency shelter does not exist?

Yes, both examples are eligible.

12. The focus area of low-income healthcare clinics suggests the emphasis is on charitable clinics and safety net providers. Would programs and services specifically targeted to low-income communities be eligible for consideration, even if they are provided by a larger healthcare system whose sole focus is not low-income healthcare?

Yes.

13. Many daycare centers and other day programs provide meals, although these are not typically open to the broader community. Would meal programs at daycare centers and other day programs be eligible under the focus area of food?

No.

14. Since current Strategic grantees are not eligible for OBT Community Responsive Fund grants, would OBT be willing to share a list of Strategic grantees when new awards are made? Also, would OBT be willing to share a list of organizations under consideration for a Strategic grant?

OBT will share a list of Strategic grantees when new awards are made. However, a list of organizations under consideration for Strategic grants will not be made available.

15. Some youth development programs provide dinner during the school year and lunches in the summer for participants. They also provide certain holiday meals and grab-and-go pantry items. Would these types of youth programs and related services be eligible for consideration under the focus area of food?

No. The intent of the focus area is that hunger relief efforts are a major emphasis of the organization's work.

16. Churches often operate food shelves or provide overflow shelter services, either onsite or via hotel vouchers. Are food pantries or emergency overflow shelter services provided by churches eligible?

Yes, provided they meet the overall criteria already established.

17. Under the focus area of school-based mental health, are Head Start, early learning, and similar programs eligible?

No.

Finances

1. How does OBT define “public philanthropic financial support?”

Public philanthropic financial support includes dollars raised through private fundraising (individuals, businesses, foundations, etc.), giving campaigns, fundraising events, United Way awards, and so forth. It excludes government grants and contracts, earned income, investment gains, and so forth. In-kind contributions (e.g., donated or rescued food, volunteer hours, etc.) are also excluded.

2. What are OBT’s recommended sources for identifying an organization’s previous fiscal year’s public philanthropic support?

Recommended sources include:

- Most recent Form 990. Specifically: Part VIII, Lines 1a, 1c, and 1f. (Noncash contributions from line 1g should not be included in your calculation.)
- Most recent audit.
- Most recent unaudited year-end financial statements.

3. The framework document states, “No more than 10 percent of grant funds may be used for administrative expenses.” What does OBT consider to be administrative expenses? Are these additional expenses beyond traditional indirect expenses?

Administrative expenses include management and general expenses and fundraising expenses, which are consistent with Form 990 (Part IX, Statement of Functional Expenses). No, administrative expenses through the OBT Community Responsive Fund are not additional expenses beyond traditional indirect expenses.

4. Can you clarify the use of grant funds in relation to the guidance that no more than 10 percent be used for administrative expenses?

Ninety percent of grant funds are restricted to programs and direct services that align with the focus areas. Note that the grant funds may be utilized by multiple programs so long as the activities align with the focus areas. Ten percent of grant funds are unrestricted and may be used to support administrative expenses (e.g., indirect costs) or may be used for programs and direct services that align with the focus areas.

5. **Many hospitals have a foundation to support fundraising activities. Which set of financials should we use when determining eligibility for the OBT Community Responsive Fund?**

It is acceptable practice to assess hospitals utilizing the financials of both the hospital and its foundation. The hospital's expenses may be used to determine eligibility regarding prior fiscal year actual expenses. The hospital foundation's revenues may be used to determine public philanthropic financial support.

Timeline

1. **Do funded programs need to spend OBT Community Responsive grant funds within 12 months?**

Yes. Funded programs must spend the funds within 12 months. The start date occurs when the grant is made from the intermediary to the grantee.

2. **Can grant data be submitted in multiple batches to OBT via the submission template, or do you prefer to have all grant data submitted at the same time for review and feedback?**

OBT will not accept multiple batches of grant data from an intermediary. Intermediaries are required to provide all grant data to OBT at the same time. To ensure timely comments from the Trustees, each intermediary must submit the complete set of grant data by 5:00 p.m. CST on August 20, 2026.

3. **Will OBT accept a complete set of grant data prior to August 20?**

Yes, OBT will accept a complete set of grant data from an intermediary prior to August 20. Generally, the Trustees will provide feedback within four to six weeks. For example, if you submit all your grant data to OBT staff on June 1, the Trustees will provide feedback by July 10.

4. **Will OBT staff provide feedback before the OBT Trustees share their comments on the grant data?**

OBT staff are available for questions at any time. However, they are unlikely to provide feedback on submitted grant data.

5. **The grant report to OBT is due by October 16, 2026. We will still have active grant agreements with 2026 OBT Community Responsive Fund grantees at that time. Are we expected to provide grantee impact data in our final report to OBT?**

No, individual grantee impact data is not required with the final report. The final report is due by October 16 so the Trustees can review it before a year-end visit with you.

Reporting requirements are included in the OBT Community Responsive Fund framework document.

Conflicts of Interest

1. How does OBT define a conflict of interest?

A conflict of interest is a situation in which an employee or board member of your organization or their family member (spouse, parent, brother or sister, children, and their spouses) serves as an officer or director (or other position with similar responsibilities) of the grantee organization or has a material financial interest in the grantee organization that a reasonable person would believe is substantial enough to affect a person's judgment with respect to the grant.

2. Do Intermediaries need to include any information about a conflict of interest? Or should we simply enter “Yes” if there is a conflict?

Please enter “Yes” in the spreadsheet if there is a conflict and include an additional note describing the conflict. OBT staff may follow up on reported conflicts of interest to understand and assess the situation.

3. If our organization has an existing funding relationship with a grantee, does that rise to the level of a conflict of interest?

No, this is not considered a conflict of interest.

Due Diligence

1. Would you clarify expectations for documenting the due diligence process?

We expect that intermediaries have and will utilize their due diligence processes to ensure that grantee organizations are in compliance with state and federal regulations, well-governed, have sound financial accounting and controls, and will be effective in carrying out the funded purpose/activities. We do not expect documentation, more so your assurance that each grant you make will have gone through your due diligence process. The reporting template requires information related to some essential due diligence components. We will include questions during our debrief sessions to learn what due diligence was performed.

2. We are considering different approaches for grantmaking. Can we fold this into an existing process, run a separate process, or create a new process for the Otto Bremer Trust Community Responsive Fund?

Any of these approaches is acceptable, so long as adequate due diligence is conducted with each grantee.

3. **How would you like us to confirm that grantees spend no more than 10 percent of a general operating grant on administrative expenses?**

Your due diligence process should ensure that general operating grants are not being used exclusively for administrative functions. OBT does not require you to confirm or verify after the fact that only 10 percent of grant funds were spent on administrative expenses. We do ask that your grant agreements include a statement that no more than 10 percent of grant funds are to be used for administration. Additionally, we may review grant summaries provided for the Trustees to ensure that grant awards are not being made to support individual administrative roles and positions.

4. **What steps does OBT take when providing comments on the list of submitted organizations being considered for grant selection?**

As part of our due diligence process, OBT staff will review the information provided for accuracy and confirm the tax-exempt status of the organizations selected. Once this process is complete, the information will be presented to the Trustees to review and provide comments. Trustee comments are provided to the intermediary within four to six weeks of receiving the grant submission spreadsheet.

5. **In 2026, OBT has indicated that the total grant dollars in any one focus area may not exceed 30 percent of the total funds available for granting. How should intermediaries account for grants in which there are both primary and secondary focus areas?**

Please use just the primary focus area for this calculation.

Communications

1. **Can you share more about the expectation for jointly acknowledging OBT and our organization when grants are awarded?**

Any reference to the fund is to identify it as the “Otto Bremer Trust Community Responsive Fund.” The communication toolkit provides useful language and templates for outreach, publicity, and marketing. This toolkit will be emailed to your organization early in the calendar year.

2. **Should the purpose statement in the grant submission spreadsheet describe the organization’s work broadly, or should it address a specific aspect of its work?**

OBT requires concise purpose statements that articulate alignment with the focus area(s). Purpose statements have a character limit of 255 characters.