

Black Farmers Discrimination Litigation Cy Pres Funds Phase I Grants

REQUEST FOR PROPOSALS

SUMMARY

Lead Class Counsel in the *In re Black Farmers Discrimination Litigation* (Consolidated Case) are pleased to announce details about the Black Farmers Discrimination Litigation (BFDL) Cy Pres Funds, which are approximately \$12 million in settlement funds remaining following the final deadline for successful claimants to cash their settlement checks. Awards from the BFDL Cy Pres Funds will be made to eligible tax-exempt nonprofit organizations serving African-American farmers and/or ranchers according to the intent of the Consolidated Case Settlement Agreement.

It is expected that BFDL Cy Pres Funds will be distributed in two distinct phases: Cy Pres Phase I Grants and Cy Pres Phase II Grants. **This Request for Proposals (RFP) is for Cy Pres Phase I Grants, opening Monday, July 31, 2017 and closing Friday, September 29, 2017.** Lead Class Counsel expect to recommend that up to one-third (approximately \$4 million) of the total BFDL Cy Pres Funds be eligible for disbursement through the Cy Pres Phase I Grants process. The purpose of Cy Pres Phase I Grants is to stabilize and/or grow the capacity of nonprofit organizations with both a historic (prior to December 31, 2012) *and* a current record of providing meaningful agricultural, business assistance, and/or advocacy services for African-American farmers and/or ranchers operating in rural/non-urban areas of the United States.

Lead Class Counsel hope to recommend to the U.S. District Court that Cy Pres Phase I Grants be awarded by the end of 2017. Funding recommendations will be made based on impact of current and past work, demonstration of organizational need, and availability of funds.

Following the Court's final decision on distribution of Cy Pres Phase I Grants, Lead Class Counsel expect to recommend that the remaining approximately \$8 million of the BFDL Cy Pres Funds be disbursed through Cy Pres Phase II Grants. In preparation for Cy Pres Phase II Grants, Lead Class Counsel will seek to engage African-American farmers and ranchers, advocates, and allies to identify strategic funding priorities for the Cy Pres Phase II Grant recommendation process. Lead Class Counsel currently anticipate that they will recommend that the Court approve the disbursement of Cy Pres Phase II Grants by no later than the end of 2019.

Lead Class Counsel have engaged Farm Aid as the technical consultant for the Cy Pres Phase I Grant process and as an advisor. Farm Aid has not, and will not receive any of the BFDL Cy Pres Funds. Farm Aid brings more than 30 years of experience in grant making and partnering with farm service organizations across the country, including numerous African-American agricultural nonprofits. Farm Aid is responsible for assisting Lead Class Counsel in the design and implementation of this RFP, processing Cy Pres Phase I Grant proposals, managing

communications with applicants, reviewing of proposals, monitoring of awards, and recordkeeping. Lead Class Counsel will make Cy Pres Phase I Grant recommendations to the Court. The U.S. District Court will make final decisions on any disbursement of BFDL Cy Pres Funds.

For any questions regarding the Cy Pres Phase I Grants RFP, please reference the Frequently Asked Questions (FAQ) document on www.blackfarmercase.com/CyPres

Enclosed are the following components of the BFDL Cy Pres Phase I Grants RFP:

- APPLICANT ELIGIBILITY AND ALLOWABLE USE OF FUNDS
- PROPOSAL TIMELINE AND REQUIREMENTS
- CONTACT INFORMATION
- ELIGIBILITY QUESTIONNAIRE
- PROPOSAL CHECKLIST

APPLICANT ELIGIBILITY AND ALLOWABLE USE OF FUNDS

- Applicant must be a 501(c)(3) nonprofit organization (or have a 501(c)(3) fiscal sponsor), other than a law firm, legal services entity, or educational institution, that is currently providing agricultural, business assistance, and/or advocacy services for African-American farmers and/or ranchers operating in rural/non-urban areas of the United States.
- Applicant must demonstrate a historic track record (prior to December 31, 2012) of providing meaningful agricultural, business assistance, and/or advocacy services for African-American farmers and/or ranchers operating in rural/non-urban areas of the U.S., including (but not limited to) assistance under the *Pigford* case and/or the Consolidated Case.
- Applicants may request ONE of the following grant request options:
 - **General Operating Support.** Applicants seeking general operating support must demonstrate that the bulk of their organization's work provides meaningful agricultural, business assistance, and/or advocacy services for African-American farmers and/or ranchers operating in rural/non-urban areas of the U.S.
 - These unrestricted funds may be used where most needed, whether that be salaries and overhead, expanding or starting a program, investing in technology, improving fundraising efforts, debt repayment, capital expenditures, or otherwise.
 - Funds may NOT be used for re-granting or endowments.
 - It is recommended that the maximum funding request for general operating support not exceed one-third of an organization's annual operating budget per year for two years.¹
 - **Project Support.** Applicants seeking project support must demonstrate that the project or program for which they are seeking funding provides meaningful agricultural, business assistance, and/or advocacy services for African-American farmers and/or ranchers operating in rural/non-urban areas of the U.S., AND that the project or program has measurable positive impact.
 - These funds are restricted to a specific project or program that is providing agricultural, business assistance, and/or advocacy services for African-American farmers and/or ranchers operating in rural/non-urban areas of the U.S.
 - It is recommended that the maximum funding request for project support not exceed one-third of the annual project budget or projected annual project budget (for a new project) per year for two years.²
- The grant period for Cy Pres Phase I Grants is a maximum of 24 months, starting as early as January 2018 and ending in December 2019. Thus, the maximum recommended funding request should be based on a two-year budget. There will be reporting requirements for each year of the grant period.
- Applicants may receive a due diligence phone call to address outstanding questions regarding eligibility and organizational impact. **Please ensure a contact person is available**

between the dates of October 23, 2017 and November 3, 2017, as a grant recommendation may be contingent on information gathered through this call.

- It is recognized that organizations will have a range in capacity to write grant proposals, which will be considered in review.
- Financial information will be used to understand the needs of the organization. It is understood that some organizations will look to this RFP opportunity as means to stabilize their financial position.

¹ If an organization has an annual operating budget of \$600,000, for example, the maximum recommended funding request for each year would be \$200,000, for a total of \$400,000 over a two-year grant term.

² If a project budget is \$60,000 annually, for example, the maximum recommended funding request for each year would be \$20,000, for a total of \$40,000 over a two-year grant term.

PROPOSAL TIMELINE AND REQUIREMENTS

- The RFP for Cy Pres Phase I Grants was released at 12:00 p.m. Eastern Time on Monday, July 31, 2017.
- A completed Proposal, which includes the Cover Sheet, Application, and all required attachments, must be received by 11:59 p.m. Eastern Time on Friday, September 29, 2017. We cannot accept a Proposal as complete until we receive all required materials.
- Please submit your Proposal in PDF format to Submissions@BlackFarmerCyPres.com with the Applicant Organization's name in the subject line of the email submission. The Cover Sheet MUST accompany the Application. Please DO NOT mail a hard copy of your Cover Sheet and Application.
- To that email, please attach electronic PDF copies of required attachments with the Applicant Organization name and attachment name in the title of the document file (e.g. Organization Name IRS Letter of Determination.PDF, Organization Name Current Fiscal Year Budget.PDF, etc.)
- If you are unable to create electronic copies of required attachments, please enclose a cover memo (so that we can connect the document to your electronic Cover Letter and Application) and mail paper copies to:

Attn: BFDL Cy Pres Administrator
501 Cambridge St, 3rd Floor
Cambridge, MA 02141

- Representatives from the BFDL Cy Pres Team may contact applicants between Monday, October 23, 2017 and Friday, November 3, 2017 with clarifying questions regarding proposals. Please ensure a contact person is available during this timeframe, as a grant recommendation may be contingent on information gathered during this call.
- Lead Class Counsel hope to recommend that Cy Pres Phase I Grants be awarded by the end of 2017.

CONTACT INFORMATION

Proposal submissions: Submissions@BlackFarmerCyPres.com

Email Inquiries: Administrator@BlackFarmerCyPres.com

Phone Inquiries: 617-229-6483

Mailing address: Attn: BFDL Cy Pres Administrator
(for paper attachments only) 501 Cambridge St, 3rd Floor
Cambridge, MA 02141

ELIGIBILITY QUESTIONNAIRE

Please answer the following questions to determine if you are eligible to apply for Black Farmers Discrimination Litigation (BFDL) Cy Pres Phase I Grants.

1. Is my organization a 501(c)(3) tax-exempt nonprofit?	<input type="checkbox"/> YES <input type="checkbox"/> NO
<i>If NO, go to Question 2 If YES, go to Question 3</i>	
2. Does my organization have a 501(c)(3) fiscal sponsor?	<input type="checkbox"/> YES <input type="checkbox"/> NO
<i>If YES, go to Question 3 If NO, your organization is NOT eligible to apply for Cy Pres Phase I Grants</i>	
3. Is my organization a law firm, legal services entity, or educational institution? <i>Please refer to the Cy Pres Phase I Grants FAQ for definitions</i>	<input type="checkbox"/> YES <input type="checkbox"/> NO
<i>If NO, go to Question 4 If YES, your organization is NOT eligible to apply for Cy Pres Phase I Grants</i>	
4. Can my organization demonstrate that it currently provides meaningful agricultural, business assistance, and/or advocacy services to African-American farmers and/or ranchers operating in rural/non-urban areas in the U.S.?	<input type="checkbox"/> YES <input type="checkbox"/> NO
5. Can my organization demonstrate that it provided meaningful agricultural, business assistance, and/or advocacy services to African-American farmers and/or ranchers operating in rural/non-urban areas in the U.S. prior to December 31, 2012?	<input type="checkbox"/> YES <input type="checkbox"/> NO
<i>If YES to both Questions 4-5, your organization is eligible to apply for BFDL Cy Pres Phase I Grants If NO to either or both of Questions 4-5, your organization is NOT eligible to apply for Cy Pres Phase I Grants</i>	

PROPOSAL CHECKLIST:

Use this checklist to ensure you return a completed Proposal for Cy Pres Phase I Grants.

- A qualified representative of my organization or the 501(c)(3) fiscal sponsor applying on my organization's behalf has authorized the Application and signed the Cover Sheet.

The following sections have been completed in full:

- Cover Sheet
- Grant Request
- Proposal Narrative

The following attachments have been emailed as a PDF attachment or sent:

- An audit report for the most recently completed fiscal year. Or, if your organization is not required to conduct an annual audit, the following organizational statements for the most recently completed fiscal year:
 - Statement of Financial Position (balance sheet)
 - Statement of Activities (revenue and expenses)
 - Functional Expenses (expenses by program and supporting services), *if available*
- Organization's annual operating budget for current and upcoming fiscal year
- A list of funding sources for the current and upcoming fiscal year
- A list of key staff and board of directors
- IRS Letter of determination
- Documentation that evidences three examples of past work with African-American farmers and/or ranchers operating in rural/non-urban areas of the U.S.
- A list of three external references familiar with your organization's work

For project support requests, these additional attachments have been attached or sent.

- Project budget for the current fiscal year
- Estimated project budget for the grant term
- A list of project funders

- (Optional) The BFDL Cy Pres Phase II Visioning Document