



## Small Grants Program Guidelines

**Type of Financing.** The MCF offers grants to local projects that meet the required profile. Amounts and Frequency. The maximum grant for each project will be defined each year according to the available budget. The amounts assigned to projects will be in US dollars. If the donee prefers to execute the project in colones, the exchange rate on the date of disbursement of funds will be used. No project may receive more than three (3) grants in a five-year period or may receive more than one grant at a time.

**Permitted Uses.** MCF resources may be destined for the acquisition of equipment, machinery, training sessions, consulting, materials, supplies, activities and remuneration of human resources as long as they do not represent the principal goal of the project.

**Counterparts.** The applicants must supply an equivalent amount or more to the contribution of the MCF, whether in cash or in goods or services valued at market prices. The maximum amount to be supplied by MCF will be defined each year. (Example: 'Organization A' has a project that costs \$5,000 and the maximum available from MCF is \$2,000. Therefore, MCF would only contribute \$2,000 and the applying organization would contribute \$3,000 resources (in cash or in kind) or from other sources).

**Geographic Area.** Projects financed by MCF through this fund must be located in the communities of Cañitas, Cebadilla, Cerro Plano, Guacimal, La Cruz, La Lindora, La Guaria, Las Nubes, Los Llanos, Los Olivos, Los Tornos, Monteverde, San Luis, Santa Elena and San Gerardo. Priority will be given to projects located communities within the Municipal District of Monteverde.

**Duration of Projects.** The MCF will finance projects for a maximum period of 18 months which may be extended for justified reasons.

**Disbursements.** Funds will be disbursed in installments according to what has been negotiated previously between MCF and the donee. The donee must have presented a progress report and a financial report in order to receive disbursements of remaining funds. Once the progress reports have been presented, the Follow-Up Committee will analyze the achievement and scope of the objectives.



**Expected Characteristics of Projects.** The MCF will finance projects of various types, including participatory planning, applied research, organizational development, training, demonstration of a new technology, and expansion of a proven technology, among others. Nevertheless, all projects must:

- Directly address a clearly identified local problem;
- Demonstrate feasibility;
- Promote the direct participation of the beneficiaries during the development, execution and evaluation of the project;
- Show the impact of the actions taken and the execution of the budget;
- Have the potential to be sustainable over time or be replicated in the future; and
- Include in the work plan an element of public sharing of information.

Preference will be given to projects that:

- Propose innovative solutions to the identified problem;
- Have alliances with non-profit organizations, academic institutions or governmental institutions;
- Include strengthening processes both for those who carry out and those who benefit from the project;
- Are aimed at benefiting traditionally marginalized sectors of the population.

Medium and long-term projects can be presented in stages. However, a plan of action for the whole process and its anticipated impact must be specified from the beginning.

**Restrictions.** MCF will NOT award SGP grants to:

- proposals presented or directed by governmental entities;
- proposals presented by individuals or by for-profit companies;
- proposals presented by groups that do not contribute financial or in-kind resources to the proposed activities;
- the proposals related to political parties or partisan movements;
- purely religious or sectarian activities;
- pure research;
- social assistance projects of any kind;
- projects that are the direct responsibility of the local or national government;
- requests for donations in excess of the maximum amount defined for this fund; or
- projects whose objectives do not work toward a shared self-help capacity.

**Complementary Provisions.**



1. Applying institutions must present a duly completed Project Proposal.
2. MCF staff may visit the project sites or request more information from the applying entity.
3. MCF reserves the right to negotiate with approved institutions or organizations an amount less than that requested and/or reallocation of budget items.
4. The timing of disbursement of funds will be established in the respective agreement.
5. In cases in which the grantees do not have legal status, funds can be deposited in an account opened exclusively for the purposes of the project. The account must be in the name of 2 project representatives who are not related (by blood or by marriage).
6. If all the resources of the FCM can not be awarded in the first round, the MCF may invite a second round of applications, or the funds may be accumulated for a future application process.
7. In order to sign the respective agreement, the approved entity must submit the following documents:
  - a. Final version of the project, including recommendations made by the Evaluating Committee. These recommendations should be incorporated into the project document (that is, the corrected final version should be presented);
  - b. Other requested information and documentation will be attached as annexes.

The approved entity must present all the documentation indicated previously within 30 calendar days, counted from the date of notification of approval by the MCF, attaching the respective observations and recommendations. Otherwise, the entity may lose the grant.

*The guidelines of this program and the funds available for granting are subject to modifications every year.*

### **Evaluation of Eligible Proposals.**

The project selection process contains two stages:

1. presentation and review of the Letter of Intent, and
2. invitation of full proposals.

Final projects will be selected via a competitive process organized by MCF staff and an Evaluation Committee. The committee will be made up of five (5) people—2 representatives of the MCF, 1 local leader, 1 representative of the academic sector and 1 expert in subjects related to community development—and will be responsible for:

1. determining the general eligibility of proposals;
2. evaluating the strengths and weaknesses of the project, the budget and the proposing entity; and
3. presenting the results of their evaluation to the MCF Board of Directors.