### 3.2.1 Foundation Grants

### A foundation grant is a funding opportunity offered by a foundation to other organizations to support the awarding foundation’s charitable objectives. The purpose of foundation grants vary, as much as foundations vary, because foundations take diverse forms and follow diverse regulations depending on the jurisdiction where they are created and the purpose for which they are created. Although a foundation’s governing body may determine how its funds may be used and what objectives, goods or services may be funded based on the conditions established on its founding documents, a public foundation will follow the dispositions of the donors of the funding made available to the foundation. The State of Arizona, when receiving awards from foundations, will be required to comply with the objectives of that foundation in the manner established in the foundation’s founding documents, by the foundation’s governing body, and/or the award agreement. The state in accepting foundation awards must evaluate and consider the foundation’s expressed and implied objectives in comparison with the state’s objectives to ensure compatibility. The state may be able to leverage foundation funds to gain access to other federal, state, and/or nonprofit funding opportunities with similar objectives. The State of Arizona agency receiving a foundation grant must establish the awarding foundation as grantor in all internal records, including eCivis.

#### 3.2.1.1 Corporate Foundations

### Corporate foundations are nonprofit organizations that will generally establish its objectives based on the charitable interests of the corporate sponsor of the foundation. Therefore, most of its funding opportunities will be directed towards achieving objectives directly or indirectly related to the corporate sponsor’s business, customers, location, stakeholders, community of interest, or other charitable objectives. State agencies receiving awards from corporate foundations may be indirectly associated to the corporate sponsor creating a relationship that may be a real or perceived conflict of interest for the state. Once a state agency determines that a real conflict of interest does not exist or if perceived, that the perception does not harm the state, and the funding opportunity is compatible with the state agency’s objectives; the state agency may seek the funding opportunity. These types of funding opportunities provide a chance for state agencies to perform compatible projects or programs or to leverage resources that otherwise may not be available to the state.

#### 3.2.1.2 Nonprofit Foundations

### Nonprofit foundations are organizations authorized by federal law as not for profit entities that establish their charitable objectives based on the interests and objectives of the organization’s founding documents, board, and donors. Although most nonprofit foundations have specific objectives and develop funding opportunities to specifically achieve those objectives, they may provide flexibility for the state regarding which compatible programs, projects, goods or services are funded.

#### 3.2.1.3 Family Foundations

### Family foundations are nonprofit organizations that will generally establish its objectives based on the charitable interests and objectives of the organization’s founding individual or family. Although most family foundations have specific objectives and develop funding opportunities to specifically achieve those objectives, they may provide flexibility for the state regarding which compatible programs, projects, goods or services are funded.