

**WARD FIVE HEALTHCARE FOUNDATION**  
**dba Living Well Foundation**

**GRANT-MAKING GUIDELINES AND PROCEDURES**

This document sets forth the grant-making guidelines and procedures of the Ward Five Healthcare Foundation, dba Living Well Foundation (the "Foundation"), including those relating to minimum eligibility requirements, grant selection factors, the grant selection process, grant agreements, and grant monitoring.

**I. Minimum Eligibility Requirements.**

All grants made by the Foundation must meet certain minimum eligibility requirements.

**A. Health-Related Nature of Program or Project.**

The Foundation only makes grants for a program or project that is consistent with the statutory purposes of the Hospital Service District No. 1 of the Parish of Ouachita, State of Louisiana (the "District"). Accordingly, the Foundation may make grants to support:

- activities related to rendering care to the sick and injured or in the promotion of health
- activities designed and conducted to promote the general health of the community
- activities undertaken in cooperation with public or private institutions or agencies engaged in providing health services to residents of the District

**B. Geographic Location of Program or Project.**

The Foundation may make grants for a program or project providing for appropriate health-related facilities or services that serve or benefit persons who reside within the District and/or persons who reside outside the District.

The Foundation only makes grants for a program or project that is consistent with the statutory purposes of the District. Accordingly, in light of the prevailing interpretation of the hospital service district statute, the Foundation may only make grants for programs or projects providing for the construction or operation of facilities or performance of services *outside* the geographic boundaries of the District *if* each parish and each hospital service district in which such facilities outside the District are located and/or such services outside the District are performed agrees with, consents to, approves, or authorizes the making of the grant by the Foundation (which agreement may be evidenced by any reasonable means, including but not limited to a letter from, or counter-signed by, a parish or hospital service district official consenting to the making of the grant, whether specifically or as one of a general class of permitted grants). The geographic boundaries of the District are illustrated in Appendix A. In

the Coordination Agreement among the Foundation, the District, Glenwood Regional Medical Center, and the Police Jury of the Parish of Ouachita (the "Coordination Agreement"), the Police Jury of the Parish of Ouachita has already consented to and authorized the Foundation to perform services and make grants to programs and projects of any kind throughout the Parish of Ouachita.

**C. Nature of Applicant.**

The Foundation considers only applications for grants to the following types of organizations or individuals:

- a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code that is not a private foundation described in Section 509(a) of the Internal Revenue Code
- an organization described in Section 170(c)(1) of the Internal Revenue Code (governmental entities)
- an organization described in Section 511(a)(2)(B) of the Internal Revenue Code (state colleges and universities)
- an individual who resides in the District or the community and who is "needy" within the meaning of Article 7, Section 14(B)(1) of the Louisiana Constitution (generally, individuals who are indigent, uninsured, or underinsured, or in need of health care or better health or health-related education, in each case as determined by objective, nondiscriminatory criteria set forth in supplemental guidelines and procedures established by the Foundation with respect to a specific sub-program for a class of individuals)

The Foundation does not consider applications for grants to any of the following:

- private foundations, business corporations, limited liability companies, partnerships, or sole proprietorships
- an individual who is not "needy"
- directors, officers, or employees of the Foundation or their children or any organization with which any of them has an employment or financial relationship

**D. Other.**

The Foundation has been established to operate substantially as a program of social welfare for the aid and support of the needy within the meaning of Article 7, Section 14(B)(1) of the Louisiana Constitution. The Louisiana courts have interpreted the needy to include not only the indigent but also all persons in need of health care, such as battered women.

In order to provide fair protection to IASIS Glenwood Regional Medical Center, Inc. ("IASIS"), the purchaser of the hospital, and in order to obtain proceeds from such sale, the

Foundation must join the sellers in agreeing, for a period of five years after the sale, not to engage in certain activities that would be considered competitive with IASIS, such as the ownership, leasing, management, operation or control of an acute care hospital or of various other types of health care facilities. (See Section 7.3 of the Asset Purchase Agreement.) The Foundation is specifically not prohibited, however, from:

- providing financial support to a tax-exempt, non-profit institution to provide urgent care clinics, health screenings, charity care services, educational programs, any programs offered through the Wellness Center as of July 20, 2006, and any programs substantially similar to such programs
- making charitable grants to programs of social welfare operated by tax-exempt, non-profit institutions for the aid and support of the needy.

## **II. Grant Selection Factors.**

The Foundation considers a variety of factors in deciding what grants to make.

### **A. Identified Community Health Needs.**

The Foundation will cause to be prepared from time to time a formal written Community Needs Assessment to identify the health and wellness needs of the residents of the Parishes of Ouachita, Union, Lincoln, Jackson, Caldwell, Franklin, Richland, and Morehouse and a Community Plan to address those needs (taking into account, with respect to activities in Ouachita Parish, the Foundation's agreement in Section 8 of the Coordination Agreement to endeavor to make grants to programs and projects in such a manner as to distribute the over-all benefits throughout the Parish of Ouachita in a manner generally consistent with the patient origin patterns of Glenwood hospital prior to November 18, 2006), as well as annual strategic plans and annual budgets. The community health needs identified and targeted for action in the most recent Community Needs Assessment, Community Plan, strategic plans, and budget of the Foundation, all of which will be posted on the Foundation's website, will weigh heavily in the Foundation's selection of grants that it decides to make.

### **B. Other Appropriate Health Care Purposes.**

The Foundation has been established in connection with the sale of a hospital in accordance with the Louisiana Nonprofit Hospital Acquisition Statute, La. R.S. 40:2115.11, *et seq.* In order to further the objectives of that statute, the Foundation favors making grants that meet one or more of the following criteria:

- the grant would help assure the continued existence of accessible, affordable health care facilities in the District and the community that are responsive to the needs of the community
- the grant would be accompanied by safeguards designed to assure the community continued access to affordable care

- the grant would support the provision of health care to the disadvantaged, the uninsured, and/or the underinsured
- the grant would support the provision of benefits to the affected community to promote improved health care
- the grant would provide support for medical education and teaching programs or medical research programs

**C. Other Grant Selection Factors.**

In addition to the foregoing, the Foundation will also consider other available information relating to a proposed grant, including:

- the clarity, concreteness, and definiteness of the program or project to be supported by the grant, including its specific goals, activities, time-lines, budget, and means of measuring success
- the impact that the program or project is likely to have on the community, including any long-term benefits
- the expected cost of the program or project, the financial needs of the applicant, and the amount of the grant requested
- the apparent feasibility and likelihood of success of the program or project
- whether the applicant operates under sound financial principles
- the past performance of the applicant
- the qualifications and credentials of the applicant's staff who will oversee and carry out the project
- the recommendations of references supplied by the applicant
- whether the program or project will promote cooperation with other organizations and integrate, rather than duplicate, existing community resources and services
- whether and to what extent other organizations are funding part of the program or project, have made a challenge grant, or will make a matching grant, or the applicant otherwise is able to obtain other funding
- whether the applicant has a plan for future ongoing financial support for the program or project from sources other than the Foundation

The Foundation is not inclined to make grants:

- to retire indebtedness or for the payment of interest
- to pay taxes, penalties, fines, lobbying expenses, costs of litigation, licensing fees, or for cash prizes or alcoholic beverages
- to establish or add to endowment funds

- to support general operating expenses or annual sustaining fund drives
- to religious, fraternal, athletic, or veterans organizations seeking support for programs or projects for which the primary beneficiaries would be their own members
- to political, business, or labor organizations or social clubs

The Foundation will not discriminate against any applicant on the basis of race, color, creed, religion, national origin, ethnicity, sex, sexual orientation, veteran status, or political affiliation.

**D. Examples of Possible Types of Grants.**

The Foundation anticipates that it may make grants of a nature similar to those made in recent years by other similar foundations. Some examples of healthcare-related grants made by other similar foundations in recent years are listed in Appendix B.

**III. Grant Selection Process.**

**A. Solicitation of Applications.**

The Foundation will actively solicit applications by:

- posting on its website the Foundation's grant-making guidelines and procedures, all Foundation grant application forms and instructions, and other relevant information
- placing advertisements in local newspapers and other local media at least twice a year publicizing the availability of grants from the Foundation and the manner in which copies of the Foundation's grant-making guidelines and procedures and grant application forms and instructions may be obtained

**B. When Applicants May Apply for Grants.**

The Foundation will accept for review grant applications twice a year during the following periods:

- March 1 through March 15 for the Letter of Intent with the completed application due March 31.
- September 1 through September 15 for the Letter of Intent with the completed application due September 30.

If March 31 or September 30 falls on a weekend or a legal holiday in West Monroe, then the deadline date is the next business day.

To be accepted for review, all letters of intent and grant applications must be submitted electronically using the Grant Lifecycle Manager software. A link to the software can be found on the Foundation website [www.livingwellfoundation.net](http://www.livingwellfoundation.net)

- The letter of intent must be submitted electronically by March 15 or September 15.
- The completed grant application must be submitted electronically by March 31 or September 30.

**C. How Applicants May Apply for Grants.**

To apply for a grant from the Foundation, an applicant must submit a complete application in accordance with the Foundation's application instructions. Information about applying for a grant may be found on the Foundation's website [www.livingwellfoundation.net](http://www.livingwellfoundation.net). Questions about grant applications may be submitted to Foundation staff by e-mail, telephone, or fax.

A complete application by an organizational applicant includes:

- a completed letter of intent;
- a completed grant application which will include:
  - a detailed statement describing the program or project proposed to be funded, including a statement of the need to be addressed, the objectives to be accomplished, the tasks to be performed, the qualifications of the personnel to perform the tasks, a proposed timeline for performing the tasks, an approved budget, and the manner in which the outcome is to be measured

The following list of documents must be in an electronic format that can be uploaded into the application form in the Grant Lifecycle Manager software. Documents required to complete the application include:

- a list of directors and officers of the applicant and disclosure of any known relationships with any directors, officers, or employees of the Foundation
- a copy of the applicant's most recent Section 501(c)(3) letter of determination of tax-exempt status (unless the applicant is a government entity or state college or university)
- a copy of the most recent audited or reviewed financial statements of the applicant, including the audit or review report; the most recent unaudited financial statements of the applicant; and a copy of the applicant's budget for the current fiscal year
- a copy of the applicant's most recent Form 990 (unless the applicant is a government entity or state college or university)
- letters of reference concerning past performance by the applicant

- any other information required by the Foundation's grant application instructions

A completed application by an individual applicant shall include the information required by the supplemental guidelines and procedures established by the Foundation for a specific sub-program for a class of individuals who meet specified objective, nondiscriminatory criteria.

**D. The Foundation's Grant Review Process.**

**1. Letter Acknowledging Receipt.** The Foundation will send a letter to each applicant acknowledging receipt of their respective application.

**2. Staff Review for Completeness and Eligibility.** The Foundation will review each application to determine if it meets minimum eligibility requirements and is complete. If an application fails to meet minimum eligibility requirements (see part I above), it will be rejected with an explanation of the failure. If an application is incomplete (see part III.B. above), the Foundation will send a letter to the applicant requesting the missing information, which must be submitted within two weeks of the request, otherwise the application will be rejected. If an application meets minimum eligibility requirements and is complete, it is then qualified to be evaluated.

**3. Contractor Evaluation Review.** The Foundation will cause experienced contractors who do not reside in the District to review and score qualified applications in light of the Foundation's grant selection factors (see part II above) and provide written reports to the Foundation on the results of the scoring and other comments the contractors may have.

**4. Staff Review.** If a contractor's report indicates that additional information about an application is needed, or if the Foundation's Programs/Grant Review Committee or Board of Directors requests additional information about an application, the Foundation staff may attempt to secure the information in the manner it deems most appropriate, such as by requesting the additional information from the applicant, requesting interviews of applicant's personnel or a visit to applicant's site, and/or obtaining information or assistance from consultants or other third-parties. The Foundation staff will prepare a written report on any material additional information secured.

**5. Committee Evaluation Review.** The Foundation's Programs/Grant Review Committee will evaluate all qualified applications in light of the Foundation's grant selection factors, the contractors' reports, and any staff reports, and make recommendations to the Board of Directors of the Foundation.

**6. Board Evaluation Review.** The Foundation's Board of Directors will evaluate all qualified applications in light of the Foundation's grant selection factors, the contractors' reports, any staff reports, and the recommendations of the Foundation's Programs/Grant Review Committee, and decide which grant applications to approve, in each case subject to Section III.D.8 below.

7. **Notification Letter.** The Foundation will send a letter to each applicant whose application was evaluated notifying the applicant whether or not a grant has been approved, and if so for how much, but in each case of approval subject to Section III.D.8 below.

8. **Approvals Subject to Conditions.** Every grant application approval is subject to the negotiation and execution of a formal written grant agreement. In addition, as specified in the Foundation's Bylaws, certain grant application approvals are also subject to the approval of the Board of Commissioners of the District.

9. **Appeal Process.** Any applicant notified that the grant sought by the applicant has not been approved may submit a written appeal of such decision to the Foundation within 15 days of delivery of notification. The Foundation will use best efforts to consider each timely appeal, within 60 days of receipt of the written appeal, by repeating the procedures set forth in Sections III.D.6 and II.D.7 above with respect to the application in question. The Foundation will not entertain a second appeal with respect to the same application.

10. **Meetings Open to Public.** All discussions, deliberations, and determinations regarding applications by the Programs/Grant Review Committee and the Board of Directors, including appeals, will be open to the public. The public notice and agenda for each meeting will include or attach a list of all applications to be discussed at the meeting. Each applicant will be notified of the date, time, and place of each meeting in which that applicant's application will be discussed.

#### **IV. Grant Agreements.**

The Foundation staff will contact each applicant whose application was approved by the Board of Directors (subject to the negotiation and execution of a formal written grant agreement) to develop and refine the program or project's objectives, activities, budget, means of measurement of success, and other elements in order to negotiate a formal written grant agreement. A formal written grant agreement must be executed by the President/CEO and the Board Chair on behalf of the Foundation and by an authorized individual and the Board Chair on behalf of the grantee.

The terms and conditions of each grant agreement must contain certain substantive provisions, including:

- The specific purpose, duration, and total amount of the grant must be expressly set forth.
- All grant funds must be used exclusively for the specific purpose of the grant.
- Funds expended prior to execution of the grant agreement may not be reimbursed with grant funds.
- Any grant funds not expended at the end of the grant period or upon earlier termination of the grant must be returned to the Foundation.

- The grantee agrees to account separately for all grant funds and to allow the Foundation to monitor and review the accounting, disbursement, financial practices, and internal audit systems of the grantee.
- The grantee will provide the Foundation quarterly unaudited financial statements and an audited year-end financial statements of the grantee.
- The grantee will provide the Foundation regular reports by specified dates and a final report providing specified information regarding the program or project.
- The renewal of any multi-year grant for any succeeding period will be contingent upon evidence of adequate performance in the prior year(s).

Notwithstanding the foregoing, the requirements for the execution and terms of grant agreements with individuals shall be as set forth in the supplemental guidelines and procedures established by the Foundation with respect to a specific sub-program for a class of individuals who meet specified objective, nondiscriminatory criteria.

## **V. Grant Monitoring.**

### **A. Required Reports by Grantees.**

Each grant agreement will require a written report from the grantee to the Foundation on the progress of the grant program or project in achieving the objectives of the grant at least once a year and upon completion of the grant program or project.

### **B. Foundation Review of Reports.**

Foundation staff will be assigned to follow the progress of all grants, that is, to check whether each grantee has made the required reports, to review each report submitted by a grantee, to make a determination as to whether the grant purposes are being or have been fulfilled, and to look into any questions requiring further scrutiny or investigation. The Foundation staff will report the results of such monitoring periodically in writing to the Programs/Grant Review Committee.

### **C. Investigation.**

Where grantee reports to the Foundation or other information (including failure to submit reports after a reasonable period of time has elapsed from their due date) indicates, in the judgment of the Foundation's President/CEO, that all or any part of grant funds are not being used for the specific purposes of a grant, the President/CEO will cause the Foundation staff to initiate an investigation. While the Foundation is conducting an investigation, the President/CEO may cause the Foundation to withhold further grant payments to the grantee under investigation from time to time to the extent the President/CEO deems prudent in light of the nature of the information received to date and the overall circumstances.

**D. Remedial Actions.**

If after investigation the President/CEO of the Foundation determines that any part of a grant has been used by a grantee for a purpose not specified in the grant agreement, the President/CEO shall (1) cause the Foundation to take reasonable and appropriate steps, which may include legal action, to attempt to recover diverted grant funds for the Foundation or cause the restoration of diverted funds to the grantee and to ensure other grant funds held by the grantee are used only for the specific purposes of the grant, and (2) cause the Foundation to withhold further payments on the particular grant until (a) the grantee has submitted to the Foundation all reports that are due, (b) the diverted funds have been recovered by the Foundation or the grantee has provided the Foundation satisfactory evidence showing that the diverted funds have been restored to the grantee, and (c) the grantee has provided to the Foundation written assurance of the extraordinary precautions that the grantee is taking to prevent future diversions from occurring.

APPENDIX A

**Map Showing Geographic Boundaries of District**

## APPENDIX B

### Examples of Health-Related Grants by Similar Foundations

**American Heart Association – Operation Heartbeat: Improving the Chain of Survival** – a comprehensive initiative that places Automated External Defibrillators (AED's) in the community, educates and trains the public about its lifesaving role in cardiac arrest, and advances changes within local EMS systems.

**Catholic Charities – PACE** – This project, with the assistance of community agencies, enables elders to maintain an optimum quality of life and remain an independent as possible.

**Children's Hospital – Doctors Office Based Child Shot Registry** – The Greater New Orleans Immunization Network will design, test and install a regional electronic web-based child immunization record that allows physicians secure access, with children and immunizations tracked annually, to improve patient histories and create a solid parental and physician reminder system.

**Children's Hospital – Greater New Orleans Immunization Network** – Design a new model for marketing childhood immunizations, which should successfully reach the last 20-30% of children under age two not currently being immunized. Evaluates success rates of new models for ultimate improvement of the regular immunization programs in the area. Improve regional childhood immunization programs to reach 95% (up from 75%) of infants and children under age two.

**City of New Orleans – Public Health Plan** – Provides consulting assistance to the City of New Orleans to develop an assessment of the status of existing operations within the Health Department and guidance in the development of a plan for improvement in light of community needs and budgetary restrictions.

**Kingsley House – Health Care for All Program** – Health Care for All will educate low income families about low and no cost health insurance for children, and ensure that all children eligible for LaCHIP have access to quality health care and thus increase the overall wellness of low income communities.

**Louisiana Organ Procurement Agency – Organ Donation** – An urgent need exists for minority organ donation because an extremely disproportionate number of African Americans are waiting for a transplant and matching ethnicity is critical for successful transplantation. This grant will fund an ethnically sensitive public awareness campaign.

**Louisiana State University Health Sciences Center – Partners in Health: The Breast and Cervical Cooperative** – A program to improve morbidity rates among minority underserved women by providing education regarding breast and cervical health and free early detection screenings.

**Pendleton Memorial Methodist Hospital – Abramson School-Based Health Center** – By providing easy access to mental and healthcare services, the Abramson School-Based Health Center will improve the health status of adolescents and decrease high-risk behaviors.

**Second Harvesters Food Bank – Five-A-Day the Head Start Way** – Comprehensive outreach and education program for early intervention with children living in low-income situations. Expand access to fresh fruits and vegetables and increase knowledge of healthy diet.

**Volunteers of America – The Little Woods Initiative** – Network of medical, academic, health policy, social service, business, civic/religious groups and consumers who will develop a replicable, community-based, cost-effective, multi-service model to increase the capacity of elderly residents to function more independently.

