

## EXPLANATIONS AND CLARIFICATIONS OF CCHD CRITERIA AND GUIDELINES

The following is provided as an aid to understanding CCHD's definitions of the various terms used here. Applicants will be evaluated based on CCHD's definitions.

**POVERTY:** This is a definition of economic status using indicators such as TANF or Medicare Guidelines, government definitions for low-income or lower living standards, supplementary security or food stamp eligibility. At least 50 percent of the board members of your organization must fit within criteria similar to the above. Of course, each area of the country may have higher or lower standards for the "low-income" category. We accept your definition in this pre-application, but it must be documented and justified if you submit a full application.

**LOW-INCOME CONTROL** (*ownership, can hire and fire, and make policy decisions*): To be "in control", a group must have a history of making decisions for the organization. Advisory Boards give advice; they cannot make final decisions, hire or fire. Control also involves ownership of the processes within an organization and understanding of the community issues. Therefore, it is expected that at least 50 percent of the decision-making body for the organization be comprised of group members living in poverty. Members of the organization who come from the local community and/or geographical area being empowered should also be included.

**INSTITUTIONAL CHANGE:** CCHD's definition of "institutional" refers to policies and operational structures of government, corporations, or private agencies that create poverty, keep people poor or impose injustices on poor people. The following examples **do not fit CCHD's definition of institutional change**:

- \* Advocacy for an individual or many individuals resulting in a more just situation for the individual(s) but not changing the structure or official policy of the institution;
- \* Changes in attitudes of persons who provide services to poor people, but not affecting the government, corporate or agency policies and structures.

**LEADERSHIP DEVELOPMENT:** Initial and continual development of leaders is considered essential in CCHD's criteria. Skills trainings, social analysis, issue identification, elements of organizing, fund raising, board development, etc. are important facets to leadership development.

**ORGANIZATIONAL CAPACITY/TRACK RECORD:** It is expected that organizations applying for funding demonstrate some concrete history in carrying out what they are proposing to do during the funding year. An organization may have an excellent track record in providing direct services to a very low-income community, but this does not qualify them to be effective in creating institutional changes. In addition to having a proven record in institutional changes, the applicant organization should demonstrate a track record in terms of their board's experience, operation and involvement in financial management.

**FUND RAISING:** The ability to develop financial capacity is demonstrated by internal and external fund raising. Organizations should be able to demonstrate to CCHD that they have been able to raise funds, and that they have current and future plans for increased support of their organization during and after CCHD funding. Internal fund raising refers to: fund raising from the organization itself (membership dues and grassroots fund raising) and fund raising from other community resources (churches, businesses, local foundations, etc.). External fund raising refers to larger amounts of money received in the form of grants or loans from national or regional foundations, federal or state sources, religious denominations, etc.