Maryland Heritage Areas Program

MANAGEMENT GRANT GUIDELINES

Fiscal Year 2027

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FY27 MANAGEMENT GRANT GUIDELINES

INTRODUCTION

The Maryland Heritage Areas Program is a state program that is housed administratively within the Maryland Historical Trust and governed by the Maryland Heritage Areas Authority (MHAA). Funding for the Maryland Heritage Areas Program, which is currently $6 million dollars annually, comes from Department of Natural Resources Program Open Space funds. Management Grants are awarded to the management entities of the 13 state-certified heritage areas (the "**Heritage Areas**") through the Maryland Heritage Areas Authority Financing Fund, a non- lapsing, revolving fund.

New in FY27, Heritage Area management entities may apply for up to $200,000 in Management Grant funds for any combination of management, marketing, and/or mini-grant activities with no caps on the request amounts for each type of activity.

The following information and instructions are to be used for completing the **Management Grant application which must be submitted online via the grants portal (YourCause - Grants Portal) no later than 11:59 p.m. on May 18, 2026**. A link to the Management Grant application will be emailed to all Heritage Area directors from MHAA program staff.

WORKPLACE RESTRICTIONS; DISCLAIMERS

Each applicant shall comply with all applicable federal, State, and local laws, and MHAA program policies in carrying out the grant-funded project, including laws about drug-, alcohol-, and smoke-free workplaces; access for people with disabilities; equal opportunity in employment, housing and credit practices; and prohibiting discrimination. The application process depends on complete and accurate information, and the failure to provide the information requested on the application may jeopardize your application. You should be aware of the following:

1. Any personal information supplied by the applicant will be used principally for MHAA's evaluation of the application, but it also may be shared with other State, local, or federal government agencies involved with the applied-for project.
2. MHAA will permit the person whose information is included in an application to inspect, amend, and correct that information.
3. Your application and its supporting materials are public records that are generally available for public inspection under the Maryland Public Information Act (PIA). However, certain types of information are protected from disclosure under the PIA and will be removed before disclosure of a record. If your application materials contain trade secrets, proprietary or confidential commercial information, or confidential financial information you believe are exempt from disclosure under the PIA, please indicate this in the applicable sections of your application. The Attorney General's website contains helpful information about the Public Information Act and

the types of information that it exempts from disclosure: https://www.marylandattorneygeneral.gov/Pages/OpenGov/pia.aspx.

ELIGIBLE APPLICANTS

Eligible applicants include **nonprofit organizations, local jurisdictions, and state agencies** that have been identified as **management entities** of the Heritage Areas.

Nonprofit organizations must be in good standing, registered or qualified to do business in Maryland with State Department of Assessment and Taxation (SDAT), and have the legal capacity and authority to apply for grants and carry out projects funded under the grant program.

ELIGIBLE ACTIVITIES AND EXPENSES

Only Heritage Area management entities are eligible to apply for a Management Grant. The proposed activities must be consistent with the goals, objectives, strategies, and actions outlined in the approved Action Plan that was attached as Exhibit C to the applicant's Cooperative Agreement. Management Grant funds may be awarded for the following activities/expenses that are directly related to Heritage Area management entity staffing, operating expenses, management services, marketing and communications, and the mini-grant program:

Personnel (of the Heritage Area management entity)

- Salary
- Benefits
- Employment taxes

Contractual Services (related to operations)

- Bookkeeping
- Payroll
- Accounting / Audits
- Legal
- Planning (strategic, interpretative, etc.)
- Other consultants related to management of the Heritage Area (not related to marketing or communications)

Printing and Postage for Administrative Purposes

Telephone and Internet

- Amount of request must be used solely or primarily for Heritage Area management purposes
- If the device will also be used for non-Heritage Area purposes, costs must be pro-rated to reflect only the portion attributable to Heritage Area use

Staff Development

- Membership/subscription/enrollment fees (AASLH, Maryland Nonprofits, etc.)
- Registration Fees (participation in conferences, workshops, hosted by other organizations that are directly related to Heritage Area duties performed by staff members)

Travel Costs

- Mileage
- Meals
- Lodging

See **Appendix E** for details about eligible meals, meal rates, and mileage rates which are based on the State of Maryland's Standard Travel Regulations set out in COMAR 23.02.01.

Office Expenses and Equipment

- Purchase/lease/installation/maintenance of computers, office furnishings, copiers, etc.
- Software purchase, lease, upgrade
- Office Supplies
- Subscriptions related to office functions such as Zoom and customer relationship management (CRM) software

For full-cost reimbursement equipment must be used solely or primarily for Heritage Area management purposes; if equipment will also be used for non-Heritage Area purposes, costs must be pro-rated to reflect only the portion attributable to Heritage Area use. Computer equipment is generally expected to have a minimum 3-year lifespan before replacement.

Rent and Utilities

- Rent/Use Fee
- Electricity
- Gas
- Water
- Sewage
- Trash

- Other

Insurance Fees

Grant-Related Engagement

- Grant announcements (print and online)
- Community/Technical training workshops and information sessions hosted by Heritage Area (supplies, food, rental fees, etc.)

Stakeholder Engagement and Updates (print, online, in person)

- Newsletters
- Annual and impact reports
- Trade shows/events/tours

Award and Receptions

Board of Directors Meeting Expenses

Fundraising (event costs such as music, flowers, catering, etc.)

- Alcoholic beverages of any kind are NOT eligible expenses for MHAA funding, nor are they eligible expenses for the match
- Alcohol-related expenses (e.g. liquor licenses, servers who serve alcohol) are eligible for inclusion in the Heritage Area's matching funds only

Heritage Area Websites and Messaging

- To include, major changes, development of new websites, design, hosting, routine maintenance, and updates
- Logo and messaging development, including marketing and communications plans
- Contractual services related to website or messaging activities

Advertising*

- Print/Magazine
- Social Media
- Digital placement
- Performance and asset development fees
- Search engine ads
- Radio and TV
- Contractual services related to advertising

Collateral Materials*

- Banners and posters
- Give away swag such as hats, t-shirts, stickers, etc.
- Promotional activities (i.e. calendars, printed signs, etc.)
- Brochures and Flyers
- Business cards
- Maps
- Video and photo assets
- Contractual services related to collateral materials
- Printing related to collateral materials

*Applicants that have any prior year MHAA Marketing Grants that are still active are not eligible to apply for advertising and collateral materials expenses for FY27.

Fulfillment and distribution costs/fees

Mini-Grants

- The amount of funds being requested for non-capital mini-grants (pass through) to local partners of $5,000 or less that will be administered by the Heritage Area management entity.

Discretionary

- A Heritage Area may set aside up to $15,000 in grant funds of its Management Grant for non-capital expenses, including programming and interpretation, that directly relate to the management of the Heritage Area and/or support the goals, objectives, strategies, and actions described in its approved Action Plan. These funds may NOT be used for mini-grants.

Other

- If other types of Heritage Area activities/expenses are contemplated, please contact MHAA program staff to determine eligibility.

<u>INELIGIBLE ACTIVITIES AND EXPENSES</u>

Management Grant funds may <u>NOT</u> be used to pay for the following:

- **Capital activities** (construction, building work including painting, trail installation, etc.)
- **Programming, interpretive activities** and other stand-alone projects that do NOT directly relate to the management of the Heritage Area or the approved Action Plan.
- **Alcohol**

MANAGEMENT GRANT APPLICATION REVIEW CRITERIA AND APPROVAL

Applications will be reviewed by MHAA program staff who will make funding recommendations to MHAA. All Management Grants being recommended for funding will be presented to MHAA for final approval. See **Appendix A** for the list of criteria that are considered when applications are reviewed.

GRANT TERMS AND CONDITIONS

The terms and conditions of the Management Grant will be outlined in a Cooperative Agreement that all grantees are required to enter into with the Maryland Heritage Areas Authority. It is important that you understand these terms and conditions prior to applying for grant funds, because you will need to abide by them if a grant is awarded. See **Appendix B** for full terms and conditions. If awarded, the grant period begins **July 9, 2026** and project work can begin that day.

APPLICATION SUBMISSION AND DEADLINE

Management Grant applications are submitted online via the grants portal. FY27 applications must be submitted no later than 11:59 p.m. on May 18, 2026. A link to the Management Grant application will be emailed to all Heritage Area directors from MHAA program staff.

In addition to answering the questions in the online application form, applicants will be required to upload the following supporting documents with their applications:

- A detailed budget using the required Excel form showing what portion of the Heritage Area management grant will be supporting the Heritage Area management entity's overall operating budget (See Appendix C for instructions)
- Resumes of key project personnel (staff and consultants)
- Proof of Nonprofit and Tax-Exempt Status and Organizational Documents (See Appendix D for instructions)
- Letters of Support - Letters of support from elected officials, partner organizations and community members are welcome but not a required submission; however, they can help to demonstrate the importance of, need for, and urgency of your project.

GRANT AMOUNTS AND MATCHING FUND REQUIREMENTS

The maximum amount of a Heritage Area Management Grant is $200,000, contingent upon sufficient funding being made available in the Maryland Heritage Areas Authority Financing Fund. The minimum amount that can be requested is $5,000. All grants must be matched in an amount at least equal to the grant (dollar-for-dollar match).

Ineligible Match:

- State of Maryland Funds, except for staff time from state employees
- Expenditures made prior to the award of the grant or after the completion of the grant period

Examples of Match:

- Cash expenditures
- Eligible management, marketing, and mini-grant activities supported by a non-state grant or loan fund
- Proceeds from fundraising that are expended for eligible management, marketing, and mini-grant activities
- Volunteer time for work related to Heritage Area management, marketing, and mini-grant activities (see http://independentsector.org/volunteer_time for current value of volunteer time in Maryland)
- Donated professional services (can be valued at their professional rate, but only if working on Heritage Area management, marketing, and mini-grant activities in their professional role, e.g., accountant providing donated accounting services)
- Donated materials/supplies
- Donated office facilities
- Mini-Grant match contributions from grantees that are non-state sources

Other Project Costs ("Over Match") Non-State Funds Only

- If total management matching expenditures are expected to exceed the total grant request and required match, those additional funds are considered "Other Project Costs." **Only non-state funds qualify as "Other Project Costs" and should be included in the Excel budget and online application.**
- If you are receiving state funds from a source other than MHAA they can not be used as match or listed as other project costs and should therefore not be included anywhere in the budget Excel form or in the "Other Project Costs" field of the online application. If you have state funds you feel are relevant to mention, perhaps for another related phase of work, you can explain them in the budget narrative portion of the application.

APPENDIX A: SELECTION CRITERIA AND SCORING RUBRIC

FY27 Heritage Area Management Grant Rubric

	Excellent (10-20 points)	**Good (5 - 9 points)**	**Adequate (0 – 8 points)**	**Points Awarded**
Consistency with Action Plan, Clarity, and Long-Term Sustainability	All of the planned management, marketing, and mini-grant activities of the Heritage Area are clearly stated and consistent with their Action Plan, and there is a long-term plan for maintenance and/or sustainability.	The planned management, marketing, and mini-grant activities of the Heritage Area are somewhat unclear and not as consistent with their Action Plan, and the plan for sustaining them is still being developed.	The planned management, marketing, and mini-grant activities of the Heritage Area are not clear and/or consistent with their Action Plan, and it is not likely that they will be sustained in the future.	
Alignment with Maryland Heritage Area Program Results and Core Areas of Focus	All of the planned activities significantly contribute to fulfilling the desired results and core areas of focus of the Maryland Heritage Areas Program Strategic Plan.	Some of the planned activities contribute to fulfilling the desired results and core areas of focus of the Maryland Heritage Areas Program Strategic Plan.	Very few or none of the planned activities contribute to fulfilling the desired results and core areas of focus of the Maryland Heritage Areas Program Strategic Plan.	
Budget	The budget contains all of the necessary expenditures and details needed to accomplish the activities outlined. The costs are reasonable and customary. It is clear how MHAA funds will support the orgs overall annual operating budget.	Not all of the expenditures listed in the budget match the proposed activities in the application. It is not as clear how the costs were determined and/or how MHAA funds will support the orgs annual operating budget.	Very few or none of the expenditures listed in the budget match the proposed activities in the application. The costs appear unreasonable and it is unclear how MHAA funds will support the orgs annual operating budget.	
Funds Leveraged and Match	The applicant has a strong plan for matching grant funds that will result in the proposed activities being significantly leveraged by local and/or private non-state funds.	The applicant has identified matching funds for some of the proposed activities outlined but is committed to securing all of the matching funds needed to leverage local and/or private non- state investment.	Very little or no local and/or private non-state investment was listed at time of application, but the applicant is aware of the requirement.	
Organizational Capacity	The personnel and consultants listed are highly qualified and the organization has been timely with completing previous grant requirements.	The personnel and consultants have adequate skills needed to complete the proposed activities and/or the organization has been somewhat consistent with previous grant requirements.	The personnel and consultants have the minimum skills need to complete the proposed activities and/or the organization has lacked consistency with previous grant requirements.	
Total				

APPENDIX B: GRANT TERMS AND CONDITIONS

A Heritage Area management entity is eligible to apply for one annual Management Grant for each fiscal year during the term of their Cooperative Agreement and corresponding Action Plan. Annual Management Grants awarded to Heritage Area management entities may be awarded subject to sufficient State appropriation to the Maryland Heritage Areas Authority Financing Fund and will be carried out through the Management Grant application process and execution of an Amendment to the Cooperative Agreement (the "**Amendment**"). The terms and conditions of the Management Grant will be outlined in the Cooperative Agreement and an Amendment that all grantees will be required to enter into with the Maryland Heritage Areas Authority. The Cooperative Agreement and Amendment are binding contracts with standard terms and conditions including the following:

<u>Grant Term and Reports</u>: All grant funds must be expended within 24 months from the date the Amendment is signed by MHAA, unless MHAA program staff agrees to a longer term or approves in writing an extension of the grant period. Written Mid-Project and Final Reports must be submitted to MHAA program staff by the date specified in the Amendment. The grantee may also be required to submit supporting financial documentation at any time identifying project costs incurred to date.

<u>Grant Disbursements</u>: Grant funds will be paid in two installments, as specified in the Cooperative Agreement. Grantees will receive 80% of their total award in their first payment within 30-45 days from the date their Amendment is fully executed. The second and final payment of 20%, or the remaining grant funds to be disbursed, is considered reimbursable and will be distributed once the grantee reports expenditure of all the grant and match funds in their Final Report. In order to receive a final payment, the Final Report must be approved by MHAA program staff, and the grantee must certify that it has incurred all expenses for both grant and match funds, and all grant-funded work has been completed.

<u>Request for Partial Payment</u>: In certain circumstances, and at the discretion of the Project Monitor, Grantees may be eligible to receive partial payment of the remaining 20% prior to submitting Final Report. An example of a situation in which this request may be approved is when a Heritage Area management entity has expended all of its grant funds but a mini-grantee has requested an extension that prevents the management entity from submitting its Final Report. Grantees must contact their Project Monitor in writing to provide justification and request approval to submit a request for partial payment through MHAA's online grants software system.

<u>Report Requirements</u>: Grantees will be required to submit Mid-Project and Final Reports. The Mid-Project will be due at the halfway point of their grant period and is meant to provide

information on the status of activities completed against their scope of work. The Final Report will be due after the project completion date and once all grant and match funds have been expended. The Final Report will include a description of all work completed under the grant and a request for final payment.

<u>Procurement Procedures</u>: All grant recipients are expected to ensure that the costs for goods and services obtained to carry out the project are reasonable and customary for the type of work performed and materials purchased. You must follow the procurement guidelines for your type of organization, as detailed below.

Government agencies: Government organizations should follow their normal procurement procedures and must be able to document that applicable procurement procedures were followed, if requested by MHT or Maryland Heritage Areas Program staff.

Nonprofits: Nonprofit organizations should use a procurement process that allows you to obtain project goods and services at reasonable and customary prices and must be able to document that expenditures are reasonable and customary, if requested by MHT or Maryland Heritage Areas Program staff.

Procurements more than $5,000 but not more than $50,000 **($5,001-$50,000)**: You are strongly encouraged to obtain oral or written bids from at least two vendors for any goods and services.

Procurements more than $50,000: If costs for goods or services from any one vendor are expected to exceed $50,000 written bids from at least three vendors must be obtained. You must be able to provide documentation that at least three written bids were obtained, if requested by MHT or Maryland Heritage Areas Program staff.

When bids are obtained, grant recipients are not required to select the lowest bid but must be able to provide documentation on why a vendor other than the low bidder was selected, and what criteria other than the most favorable bid price were considered.

Sole-source procurement of goods and services should not be utilized unless the grantee can demonstrate that competitive procurement is impractical because only one product or service vendor can meet specific project requirements. As with all procurements, sole course expenditures must be reasonable and customary for the type of goods and services being obtained. If requested by MHT or Maryland Heritage Areas Program staff, grant recipients must be able to justify the sole- source procurement and document that its expenditures are reasonable and customary for the goods and services obtained.

If you have procurements more than $50,000, you will be asked to provide an update on the bid process in the Mid-Project Report and results of the bid process in the Final Report. This includes providing a summary of bids obtained (not the bids themselves; just summaries). In addition, you will be asked to affirm in the Final Report, via a check box and signature, that for procurements more than $50,000 you obtained and reviewed written bids from at least three vendors and retained documentation in your records.

For grantees that are selected for financial spot check, bid documents and sole source justifications must be included in the financial documentation provided to MHT or Maryland Heritage Areas Program staff.

Acknowledgment: Grant recipients are required to acknowledge MHAA assistance in all public messaging about grant-funded projects, as provided in the Cooperative Agreement.

Compliance with Applicable Laws: Recipients of funds are responsible for complying with all federal, State, and local laws applicable to the project.

APPENDIX C: MANAGEMENT BUDGET EXCEL FORM

***NEW* for FY27, grantees are requested to report their total anticipated operating expenses for the fiscal year they are requesting funds using a July – June fiscal year**. It is acceptable if the number entered is not confirmed; actual budgets will be requested at time of final report. Use the required Excel budget form provided in the application to prepare a realistic budget that includes the following:

Line Item Descriptions (column A)

This column has been pre-populated with eligible expense line items. You are encouraged to add subcategories as needed to each line item if they correspond to the Eligible Activities and Expenses section of the Guidelines. For example, under Personnel, the subcategories of salary, benefits, and employment taxes should be added if you will be requesting funding for those items. Under the personnel/salary line item please list each position on a separate line for which you will be seeking funding.

MHAA Grant Funds Requested (column B)

For each line item, enter the amount of MHAA funds that will be used to pay for the eligible expenses. Attach any estimates you have obtained to support the funds you are requesting from MHAA. For personnel/salaries, please provide details in parenthesis (either % of amount requested against annual salary, or per hour costs) that explain how the amounts you are requesting were calculated. For example, program coordinator (100% of salary or $20 per hour x 1,000 hrs.). The applicant organization's total anticipated operating expenses should be entered at the top of this column in cell B3.

MHAA Match (column C)

Match funds must come from non-state sources and can be any combination of in-kind donations or cash. The total amount of matching funds must be the same as the total amount of MHAA funds being requested. If you will be using volunteer time as matching funds, please add "Volunteers" as a subcategory under the Personnel line item.

Other Project Costs (columns D)

If your total expenditures are expected to exceed the total MHAA grant request, those additional expenses should be listed on the budget form as "Other Project Costs." Only non-state funds should be recorded as "Other Project Costs" in column D of the budget. Any state funds other than your MHAA grant request should not be included anywhere on the budget form. Only non-state "Other Project Costs" should be used to calculate your total budget.

Total Cost (column E)

This column will tabulate the total cost of each line item and calculate your total MHAA budget request. Total costs are a combination of MHAA grant funds, match (non-state funds), and other project costs (non-state funds only).

Source of Match if Known (column F)

If the source of your matching funds is known at the time of application, please enter them in column F; however, it is not required at the time of application submission.

APPENDIX D: PROOF OF NONPROFIT AND TAX EXEMPT STATUS*

Organizational Documents and Proof of Nonprofit and Tax Exempt Status (if applicable):

If the applicant is a nonprofit organization, organizational documents and proof of nonprofit and tax-exempt status must be submitted. This should include:

- Good standing and qualified or registered to do business with SDAT
- Articles of Incorporation filed with SDAT
- By-laws
- Internal Revenue Service 501(c) tax exempt determination letter

Some organizations may have a constitution or charter instead.

*This is not required for government agencies

APPENDIX E: TRAVEL EXPENSES FOR MEALS AND MILEAGE

The following guidelines are based on the State of Maryland's Standard Travel Regulations set out in COMAR 23.02.01.

Meals

Food expenses are eligible costs for MHAA Management Grant funds in two cases:

1) When food costs are associated with a meeting hosted by the Heritage Area management entity
2) When food costs are incurred by the Heritage Area's employees as part of necessary travel for business or training. The following State of Maryland travel per diem conditions also apply:
    a. As part of the documentation for grant reimbursement, heritage area management entity employees should document and keep with their grant financial records, a brief written account of the reason for travel, distance, names of employees who traveled, dates, and approximate times.
    b. When an employee's travel schedule involves absence from home overnight, all meals are eligible costs.
    c. Alcoholic beverages are not eligible costs.
    d. The cost of breakfast is eligible when an employee must leave home 2 hours or more before the beginning time of the employee's standard work schedule. The cost of dinner is reimbursable when an employee cannot get home within 2 hours after the employee's standard work schedule quitting time. In both cases, the 2 hours are in addition to the normal commuting time.
    e. An employee's lunch is only eligible if that employee's travel schedule meets one of the following conditions:
        i. Involves overnight absence from home (clause b)
        ii. That the employee is also eligible for both breakfast and dinner on the same date (clause d).
        iii. Lunch is not eligible when the employee is away from the office during the day but working regular hours.
    f. Breakfast and dinner are not eligible expenses because of the hour at which an employee is required to leave home, or at which the employee returns home, because of commuting to and from the employee's normal place or places of employment.

g. If the registration fee for a conference, convention, seminar, or training meeting includes the cost of meals, any outside meals purchased as alternatives to the meals already covered are not eligible.

h. Eligible meal expenses including tips may not exceed the following amounts, unless the employee is traveling to a High Cost Metropolitan Area in which case the specific meal rates are provided here: i) Breakfast $15.00; ii) Lunch $18.00; iii) Dinner $30.00.

Mileage

Mileage is an eligible cost for MHAA Management Grants when Heritage Area management entity employees use their private vehicles to travel to and from locations for business and training.

1) Commuting distance to and from employees' homes to Heritage Area's places of business are NOT eligible for mileage costs
2) Mileage rate is: 72.5 cents/mile
3) A mileage log and receipts should be kept and signed by the employee as documentation and retained with all grant financial records