



Tipton County Foundation

Grantmaking Policies & Procedures

2017 Edition • The complete text of this document may be read on the Foundation's website. (<http://www.tiptoncf.org/grants.htm>)

Proposals Welcome

Statements of intent are always welcome, year-round, from groups engaged in charitable projects! Please visit our website to start your Statement of Intent. Although funds are limited, you should review the procedures for grant proposals that will qualify.

Proposals are due on **January 15, April 1, August 1, and September 15**, so inquiries should be made and statements of intent should be submitted a few weeks beforehand. Payments to grantees are not made until after Board approval each quarter, usually the last week of March, May, September, and November.

The procedures are outlined below for requesting support from the Tipton County Foundation for a charitable project or program. One can also obtain these instructions by fax, email, or visiting the Office. Identical content is on our website at <http://www.tiptoncf.org/grants.htm>.

Annual Grants Program Policies & Procedures

The Tipton County Foundation, Inc. is a tax-exempt public charity governed by a volunteer Board of Directors broadly representative of the Tipton County community. The Foundation holds a variety of funds that make grants to a broad range of charitable agencies and programs. These grants are made from the investment income earned on permanently endowed funds. The following grant program policies and procedures apply only to the general unrestricted and field of interest philanthropic funds in the Foundation and not to those funds (Agency Funds, Donor-Advised or Designated Funds, Scholarship Funds) for which donors have directed the use of a particular fund to a specific charitable purpose. Those funds are administered separately.

Only nonprofit charitable programs and projects that serve the Tipton County community are considered for funding. The Annual Grants Programs may change from time to time. Potential grant seekers are encouraged to contact the Foundation prior to submitting a proposal to be certain the project qualifies for funding.

Preference will be given to proposals that:

- Address priority community concerns
- Are change-oriented and problem-solving in nature
- Assist grant recipients to achieve certain objectives that are measurable and have a transformational impact on their clientele
- Will have the greatest benefit per dollar granted
- Have the potential of encouraging donations from the general public through a match by the Foundation
- Have the potential of leveraging additional grants from other sources such as government and other foundations

Eligibility: Grants will be made only:

- To groups which are nonprofit and charitable (including formal, informal, governmental, and *ad hoc*).
- To organizations that document their responsible fiscal management and adequate accounting procedures. ***These include a specific fundraising plan and current strategic plan.***
- For projects or programs that are proposed in writing by the organization's governing body.

The Foundation DOES NOT make grants to Individuals OR for the following:

- Political purposes
- Programs or equipment that were committed to prior to the grant proposal period
- Debt reduction
- Annual appeals or membership contributions
- Building of Endowments, unless located at TCF
- Projects that benefit only a few persons
- Travel expenses for individuals or groups
- Past Grantees who are delinquent in reporting on a previous grant.

Special Circumstances

Unincorporated Charities

When a foundation makes a grant to an informal group or to an organization that is not classified by the IRS as tax-exempt under Section 501(c)(3) and as a public charity according to Section 509(a), it is required by law to ensure that the funds are spent for charitable purposes and not for private gain or political activities. Such grants require a pre-grant inquiry and a detailed, written agreement.

In reviewing a grant request from an informal group, community foundation managers must assess whether the funds will be used for a charitable purpose, and serve the public interest. Only a grant that serves the public will be a charitable expenditure. All the details of any proposal, including budgets and fund-raising plans, are essential, even if the group is not incorporated. Similarly, reporting requirements must be fulfilled.

Expenditure Responsibility: Because the grantee is not recognized by the Internal Revenue Service as a public charity, no part of this grant may be used for general support of the group or general purposes. The Foundation must see that the grant is spent solely for the purposes for which it is made and obtain full and complete reports on how the funds are spent. This is outlined in the *Terms & Conditions* when the grant is awarded.

When a grantee organization is informal, it may be beneficial for the Foundation to make approved expenditures under the grant directly to vendors. The Foundation is happy to assist grantees in setting up this procedure. It ensures a paper trail and documents the charitable use to which the funds have been applied.

Operating Expenses for Incorporated Agencies

Incorporated social service agencies may submit proposals covering a portion of their general operating expenses, but must still describe the major programs they provide and the benefits the community derives from them. Preferably, however, agencies are encouraged to allocate their management and general expenses proportionally to their various community benefit projects, presenting a more accurate and favorable picture to the Foundation and other donors of the priorities they have established, and avoid an unrealistic and misleading view of “overhead”.

Government agencies, including tax-supported entities such as volunteer fire departments or public educational institutions, may submit proposals for special resources or new initiatives. Their proposals must:

- explain why the requested support is not covered by tax revenue
- tell how it will be renewed or sustained in future years
- describe what collaboration with other towns, schools, or agencies is intended, in order to control costs and to make similar services available in all jurisdictions of Tipton County
- provide information about how such programs are funded in other counties.

Due Diligence

The procedures outlined below apply to all grant proposals, whether made by incorporated, unincorporated, governmental, informal, or *ad hoc* entities. See the sections headed **Decision-making Process**, **Conflicts of Interest**, and **Evaluation**. Grantees must submit final grant evaluation reports in a timely manner. If reports are delinquent from a previous grant, new proposals will not be considered.

Decision-making Process

A committee of community volunteers and members of the Foundation's Board of Directors evaluates each proposal. Members are selected to represent the broad geographic and professional diversity of the Tipton County community. The Board of Directors makes every effort to appoint committee members who will be unbiased and fair in evaluating proposals. The committee is made up of ten to twenty people, chaired by a member of the Foundation Board.

Committee members visit the proposers at their facilities or location where a project or program will occur, and may contact others familiar with the organization and the need that the proposal addresses. The proposers do not present to the full committee at its quarterly meeting.

The Board approves the budget for the grantmaking committee yearly, out of the proceeds from the Foundation's general endowment and field of interest funds. The committee chair reports to the Board those proposals that have been approved for the Board to review. Additionally, the grantmaking committee may postpone a decision on a proposal, or decline to recommend funding.

Conflicts of Interest

Because Board and committee members are active in the community, potential conflicts of interest may arise from time to time. It is the Foundation's policy to deal with any conflicts of interest as openly as possible. A conflict of interest is defined as any activity or interest that may cause bias for or against a particular grant being considered. Committee and Board members will disclose potential conflicts in writing, and answer relevant questions. Once a conflict is disclosed, members may, if appropriate (as determined by the Board or committee), abstain from further consideration of a particular grant.

Evaluation

In evaluating grant proposals, the Foundation gives consideration to:

Community Impact: number of people affected, potential impact, demonstrated community need or desire for the project, collaboration with other organizations, volunteer commitment to the project.

Foundation Resources: can the Foundation adequately and effectively respond to the request in the context of grantmaking priorities and budget.

Project Quality: established community need, expected benefits, planning, similarity to other programs, reasonableness of budget and grant request, other expected funding sources, potential to leverage other grants. See **Fundraising & Strategic Planning**, below.

Project Management: staff and Board experience, organizational ability to carry out the project, mission-appropriate, long-range plan for the project and the organization, future of the organization. See **Fundraising & Strategic Planning**, below.

Fundraising & Strategic Planning: Grant proposal and interim and final reports on the use of funds must include plans and results of an *Annual Fundraising Plan* and the organization's *Strategic Plan*.

The Annual Fundraising Plan: There is a written asset development plan indicating long-term goals, immediate action steps, and measurable outcomes, as a part of the overall strategic plan. The TCF grant proposal includes strategies and tactics to support new donor cultivation, to strengthen relationships with existing donors, and to encourage future giving. The plan must list other grant proposals, events, mailings, and campaigns with their general nature described, time frames, goals for number and amount of contributions, expenses, and net proceeds anticipated. Results are then reported in interim and final reports on the use of the grant.

The Strategic Plan: The grantee organization's vision, values, and beliefs are clearly defined and guide the planning process. The plan addresses all aspects of the organization, including fund development, community leadership, stewardship, and programs. Goals and objectives are Specific, Measurable, Attainable, Realistic, and Timely (SMART). Challenges to achieving goals and objectives are identified and addressed. Specific action steps are identified for strategy implementation, including time lines and responsible parties. Measures of performance relative to the strategic plan are described in the proposal, and reported upon in interim and final reports to TCF.

Grantmaking Funds

Incorporated charities with 501(c)(3) status from the IRS can establish an "**Agency Fund**" at the Tipton County Foundation. With its endowment managed with TCF's assets, it is an inexpensive way to build a reliable source of budget-backing support. Grants are made from agency funds by request of the board of directors of the named agency, not requiring a grant proposal or committee action. See the Agency Endowments page on the website, or contact the Foundation for more information.

Donors may also establish a "**Designated Fund**" that carries on their charitable interests automatically, while they are living, and even when they have passed away. In such a case, the donor determines what charitable organization(s) should receive an annual payment from the proceeds of their named fund, and the Foundation issues a check, with no application or proposal being necessary.

Similar to this is a "**Donor-Advised Fund**" where the donor does not permanently decide the beneficiaries of the fund they establish, but makes requests from time-to-time for the Foundation to make a payment to a worthy cause. More about that below.

Groups that are not ready to launch fundraising for their own TCF endowment, and unincorporated charities that cannot establish a named fund, are encouraged to take advantage of Foundation "**Field of Interest Funds**" that are set up to encourage support from a broad range of donors who recognize a widely-shared community concern. The proposals submitted to the Grantmaking Committee may be funded from these sources, depending on the match of the fund purpose to the proposals. *The more successful fundraising is in growing Field of Interest Funds related to your group's concerns, the more money will be available for that type of grant each year.*

Education Fund

One of these other sources is the **Education Fund** for projects related to education. Teachers, school staff, volunteers or other related groups may submit proposals for these education-specific grants.

Findling Legacy Fund

Another field of interest is the particular cause of "the neediest children," whom the Foundation seeks to benefit through grants from the **John B. Findling Legacy Fund**. Traditionally, this fund has made small grants to sororities, service clubs and other organizations for special child-oriented programs, especially at holiday time. Agencies receiving a major grant from TCF should include any Findling-qualifying projects in their main annual proposal.

Arts & Culture Fund

The Arts & Culture Field of Interest Fund at the Tipton County Foundation is endowed to support a range of projects that enrich the quality of life. Life-transforming experiences of art appreciation, music, and theater can be made more affordable and available to all. Grants may provide concerts, exhibitions, matching grants for programs from the regional arts council, subsidies of field trip costs for students, or honoraria for guest artists at community events.

Tipton County Youth Development

A committee of Pioneer employees consider proposals from organizations that benefit the youth of Tipton County.

Senior Citizen Programming

Our fastest growing population segment, committed citizens, proud neighbors, with issues of health care, economic vitality, and productive ways to use their skills and knowledge. This fund can make money available for enriching seminars, trips, equipment, and other projects.

Developmental Disabilities Programming

When the Tipton County ARC ceased operations in 2009, they entrusted to TCF the care and future growth of the nest egg they had developed after years of fundraising and grants to assist special education teachers, organizations like Janus Development Centers, and such programs as the Special Olympics. Contributions from people and groups to sustain this support will grow this Fund for permanent benefits for our neighbors with special needs.

Agribusiness Endowment

The Agribusiness Field of Interest Fund at the Tipton County Foundation is endowed to support a range of projects that encourage individuals and groups to engage in education, research, and experiences that advance Agribusiness. This fund will be used to promote all aspects of Tipton County's agricultural heritage and future. The scope of projects that it can fund may include gardening, 4-H and FFA, nutrition, family farming, livestock, forestry, seed production, research, marketing, soil and water conservation, the farmers' market, renewable energy, attracting recent college graduates to return—and anything else prospective grantees may propose to add value to the effort to encourage this vocation.

Youth Philanthropy

When a student aged 6-22 plans to make a personally significant investment of their time, talent, and treasure in a cause that matters, and encourage others to do the same, the Foundation is eager to help him or her be effective. If they seek to involve others in volunteer work and fundraising, whether for a long-term or short period of time, their efforts could qualify for support of project expenses, grants that match the gifts of others, and technical support. This is the ideal approach for in school service clubs or societies, youth ministries, Eagle Scout candidates, and others who want to do some good, Young people should contact TCF in the early stage of their planning. Also check <http://www.tiptoncf.org/fundraising.htm>.

Women's Fund

Women and girls with roots in Tipton County unite their charitable giving through the **Women's Fund** of the Tipton County Foundation. Their grantmaking creates a stronger, healthier, and more vibrant community where women are empowered to reach their full potential. The Women's Fund has separate guidelines and procedures for considering proposals for grants. Contact the office for updated information.

Fiscal Sponsorship of Community Projects

Special funds have been set up to provide tax deductibility and financial administration to help volunteer groups to provide community benefits. While grants from these funds are typically made only for the group that set them up, this list may give you ideas about whether to propose that the Foundation assist your project in a similar way. Not all of these are endowed, and gifts are usually used within the year: United Community Fund, Shoes for Kids, City of Tipton July 4th Fireworks, Fairview Cemetery Beautification, Community Thanksgiving Dinner, Recycling for Benches, Tipton Police Honor Guard, Tipton Police Canine Officer, Tipton County Sheriff Canine Officer, Disaster Recovery

Community Grantmaking Funds

Named Funds may be contributed by donors to help increase the amount of money available each year for use by the Grantmaking Committee to benefit any charitable project, without restriction for a particular purpose. Donors who are not ready to set up such a named fund may contribute any amount, large or small, at any time to the collaborative Fund 500 for Unrestricted Community Grants.

Donor-Advised Funds

Incorporated charitable organizations may benefit from requesting grant support through one of the Foundation’s “donor-advised funds.” Potential grantees may contact the Foundation staff for assistance with such an approach. Here are the policies which govern such grants by funds:

Donor-Advisors may request that the Board of Directors of the Tipton County Foundation consider grant recommendations from component funds with which they have advisement rights. Such recommendations are not a direction. TCF reviews all such proposals to ensure that the organization is a legitimate charity under IRS regulations, and that the purpose of any grant is charitable in nature. TCF will process a recommendation only if the grant meets the criteria for approval. When a grant is from such a fund at the Tipton County Foundation, no charitable deduction is to be acknowledged to the donor-advisor. **Certain restrictions to donor-advised funds are required by federal law:**

1. Donor advised funds may not be used to make grants to individuals, (also excluding any grant to an eligible entity, but for the benefit of a *specified* individual.)
2. Donor advised funds may not be used to fulfill pledges, nor to secure benefits from a grant recipient for donors, advisors, or related parties.
3. Donor advised funds may not be used to acquire a benefit, good, or service for any *specific* individual or pay for dues, membership fees, tuition, goods from a charitable auction, or other goods or services; support a political campaign or lobbying activity; or support a private non-operating foundation.
4. Donors, advisors, or related parties may not receive grants, loans, compensation or similar payments, including expense reimbursements, from donor advised funds.

These policies and procedures for requesting support from the Tipton County Foundation for a charitable project or program are subject to continuous review and possible changes. You can find the latest content on our website at <http://www.tiptoncf.org/grants.htm>.

The Annual Grants Program may change from time to time. Applicants are encouraged to contact the Foundation prior to submitting a proposal to be certain the project qualifies for funding.

Tipton County Foundation has been recognized since 2007 for having organizational and financial practices that are in accordance with the Ethical and Operational Standards for Community Foundations. The National Standards for U.S. Community Foundations include compliance with the following:

The Board Oversees Diverse Grantmaking

A community foundation operates a broad grants program to multiple grantees that is not limited by mission to a single focus or cause or exclusively to the interests of a particular constituency, and widely disseminates grant guidelines to ensure the fullest possible participation from the community it serves.

The Board’s Discretionary Grants Respond to Community Needs

A community foundation awards some grants from its discretionary resources through open, competitive processes that address the changing needs of the community.

The Community Foundation Oversees Grantmaking Due Diligence

A community foundation performs due diligence to ensure that grants will be used for charitable purposes and assesses the impact of its grantmaking.

The Board Oversees Donor Education and Engagement

A community foundation educates and engages donors in identifying and addressing community issues and grantmaking opportunities.



Submitting a Proposal

The required content and format are outlined below for a proposal requesting support from the Tipton County Foundation for a charitable project or program. This outline can also be downloaded from our website at http://www.tiptoncf.org/TCF_Proposal.pdf

STEP ONE... the Statement of Intent

If you are interested in submitting a grant proposal to the Tipton County Foundation, the first step is to complete a Statement of Intent on our [website](#). Please feel free to contact us with questions: 765-675-1941 or grants@tiptoncf.org.

STEP TWO... the Narrative

After we respond to your Statement of Intent, please draft your own word-processed document when writing your grant proposal. You must include ALL of the following information, in the order it appears, for your proposal to be considered for funding.

Rationale

In this section, you should first incorporate the information from your **Letter of Intent** with any appropriate updates. This is also where you should explain in detail: the *need* for your project, *how* the project will be implemented, and how the success of the project will be *measured*.

Collaboration

Please tell the committee *who else is involved* in this kind of project in or for the Tipton County community, how their work is *like or different* from the project you are proposing, and what other agencies/organizations are *likely to work with you* in fulfilling your plan.

For example, be sure to communicate with the Tipton County Extension Education Center on adult education or training projects. Or, if your project is school/education related, please explain how your project might benefit students in the other school system or those who are home-schooled or privately-schooled.

Organizational Strength

SWOT Analysis

Please analyze the *internal* and *external strengths, weaknesses, opportunities, and threats* that your organization might face. Include your findings in this Narrative.

The Annual Fundraising Plan

Include your written asset development plan indicating strategies and tactics to support *new donor cultivation*, and to strengthen *relationships with existing donors* and to encourage *future giving*. List and describe other grant proposals, events, mailings, and campaigns with time frames, goals for number and amount of contributions, projected expenses, and net proceeds anticipated.

The Strategic Plan

Include a copy of your written multi-year plan that addresses all aspects of the organization, including fund development, community leadership, stewardship, and programs. Indicate progress to date on stated goals and objectives. Identify challenges to achieving goals and objectives and how they are being addressed. Identify specific action steps from your strategic plan that are related to the grant you are proposing.

STEP THREE... the Attachments

Please include the following documents with your proposal in the order they appear.

1. List of Board members, including business affiliations if any, and identification of Board officers
2. Statement of Financial Position (Balance Sheet) for both year-end and most recent period
3. Statement of Activities (Income Statement) for both year-end and most recent period
4. Organization budget, including planned fundraisers (month to be held, and net dollars anticipated)
5. Detailed project budget

Itemized income and expenses. Indicate whether revenue is pending or received, and whether it is in-kind revenue or cash.

Please indicate the portion of the project budget you are asking TCF to fund, whether it is a specific item in the budget or a percentage of the total. Your project budget may include an appropriate portion of your organization's administrative expenses. For example, if staff is needed for oversight of the project, the corresponding portion of his/her salary and benefits could be allocated to this project budget.

6. Evidence that this proposal has the approval of your Board of Directors or governing body

For example, if you are a teacher, you must obtain a statement of support from your principal and the superintendent/Board of education. If you have a proposal from a public safety or other government agency, you must obtain a statement from your supervising elected official.