

PLEASE ROUTE:

EXECUTIVE DIRECTOR _____

PROGRAM OFFICER _____

CHAIR GRANTS COMMITTEE _____

BUILDING COMMUNITY FOUNDATIONS

Bulletin #35
December
.....

GRANTMAKING CONSULTING PROGRAM

Sponsored by:

PHILANTHROPIC VENTURES FOUNDATION-
BILL SOMERVILLE, PRESIDENT

Funded by:

DAVID AND LUCILE PACKARD FOUNDATION

Scholarships A CASE STUDY

In Wisconsin, the Wausau Area Community Foundation is the first community foundation to adopt a plan whereby educational grants are given to repay student loans. The following is the proposal for setting up the program which was approved by the foundation board.

Further information can be obtained by contacting Jean Tehan, Executive Director at (715) 845-9555.

TLC Scholars - Tuition Loan Cache

Proposal: Wausau Area Community Foundation will set up a scholarship-like program using the method of repayment of student loans instead of the traditional scholarship paid to the student at the beginning of the year. This method serves several useful purposes.

- 1) Colleges will not consider this a scholarship and therefore the student benefits because the college may provide an increased amount of financial aid, whereas a typical scholarship will be deducted from such aid.
There is no subterfuge since the student is "eligible" and not guaranteed the TLC until or if studies are completed.
- 2) The foundation benefits since it minimizes the administrative work involved in a scholarship program.
 - A) All the financial determinations are done by a bank, saving on administrative work. The criteria for a federal student loan are not simple, but any family income under \$30,000 is generally eligible, and many families with much higher incomes are eligible. (# of children, etc.)
 - B) The "TLC Eligible Grant" is paid only if the student satisfactorily completes the college work. We don't require a certain GPA level or yearly follow up, only completion.

- C) Scholarship donors could have the flexibility of specifying the number of years their TLC would cover. (Our goal is that the TLC be for four years, and that it would be necessary to complete the study program within 5 years from start, unless an exemption is requested. The standard TLC would be \$4,000 max.
- D) Non-traditional students would be dealt with on an individual basis.
- E) The education committee of the foundation will receive a specified # of recommended students from the respective school committees, and depending on finances available, will select those students who will be notified publicly that they are TLC eligible scholars.

(The Federal Loans available are under the Department of Education and include:

- 1) Stafford subsidized loans. Interest does not accumulate until the student finishes college. This is the best of the loans.
- 2) Stafford unsubsidized loans. Interest does accumulate while the student is in school.
- 3) Perkins loans.
- 4) Parental+. Interest accumulates and payments have to be made during school, and in addition the parent is liable for repayment. (The worst of the loans.)

By requiring Federal eligibility for the TLC, we avoid all the financial evaluations, and insure that the TLC is given to students who truly need the money.)

(Many students also are eligible for Pell grants, which are not repaid.)

Selection Process:

- 1) Marathon County Resident
- 2) Graduate of a Marathon County High School
- 3) Recommended by school administration/scholarship committee/teacher recommendation
- 4) Demonstrated interest in community-school and beyond
- 5) Qualified for the Federally guaranteed student loan program
- 6) Accepted into his/her college
- 7) Plans to pursue a two or four year degree

Procedure:

- 1) Student notified of eligibility at time of graduation
(Non-traditional students treated separately.)
- 2) Student makes loan arrangements
- 3) When the college course is completed, the student supplies evidence of the loan, the Foundation issues a check to the loaning institution.

- 4) In the event of significant change in the tax law, the Foundation reserves the right to change this program to take advantage of tax law.

Community Foundations In The United Kingdom

For the second time in 10 years Bill Somerville visited the British Isles to consult and work with community foundations which are modeled on the American format.

There are now 49 community foundations in the U.K. They started in 1988 for the most parts and the largest is 16 million in assets. Most of these foundations are below 5 million in size.

The national body working with community foundations is the Association of Community Trusts and Foundations in London headed by Gaynor Humphreys.

Community Foundation personnel from the United States, if they are traveling to the United Kingdom, might want to contact ACTAF and visit a community foundation during your visit. Your call would be welcome.

ACTAF
4 Bloomsbury Square
London WC 1A 2RL
England
(0171) 831-0033
(0171) 831-3881 fax

The Grantmaking Consulting Program offers three services:

- ◆ Three day on-site visits with extensive review of foundation procedures, extended individual sessions with the foundation board, grants committee, and staff.
- ◆ Two day training session for program officers (5 or more persons)
- ◆ Facilitating board retreats

The services are available to foundations in Canada and the U.S.

The only cost to foundations is the consultants' room and meals if the foundation is smaller than \$8 million in assets, and travel for foundations of \$8 million +. His time is sponsored by the Packard Foundation.

Comments on Program Officer Training:

Note: In October a training session was held in Wisconsin for five community foundations and for the first time board members attended as well as executive directors. The following are comments by these people.

What is your frank assessment of the training you received?

“Excellent. Actual case studies helpful. Easy, non-threatening style great for learning. A time of discovery. Concrete ideas to bring back.”

“I am inspired. What a different viewpoint for our profession. I feel like I can come out of my ‘box’ now.”

“The training was exactly what I needed at this time. The hands on role-playing was outstanding.”

“Excellent. The first person situational examples were very helpful. My approach to grantmaking will be much different.”

“The training made me rethink my role as Executive Director.”

“The candor is fabulous. The approach to giving/philanthropy is exciting.”

Building Community Foundations
Philanthropic Ventures Foundation
1212 Preservation Park Way
Oakland CA 94612

Tel: (510) 645-1890

Fax: (510) 645-1892

Non Profit Organization U S POSTAGE PAID Oakland CA Permit No. 962

What Makes for Good Grantmaking

A number of community foundations were poled and asked to share information on outstanding grants. Below are responses we received. Additional responses will be shared in future issues of this bulletin.

ARIZONA COMMUNITY FOUNDATION

	Grant 1	Grant 2
Date of Grant:	May 1, 1998	May 1, 1998
Amount of Grant:	45,000	40,000
Recipient:	New Directions, Inc Not for Profit	Volunteer Lawyers Group Not for Profit
Recipient serves what kind of population group?	Teenage mothers still attending high school	Poor children in need of legal representation
What was this grant for?	Teaching new young mothers how to stimulate brain development & nurture infants in 1 st year of life. Train volunteers in the techniques	To establish a new prog. to provide legal services to children in need of their own legal services
When you made the grant was it considered:	Groundbreaking	Groundbreaking
What pleases you about this grant- makes it outstanding.	It is a highly innovative program to address a need based on latest research on infant development.	A much needed capable of sustaining itself through future funding from the Bar Association.
Did you:	Negotiate the grant with the applicant.	Negotiate the grant with the applicant.
If you played a role in causing the request to come to your foundation did you discover the	The V.P. for programs met the applicants & determined that they were talented & committed, & then encouraged	The organization came to us. The V.P. for programs then took the idea to a donor who agreed to

entity? How?

two donors to provide support. support the program.

THE SESKATOON FOUNDATION

GRANT 1

GRANT 2

Date of Grant:	November 1997	November 1997
Amount of Grant:	\$5,000	\$4,000
Recipient of Grant:	John Howard Society of Saskatchewan	Saskatoon Adlerian Society
Recipient is:	Grassroots entity	Grassroots entity
Recipient serves what kind of population group?	Works with victims, young offenders, their families, & others affected by crime	Parent education
What was the grant for?	To assist with development, delivery, & evaluation of the "Chill-Out" program designed to address the issues of assaultive young females	Bought "a house" for the play "Mom's the Word" for parents who might otherwise not have the opportunity to participate
When you made the grant was it considered:	Groundbreaking	Risky, groundbreaking
What pleases you about this grant- makes it outstanding?	Shortly after the grant was made, several young women in Victoria were charged with the brutal murder of a female classmate. The high profile case raised the issue of violent female adolescents which Chill-Out was addressing. The fdn. was pleased to see this controversial issue being dealt with through an educational program.	The Fdn. was be part of an effort with businesses & community groups to provide theatre tickets, childcare, and transportation for those in need. It offered an opportunity for parents to come together & enjoy the common bond of being a parent & seeing that they are not alone.
This grant was given	Outstanding idea	Outstanding idea

based on:

Did you:

Routine request in the mail

request in the mail