

VWCF Grant Making Guidelines

These guidelines provide sponsors and grantees with a framework to help shape any grant application. Following these guidelines does not guarantee funding. Rather, they outline general considerations from the current and previous boards.

Absolute Deal Breakers:

If the grant proposal or organization does not check all of the following items, VWCF cannot legally fund the proposal

- No family member, including the sponsor, will receive any benefit as a result of this grant. This includes financial benefit as well as social benefit (e.g. preferential status).
- The grantee is a 501©(3) public charity OR if the grantee is an international organization, then it meets criteria for sponsorship by Tides, our donor advised fund.
- The grantee will not use the grant monies for religious purposes, such as proselytizing
- If the grantee is a religious organization, the organization's services are open to the public (i.e. no one is turned away or discriminated against).
- The grantee will not use the grant monies for political purposes such as lobbying or voter registration drives that do not meet IRS guidelines.
- The grantee is not controlled by a disqualified person (i.e. descendants of Tom and Virginia Cabot, spouses, and spousal equivalents of descendants, including adopted individuals).

Generally, the board does not fund multi-year grants, where funds are given every year for the duration of the grant, because it locks up funds for subsequent years. The grantee may apply in subsequent years for support of the same project.

Academic Institutions

Grants for academic institutions are encouraged to be for scholarship programs only, in particular scholarship programs that support individuals with historically underrepresented identities. Additionally, the grantee is encouraged to provide statistics on the percentage of students receiving scholarship funds. If a disqualified person hopes to or currently attends the academic institution, that must be made clear in the sponsor's cover sheet. If a disqualified person has a current application under consideration, the institution will not be eligible for a grant.

Consideration for projects other than scholarships will be made on a case-by-case basis; grantees are encouraged to provide details on the number of project beneficiaries to demonstrate broad benefit. Additionally, it is encouraged for sponsors to clearly state personal involvement with the program (e.g., Parent-Teacher Organization member, School board member),

Additional Funding

In the instance of supporting general operations with a grant, to avoid the foundation grant 'tipping' a public charity out of public charity status, where a single foundation provides more than 1/3 of a grantee's budget, the board encourages grantees to show receipt of additional funding sources. When supporting a specific project, the board encourages the grantee to show there is additional funding support, thus emphasizing the need for the project and interest from the organization's community.

Financial Health

Sponsors should be aware of the financial health of the grantee. Are they running a deficit? If so, how long has this been the case? A grant may be funded to support a grantee through financially difficult times; however, the board has a fiduciary responsibility to make sure all funds are being used responsibly.

Economic Climate

VWCF is required to give away 5% of its endowment's annual net investment income. Thus, the total amount the foundation gives away is dependent on the current economic climate. Sponsors and grantees are encouraged to take this under consideration when setting the grant amount. For example, during the Great Recession of 2008, the foundation had severely reduced investment returns. Thus, VWCF's budgeted spend was lower than in previous years despite equal or higher levels of grant applications, resulting in decreased funding across grantees.

Grantee-Sponsor Relationship

The IRS prohibits disqualified persons from benefiting financially from any grant. VWCF sponsors and disqualified persons may serve on the board of a grantee or applicant organization and may volunteer in other ways for that organization. If a grantee employs a sponsor or disqualified person, no grant monies may benefit that person. Specifically, no part of the grant may be used to pay for the salary, benefits or perquisites for the sponsor or disqualified person. All VWCF grant monies must be separate from the disqualified person's involvement with the grantee. For example, the funds could go to a specific project not related to the disqualified person.