

THE ARTHUR FOUNDATION
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GRANT POLICIES AND PROCEDURES

I. MISSION STATEMENT

The Arthur Foundation is committed to the tradition of community service first established by Dr. Arthur MacNeal at the turn of the 20th Century. Founded at the beginning of the 21st Century, the Foundation strives to be an agent of positive change through its support of high-quality, leading-edge programs in education, healthcare, and medical research.

II. GOALS

The Arthur Foundation looks to improve the health of the populace of this country by supporting accessible, affordable and appropriate health services to vulnerable populations.

The Foundation recognizes that actual health care or health related service is only one of the factors determining the health status of individuals and families of these same communities. The health of the people is also determined by the educational status of its people, especially its youth. Therefore, the Foundation will also consider grant requests that foster and improve education and educational opportunities.

III. FOCUS AREAS

The Foundation is primarily concerned with programs, among others, in the fields of:

Health Care

- medically indigent,
- medically underserved populations,
- children and youth,
- mentally and physically challenged,

- those suffering from HIV /AIDS,
- the health of newly arrived residents,
- programs that look to wellness and prevention, and
- those who need assistance with dental, vision and hearing problems.

Education

- those who have little access to education,
- newly arrived inhabitants,
- adult education and GED fulfillment,
- programs that enhance math and science skills,
- computer education,
- after-hours and extracurricular opportunities for those of school age,
- projects that provide academic resources for our schools,
- curricular enhancements in the visual and performing arts,
- educational opportunities to the disabled,
- programs that encourage college attendance, and
- programs that train and educate doctors, nurses, teachers and charitable organization managers

Medical Research

- research programs that help the general populace, and
- research programs that benefit health and welfare, and cutting-edge research in the fight against life-threatening diseases.

IV. INITIATIVE FOR EDUCATIONAL EXCELLENCE

To implement the educational aspect of the Foundation's Mission Statement, the Foundation has embarked upon an Initiative for Educational Excellence that, in the main, focuses on students residing in the City of Berwyn, the Town of Cicero, or other nearby western Cook County, Illinois communities. The Initiative seeks to:

- A. Encourage college attendance,
- B. Raise the level of academic achievement for both high school and grammar school students,
- C. Lower the drop out and truancy rates and raise graduation rates,
- D. Provide assistance in teacher recruitment, retention and education, and
- E. Provide assistance to universities that are making an impact, through research or scholarships, on students from the areas mentioned above.

As a result of the Initiative for Educational Excellence:

1. Grants to primary and secondary educational institutions should, in the main, be made to schools located in the City of Berwyn, the Town of Cicero and the western suburbs of the City of Chicago, Illinois. Grants to universities making an impact on students from the areas mentioned above, should favor institutions noted for quality of teaching and research, and the performance and leadership characteristics of its graduates. Grants to educational institutions promoting ethical conduct, diversity and service to the economically disadvantaged will receive special attention.
2. Educational grants will, in the main, be made to schools, agencies and institutions that have been pre-selected to assist in the Initiative for Educational Excellence, or from schools, agencies or institutions that submit un-solicited requests that propose programs that will advance the purposes of the Initiative for Educational Excellence, as described above.

Letters of Inquiry in the fields of health care or medical research should follow the general requirements found elsewhere in these Policies and Procedures.

V. RESTRICTIONS

The Foundation does not usually consider funding requests for:

- operating budgets for pre-existing programs,
- organization overhead expenses not directly applicable to a grant project,
- salaries for participants with faculty appointments at institutions of higher learning,
- programs normally funded by governmental agencies,
- fund raising events, including advertising, tickets, raffles and dinners,
- debt reduction,
- grants to individuals,
- organizations without charitable status,
- political parties or candidates,
- stand-alone research,
- individual scholarship support,
- sponsorship of service clubs, sports teams, fraternal organizations, advocacy or lobby groups, and like organizations,
- conferences or seminars,
- books or periodicals,
- memberships,
- travel expenses,
- loans to charitable organizations,

- any attempt to influence legislation,
- sectarian religious activities,
- foreign organizations or foreign expenditures,
- telephone solicitations,
- capital needs for building or renovation not directly connected to a grant-supported program, and
- vehicles and equipment not primarily used in-a grant program, unless such items are ancillary and integral to an otherwise eligible project.

The Foundation will only consider requests from not-for-profit organizations that will assist the communities we seek to serve. Eligible applicants must be either a private agency, classified as tax-exempt under Section 501 (c)(3) of the Internal Revenue Code or a certified public institution, but not a private foundation.

VI. HOW TO APPROACH THE FOUNDATION

The Foundation has adopted a policy of initiating grant requests in areas where the Foundation sees a need that is unmet. As such, unsolicited grant requests will not be accepted. Unsolicited form letters will not be acknowledged.

The Foundation may develop initiatives for which it will seek grant proposals from the community generally. The Foundation may approach organizations to request a specific proposal for a specific program.

The Foundation has a limited staff; therefore we ask that agencies or organizations that believe they have a program or project that coincides with Foundation initiatives send a two or three page letter, outlining briefly what you propose to do, what amount of funding you would seek, and the time frame within which you would need the funds. These letters will be promptly reviewed, and if the project coincides with an area the Foundation is considering, a Letter of Inquiry may be requested.

Please do not telephone with requests. Fax inquiries will not be accepted.

The Foundation may request additional information and documents from agencies that have submitted Letters of Inquiry.

Please review the Mission Statement, Goals, Policy Guidelines and other enclosures before submitting a Letter of Inquiry, if requested to do so. Please make sure your proposal meets our Guidelines, Goals and Mission Statement.

The Foundation considers grant requests at least twice a year – in the spring and fall. Deadlines for submitting invited Letters of Inquiry are April 1 and September 1.

VII. INSTRUCTIONS FOR INVITED LETTERS OF INQUIRY

1. Submit two copies of the Letter of Inquiry and all attachments.
2. The cover page should contain, in the following order, these items:
 - name of organization,
 - mailing address, phone and facsimile numbers, and if applicable, e-mail and web page addresses,
 - name of the project for which you are seeking funds,
 - principal contact's phone number,
 - amount you are requesting,
 - time frame for the expenditures, and
 - a very brief description of the project.
3. Subsequent pages (no more than three, single-spaced, non-reduced type, should contain, in the order listed below, the following information:
 - a brief description of your organization,
 - a description of the community or area you serve,
 - the problem or issue you seek to address,
 - the purpose or objectives of the proposed project,
 - the expected outcomes or impact as a result of the project,
 - proposed activities to meet project objectives,
 - how you intend to evaluate the impact of the project,
 - the people you intend to benefit by the project, and
 - the key staff or consultants you intend to use to implement the project and the qualifications of these people.
4. Submit a proposed budget for the project, noting the principal expenses and total income your organization expects to meet the project. Please use the Project Budget Format, found at the Foundation's web-site.
5. Attach copies of your organization's:
 - current operating budget,
 - Internal Revenue Service tax-exempt and not a private foundation determination letters. The name of the applying organization must be the same as that on the exemption letters,
 - mission statement,
 - latest audited financial statements,
 - latest 990 Federal report,
 - names of Board members and their business affiliations,
 - a list of your officers and key employees directing the proposed grant project, and their CVs

VIII. OTHER INFORMATION THAT NORMALLY WILL BE REQUIRED TO COMPLETE A GRANT REQUEST

Shortly after receipt of your Letter of Inquiry the Foundation will send a letter of acknowledgement. The Letter of Inquiry will be reviewed in order of receipt. After review the Foundation will solicit additional information from those applicants the Foundation considers best meet the goals and Mission Statement of the Foundation. Any additional information requested must be completed and submitted to the Foundation within six weeks from the date of the letter we send requesting the information. We will also promptly notify those applicants the Foundation is unable to consider for funding.

Once all of the documents and information required for a full review of your proposal are received they will be simultaneously reviewed by the Grants Committee of the Foundation's Board of Directors, any advisor or consultant the Board of the Foundation engages to review grants in the particular area of you request, and Staff. When those reviews are completed the proposal will be submitted to the Board of Directors, along with the comments and advice from the Grants Committee, any advisor or consultant experts, if any, and Staff. At any step in the process, Staff or Board Members may make site visits. Applicants may also be asked to explain the proposal at a conference with Staff or members of the Grants Committee.

The decision to award a grant is within the sole and exclusive discretion of the Board of Directors of the Arthur Foundation. A favorable recommendation from the Grants Committee, any expert or Staff is not a commitment by the Foundation to make a grant.

Typical additional information that the Foundation may request is:

1. A one page executive summary whereby the nature of the project and funding requests is briefly detailed,
2. A full description of the purpose, background and history of your organization,
3. A description of the programs and services your organization provides,
4. Highlights of past programs and successes,
5. Relationships your organization has with other organizations,
6. The full amount the project will cost and an explanation as to how your organization expects to fund the project,
7. A detailed explanation of the time the project will take to complete, along with a timeline for significant events,
8. The segment of the community the project seeks to affect and an explanation as to why your organization believes this segment requires assistance and why you are best suited to meet that need,
9. A list of the sources of all funds for this project,
10. An explanation for any significant financial items,
11. A plan for evaluating the program you are proposing (see Evaluation Section of these Guidelines)
12. A description of your organization's existing programs and how the program you are proposing fits within your existing structure you are requesting. As part of this

overview, please provide a breakdown of the number, age, gender, race, ethnicity, income levels, disabilities, geography and languages spoken by your constituents and those you serve, and

13. A detailed proposed budget for the organization asking for funding, approved by your governing board, as well as a detailed project budget, by years, if appropriate, for the project for which you are seeking funds. Please use the Project Budget Format.

IX. EVALUATION CRITERIA

In evaluating Letters of Inquiry the Foundation, to the best of its ability, will attempt to determine whether:

1. The requesting organization is important to the community and has the ability to achieve the project outcome. In assessing this criteria we look at the organization's: management, governance, fiscal responsibility, and organizational stability,
2. The project addresses a need for the targeted population,
3. The plan clearly addresses the need,
4. The proposed activities are logical and realistic,
5. The project can be completed within the designated time,
6. The plans for evaluating the project are appropriate,
7. The costs of the project are realistic, fit the scope of the activities and evidence the project's sustainability at the end of Foundation support,
8. The project eliminates the duplication of services,
9. The project addresses new or emerging needs or incorporates new approaches to meeting recognized needs, and
10. The project builds on programs that have proven successful elsewhere or provides a model for replication.

We are looking for proposals from organizations with:

- a well-planned approach to underlying issues and needs,
- a base of support,
- a committed and skilled leadership, and
- a project that builds self-sufficiency.

The Foundation is particularly interested in the ability of your organization to secure permanent funding for the project so it will continue when funding from The Arthur Foundation ends, and the ability to leverage grants received by initiating a good idea that can be extended and supported in the wider community; and by encouraging cooperation and collaboration among agencies and organizations servicing similar groups or providing similar services.

The Foundation favors projects that bring people and resources together to solve a problem, meet a need, and have a lasting impact.

The Foundation has begun an Initiative for Educational Excellence. Except for Programs in the educational field, as previously described, we will focus on, but not limit ourselves to, evaluating a program by how the project reaches or affects the health or education of citizens of the targeted population.

The Foundation awards grants to organizations that employ Staff and provide services in compliance with laws that relate to discrimination on the basis of race, religion, sex, age, national origin or disability.

The Foundation expects that requests for funding will exceed the available funds. We therefore ask that the request you present be appropriate for the project and demonstrate a wise and frugal use of funds.

Please indicate if you are applying for funding for this project from other sources and, if so, whether you expect there will be any overlap. Please explain how your organization intends to use the funds received if dual grants are received.

X. EVALUATION QUESTIONS

To assist the Foundation in making decisions concerning the issues raised in this document, the Foundation asks all applicants to briefly answer the following 13 questions:

1. Who are the people you seek to serve by this proposal?
2. What are the immediate goals of the proposal or project?
3. What are the ultimate goals of the proposal or project?
4. What activities will your project undertake to accomplish your goals?
5. What factors do you think will be helpful in attaining your goals?
6. What factors do you anticipate will hinder attainment of your goals?
7. What outcomes do you expect to achieve for the targeted population?
8. How will you measure whether you achieve these outcomes?
9. What are your performance targets?
10. What data will you collect to measure outcomes?
11. How will you go about collecting that data?
12. Will this information tell you if the project has accomplished your goals?
13. How will you use the results?

XI. OTHER THINGS YOU SHOULD KNOW

The Foundation usually will not consider more than one application from the same organization in the same calendar year.

Normally, awards are made for a period of one year, but in appropriate cases, may be made for a longer period deemed suitable by the Board of the Foundation. In either case, all grants are formally awarded only on a year-by-year basis. Payment for any award for any succeeding year, after the first year, is contingent upon the availability of grant funds, the receipt of an interim report at the end of each year, deemed acceptable to the Foundation, and upon formal approval by the Board of Directors.

We want to know how you are doing -- what works and what does not work with the funded project. A Final Report summarizing the results of your project and how the money has been spent must be submitted to the Foundation no later than one month after the term of the award is completed, (thirteen months after Year One of the grant, twenty-five months after Year Two of the grant, etc.). The Foundation also asks that SIX months after the initial awarding of a grant, and on the annual anniversary of a multi-year grant, your organization file an Interim Report on the progress achieved to date and the amount of funds expended to date (appropriate forms and instructions for Interim and Final Reports can be found on the Foundation's web site, www.arthurfdn.org). We will not consider a new proposal from an organization previously funded if any of the reports requested in this paragraph have not been submitted and approved by the Foundation.

Depending on the amount and nature of the project, grants are usually paid in two (2) installments per year, as convenient to the Foundation.

The Foundation reserves the right to cancel a grant at any time and to require the return of any unspent funds, if the Foundation determines that the organization is not administering the project and grant funds in accordance with the final proposal document that was approved by the Foundation's Board of Directors.

If a grant is awarded, The Arthur Foundation will assume no responsibility for any injury, damage or liability arising out of the grant program/project or any product, service or operation for which the grant is utilized or intended. An organization accepting a grant will be required, as a condition of the grant, to indemnify and hold harmless the Foundation, its Board of Directors, Chair, Officers, President, Executive Director, Director of Programs, and other employees and agents from liability or claims arising out of the grant program/project.

The Foundation reserves the right to modify or amend its policies governing grants. A successful grantee must agree to abide by any changes or to terminate the grant at the time when such changes become effective, and return any unused or unspent funds. Failure to abide by policies governing grants or amendments shall also be considered as sufficient grounds for cancellation of a grant or a refusal to consider any pending

application by the grantee.

If the grant involves medical research the applicant will be required to certify, on forms supplied by the Foundation, that the use of human subjects or the use of animal subjects in any activities supported by the grant complies with all applicable United States Department of Health and Human Services regulations with respect to the rights and welfare of such human subjects or animal subjects.

If the grant involves (a) medical research that may lead to inventions or (b) the creation of intellectual property, before submitting a letter of inquiry, the applicant should request a copy of the Foundation's Patent and Intellectual Property Policy. A grant will not be awarded in such circumstance until the applicant certifies it will follow the terms of the Foundation's Patent and Intellectual Property Policy.

The Board of Directors of The Arthur Foundation may identify specific community needs and request proposals from pre-selected organizations that it considers capable of executing programs addressing these particular needs. All of the existing criteria and other such requirements governing Letters of Inquiry will be applicable to these solicited proposals, as well. In certain circumstances the Foundation may make emergency/discretionary grants to eligible organizations, on the basis of a Letter of Inquiry only. These grants should be of an urgent nature, where time is of the essence in order to capture a unique opportunity. These grants must comply with all other applicable grant requirements, including Interim and Final reports. Once approved, successful emergency/discretionary grant recipients must provide the Foundation with all of the same supporting materials as required in the formal proposal submission process.

Requests for funding, whether it is a Letter of Inquiry or a full proposal, must be signed by the Chief Executive Officer of the organization requesting the grant.

Please address all inquiries, questions, or Letters of Inquiry to:

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