

McGregor Fund

Grantmaking Guidelines and Application Requirements

Background and Purpose

The McGregor Fund is a private foundation organized "to relieve the misfortunes and promote the well-being of mankind." It was established by a \$5,000 deed of gift from Tracy W. McGregor in 1925. Later it was augmented to nearly \$10 million through subsequent gifts from Mr. McGregor and his wife, Katherine Whitney McGregor.

Over the years, the Fund has continued to be faithful to the stated intent of the donors. Requests for support are considered from organizations that have received a 501(c)(3) designation letter from the Internal Revenue Service. Grants to relieve misfortune and promote well-being are made in the following program areas: human services, education, health care, arts and culture, and public benefit. The area of principal interest to the McGregors was metropolitan Detroit, and the tri-county area remains the primary focus of the Fund.

Program Areas

Generally, the Fund makes grants to organizations in the following program areas based on these specific interests:

Human Services

In keeping with its mission, the Fund emphasizes support for activities in southeastern Michigan addressing emergency needs for housing, food, clothing and other direct aid. In addition, support may be provided for activities that address the root causes of poverty, homelessness and hunger, and help individuals and families achieve personal and financial stability and other life-changing outcomes.

Arts and Culture

Support for selected arts and cultural organizations which contribute significantly to the well-being of residents of southeastern Michigan. Generally, requests will be considered from the following types of institutions:

1. Larger arts and cultural institutions that provide high quality programming on the basis of their collections and exhibitions, repertoires and performances, curatorial or programming expertise, and original contributions to their respective fields. Such organizations draw large numbers of patrons from throughout the metropolitan Detroit area, enjoy a national reputation for excellence and demonstrate a significant commitment to community outreach and education.
2. Arts and cultural organizations that provide both performance and audience opportunities of exceptional quality specifically for the region's youth and particularly for youth from low-income households.

3. Other area arts and cultural organizations that significantly contribute to the well-being of residents of southeastern Michigan. Support will generally be limited to occasional projects that significantly improve an organization's level of artistic or cultural excellence or enhance its capacity to reach a more broad and diverse audience.

Health Care

Emphasis on improving access to primary medical care, mental health care and substance abuse treatment for indigent, low-income and other highly underserved populations, primarily within the City of Detroit. Support will be considered for community health centers, school-based clinics and other community based organizations and initiatives that have the following characteristics:

- Encompass a partnership between a health system and community-based organization(s), providing patients with a seamless delivery of new or expanded services.
- Supported by a broad and sustainable funding base, including such sources as government grants and contracts, service revenues, private contributions, and donated services, equipment and supplies.
- Focus on and respond to identified community needs and preferences through such practices as staffing and management by community members, community participation on governance boards, and use of linguistically and culturally appropriate practices and materials.

With regard to support for mental health and substance abuse treatment programs, priority will be given to programs designed for individuals who also typically utilize emergency human services.

Public Benefit

Support for major civic improvement efforts within the region as well as for civic and community organizations whose activities contribute significantly to improving the quality of life for residents of southeastern Michigan and to strengthening the non-profit sector.

Education

Special application procedures and deadlines have been established for grants within the respective Education program areas (see below).

Support of Schools and Early Child Education and Development

The Fund will consider grant requests from independent schools, including ISACS-accredited schools, religious schools and charter schools located in Detroit or Wayne, Oakland or Macomb counties. In considering requests from independent schools, priority will be given to those that can demonstrate high levels of educational quality and a commitment to diversity within their student body, faculty and staff. The Fund will also consider requests from public school

districts, with priority given to the Detroit Public Schools. Finally, the Fund will also consider requests from 501(c)(3) organizations other than schools in the tri-county area for projects that address the following priorities, particularly 1 and 2.

Priorities for the Fund's support of schools and early child education and development include:

1. Support for efforts to assure that children ages 0-5 from disadvantaged backgrounds receive adequate nurturing, stimulus and other positive early life experiences to be prepared for kindergarten and succeed in life. Such efforts should be consistent with findings from recent research on the neurological development of young children.
2. Support for programs and projects that recognize that parents play an essential role in the development and education of their children, and that provide parents with training and opportunities for developing healthy parenting skills, meeting their children's needs and becoming involved in their children's education.
3. Support for activities that recognize the role of teachers in improving student learning outcomes and that foster teachers' professional development and standing.
4. Support for the development of curricular and classroom infrastructure by independent schools within the City of Detroit attracting a substantially low-income student body.
5. Support for activities designed to assist promising students from disadvantaged backgrounds who attend, plan to attend or have graduated from independent schools, but may lack the preparation, home support or long-term guidance enjoyed by their fellow students from more privileged backgrounds.
6. Support for programs that will provide students who are not in baccalaureate college-preparatory programs with opportunities to learn skills that will prepare them for work upon graduation.
7. Support for innovative school district improvement strategies that seek to improve student learning and are based on measurable outcomes.

In considering requests from both private and public schools, the Fund is less likely to support building projects, equipment purchases, or the hiring of non-academic staff.

Support of Private Liberal Arts Colleges in Michigan and Ohio

The Fund provides a special program of competitive grants for private liberal arts colleges and liberal arts colleges within private universities in Michigan and Ohio. The program awards up to three grants annually of \$250,000 each to the selected institutions. Grant decisions under this program are made once per year in the spring. Grant payments under this program are made as one-time distributions restricted to the purpose outlined by the institution in its application. Colleges or universities that receive a grant under the program are not eligible to reapply until the third year after receiving a grant. As a result the institution may use the grant over a period of up to three years. This is a highly competitive program and is the Fund's only program that provides grants outside metropolitan Detroit.

There are two primary objectives of the program: first, to recognize and encourage excellence in private liberal arts education; and second, to support projects or activities that will have a significant positive impact on the quality of the liberal arts education provided by the institution. In considering institutional excellence, the Fund reviews such measures as the average of Comprehensive ACT scores of entering students, percentage of freshmen who graduate, student/faculty ratio, number of library volumes per student, financial aid as a percentage of budget, amount of endowment per student and percentage of alumni contributing to the college. The Fund then considers the proposed projects on the basis of which appear to have the greatest potential to promote the highest quality in liberal arts education.

The following principles guide the selection process within this program:

1. The purpose of the McGregor Fund's Private Liberal Arts Colleges and Universities Program is to reward and encourage excellence among private liberal arts institutions.
2. In selecting projects to receive support under the Private Liberal Arts Colleges and Universities Program, the Fund seeks to leverage the greatest beneficial results with the funds awarded.
3. Priority will be given to efforts that build upon the aspects of private liberal arts institutions that distinguish them from other colleges and universities.
4. The highest priority is to support efforts that will improve learning by students within liberal arts institutions. While this would most often be learning generally understood as "academic," it may also include aspects of learning that occur outside the classroom that support the development of individuals who are mature, well-rounded and contributing members of society. For instance, it could include the development of new co-curricular programs that integrate student coursework and other learning experiences or projects encouraging collaboration in research or other activities between students and faculty.
5. Requests for capital projects, such as buildings and equipment, are given low priority for funding and will generally only be considered when closely connected to program efforts, as described above, that contribute to student learning or integrate new information technology in support of educational goals.
6. The Fund will collect data from applicant colleges to evaluate the institutions on a number of criteria that are used to measure characteristics of institutional excellence.

Support of Local Institutions of Higher Education

The McGregor Fund recognizes that local institutions of higher education play a valuable role in supporting the quality of life within our region. The Fund considers grant requests from institutions offering baccalaureate or graduate degrees. Requests from community colleges and other institutions not offering a baccalaureate or graduate degree will not be considered. Local private liberal arts colleges and universities may also apply under the Program of Support for Private Liberal Arts Colleges and Universities in Michigan and Ohio. However, institutions that receive support under that program will not be eligible to re-apply under either program for three years from the year in which a grant is received.

The Fund reviews requests for support of efforts at local institutions of higher education using the following considerations:

1. Highest priority will be given to activities that will strengthen the educational enterprise by strengthening student education achievement. Such efforts should contribute to the educational excellence and competitiveness of institutions.
2. Capital requests will generally be given lower consideration, but will be considered if the following characteristics are present:
 - there is a clear connection to improving student achievement;
 - the project will have the effect of improving institutional educational excellence and competitiveness;
 - the level of support considered by the McGregor Fund will have a meaningful impact on the successful implementation of the project.
3. Requests for support of new programs, projects or activities will be given highest priority. Ongoing programs or activities will not generally be competitive for support.
4. Grants will generally be for one year. Multiple year grants may be made depending on the scale of the program or project.
5. This policy is not intended to cover projects designed primarily to serve the community. Such projects will be considered within other program areas (such as arts and culture, human services, etc.) if they are eligible under the priorities of that program area.

Types of Support

The Fund provides a variety of types of grants to qualifying nonprofit organizations. These types of support are listed below in general order of priority. However, the Fund is flexible and will consider exceptions based on the merits and potential impact of a specific request. The preferred types of support and particular emphasis for each are as follows:

Project Support - support for innovative, creative, time-limited programs or projects; grants may be multi-year (but generally not more than three years) with interim report(s) specified by the Fund.

Operating Support - general operating support to (a) organizations which meet basic human needs; and (b) a limited number of civic and arts and cultural organizations which are vital to the quality of life in southeastern Michigan. Operating support is generally limited to organizations which are previous grantees of the Fund.

Special Projects - periodic support of special opportunities for broad community impact; may be initiated solely by the Fund or in partnership with other funders.

Capital Support - support for the purchase of equipment or for acquisition, construction and/or renovation of facilities of organizations which, typically, are previous recipients of grant support from the Fund.

Geographic Focus

The principal interest of the Fund is the metropolitan Detroit area, although requests will be considered from organizations located elsewhere for programs or projects which significantly benefit the metropolitan Detroit area. The Fund defines this area as the City of Detroit and Wayne, Oakland, and Macomb counties.

Limitations

Organizations are limited to submitting one grant application per year. If a grant is awarded, the organization will not be eligible to apply for other grants from the Fund until the grant period is concluded and a final report has been submitted and accepted by the Fund.

The Fund does not provide support for loans, individuals or direct grants for student scholarships, nor is support generally provided for travel, conferences, seminars, workshops or special events, film or video projects, or disease specific organizations and their local affiliates.

Evaluation

The Fund encourages grantees to develop internal and/or external evaluation mechanisms. In reviewing all grant proposals, the Fund will carefully assess the applicant's proposed evaluation plan, particularly with respect to new projects and initiatives. The Fund will also consider requests in which a portion of the grant budget will be used toward the costs of outside evaluation. All grantees are required to submit a final report to the Fund at the close of the grant period.

Timing and Decision Process

All grant decisions are the responsibility of the Board of Trustees. Trustee meetings are scheduled four times per year, generally in March, June, September and December. Grant requests may be submitted at any time, but requests typically take up to three months for staff review. Therefore, applicants are encouraged to submit proposals well in advance of the Trustee meeting at which they wish their proposal be considered.

Applications within the Education program areas are reviewed by special committees of the Board of Trustees. Committee meetings are scheduled twice a year, in June and December. Applicants are encouraged to submit proposals at least three months in advance of the committee meeting at which they wish their proposal be considered.

Each year an application deadline is established for receipt of applications for the Fund's Private Liberal Arts Colleges and Universities Program. This information is contained within a special application packet that is sent to eligible institutions each fall.

Before Submitting An Application

After reviewing the Fund's grantmaking guidelines and application procedures, applicants are strongly encouraged to speak with staff of the Fund to discuss the organization's eligibility for grant consideration, the purpose of the prospective grant proposal, and the plans and budget for both implementation and evaluation.

Application Procedures

Cover Letter

The proposal should be accompanied by a brief cover letter, signed by the chief executive officer, stating briefly and clearly the specific purpose, time period and amount of the request.

Format for Proposals

Grant requests to the McGregor Fund should be prepared using the following outline. (For the program for Private Liberal Arts Colleges in Michigan and Ohio, special application procedures are mailed to eligible institutions each fall.)

A. GENERAL INFORMATION

1. Date of Application
2. Legal name of organization (should be same as IRS determination letter)
3. Address
4. Name of chief executive officer, date appointed and e-mail address (if available)
5. Name, title, e-mail address and phone number of contact person (someone familiar with proposal, attachments and information furnished)

B. DESCRIPTION OF THE ORGANIZATION

1. Brief history of the organization
2. Brief description of the organization today, including goals and current programs (include data on persons served annually by each program)

C. DETAILS OF THE REQUEST

1. Name and description of the proposed program or project. Please indicate whether this is a new program or project, or part of an ongoing activity.
2. Description of the purpose of the program or project and the need(s) it addresses.

3. Are you aware of other organizations that offer the same or similar activity? If yes, please indicate the other organizations that do offer such a program.
4. Amount of the request.
5. Geographic area and target population(s) to be served.
6. Description of the work plan and timeline to carry out the activity.
7. What measurable results will be achieved? How will the proposed program or project be evaluated? (Please indicate whether this will involve third-party evaluation.)
8. If other funds, in addition to a McGregor Fund grant, are needed to implement the activity, please describe the fundraising plan, including both committed and prospective sources and amounts, and the status of other requests.
9. Indicate whether any other funding sources have declined a request for support of this activity and identify those sources.
10. If only part of the funding you seek from all sources is received, how will you proceed?
11. Outline your plan to secure continued support for this program after the conclusion of McGregor Fund support.
12. List the names and qualifications of the individuals who will implement the program or project. (Feel free to include resumes as an attachment.)

D. FINANCIAL AND STATISTICAL INFORMATION

1. Provide as an attachment the budget, including expected revenues by source and planned expenditures, for the proposed program or project.
2. Indicate the total amounts of revenue and support that the organization has received during each of the last two fiscal years from individuals, corporations, foundations, government sources, earned income and any other significant source of revenue. In addition, please list the amounts and sources of corporate and foundation grants of \$10,000 and over received in the last two years. (This may be an attachment.) Applications from colleges, universities and independent schools should also include information on annual giving by alumni.
3. Indicate the percentage of board members who made personal cash contributions for annual support and the total amount given to the organization during the most recently completed fiscal year. (If board giving included capital support, please list separately from annual support.) Planned gifts or other pledges of future support, in-kind donations, employer matching gifts and other leveraged gifts should not be included in either statistic.

E. ATTACHMENTS

In order to be eligible for grant consideration, an organization must supply the following attachments with the grant proposal:

1. Tax exemption letter from the Internal Revenue Service under Code Section 501(c)(3). In the case of public schools, the application should include a copy of the authorizing legislation that created the school district.
2. Most recent audited financial statements
3. Current year operating budget, including anticipated revenues by source as well as planned expenditures
4. A list of the board of directors or trustees, including affiliations
5. Copy of most recent annual report, if one is published

F. DELIVERY OF APPLICATIONS:

A single unbound original copy of the proposal package should be delivered by mail to the Fund's offices. Address proposal to:

C. David Campbell
President
McGregor Fund
333 West Fort Street, Suite 2090
Detroit, Michigan 48226-3134
(313) 963-3495

Adopted December 1, 2004