

Priorities within Poor and Needy Division

Through the Poor and Needy Division, the Trust responds to basic life needs and invests in solutions that improve the quality of life for the financially needy residents of **Forsyth County**. The Poor and Needy Division seeks impact through two program areas: Increasing Self Reliance and Providing Basic Needs.

Increasing Self Reliance: addressing the root causes of poverty and increasing opportunities for individuals and families to achieve and maintain a higher quality of life. In the program area of Increasing Self Reliance, the Trust has chosen Education, Job Training, and Supportive Housing as areas of emphasis.

- **Education** – Programs and activities that foster learning and academic achievement to position individuals for successful lives. This might include programs that promote and enhance literacy, increase the high school graduation rate, or promote the pursuit of secondary education. Mentoring and school readiness programs would fall within this funding area, but day care programs would not. The following have been identified as the KBR priorities within Education:
 - **Kindergarten readiness** – efforts to prepare children in early childhood years to experience success in Kindergarten
 - **Middle School success** – efforts in middle school years to prepare students for academic success, high school graduation, and a more self-reliant adult life
- **Job Training** – Programs and activities that prepare individuals to obtain, maintain, and advance in employment.
- **Supportive Housing** – Housing which is coupled with social services such as job training, alcohol and substance abuse programs, and case management.

Providing Basic Needs: alleviating the effects of poverty on daily life by providing health care, shelter, and food. In this program area, the Trust has chosen Health Care as the funding area.

- **Health Care** – The prevention, treatment, and management of illness and disease, and the preservation of mental and physical well-being.

POOR AND NEEDY DIVISION Grant Application Guidelines

WHO WE ARE

■ **Mission**

To improve the quality of life and the quality of health for the financially needy of North Carolina.

■ **Legacy**

The Kate B. Reynolds Charitable Trust is named for the late Kate Gertrude Bitting Reynolds, who was married to William Neal Reynolds, chairman of R.J. Reynolds Tobacco Company. Before her death in 1946, Mrs. Reynolds established the Trust to continue much of the work she had supported during her lifetime. Even as a young woman, Mrs. Reynolds was active in addressing issues that affect quality of life for the most vulnerable — better wages and working conditions, access to health care, safe and affordable housing, and quality care for children of working parents.

■ **Distinctiveness**

Even as the world has changed and evolved, we continue to face many of the same challenges to human potential identified by Mrs. Reynolds in the early 1900s. The opportunities to improve the quality of life and the quality of health for North Carolinians remain abundant. While many of the nation's philanthropies share an interest in helping the vulnerable achieve better futures and improving health and health care, the Kate B. Reynolds Charitable Trust has a unique mandate and perspective:

- **Geography** — the Trust serves the health and wellness needs of North Carolina and in Forsyth County fosters self-reliance and supports human services that assist with basic life needs.
- **Honoring Mrs. Reynolds' wishes** — seventy-five percent of the Trust's funding is dedicated to health care for North Carolina and twenty-five percent is dedicated to fostering self-reliance and supporting basic needs in Forsyth County.
- **Making a Difference** — the Trust exists to protect and improve the lives of those who need it most — vulnerable populations, the underserved, and the economically disadvantaged. We invest where we believe we can make the greatest difference today and in the future.

■ **Key Commitments**

Three key commitments are shaping the Kate B. Reynolds Charitable Trust's pledge to improve lives in North Carolina. The Trust seeks to be an unprecedented force for progress by living these commitments in all that it does:

- **Impact**

Having impact — *making a difference* — is the most critical commitment we share with our grantees. The degree of impact is the measure by which the Trust makes its decisions, sets its strategy, chooses its partners, and serves the financially needy of North Carolina.

The Trust believes in the **full circle of impact**:

- o Impacting positively on individual recipients.
- o Enhancing self-sustaining and robust organizations.
- o Effecting needed change and adding value in the communities we serve.
- o Contributing to the broader efforts to improve the human condition.

- **Innovation**

The Trust is committed to innovation — defined as the successful implementation of something *creative, relevant, and useful* — that takes us beyond the current standards of the field. We are not looking for novelty; we are seeking to test and apply **promising approaches** that have been fueled by creativity and have a keen eye for where making a difference matters most. It is as important that we determine where to innovate as how to innovate. The Trust is taking greater risks, considering new methods, and seeking new collaborations, partnerships, and connections to tackle today's challenges and prevent tomorrow's problems.

- **Influence and Leverage**

There are many pieces to the human potential puzzle. At the Trust, we seek to be both one of the pieces and part of the leadership working for systemic change. We see ourselves as having **multiple obligations** in this arena:

- o To have a big voice and represent the vulnerable of our state by speaking in support of the many organizations and agencies whose work we sponsor.
- o To be part of the social movement to improve people's lives and well-being, including influencing and advocating for policy change that benefits the most vulnerable.
- o To share our best practices and learn from others as full participants in the larger efforts to improve the human condition.
- o To proactively collaborate and work with others because we know that alone our resources will not be nearly as effective as working together.
- o To take a leadership role in bringing together the pieces of the human potential puzzle by convening the committed, integrating the inspired, and sharing the successful.

POOR AND NEEDY DIVISION

- Through the Poor and Needy Division, the Trust responds to basic life needs and invests in solutions that improve the quality of life for the financially needy residents of Forsyth County. The Poor and Needy Division seeks impact through two program areas:
 - ***Increasing Self Reliance***: addressing the root causes of poverty and increasing opportunities for individuals and families to achieve and maintain a higher quality of life.
 - ***Providing Basic Needs***: alleviating the effects of poverty on daily life by providing health care, shelter, and food.

- **Areas of Emphasis**
 - Grant proposals that fall within our areas of emphasis will be given a higher priority in our funding decisions.
 - In the program area of Increasing Self Reliance, the Trust has chosen the following as areas of emphasis and priority:
 - ***Supportive Housing***: housing which is coupled with social services such as job training, alcohol and substance abuse programs, and case management.
 - ***Education***: programs and activities that foster learning and academic achievement to position individuals for successful lives. This might include programs that promote and enhance literacy, increase the high school graduation rate, or promote the pursuit of secondary education. Mentoring and school readiness programs would fall within this area of emphasis, but day care programs would not.
 - ***Job Training***: programs and activities that prepare individuals to obtain, maintain, and advance in employment.
 - In the program area of Providing Basic Needs, the Trust has chosen the following as the area of emphasis and priority:
 - ***Health Care***: the prevention, treatment, and management of illness and disease, and the preservation of mental and physical well-being.

WHAT WE FUND

■ Types of Grants

- The Trust funds grants that benefit the financially needy. This includes both **direct services to people in need and support for the organizations, groups, and ideas** that can lead to grassroots changes and systemic improvements. We are committed to increasing support for those efforts that lead to long-term change.
- The Trust funds:
 - o **Operating programs** — generally for new programs or the expansion of existing programs and occasionally for short-term "bridge funding" for an existing program when there is a reasonable expectation of the availability of a new source of revenue in the near future.
 - o **Capital projects** — for construction/renovation projects or for equipment purchases (see "Additional Guidelines for Capital Projects").
 - o **Capacity building** — includes support for efforts to increase the likelihood that grantees will be measurably more effective overall. Examples may include staff and board development activities; conference attendance; leadership programs; organizational and resource development planning; core business operations support and training; and technology-based systems enhancements.
 - o **Technical assistance** — short-term capacity building activities related to the achievement of outcomes for a specific grant funded by the Trust. Examples may include use of consultants or training on new program methodologies.
 - o **Program planning** — for the development of specific operating programs within the areas of emphasis at the Trust's discretion.
- The Trust usually does not fund:
 - o General operating expenses, but rather makes grants for a specific program or project.
 - o Programs or projects ordinarily supported by government funds.
 - o Community assessments.
 - o Processes for organizational accreditation.
 - o Support for grantee staff to pursue a degree or other intensive education and training.
 - o Medical research.

■ **Terms**

- Grants are awarded usually for short-term projects with no more than a three-year commitment.
- Grants in the program area of Increasing Self Reliance may be awarded for a period of up to five years.

■ **Amounts**

- Multi-year grants are awarded ordinarily in decreasing annual amounts.
- Grant amounts are awarded in proportion to the number of financially needy individuals who will benefit. Common definitions of financially needy that are generally accepted by the Trust include: those living at or below 200% of the federal poverty level; those who are eligible for Medicaid; those who are uninsured; and those who qualify for the free/reduced school lunch program.
- Grants usually are not awarded as the total means of financial support but preferably in conjunction with other sources.
- The Trust does not prescribe maximum grant amounts for operating programs. The maximum grant amount for capital construction projects is \$350,000. The maximum grant amount for capital equipment projects is \$100,000.

■ **Overhead/Indirect Costs**

Ten percent will be added to all approved grants for operating programs to cover indirect expenses associated with administering a grant from the Trust. The maximum allowed is \$50,000 over the life of the grant. This additional 10% award excludes grants made to granting organizations, such as foundations or the United Way.

■ **Existing Positions**

The Trust will fund existing positions only to the extent that they are a direct expense for the grant program.

■ **Additional Guidelines for Capital Projects**

Capital projects may include construction/renovation and/or equipment purchases.

- Construction Projects
 - o Groundbreaking should occur within one year of application submission.
 - o Grants may be awarded to pay down existing loans and mortgages if the debt has existed less than one year prior to the application to the Trust.

- o Grants are not awarded for projects that involve only the acquisition of land.
- o Governmental entities are not eligible for capital construction projects.
- Organizations may apply for a capital grant for construction projects once every three years. For capital campaigns of \$500,000 or more, the organization must be on the Winston-Salem Campaign Coordinating Committee Calendar. Organizations may also apply for a capital grant for equipment purchase once every three years.
- Grants may be awarded for capital projects — either construction projects or equipment purchases — only if a benefit to financially needy residents of Forsyth County is clearly demonstrated. Priority will be given to those projects that fall in the area of Increasing Self Reliance.
- **Public Policy Advocacy**
 - Any grants made for advocacy will be initiated by the Trust. The Trust’s funding for advocacy will focus on convening, education, and research.
 - While the Trust is not currently accepting applications that focus primarily on advocacy, we will potentially fund advocacy as a part of a larger grant program.
- **Evaluation and Research Studies**
 - Our commitment to measuring impact also means that we are willing to consider support for evaluation costs within program budgets.
- **Rare exceptions could be made to any guidelines at the discretion of the Trust.**

WHO IS ELIGIBLE for FUNDING

- **Eligible Organizations**
 - Your organization is eligible for grants from the Trust if it has qualified for exemption under Section 501(c)(3) of the Internal Revenue Code and it is not a private foundation or a Type III supporting organization [as defined by Section 509(a) of the Code]. Your organization is also eligible if it is a government entity. Grants are not made to individuals.
 - Grants are not awarded to an organization to be used as pass-through funds for another organization that is not a 501(c)(3) public charity or governmental entity.
 - Grants are not awarded to private schools, church-related schools, or charter schools.

- Grants may be awarded to a faith-based organization only if the organization has qualified for exemption under Section 501(c)(3) of the Internal Revenue Code.
- **Recurring Grantees**
 - The Trust chooses to fund select organizations on a recurring basis. Organizations may not apply for this status but will be selected by the Trust based on its priorities and areas of emphasis.

APPLICATION PROCESS

■ **Advance Consultations**

Advance consultations with a member of the Trust staff are the first step of the application process. Telephone consultations, at the staff's discretion, may be appropriate for some applications. Consult Trust staff to schedule an advance consultation.

■ **Submission of the Application**

- Poor and Needy Division application deadlines are January 15 and July 15, or the first business day thereafter if the deadline falls on a weekend or holiday.
- In order to be considered, applications must arrive in our office by the close of business on the deadline day.
- Applications will not be accepted electronically by fax or e-mail.
- Submit applications to the following address:
Kate B. Reynolds Charitable Trust
128 Reynolda Village
Winston-Salem, NC 27106-5123

■ **Review and Notification**

- Applications are assessed based on multiple criteria including:
 - **Area of emphasis** — is the request in an area of emphasis for the Trust?
 - **Impact** — how significant is the impact that is proposed in the request? What difference will the project make and to how many people? Are the results likely to be long-term? Is the model replicable?
 - **Organizational capacity** — how capable is the applicant of achieving the stated impact? Has the organization had past success with similar projects? How strong are the organization's leadership and financial stability?

- Priority is also generally given to applications that:
 - o Involve **community-based collaborations** where the applicant organization is working together with local organizations such as schools, human services agencies, government, churches, and neighborhood associations.
 - o Strive to effect **systemic change** where the program causes governmental, community, or organizational systems to change in a way that achieves greater social equity. This may mean public policy initiatives, institutionalization of best practices, or creating efficiencies.
- Funding decisions are made at the discretion of the staff, advisory board, and Trustee according to these priorities as well as other factors, including the availability of funds.
- Notification of funding decisions generally occurs within 90 days of application deadline. The Poor and Needy Division advisory board meets the end of March and the end of September to evaluate the proposals and make recommendations to the Trustee. Shortly thereafter, the applicant organization will be notified of the Trust's decision.

■ Grant Requirements

- Audits
 - o Organizations that receive grants are required to provide certified public accounting audits that cover the entire duration of the award.
 - o Organizations receiving grant funds from the Trust that can demonstrate at least a three-year history of not having annual audits can receive up to \$5,000 per year for the length of the grant toward an annual audit. Trust staff will work with organizations to establish eligibility for and access to these funds.
- Reports
 - o The Trust is successful when its grantees are successful. We will follow up with grantees on a regular basis during the grant period and shortly thereafter to request reports verifying the implementation of the grant program or project as well as the impact that it has had. We will also be seeking input as to what you learned from the experience and what the Trust should learn as well.

APPLICATION FORMAT

■ Operating programs vs. Capital projects

- The Trust has developed two different applications — one for capital projects and one for operating programs.
 - o Use the application for capital projects if the primary purpose of your request is construction/renovation and/or equipment. If the majority of funds requested are for capital expenses, then use the application for capital projects.
 - o All other proposals should use the application for operating programs.
 - This includes both direct services for individuals as well as collaborations, capacity building, planning grants, and studies.
 - Applications for operating programs may include some capital expenses if they are related to the specific program.

■ Completing the Application

- Our application is available to you through our web site at www.kbr.org.
- Your responses should be designed to fit in the amount of space indicated. Because the advisory board will only see the information you provide in your application questions and budget form, do not use "See Attached." However, you may include other information that will help the Trust staff to better understand your program or project such as brochures or newspaper articles.
- For each application that is submitted, we require only one copy of the application forms and one copy of any supplementary materials.
- All application materials must be single-sided and have no staples or clips or be bound in any way (excluding brochures and CPA audits).

■ Parts of the Application — all four parts are needed for a complete application.

- Cover Sheet
 - o The cover sheet must have original signatures of the chief executive officer of your organization and the president or chair of your board of directors. Mechanical, copied, or stamped signatures are not acceptable. Having someone else sign and initial is not acceptable. However, if the board president is not available, you may have another officer of the board sign the application. Universities should seek guidance from Trust staff as to which individuals have been approved to sign applications.

- Questions
- Budget
- Attachments — please include the following attachments with your application:
 - o **IRS Letter**
 - Copy of most recent IRS letter indicating current name and 501(c)(3) and 509(a) status.
 - o **Board List**
 - A single-sided list of members of your board of directors. Please indicate the titles of the officers of the board.
 - o **Audit and Other Financial Information — non-governmental entities only**
 - Applicant organizations are required to provide their most recent certified public accounting audit or advise us in writing if an audit has never been done.
 - Current fiscal year budget with a statement of year-to-date income and expenses.
 - Annual budget for the fiscal year in which the proposed project/program will be conducted (if different from the current fiscal year).
 - o **Specifications sheet — for equipment purchases only**

NOTE: These guidelines are subject to modification. Please check our web site for potential updates each time you submit an application.