



Transom Grant Application Guidelines

Revised June 2011



From a tiny acorn a giant oak grows



MISSION STATEMENT

In response to the love of God revealed in Jesus Christ and in keeping with our Baptist heritage, Baptist Community Ministries is committed to the development of a healthy community offering a wholesome quality of life to its residents and to improving the physical, mental and spiritual health of the individuals we serve.

VISION

Baptist Community Ministries (BCM) is a private foundation that provides financial support to nonprofit organizations in the five-parish greater New Orleans region. BCM holds charitable assets in trust from which funds are expended in the form of grants. BCM adds value to the grantmaking process by:

- (1) Strategically identifying and funding organizations with promising programs that address critical community needs within specific zones of interest;
- (2) Evaluating the performance of funded programs and holding grantees accountable for results; and
- (3) Directing the attention of the community to successful programs in order to influence the efficient use of other scarce charitable resources.

VALUES

Baptist Community Ministries emphasizes:

- Christian life and family values
- Compassionate care
- Unconditional acceptance of those we serve
- Reverence for the dignity of each person and the cultural diversity of the community

INVITATION TO APPLY

Dear Prospective Applicant:

To Baptist Community Ministries (BCM), a “healthy community” offers its residents access to quality healthcare and spiritual services, a good education, a safe environment and an efficient and trustworthy local government. To help New Orleans become a healthy community, BCM makes grants to nonprofit community organizations that provide or strengthen health, education, public safety and governmental oversight. BCM carefully considers its Mission when investing in community projects and remains committed to the ideal of Christian service to those living in the greater New Orleans region.

The application process described herein helps BCM to encourage new ideas and to nurture the inventiveness of nonprofit organizations in the region. Completed applications also serve to educate the Board of Trustees and staff of BCM about the work of local organizations and are warmly received.

While BCM has been blessed with the stewardship of significant monetary resources, these assets pale in comparison to the many needs of the community. As a result, applications submitted for consideration are critically reviewed as part of a very competitive process. This is not intended to deter potential applicants, but to emphasize the need to fully demonstrate the adequacy and potential effectiveness of each proposal. More often than not, the number of worthy grant proposals exceeds the amount of money that BCM has available for a given funding cycle.

Specific instructions for completing an application are included on the accompanying pages and are provided to encourage your ideas for making the New Orleans region a better place to live and work. Each of us plays a role in making New Orleans a healthier community. We look forward to receiving your ideas, suggestions and recommendations. Thank you for your interest in BCM.

Sincerely,



Byron R. Harrell, Sc.D.
President/CEO

HISTORY

BCM is one of the largest private foundations in Louisiana with a commitment to the greater New Orleans region and to the attainment of a more healthy community for the people living here. BCM strives for a wholesome quality of life for all people in the region through its grantmaking endeavors with specific zones of interest in health, education, public safety and governmental oversight. A Board of Trustees comprised entirely of volunteer community leaders governs BCM.

Beginning its service to the community in 1924 as Southern Baptist Hospital and later as Mercy + Baptist Medical Center, BCM redeployed its assets through the sale of its hospital facilities in 1995. BCM uses income from its invested endowment to make grants to community nonprofit organizations. Since 1924, BCM has carefully considered its Mission when operating or funding community projects and it remains committed to the ideal of Christian service to those living in the New Orleans region.

Since the first grant was approved in 1996, BCM has funded almost 300 projects submitted by over 150 nonprofit organizations. These projects provide services to people in Orleans, Jefferson, St. Tammany, St. Bernard and Plaquemines Parishes. Unsolicited proposals (transom grant applications) from qualified, nonprofit organizations are submitted twice annually. Transom grants encourage the development of new ideas and nurture inventive solutions to community problems.

Community challenges are always larger than one organization like BCM can overcome. Therefore, BCM encourages the constant collaboration of community partners including government, business, other grantmakers, faith-based groups, charities and individual citizens. Projects funded by BCM often reflect themes of self-help, independence and individual responsibility. BCM membership in regional and national organizations, such as the Southeastern Council of Foundations, also fosters informed grantmaking and provides a perspective into the grantmaking activities of other foundations.

ZONES OF INTEREST

BCM funds projects in four zones of interest: health, education, public safety and governmental oversight. The goal for each zone is as follows:

Health

A healthy community provides its citizens an environment that creates a state of positive physical, mental, spiritual and social well-being and not merely the absence of disease or infirmity.

Education

Children and adults should be equipped with a basic education in reading, writing, math and science. They should also develop the character and relational skills necessary to be successful, contributing members of society.

Public Safety

Community residents should feel secure and free from threat; both the strongest and the most vulnerable citizens should be equally protected. A healthy community provides crime prevention measures, police and prosecutorial, judicial and correctional systems that deter crime and penalize criminal behavior.

Governmental Oversight

All forms of local government (including elected or appointed officials, and executive, legislative or judicial branches) should be trustworthy, open to the public, independently monitored and accountable to an informed electorate.



WHO MAY APPLY

Eligible Organizations

Grants are made to eligible organizations in one or more of the five Louisiana parishes of Orleans, Jefferson, St. Tammany, St. Bernard and Plaquemines. Beneficiaries of grants must reside in one or more of these five parishes. It is preferred that the organization receiving a grant also be located in the same five-parish region and be governed by a Board of unpaid volunteers that are residents of the local community. Following are the types of organizations eligible to apply for a BCM grant:

- A tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code (which includes religious, charitable, educational, scientific and certain other organizations) that is not a private foundation described in Section 509(a); or
- A private operating foundation described in Section 4942(j)(3) or (5) of the Internal Revenue Code; or
- An organization described in Section 170(c)(1) (governmental entities) or Section 511(a)(2)(B) (state colleges and universities) of the Internal Revenue Code.

Grants are **not made** to private foundations described in Section 509(a) of the Internal Revenue Code, for-profit entities or individuals.

Grants are **not made** to “fiscal agents” on behalf of another organization. In all cases, the applicant organization is solely responsible for the grant.

It is the responsibility of the applicant organization to ensure that the size of a grant from BCM relative to its other sources of gifts and income will not cause the organization to automatically convert to private foundation tax status under certain Internal Revenue Service regulations.

Funding Restrictions

- Minimum grant size – \$50,000 per year
- Grant term – one to three years
- Funding requests **NOT** supported:
 - 1) Capital projects for an organization’s facilities, such as construction or purchases of major equipment.
 - 2) General operating support for an organization, often referred to as an unrestricted grant.

WHEN TO APPLY

BCM accepts grant applications twice a year during the following periods:

- **Spring Transom Cycle** – February 15 through February 28, and
- **Fall Transom Cycle** – August 15 through August 31.

To be accepted, grant applications must be received on or before the deadline date of February 28 or August 31.

Applications sent through the postal system must be postmarked before midnight of the deadline date.

Hand-delivered applications (by courier or individual) must be received on or before 5:00 p.m. on the deadline date.

For deadlines falling on a weekend or recognized holiday, applications may be hand delivered on the first business day following the deadline date during regular business hours (8:30 a.m. to 5:00 p.m.).

The mailing address for grant applications is:

**Grants Committee
Baptist Community Ministries
400 Poydras Street, Suite 2950
New Orleans, Louisiana 70130-3245**

In fairness to other applicants, staff and reviewers, these deadlines are strictly adhered to and no exceptions are made for late submissions. Once accepted, applications may not be amended.

BCM staff and reviewers are prohibited from having any contact with an applicant starting two weeks before or during the window of open submission of February 15-28 and August 15-31 through the point of final consideration of the application by the BCM Board (generally 90 days). Contact or “lobbying” of BCM Trustees or Grants Committee Advisors during an active transom review cycle may inadvertently create a conflict of interest for the Trustee or Advisor and may result in an abstention from voting on the application under review.

ONLY ORGANIZATIONS THAT COMPLETE AN APPLICATION IN STRICT ACCORDANCE WITH THESE GUIDELINES WILL BE CONSIDERED FOR FUNDING.

HOW TO APPLY

Please submit **three complete sets** of the material in Tab 1 through Tab 9. Each set should have two filing holes punched at the top and be secured with a binder clip. Do not use staples, binders or folders. All material must be on standard 8.5 by 11 inch paper using a font size of 12 pt. or larger with all margins no less than one inch. Organize the application with numbered index dividers in the following order:

Tab 1 *Grant Application Form.*

Complete the enclosed Grant Application Form.

Tab 2 *Summary of Proposal.*

Provide a **one-page** summary of the proposal.

Tab 3 *Mission Statement and Organization Purpose.*

Provide a **one-page** description of the mission and purpose of the organization.

Tab 4 *Board of Trustees.*

Provide a **one-page** list of all members of the Board of Trustees of the applicant organization, the occupation of each, and any known relationships with BCM staff, Trustees or Grants Committee Advisors. (See the enclosed insert for a list of these individuals.)

Tab 5 *Tax Status.*

Provide a copy of the most recent 501(c)(3) letter of determination of tax-exempt status issued to the organization by the Internal Revenue Service. The letter of determination must specify that the organization is not a private foundation described in Section 509(a) of the Internal Revenue Code.

Tab 6 *Financial Statements.*

Provide the most recent audited financial statements of the organization. If audited financial statements are not available, provide the most recent internal financial statements.

Tab 7 Form 990.

Provide the most recent tax return (usually Form 990) of the organization filed with Internal Revenue Service.

Tab 8 Project Proposal.

Provide a narrative that describes the proposed project in detail and specifically addresses the series of questions listed below. Ideally, the proposal narrative will be a well-written document of **no more than five pages** in length that provides the information necessary for the reader to make an informed judgment about the merits of the application and a funding recommendation.

a) Need/Problem Statement and Target Population

What is the purpose of the project and who is expected to benefit?

Describe the specific community problem or need targeted by the project. Describe the specific population (who and how many) and geographical area that will be targeted by the project.

b) Goal

What is expected to happen or be different as a result of the project?

Clearly describe the overall purpose of the project. Goals provide an answer to the problem statement and communicate the expected impact of the project.

c) Objectives, Tasks and Time Line

How will the project work?

Describe the proposed project design including objectives, specific tasks and related time line. Objectives are statements as to how you will work toward reaching your goal and should be specific, realistic, measurable and time-framed.

d) Project Justification

Why will the project work?

Describe how the project was developed, with specific reference to related research, review of existing "best practice" models and results, and evidence of buy-in from the target population and other stakeholders. Describe the partnerships that may be needed for the proposed project to be successful. Do you have them now? If not, what are your plans for establishing them?

e) Results

How will you know if the project is successful and measure project performance?

Describe your monitoring and evaluation activities. Describe the specific data to be used, how it will be collected and how the data will demonstrate project performance. Provide specific indicators and/or benchmarks that will be used to determine the changes affected by the project.

f) Organization Capacity

Why is your organization best suited to operate the project?

Describe your organization's historical ability to successfully implement and manage similar projects and achieve the results intended.

Describe the work experience, and educational background of management and staff assigned to the project. If you are aware of other organizations providing similar services to the target population, provide justification for your organization to create a new project or expand an existing project. Discuss your efforts to collaborate with the existing organizations.

g) Sustainability

If the project is successful, how will it be sustained after the BCM grant ends?

Describe your plan to identify and secure funding to continue the project. In preparing this section, consider your organization's history of fundraising; describe committed, pending and potential grant funding for the project from sources other than BCM and/or other sources of project revenues.

h) Appendices (optional)

Additional material may be submitted in the form of an appendix such as literature reviews, data collection instruments, past evaluations, letters of support, project staff resumes, etc., but it is not required for acceptance of the application for review. **Caution: Only include relevant materials as too much information can be a distraction.**

MINIMUM GRANT SIZE - \$50,000 PER YEAR

Tab 9 Project Operating Budget.

Provide a **four-part** Project Operating Budget. It is preferable that budget documents required in Steps 1, 3 and 4 below be prepared using an Excel spreadsheet. Please make sure all rows and columns add correctly in each of the budget schedules.

Step 1: Detailed Line Item Expense Budget

Provide a detailed line item expense budget for each year of the grant. Following is a sample format:

SAMPLE LINE ITEM EXPENSE BUDGET				
	Year 1	Year 2 (if applicable)	Year 3 (if applicable)	Total
Personnel:				
Salaries				
Fringe Benefits				
Total Personnel				
Direct Project Costs:				
Materials & Supplies				
Travel				
Total Direct Costs				
Indirect Project Costs:				
(Not to exceed 12% of combined Personnel and Direct Project Costs)				
Total Indirect Costs				
Consultants:				
Consultant #1				
Consultant #2				
Total Consultants				
Equipment:				
Hardware (Computers & Printers)				
Software				
Total Equipment				
TOTAL PROJECT EXPENSES				

Following are the most common categories to be included in a line item expense budget:

- **Personnel** – include salaries and fringe benefits (payroll taxes, insurance, retirement) for employees assigned to the project.
- **Direct Project Costs** – include operating costs, such as project materials & supplies, travel, postage, printing, etc., that are required to accomplish the project.
- **Indirect Project Costs** – include actual indirect costs (sometimes called administrative overhead) allocated to the project. Indirect costs are organization costs that are not specifically identified and attributable to a specific project. Generally, indirect costs include costs such as rent and utilities, auditing costs, liability insurance, communications and technology costs, general administrative services (accounting staff, human resources, etc.) and the time devoted to the project by the organization's chief executive officer. **However, in no event will BCM allow the indirect costs to exceed 12% of the combined amount of personnel and direct project costs charged to the project.**
- **Consultants** – include the cost to hire outside experts that will participate in project development, implementation or evaluation. Use a separate line item for each consultant.
- **Equipment** – include purchases required to accomplish project objectives; some examples are computers, printers and software.

The preceding examples are not all inclusive and applicants may use additional line item expense categories if necessary.

Step 2: Budget Narrative

A budget narrative expands on the line item expense budget, giving detail as to how you arrived at the projected dollar amounts. It also justifies that the cost elements are necessary to accomplish the project objectives. Together, the line item expense budget and related narrative should provide a complete financial and qualitative description that supports the proposed project. Below are guidelines for the information to be included in the budget narrative.

- **Personnel** – List each position that is assigned to the project. The cost calculation should show the position’s annual salary rate and the percentage of time devoted to the project. These positions are direct employees of your organization.
- **Fringe Benefits** – For each employee assigned to the project, include payroll taxes and company benefits such as health and life insurance and retirement plan contributions. The amount charged for each employee should be in the same proportion as salaries included in the personnel section.
- **Materials & Supplies** – Provide a breakdown of each item/type of expendable materials and supplies, basis of computation and cost.
- **Travel** – Explain the reason for travel expenses for project personnel (e.g., staff to attend training, field interviews, advisory group meeting, etc.). Describe how the proposed travel benefits the project and why the travel is necessary to accomplish the objectives of the project.
- **Other Direct Project Costs** – Provide a detailed explanation for other direct project costs related to your proposal.

- **Indirect Costs** – See Indirect Costs explanation in previous section.
- **Consultants** – Describe the work to be performed by each consultant and how the work is necessary to accomplish the objectives of the project. Provide information about unique expertise or skills of each consultant and why the consultant was chosen to work on this project.
- **Equipment** – Provide a brief description for each item of equipment requested. Explain how each item will be used and explain why the purchase of the equipment is necessary to accomplish the objectives of the project.

Step 3: Detailed Line Item Revenue Budget

For each item of project revenue, provide specific information including the name of the funding source, amount, term and current status (pending or approved grant application). Total Project Revenues (Step 3) should equal Total Project Expenses (Step 1) for each year.

SAMPLE LINE ITEM REVENUE BUDGET				
	Year 1	Year 2 (if applicable)	Year 3 (if applicable)	Total
BCM Request				
Other Foundation - include name of funding organization, and current status (pending or approved grant application)				
Other Foundation - (be specific)				
Federal/State Grants - (be specific)				
Other Project Income - (be specific)				
TOTAL PROJECT REVENUES				

Step 4: Executive Summary Budget

Provide a **one-page** Executive Summary Budget in the format below.

SAMPLE SUMMARY BUDGET				
Organization Name _____				
Project Name _____				
CATEGORY	YEAR 1	YEAR 2 (if applicable)	YEAR 3 (if applicable)	TOTAL PROJECT
PROJECT EXPENSES				
Personnel				
Direct Project Costs				
Indirect Project Costs				
Consultants				
Equipment				
Total Project Expenses				*
PROJECT REVENUES				
BCM Request				**
Other Foundation (Specify)				
Other Foundation (Specify)				
Federal/State Grants (Specify)				
Other Project Income (Specify)				
Total Project Revenues				

* **Total Project Expenses** – This amount is to be placed in the box titled “Total Cost for this Project” on the Grant Application Form behind Tab 1.

** **BCM Request** – This amount is to be placed in the box titled “Total BCM Amount Requested” on the Grant Application Form behind Tab 1.

HOW APPLICATIONS ARE REVIEWED

BCM utilizes a formal review process to ensure that every grant application is thoroughly and fairly considered. The review process is comprehensive and involves several steps. A summary of the review process that occurs twice a year is provided in this section.

Screening, Acceptance & Zone Assignment

A letter is sent to each applicant acknowledging receipt of the grant application. The grant application is screened to determine that **all** requirements set forth in these guidelines have been met. Grant applications that **do not** meet these requirements will not be reviewed by staff. Those applications that are accepted for review are assigned to the appropriate Program Officer based on the zone of interest.

Zone Reviews

A standard set of criteria is used to review the grant application. The Program Officer and one or more outside consultants with expertise in the zone, independently review and score the grant application. This review determines which grant applications will be considered at “Staff Review.”

Staff Review

BCM Senior Management, Program Officers and outside consultants review the grant applications recommended for consideration from the previous step. Those applications that gain staff consensus are submitted to the Grants Committee for consideration.

Grants Committee Review

The Grants Committee is comprised of several Trustees appointed by the Board Chair and four independent (non-Trustee) Grants Committee Advisors. Staff provides the Grants Committee with summary information on **all** applications, along with staff rankings. The Grants Committee determines which grant applications will be recommended to the full Board of Trustees.

Board of Trustees Review

The Board of Trustees reviews **all** grant applications and considers the recommendations of the Grants Committee. Every grant application approved by the Board of Trustees is given a “conditional” status until the Program Officer negotiates a formal written Award Agreement. Each grant applicant is notified in writing of the decision of the Board of Trustees, which is final. Applications not accepted for review are also notified and provided reasons for lack of review.

Grant Application/Funding Time Line*

Grant Application Submission	BCM Review Process	Conditional Approval/ Denial Letters Mailed	Objective & Budget Review and Acceptance	Award Agreement Completed	Issuance of 1st Grant Payment
February 15 – 28	March 1 – May 31	June 1 – 15	June 15 – July 31	August 1 – 15	August 16 – 31
August 15 – 31	September 1 – November 30	December 1 – 15	December 15 – January 31	February 1 – 15	February 16 – 28

Note: The Board may approve a grant subject to BCM-initiated conditions that were not part of the application. Examples include matching fund requirements, reduced grant amount and/or term and modification to the project scope.

WHAT HAPPENS NEXT

All applicants will be informed in writing of the decision of the Board of Trustees. If the application is approved, the applicant will be contacted by a BCM Program Officer to begin the process of developing Project Objectives and Action Steps and a detailed Project Operating Budget that will be incorporated into a formal written Award Agreement. The Award Agreement contains the obligations and responsibilities for both the grantor (BCM) and the grantee. If the grant is for a multi-year term, funding for years two and thereafter will be contingent on meeting operating and financial requirements for the prior year. The BCM President, BCM Program Officer, Grantee Executive Director and Grantee Board Chair are each required to be signatories to the Award Agreement. The Award Agreement is detailed and specific, as evidenced by a summary of the key provisions listed below:

- The grantee agrees to use the funds only as specifically detailed in the Award Agreement. Funds expended prior to execution of the Award Agreement will not be reimbursed.
- Any funds not expended at the end of each year during the grant period, or upon termination of the grant (if earlier), are returned to BCM.
- No part of the grant may be earmarked to influence specific legislation or a specific election. However, grantees may engage in certain lobbying activities in accordance with Internal Revenue Service (IRS) regulations.
- BCM encourages all 501(c)(3) public charities to make the 501(h) “lobbying” election when filing their Form 990 tax return with the IRS.
- The grantee agrees to separately account for all funds provided in the grant and agrees to allow BCM to monitor and review the accounting, disbursement, financial practices and internal control and audit systems of the organization.
- An audited year-end financial statement for the entire organization receiving the grant is required.
- A fidelity bond with BCM named as a loss payee must be obtained by the grantee unless waived by BCM.

- The accomplishments of the project must be measured, continuously monitored and evaluated according to the previously established specific project objectives in the Award Agreement.
- Reports describing the project and financial activity must be submitted periodically in accordance with the terms of the Award Agreement. A final report is always required at the end of the grant term that details the project accomplishments, financial activity and evaluation findings covering the entire term of the grant.
- Public recognition of BCM as the source of grant funding is authorized and encouraged. Grantee and BCM will agree to coordinate public announcements of the initial approval of the grant. Grantee may use the BCM name in future public announcements associated with the funding of the grant so long as there is no implied endorsement by BCM of project findings or conclusions. The Award Agreement may specify additional restrictions or releases regarding the use of the BCM name.

GRANT APPLICATION CHECKLIST

- Grant Application Form is completed and signed by the Executive Director and Board Chair.
- Organization requesting funds is an eligible organization as defined in the guidelines and designated by the Internal Revenue Service.
- Request is for a minimum of \$50,000 per year and a maximum of three years.
- Organization/Project is located in at least one of the following parishes: Orleans, Jefferson, St. Tammany, St. Bernard and Plaquemines.
- Project falls within one of the following zones of interest supported by BCM: Health, Education, Public Safety and Governmental Oversight.
- Three complete sets** of the entire application are included; each set has two filing holes punched at the top and is secured with a binder clip.
- All material is on 8-1/2" by 11" paper.
- Font size is 12 pt. or larger with all margins no less than one inch.
- Numbered index dividers are used in the following order:

Tab 1 Grant Application Form

Tab 2 Summary of Proposal (one page)

Tab 3 Mission Statement and Organization Purpose (one page)

Tab 4 Board of Trustees (one page)

Tab 5 Tax Status

Tab 6 Financial Statements

Tab 7 Form 990

Tab 8 Project Proposal (five pages)

Tab 9 Project Operating Budget

See the next page for a list of BCM Trustees, Advisors and Staff. The Grant Application Form may be completed and printed from the BCM website by following the link on the Grantmaking Tab to the Apply for Grants section.



Baptist Community Ministries – Proud to call New Orleans home

504.593.2323

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www.bcm.org



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BCM discourages the creation of conflicts of interest brought about by direct contact with or "lobbying" BCM Trustees/Advisors directly. The BCM Conflict of Interest Policy requires Trustees to disclose all contacts with applicants during review cycles and may nullify their vote as result.

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