

# GRANT POLICIES

OF

## THE JOHN G. AND MARIE STELLA KENEDY MEMORIAL FOUNDATION

(August 11, 2009)

### **The Foundation's Core Values and Grant Policies**

**Core Values.** Sarita Kenedy East established The John G. and Marie Stella Kenedy Foundation in 1960 to support and fund Catholic educational, charitable, and religious activities in Texas, primarily in the region of the Diocese of Corpus Christi (as that entity then existed). The mission of the Foundation is to nurture and advance activities which contribute to the following *core values*:

- Helping break the cycle of poverty;
- Assisting people to help themselves;
- Nurturing support and love for Catholic institutions;
- Developing the Catholic faith;
- Learning;
- Spirituality;
- Respect; and,
- Cooperative/collaborative partnership.

The Foundation encourages grants with large “ripple effects,” that is, those which generate benefits which spread beyond their primary grantee into the wider community, as well as “seed money” grants, whereby Foundation support provides a needed catalyst or first step to very significant, and preferably ongoing, positive core value effects. Although its principal beneficiary is Catholic charities, the Foundation supports non-sectarian charities in Texas to the extent of at least 10 per cent of its annual distributions. Non-sectarian institutions are defined as non-religious and not church related.

**Grant Policies.** To realize maximum benefit from its grants and to use its resources prudently, the Foundation has established the following policies to encourage meritorious proposals and to enable the Foundation to be a positive force for good by promulgating and stressing its core values while honoring its purposes, intent, and integrity.

## **Guidance for Applicants**

1. All grant applications must be filed on the Foundation's standard form and directly with The John G. and Marie Stella Kenedy Memorial Foundation, not with members of the Board of Directors. In fact, lobbying individual Directors may result in the application's rejection. If the Applicant is a Catholic institution, the Foundation will forward the application to the Bishop of the region where the program will be conducted.
2. No application will be considered from a non-profit organization unless the non-profit organization is currently recognized by the Internal Revenue Service as a tax-exempt, non-profit organization in accordance with the provisions of the Tax Reform Act of 1969. If a Catholic Applicant is listed in the current Official Catholic Directory, such listing shall constitute sufficient documentation to the Foundation of the applicant's tax-exempt status unless other evidence to the contrary is furnished or discovered by the Foundation.
3. In keeping with the historic relationship of the Kenedy Family with the Catholic Church in South Texas and with the intent of the Founder, the following policies have been adopted:
  - (a) All grant funds must be used exclusively within Texas and exclusively for religious, educational or charitable purposes. This provision will not be waived.
  - (b) While discretionary grants are in the sole discretion of the Foundation's Board, the Board intends to follow the intentions and practices of Sarita Kenedy East as demonstrated through her actions and words. Thus it is the Foundation's intent to grant approximately seventy percent (70%) of its annual discretionary sectarian distributions primarily to Catholic educational, charitable, and religious activities in South Texas. In further keeping with the Founder's intent and practices, the Foundation intends to grant the remainder of its annual discretionary sectarian distributions primarily to Catholic educational, charitable, and religious activities in Texas not located in South Texas. It is also the Foundation's intent that the non-sectarian distributions be granted to charities primarily in South Texas. However, the Foundation's Board of Directors may choose to deviate from these guidelines when it determines that such action is desirable and appropriate.
4. Approval of a portion of a grant request does not obligate the Foundation to further support that project.
5. Grants are approved only by specific resolution of the Foundation Board and are effective only after a standard Grant Agreement has been executed and

delivered to the Foundation by the Applicant and subsequently accepted by the Foundation in writing by the CEO. Grants which are not funded within six (6) months of the execution of the Grant Agreement by the Foundation shall be automatically rescinded, and a vote of the Foundation's Board of Directors shall not be required.

6. The Foundation does not favor grants to federal, state, or municipal governments or other tax-supported entities and will make such grants only on a three-fourths vote of its Board.
7. To conserve its resources and to maximize its support, the Foundation does not grant funds to pay for completed projects, to pay existing debts or deficit funding, to pay for political expenditures or lobbying activities, or for scholarships or other direct grants to individuals.
8. Grants for endowments are not viewed favorably and require a three-fourths vote of the Board of Directors.
9. The Foundation makes sectarian grants of more than \$50,000 (Fifty Thousand Dollars) or non-sectarian grants in excess of \$25,000 (Twenty-five Thousand Dollars) only on a three-fourths vote of its Board and does not favor requests in excess of these amounts.
10. All funds distributed by the Foundation must be used for the project designated in the application and the grant agreement, and any funds not used for the designated project must be returned to the Foundation. Further, all funds not used for the specific project within 12 months following the funding of the project must be returned to the Foundation.
11. Grant recipients will be required to file a final Grant Status Report on forms prepared by the Foundation which final report must be filed within 12 months after the funding of the grant or within 60 days after the project is completed, whichever is the sooner. The Foundation will not accept applications from a grant recipient which has failed to file timely status reports for a previous grant.
12. Lobbying of the individual members of the Foundation Board of Directors by grant applicants may result in the rejection of a grant application.
13. All grant applications will be considered semi-annually at the Board of Directors meetings in May and November of each year. To be considered in May, an application must be received by December 15th. To be considered in November an application must be received by July 1st.
  - (a) The Foundation may at any time make such grants as it deems appropriate by a three-fourths vote of its Board.

- (b) Applications requesting consideration out of the regular time sequence (February and August) may be considered by the Executive Committee or by the Board. If the Executive Committee or Board declines to act, the application will be processed in the regular manner.
  - (c) A grant for emergency relief from an act of God, or similar unforeseen event, may be approved for sectarian or non-sectarian charity institutions in Texas. Emergency relief grants shall be only for emergency food, shelter, clothing, and medical.
14. The Foundation prefers only one (1) application every twelve (12) months from an Organization. The Foundation considers an Organization within the Church to be a parish, school, religious order or other entity with either a controlling or advisory board. Parish schools are considered as a separate entity from the Parish. The Foundation does not consider a Diocese as a single organization for the purpose of this policy.
15. The Foundation prefers only one (1) request every twelve (12) months from an Organization for fund-raising events. Funding for each fund-raising event will not exceed \$5,000 (Five Thousand Dollars) unless otherwise approved by the Board or Executive Committee.