

# **County Endowment Fund Application Review Process**

## **Purpose of Program**

The State of Iowa has recently undertaken several initiatives to promote charitable giving and philanthropy within the state. Each of these initiatives is designed to work through non-governmental, non-profit entities called *Community Foundations*. By expanding the number of Iowa Community Foundations, and strengthening those that already exist, the state hopes to achieve its goals of enhancing the quality of life. In order to be eligible for state assistance under these programs, an entity must either be a Qualified Community Foundation or "affiliated" with a Qualified Community Foundation. *(For definitions of these and other terms, please refer to the Definitions document.)*

One of these initiatives is the County Endowment Fund legislation \*(HF 2302 of the 2004 Session). This bill provides that, beginning in 2005, ½ of 1 percent of the state's gambling revenues will be distributed to the Iowa counties that do not have gambling entities. The amounts allocated to each county will be awarded to a Qualified Community Foundation or an Affiliate of a Qualified Community Foundation. Of the amounts awarded, 75 percent are to be used to make charitable grants, and 25 percent are to be used to establish a permanent charitable endowment.

## **The Role of the Iowa Council of Foundations**

As the lead philanthropic entity, as defined in HF 2302, the Iowa Council of Foundations (ICOF) will receive applications from entities wishing to apply for these funds and make awards to new and existing Qualified Community Foundations and to Community Affiliate Organizations.

Applications to become a recipient of the County Endowment Fund under HF 2302 must be submitted to the Iowa Council of Foundations and are due by May 1, 2005. The applications will be reviewed for the following areas and assigned a point system for each category. One hundred total points are available. The application with the highest aggregate score (above the minimum required score above 60 points) between competing county affiliate applicants for the same county shall be awarded the county affiliate award. Notwithstanding the aggregate score, no more than one county endowment fund will be awarded per county. The first awards will be announced August 1, 2005 and at least annually thereafter.

A committee established by the Iowa Council of Foundations (ICOF) will review the applications. This committee will consist of seven to nine members. One position will be filled from the ICOF membership representing the private foundations. A second position will be filled from the ICOF membership representing the corporate foundations. The remaining 5-7 positions will be filled from outside the ICOF membership and may include individuals who have experience in philanthropy, community development, leadership, rural development, and other related expertise. Additionally, up to three non-voting positions on the review committee may be filled by members of the Iowa General Assembly and/or the Iowa Department of Economic Development and members from a community foundation.

The review committee will undergo an orientation process provided by the Philanthropy Iowa Work Group of the Iowa Council of Foundations to train the committee on the project, its format and structure, unique phrases or language used, etc.

The Iowa Council of Foundations will provide the scoring results and its recommended list of County Endowment Fund recipients to the Iowa Department of Economic Development (IDED) upon completion of the review and scoring process. The IDED will review the recommendations, and transmit a final list of qualified recipients to the Department of Revenue and Finance. In addition, the IDED and the Iowa Council of Foundations will jointly prepare an annual report of the activities conducted during the previous calendar year and shall submit the report to the Governor and the General Assembly by January 30th of each year. The annual report shall include a detailed listing of the County Endowment Funds awarded.

In the event that there is more than one application per county, , the group with the highest score will be awarded the county endowment fund; however, in all cases the selected group must score a minimum of 60 points and in no one category of the four categories below may the score be less than 15 points. The factors considered in reviewing the county endowment fund applications are as follows:

**1. Competent Leadership:** 0-25 points available.

- ? Up to 15 points for the strength of collaboration among the leaders and diversity of leadership of the group.
- ? Up to 10 points for the applicant's demonstrated plan to organize a community awareness campaign and manage the distributions of grants as well as the entire grantmaking process. (See Questions 3 & 4 on the application)

**2. Board Representation of Entire County:** 0-25 points available.

- ? Up to 25 points based on how the board represents the entire county in terms of leadership representation. (See Question 5 on the application)

**3. Identification of County Wide Needs and The Manner In Which Funds Will Address The Needs:** 0 – 25 points available.

- ? Up to 25 points based on how well the applicant has identified community needs in the countywide area and how well the applicant has described the method and activities that will address the needs identified above. The applicant should describe solutions to the community needs. (See Question 6 & 7 on the application)

**4. Plan to grow the fund with future philanthropic activity:** 0-25 points available.

- Up to 25 points based on the applicants' plan for long-term sustainability. For example, what are the plans to secure future funding? What is the leadership succession plan? How do they plan to engage other county constituents?