

CHARLES STEWART MOTT FOUNDATION



PROGRAM
GUIDELINES

CIVIL SOCIETY

APRIL 2008



PROGRAM SNAPSHOT

Mission: To support efforts to assist in democratic institution building, strengthen communities, promote equitable access to resources, and ensure respect of rights and diversity.

Central/Eastern Europe and Russia

Goal To foster societies in Central/Eastern Europe (CEE) and Russia in which people and communities respect each other's rights and engage effectively in decisionmaking to influence policies and processes that shape their lives at the local, national and/or international levels.

Objectives European Union (EU)
Western Balkans
Western Former Soviet Union
CEE/Russia Regional

South Africa

Goal To support a vibrant, diverse and inclusive civil society in which nonprofit organizations work to deepen democracy, increase participation in decisionmaking, advance socioeconomic and racial equality, and promote justice and reconciliation.

Objectives Nonprofit Sector and Philanthropy
Rights, Responsibilities and Participation
Race and Ethnic Relations

United States

Goal To support a strong enabling environment for philanthropy and the nonprofit sector in the U.S., emphasizing accountability, effectiveness and inclusiveness.

Objectives Nonprofit Sector Effectiveness and Accountability
Racial/Ethnic Diversity in Philanthropy
Nonprofit Sector Research

Special Initiatives – International

Goal To respond to unique opportunities related to the development of civil society internationally.

Objectives Nonprofit Sector and Philanthropy
Special Opportunities

TABLE OF CONTENTS

| | |
|---|-----------|
| Introduction | 1 |
| Mission and Program Areas | 2 |
| I. Central/Eastern Europe and Russia | 3 |
| II. South Africa | 7 |
| III. United States | 9 |
| IV. Special Initiatives – International | 11 |
| Application Procedures | 12 |

INTRODUCTION

The Charles Stewart Mott Foundation is a private, nonprofit foundation established in 1926 in Flint, Michigan. Our grantmaking is organized primarily in four programs: Civil Society, Environment, Flint Area and Pathways Out of Poverty.

This booklet outlines our current interests under the Civil Society program.

Our Web site (Mott.org) offers updated information on grantmaking interests, funding availability, grant eligibility and application procedures. In-depth information about all grants is posted in a fully searchable database. Information about all Mott publications, including how to order, is also available.

Charles Stewart Mott Foundation
Mott Foundation Building
503 S. Saginaw St., Suite 1200
Flint, MI 48502-1851

Web site: Mott.org
e-mail: info@mott.org
Phone: 810.238.5651
Fax: 810.766.1753
e-mail for publications: publications@mott.org

MISSION & PROGRAM AREAS

- ▶ **The mission of the Civil Society program is to support efforts to assist in democratic institution building, strengthen communities, promote equitable access to resources, and ensure respect of rights and diversity.**

The program is organized into four program areas:

- I. Central/Eastern Europe and Russia
- II. South Africa
- III. United States
- IV. Special Initiatives – International

While grantmaking objectives and strategies are tailored to the specific circumstances of each geographic region in which the Foundation works, three broad themes unite grantmaking within the program:

- strengthening the nonprofit sector;
- promoting people’s rights, responsibilities and participation; and
- improving race and ethnic relations.

Funding for unsolicited proposals is limited throughout the program. Those interested in applying for funding are strongly encouraged to submit letters of inquiry instead of a full proposal. See Application Procedures, page 12, for further information.

I. CENTRAL/EASTERN EUROPE AND RUSSIA

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|-------------------|---|
| Goal | To foster societies in Central/Eastern Europe (CEE) and Russia in which people and communities respect each other's rights and engage effectively in decisionmaking to influence policies and processes that shape their lives at the local, national, and/or international levels. |
| Objectives | <p>European Union (EU) New Member States and Accession Countries. To promote processes that strengthen public participation in the development of communities and societies, and that ensure an adequate and responsive flow of resources to support these activities.</p> <p>Western Balkans. 1) To promote processes that strengthen public participation in the development of communities and societies, and that ensure an adequate and responsive flow of resources to support these activities; and 2) to promote processes and initiatives to build stable and strong inter-communal relations and reduce the likelihood of violent ethnic conflict.</p> <p>Western Former Soviet Union. 1) To promote processes that strengthen public participation in the development of communities and societies, and that ensure an adequate and responsive flow of resources to support these activities; and 2) to strengthen institutions and mechanisms that ensure people's rights are respected, and that laws and policies to protect these rights are promulgated and implemented.</p> <p>CEE/Russia Regional. 1) To assist nonprofits from both accession and non-accession countries in maximizing the positive and mitigating the negative impacts of EU enlargement; and 2) to build the capacity of CEE/Russia nonprofits through international peer-to-peer learning and information exchange around issues relevant to the overall CEE/Russia program area goal.</p> |

Funding priorities for EU New Member States and Accession Countries

We work in four countries that joined the European Union (EU) in 2004 — the Czech Republic, Hungary, Poland and Slovakia — and in two that are expected to join the EU by 2007 — Bulgaria and Romania.

Given the mixed track records of these governments in involving people in decisionmaking processes, there is an increased demand on nonprofit organizations to enable a broad range of communities and people, especially those who have lost socioeconomic status during the changes, to participate in decisionmaking. Nonprofits need the capacity to respond quickly and professionally with innovative solutions as new challenges and opportunities unfold. They also need to be able to access adequate resources, which need to come increasingly from within their countries.

Specifically, we support:

- Indigenous grantmakers to increase the effectiveness of their work through building their organizational capacity and raising the quantity and quality of financial support provided for citizen activity.
- Networking activities of indigenous grantmakers to share best practices as well as to influence the use of in-country financial resources.
- Select nonprofit organizations, especially those serving other nonprofits, to improve the quality of their own work and services, and facilitate their constituencies in shaping public policy at all levels.
- Initiatives to develop local, regional and national platforms through which people and nonprofits can engage in meaningful dialogue and joint action with other key players and influence public policy.
- Initiatives to mobilize human and financial resources in areas where philanthropy is still developing.

In the Czech Republic, Hungary, Poland and Slovakia, we work primarily with current grantees. In Bulgaria and Romania, we remain open to new initiatives that mobilize human and financial resources for citizen activity. In all six countries, we prioritize support for indigenous organizations.

Due to limited resources, we do not respond to proposals coming from other EU new member states or accession countries.

Funding priorities for Western Balkans

Our primary geographic focus in this region is Bosnia and Herzegovina, Croatia, Kosovo, Montenegro, and Serbia. We also explore programming that addresses cross-cutting issues in this region.

The region is confronted by the challenge of making democracy work for all people. At the same time, it is deeply influenced by its past — legacies of communism, authoritarian regimes and violent conflict. In this context, we believe that it is critical to strengthen the democracies of the region from the grassroots, to build on the positive developments in recent years, and to support civic leadership locally and nationally. This means helping people to reconnect to their communities and societies and to participate effectively and constructively in decisions and changes affecting their lives. Additionally, we seek to support constructive approaches to dealing with the recent past, particularly focusing on truth-telling, justice and accountability.

Specifically, we support:

- Nonprofits that facilitate people's participation in self-help initiatives and local decisionmaking processes, disseminate good practices, influence local and national public policy development, and develop mechanisms to leverage funding for the benefit of local communities.
- Indigenous grantmakers in developing their capacity to strengthen local community development and public participation.

- Networks and coalitions of non-governmental organizations (NGOs) that share common interests and are working to influence decisionmaking and policy development on important issues by involving people and drawing on local experiences.
- Nonprofits and institutions that encourage an inclusive and constructive process of coming to terms with the past in order to strengthen democratic participation and improve interethnic community relations in the future.
- Informed dialogue among nonprofits, community groups and policymakers about good practices — from within the region and abroad — for confronting and dealing with the past.
- Nonprofits and networks that work to improve cross-border and interethnic community cooperation in the region.

We support NGOs that work on the regional, national and/or multi-community levels. We seek to support indigenous organizations, but consider support to non-local organizations that demonstrate the ability to strengthen local capacity in the long term.

Due to limited resources, we are not likely to consider new grantmaking in Albania and Macedonia.

Funding priorities for Western Former Soviet Union (FSU)

We focus on those former Soviet Union (FSU) countries that will share a border with the enlarged EU — Russia, Ukraine, Belarus and Moldova. As a rule, we do not respond to proposals coming from other FSU countries, but we remain open to cross-cutting initiatives that may have an impact beyond the four countries listed.

While much progress has been made in this region toward establishing pluralistic democracies with market economies, significant challenges remain. Rights violations are still significant and widespread. Citizens are disillusioned with formal political processes, and trust in state and other societal institutions is low. To varying degrees, all four countries are experiencing a tension between European integration and growing constraints on democratic governance.

In order for the four countries to complete the transition to democracy, we believe that it is critical to foster vibrant civil societies, where Russians, Ukrainians, Belarusians and Moldovans are free to associate and independently undertake civic activity; have an interest in, and sense of responsibility to, their community and society; engage in the public sphere for the common good; and value each individual with respect for his/her rights. We also believe that we can contribute most by promoting processes that strengthen public participation in the development of communities and societies; helping to ensure an adequate and responsive flow of resources for these activities; and strengthening institutions and mechanisms that ensure people's rights are respected.

Specifically, we support:

- Select organizations that provide people in local communities with the skills, know-how and self-confidence to organize themselves, assess their needs, establish priorities, design solutions, mobilize resources and address problems.

- Efforts to increase local philanthropy through capacity-building efforts for indigenous grantmakers, promotion of individual giving, and the establishment and protection of a legal and fiscal framework that is conducive to the development of philanthropy and the nonprofit sector.
- Policy development and advocacy organizations, networks, and coalitions that help people play a more effective role in holding elected representatives and government officials accountable, informing people about their rights, and providing assistance for them to exercise these rights.
- Networking and mutual learning opportunities among organizations working in the above areas within a country, between western FSU countries, and more broadly within the CEE/Russia region as appropriate.

Due to operational and budgetary constraints, we work primarily with organizations that operate on a national or broad regional level, are well-established with track records of success, and link local level issues with broader policy input. In addition, at present our programming for Moldova focuses only on support for community schools development.

Funding priorities for CEE/Russia Regional

This grantmaking targets programs that address cross-border and regional issues, as well as those that benefit the entire CEE/Russia region. We are most interested in regional programs that promote networking and information dissemination among groups addressing our core themes of the nonprofit sector and philanthropy; rights, responsibilities and participation; and race and ethnic relations.

We recognize the importance of sharing information and expertise among countries in CEE/Russia on common challenges and issues. This exchange promotes use of best practices and reconnects isolated societies, local communities and people across borders. Since EU enlargement is one of the most important developments currently shaping the CEE/Russia region, we place a special emphasis on supporting initiatives addressing the impact of EU enlargement.

This regional grantmaking builds upon in-country programming detailed above.

Specifically, we support:

- Cross-border initiatives that promote learning and sharing among nonprofits. This includes exchange programs, study visits, analysis and dissemination of best practices, and other activities aimed at facilitating quality exchange among NGOs in the region.
- Capacity-building opportunities for NGOs to engage more effectively with the EU enlargement process. This includes facilitating information dissemination regarding the EU and the enlargement process to nonprofits in accession and non-accession countries and encouraging the participation of NGOs from these countries in EU structures.

In assessing grant applications for regional work, we look for programs that are based upon genuine cooperation and that are designed with the full participation of beneficiaries.

II. SOUTH AFRICA

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| Goal | To support a vibrant, diverse and inclusive civil society in which nonprofit organizations work to deepen democracy, increase participation in decisionmaking, advance socioeconomic and racial equality, and promote justice and reconciliation. |
| Objectives | <p>Nonprofit Sector and Philanthropy. To build a more effective and well-managed nonprofit sector that is engaged with issues of poverty and inequality, and that is adequately resourced through public and private funding.</p> <p>Rights, Responsibilities and Participation. To strengthen people's engagement with local community structures and increase public participation in decisionmaking processes to ensure that people's rights are upheld, advanced and fulfilled.</p> <p>Race and Ethnic Relations. To enhance the ability of nonprofit organizations and local communities to better address racism and discrimination, and to promote justice and reconciliation.</p> |

Civil society in South Africa continues to play a critical role in addressing the country's challenges. Nonprofit organizations can partner with government to improve the quantity and quality of basic services for the majority of the population. Others strengthen civil society by engaging in policy formulation and implementation.

The nonprofit sector also can act as a critical independent voice and an advocate for local community needs, ensuring that resources allocated to the sector itself and toward poverty alleviation are used effectively.

We give priority to support of South Africa-based organizations. Grantmaking emphasizes efforts in the provinces of Eastern Cape, Gauteng, KwaZulu-Natal and Western Cape.

Funding priorities for Nonprofit Sector and Philanthropy

We believe in the importance of the nonprofit sector and philanthropy. We support efforts to strengthen the nonprofit sector, build national and provincial nonprofit coalitions and networks, develop a strong nonprofit law, and unlock resources for development.

Specifically, we support:

- Coalitions and networks responding to the needs of poor communities and grassroots organizations; training and technical assistance to organizations building the capacity of nonprofits, especially women-led, community-based nonprofits; and support for nonprofits to influence public policy that is relevant to their work on poverty and inequality.
- Capacity building and training to ensure that nonprofits benefit from registration, tax exemption and other aspects of the legal and fiscal enabling environment; and advocacy

campaigns to inform the expenditure of public and private philanthropy resources to benefit the nonprofit sector.

- Philanthropic initiatives and resource mobilization, including community-based philanthropy, community foundations, women's funds, workplace giving, individual giving, family foundations, volunteerism, new forms of giving from black empowerment companies and other emerging forms of philanthropy, and research on patterns and levels of giving.

Funding priorities for Rights, Responsibilities and Participation

Our focus is on meaningful interaction between government and civil society at the local level. Grantmaking includes support for initiatives that increase community and nonprofit engagement with local government, and paralegal and advice offices around key development priorities.

Specifically, we support:

- Programs and efforts, including new and innovative approaches, that facilitate and enhance community participation in local planning and decisionmaking through ward committees, community development workers, community development committees and other mechanisms.
- Research, documentation, and dissemination of information about best practices and approaches to improve policy implementation.
- Efforts to strengthen the capacity of advice offices and the paralegal sector through accredited training and capacity building, and to improve government's understanding of paralegal advice offices through advocacy and marketing efforts, including investigating appropriate measures that promote regular flows of funding to the paralegal sector.

Funding priorities for Race and Ethnic Relations

Nonprofit organizations can help address longstanding racial and ethnic divisions and tensions, provide training and support, facilitate dialogue, and promote healing and reconciliation.

Specifically, we support:

- Efforts aimed at increasing the capacity of the nonprofit sector to address the challenges of building a nonracial society based on equity and respect for diversity.
- Efforts that increase the capacity of local communities to address racism, respect diversity, and promote healing and reconciliation.

Cross-cutting themes

The HIV/AIDS pandemic is not only a health issue, but also a serious political, social and economic concern, affecting all sectors of society. Given the scale of the problem and the size of our resources, we do not have a distinct HIV/AIDS program. Instead, we integrate our involvement with this challenge across all three program objectives.

In addition, we support efforts to build women's leadership and management skills, and to encourage women's participation in governance, democracy-building and policy development, especially at the local level.

III. UNITED STATES

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| Goal | To support a strong enabling environment for philanthropy and the nonprofit sector in the U.S., emphasizing accountability, effectiveness and inclusiveness. |
| Objectives | Nonprofit Sector Effectiveness and Accountability. To support access by philanthropic and other nonprofit-sector practitioners to learning opportunities, capacity-building assistance and policy advocacy services that enhance effectiveness and accountability. Racial/Ethnic Diversity in Philanthropy. To support more inclusive practices within philanthropy. Nonprofit Sector Research. To support timely and reliable gathering and dissemination of data and research on philanthropy and the nonprofit sector for the benefit of the field. |

Grantmaking seeks to strengthen the ability of the nonprofit sector and philanthropy to maintain a healthy civil society in the U.S. It therefore focuses mainly on fieldwide initiatives and infrastructure organizations that can have an effect on the sector as a whole.

Among the current challenges facing philanthropy and the nonprofit sector are increased public calls for demonstrating impact, pressure to self-regulate or be regulated more, questions about whether sufficient philanthropic resources are serving disadvantaged communities, and a level of diversity that is lagging behind other sectors.

Funding Priorities for Nonprofit Sector Effectiveness and Accountability

This objective focuses primarily on nonprofit and philanthropic membership associations and key providers of capacity-building services at the national and state of Michigan levels.

Specifically, we support:

- Leading national and Michigan nonprofit sector and philanthropy membership organizations whose services strengthen and advance the field.
- Key national and Michigan providers of capacity-building tools and services to meet the sector's current and future challenges.
- Intermediary organizations that provide technical assistance and regranting funds to enhance community foundations' accountability and effectiveness.

Funding Priorities Racial/Ethnic Diversity in Philanthropy

This objective is designed to increase the participation and decisionmaking of people of color within philanthropy.

Specifically, we support:

- Within Michigan, internships and professional support opportunities for people of racially and ethnically diverse backgrounds who are interested in careers within philanthropy.
- Within Michigan, technical assistance services and peer learning activities for community and private foundations that wish to become more diverse and inclusive in decisionmaking.
- National programs and supports that help create an environment that is supportive of increased racial and ethnic diversity within the field.

Funding priorities for Nonprofit Sector Research

This objective is directed at ensuring sustainable and efficient collection, aggregation and dissemination of sectorwide data.

Specially, we support:

- Leading national and regional institutions that collect and disseminate sectorwide data.
- Research on sectorwide issues that have critical policy implications for philanthropy and the nonprofit sector.

IV. SPECIAL INITIATIVES – INTERNATIONAL

| | |
|-------------------|--|
| Goal | To respond to unique opportunities related to the development of civil society internationally. |
| Objectives | Nonprofit Sector and Philanthropy. To promote a vibrant and independent nonprofit and philanthropic sector in select countries and internationally. Special Opportunities. To pursue unique and compelling opportunities that fall outside the scope of other areas under this program. |

This program area allows us the flexibility to respond to important grantmaking opportunities. In particular, we are interested in efforts that strengthen the nonprofit sector as a means of enabling people to work together to solve their common problems. We focus on initiatives in North America and Europe because this connects to our long-term interests in the U.S. and to our significant investment across Central/Eastern Europe and Russia.

Funding priorities for the Nonprofit Sector and Philanthropy

At their best, community foundations are remarkable for their ability to gather resources from different sectors — business, government and private individuals — and increase the flow of these resources to address community needs.

Likewise, grantmaker associations strengthen philanthropy and enhance the broader nonprofit sector by providing important services to the field, such as information and professional development. They also develop standards of practice and transparency that keep philanthropy publicly accountable.

Our grantmaking seeks to extend and expand both fields, including the development and sharing of effective models. Specifically, we support:

- Initiatives designed to strengthen community foundations in select countries, as well as the cross-border and cross-cultural exchange of community foundation experience and practice.
- Selected regional and global programs that promote the international sharing of nonprofit and philanthropic expertise, build information about the nonprofit sector, and advocate for an enabling legal and tax environment for nonprofit organizations.

Funding priorities for Special Opportunities

Through this objective, we support unusually compelling projects that fall outside the scope of our other three grantmaking areas. **Few unsolicited proposals are funded.**

APPLICATION PROCEDURES

What we fund

The Mott Foundation makes grants in the U.S. and, on a limited geographic basis, internationally. Grants outside the U.S. are made only in the Civil Society and Environment programs.

All prospective applicants should review the mission, program areas and geographic range described in this booklet or on our Web site (Mott.org) before making initial contact. **To determine if funding currently is available within a specific program area, please check our Web site.** The site also offers updated information on grantmaking interests, grant eligibility and application procedures.

Our grantmaking is carried out in three ways:

- We request proposals from organizations with which we have been in contact.
- We send out occasional requests for proposals (RFPs) that address a specific issue or area of interest.
- We accept unsolicited requests for projects that fall within our program priorities and guidelines.

Because available funding is limited, letters of inquiry are strongly preferred for unsolicited ideas or projects. Such letters should include a brief description of the project, the funding needed and the time period. **Detailed information about submitting a letter of inquiry and applying for funding online can be found on our Web site, Mott.org.**

Both general-purpose and project-specific requests are considered. In addition, both single- and multi-year proposals are acceptable.

Our median grant size is in the \$100,000 range. The majority of our grants are between \$15,000 and \$250,000 annually.

What we do not fund

We observe the following limitations:

- No grants or loans to individuals.
- No grants (except in the Flint area) for capital development, research, project replication or endowment unless these activities grow out of work already being funded by Mott.
- No grants for religious activities or programs serving specific religious groups or denominations. However, faith-based organizations may submit inquiries if the project falls within our guidelines and serves a broad segment of the population.

- No grants (except in the Flint area) for local projects unless they are part of a Mott-planned national demonstration or network of grants.
- No grants for projects that duplicate, or significantly overlap, the work of federal, state or local governmental agencies.
- Film and video projects, books, scholarships, and fellowships rarely are funded.

How to apply

Letters of Inquiry

As noted earlier, we **strongly prefer that unsolicited requests be made through letters of inquiry**. Detailed information about submitting a letter of inquiry and applying for funding online can be found on our Web site, Mott.org. To submit a letter of inquiry by mail, please follow the Web guidelines. A budget is not necessary in a letter of inquiry.

Full, Formal Proposals

If your letter of inquiry receives a favorable response, please follow this checklist for what should be included in a formal proposal:

- A cover letter, detailing the amount of money requested and the grant period, signed by the individual responsible for signing grant contracts on behalf of the grant applicant.
- A project description, including an explanation of why the project is needed, who will be served and what will be accomplished.
- A documented line-item expense budget and a revenue budget, showing all projected sources of funds for the project over the proposed grant period. (A **budget template is available on our Web site's toolbox.**)
- A plan for financial and programmatic sustainability of the project.
- A plan for evaluation and dissemination of the project's results.
- Information about the organization seeking funds, including names and titles for key staff, names and professional affiliations for members of the board of directors, legal classification, history, and recent accomplishments. **For U.S. organizations, proof of tax-exempt 501(c)(3) status by the IRS is required. Other financial and organizational information (described below) is required for non-U.S. organizations.**

Applicants must submit copies of their organization's published annual report and **audited financial statements** before a grant is made. If these are not available, a U.S. organization will be required to submit a copy of its latest IRS Form 990 return.

Videos should not be included with the application; they will not be returned.

When to apply

Organizations seeking grants should begin the application process at least four months before the start of the proposed grant period.

Program budgets are allocated on a calendar-year basis. Beginning in the fourth quarter of each year, staff will earmark funds for projects to be recommended for the next calendar year. Staff must finalize all grant recommendations for any calendar year by August 31 of that year. Applications are accepted year-round, but those received between September 1 and December 31 will be considered only for the following calendar year.

Requests are reviewed by program staff, and recommendations are forwarded to senior management. A proposal may be approved at the management level by delegated authority throughout the year or referred to our Board of Trustees, which meets quarterly, for action.

Where to apply

If you are submitting a letter of inquiry or a formal proposal by mail, please mark the envelope LETTER OF INQUIRY or GRANT PROPOSAL and mail to:

Office of Proposal Entry
C.S. Mott Foundation
Mott Foundation Building
503 S. Saginaw St., Suite 1200
Flint, MI 48502-1851
U.S.A.

Additional requirements for non-U.S. organizations

Non-U.S. applicants also are urged to submit a letter of inquiry and not prepare a full, formal proposal exclusively for Mott unless advised to do so by our staff. All letters and proposals must be in English and must be submitted by a charitable, educational or governmental organization.

Before a grant can be made, U.S. government regulations require us to collect from each applicant, except governmental units or organizations, an affidavit and public support schedule to determine equivalence as a tax-exempt institution under U.S. law. Our staff will provide the forms as well as assistance in completing them. **(These forms, and instructions, also are available on our Web site's toolbox.)** All submitted materials must be in English.