



**TRACY FAMILY FOUNDATION  
POLICY REVIEW  
Date: April 25, 2024**

# Table of Contents

Policy	Name of Policy	Page	Comment
1	Grant Authorization Policy	2	One recommended change
2	Financial Controls Policy	2	One recommended change
3,4,5	Matching, Next Gen, & Invitaton Grants	2-3	Remaining decisions to be made
3	Matching Grant	4-6	Current Policy & Board Conclusions-to-date
4	Next Gen Grant	7-8	Current Policy & Board Conclusions-to-date
5	Invitation Grant	9-11	Current Policy & Board Conclusions-to-date

## Policy Review

We are getting close to the finish line in reviewing policies. Yea!! In a perfect world, we will make decisions today on the remaining issues that still need resolved.

### #1 Grant Authorization Policy

The board approved several changes to this Policy at the January 2024 meeting. There is one additional change that is recommended by the staff for the \$50,000 grants awarded annually to the 13 Catholic Schools in West Central IL. Under the current policy, the TFF board is required to review and make funding decisions for all grant applications that are for  $\geq$  \$50,000. The staff recommends that the annual \$50,000 Catholic school grants be exempt from a full board review. See below.

Current Approval Process			Recommended Change
Proposal Type	Reviewed By	Approved By	
Catholic School Grants	TFF Catholic Schools Grant Review Committee	TFF Board	No change.
Formal Funding Grants that are > \$50,000	TFF Board	TFF Board	\$50,000 Catholic School Grants are exempt from a full board review.

### #2 Financial Controls Policy

Updates to this policy were approved on Dec. 1, 2023. Dan is recommending that we make one more revision. Currently, the authorized signers of checks are the TFF President, Board Chair, and Vice-Chair. Dan would like Jean to remain as an authorized signer. At this point, if something were to happen to Dan (God forbid!), Jean would be the one that would need to step back into the President role, for the short term. Signing checks is obviously an on-going task that is the responsibility of the President. We will need to revisit this policy again as each of these roles evolve.

#### Financial Controls Policy - Check Authorization

- Current Policy: TFF checks may be authorized by any one of the following individuals: TFF Board Chair, Vice-Chair, or TFF President.
- Recommended Change: TFF checks may be authorized by any one of the following individuals: TFF Board Chair, Vice-Chair, TFF President, and President Emeritus

### #3, 4, & 5 Matching Grants, Next Gen Grans, & Invitations Grants Policy

We have come to many conclusions regarding the Matching, Next Gen, and Invitation Grant policies. There are still a few issues to iron out.

Let's first address the description of eligible 2G and 3G stepchildren and determine if the description (shaded in tan below) is appropriate. As a reminder, the conclusion the board has reached thus far is that we should address stepchildren of 2Gs and 3Gs (not 4Gs). We also wanted to stipulate that the spouse of the Robert & Dorothy Tracy 2G and 3G direct descendant had legal custody of their child.

**Eligible Participant:** Stepchildren of Robert and Dorothy Tracy 2G and 3G direct descendants in which the spouse of the direct descendant has legal custody of the stepchild before the age of 18.

Now, for more fun 😊, we also need to discuss step-children's children as eligible participants. Highlighted in the table below are remaining issues to resolve. Currently, as our policy reads, Rachel (eligible step-child) and Corey's (spouse) new baby (child of a step-child) would not be an eligible participant in the family driven grant programs.

Issue	ELIGIBILITY		
	Matching Grants	Next Gen Grants	Invitation Grants
2G & 3G Stepchildren	Yes	Yes	Yes
2G & 3G Stepchildren Spouse	Yes	Yes	Yes
2G & 3G Stepchildren's Children	Hasn't been discussed Fyi...age 16 is when participants become eligible	Hasn't been discussed Fyi...age 5 is when participants become eligible	Hasn't been discussed Fyi...age 30 is when participants become eligible

We also have a few remaining issues to discuss around mental capacity of eligible individuals. These are highlighted in the table below.

Issue	ELIGIBILITY		
	Matching Grants	Next Gen Grants	Invitation Grants
Mental Capacity Compromised – Married Family Member	Yes	Yes	Yes
Mental Capacity Compromised – Unmarried Family Member	No	Yes	Hasn't been discussed
Mental Capacity Compromised – Former Non-Family Board Member	Hasn't been discussed		

## Questions for the Board to Answer at the April Meeting

<b>Grant Authorization</b>	Should \$50K Catholic School Grant be exempt from full board review?
<b>Financial Controls</b>	Should the President Emeritus be authorized to sign checks?
<b>Matching, Next Gen, and Invitation Grants</b>	Do you agree with the suggested description of a Stepchild as an eligible participant? Should stepchildren's children be eligible for any or all of the programs?
<b>Matching Grant</b>	Should former, eligible non-family board members who are mentally incapacitated remain as eligible participants?
<b>Invitation Grants</b>	Should unmarried family members who are mentally incapacitated be eligible participants?

## Policies & Conclusions-to-Date

We concluded that the family driven grant programs (Matching Grant, Next Gen, and Invitation) should be aligned where appropriate. On the following pages, I have noted conclusions to date for each of these policies. I have included the current policy and inserted tracked changes for a better understanding of the conclusions we have reached, although not yet approved.

## Matching Grants

### #3 – Matching Grant Policy - Conclusions to Date:

- Eligible Participants
  - *Part-Time Staff* | TFF part-time staff should not be eligible participants of the Matching Grant Program
  - *Mental Capacity* | A married family member will remain as an eligible participant if they become mentally incapacitated. The family member MG requests do not have to be consistent with their grant requests to TFF prior to incapacitation.
  - *Mental Capacity* | An unmarried family member who is mentally incapacitated will not be eligible to participate in the Matching Grant program.
  - *2G and 3G Step-children as Eligible Participants* | Stepchildren of 2Gs and 3Gs should be eligible to participate in the TFF family grant programs provided that the biological parent of the child has legal custody of the child. There does not have to be evidence that the stepchild is actively engaged and connected to the Tracy family.
  - *Spouses of Eligible 2G and 3G Step-children* | Spouses of eligible stepchildren of the 2nd and 3rd generations should be eligible to participate in the Matching Grant Program, with no 4G language for now.
- MG Participant Allowance | The \$60,000 eligible participant allowance should be revisited in 2025 when the 2025-29 Long Range Plan is developed
- Proof of Personal Donation | Beginning January 2025, family members will be required to upload documentation of their personal donation when submitting a Matching Grant request.

## Matching Grant Policy

*Originally Approved: 2000*

*Revised and Approved: November 22, 2021*

### Program Description:

Eligible participants may apply for grant funds on behalf of a nonprofit organization if the eligible participant personally contributes to the nonprofit organization.

### Purpose of Matching Grant Program:

The Matching Grant program is designed to encourage eligible participants to replicate Robert and Dorothy Tracy's personal dedication to generosity and service. The program multiplies the time, talents, and resources of eligible participants in the communities they live and on the issues they care about.

### Eligible Participants:

~~✓—Tracy family members 16 years old and above~~

- ✓ ~~Tracy family members step-children that become such before their 18th birthday of direct descendants & legally adopted children of direct descendants of Robert and Dorothy Tracy~~
- ✓ ~~Current non-family TFF trustees~~
- ✓ ~~Former non-family TFF trustees for the number of years they served on the TFF board, up to a maximum of 3 years after their board service ends~~
- ✓ ~~Full-time TFF staff members, after 1 year of full-time employment.~~

### **Eligible Participants**

- ✓ Direct descendants of Robert and Dorothy Tracy who are 16 years old and above
- ✓ Legally adopted children before the age of 18 years old, adopted by a direct descendent of Robert and Dorothy Tracy, including children adopted by such an adopted child.
- ✓ Spouses of eligible legally adopted children
- ✓ *Stepchildren of Robert and Dorothy Tracy 2G and 3G direct descendants in which the spouse of the direct descendant has legal custody of the stepchild before the age of 18.*
- ✓ *Spouses of eligible stepchildren*
- ✓ *Children of eligible stepchildren (xxx decision still to be made)*
- ✓ Current non-family TFF trustees
- ✓ Former non-family TFF trustees for the number of years they served on the TFF board, up to a maximum of 3 years after their board service ends
- ✓ Full-time TFF staff members, after 1 year of full-time employment.

### **Eligible Participants that become Mentally Incapacitated**

- Family Members |
  - An eligible married family member who becomes mentally incapacitated will remain as an eligible participant of the MG program. The Matching Grant request(s) does not have to be consistent with prior MG grant requests from this individual.
  - An unmarried family member who is mentally incapacitated will not be eligible to participate in the Matching Grant program.
- Former TFF Board Members | xxx (decision still to be made)

### **Allowance per Eligible Participant:**

\$60,000/participant/year

In addition to the Allowance per Eligible Participant in the Matching Grant Program, all age groups are eligible to apply for additional dollars through the Volunteer Incentive Program.

### **Eligible Organizations:**

USA based 501(c)(3) organizations, including schools and churches. Government entities, if grant is for a charitable purpose (such as libraries).

### **Ineligible Organizations:**

The Tracy Family Foundation will not allow Matching Grants to Sponsoring Organizations of Donor-Advised Funds held by Tracy family members, TFF board members, and/or TFF staff. Donor-Advised Funds need to be funded by personal donations from the DAF holder, not from TFF dollars. TFF will allow Matching Grants to eligible organizations that receive distributions from Tracy family member, TFF board member, and/or TFF staff Donor-Advised Funds.

**Must an Eligible Participant make a personal donation to the Eligible Organization to qualify for a TFF Matching Grant?**

Yes

**What qualifies as a personal donation?**

- ✓ Cash – provided via a check, credit card, or donor-advised fund
- ✓ Publicly traded stock that is donated to a nonprofit organization

**Do Eligible Participants need to provide documentation of their personal donation?**

Eligible Participants are required to describe the nature of their personal donation in the Matching Grant application. Yes. Beginning on January 1, 2025, eligible participants will be required to provide documentation of their personal contribution. There will be a field in the Matching Grant application for an eligible participant to upload the documentation. The documentation is in most cases will likely be such items as a picture of a donation receipt, letter, or a check.

**What are the deadlines for Matching Grant applications?**

Matching grant applications must be submitted by December 1 of the same year as the Eligible Participant’s personal donation, except for donations made in the month of December. Personal donations made after December 1 can be matched in the following year.

**Examples:**

Personal Donation Date	Application Deadline	Allowance Match Year
3/1/2022	12/1/2022	2022
10/15/2022	12/1/2022	2022
12/19/2022	12/1/2023	2023

**Match Ratio:**

Age dictates the ratio options for Eligible Participants. See below. As an example: if an eligible participant that is 18 years old chooses a 5:1 option, then the Eligible Participant would write a personal check for \$50 and request \$250 from TFF. The Eligible Participant will request the ratio option preferred when submitting the Matching Grant application.

Eligible Participant Age	Ratio Options				
	1:1	2:1	3:1	4:1	5:1
16 – 30 years old	✓	✓	✓	✓	✓
31 – 39 years old	✓	✓	✓	✓	
40 years and older	✓	✓	✓		

**Can Eligible Participants pledge TFF matching dollars to a non-profit?**

No. Eligible Participants can make a personal pledge to an organization, but cannot make a formal commitment from TFF to match a personal pledge. Example: An Eligible Participant cannot pledge \$15,000 to an Eligible Organization and communicate to the Eligible Organization that the Eligible Participant will donate \$5000 and TFF is responsible for \$10,000.

**Minimum Grant Request to TFF from Eligible Participant:**

\$50

**Must the grant be in keeping with TFF Focus Areas?**

No

**Must the grant be in keeping with the mission of TFF and Values of Robert and Dorothy Tracy?**

Yes. To view the Mission Statement and Values, see <https://tracyfoundation.org/about-us>

**Once the application is submitted to TFF when can the nonprofit expect to receive the grant award?**

This process normally takes between 2 – 4 weeks.

**What does TFF require from a nonprofit that receives a Matching Grant?**

The funds must be used as stipulated by the Eligible Participant. If the nonprofit receives a single grant that is \$20,000 or more, the organization will be required to submit a Matching Grant Report within 6 months of receiving the TFF grant. This will be handled by TFF staff and the Eligible Participant will be copied on the completed report.

*NOTE TO BOARD: We will discuss this requirement at the April meeting.*

## Next Gen Grants

### Next Gen Grant Policy - Conclusions to Date:

- Eligible Participants
  - *Mental Capacity* | If an eligible participant becomes mentally incapacitated (married or unmarried), they will remain eligible for the Next Gen Grant Program if they are able to attend a site visit with a parent, spouse, or sibling.
  - 2G and 3G Step-children | Stepchildren of 2Gs and 3Gs should be eligible to participate in the TFF family grant programs provided that the biological parent of the child has legal custody of the child. There does not have to be evidence that the stepchild is actively engaged and connected to the Tracy family.
  - *Spouses of Eligible 2G and 3G Step-children* | Spouses of eligible stepchildren of the 2nd and 3rd generations should be eligible to participate in the Next Gen Grant Program.

## Next Generation Grant Policy

*Originally Approved and Implemented: 2000*

*Revised and Approved: January 28, 2019*

**Program Description:**

~~Eligible participants~~ ~~Tracy family members~~ between the ages of 5 and 30 are eligible to apply for grants on behalf of nonprofit organizations.

**Purpose of Next Generation Grant Program:**

The main intention of this grant program is to educate Next Generation family members on the needs and issues in their communities.

**~~Eligible Participants:~~**

~~➔ Tracy family members ages 5–30 (up until the day before your 31st birthday).~~

~~Step-children of direct descendants and legally adopted children of direct descendants of RT and Dorothy Tracy that became such before age 18.~~

### **Eligible Participants**

- ✓ Direct descendants of Robert and Dorothy Tracy who are ages 5 – 30 (up until the day before their 31<sup>st</sup> birthday)
- ✓ Legally adopted children before the age of 18 years old, adopted by a direct descendent of Robert and Dorothy Tracy, including children adopted by such an adopted child.
- ✓ Spouses of eligible legally adopted children
- ✓ Stepchildren of Robert and Dorothy Tracy 2G and 3G direct descendants in which the spouse of the direct descendant has legal custody of the stepchild before the age of 18.
- ✓ Spouses of eligible stepchildren
- ✓ Children of eligible stepchildren (xxx decision still to be made)

### **Eligible Participants that become Mentally Incapacitated**

- An eligible family member (married or unmarried) who becomes mentally incapacitated will remain as an eligible participant of the Next Gen Grant program if they are able to attend a site visit with a parent, spouse, or sibling.



### **Allowance per Eligible Participant:**

- 5 - 10 year olds: \$1,000
- 11 - 17 year olds: \$2,000
- 18 - 24 year olds: \$3,000
- 25 - 30 year olds: \$5,000

In addition to the Allowance per Eligible Participant, all age groups are eligible to qualify for and apply for Volunteer Incentive Dollars.

### **Eligible Organizations:**

- 501(c)(3) organizations USA based charities, including schools and churches
- Government entities, if grant is for a charitable purpose (such as libraries)

### **Is an Eligible Participant's child's School eligible to receive a Next Generation Grant?**

No

### **Number of Applications per Year per Eligible Participant:**

Eligible Participants may divide the grant awards among more than one organization. Eligible participants ages 5 – 17 may apply for funding for a max of two nonprofits/year, but the total grant awards may not exceed the Allowance per Eligible Participant. Eligible participants ages 18 – 30 may apply for funding for a max of four nonprofits/year.

### **Must grant be in keeping with TFF Focus Areas?**

No

### **Must the grant be in keeping with the mission of TFF and values of Robert and Dorothy Tracy?**



Yes. To view the Mission Statement and values, see <http://tracyfoundation.org/about-us/>

### **Is an Eligible Participant required to provide Matching Funds?**

No

### **Site Visit Requirement:**

- Site Visit is required for Eligible Participants ages 5 – 17.
- Site Visit or Phone Interview is required for Eligible Participants ages 18 – 30.

### **Must requests to TFF be made in the calendar year of the Eligible Participant site visit or phone call?**

Yes. Volunteer Hours must also be completed in the same calendar year.

### **Application Period:**

January 1 – December 1.

## **Invitation Grants**

### **Invitation Grant Policy - Conclusions to Date:**

- Eligible Participants
  - Step-children | Stepchildren of 2Gs and 3Gs should be eligible to participate in the TFF family grant programs provided that the biological parent of the child has legal custody of the child. There does not have to be evidence that the stepchild is actively engaged and connected to the Tracy family.
  - Spouses of Eligible Step-children | Spouses of eligible stepchildren of the 2nd and 3rd generations should be eligible to participate in the Matching Grant Program, again with no 4G language right now.
  - Mental Capacity | An eligible individual who is married and is mentally incapacitated should remain as an eligible participant in the Invitation Grant Program, and their spouse can participate on their behalf. The grant application does not have to be consistent with their past grant requests to TFF.

## **Invitation Grant Policy**

*Originally Approved and Implemented: 2003  
(known as Family Invitation Grant Policy)  
Revised and Approved: November 22, 2021  
(changed name to Invitation Grant Policy)*

### **Program Description**

Eligible participants may invite a nonprofit organization within 50 miles of their home to apply for a TFF Formal Funding Grant. These grant requests must fit within the focus areas of education, families, mental health, or youth.

## Purpose of Invitation Grant Program

The TFF Legacy Statement expresses the desire *“that the Foundation support activities in areas where family members reside outside of Brown County – if these family members so desire”*. The Invitation Grant Program seeks to honor this directive by providing funding to communities where Tracy family members live outside of TFF’s approved funding Region in West Central Illinois. Including eligible staff members as participants in the program is a means of showing gratitude that the foundation and family value staff members' contributions to TFF. In addition, it can also be viewed as a perk to help retain employees and a strategy to increase giving outside of west central IL.

## Eligible Participants

- ✓ 2G and 3G Tracy Family Members age 30 and older whose primary residence is not located in the Illinois counties of Adams, Brown, Cass, Greene, Hancock, McDonough, Morgan, Pike, Schuyler, or Scott.
- ✓ Legally adopted children before the age of 18 years old, adopted by a direct descendent of Robert and Dorothy Tracy, including children adopted by such an adopted child.
- ✓ Spouses of eligible legally adopted children
- ✓ Stepchildren of Robert and Dorothy Tracy 2G and 3G direct descendants in which the spouse of the direct descendant has legal custody of the stepchild before the age of 18.
- ✓ Spouses of eligible stepchildren
- ✓ Full-time staff members who have worked for TFF for 5+ years and live outside of west central IL

✓

## Eligible Participants that become Mentally Incapacitated

- An eligible married family member who becomes mentally incapacitated will remain as an eligible participant of the Invitation Grant program. The spouse can participate on the behalf of the eligible family member. The Invitation Grant request(s) does not have to be consistent with prior Invitation Grant requests from this individual.
- An unmarried family member who is mentally incapacitated xxx (decision still to be made)

## Number of Invitations an Eligible Participant may Issue per Year to an Eligible Organization

1 per Eligible Participant

## Eligible Organization

501(c)(3) organizations. USA based charities, including schools and churches. Government entities, if the grant would further a charitable purpose (such as libraries)

## Geographic Location of Eligible Organization

The organization must be located within a 50-mile radius of the Eligible Participant’s primary residence.

## Eligible Participant’s Children’s Schools

Eligible participants may invite their child’s school to apply for funding. However, the funds cannot be for anything that provides a direct benefit to the child, an eligible participant, or their family members. For example, funds cannot be used to purchase iPads for a Kindergarten classroom if a Tracy family member is a student in that classroom or will be in the near future.

## Maximum Request Amount per Eligible Participant

\$15,000

## Required Focus Area of Grant Request

Education, Families, Mental Health, and Youth

### Focus Areas Theories of Change

- ✓ Education: *We believe...when pre-school through post-secondary educators embrace potential, a growth mindset, the whole child, quality & excellence, and partnerships ...we will cultivate learning communities that inspire life-longer learners, leaders, and problem solvers.*
- ✓ Families: *We believe...when families embrace emotional health, relationships, spirituality, wellness, and academics...we cultivate strong, healthy, and resilient families.*
- ✓ Mental Health: *We believe...when communities champion prevention, early identification, treatment, and normalizing mental health, we strengthen the lives of children, families, and adults.*
- ✓ Youth: *We believe...when youth embrace emotional health, leadership, spirituality, wellness, and academics...we nurture strong, healthy, and resilient youth.*

### Restrictions on Use of Funds

There are no restrictions within the TFF Focus Areas. Funds may be used for program and activity support, as well as for restricted operational support.

### Site Visits

Site Visits are not required, but the Eligible Participant issuing the grant application invitation may be requested by TFF staff to conduct a site visit.

### Matching Dollars

Eligible Participants are not required to provide matching dollars.

### Pooled Funds

Eligible Participants can pool the allotted funds and invite one organization to apply. For example, Anne and Ray may invite one organization to apply for a \$30,000 grant. Only one application from the organization needs to be submitted.

### Invitation Process

- ✓ TFF Staff: Send reminders to Eligible Participants each year.
- ✓ Eligible Participant: Submit Organization Name and Project to TFF ~~Executive Director~~President requesting confirmation that this is an Eligible Organization and the request is consistent with TFF's Focus Areas. The deadline to contact the TFF ~~Executive Director~~President is August 1.
- ✓ ~~Executive Director~~President: Communicate to the Eligible Participant whether the organization is eligible to apply.
- ✓ Eligible Participant: If approved, extend an invitation to the organization to complete a Pre-Application or request that the TFF Grants Manager invite the organization to apply.
- ✓ Eligible Organization: The organization must submit a Pre-Application, followed up by a Grant Application. The Pre-Application is accessed through the TFF website. The Grant Application is available via a link that will be sent to the organization from the TFF Grants Manager.

### Deadline to Invite an Organization

August 1

### **Review and Reporting Process**

- Applications will be reviewed monthly by the staff. The ~~Executive Director~~[TFF President](#) is authorized to approve such grants.
- All funding decisions will be reported at each board meeting.

### **Should Eligible Participants Assume Funding?**

Although probable, funding is not a certainty until the application is reviewed and approved.

### **Can an Eligible Participant Extend an Invitation to the Same Nonprofit Each Year?**

Yes

### **Final Impact Report**

The organization is required to submit a Final Impact Report approximately one year after receiving its grant award.