

MEMORANDUM

TO: Indiana Community Foundation Executive Directors
FROM: Lilly Endowment
DATE: January 18, 2010
RE: Community Foundation Internships, a program for Indiana community foundations

It has been nearly 20 years since Lilly Endowment launched the GIFT (Giving Indiana Funds for Tomorrow) initiative. Through five GIFT phases and two other community foundation programs, Taking Stock and Sustaining Resource Development, the Endowment has been pleased to support community foundations serving every one of Indiana's 92 counties in a variety of ways. Grants for asset building, operating support, special projects, fundraising/capacity building and technical assistance have encouraged public support and engaged the interest of local citizens in improving the lives around them. Because of the participation and contributions of community-minded residents throughout the state, the efforts funded through the GIFT initiative have had considerable success. While much has been accomplished, community foundations report that more remains to be done. Fundraising efforts to build endowment assets and sustain and enhance operations need to be ongoing and, in most cases, raised to new levels. Foundation personnel need to continue to improve their administrative, financial, programmatic, fundraising and communications skills; office operations need to incorporate recent technological advances in equipment and communications; and community-building efforts need to be enhanced.

During this same period of time, the Endowment also has offered funding to a variety of Indiana educational organizations with the overall objective of increasing the number of Indiana students who graduate from high school, enroll in and graduate from an Indiana college or university, and then find meaningful employment in Indiana. A key factor in the pursuit of this objective is the availability of high-quality internship opportunities for Indiana students.

To further the Endowment's efforts to help build healthy community foundations and provide college students with real-life work experiences in Indiana, the Endowment is pleased to announce a new pilot GIFT program: Community Foundation Internships (CFI). Funding from CFI will enable eligible community foundations in Indiana over a two-year period to hire Indiana college students as interns and pay their salaries and related foundation expenses. The program will be administered by the Indiana

Grantmakers Alliance Foundation (IGAF), through a grant from Lilly Endowment to IGAF.

An internship is generally defined as any carefully monitored work or service experience in which a student intentionally pursues personal development and educational goals and reflects actively on what he or she is learning throughout the experience. Foundations will be responsible for determining what staff needs are most appropriate for an intern to address (program design and implementation, communications, information technology, management, fundraising, research and evaluation, etc.) and for selecting students who can address them. It will be the student's responsibility to seek the most meaningful opportunity based on his or her particular field of study, geographical location, college, time constraints and so forth. The Endowment hopes that the engagement of bright young college interns will enhance the operations and programs of Indiana community foundations and that the interns' experiences with community foundations will enrich their educational and personal development.

Endowment staff and representatives from IGAF's GIFT technical assistance staff will conduct introductory sessions for those who want more information about the program and an opportunity to ask questions. During these sessions, a representative of Indiana INTERNnet will present information on how to design and conduct successful internship programs. We have made arrangements for sessions in three locations around the state in February 2010. They are listed on the attached sheet. We would like to invite you to attend one of these optional sessions. One additional representative of your community foundation also is welcome to attend. Officials at Indiana colleges and universities will be made aware of the opportunities for their students under this program.

Please email or fax Jenny Kloer (email: jkloer@indianagrants.org; fax: 317-630-5210) by February 2, 2010, with the names and titles of the expected participants from your community foundation and the date/location of the session they plan to attend.

Following are the major topics to be covered at the informational meetings:

PROGRAM HIGHLIGHTS:

- Each eligible community foundation in Indiana will be invited to develop and submit a written plan to start and maintain an internship program for each county served by the community foundation. IGAF reserves the right in its sole discretion to approve internship plans and grants to community foundations. Information about plan submission and grant payment timetables will be provided at the introductory information sessions.
- There is significant diversity in the capacity, effectiveness and culture of Indiana's community foundations. Each plan, therefore, should be relevant to the needs and capacities of the particular community foundation and the county it serves.

- The plan should cover a two-year period. It is expected that most periods will begin with the fall semester in 2010 and continue through the summer semester of 2012. Variations of this time frame may be acceptable, if approved by IGAF.
- Plans should, among other things, include clearly articulated goals and objectives of the internship program; a well-written job description that explains each intern's duties; the number of interns expected during the two-year plan period; time frames and compensation; and recruitment plans. The plan must demonstrate a sound strategy for supervising the interns. Educational programs developed and implemented by IGAF's GIFT technical assistance staff, in cooperation with Indiana INTERNnet and others, will be offered to community foundations before they begin the preparation of their internship plans. In preparing their plans, community foundations are encouraged to consult with legal and tax advisers regarding income-tax withholding, payroll taxes and other employment-related obligations or issues that may pertain to their internship programs.
- Each participating community foundation is eligible to receive up to a maximum of \$17,600 per county for internship compensation over a two-year plan period, which amounts to \$8,800 per year (first semester, second semester and summer). This amount would cover internship compensation costs at an average hourly rate of approximately \$11 per hour as follows: first semester intern (part time), 20 hours/week x 12 weeks = 240 hours; second semester intern (part time), 20 hours/week x 12 weeks = 240 hours; summer intern (full time), 40 hours/week x 8 weeks = 320 hours. The program is designed to provide as much flexibility as possible for both the community foundations and the students. Within the two-year time frame and the maximum amount of \$17,600 for internship compensation, these arrangements may vary as to internship period, number of interns, rates of compensation and other factors based on the needs of the community foundation and the interns. An additional amount of approximately 9 percent of the internship compensation amount per county will be added to the grant to the community foundation from IGAF to be applied to the employer's share of any payroll taxes or other costs relating to the internships.
- Community foundations may need to purchase items such as additional computer hardware, software, office furniture and supplies to support the work of the intern. An amount not to exceed \$2,000 per county over the two-year plan period also is available for this purpose. A description and request for such needs should be included in the internship plan.

- Both the community foundations and students should work together to find the best possible fit. It is hoped that community foundations will hire interns who are qualified to address important needs of the foundations and that students will find placements that further their educational goals and objectives. Full or part-time undergraduate and graduate students enrolled in two-year or four-year Indiana colleges and universities accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools are eligible for the internships.
- IGAF's GIFT technical assistance staff, in cooperation with Indiana INTERNnet and others, will provide ongoing technical support for community foundations during the internship program. Examples of technical support include: 1) starting and maintaining high-quality internship programs, 2) effectively recruiting interns, 3) managing interns, and 4) evaluating the effectiveness of an internship program. Additionally, training programs for prospective interns will be offered to provide students with an overview of community foundations and their roles in improving a community's quality of life.
- Some colleges require their students to fulfill internship requirements. For an intern from such a college, a community foundation is strongly encouraged to design and operate its internship program for that student to meet the requirements for college credit.

PROGRAM ELIGIBILITY/REQUIREMENTS

Community Foundation Internships is a voluntary program for viable Indiana community foundations and affiliate funds. All that meet the requirements below may apply for consideration to take part.

- Community foundations and affiliate funds that satisfactorily participated in previous GIFT phases and/or programs are eligible to take part in this program. IGAF reserves the right to determine, in consultation with Lilly Endowment, whether the organization's participation in a previous phase/program was satisfactory.
- The foundation must be legally established as a community foundation in the state of Indiana and a public charity recognized by the Internal Revenue Service. (An affiliate fund must apply through the community foundation with which it is affiliated.)
- If more than one foundation serves a county, each foundation should apply separately. Multicounty foundations may submit one application for each county served.
- The foundation or affiliate fund must have a board of directors or county committee that broadly represents the county it serves.

- The foundation or affiliate fund must be able to demonstrate that financial controls and procedures are in place to safeguard and account for its assets.
- Participation will not be required as a condition for taking part in any future GIFT programs the Endowment may offer.

The Endowment is grateful to you and your colleagues throughout Indiana for the important role you are playing in developing Indiana's community foundations as effective institutions in building community, assessing and prioritizing local needs and problems, and mobilizing support to address them. We hope this new program will complement these activities and enhance the impact of Indiana's community foundations.

Specific questions related to Community Foundation Internships should be directed to Dick Creger at the Indiana Grantmakers Alliance Foundation (317-630-5200, ext. 128).