

MORLEY FOUNDATION

New Trustee Orientation

The Morley Brothers Foundation was founded in 1948 by Ralph Chase Morley and his three sons Ralph C. Morley Jr., Edward B. Morley and Burrows Morley. In the 90's the name was changed to Morley Foundation since the family business name was no longer relevant.

The Morley Foundation is a philanthropic, nonprofit organization whose purpose is to responsibly invest resources and grant monies to legitimate needs in the area of health, welfare, education, arts, and humanities. The Foundation's grant making is primarily focused to Michigan, with major emphasis in Saginaw County.

Our Foundation founders, Ralph and Lucy Morley, practiced community stewardship and we are committed to continuing that tradition.

The Foundation is committed to the development and implementation of support programs for nonprofit institutions and organizations that seek to improve the quality of life. The focus is on areas of close concern to the community rather than broad social issues. We believe that grants are an investment in the future and the community.

Organizations must have a 501 (c) (3) tax status and be able to provide financials, budgets, a complete proposal description and list of funders and board members.

Requests are considered quarterly. Multi-year commitments are generally limited to capital projects. We prefer not to make grants to endowment funds.

Grants are not made to individuals, but to nonprofit organizations that can provide benefits to the community.

There is no formal application form. To be considered for a grant, the applicants should submit a letter stating:

- The nature and potential results of the program.
- A brief history of the organization, with the institutions and personnel responsible for the work.
- The total cost of the project.

- The amount requested.
- The strategy or process for meeting the program objectives.
- Sources of support and list of other sources currently being applied to for support.
- The names of management and the names and occupations of voluntary Trustees or Directors of the organization.
- Evidence of tax-exempt status, latest audited financial statement, and current budget.

Trustees may request additional information or make site visits.

WHAT WE BELIEVE

When you joined the Morley Foundation Board of Trustees you joined a FAMILY foundation. We believe what makes a family foundation important and fun is the freedom to commit money to those efforts that the family members both current and past are interested in. We believe this so strongly that we have a sunset provision in our by laws that requires 51% of the board members to be direct descendants of RC Morley, or the foundation will go out of business. The by laws outline a process for doing that.

Today most of the board members are family members and the majority are now 4th generation family members. This is unusual, since many family foundations go out of family control by the 3rd generation. We also believe that all branches of the family should be represented on the board if possible and this is the case today. Although not required, our preference is to have the director of the foundation be a family member. To date that has been the case.

We believe that as a relatively small foundation we fill an important niche particularly in Saginaw. We can consider grants of a few hundred or a few thousand dollars that larger foundations cannot afford to look at.

We believe in being aggressive and using leverage. We don't just wait for a request. We encourage trustees to bring interesting programs to the attention of the foundation. Examples are the Higgins Lake Foundation and the revival of the Saginaw Art Museum. By making multi-year grants and providing seed money to new organizations, our little foundation can have a big impact.

PRINCIPLES OF OPERATION

1. The board meets 4 times a year, roughly quarterly, often tied to events at Higgins Lake such as the Lakeside annual meeting in July, Memorial Day pig roast and the Who party in February.

2. Members are expected to make at least two of the meetings per year. Most members make three or four.

3. All members have one vote. No grants (except for the small individual matching grants) are ever made without board approval.

For any board action there must be a quorum present.

4. All financial matters are aboveboard and available to all board members. There is a great deal of financial information at each board meeting and you can request additional information at any time.

5. We take care to meet all state and federal regulations for foundations and have both inside and outside audits. We also have a governance committee that meets prior to each board meeting to discuss the ever-changing regulations, making sure we comply.

6. The finance committee meets regularly with our outside investment managers and reports at each meeting.

7. Foundation Officer Succession

Each officer is elected to the position at the Morley Foundation Annual Meeting in May. The order of succession will be Treasurer, Vice President and President.

Any trustee can apply for an open position by providing a resume of their qualifications to the Nominating Committee Chairman. There will be a one-year transition period between the President and Vice-president to allow for a smooth transition. During this transition, the president will receive 60% and the Vice-president will receive 40% of the annual salary. At the completion of the transition year the new President will receive 100% of the annual salary. The President will be elected each year for a recommended limit of four years. After the completion of the fourth year, a one-year transition will begin with the Vice-president. If the Vice-president does not have an interest or if the board of trustee's desires, the President can be elected to additional terms.

STRATEGIES WE EMPLOY

1. In order to follow up on our grants our board meetings are often held at sites where we have given grants such as The Children's Zoo, Interlachen, Soup Kitchen or a YMCA camp.

2. Guidelines for area's of Giving

Multi Year Grants

Up to one third (1/3) of our 5% annual giving will be allocated to Multi Year Grants.

Yearly and Directed Grants

Up to one third (1/3) of our 5% annual giving will be allocated to the combined total of the Trustee directed grants and the organizations we give to annually.

New Grants

Up to one third (1/3) of our 5% annual giving will be allocated to new grants for that fiscal year. These will be one time grants and not renewed annually.

3. Board members receive \$50.00 stipend per meeting attended to help defray travel and loss-of-work costs.

The Morley Foundation will reimburse trustee travel expense at the current IRS mileage rate up to 250 miles one way or 500 miles total. If out of state trustees are in Michigan at the time of the meeting and for resident trustee's the mileage will be paid round trip from the point of origin within the state of Michigan. This reimbursement is for all foundation related business including board meetings, committee meetings, site visits and approved conferences. All travel expenses will be reimbursed to trustees traveling to a national event representing the Morley Foundation upon prior approval of the executive committee.

4. We are members of The Council of Michigan Foundations.

We have contributed a good deal and also learned a lot through that organization. We encourage trustee to attend CMF programs.

5. As time goes on more of our board members do not live in Saginaw and not even in Michigan. As a consequence each board member can designate a few thousand dollars each year through matching grants to non-profit organizations of their choice.

The current matching grant program is as follows:

\$100.00 donation from trustee the foundation will match the \$100.00 and make available \$500.00 in directed monies.

\$300.00 donation from trustee the foundation will match and make available \$750.00 in directed monies.

\$500.00 donation from trustee the foundation will match and make available \$1,000.00 in directed monies.

\$1,000.00 donation from trustee the foundation will match and make available \$2,000.00 in directed monies.

\$3,000.00 donation from trustee the foundation will match and make available \$3,000.00 in directed monies.

A maximum of \$3,000.00 will be matched in one calendar year.

In addition to the matching and directed grants each trustee has \$1,000.00 available to direct to the college of their choice. A trustee may pass their grant to another trustee to direct, but it must be in writing to the president and recorded on the trustee directed grant form by the person directing the money.

6. You will note that in our meetings we are family and all members thoughts and opinions are respected and attention is paid to their views.

7. Every 5 years or so we hold a retreat to reflect on long term issues, get more thoroughly acquainted with each other, and deal with concerns that can't be covered in a board meeting.

The retreats that have been held have been very productive.

Welcome to the Morley Foundation Board of Trustees.

We appreciate your interest in serving on the board so we can as a family; continue the legacy of giving started by Ralph Chase and Lucy Burrows Morley.