

GIFTS, GRANTS AND DISTRIBUTIONS

(Bylaws, Article 3, Section 3.4)

The Corporation is empowered, subject to the provisions of its Articles of Incorporation and Bylaws, to make gifts, grants and distributions for any charitable, educational, religious, literary and/or scientific purposes within the meaning of Section 501(c)(3) of the Code, including for such purposes as the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

NIA Scholarship Fund

In order to encourage growth and public awareness of the insulator hobby through collecting, dealing, and educational endeavors the National Insulator Association, Inc. (NIA) has established the NIA Scholarship Fund. Grants may be awarded as an Academic Scholarship in the amount of \$1,000.00 and/or a Vocational Scholarship in the amount of \$500.00. An Academic Scholarship is renewable for one additional year upon re-application by the recipient. A Vocational Scholarship is not renewable.

It is the intention of the NIA and its Board of Directors to award at least one scholarship each year. The number and type of awards given will be determined by the Board of Directors. The Board of Directors may adjust the amount of the award at any time. The number and amount of awards will be determined by the financial balance in the Scholarship Fund.

Gifts to the scholarship fund can be made at any time and in any amount. Gifts are subject to the Association's gift acceptance policies (GAP). Refer to the chapter titled "Contributions and Transfers."

The Internal Revenue Service (IRS) has certain regulations pertaining to individual grant-making with which the National Insulator Association, Inc. must comply. The IRS also details rules that apply to the roles of advisors in recommending grants to the NIA.

The following policies have been adopted by the NIA in response to the IRS regulations.

1. The individual grant program serves a charitable purpose.
2. The group of persons who will be eligible for the grant program constitutes a charitable class.
3. There are objective criteria for the selection of recipients. The criteria must be approved by the Board of Directors of the NIA before scholarships may be awarded.
4. The donor or advisor does not control the process for selecting recipients. Donors and advisors may be members of the selection committee provided that they do not control the committee's decision, directly or indirectly.

5. The sponsoring charity, such as the National Insulator Association, Inc., publicizes the grant program in an appropriate manner to ensure that eligible individuals are reasonably informed of its availability.
6. The sponsoring charity retains documentation to show how the recipients were selected and the terms under which the gift was given.
7. The sponsoring charity establishes procedures to ensure that the granted funds are used for the purpose for which the grant was made, and the procedures it will follow if it discovers a misuse of the funds.
8. If potential recipients are limited to employees or members of the families of the employees (including deceased or retired employees) of a particular employer, the sponsoring charity verifies that the selection process complies with the guidelines for similarly restricted private foundation scholarship grants and educational loans (other than the requirements for seeking advance approval of the procedures).
9. Scholarship grants must be made from a dedicated scholarship fund established by the NIA. They may not be made from a donor-advised fund.

The NIA Scholarship Committee

The Scholarship Committee shall administer the scholarship selection process. By selecting scholarship recipients, committee members have an important role in ensuring that the original intent of the fund is followed. Members also have the responsibility to promote the availability of the fund as well as to participate actively in decisions about grant making from the fund.

Confidentiality is imperative. Committee members should respect the applicant's information by not disclosing any financial or sensitive information beyond the committee.

Preventing conflicts of interest is also important. If a committee member has a conflict of interest, the committee chair should be notified and the committee member should not vote on that particular applicant during the decision-making process. The NIA requires that all committee members sign Conflict of Interest and Confidentiality agreements.

(See Addendum # and #)

The Scholarship Committee Chairperson will advertise and solicit applicants in each publication of the NIA Drip Points newsletter. Advertisements and solicitations of applicants should also be published in the Crown Jewels of the Wire magazine as well as other related media. The Association may choose to utilize brochures, direct mail, or scholarship directory listings to promote the scholarship program.

Scholarship applications will be sent upon request by contacting the committee chairperson by mail (address available on the contacts page, www.nia.org) or e-mail at scholarship@nia.org. Applications will be available on the NIA web site, www.nia.org.

Applications are submitted to the Scholarship Committee Chairperson. Committee meetings to discuss applicants and make a selection can take place at a location convenient to committee members. The committee will evaluate each applicant based on a standardized score sheet. Each selection criterion is weighted so that a cumulative score can be used to compare applicants. Additional factors may also be discussed as part of the evaluation process.

The NIA has established the following selection criteria as necessary for evaluating applicants.

- High school/college transcripts and standardized test scores demonstrate a measure of academic performance and ability to succeed.
- Extra-curricular activities indicate the student's involvement, socialization and community service.
- Letters of reference show how others view the student's strengths and weaknesses.
- Volunteer or work experience could indicate the student's experience in his/her chosen career field.
- Clearly stated career and educational goals will show the student's ability to set goals and objectives for the future.
- Unusual circumstances identify any family problems, personal or financial, which may warrant further consideration.
- Financial need is demonstrated in the Student Activity Report (SAR), which is the information the student receives when applying for financial aid through the Free Application for Federal Student Aid (FAFSA).

The NIA Scholarship Committee Chairperson must receive completed applications for Vocational Scholarships no later than February 1st and applications for Academic Scholarships no later than February 1st in order to be considered for the following academic year. Applications received that are incomplete or fail to comply with the application instructions will not be considered. Applications will not be returned to the applicant.

In order to recommend a scholarship award, the Committee must complete a Scholarship Recommendation Form and present it to the NIA Board of Directors along with a copy of the committee minutes. The minutes must include the committee members, meeting date and place, how the recipients and non-recipients were selected and how the applicants are to be notified of awards and declinations. When the Committee recommends grants, the NIA Board of Directors must approve them.

The Committee's recommendations should be delivered to the Board of Directors on or before May 1st. The recommendations should be approved by the Board of Directors by June 1st.

Once the Board of Directors approves the recommendations, letters must be sent to all applicants notifying them of an award or declination. In this letter, the student is informed about the committee that recommended the grant, as well as the donor who made the grant possible if that is appropriate.

Scholarship grant payments will be publicly presented at the Awards Banquet during the NIA National Show and Convention generally held in July. Checks will be mailed to the recipient, but the check will be made payable to the educational institution. The payment to the college or university is accompanied by a memorandum explaining the NIA scholarship policies and requesting that the school notify the Association (NIA) if the student does not register or withdraws from school. When a student withdraws, the institution issues a refund check to the NIA. Returned monies are credited to the scholarship fund.

The NIA may make public announcements about awards that have been granted not only to give deserved recognition to the recipient, but also to stimulate additional support for the scholarship program. Press releases to local publications or trade and hobby magazines may, when appropriate, result in a short article or news brief. Press releases should be written and distributed to the media by the NIA Information Director.

Academic Scholarship

The NIA offers an academic scholarship in the amount of \$1,000.00 per academic year.

Applicants must be at least 16 years of age.

Applicants must be in their senior year of high school or have graduated from high school.

Applicants must have applied for admission to, or be enrolled in, an eligible educational institution.

Applicants must complete all elements of the Scholarship Application.

The student's undergraduate study may be in any academic area.

The scholarship is renewable for one additional academic year based on the student's maintaining a "B" (3.0) average, or better, as documented through transcripts. The student must reapply.

Applicants must be a candidate for a degree at an eligible educational institution, and the scholarship must be used to pay qualified education expenses.

- You are a candidate for a degree if you attend a secondary school or are pursuing a degree at a college or university, or you attend an accredited educational institution that is authorized to provide a program that is acceptable for full credit toward a bachelor's or higher degree.
- An eligible educational institution is one that maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance at the place where it carries on its educational activities.
- Qualified education expenses are for tuition and fees required to enroll at or attend an eligible educational institution. They also include course-related expenses, such as fees, books, supplies, and equipment that are required of all students in your course of instruction.

Applications for academic scholarships must be completed and received by the NIA Scholarship Committee no later than February 1st to be considered for the following academic year. Applications received that are incomplete or fail to comply with the application instructions will not be considered. Applications will not be returned to the applicant.

Vocational Scholarship

The NIA offers a vocational scholarship in the amount of \$500.00.

The scholarship is not renewable.

Applicants must be at least 18 years of age.

Applicants must have graduated from high school.

Applicants must complete all applicable elements of the Scholarship Application.

Eligible candidates must be enrolled in a course of instruction leading to a career related to the generation, distribution or application of electrical energy.

Applicants must be a candidate for a degree at an eligible educational institution, and the scholarship must be used to pay qualified education expenses.

- You are a candidate for a degree if you attend an accredited educational institution that is authorized to provide a program of training to prepare students for gainful employment in a recognized occupation.
- An eligible educational institution is one that maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance at the place where it carries on its educational activities.
- Qualified education expenses are for tuition and fees required to enroll at or attend an eligible educational institution. They also include course-related expenses, such as fees, books, supplies, and equipment that are required of all students in your course of instruction.

Applications for vocational scholarships must be completed and received by the NIA Scholarship Committee no later than February 1st to be considered.

Applications received that are incomplete or fail to comply with the application instructions will not be considered. Applications will not be returned to the applicant.

NIA Grants for Special Projects

The purpose of NIA Grants for Special Projects is to give financial support to individuals, groups, or organizations that exemplify the mission of the National Insulator Association, Inc. to promote historic preservation and educational endeavors that encourage growth and public awareness of the insulator hobby. To accomplish this, the NIA will make grants available to fund initiatives in these mission areas.

Only individuals, groups, or organizations who are active members of the National Insulator Association may apply for these funds. Grants will be awarded for special projects that relate directly to the mission and objectives of historic preservation and education. As stated in Article 3, Section 3.2 of the NIA By-laws, members of the Board of Directors are not eligible to receive Special Project grants.

Special Project proposals must be submitted in writing and presented to the NIA President, and will be evaluated by independent judges selected for this purpose. After submission of the application to the NIA, the NIA President will be responsible for all phases of communication while the application is under

review. The NIA President will be the point of contact for questions and inquiries after the initial stages of review are complete, i.e., after the conclusion of the initial peer review.

Grant applications must include the following:

1. Designate which grant area the application is for: Historic Preservation or Education.
2. One-page letter of sponsorship from an NIA Regional Vice-president or an NIA affiliate club, counted as part of the 8-page total application. The letter of sponsorship is required for the grant application. This may be brief with information provided by the entity on the grant application. Please include the name of the NIA Regional Vice-president or affiliated club including name, state, telephone number, and email address of the representative writing the letter.
3. Include the name of the entity applying for grant, entity address, telephone number, Web site address, and email address. Provide the name and contact information of individual writing the grant application for the entity. A valid email address is required.
4. Submit the original application typed on standard 8.5 x 11 paper without binder or special covering. A total of eight (8) pages are allowed for the letter of sponsorship, narrative and budget sections including photographs. The letter of sponsorship must be the first statement submitted with the application packet, followed by other forms, narrative and budget sections.

Narrative to include in the following order:

- A one page brief description or outline of the project, specifically tell what the project will encompass.
- State the need and urgency of this project. What is the need the entity plans to address?
- List specific planned activities and include information about timelines.
- Explain the benefits to community.
- Describe how NIA recognition will be generated.
- Proposed budget information: The budget should be a realistic estimate of the specific costs for the project, and may include a budget narrative immediately following the budget to explain any items that require clarification.

This budget section should provide the following information:

- a. What is the overall cost of the proposed project?
- b. Show how the grant funds will be used to support the project.
- c. What other sources of funding the entity have solicited in support of this project?
- d. Are these funds secure or pending?
- e. List all in-kind contributions. Donated time for in-kind will be valued at \$15.00 per hour or as documented for professional services.

- f. How will matching funds be invested in the project?
(Matching funds are required for receipt of NIA funds.)
 - g. Upon completion of this project what is the estimate of the ongoing financial need for support, if any, and what will be the source of these funds?
5. Members submitting a hard copy package must include five (5) full copies of the completed application. Members submitting the application in digital format may make a single submission in either Microsoft Word or Adobe PDF format.
 6. Completed applications must be postmarked on or before February 1 to the NIA President. (See www.nia.org/contacts or email president@nia.org) Applications not meeting the deadline will not be considered for current year grant.

Note: Grants will not be considered for operating expenses, religious programs or activities, endowment, private foundations, costs related to fund-raising campaigns and politically motivated activities.

Grant applications must be approved by a 2/3 (7 members) vote of the members of the Board of Directors. Grant notification is only upon the NIA Board of Director's approval. Approved grants receive notification by the NIA President by May 1, accompanied by a Grant Agreement Form. The notification guidelines must be strictly followed to avoid any misunderstanding.

The NIA Board of Directors has the right to reject applications or cancel or modify a grant solicitation at any point before a Grant Agreement (contract) is signed. The NIA may negotiate with selected applicants to determine the terms of the award. To receive an award, the applicant must accept any additional or special terms and conditions listed in the Grant Agreement (contract) and any changes in the grant application. No grants shall be awarded until adequate funds are available to support the project.

The Board of Directors may set the amount of the grant but in no case shall the grant exceed \$2,000.00 in any 12 month period. Grant recipients may only receive one grant funding in any twelve (12) month period. The grants of \$1,000.00 - \$2,000.00 will be given priority with a cap of \$5,000.00 for grant requests. Applicants will be required to match the grant award 1:1 in order to allow broader distribution of funds.

Successful applicants are eligible to apply for grant funds for the two (2) years following the initial grant year. The second and third application will be evaluated with the same criteria as new applications. No applicant will be eligible for a fourth year of funding for the same project.

Successful applicants will be required to complete all projects within the timeline established in the Grant Agreement Form.

Grant Agreement Form: Upon approval of an application, grantees must sign a Grant Agreement Form outlining the details governing the grant. Upon receipt of

the completed Grant Agreement Form, half of the approved funds will be sent to the grantee. The remainder of the funds will be distributed after submission of the final report. Records substantiating that funds received have been used solely for the purposes described in the application must be maintained by the grantee and available for inspection.

Preparing, submitting, and reviewing a competitive research program project grant application requires a substantial investment of effort by applicants, applicant organizations, NIA personnel and peer reviewers. To maximize the potential of this effort, prospective applicants are strongly encouraged to discuss their ideas with NIA Board members, NIA Advisors and Committee chairpersons, and other relevant resources prior to the submission of a formal application.

Although a letter of intent is not required, is not binding, and does not enter into the review of subsequent applications, the information allows the NIA to estimate the potential review workload and to avoid conflict of interest in the review. The letter of intent need include only:

- 1) The names of the Principal entity and principal collaborators.
- 2) A descriptive title of the potential application and a list of titles for the anticipated components of the project.
- 3) Identification of the organization(s) involved.

Letters of intent should be sent to the NIA President.

(See www.nia.org/contacts or email president@nia.org)

Review Criteria for Individual Special Projects

Applications for grant funding will be evaluated on upon the information provided in the written application. All grants are to be judged and awarded without regard to gender, race, color, religion, national original origin or disability.

Significance: (15 points) Does this study address an important problem? If the aims of the project are achieved, how will scientific knowledge be advanced? What will be the effect of the study on the concepts or methods that drive this field?

Approach: (20 points) Are the conceptual framework, design, methods, and analyses adequately developed, well-integrated, and appropriate to the aims of the project? Does the applicant acknowledge potential problem areas and consider alternate tactics?

Innovation: (15 points) Does the project employ novel concepts, approaches, or methods? Are the aims original and innovative? Does the project challenge existing paradigms or develop new methodologies or technologies?

Timetable: (15 points) Is there a timetable for project activities within the year to grant funds are to be applied (i.e., a list of actions with a date by which they will be accomplished)?

Budget: (20 points) Is there a complete budget for the proposed project? Is the budget fully justified by describing how budgeted items will contribute to the project and identify sources for the stated costs?

Personnel: (5 points) Is the Project Leader appropriately trained and well suited to carry out this work? Is the work proposed appropriate to the experience level of the Project Leader and other researchers (if any)?

Environment: (10 points) Does the scientific environment in which the work will be done contribute to the probability of success? Do the proposed experiments take advantage of unique features of the scientific environment or employ useful collaborative arrangements? Is there evidence of institutional support?