

OPERATING PRINCIPLES

Fidelity Investments Chairman Edward C. Johnson 3d and his father, the founder of the company, established the Fidelity Foundation, a private, non-operating foundation, in 1965 with several operating principles in mind. These principles, still current today, guide our decisions and grantmaking.

Strengthening Nonprofit Organizations

The Fidelity Foundation grant program was designed to strengthen the long-term effectiveness of nonprofit institutions. The types of projects we fund, and the way in which we fund them, are specifically intended to help nonprofits build the organizational capabilities they need to better fulfill their missions and serve their constituencies.

Approaching Grants as Investments

We view our philanthropy as an investment — not just of financial resources, but also of our business skills and experience. In considering each proposal, we apply the fundamentals of investing: We carefully examine each aspect of an organization's project idea, management team and financial situation before committing our resources, in order to ensure that a grant can achieve tangible results.

Leveraging Resources

We seek to leverage the Foundation's resources wherever possible. Often we do this by offering challenge grants that encourage nonprofits to seek and secure other funding partners. We also help match grants given by other national foundations. We draw on our own business experience by working with grantees to develop performance measures that help determine whether a grant accomplished its intended purpose. As we gain information from projects we've funded, we use it to help inform us on future projects in similar fields. We also utilize our contacts to put present grantees in touch with former grantees that have faced similar issues.

Commitment to Excellence and Innovation

The Foundation's grant program seeks to reflect Fidelity Investments' commitment to quality and continuous improvement. We especially look for projects representing creative and innovative means of advancing an organization or nonprofit sector and strive to remain flexible and opportunistic through a competitive selection process.

GUIDELINES

The Fidelity Foundation considers Letters of Inquiry from organizations with current IRS 501(c)(3) public charity status only and directs its funding in line with the following restrictions and focus.

Restrictions

- Grants are not made to start-up, sectarian or civic organizations; public school systems; disease-specific associations; or individuals.
- Grants are not made for operating support, sponsorships, galas or benefits, scholarships, corporate memberships, or video and film projects.

Organization and Project-Size Focus

- The Fidelity Foundation generally makes grants to organizations with operating budgets of \$1,000,000 or more.
- The Foundation makes grants to fund significant, transformative projects usually budgeted at \$100,000 or more.

Geographic Focus

The Fidelity Foundation considers projects from organizations in communities around Fidelity Investments' regional employee sites in the listed metropolitan areas. Organizations of national importance and high-impact projects with potential to inform or influence the nonprofit sector are also of interest.

- Albuquerque
- Boston
- Cincinnati/Covington
- Dallas/Ft. Worth
- Denver
- Jacksonville
- Merrimack, NH
- New York/New Jersey
- Raleigh/Durham
- Smithfield, RI
- Salt Lake City
- Toronto, Canada

GUIDELINES (CONT.)

Sector Focus

The Foundation's primary philanthropic investments are allocated across the following sectors:

- Arts and culture
- Community development and social services

Secondarily, grants are considered in the following fields:

- Health
- Education*

** The majority of our education funding is employee-driven through Fidelity Investments' Matching Gifts to Education program: The Foundation matches charitable contributions made by eligible full-time Fidelity employees to qualified educational institutions. Since the program began in 1987, the Foundation has matched more than 58,000 gifts, with over \$45M.*

SELECTION CRITERIA

Beyond our basic guidelines, the Foundation uses a comprehensive approach to determine whether our collaboration and investment can add value and will measurably improve the applicant's impact. Our selection criteria focus on the overall organization, the project being proposed and the project's likelihood of success.

Types of Projects

The Foundation seeks to work with organizations on strategic, transformative projects that have the potential to substantially increase the grantee's impact, efficiency or long-term sustainability. The types of projects we fund and specific points of interest to include in Letters of Inquiry are as follows:

Planning Initiatives:

Funding for project consultants to develop strategic, business, technology and other types of plans.

Points of interest to include in your letter of inquiry:

- Status of the current plan, if any
- When the last plan was completed
- Name, background and rationale for the selection of consultant who will facilitate the proposed plan
- Evidence of the consultant's work plan

Technology Projects:

High-impact technology projects that can substantially increase an organization's efficiency, effectiveness and sustainability. Projects may include the development of front- and back-end office systems; performance measurement systems; online functionality; and financial accounting, inventory management, point-of-sale and other business systems.

Points of interest to include in your letter of inquiry:

- Technology project fit within the context of the organization's overall technology plan
- Evidence of a plan for integrating maintenance of the new system(s) into the organization's operating budget

Capital Improvements:

Large-scale projects central to the overall health and sustainability of the applicant, such as new construction, renovations, expansions and other initiatives that support the organization's strategic vision.

Points of interest to include in your letter of inquiry:

- Size, scope and feasibility of the project
- Organization's history of successful capital improvements
- Organization's history of raising funds for previous and current projects
- Size of the organization's endowment and the percentage committed to supporting facilities

SELECTION CRITERIA (CONT.)

Organizational Development:

Projects that involve the recruitment and development of senior management and operating staff.

Points of interest to include in your letter of inquiry:

- The organization's grant history with the Foundation
- How the new hire will help the organization achieve its business plan priorities
- The organization's transition plan to sustain new hire's position after the initial funding

Assessment of the Organization

If, after submitting a Letter of Inquiry, an organization is invited to submit a proposal, we will begin with a review of an organization's financial health and leadership, specifically evaluating the following:

- Financial history, including evidence of ability to achieve and maintain operating surpluses, as a measure of sound financial management
- Strength of the organization's balance sheet, including adequate current and net assets
- Senior management team tenure as well as Board Member tenure and professional affiliations, to determine the composition, strength and continuity of leadership

Strategic direction as reflected in a current plan; an accompanying business plan and operating budget as evidence of how the strategy is being implemented

Potential for Success

Like an investor, we ultimately seek to understand the potential benefits of a project: Will it work? What will it achieve? What is the return on investment and estimated years to payback? In evaluating a project's potential for success, we seek evidence of the following, which should be included, as part of your proposal:

- Institutional commitment to the project by the organization's Board
- A realistic project budget
- A thorough implementation plan
- A plan for performance measurement
- Post-implementation operating projections

SUBMITTING A LETTER OF INQUIRY

If you believe your funding needs fit within the Guidelines and Selection Criteria you may consider submitting a Letter of Inquiry. If your letter results in an invitation to submit a full proposal, we will contact you. Typically the initial review process will take between four to six weeks. Proposal review is a competitive process and submission does not guarantee funding.

PLEASE NOTE THE FIDELITY FOUNDATION DOES NOT ACCEPT UNSOLICITED FULL PROPOSALS.

A Letter of Inquiry addresses the following:

Contact Information

- Contact Name and Title
- Organization Legal Name and EIN #
- Address
- Phone number
- E-Mail address

Project Information

- A brief overview of your organization
- A description of the proposed funding needs and how they fit into the larger strategic plan of your organization
- Points of interest specific to your organization's needs (See Selection Criteria for description)
- If you are seeking support for a capital campaign, include progress toward your fundraising goal
- A project budget
- Description of your organization's financial condition, including: operating revenues and expenses as well permanently restricted endowment

Submission Instructions

The Fidelity Foundation requires that letters of inquiry be submitted electronically using the appropriate form. The online Letter of Inquiry process begins with new applicant registration and the submission of your organization's tax identification number followed by a qualification screening. If your project fits within our Guidelines, you will access the Letter of Inquiry form. Your form can be saved for later completion but cannot be edited once it has been submitted. Supplemental materials cannot be submitted at this stage of the inquiry process.

[Start a New Letter of Inquiry](#)

[Continue an Existing Letter of Inquiry](#)

WHAT YOU NEED TO KNOW

The following section summarizes the Foundation's review process, including what to expect once you have submitted a Letter of Inquiry.

Deadlines

There are no deadlines, the Foundation accepts and reviews Letters of Inquiry on a year-round rolling basis.

Acknowledging Receipt of Your Letter of Inquiry

All Letters of Inquiry are acknowledged upon receipt.

Timelines

The volume of requests as well as the diligence of full review process requires a three-to-six-month period, which should be factored into the applicant's funding plan.

Additional Information and Site Visits

Program staff may request additional information or a site visit to better familiarize themselves with the organization, its management team and the project proposal. Staff will initiate requests for meetings or visits.

Invitation to Submit a Proposal

If your Letter of Inquiry results in an invitation to proceed with a full proposal, we will contact you. Typically the initial review process will take between four to six weeks. Proposal review is a competitive process and submission does not guarantee funding.

Funding Recommendations

Upon completion of proposal review, a program director develops a funding recommendation, which is reviewed with the Foundation's Trustees. Recommendations are based on a proposal and the organization's match with Foundation Guidelines and Selection Criteria.

After Receiving a Fidelity Foundation Grant

The Foundation typically requires grant recipients to submit a six-month update and a Post-Grant Report one year after receiving a grant. The Post-Grant Review section provides details on this process and the type of information we request in order to learn about the impact of our grants.

POST- GRANT PROCESS

A key component of our grant program is understanding the effectiveness of the initiatives our grants help to fund. To this end, we typically request that grantees submit a six month Project Update and a full Post-Grant Report one year after receiving funding. Our goal is to inform and improve our decision making and, where appropriate, share this learning with future grantees.

Project Update

If required, the six-month Project Update letter should provide a brief progress report on the project, including any changes in direction or significant budget adjustments.

Post-Grant Report

In most cases, a full Post-Grant Report is due one year after receipt of a grant and should include the following:

Director's Comment

A short, candid assessment from the Executive Director of the organization on the strategic impact of the grant and qualitative results of the project completed. Information on lessons learned, including unexpected outcomes or insights, is especially helpful to our process.

Post-Grant Summary Form

This form asks you to outline the quantitative results of the grant against the goals stated in your original proposal.

Supporting Documentation

- An itemized comparison of the actual project costs vs. original budget
- Most recent audited financial statements

Please refer to your grant letter for specific reporting requirements.

Submission Instructions

Please send the above-required materials together in an email to us at info@FidelityFoundation.org.