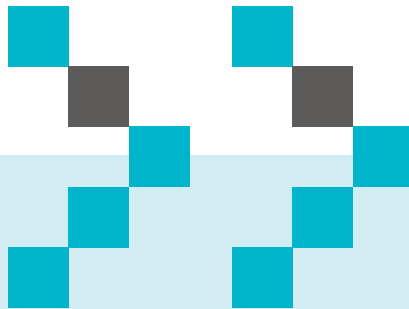

**new economy
initiative**
for southeast michigan



Accelerating the Transition of Metro Detroit
to an Innovation-Based Economy

**Program Description,
Grantmaking Guidelines,
Policies and
Application Information**

funders

- Community Foundation for Southeast Michigan (Detroit)
- Max M. and Marjorie S. Fisher Foundation (Southfield)
- Ford Foundation (New York)
- Hudson-Webber Foundation (Detroit)
- W.K. Kellogg Foundation (Battle Creek)
- John S. and James L. Knight Foundation (Miami)
- The Kresge Foundation (Troy)
- McGregor Fund (Detroit)
- Charles Stewart Mott Foundation (Flint)
- Skillman Foundation (Detroit)

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introduction

The New Economy Initiative for Southeast Michigan (NEI) will help restore southeast Michigan to a position of leadership in the new global economy. Ten national, regional and local foundations have committed \$100 million to this unprecedented eight-year effort.¹ The New Economy Initiative is one of the largest philanthropic initiatives focused on regional economic development in the country. The New Economy Initiative is philanthropy's response to the declining economy of metropolitan Detroit.

The purpose of this eight-year regional initiative is to foster economic growth by accelerating the transition of southeast Michigan to an innovation-based economy. The 10 participating foundations are leading the implementation and governance of the initiative. The Community Foundation for Southeast Michigan, which initiated the collaborative, is serving as its administrative home.

VISION

Southeast Michigan is a prosperous region, with high per-capita income and low unemployment, where all residents have the opportunity to thrive in the new innovation-based economy.

background

Southeast Michigan is in the midst of a difficult transition from the age of manufacturing to the age of information. Though Michigan and Detroit led the manufacturing era for the first 75 years of the 20th century, southeast Michigan has been slower than some other regions to meet the challenges and seize the opportunities of the new, globally competitive, knowledge economy.

Furthermore, Detroit-based automobile manufacturers, the core businesses of the region, are losing market share, and the number of automobile jobs in the region is declining rapidly due to productivity advances and global competition. Although the automobile industry will continue to be an important element of the regional economy, metro Detroit can no longer rely upon automobiles to drive economic growth. The impact of these trends on southeast Michigan is deeply troubling: growing unemployment, declining per-capita income and increasing poverty.

In recent years, regions have thrived when they have been able to generate growth in the high-wage/high-education component of the service economy. In this knowledge economy, innovation and entrepreneurship drive success, and a region's growth is directly linked to its ability to generate, attract and retain skilled, highly educated workers. These workers start and staff the innovative enterprises that are leading economic growth in America today.

In metro Detroit, the public and private sectors each have an important role in fostering the transition to the new economy. And important work is already underway in these sectors to encourage this transition. The philanthropic sector is focusing its efforts on three areas where it can have significant impact: **Talent, Innovation** and **Culture Change**. Working with other partners in the region and in the state, the New Economy Initiative is working to:

1. Prepare, attract and retain skilled workers in southeast Michigan (**Talent**)
2. Encourage innovation and entrepreneurship in new and existing enterprises in the region (**Innovation**)
3. Change the region's culture regarding learning, work and innovation (**Culture Change**)

An important founding principle of the initiative is that the New Economy Initiative will endeavor to increase prosperity for all residents and communities in the region with an emphasis on expanding opportunity for all. The New Economy Initiative recognizes the historic pattern of economic marginalization of some racial and ethnic minorities and strives to include all metro Detroit residents in the transition to an innovation economy in southeast Michigan.

GOAL

The goal of New Economy Initiative is to accelerate the transition of metro Detroit to an innovation-based economy that expands opportunity for all.

¹The following funders have committed a total of \$100 million: Community Foundation for Southeast Michigan, Max M. and Marjorie S. Fisher Foundation, Ford Foundation, Hudson-Webber Foundation, W.K. Kellogg Foundation, John S. and James L. Knight Foundation, The Kresge Foundation, McGregor Fund, Charles Stewart Mott Foundation and Skillman Foundation.

strategy

The New Economy Initiative has devised a specific strategy to help move southeast Michigan forward to an innovation-based economy. This strategy consists of **1)** a set of operating assumptions, **2)** a theory of change, **3)** the guiding values of the initiative, and **4)** the specific objectives and strategies the New Economy Initiative will use to achieve its goal. Working with national economic experts, the New Economy Initiative has developed a strategy that is focused on the key activities that are necessary for regional economic growth and where the New Economy Initiative can have real impact.

The declining economy of southeast Michigan presents a difficult and long-term challenge. Therefore, the New Economy Initiative has devised a specific strategy to ensure that its work and resources are deployed in the most effective manner possible. This strategy is described in detail below to help potential partners and applicants understand the direction of the New Economy Initiative.

assumptions

The New Economy Initiative built its strategic framework upon a number of important assumptions that are central to the specific strategies that the initiative will employ. These assumptions are rooted in New Economy Initiative's view of the importance of region, talent, advocacy and flexibility.

REGIONAL FOCUS. The New Economy Initiative believes that the economy of southeast Michigan is regional. That is, the various counties and communities of southeast Michigan have economies that are intertwined, interdependent and inseparable. Further, the New Economy Initiative believes that the region cannot thrive without a prosperous city of Detroit.

TALENT AND INNOVATION. The New Economy Initiative believes that preparing, attracting and retaining talent (broadly defined) are the keys to regional economic growth, and that skilled or talented young adults (ages 14 to 39) will play a key role in the transition to an innovation economy in southeast Michigan. Further, the initiative believes that fostering innovation and entrepreneurship in new and existing enterprises is necessary for the region to be successful.

ADVOCACY. The New Economy Initiative believes that, for regional economic transformation to be successful, public policy must support the transition to an innovation economy. Therefore, the New Economy Initiative advocates for change in areas that are important for the competitiveness of the regional economy beyond the direct grantmaking reach of the initiative.

FLEXIBILITY. The New Economy Initiative believes that it must be entrepreneurial, creative, courageous, nimble and adaptable in its actions. The initiative is always open to, and always seeking, innovative proposals and partners that offer new ways and opportunities to reach the initiative's long-term goals. Although the New Economy Initiative has adopted a specific strategic framework, the New Economy Initiative will learn as it moves forward and its strategic focus will likely evolve.

values

The New Economy Initiative operates with the following values and infuses them into all aspects of its work.

- **Inclusiveness.** The New Economy Initiative endeavors to increase prosperity for all residents and communities in the region with an emphasis on expanding opportunity for all. The New Economy Initiative recognizes the historic pattern of economic marginalization of some racial and ethnic minorities and strives to include all metro Detroit residents in the transition to an innovation economy in the region.
- **Regional transformation.** The New Economy Initiative is committed to the fundamental transformation of the region and sustainable regional economic growth.
- **Entrepreneurship and innovation.** The New Economy Initiative encourages innovation and entrepreneurship, broadly defined, in all aspects of life in the region.
- **Talent.** The New Economy Initiative believes that opportunities should be available to all students, workers and employees so they can assume responsibility for their skill development and career paths for the betterment of the community.

objectives and strategies

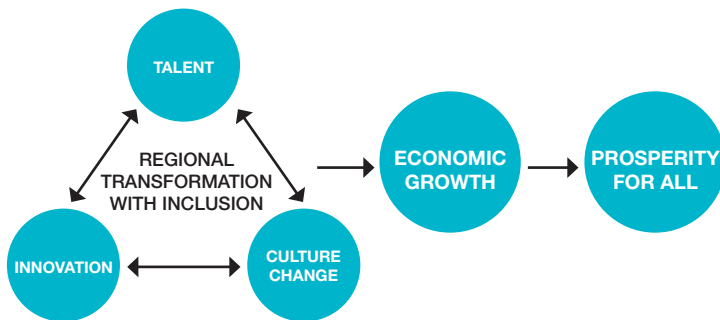
- **Welcoming.** The New Economy Initiative believes the region must be warm and welcoming to creative, talented people of all backgrounds, including immigrants and foreign-born workers.
- **Collaboration.** The New Economy Initiative strives to work with other organizations and agencies in both the private and public sectors that are focused on improving the regional economy to ensure that the New Economy Initiative's efforts are well aligned and mutually reinforcing.

theory of change

The New Economy Initiative focuses its work on the three important areas of activity that are necessary for the regional economy to grow and prosper. These three areas are **Talent, Innovation** and **Culture Change**. In addition, the initiative believes that all of the region's communities, as well as all racial and ethnic groups, must have the opportunity to participate in the transition to a new, innovation-based economy. That is, the region cannot prosper if some components of the region are left behind.

Thus, the New Economy Initiative's theory of change is based on the belief that **Talent, Innovation** and **Culture Change** are the keys to economic transformation, and by ensuring that everyone has an opportunity to participate in this transformation, regional economic growth will result, and this will lead to prosperity for all residents.

New Economy Initiative Theory of Change



As noted previously, the New Economy Initiative is focused on three primary areas of interest to achieve its long-term goal of economic transformation and prosperity for the region. Each of these three areas of interest can be represented by a single, long-term objective:

Three New Economy Initiative Objectives

TALENT: Prepare, attract and retain skilled workers.

INNOVATION: Encourage innovation and entrepreneurship in new and existing enterprises.

CULTURE CHANGE: Change the region's culture regarding learning, work and innovation.

In addition, the New Economy Initiative has identified 10 specific strategies to achieve these three objectives. The sections that follow review each objective, its definition, and the specific strategies designed to achieve the objective. If the New Economy Initiative's theory of change is correct, successful outcomes in the 10 strategies will lead to successfully achieving the three objectives and, as a result, the New Economy Initiative will reach its long-term goal of regional prosperity.

I. TALENT

Objective:

Prepare, attract and retain skilled workers

Definition:

Maximize the human capital of the region to support and facilitate the transition to an innovation-based economy. Prepare all residents with skills so they can compete in the new global economy. Attract skilled people, including foreign-born skilled workers, to move here and encourage graduating college students to stay here. When applicable, invest in young adults who are likely to have a long-term contribution to the region's economic success.

Strategies:

1. Capitalize on workforce and educational programs so they are more effective in helping those already in the labor force succeed in the innovation-based economy in the city and region.
2. Expand broad and systemic opportunities for young residents of the region and city so they are able to access, persist, and succeed in postsecondary education programs.
3. Create and enhance residential and live/work places in the city and region that attract and retain young skilled workers and that connect them to opportunities.
4. Provide unique leadership opportunities in for-profit and nonprofit enterprises for a select group of talented young adults in the city and region and coordinate the networking of this group and other young leaders.

II. INNOVATION

Objective:

Encourage innovation and entrepreneurship in new and existing enterprises.

Definition:

Support entrepreneurship and innovation in all sectors of the economy and strengthen the systems that facilitate the success of innovative enterprises.

Strategies:

5. Improve technology transfer from university, health care, and corporate labs in city and region.
6. Train and retain promising young entrepreneurs and support the development of young leaders in for-profit and nonprofit enterprises in the city and region.
7. Support innovation within new and existing industry clusters in the city and region, and support the systems that foster innovation, such as business accelerator networks, minority business support centers, and coordination of capital sources.

III. CULTURE CHANGE²

Objective:

Change the region's culture regarding learning, work and innovation.

Definition:

Encourage and support a regional perspective that embraces positive change and a belief that the region's future can be enhanced by lifelong learning, innovation and entrepreneurship. Foster an understanding that the metro Detroit economy is regional and that it must prosper in the context of a global economy. Further, all components of the region must prosper for the region to prosper.

Strategies:

8. Educate the region regarding the nature of the global economy and how metro Detroit must compete to prosper within it.
9. Launch a social marketing campaign using old and new media to reach targeted publics on issues of regionalism, lifelong learning, innovation, job skills, and college attendance and completion. A key message should be: "Learning and skill development is fun, exciting and rewarding for people of all ages."
10. Engage in broad advocacy for policies that support the goal of the New Economy Initiative, including policies that affect **a)** innovation in new and existing enterprises, **b)** business attraction, **c)** education and workforce outcomes, and **d)** neighborhoods/communities that are welcoming to creative and diverse young people.

measuring success

Transforming the economy of southeast Michigan is a challenging task, and the New Economy Initiative is dedicated to tracking its success to ensure that its resources are allocated in the most strategic and effective manner. Thus, the New Economy Initiative has established a series of metrics, or success measures, that will be utilized during the life of the initiative to track the transformation of the

² The New Economy Initiative celebrates and values metro Detroit's rich cultural history that includes the diverse immigrant groups that settled and built this region. For the purposes of this initiative, the New Economy Initiative defines culture as a set of beliefs or values that determines behavior. For example, in metro Detroit, only a small portion of the population (relative to other regions) believes that a college degree, or other postsecondary certificate, is important to the economic success of young people and the region. It is this component of beliefs and values that the New Economy Initiative is focused on changing.

regional economy and to track changes in the areas of greatest interest to the initiative.

The New Economy Initiative will track metrics at four different levels. As discussed previously, the New Economy Initiative has established a long-term goal, three objectives and 10 specific strategies designed to achieve the objectives and the goal. Working with national experts on economic growth, the New Economy Initiative has established a series of metrics to track progress at each of these three levels: **Goal**, **Objectives** and **Strategies**.

The fourth level of metrics will be specific to each grant made by the New Economy Initiative. That is, each applicant will be asked to specify the expected outcomes for the proposed project and how the project's success can be measured. At the goal and objective levels, the metrics will provide an overview of the region's progress and facilitate comparisons with other metro areas.

Economies are complex organisms, and there are many factors that affect regional economic growth. The New Economy Initiative recognizes that there are many unknowns and many factors beyond its control. If the region's economy successfully and quickly navigates a course towards an innovation-based economy, and if economic prosperity returns to the region, the New Economy Initiative will not be able to prove that its efforts caused this outcome. Yet, the New Economy Initiative's strategies, as laid out above, have been devised using the leading economic research and theoretical work available. By tracking the success of the grants and strategies, the New Economy Initiative will be able to determine if it is having an impact and playing a helpful role in the regional transformation.

The metrics for the New Economy Initiative goal and three objectives are listed at right. The additional metrics for the 10 strategy areas are available on the New Economy Initiative Web site.

The New Economy Initiative provides regular reports to the community regarding the status of the various metrics, including a "dashboard" report on the key indicators of regional economic growth. These reports are available on the New Economy Initiative Web site.

METRICS

Goal: Accelerate the transition of metro Detroit to an innovation-based economy that expands opportunity for all.

Metrics: 1. Metro Detroit's rate of growth of per-capita income compared to the 20 MSAs with over 2.5 million residents.

2. Metro Detroit's rate of growth of per-capita income by race and ethnicity, compared to the 20 top MSAs.

Objectives:

I. Talent: Prepare, attract and retain skilled workers in southeast Michigan.

Metrics: 1. Rate of growth of the percentage of the population ages 25 to 34 with college degrees in metro Detroit, compared to top 20 MSAs.

2. Rate of growth of the percentage of the population ages 25 to 34 with college degrees by race and ethnicity in metro Detroit, compared to 20 top MSAs.

II. Innovation: Encourage innovation and entrepreneurship in new and existing enterprises in the region.

Metrics: 1. Rate of growth in the number and percentage of high-wage jobs in metro Detroit, compared to 20 top MSAs.

2. Rate of growth in the number and percentage of high-wage jobs by race and ethnicity in metro Detroit, compared to 20 top MSAs.

III. Culture Change: Change the region's culture regarding learning, work and innovation.

Metrics: 1. Percentage of the age 18-35 cohort that understands that their long-term economic success depends on the skills that make them competitive in the global economy.

2. Percentage of local residents that have confidence in the future of the region.

grantmaking

Potential applicants are encouraged to study the New Economy Initiative's strategic framework, as described in previous sections of this document. In particular, applicants are strongly encouraged to review the 10 New Economy Initiative strategies to determine if the applicant's proposed project fits well with one or more of these strategies and will directly influence the respective success measures (metrics). (A list of the metrics used by the New Economy Initiative to track progress in each of the 10 strategy areas is available on the New Economy Initiative Web site.) Successful applicants will be those who make a strong case that the proposed project will lead to outcomes that directly implement one or more of the 10 strategies and lead to positive progress on the measures the New Economy Initiative uses to track these strategies.

As discussed in previous sections of this document, the New Economy Initiative has developed these 10 strategies to achieve its three objectives. However, the New Economy Initiative is interested in any creative, innovative project that will help achieve the three objectives, even if the project does not influence one of the 10 strategies. The New Economy Initiative has identified the key strategies that it feels will achieve the objectives of the initiative, but is not limiting grants to activities in these 10 strategy areas. In sum, the New Economy Initiative is interested in hearing about any creative, innovative idea that will move the region forward and achieve the initiative's three objectives, as measured by their respective metrics. (See the previous page.)

grantmaking criteria

In reviewing grant applications, the New Economy Initiative will use the following criteria to determine the competitiveness of a grant application. Successful grant applications will not necessarily meet all of the criteria. Yet, each applicant should consider and respond to each of the following criteria.

The criteria used by the New Economy Initiative to determine the competitiveness of a grant application are:

1. **Transformational.** How does the proposed project have the potential to influence the long-term transformation of the regional economy?
2. **Impact.** How will the project produce measurable and/or observable results at the level of significance that can affect the metrics established by the New Economy Initiative to track its progress?
3. **Scalability.** To what extent do the outcomes of the proposed project have the potential to be "taken to scale" within the region, and thus have regional impact? How could this occur? Is the project replicable?
4. **Inclusiveness.** How will the proposed project produce positive outcomes for minorities, low-wealth individuals, and other underserved persons? How will the project measure the success of these efforts?
5. **Geography.** What will the geographic footprint of the project's impact be? Will the project have a broad regional impact? If not, how does the proposed activity fit within a vision of regional change?
6. **Leverage.** How will the proposed project attract substantial additional resources other than those requested from the New Economy Initiative?
7. **Sustainability.** If appropriate, is the project financially sustainable beyond the New Economy Initiative grant period? How will this sustainability occur?
8. **Southeast Michigan.** To what extent is the impact of the proposed project likely to have long-term implications for southeast Michigan? Is it possible that the project or its impact will leave southeast Michigan?
9. **New generation of leaders.** Will the proposed project help attract and/or retain young talented leaders to the region, and will it help build a network of young leaders? If so, how will this occur?
10. **Youth.** To what extent will your project focus on youth and young adults ages 14 to 39?
11. **Evaluation.** What do you expect to achieve with your New Economy Initiative grant? What measurable or observable outcomes will you track? How will you evaluate the success of your proposed project? How will your organization use program results to improve your own work through continuous learning and improvement?

12. **Publicizing your success.** How will you communicate to your constituency and the larger region the nature of the work you propose to undertake and the successes you will achieve? How will you explain that your work is part of a larger regional effort by the New Economy Initiative and others to transform the regional economy?
13. **Culture change.** How will your project help tell the story of the transformation of southeast Michigan through marketing, public relations, education and other activities?

frequently asked questions

What is the first step we should take once we decide to apply?

The New Economy Initiative strongly encourages potential applicants to call New Economy Initiative staff prior to submitting a grant proposal. Staff members are available to discuss your ideas and answer any questions you have about the initiative. Whether or not you decide to proceed with an application, the New Economy Initiative welcomes the opportunity to learn more from you about the issues, challenges and opportunities in southeast Michigan. The New Economy Initiative encourages potential applicants to share ideas for possible projects with staff at an early stage in the project's development. Project ideas can be discussed directly with staff or submitted via the New Economy Initiative Web site.

What is the purpose of the New Economy Initiative grants program?

New Economy Initiative grants support the efforts of nonprofit organizations, charities, and government agencies to transform the economy of southeast Michigan and return prosperity to the region. Grants are available for a variety of activities, but proposed activities must be focused on helping to achieve the goal of the New Economy Initiative and its objectives focused on talent, innovation and culture change.

What institutions are eligible to apply for New Economy Initiative grants?

Any 501(c)(3) public charity is eligible to apply, as well as any local governmental agency or unit. Regional consortia, public and/or private, are welcome to apply.

Can for-profit entities apply for a New Economy Initiative grant?

No. At this time, the New Economy Initiative does not anticipate making grants to or investments in for-profit entities.

Can a for-profit entity be part of a collaborative that is seeking funding?

Yes. The lead partner and applicant, however, must be a 501(c)(3) public charity.

Will grants be made to individual K-12 schools?

No. The New Economy Initiative recognizes the importance of education in the region's transition to an innovation-based economy, but the initiative is not focused on school reform issues, nor does it contemplate making grants for projects conducted by individual schools.

One of the New Economy Initiative's strategies (#2) is to "Expand broad and systemic opportunities for young residents of the region and city so they are able to access, persist, and succeed in postsecondary education programs." What do you mean by this?

The New Economy Initiative will consider making grants for projects that will have broad impact upon the systems that affect high-school graduation rates, college matriculation rates and college graduation rates.

The New Economy Initiative is not certain what can be done in metro Detroit to improve the rates noted above, but the initiative is open to innovative projects that might have an impact upon these important issues. To be competitive, a proposed project in this area will need to make a compelling case that it has the potential to have an impact on a large number of students.

When may applications be submitted?

An application for a New Economy Initiative grant may be submitted at any time. Grants will be awarded on a rolling basis. At present, the New Economy Initiative is scheduled to end in 2015. Grants will be awarded as long as funds are available.

What is the size of a New Economy Initiative grant?

The size of New Economy Initiative grants will range widely, but the initial grants generally will be between \$50,000 and \$1,000,000. As we gain experience, grants totaling \$5,000,000 or more may be considered for the most transformative initiatives. Smaller grants may be made from time to time to support the development of a project idea.

What do the New Economy Initiative grants support?

New Economy Initiative grants can be provided for any activities that help accelerate the transition of the region's economy. Successful applications must make a compelling case that the proposed project will have a direct impact on one or more of the three New Economy Initiative objectives and/or 10 New Economy Initiative strategies, as described above.

What do New Economy Initiative grants not support?

Grants are not likely to be awarded for construction or other capital projects, nor for endowments.

What is the time period of a New Economy Initiative grant?

Because the New Economy Initiative aspires to create long-term impact, New Economy Initiative grants may provide support for project for multiple years. Annual benchmarks will be established and tracked for all grants. One-year seed investments may also be made.

Are planning grants available?

The New Economy Initiative may make planning and technical assistance grants where the promise of implementation and impact is high.

Where must projects be located to qualify for a New Economy Initiative grant?

New Economy Initiative grants are limited to programs and other activities that occur in the seven counties of south-east Michigan, as defined by the Census Bureau's Detroit and Ann Arbor Metropolitan Statistical Areas (Wayne, Oakland, Macomb, St. Clair, Lapeer, Livingston, and Washtenaw counties).

Can a group of nonprofit organizations and government agencies apply for a New Economy Initiative grant?

Yes. If the New Economy Initiative awards a grant to a collaborative project, the lead organization is responsible for how the grant is used and for reporting to the New Economy Initiative at the end of the project.

What are the selection criteria?

New Economy Initiative grant criteria are listed on pages 6-7. Grants are awarded on a competitive basis, and organizations and agencies applying for grants must make a compelling case that the proposed project will result in outcomes that will have a tangible impact on the New Economy Initiative's goals and objectives (see pgs 3-4), as measured by the respective New Economy Initiative metrics (see pgs 4-5).

Can we apply for the entire cost of the proposed project?

Yes. However, the selection criteria emphasize the New Economy Initiative's interest in leveraging its resources. (See selection criteria.)

The New Economy Initiative is interested in leveraging state, federal and/or private monies to support activities focused on **Talent, Innovation** and **Culture Change**. The New Economy Initiative expects that many of its grants will

help leverage funds from other sources: the greater the match, the more competitive the proposal. The application information must include an indication of the status of other funding requests and commitments, including sources and amounts.

When are New Economy Initiative grants announced and when are they paid?

Applications for New Economy Initiative grants may be submitted at any time; grants will be awarded and announced on a rolling basis. Once grants are awarded, the actual payment of the grant may depend upon the grantee organization meeting certain conditions. Once the grantee meets those conditions, grants are paid within a few weeks.

If declined, can an organization or entity reapply?

Yes. If a request for a New Economy Initiative grant is declined, the applicant organization should consult with New Economy Initiative staff before an application is resubmitted.

Can an organization or entity receive more than one grant?

An important goal of the New Economy Initiative is to encourage the economic transformation of southeast Michigan in ways that allow everyone to participate. Thus, some consideration is given to the geographic spread of New Economy Initiative grants. There is no prohibition against a second grant for a project, although second grants are not common.

How do organizations and governmental agencies need to account for the grant funds they receive?

A final report is required for each New Economy Initiative grant, indicating how the grant was used and to what degree the original goals of the project were met. Each grantee will also be asked to establish and track progress towards specific measurable or observable goals on an annual basis and to meet periodically with New Economy Initiative staff to share their experience and learning and to

make mutually agreed mid-course corrections to achieve the outcomes. The New Economy Initiative will also invite each grantee to share their experience and learning with other grantees.

How are the grants paid?

Grants are paid directly to the eligible applicant organization.

How are the grant decisions made?

Applications for grants are reviewed and approved by the New Economy Initiative's Governing Council.

What is the New Economy Initiative Governing Council?

The New Economy Initiative is a collaborative of 10 national, regional and local foundations, which was initiated by the Community Foundation for Southeast Michigan. The work of the New Economy Initiative is governed by a 20-member Governing Council consisting of representatives of the 10 foundations that launched the New Economy Initiative, and 10 community leaders from metro Detroit. A list of the Governing Council members is available on the New Economy Initiative Web site.

What is the role of the Community Foundation for Southeast Michigan?

The New Economy Initiative is a project of the Community Foundation for Southeast Michigan (CFSEM), which provides an administrative home for the initiative. New Economy Initiative staff members are CFSEM employees and the CFSEM Board of Trustees exercises final legal and fiduciary responsibility for the initiative.

Please address questions or requests for additional information to:

New Economy Initiative for Southeast Michigan
333 West Fort Street, Suite 2010
Detroit, MI 48226-3134
(313) 887-6117
www.neweconomyinitiative.org

how to apply

To be successful, the New Economy Initiative must be transformational. The New Economy Initiative is working to recreate a high-prosperity economy with a rising standard of living for all residents of metro Detroit. Therefore, the New Economy Initiative encourages potential applicants to be creative and to “think big” when developing ideas for potential projects. What can your organization – either alone or in partnership with others – contribute to the transformation of the entire region? The New Economy Initiative is looking for innovative ideas that have the potential to move an entire region from the economic decline of the last several decades to a path of higher prosperity for all.

As a first step, the New Economy Initiative strongly encourages potential applicants to call staff prior to submitting a grant proposal. Staff members are available to discuss your ideas and answer any questions you have about the initiative. The New Economy Initiative encourages potential applicants to share ideas for possible projects with staff at an early stage in the project’s development. Project ideas can be discussed directly with staff or submitted via the New Economy Initiative Web site. The initiative may make small grants to support the development of a project idea.

application submission

When preparing an application for funding, please be sure to include the items listed below and a cover letter outlining the purpose of the proposed project, dollar amount requested, time limits of the proposed activity and length of time New Economy Initiative support is needed. The cover letter should be signed by the applicant organization’s CEO, or the application should include evidence of organizational approval of the request.

An application should include the following components:

ORGANIZATIONAL INFORMATION

- The name, address and telephone number of the applicant organization.
- A brief background of the applicant organization.

PROJECT DESCRIPTION

- The location of the proposed project.
- A description of the need for the proposed project.
- The basic objectives of the proposed project and its potential impact, including a description of persons or groups that will benefit.
- A detailed work plan, including the time needed to accomplish the project’s objectives.
- An indication as to whether the proposed activity is new, expanded or an ongoing part of the organization’s programming.
- The qualifications and experience of the organization and the project’s principal staff.
- A description of the expected outcome and impact of the proposed project with explicit reference to the one or more of the three objectives and/or 10 strategies of the New Economy Initiative and the respective metrics.

Explicit reference to each grantmaking criterion as listed above on pages 6-7.

FINANCIAL INFORMATION

- The dollar amount of grant support requested and the proposed time period for use of these funds.
- A detailed budget for the project, identifying the proposed use of the New Economy Initiative's grant funds and any additional support anticipated from other funders or the applicant.
- A description of the provisions for future project funding beyond the initial grant period, if appropriate.

SUPPORTING MATERIAL

- A cover letter signed by the applicant organization's CEO, outlining the purpose, background, dollar amount requested and time limits.
- A copy of the most recent Internal Revenue Service 501(c)(3) federal tax-exemption letter, if applicant is a nonprofit organization.
- A list of the current board of directors, trustees or governing board, with individual affiliations.
- The resumes of principal staff, if applicable.
- Information on the organization's commitment to diversity with regard to staff, board, constituents and program content.
- The organization's operating budget for the current fiscal year.
- A copy of the most recent certified financial audit.
- A copy of the most recent annual report, if available.

Please submit applications for New Economy Initiative grants to:

New Economy Initiative for Southeast Michigan
Attn: Grants
333 West Fort Street, Suite 2010
Detroit, MI 48226-3134

The New Economy Initiative is a project of the Community Foundation for Southeast Michigan, which has responsibility for the initiative. This document summarizes the manner by which the New Economy Initiative for Southeast Michigan is anticipated to operate. The Community Foundation reserves the right to make a final determination regarding any organization's eligibility and/or qualifications for program benefits, and to make allocations of program benefits as it may, in its sole discretion, deem appropriate. Grants are subject to the actual award documents as well as the written terms and conditions of the Community Foundation.

about the funders

The **Community Foundation for Southeast Michigan**, *Detroit*, is a permanent community endowment built by gifts from thousands of individuals and organizations committed to the future of southeast Michigan. Founded in 1984, the foundation works to improve the region's quality of life by supporting a wide variety of activities benefiting education, arts and culture, health, human services, community development and civic affairs. www.cfsem.org

The mission of the **Max M. and Marjorie S. Fisher Foundation**, *Southfield*, is to strengthen communities. The foundation acts from a philosophy grounded in the beliefs of our founders and our shared Jewish values that life's purpose is found in service to others, in creating opportunities for those who lack them, empowering individuals in self sufficiency, providing life-saving resources for those without them, and supporting human community in all its forms from families to coalitions, cities to nations. www.mmfisher.org

The **Ford Foundation**, *New York*, is an independent, nonprofit grant-making organization. For more than half a century it has been a resource for innovative people and institutions worldwide, guided by its goals of strengthening democratic values, reducing poverty and injustice, promoting international cooperation and advancing human achievement. With headquarters in New York, the foundation has offices in Africa, the Middle East, Asia, Latin America, and Russia. www.fordfound.org

The **Hudson-Webber Foundation**, *Detroit*, seeks to improve the vitality and quality of life of the metropolitan Detroit community. The Foundation concentrates its giving primarily within the city of Detroit and has a particular interest in the revitalization of the urban core. At present, the Foundation concentrates its efforts and resources in support of projects within five program missions: Detroit revitalization, safe community, the arts, economic development and the Detroit Medical Center. www.hudson-webber.org

The **W.K. Kellogg Foundation**, *Battle Creek*, was established in 1930 to "help people help themselves." Specifically, the organization supports children, families and communities as they strengthen and create conditions that propel vulnerable children to achieve success as individuals and as contributors to the larger community and society. Grants are concentrated in the United States, Latin America and the Caribbean, and the southern African countries of Botswana, Lesotho, Malawi, Mozambique, South Africa, Swaziland and Zimbabwe. www.wkcf.org

The **John S. and James L. Knight Foundation**, *Miami*, invests in journalism excellence worldwide and in the vitality of Detroit and 25 other U.S. communities. The foundation focuses on projects with the potential to create transformational change. www.knightfoundation.org

The **Kresge Foundation**, *Troy*, is a private foundation established by Sebastian S. Kresge in 1924 "for the promotion of human progress." In partnership with grantees, Kresge seeks to influence the quality of life for future generations by creating access and opportunity in underserved communities, supporting the revitalization of the Detroit metropolitan region, and advancing methods for mitigating and adapting to global climate change. Nine values drive the foundation's grantmaking decisions. www.kresge.org

The **McGregor Fund** is a private foundation established in 1925 by gifts from Katherine and Tracy McGregor "to relieve the misfortunes and promote the well-being of mankind." The foundation awards grants to organizations in the following areas: human services, education, health care, arts and culture, and public benefit. The area of principal interest of the foundation is the City of Detroit and Macomb, Oakland and Wayne counties. The McGregor Fund has granted nearly \$180 million since its founding and had assets of \$197 million as of June 30, 2007. Visit www.mcgregorfund.org for additional information.

The **Charles Stewart Mott Foundation**, established in 1926 in Flint, Michigan, by an automotive pioneer, is a private philanthropy committed to supporting projects that promote a just, equitable and sustainable society. It supports nonprofit programs throughout the U.S. and, on a limited geographic basis, internationally. Grantmaking is focused in four programs: Civil Society, Environment, Flint Area and Pathways Out of Poverty. Besides Flint, offices are located in suburban Detroit, Johannesburg (South Africa) and London. The Foundation, with year-end total assets of \$2.63 billion, made 545 grants totaling \$107.3 million in 2006. For more information, visit www.mott.org.

The **Skillman Foundation**, *Detroit*, is a private philanthropy committed to helping children in metropolitan Detroit by improving their homes, schools and neighborhoods. The goal of the Foundation's programs is to achieve significant results for kids. Skillman grantmaking primarily supports nonprofit organizations and agencies working in six Detroit neighborhoods – Southwest Detroit (Vernor & Chadsey-Condon), Brightmoor, Osborn, Central, and Cody-Rouge – and innovative, successful schools throughout the city of Detroit. www.skillman.org

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