

COMMUNITY FOUNDATION ENERGY INITIATIVE

Stretches Charitable Dollars

UNIQUE PARTNERSHIP NETS ENERGY SAVINGS

When the clock runs out September 30 on the first public-private partnership between the State of Michigan and community foundations, many of the state's charitable organizations will be more efficient as they enjoy annual energy savings currently projected at over \$700,000. That means their donors' dollars will go further and that more charitable programs can be financed with the dollars saved on heating, lighting and cooling.

Since 1987, the Community Foundation Energy Initiative has helped nonprofit organizations and low-income households become more energy-efficient. Fourteen participating community foundations have offered local nonprofits a selection of energy conservation grants, subsidized loans, education and technical assistance. Nonprofit organizations must own their own facilities, hold long-term leases, or assist low-income households in order to participate in the program.

More than \$6.8 million in public and private funds has been made available for the Energy Initiative. The State of Michigan contributed \$3 million of its \$71 million share of Exxon oil overcharge restitution funds. The 14 participating community foundations and others then raised more than \$3.8 million in additional matching funds from foundations, businesses, utilities, and other private donors throughout the state.

The Council of Michigan Foundations, an association of 272 grantmakers, has administered the project for the Michigan Public Service Commission and the 14 community foundation subgrantees. The W. K. Kellogg and Charles Stewart Mott Foundations, together with participating community foundations, helped underwrite the Council's administrative costs.

The Council also distributed \$364,000 in State Energy Initiative funds to nonprofit organizations in areas of the state without participating community foundations. These organizations — Interlochen Center for the Arts, the Mount Pleasant Public Schools, Ingham County and the brand-new Capital Region Community Foundation in Lansing — provided the required dollar-for-dollar State match.

While the State funds must be spent by September 30, 1990, the matching funds may be spent beyond September or placed in a permanent charitable endowment earmarked for energy conservation. Community foundations routinely manage such charitable endowments on behalf of their communities, as well as operate special projects, like the Energy Initiative, that benefit nonprofit organizations.

In view of the program's overall success, the Council last summer convened an advisory group to make recommendations for the future of the Energy Initiative. As part of the planning effort, the Ecology Center of Ann Arbor has created a statewide data base to track the energy savings resulting from the Initiative. It is hoped that some of the programs and services provided through the Energy Initiative can be continued after the close of the program.

A young AIDS patient and his sister enjoy the cheerful playroom at Detroit's Simon House family shelter, where heating costs dropped 70 percent after the Community Foundation Energy Initiative paid for insulation.

At A Glance:

The Community Foundation Energy Initiative

Who: The State of Michigan, 14 community foundations and the Council of Michigan Foundations.

What: The Community Foundation Energy Initiative, authorized by Michigan Public Act #218 of 1986.

When: From March, 1987 to September, 1990.

Where: Throughout the State of Michigan.

Why: To achieve energy savings for nonprofit organizations and low-income residents in the State of Michigan.

How: Through grants, loans, education, technical assistance and other financial incentives for energy conservation.

How Much: \$3 million in Exxon oil overcharge funds granted by the State. More than \$3.8 million in private matching funds raised by participating community foundations, the Council, and other nonprofits; and over \$390,000 in interest earned.

Results: Estimated annual energy savings currently projected at over \$700,000 for more than 260 nonprofit organizations statewide.

