

How to Win Grants and Secure Investment Databases

A guide to successful grant-seeking to fund Morningstar
Investment Research Center

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Compliments of Morningstar Library Services

Grant-seeking can often be an overwhelming experience. With so many types of grants, organizations offering them, varying application requirements, and vast amounts of information requested, grant writing can demand skills—and time—that some may feel they simply do not have.

But Morningstar can show you the way.

Seeking a grant does not have to be an overwhelming experience; it should be an exciting time that encourages creativity and fosters teamwork. It is a time when librarians and library administrators come together to present the best possible case for Morningstar Investment Research Center, financial literacy, and the benefits their library offers to the community.

And because Morningstar believes that information belongs in the hands of investors, we have developed this booklet, *How to Win Grants and Secure Investment Databases*. This guide is intended to help you win grants, acquire and sustain Morningstar Investment Research Center, and develop new investment-focused, technologically enabled, and comprehensively prepared financial literacy programs.

Grant-Seeking Best Practices

The most important and often overwhelming step in grant-seeking is getting started. Before you begin writing a grant request, take time to research and organize important information.

There are a lot of grant opportunities, but finding the right one relevant to Morningstar Investment Research Center will ensure the best possible chance of award.

Get Your Idea on Paper

Write down and organize your thoughts about your proposed use of Morningstar Investment Research Center and how it will benefit the community. Sometimes getting ideas down on paper can help illustrate goals more clearly and help identify grants most relevant to your objectives.

Know Your Deadlines

Not only do you need to know when the grant is due, but how long it will take you to compile information, speak to or seek out the right resources, coordinate approval and resources from your library administrators, and any other issues that could interfere with a timely grant proposal. Set deadlines, make others aware of them, and stick to your timeline to ensure the best chance of completion for your library grant.

Get the Facts

Aside from information and statistics about your community and the financial literacy program or service you wish to implement (See *Key Facts and Figures*), you will also need specific information about your library's budget. Know what information is needed and request it from administrators early

on to ensure that you don't miss a deadline and miss out on an opportunity to expand your library's services.

Fine-Tune and Submit

No one will know your idea better than you, so writing the grant is best left up to the creator. But once you have completed your request and compiled all of the required information, ask your colleagues and administrators to review it and make suggestions. Also, feel free to ask our Library Services Team to read the proposal and provide you with feedback.

Common Grant Sources

It is important to understand the different types of grants available—each one requiring different types of information, in different formats, by different deadlines.

Among the plethora of available grants, the most common include the following.

Corporate Grants

These are grant programs established by corporate entities and often coincide with their core values. Corporations often look for funding opportunities that will benefit both the receiving institution and the company itself—meaning grant request to companies may benefit from a strategic marketing perspective.

The best way to seek corporate grants is to look to your community. Identify corporations headquartered or stationed in your area and contact them to request information on community affairs programs and grants. It also helps if you are able to meet with a representative in person. Additionally, look to organizations closely aligned with financial services and investment education to better your award chances.

Government Grants

Grant programs sponsored or coordinated through government agencies are less interested in the marketing perspective. For the most part, these grant programs are more interested in tangible and measurable information that addresses very specific requirements. Government grants are often fairly complex and can require some patience, but once approved can often open the door to additional or ongoing funding opportunities.

Contact your local library agency to learn more about grants in your area and the Library Services and Technology Act. These agencies administer local grants resulting from LSTA and determine eligibility and application requirements.

To view a list of library agencies, visit <http://www.ims.gov/programs/libraries.shtm>.

Non-Profit and Association Grants

Non-profit organizations (i.e. foundations and associations) can also prove to be an excellent source of funding for library programs. These types of grants are often highly publicized and sometimes tied or interrelated to major corporate entities or partnered among multiple organizations. Non-profit and association grants are generally the most competitive grant programs as they seek to attract large quantities of applicants; however, don't let this discourage you if you find a grant program closely aligned with to your request.

Many non-profits and associations often publicize their grant programs. Look for these promotions and also research organizations to which you or your library belongs.

Other sources of funding include: state and regional library associations, family or company initiated foundations, and chambers of commerce.

Key Facts and Figures

To uncover more information about the United States population and characteristics of Americans, consider visiting:

United States Census Bureau
<http://www.census.gov>

Central Intelligence Agency
<http://www.cia.gov>

For additional Morningstar statistics, please contact:

Morningstar Library Services
libraryservices@morningstar.com
+ 1 866 215-2509

In a grant application, it is likely that you will need to provide evidence of 501(c)3 status, as well as include some information about your community, statistics regarding Morningstar Investment Research Center, and national trends in retirement, financial literacy, and investment information.

Current Morningstar Investment Research Center clients can log on to the Client Site to view online database usage reports, which are regularly audited and COUNTER¹ compliant. Clients may also wish to note this compliance when discussing the quality of information and statistics provided in the grant request.

To help expedite your grant request, we have included here some key statistics of the United States and Morningstar.com Premium Member base to help you build a case for Morningstar Investment Research Center and additional financial literacy programs.

Why are we telling you all this? Because Morningstar.com Premium Members are much like Morningstar Investment Research users. And this data—presented with information from authoritative government agencies—may help you illustrate your libraries needs, financial literacy benefits, and the results of using Morningstar Investment Research Center

- ▶ The median age of Americans is nearly 38 years old².
- ▶ The average age of Morningstar.com premium members is 52 years old.
- ▶ There are nearly 120 million Americans at or within 20 years³ of retirement age.
- ▶ 30% of Morningstar.com premium members are retired.
- ▶ The per-capita GDP of the United States is about \$46,000⁴.
- ▶ The average income of Morningstar.com premium members is \$171,000.
- ▶ There are over 220 million Americans (18+)⁵ who may make their own investment decisions.
- ▶ 87% of Morningstar.com premium members feel qualified to make their own investment decisions.
- ▶ There are 208 million Internet users in the United States⁶.
- ▶ About one in seven Americans is at retirement age (65+)⁷.
- ▶ 99% of the total U.S. population (15+) can read and write⁸.
- ▶ 54% of Morningstar.com premium members have graduate degrees.

¹ Launched in March 2002, COUNTER (Counting Online Usage of Networked Electronic Resources) is an international initiative serving librarians, publishers and intermediaries by setting standards that facilitate the recording and reporting of online usage statistics in a consistent, credible and compatible way.

² CIA World Factbook (2008)

³ Estimates of the Population by Selected Age Groups for the United States, States, and Puerto Rico: July 1, 2007 (SC-EST2007-01)

⁴ CIA World Factbook (2007)

⁵ Estimates of the Population by Selected Age Groups for the United States, States, and Puerto Rico: July 1, 2007 (SC-EST2007-01)

⁶ CIA World Factbook (2006)

⁷ Estimates of the Population by Selected Age Groups for the United States, States, and Puerto Rico: July 1, 2007 (SC-EST2007-01)

⁸ CIA World Factbook (2003)

Cut and Paste: Morningstar Investment Research Center Grant Application

To help expedite your grant-writing process and make the most of your time, the following section includes summaries and excerpts relating to Morningstar Investment Research Center and financial literacy. Please feel free to use verbatim this content in your grant application or just take a few lines to help build your case—it's up to you. However, please be sure to quote or reference content or quotes that have originated outside of Morningstar.

Morningstar Investment Research Center

Option 1

Morningstar® Investment Research Center offers public, corporate, and academic libraries a real-time turnkey solution for investment research. Patrons have access to many popular Premium features of Morningstar.com®, including research and independent opinions on thousands of mutual funds, stocks, and exchange-traded funds. Institutions nationwide use Investment Research Center, which Morningstar specifically designed to fit the needs of library patrons and reference librarians.

Option 2

Morningstar Investment Research Center is among the most comprehensive stock databases available. It includes financial data on more than 7,500 stocks—all companies traded on the New York Stock Exchange, the American Stock Exchange, and Nasdaq. Morningstar analysts issue in-depth research reports on 2,000 companies.

Morningstar

Morningstar, Inc. is a leading provider of independent investment research in North America, Europe, Australia, and Asia. Its mission is to create great products that help investors reach their financial goals. Morningstar offers an extensive line of Internet, software, and print-based products for individual investors, professional financial advisors, and institutional clients. Morningstar is a trusted source for insightful information on stocks, mutual funds, variable annuities, closed-end funds, exchange-traded funds, hedge funds, separate accounts, and 529 college savings plans. With operations in 18 countries, Morningstar provides data on more than 270,000 investment offerings worldwide.

Financial Literacy⁹ Information from the U.S. Department of Treasury

Implications of Financial Literacy

Today's increasingly complex financial-services market offers consumers a vast array of products, services, and providers to choose from to meet their financial needs. While this degree of choice provides consumers with a great number of options, it also requires that they be equipped with the information, knowledge, and skills to evaluate their options and identify those that best suit their needs and circumstances. This is especially the case for populations that have traditionally been underserved by our financial system. Financial education also is essential to help consumers understand how to prevent becoming

⁹U.S. Department of the Treasury ; Office of Domestic Finance, Financial Literacy and Education Commission, The National Strategy for Financial Literacy, 2006.

For more information from the U.S. Department of Treasury, visit: <http://www.treas.gov>

involved in transactions that are financially destructive, how to avoid becoming victims of fraud, and how to exercise their consumer protection rights.

Financial literacy can empower consumers to become better shoppers, allowing them to obtain goods and services at lower cost. This optimizes their household budgets, providing more opportunity to consume and save or invest. In addition, comprehensive education can help provide individuals with the financial knowledge necessary to create household budgets, initiate savings plans, manage debt, and make strategic investment decisions for their retirement or their children's education. Having these basic financial-planning skills can help families meet their near-term obligations and maximize their longer-term financial well being.

National Savings Trends

While many reasons account for the United States' current personal saving situation, it is clear that, for many Americans, this is a complex issue that requires deep understanding of individual situations and decision-making. For some, the challenge is about the value of personal saving early in life. For others, it requires careful planning. And for still others, it demands a better understanding of the skills and mechanisms needed to save. Moreover, it is important that Americans have the information, knowledge, and skills to identify their saving goals (e.g., saving for future education expenses, a down payment on a home, retirement) and then select the instruments and products they can use to help them attain those goals. With

increased education on the benefits of saving, Americans can achieve a greater understanding of the importance and benefits of saving, as well as the strategies that support systematic saving and wealth accumulation.

Financial Literacy in Rural America

Rural Americans face many of the same challenges as those in non-rural areas, such as excessive credit card debt, poor financial planning, lack of savings for retirement and absence of skills for navigating a complex financial marketplace. Unfortunately, due to distance and lack of services (including educational opportunities), rural residents may not have the same resources as those living in urban places.

The Library Services and Technology Act

State and Territory Allotment

To view your state's allotment, visit:
<http://www.ims.gov/programs/allotments.shtm>

State and Territory 5-Year Plans

To view your state's five-year plan, visit:
<http://www.ims.gov/programs/5yearplans.shtm>

State and Territory Agencies

To view a list of state and territory agencies as well as contact information of chief officers, visit:
<http://www.ims.gov/programs/libraries.shtm>

State and Territory Programs

To view state and territory-level funding programs, visit:
<http://www.ims.gov/programs/bystate.shtm>

Sample Grant Applications

To view sample grant applications submitted to IMLS, visit:
<http://www.ims.gov/applicants/sample.shtm>

To view additional sample grant applications, visit your local state's or territory's library agency Web site.

The Library Services and Technology Act is a federal grant program for libraries authorized under public law on Sept. 25, 2003. The program is administered by the Institute of Museum and Library Services.

Though the program is operated at the state level—each with varying requirements and channels for funding—LSTA focuses on expanding information access through technology and information development, focuses on public libraries, and encourages interlibrary cooperation and partnership. Funding requirements place great emphasis on evaluation and accountability.

If you are a current Morningstar Investment Research Center client, you can view COUNTER compliant reports on the Client Site and utilize them to establish a means for evaluation as well as a recognized criteria of accountability.

Funding is provided to each state's and territory's library agency and is then dispersed according to state-level funding requirements and statewide initiatives. Allotment is determined by population to support an IMLS-approved five-year plan.

Each state and territory is required to submit to IMLS a five-year plan that supports Library Services and Technology Act goals, which established these requirements:

- ▶ Expand services for learning and access to information and educational resources in a variety of formats, in all types of libraries, for individuals of all ages;

- ▶ Develop library services that provide all users access to information through local, state, regional, national, and international electronic networks;
- ▶ Provide electronic and other linkages between and among all types of libraries;
- ▶ Develop public and private partnerships with other agencies and community-based organizations;
- ▶ Target library services to individuals of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and;
- ▶ Target library and information services to persons having difficulty using a library and to underserved urban and rural communities, including children from families with incomes below the poverty line.

Each state or territory agency may have varying requirements for funding or support specialized or localized initiatives addressing their own five-year plan. These individual plans establish separate funding channels and additional requirements for grant-seekers wishing to utilize grants resulting from the Library Services and Technology Act. For more information about how your state or territory utilizes funds, contact the chief officer of your local agency.

State and territory library agencies will often house online resources for their own Library Services and Technology Act funded grant programs. Visit your local agency's Web site to determine which grant is right for you and exactly what information is required. You can often find samples on agency Web sites of previously submitted grant requests. Review these to get a feel for tone, format, depth of research, and parameters of proposed programs or services.

Library Association and Partner Programs

Library associations and their corporate, government, and non-governmental partners offer a wide array of grant programs for libraries. Like the library communities they serve, the grants range in focus from technology upgrade initiatives and physical library development to children's reading programs and community learning campaigns.

Investment education and financial literacy are one particularly strong focus and a growing trend among grantors and grantees alike. While the nature of the grant often depends on the partner, several financial services companies and regulating entities are involved in community development.

In fact, numerous current Morningstar Investment Research Center clients have been awarded grants by library associations and their partners as well as government agencies and programs as we described in the Library Services and Technology Act section of this guide. Some of them have even received funds to support their Morningstar Investment Research Center subscription.

The grants can range from as little as \$5,000 to more than \$100,000 and are offered to all types of libraries across the country. Awards can be one time only or ongoing depending on the program and the merit of the application.

Some of these grants are invitation-only opportunities; however, several of them are open to all library-relevant applicants or members. Check with your state, regional, and national associations to see if they extend grant opportunities or maintain grant partnership programs.

It is important to understand what these associations and their partners are looking for in grant applicants. To strengthen your application and better your chances of receiving an award:

1. Research the organization, the partner, and past award recipients to identify any common denominators.
2. Make sure to follow the application instructions explicitly. You don't want your application to be dismissed over a minor technicality.
3. Utilize your network. Reach out to other librarians and libraries via formal events or informal blogs and forums to find out how others successfully obtained library grants. You may even find yourself rubbing elbows with your prospective grantor's key decision-makers.

Government and Non-Governmental Partner Grants

If your association is partnered with a government or non-governmental organization, the volume of funds available may be significant. But the program requirements and grant application process are typically much more complex and subsequently more time consuming than a smaller association-only sponsored program.

These programs may also be tailored specifically to topics such as financial literacy and investor education. In that case, you will likely need to develop a strong case using program metrics (the effect of your proposed program in concrete terms) and population statistics representing your

community base. See the “Key Facts and Figures” and “Cut and Paste” sections of this guide for information about national financial literacy trends, valuable statistics, and talking points for these types of grant applications.

The trick is to stick to the facts and illustrate how the money you are requesting will be utilized to service your library population. These grants will often request some sort of measurement of success, and grant administrators will expect that you deliver these metrics regularly. There may also be restrictions on how you can promote your program, and it will be necessary to identify your plans early on in the application process.

Corporate Partner Grants

These grants often offer more significant funding opportunities than association-only sponsored programs, but your grant application may need to appeal more to a particular company’s community relations and marketing initiatives.

For example, if an association is partnered with a discount retailer, it may be looking for funding opportunities that will both enrich the community as well as promote its brand to a specific target audience.

In this case, you will want to highlight the ways in which your program will accomplish both: promote the corporate brand and enrich the community. How will your financial literacy program affect the community and how do you plan to promote it? Like government and non-governmental partnerships, these programs will want to see exactly how you

intend to promote your newly acquired resources and services. Try to find out what they are looking for before you submit your grant application. And, most importantly, find out who their customers, or prospective customers, are and make sure that demographic is addressed in your proposal.

Association-Only Grants

There are many associations serving a vast array of libraries—each one offering unique programs for their library communities. You may not be eligible for every grant that comes along and many associations may not even offer program funding, but one thing is for sure: You will never know unless you ask.

Regardless of the grant program you are seeking, the key to grant success will always stem from good research. Do your homework and stay organized. The time you spend preparing to write your application and getting to know the granting organization will be rewarded with a more relevant and likely fruitful grant application.

Don’t be afraid to step forward and utilize your library’s connections. It’s like searching for a job—employers don’t go knocking down doors offering lavish careers. Don’t expect grantors to knock at your door either. Set goals, utilize your network, and never be afraid to ask for what your library needs.

To find out more about library association and partner grants, contact your state, regional, or national library association.

Putting your Grant to Work

You've sent out your grant(s) and—great news—you have been awarded funds to start your program or service. Now what? It might be a good idea to take that first document you created (the one with your initial ideas for a new program or service) and turn it into a description for fellow librarians and administrators.

You will want to determine the appropriate course of action based on your library's set policies and procedures, but it sure doesn't hurt to keep people informed of your proposed ideas. Consider giving it a marketing spin and illustrate just how well you think the new program or service is going to address a particular issue, grow library services, and engage the community.

If your program is related to Morningstar Investment Research Center, visit the Client Site to download eye-catching marketing collateral, booklets, and articles. And check the COUNTER complaint tracker frequently to see how well your marketing is reaching the masses.

Once you have worked through implementation planning with your library's administrators and discussed the new program or services with librarians, you are well on your way to realizing your dream.

To promote your new program, you might consider:

- ▶ Hosting an open house
- ▶ Attending or organizing a community event
- ▶ Creating specialized marketing collateral
- ▶ Submitting a press release to newspapers, radio, and public access stations
- ▶ Attending speaking engagements
- ▶ Engaging patrons in or participating in blogs
- ▶ Posting information on Web sites and bulletin boards
- ▶ E-mailing patrons, community leaders, and local organizations
- ▶ Presenting to schools, local businesses, clubs, and chambers of commerce

We hope you find this information useful when seeking grants to develop library programs and services—particularly relating to financial literacy. As an investment research company, we believe that information is the lifeblood of informed decision-making and wish you the best success in educating your community.

Please do not hesitate to contact us with any comments or suggestions for how we may improve our services or develop resources to foster an environment of enriching financial literacy.

As always, we would love to answer any of your questions about Morningstar Investment Research Center and how it can help keep information where it belongs—in the hands of investors.

Please share your success stories with us (we are confident you will have many) and continue to provide outstanding library services to your community.

Sincerely,

A handwritten signature in black ink that reads "Susan Dziubinski". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Susan Dziubinski
Director of Library Services
Morningstar



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Chicago
Illinois 60606

Morningstar® Investment Research Center offers public, corporate, and academic libraries a real-time turnkey solution for investment research. Patrons have access to many popular Premium features of Morningstar.com®, including research and independent opinions on thousands of mutual funds, stocks, and exchange-traded funds. Institutions nationwide use Investment Research Center, which Morningstar specifically designed to fit the needs of library patrons and reference librarians.

For more information about Morningstar Investment Research Center and our other library products, please contact Morningstar Library Services.

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E-mail: libraryservices@morningstar.com