

ABCUSA MATTHEW 25 GRANT APPLICATION

A generous donor has given a sum of money through American Baptist Churches USA to be used for programs that address "housing, feeding, education and health with regard to the less fortunate." The donor's primary concern is to help ameliorate poverty. ABCUSA will distribute grants of up to \$5,000 semi-annually as long as the generosity of this donor continues. A panel will select recipients largely based on the degree to which the funds will be used to directly assist persons in poverty. Ministries must be in relationship with American Baptist Churches USA to be eligible to apply.

1. General Information:

Organization Name: Bacone College

Affiliation with ABCUSA: ABC related college

Address: 2299 Old Bacone Road Muskogee, OK 74403

Phone: 918-781-7221

Federal Tax ID#: 73-0590036

Contact person: Melissa Foutch

email: foutchm@bacone.edu

2. Please submit with your application a copy of:

- Your mission statement
- Your most recent annual report or audited financial statement

3. How do you plan to use the requested funds? How will the funds specifically assist individuals battling poverty and its effects? (Please submit on separate sheet. Maximum of one page.)

4. Total cost of the project: The cost of tuition for one semester is \$5,455.00, with approximately 95% of our students receiving an institutional scholarship.

5. Amount being requested from the ABCUSA Matthew 25 Grant: \$5,000.00

6. Your other funding source(s): individuals, alumni, ABC churches, National Society Daughters of the American Revolution, Foundations, and other faithful mission partners

I certify that all the information submitted with this application is true and correct, and that we will use any granted funds as described. We will supply a 1-page report on the use of the funds and a photo within six months of receipt of the grant.

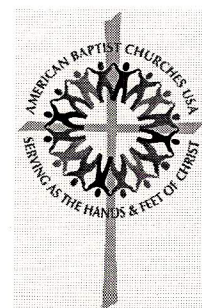
(Signed) _____ Date: February 25, 2013

Printed Name/Title: Rev. Dr. Robert J. Duncan, Jr. President

Please note:

- Incomplete applications will not be considered.
- Recipients agree to share their stories via the ABCUSA website.
- Application deadline is March 1 for grants distributed on April 15; Sept. 1 for grants distributed on Oct. 15
- Completed applications should be sent to:

Mission Resource Development
American Baptist Churches USA
P.O. Box 851
Valley Forge, PA 19482-0851





BACONE
COLLEGE

Value and Opportunity
Since 1880

February 25, 2013

Ms. Beth Fogg
Mission Resource Department
American Baptist Churches USA
P.O. Box 851
Valley Forge, PA 19482-0851

Dear Ms. Fogg,

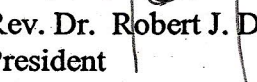
Bacone College is pleased to submit this request for your review. We look forward to establishing a partnership in *Current Dollars for Current Scholars* Campaign and the newly created ABCUSA Matthew 25 Grant.

Our proposal requests \$5,000.00, which will enable us to provide scholarship assistance for American Indian students through the *Current Dollars for Current Scholars* Campaign. Funding from The ABCUSA Matthew 25 Grant will support Bacone College low-income students who demonstrate a strong intellectual curiosity; a commitment to diversity while adhering to tradition and heritage; and a strong desire to achieve a college education. Because the college has limited resources, our greatest challenge is to grant additional financial aid to qualified students.

I would like to thank The American Baptist Churches, USA for the generous support of Bacone College in the past. We envision building upon our collaborative success by continuing our *Current Dollars for Current Scholars* Campaign with you. Many students would not have been able to afford the cost of a college education without your faithfulness to this institution.

The addition of ABCUSA Matthew 25 Grant funding in the amount of \$5,000.00 for student scholarships through the *Current Dollars for Current Scholars* Campaign will assist students in achieving their educational goals. It is my hope and prayer that the ABCUSA Matthew 25 Grant will fund this campaign. The American Baptist Churches, USA has been a wonderful supporter of our mission of serving students, and I look forward to continuing to build the relationship through this and future endeavors.

Respectfully submitted,


Rev. Dr. Robert J. Duncan, Jr.
President
Professor of Religion

Rec'd 3/4/13

GRANT PROPOSAL

**ABCUSA Matthew 25 Grant
Mission Resource Department
American Baptist Churches USA
P.O. Box 851
Valley Forge, Pennsylvania 19482-0851**

Date:

February 25, 2013

Legal Name and Address:

Bacone College
2299 Old Bacone Road
Muskogee, OK 74403

Telephone Number:

1-918-781-7221

President:

Rev. Dr. Robert J. Duncan, Jr.
Professor of Religion

Contact Person:

Melissa Foutch
Assistant Vice President Institutional Advancement

Grant Request:

\$5,000.00

Purpose of Grant:

Bacone College will use the ABCUSA Matthew 25 grant to provide funds for scholarship assistance toward the *Current Dollars for Current Scholars* Campaign.

Is this organization an IRS 501(c)(3) not-for-profit?

Yes

Description of the Organization:

Founded in 1880, Bacone College, the only 4-year residential college in Muskogee is an independent liberal arts college affiliated with the American Baptist Churches, USA maintaining its commitment to serving American Indians within a culturally diverse community. The college, through its baccalaureate and associate degree programs, challenges students to develop intellectual and social skills, spiritual values and healthy lifestyle by providing quality education in a nurturing Christian environment.

Bacone is the oldest continuing institution of higher education in Oklahoma.

Bacone College is chartered under the laws of the State of Oklahoma and accredited by the North Central Association of College and Schools (NCA). A Board of Trustees that consists of representations from American Indians, American Baptists, and from professional, business, and community leaders of Oklahoma governs Bacone.

Description of General Support:

The majority of the students at Bacone College are first generation College students with high financial needs. Many of our American Indian students come from poor rural areas, high unemployment, and overcrowded housing conditions. These students are at risk and are more prone to drop out of college. The educators and administrators of Bacone College face a significant challenge to retain American Indian students. The *Current Dollars for Current Scholars* Campaign is our answer to this challenge.

Alleviating the burden of students and their families to find the necessary funds for college and to enable them to fully concentrate on their education has been a tenant of Bacone College since its inception in 1880. The Office of Financial Aid is dedicated to assisting all students in finding the financial means necessary for the attainment of their educational goals.

Every year 90% of Bacone College students receive over \$6 million in assistance to attend the College. Historically, Bacone has been able to raise at least \$1 million to cover these scholarship costs through annual support, corporation and foundation grants as well as private donors.

With current tuition rates at \$5,455/Semester, scholarship funding from The ABCUSA Matthew 25 Grant will go towards the *Current Dollars for Current Scholars* Campaign which will provide students with much needed support.

Expenditure Budget for General Support:

Bacone College is requesting \$5,000.00 in order to provide student scholarship assistance through the *Current Dollars for Current Scholars* Campaign.



District Director

Internal Revenue Service

Date:

In reply, refer to

JUN 27 1973

LA:EO:GN:309

DAL(OKC)EO:73-152

► Bacone College
Box 8
Bacone, Oklahoma 74420
Huskogee, OK 74401

Gentlemen:

73 - 059 0036

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 170(b)(1)(A)(ii) and 509(a)(1).

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes under sections 2055, 2105, and 2522 of the Code.

If your purposes, character, or method of operation is changed, you must let us know so we can consider the effect of the change on your exempt status. Also, you must inform us of all changes in your name or address.

If your gross receipts each year are normally more than \$5,000, you are required to file Form 990, Return of Organization Exempt From Income Tax, by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, for failure to file a return on time.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Please keep this determination letter in your permanent records.

Sincerely yours,

W. T. Cope

District Director

BACONE COLLEGE, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

July 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	\$ 155,205	\$ 369,223
Student accounts receivable, (less allowance of \$507,381 and \$1,156,626, respectively)	341,470	400,396
Accounts receivable other	259,856	30,272
Inventories	341,245	442,652
Prepaid expenses	107,822	85,626
Investments	6,737,991	7,864,452
Land	3,446,188	3,446,188
Buildings, improvements and equipment, net	12,897,809	12,491,430
Total assets	<u>\$ 24,287,586</u>	<u>\$ 25,130,239</u>
Liabilities and Net Assets		
Accounts payable	\$ 1,011,237	\$ 981,618
Student activity payables	67,177	90,842
Accrued liabilities	579,106	546,595
Lines of credit	2,931,572	2,893,539
Notes payable	2,011,691	2,411,130
Total liabilities	<u>6,600,783</u>	<u>6,923,724</u>
Net assets:		
Unrestricted	8,069,741	8,334,549
Temporarily restricted	2,359,919	2,609,235
Permanently restricted	7,257,143	7,262,731
Total net assets	<u>17,686,803</u>	<u>18,206,515</u>
Total liabilities and net assets	<u>\$ 24,287,586</u>	<u>\$ 25,130,239</u>

BACONE COLLEGE, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended July 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, Gains and Other Support				
Tuition and fees	\$ 13,330,181	\$ -	\$ -	\$ 13,330,181
Room, board and other auxillary services	3,618,688	-	-	3,618,688
Less: student aid	(4,885,229)	-	-	(4,885,229)
Net tuition, fees, and auxillary services	12,063,640	-	-	12,063,640
Contributions	863,347	770,893	94,412	1,728,652
Federal and state grants	178,725	-	-	178,725
Endowment income	177,293	638,012	-	815,305
Other income	386,896	31,509	-	418,405
Net realized and unrealized gains on investments	150,781	881	-	151,662
Total revenues, gains and other support	13,820,682	1,441,295	94,412	15,356,389
Change in donor restriction	-	100,000	(100,000)	-
Net assets released from restrictions: Satisfaction of program restrictions	1,790,611	(1,790,611)	-	-
Total revenues, gains, and other support	15,611,293	(249,316)	(5,588)	15,356,389
Expenses and Losses				
Education and general:				
Instruction	6,386,267	-	-	6,386,267
Academic support	475,609	-	-	475,609
Student services:				
Student service administration	2,127,065	-	-	2,127,065
Financial aid administration	332,421	-	-	332,421
Institutional support	3,977,243	-	-	3,977,243
Auxiliary enterprises expenses	2,577,496	-	-	2,577,496
Total expenses	15,876,101	-	-	15,876,101
Change in net assets	(264,808)	(249,316)	(5,588)	(519,712)
Net assets, beginning of year	8,334,549	2,609,235	7,262,731	18,206,515
Net assets, end of year	\$ 8,069,741	\$ 2,359,919	\$ 7,257,143	\$ 17,686,803

See notes to consolidated financial statements.

BACONE COLLEGE, INC.

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended July 31, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, Gains and Other Support				
Tuition and fees	\$ 12,613,221	\$ -	\$ -	\$ 12,613,221
Room, board and other auxillary services	3,267,134	-	-	3,267,134
Less: Student aid	(4,852,428)	-	-	(4,852,428)
Net tuition, fees, and auxillary services	11,027,927	-	-	11,027,927
Contributions	3,613,566	188,275	24,181	3,826,022
Federal and state grants	315,467	-	-	315,467
Endowment income	65,603	689,300	-	754,903
Other income	520,912	19,257	-	540,169
Net unrealized gain on investments	424,349	6,611	-	430,960
Total revenues, gains and other support	15,967,824	903,443	24,181	16,895,448
Net assets released from restrictions:				
Satisfaction of program restrictions	774,718	(774,718)	-	-
Total revenues, gains, and other support	16,742,542	128,725	24,181	16,895,448
Expenses and Losses				
Education and general:				
Instruction	6,306,036	-	-	6,306,036
Academic support	624,682	-	-	624,682
Student services:				
Student service administration	2,305,173	-	-	2,305,173
Financial aid administration	381,597	-	-	381,597
Institutional support	3,742,576	-	-	3,742,576
Auxiliary enterprises expenses	2,033,511	-	-	2,033,511
Total expenses	15,393,575	-	-	15,393,575
Change in net assets	1,348,967	128,725	24,181	1,501,873
Net assets, beginning of year	6,985,582	2,480,510	7,238,550	16,704,642
Net assets, end of year	\$ 8,334,549	\$ 2,609,235	\$ 7,262,731	\$ 18,206,515

See notes to consolidated financial statements.

BACONE COLLEGE, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended July 31, 2012 and 2011

	2012	2011
Cash Flows from Operating Activities		
Change in net assets	\$ (519,712)	\$ 1,501,873
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	801,948	707,747
Net unrealized gain on long-term investments	(151,662)	(430,960)
Contributions restricted for long-term investments	(607,136)	(24,181)
Change in operating assets and liabilities:		
Student accounts receivable	58,926	(60,143)
Accounts receivable other	(229,584)	(30,272)
Inventories	101,407	(47,311)
Prepaid expenses	(22,196)	(3,907)
Accounts payable	29,619	520,149
Student activity payables	(23,665)	(36,430)
Accrued liabilities	32,511	213,461
Net cash provided by (used in) operating activities	(529,544)	2,310,026
Cash Flows from Investing Activities		
Purchases of investments	(1,082,278)	(4,782,098)
Proceeds from sale of investments	2,360,401	1,820,827
Payments for the purchase of property	(1,236,743)	(1,391,354)
Proceeds from sale of property	28,416	-
Net cash provided by (used in) investing activities	69,796	(4,352,625)
Cash Flows from Financing Activities		
Proceeds from contributions restricted for long-term investment	607,136	24,181
Net change in lines of credit	38,033	923,322
Proceeds from issuance of notes payable	154,871	836,924
Principal payments on notes payable	(554,310)	(449,138)
Net cash provided by financing activities	245,730	1,335,289
Net decrease in cash and cash equivalents	(214,018)	(707,310)
Cash and cash equivalents, beginning of year	369,223	1,076,533
Cash and cash equivalents, end of year	\$ 155,205	\$ 369,223
Supplemental Cash Flow Disclosures		
Cash paid for interest	\$ 190,833	\$ 161,777

See notes to consolidated financial statements.