2018 ANNUAL REPORT

MISSION AND FOCUS

The mission of the Virginia Environmental Endowment (VEE) is to improve the quality of the environment by using its capital, expertise and resources to encourage all sectors to work together to prevent pollution, conserve natural resources, and promote environmental literacy.

The Endowment's strategic planning priorities include the improvement of local rivers and the protection of water quality, the restoration of the Chesapeake Bay, innovative land conservation and sustainable land use practices, and environmental literacy and public awareness. Emerging issues of concern presently include coastal climate adaptation, efforts to mitigate invasive species, and water supply planning and implementation.

Although accorded a national scope by its charter, the Endowment currently limits awards to eligible organizations or institutions or governmental agencies for programs conducted in the state of Virginia and in the Kanawha and Ohio River Valleys of Kentucky and West Virginia.

HISTORY

The Virginia Environmental Endowment, a nonprofit, independent grant-making foundation, came about in a unique way: by court order. In February 1977, in the United States District Court for the Eastern District of Virginia, Allied Chemical Corporation was fined \$13.2 million for polluting the James River with the insecticide Kepone. With the approval of Judge Robert R. Merhige Jr., a portion of this fine (\$8 million) was paid by Allied to fund the creation of the Virginia Environmental Endowment for the purpose of improving the quality of Virginia's environment.

Between 1981 and 1991, VEE received another \$1.4 million in court settlements paid by the FMC Corporation, Bethlehem Steel Corporation, Wheeling-Pittsburgh Steel Corporation, IR International, Inc., and Hauni Richmond, Inc. The FMC funds expanded the Endowment's work in Virginia and beyond into the Kanawha River and Ohio River Valleys.

In 2017, VEE was one of several organizations to receive funds under a mitigation agreement governing electric utility line construction. Dominion Energy provided \$15.595 million to VEE for grants to improve the water quality of the James River and its tributaries in Virginia. The funds are to be spent over the next 10 years.

The Endowment has worked collaboratively for more than four decades as a leader and convener, improving environmental quality, advancing environmental literacy, and partnering to establish land trusts, conservation networks, and a statewide mediation center.

FINANCIAL SUMMARY

The March 31, 2018 reviewed asset value of the Virginia Environmental Endowment was \$38,636,833, which includes dedicated funding for new grant programs. During the fiscal year the Board of Directors approved 29 grants totaling \$542,970. When combined with matching funds, grants awarded by VEE since 1977 to a wide variety of organizations represent an investment of almost \$85 million in environmental improvement.

GRANT PROGRAMS

VEE awards grants through three programs:

- Virginia Program
- · Kanawha and Ohio River Valleys Program
- James River Water Quality Improvement Program

VIRGINIA PROGRAM

The Virginia Program provides support for innovative environmental programs featuring tangible outcomes, as well as applied research, collective impact, collaboration and education. Strategic priorities adopted by the Endowment's Board of Directors include:

- Improvement of local rivers and protection of water quality;
- Restoration of the Chesapeake Bay;
- Innovative land conservation and sustainable land use practices;
- Environmental literacy and public awareness;
- Emerging issues of concern including coastal climate adaptation, efforts to mitigate invasive species, and water supply planning and implementation.

KANAWHA & OHIO RIVER VALLEYS PROGRAM

Limited to the Kanawha and Ohio River Valleys of Kentucky and West Virginia, this grant program supports research, education, and community action on water quality and the effects of water pollution on public health and the environment. Preference is given to collaborative efforts by nonprofit organizations, government, and industry to develop public policies and to increase public participation in water quality protection and monitoring, watershed management, and civic engagement.

JAMES RIVER WATER QUALITY IMPROVEMENT PROGRAM

In the summer of 2017, VEE established a new James River Water Quality Improvement Program which will focus on producing significant water quality benefits in the James River. VEE produced a Strategic Investment Plan to guide its grant-making and began accepting applications for funding under the new program in June 2018. The first grant awards will be made in October 2018.

GRANT APPLICATION

GRANT APPLICATION PROCEDURES

GENERAL GRANT CRITERIA AND DOCUMENTATION

- The Endowment makes grants to nonprofit, taxexempt, charitable organizations and institutions and to governmental agencies.
- VEE encourages requests for specific projects that promise measurable results to improve the environment. Applicants should describe specifically how they propose to measure the success of a grant project.
- Grant funds are not provided for general support, overhead, indirect costs, capital projects, land purchases, building construction or renovation, endowments, lawsuits, or to individuals.
- Projects are required to have matching funds in amounts equal to or in excess of the grant request.
 Challenge grants may be offered to provide leverage in fundraising.
- Proposals must be complete and submitted by the deadline.
- Grants must align with the mission and priorities of the Virginia Environmental Endowment.
- Proposals that are clearly outside the purposes and geographic limitations of our grant-making programs may be declined without further review.
- Grantees are required to submit periodic reports of progress, expenditures, and results. Approved grants are paid in installments, generally on a reimbursement basis.
- VEE does not reimburse project costs that are incurred before the authorization date of any grant that might be awarded. Grants are typically awarded in October and April.
- Each year the Endowment receives requests far in excess of available funds. In fairness to others, applicants are asked not to apply to the Endowment more than once a year.

 Proposals previously denied by VEE should not be resubmitted without prior authorization from the Endowment.

REQUIRED DOCUMENTATION

- A cover letter identifying the applicant, project title, grant request, matching funds, project schedule, and whether the proposal is being submitted to the Virginia Program, Kanawha and Ohio River Valleys Program, or the James River Water Quality Improvement Program.
- A project description, limited to five pages, clearly stating the need for the project, goals and objectives and how they will be achieved, how project results will be measured, and relationship to other work being done in the field. It is suggested that the description include aspects of collective impact or collaboration, when applicable.
- A description of the organization, names and qualifications of key project staff, a list of the members of the governing board, the current operating budget, and a copy of the current taxexempt ruling from the Internal Revenue Service, if applicable.
- A line-item budget for the proposed project, showing total project costs, the amount and proposed allocation of grant funds requested from the Endowment, and all sources and amounts of matching funds, which must be equal to or exceed the requested grant.
- The project schedule, with specific beginning and ending dates for requested grant support. Board decisions about proposals are normally made in April and October.
- A detailed plan for evaluating and disseminating project results, for continuing project activities, and for raising future financial support, if applicable.

Two copies of the complete proposal signed by the organization's chief executive officer or board chair must be received by the program deadline date. Please also email the proposal and cover letter to VEE as well,

preferably as a Word document (send to info@vee.org).

For specific grant criteria and proposal requirements relating to the James River Water Quality Improvement Program, please see our website, www.vee.org.

APPLICATION DEADLINES

Proposals must be received by the Endowment by 5 p.m. (ET) on the following dates:

Virginia Program: *June 15 and December 1*Kanawha and Ohio River Valleys Program: *December 1*James River Water Quality Improvement Program: *June 15*

When the date falls on a weekend or holiday, the following business day will be the deadline. The Endowment has a strict policy on receipt of complete proposals by deadlines. Board decisions about proposals are normally made in April and October.

MAILING ADDRESS

Joseph H. Maroon Executive Director Virginia Environmental Endowment P.O. Box 790 Richmond, VA 23218-0790

PACKAGE DELIVERY ADDRESS

Virginia Environmental Endowment SunTrust Center 919 East Main Street, Suite 1070 Richmond, VA 23219 804.644.5000



FY2018 GRANT AWARDS

VIRGINIA PROGRAM

Alliance for the Chesapeake Bay, Annapolis, MD

Virginia Local Government Roundtables \$17,850 / matched by \$17,850

The American Documentary Film Fund, Richmond, VA

The Judge - A Documentary \$10,000 / matched by \$446,725

Bay Journal Media, Seven Valleys, PA

Sustaining Bay Journal Virginia Coverage and Bay Journal Local Government Edition \$25,000 / matched by \$150,000

Black Family Land Trust, Durham, NC

Virginia Sustainable Forestry & African American Land Retention Program \$15,000 Challenge Grant / matched by \$225,000

Blue Ridge PRISM, Crozet, VA

Blue Ridge PRISM (Partnership for Regional Invasive Species Management) Landowner Education Program \$15.000 Challenge Grant / matched by \$15.000

City of Hopewell, Hopewell, VA

Hopewell Riverwalk Interpretive Educational Signage \$20,000 / matched by \$20,000

College of William and Mary Virginia Coastal Policy Center, Williamsburg, VA

Fostering a More Resilient Commonwealth \$35,000 / matched by \$50,000

Friends of the Rappahannock, Fredericksburg, VA

Headwater Capacity and Stream Restoration \$15,000 / matched by \$256,750

Historic Virginia Land Conservancy, Williamsburg, VA

Merger of the Middle Peninsula Land Trust into the Historic Virginia Land Conservancy \$12,500 Challenge Grant / matched by \$12,500 James River Association, Richmond, VA

Enhanced State of the James Report \$30,000 / matched by \$138,500

Land Trust Alliance, Washington, DC

Circuit Rider Program to Advance Land Conservation in Virginia's Southern Tier and Initiative to Help Restore Water Quality in the Chesapeake \$25,000 / matched by \$25,000

Living River Restoration Trust, Portsmouth, VA

Land Trust Adds Pioneer Resilience Mission \$15,000 Challenge Grant / matched by \$20,000

Piedmont Environmental Council, Warrenton, VA

Goose Creek Initiative \$16,000 / matched by \$35,798

Rivanna Conservation Alliance, Charlottesville, VA

StreamWatch Volunteer Water Quality Monitoring Program \$25,000 / matched by \$88,990

Southern Environmental Law Center, Charlottesville, VA

Leadership for Advancing Land Conservation in Virginia and for Defending Water Quality in the Chesapeake Bay and Its Tributaries

\$35,000 / matched by \$140,000

University of Virginia Institute for Environmental Negotiation, Charlottesville, VA

Assisting Virginia's Vulnerable Coastal Communities Through The RAFT (Resilience Adaptation Feasibility Tool) \$20,000 / matched by \$32,000

Advancing Environmental Education in Virginia \$5,000 / matched by \$5,000

Upper Tennessee River Roundtable, Abingdon, VA

Improving Clinch River Water Quality and Providing Educational Resources in the Watershed \$6,000 / matched by \$20,000

Virginia Association of Soil and Water Conservation Districts, Mechanicsville, VA

To ensure the continuation and growth of the Youth Conservation Leadership Institute (YCLI) through increased outreach efforts

\$8,000 / matched by \$8,000

Virginia Conservation Network, Richmond, VA

Clean Water for All Virginia \$30,000 / matched by \$60,000

Virginia Institute of Marine Science, College of William and Mary, Gloucester Point, VA

Virginia Sea Grant-Commonwealth Coastal and Marine Resource Policy Fellowship (2 years) \$20,000 / matched by \$50,000

Virginia Military Institute, Lexington, VA

Environment Virginia 2018 \$7.000

VIRGINIAforever, Richmond, VA

Funding Trends for Land Conservation and Water Quality Improvement

\$12,500 / matched by \$12,500

Virginia's United Land Trusts, Richmond, VA

Building Broad Support for Land Conservation by Connecting Communities to the Land \$20,000 / matched by \$60,000

Support of Philanthropy

- Chesapeake Bay Funders Network
- Exponent Philanthropy
- Southeastern Council of Foundations

\$5.270

VIRGINIA PROGRAM TOTAL: \$445,120



VEE BOARD & STAFF

GRANT AWARDS continued

KANAWHA & OHIO RIVER VALLEY PROGRAMS

Watershed Watch in Kentucky, Inc., Benton, KY Supporting Citizen Science and Education through Active Engagement in Water Quality Monitoring Across Kentucky \$17,850 / matched by \$158,707

West Virginia Rivers Coalition, Charleston, WV Water Policies in West Virginia: Maintaining an independent and science based voice to protect water resources (2 years) \$80,000 / matched by \$126,850

KANAWHA & OHIO RIVER VALLEY PROGRAMS TOTAL: \$97,850

FY2018 TOTAL

TOTAL ALL PROGRAMS: \$542,970

VEE BOARD OF DIRECTORS AND STAFF

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DONATING TO VEE'S WORK

Anyone wishing to contribute to the Endowment's strategic grant-making throughout Virginia may do so by giving to the Fund for VEE. Instructions can be found at www.vee.org.

SPECIAL THANKS

The Endowment wishes to thank the individuals who contributed their expertise during fiscal year 2018: Emily Talley, Ann Neil Cosby, Ryan Brown, Eric Gregory, Kristen Saccke Blunk, and the individuals who served on the VEE James River Advisory Team.

The Endowment will award its first grants under the James River Water Quality Improvement Program in October 2018 (FY 2019).

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