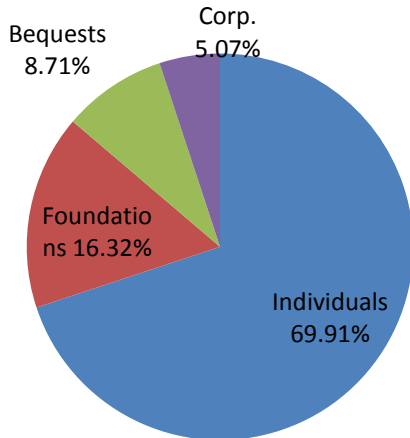


Fundraising 101 - Finding Grant Funding - Corporations, Foundations & Government

Every non-profit organization (NPO) has different levels and mixes of funding. Broadly, the main streams are i) individuals ii) corporations and foundations iii) Government (local, state, national, international). Generally, the \$ fungibility decreases and the sums increase from sources 1 to 3.



Approximate breakdown of US charitable dollars.

Total giving in 2017 was \$410.02 Billion, 5.2% higher year over year and the first time giving exceeded \$400B. Giving increased from all four sources, powered by the booming stock market, which funded a few very large gifts from individuals to their foundations. Donors are increasingly strategic as they draw on newly available data and ideas, and increasingly respond to natural and manmade disaster relief.

(Source: Giving USA, June 2018). Due to COVID, 2020 donations are down significantly.

In this two-pager, we are focusing on grants, in other words, the red slice (although portions of the purple and blue slices are also often structured as grants, and the preparation required for grants will help you in your other donation requests¹). Typical grant "win" rate is 1 in 4 submitted. Good grants sometimes lose and poor grants sometimes win; sometimes a Foundation simply wants to give to a specific organization or set of organizations (connections, accumulated guilt, because the org has applied unsuccessfully for 5 years, etc). Often they don't want to give more than 3 years, because they don't want to create dependency. With a compelling story and strategic plan, finding the correct mission match, not to mention ongoing prospecting, and finding or creating relationships you tip the odds in your favor. The foundations, whether corporate or private, want to know their investment will give them and the community a "social or ESG return."

Writing the Grant

Grant proposals are very specific - bring both your adult self and your ninth grade self to the table. You will raise your eyebrows at that last sentence, yet your 9th grade self will answer every question exactly as it is asked, and your adult self will see why they are asking it, and provide the data to back up your assertions, as well as some of the intuition on the aspects and stories that will most closely align with their incentives. In addition, you must get all the stories succinct, the facts correct, and the anecdotes clear and compelling. You will also be asked to provide the financial statements and a reasonable budget for the project.²

Miscellaneous related information

- Most Foundations have application deadlines; some are open or rolling deadline. Deadlines are not flexible.
- Some require a (screening) Letter of Inquiry with a brief project description *before* submission of a full proposal.

¹ Corporations *also* give for sponsorship marketing, which is generally a different source from the charitable \$\$ see "Events 101."

² Ask us for Glocal Briefs™ on "Financial Management 101 for Non Profits" and "Fundraising 102 - Templates and Resources for Efficiency" or download them from the website's resources section [here](#).

- Some proposals are only a 3 page summary of the project; others can be a 110 page submission full of attachments and detailed answers on history, strengths, challenges, partnerships, community need & trends, project budget, organization's financial statements, etc, etc.
- Private Foundations typically have anywhere from a 2 -5 month period (to review, submit to their Board, decide yay/nay, etc) before decisions are given... and checks disbursed.
- Government entities have more complicated grant proposals, but typically offer larger sums of money, and take about 6-10 months to decide & disburse (or not). NB, this brief does not specifically address government grants, the rigorous process to crafting, and later report on them, but check grants.gov to search opportunities.
- Some organizations only give to organizations they already know; others accept unsolicited proposals.
- When/after we win a grant, the grantors typically want regular progress reports (of varying levels of detail, but rarely over 3 pages) – typically quarterly, but anywhere from 1-6 months between reports.

To find your target list of foundations

- a) All foundations file tax forms 990PF, other organizations aggregate these into wonderful databases - use them!
- b) Become a member of the Foundation Center (www.foundationcenter.org) or Forefront (myforefront.org)
 - i. ask them to give you a list of potential funders, based on your program focus/foci (see [NTEE codes list](#))
 - ii. Use broad search terms, you can narrow focus once you've seen the foundations' investment guidelines.
 - iii. Include foundations that do not accept unsolicited bids – you or your Board might know someone.
- c) Alternatively, go to their libraries and use the databases for free (without being a member). Ask a few questions to get set-up, do the research yourself and save it on a thumb drive. See online for the nearest office/library.
- d) List the organizations which do similar work to yours - check their websites, etc to see who funds them.
- e) Do google web searches –NB, even in 2020, not all foundations have websites, so not all will be caught this way. That said, while you'll probably find some good options, it will take a LONG time to sift through to find your actually viable possibilities (without the database search capabilities' help).
- f) Ask everyone (Board members, other volunteers, staff, friends) to keep their eyes open and forward news items and grant opportunities for which your org can apply.
- g) From the database searches, you'll get anywhere from 20 - 300+ foundations which could have mission and geographic overlap. I recommend organizing the profiles into a spreadsheet, ranking your prospects by the degree of mission overlap and whether or not they accept unsolicited proposals.

What to do when you decide to approach a corporate or private foundation

Do your research! You've got the profile from the database, check out their website to see if there are any particular areas they are interested in funding this year (or those they've defunded).

Call the Program Officer for the area to which you are applying, after the brief pleasantries, succinctly explain your project and its goals, and ask if this sounds like something they might fund, if they have any specific funding areas of interest this year, and if they have any suggestions to more tightly align your project with their goals.

After building the relationship, understanding specifics of what will be of interest, you can submit a grant tailored to their interests and your programs. Once you win the grant, be prepared for the follow-through; donors typically expect

periodic program progress and financial reports (of varying levels of detail, but rarely over 3 pages, unless a government grant) – generally quarterly or annually, sometimes monthly.³

Leverage the free (or almost free) professional resources that exist

- Your Board, friends, family & colleagues will hear of funding opportunities, will have connections, and will also support the causes with their own dollars.
- Free and low cost courses from various capacity building non-profits. Check out Foundation Center, American Management Association webinars, SBA & SBDC, even Meetups and others you might hear about through your school, friends, or google searches.
- SCORE.org - Service Corps of Retired Executives - has free/low-cost consulting and many low cost courses. There are offices in many cities and they're often affiliated with the Small Business Administration (SBA).
- Volunteer professional services - Arts & Business Council, Taproot Foundation, and other capacity building organizations will help your organization do strategic, marketing, financial plans, communications materials, etc; they also offer many management topic workshops. Check out their websites for organizations' locations and learn how to become a member. Note that you'll get the consulting support at a small fraction of the cost, but... the consultants are volunteers, with full-time jobs, so meetings will be at off hours, and time lines will be longer than with a paid consultant familiar with the issues and focused on your project. You can choose your trade-off.

Glocal Briefs™ are pragmatic, five minute intros to diverse management and leadership topics. Check out our others [here](#).

If you would like help on finding and qualifying your prospects, writing your grants, or other Fundraising and Management issues, contact us at info@glocalconsultantsgroup.com or +1-773-218-8270 / 1-347-480-8679.

³ Ask us for a copy of Reporting 101, or download it and other resources from glocalconsultantsgroup.com/glocal-briefs