



"I'm a fiction writer in the grant-proposal genre."

Creative Fundraising

How to Research and Write a Grant

Alliance for Community Media
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Grants & More
www.grantsandmore.org

Agenda

- Introductions
- Foundation Landscape & Facts
- Grant Readiness
- The Fundraising Cycle
 - Research (finding grant prospects)
 - Cultivation (gathering information)
 - Solicitation (writing grant proposals)
 - Stewardship (after the grant)
- Q&A

Philanthropy Landscape

- Of **\$390.05B** in private giving in the U.S. in 2016, **only 15% from foundations**

- Individuals (living): 72%
- Bequests (individuals after death): 8%
- Corporate (excluding corporate foundations): 5%

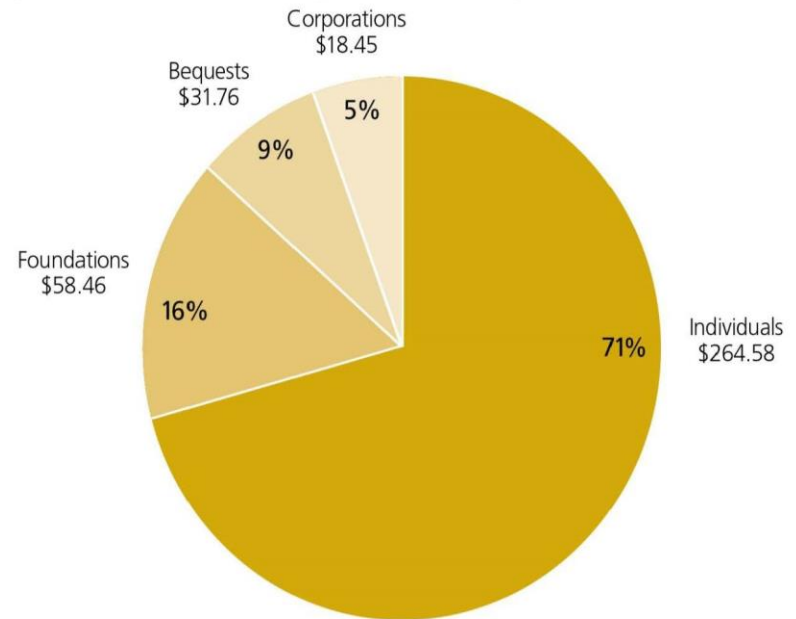
These percentages are *identical* to previous years, and have remained remarkably stable over many years.

SOURCE: Giving USA Foundation | *Giving USA 2017*

Total 2016 contributions: \$390.05 billion

Total charitable giving by American individuals, foundations, estates and corporations rose for the 7th consecutive year in 2016.

2015 Contributions: \$373.25 billion by Source
(in billions of dollars – all figures are rounded)



SOURCE: Giving USA Foundation | *GIVING USA 2016*

Source: Giving USA Foundation: *Giving USA 2017*

In 2016, **INDIVIDUAL DONORS** drove the rise in philanthropic giving

And for only the sixth time in 40 years, all nine major philanthropy subsectors realized giving increases

\$390.05 billion

Where did the generosity come from?*

Giving by Individuals
\$281.86 billion
↑ 3.9% **72%**
increased 3.9 percent (2.6 percent when inflation-adjusted) over 2015

Giving by Foundations
\$59.28 billion
↑ 3.5% **15%**
was 3.5 percent (2.2 percent when inflation-adjusted) over 2015

Giving by Bequest
\$30.36 billion
↓ 9.0% **8%**
declined 9.0 percent (10.1 percent when inflation-adjusted) over 2015

Giving by Corporations
\$18.55 billion
↑ 3.5% **5%**
increased 3.5 percent (2.3 percent when inflation-adjusted) over 2015

Contributions by source
(by percentage of the total)

The single largest contributor to the growth in total giving was an increase of \$10.53 billion in **GIVING BY INDIVIDUALS**—offsetting declines from bequest giving.

Visit www.GivingUSA.org to learn more and to order your copy of *Giving USA 2017: The Annual Report on Philanthropy for the Year 2016*.

* All figures on this infographic are reported in current dollars unless otherwise noted.



Giving to international affairs comprised a larger percentage of total charitable giving in the United States, increasing from 4 percent to 6 percent in 2016.



Giving to environment/animals increased 7.2 percent in 2016, the largest gain of any subsector, outpacing growth in overall giving for the last two years.

Where are all of the charitable dollars going?

(as a percentage of the total)

Each charitable subsector grew in 2016 except for giving to individuals. Growth rates ranged from approximately 3-7 percent.

- 👤 **32% Religion** 🏠 \$122.94 billion
- 🎓 **15% Education** 🏠 \$59.77 billion
- 🤝 **12% Human Services** 🏠 \$46.80 billion
- 🏛️ **10% To Foundations** 🏠 \$40.56 billion
- 🇺🇸 **8% Health** 🏠 \$33.14 billion
- 💰 **8% Public-Society Benefit** 🏠 \$29.89 billion
- 🎨 **5% Arts, Culture, and Humanities** 🏠 \$18.21 billion
- 🌐 **6% International Affairs** 🏠 \$22.03 billion
- 🌱 **3% Environment/Animals** 🏠 \$11.05 billion
- 👤 **2% To Individuals** 🏠 \$7.12 billion

Giving USA Foundation™, The Giving Institute, and the Indiana University Lilly Family School of Philanthropy are pleased to continue their partnership in providing the most comprehensive, longest-running, and most rigorously researched resource on U.S. charitable giving, *Giving USA: The Annual Report on Philanthropy*. It is a privilege to report on Americans' generosity and related historical trends on U.S. charitable giving.

Foundation Landscape

- 86,726 foundations in the U.S. in 2014, an increase of 80% in the past 12 years (though slowing down in the past couple of years) (Foundation Center)
- In 2014, total assets of \$865B, total giving \$60B (Foundation Center)
- Meanwhile... **1.5 million public charities** registered with the IRS – an increase of nearly 30% over ten years (Independent Sector)

...yes, there really is increased competition, yet foundation giving hasn't kept pace

Foundations – “Doors Closed?”

- But...as many as **60% of foundations** do not accept unsolicited proposals and **77% of family foundations** say they do not accept unsolicited proposals
(Source: “Scaling the Wall: 5 Ways to Get Unsolicited Proposals Heard”, Rick Cohen, *Nonprofit Quarterly*, August 11, 2014)
- Need a connection – especially family and corporate foundations
 - Board members, Executive Director, staff may know trustees at the foundation
 - Corporate foundations – often need a connection: employees, vendors; to get large grants, typically have a senior level employee from large corporation on your board
- In some cases, approach them with information: they may accept an LOI (Letter of Inquiry – a concise case for support) or send information if it seems like a good fit - working papers or an LOI, if interests align

Getting Ready for Grants

- Grant Readiness Checklist
 - Does the organization have a 501(c)3 status, board of directors, annual audit/financial review, board-voted organizational budget, 100% board giving, etc.
- Grant Proposal Checklist
 - Program design is sound, budget is solid, the need exists & is documented, partnerships and Memoranda of Understanding (MOU's) in place
 - For capital requests, quotes/estimates from contractors and vendors, architects
- Grant Readiness Checklists - for your organization, program or project: <https://www.grantsandmore.org/resources%20-%20grant%20readiness.html>

Getting Ready for Grants

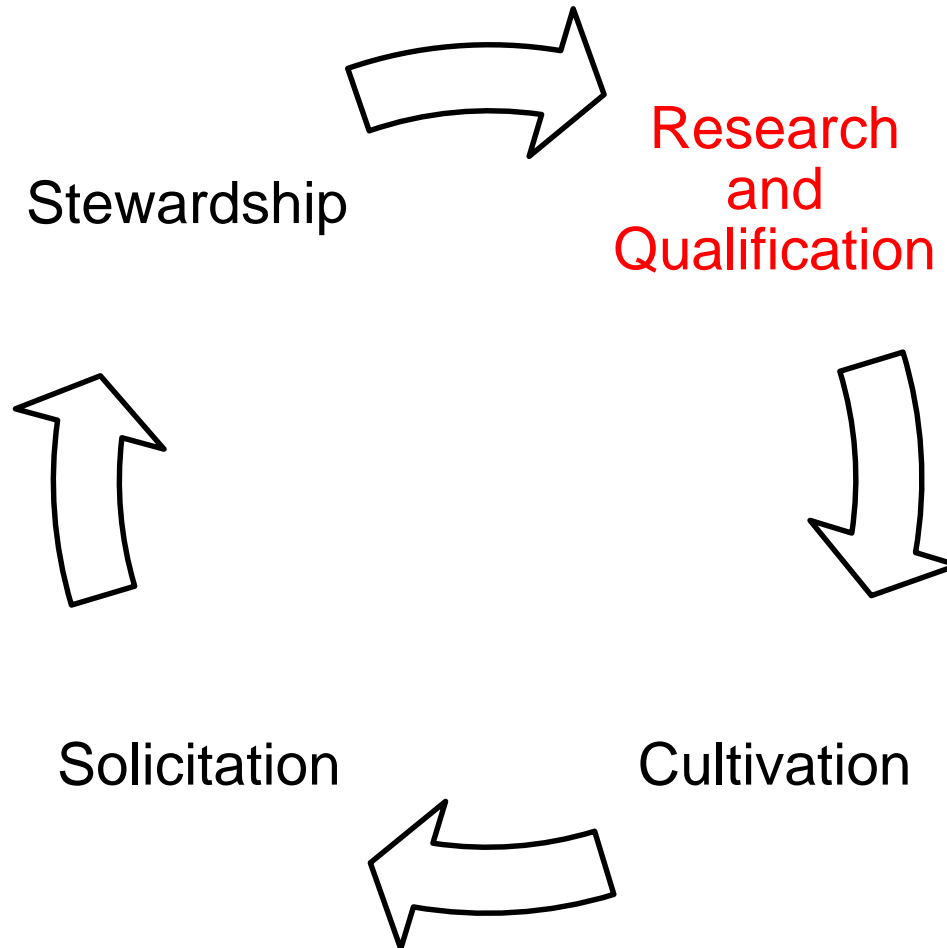
- Clear, compelling vision shared by board, staff and key constituencies
- Demonstrated commitment to excellence in governance and operations
- Quality leadership – experience, vision
- Respected programs and services and high need or demand
- Defined and measurable organizational, programmatic and financial goals
- Ongoing program and financial planning and evaluation and continuous improvement

The Fundraising Cycle

- **Research: find foundations** (“prospecting”) that are aligned, look closely at what *they* want, where they fund; **learn about funders** – determine alignment (“fit”) to narrow to best matches
- **Cultivation: build relationships** – find out what *they* want first, not what you *need*; ask their advice; if they cannot fund you or what you do, ask if they know of other funders that might; ask questions first, and listen to what they have to say, before you “pitch” or “sell” your project
- **Solicitation: submit a well-crafted proposal** – invite an “investment” in your community or the population you serve, *not necessarily your organization* remember, it’s not about you, it’s about *them*
- **Stewardship: after you get the grant, nurture the relationship! Communicate!** Submit reports on time. **Goal is to get another grant next year.**

Remember: It’s Not About You – It’s About Them!

The Fundraising Cycle



Do Your Homework

- Each foundation has a unique focus – no two foundations are alike.
 - *“We get dozens of proposals from organizations that clearly never did a lick of homework, and waste our time and the precious funds of their members sending out hopeless proposals to the wrong funders. I often wonder if these same people try to buy their groceries in the hardware store.”* – Executive Director of the CS Fund, quoted in *How Foundations Work: What Grantseekers Need to Know About the Many Faces of Foundations*, 1998

Hint: It's about them, not you.

Considerations of Foundations

- Geographic limitations or preferences
- Funding priorities – e.g., target populations, issues
- Size of grants – most foundations are small
- Types of requests – capital, program, operating
- Preferred size of organizations supported (e.g., grassroots vs. large well-established organizations)
- Funding limitations – e.g., maximum percentage of project/program
- Waiting period for new proposal after denial or after receiving a grant?
- Many others – depends on foundation

Funder Research (for a fee)

- Foundation Center's Foundation Director Online (FDO): <http://foundationcenter.org/> - available for free at major libraries: e.g., Boston Public Library
- Foundation Search: www.foundationsearch.com
- GrantStation – free with Grant Professional Association (GPA) membership
- Philanthropy Massachusetts (formerly Associated Grant Makers) Grant Makers Directory (Massachusetts and New Hampshire) <http://www.agmconnect.org/>

Funder Research (free)

- Free online search databases:
<https://www.grantsandmore.org/resources%20-%20funder%20research.html>
- Foundation web sites (many do not have web sites, especially family foundations)
- Board members, program staff, conferences
- Similar organizations (annual reports, newsletters, web sites of peer organizations show their funders)
- Google Search
- Grants.gov (federal grants)
- Foundation's Form 990 (tax return) –
www.foundationcenter.org “990 Finder” (no fee for this feature) – enter foundation name & click on the latest year's Form 990 or use www.guidestar.org (registration required but free)

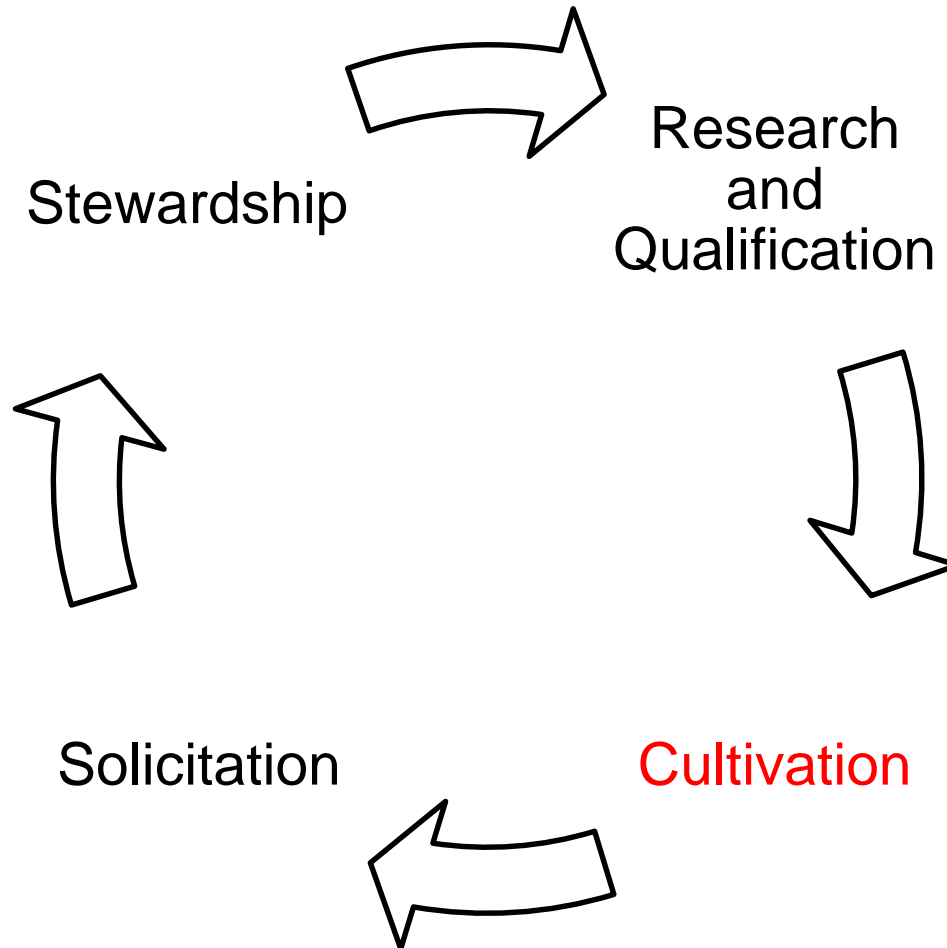
Foundation Form 990 (federal return) – What to Look For

- Check box “pre-selected applications only” (p 10), a clue if they want to hear from you
- Application instructions, deadlines and contact information (p 10)
- Total amount granted for the year (p 11) – a clue to the foundation’s capacity for funding
- Names and addresses of trustees
- List of grants (p 11) – grantee names, amount granted, and sometimes purpose (capital vs. operating) – clues to inform a request that is appropriate to the foundation’s giving history and capacity
- **See if you can picture your organization’s name alongside the other grantees.**

Assessing a Grant Prospect

- How competitive is funding? What percentage of proposals are funded?
 - Large well-known national funders – more competitive
 - Corporate funders are more competitive because guidelines are so broad
- How much work is involved in creating the proposal? For how much funding?
- What is the process? Is there an initial concept paper or pre-application step?
- How many organizations are funded each year? A handful, hundreds, or some number in between?

The Fundraising Cycle



Cultivation – Meeting with Funders

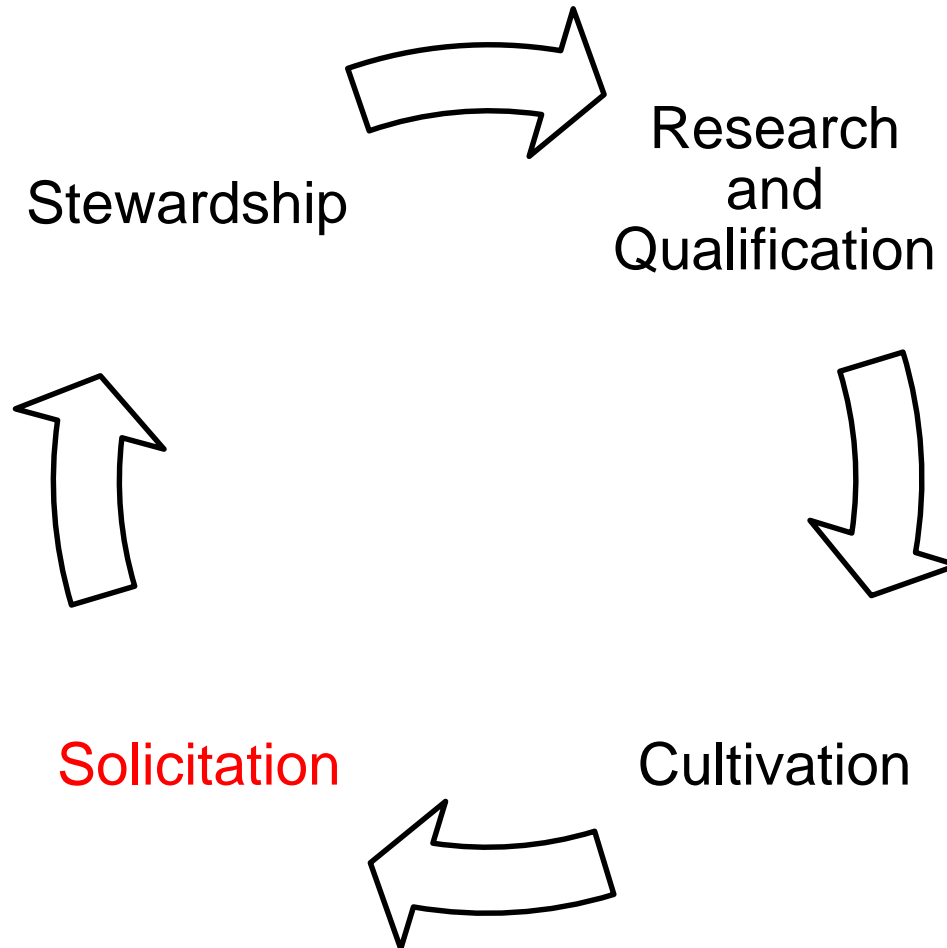
- Reach out to foundations
 - Phone calls, emails, however they prefer to be contacted – goal is to get information or a meeting
 - Community foundations and larger foundations have program officers whose job it is to talk with you. Smaller foundations often have no staff and don't want calls, but sometimes an administrator or trustee will help
- Make sure the program you are seeking funding for is a true fit for the foundation and for your organization
- The goal is to secure an invitation to submit a proposal to fund a specific project
- Treat meetings with program officers as “informational interviews”
- Find out what they want first before you talk about what you need
- Ask for their advice
- Listen to what they say before you “pitch” or “sell”

Cultivation – Meeting with Funders

(continued)

- Prepare a concise project description and demonstrate the connection to the funder's goals
- Be ready to cite examples of grants made to other organizations like yours that encouraged you to make contact
- Don't let "no" deter you - they might be interested in another area of your work – have a menu of options ready
- Ask if they know of other funders that fund this type of work

The Fundraising Cycle



Solicitation

Letters of Inquiry (LOIs)

- Two-step process – increasing trend
- Letter of Inquiry (LOI), Concept Paper, Preliminary Application, Initial Proposal, or other name
- Saves everyone time – reviewers and grant writers
- Follow the directions, but generally only 1 to 3 pages allowed – sometimes less!
- Do not request a certain dollar amount at this point unless requested
- **Goal: get invited to submit a full proposal**

Proposal Components

Proposals should demonstrate:

- The need (why), urgency (why now)
- Goals & objectives (what)
- What you intend to do with funding (how)
- Target population (who) and location (where)
- Timeline (when) & workplan (what)
- Measurable outcomes with metrics, indicators – to prove your results
- Why your organization is best suited to do it
- Connection to the donor's mission
- Other partners and funders – shows community support
- Organizational and program capacity and sustainability

Proposal Structure

But remember “Rule # 1”: *Follow the Guidelines!*

- Cover Letter (one page, signed by Executive Director or CEO)
- Executive Summary (1 to 3 paragraphs depending on space allowed for proposal) that summarizes who, what, when, where, how and how much requested
- Organization – background, history, date of incorporation, major achievements, awards & recognitions, leadership
- Need / Problem Statement / Context (cite research, statistics, quotes from experts)
- Target Population (Demographics) – Who will you serve?
- Location – Where will you serve them?

Proposal Structure

- Goals
- Measurable Outcomes – how will you measure success?
 - **Indicators** are helpful
 - Be sure to tie outcomes to goals
 - **SMART**: Specific, Measurable, Achievable, Relevant, Time-bound
- Method – what methods and why?
 - Best practices? Evidence-based? Pilot approach?
Replicable? And the reasoning behind your approach
- Work Plan – Timeline and Activities (what you are asking to be funded) – often helpful to prepare as a separate table or spreadsheet

Proposal Structure

- Logic Models (may be called “Theory of Change”)
 - **A snapshot in picture or table form of your program**
 - **Inputs** – staff, funding, partners
 - **Activities & Outputs** – what you do, the activities you are asking the grant maker to fund (e.g., educated X number of kids)

Grant maker: “So what? Did they learn anything? What difference did you make?”

- **Outcomes** – what changed as a direct result of your program? (e.g. changed observable behavior or learning as a result of the curriculum)

Logic Model example



Proposal Structure

- Evaluation
 - Internal evaluations – surveys, interviews with partners – also informs continuous improvement
 - External evaluation – an outside professional evaluator, be sure to budget for it in the Project Budget, though majority of small organizations and programs do not need this
 - Measures of success or indicators help you know (and communicate to funders) how you are making a difference
 - Funders want to know **“What are you learning?”**

Proposal Structure

- Key Staff – bios or resumes
- Partners and Collaborators (signed MOUs, if needed, usually for subcontractors)
- Sustainability
 - Organizational (financial, # of donors, members, contracts, volunteers, partners)
 - Program (e.g., Could it become fee for service model? Replicable model? Train the trainer? Pilot? Is it part of your organization's strategic plan?)
- Other funding sources – secured, pending, anticipated (one paragraph)
- Conclusion (one or two sentences)

Proposal Structure

- Budget (one page)
- Budget Narrative (one page, or as part of Budget)
- Attachments
 - IRS 501(c)3 Letter of Determination
 - Board Member List
 - Audit and/or Form 990 – make friends with your Finance Dept.
 - Organizational Budget
 - Annual Report
 - Press clippings, photos, testimonials, etc.
 - Letters of Support

But remember Rule #1: *Follow the Guidelines!*

Project Budget

- *“The budget is an essential piece of telling our story. It is not an ‘afterthought’. It plays a leading role in a proposal.”*

CEO of major nonprofit organization

- *“The Budget is my priority.. I want to see the structure of the whole project laid out there. If I like what I see, I call the development officers at other foundations and ask their opinion of the requesting non-profit. If I get positives responses, THEN I will read the narrative.”*

CEO of major foundation

Project Budget

- Not just numbers, a budget tells a story ...about the project *and* the organization
- Budget first – the narrative won't be much good without knowing the budget
- Budget includes both expenses *and* income (sources of funding)
- Income and expenses should balance
- Keep it simple – one page typically
- Don't inflate costs or pad estimates
- For capital or equipment requests, cite quotes or estimates, web sites with costs, etc.

Proposal Tips

- Rule #1: Follow the guidelines!
- Honor deadlines: “No, you can’t have an extension.”
- Don’t over-promise – funders see through it
- Details matter: proofread, check math on budgets

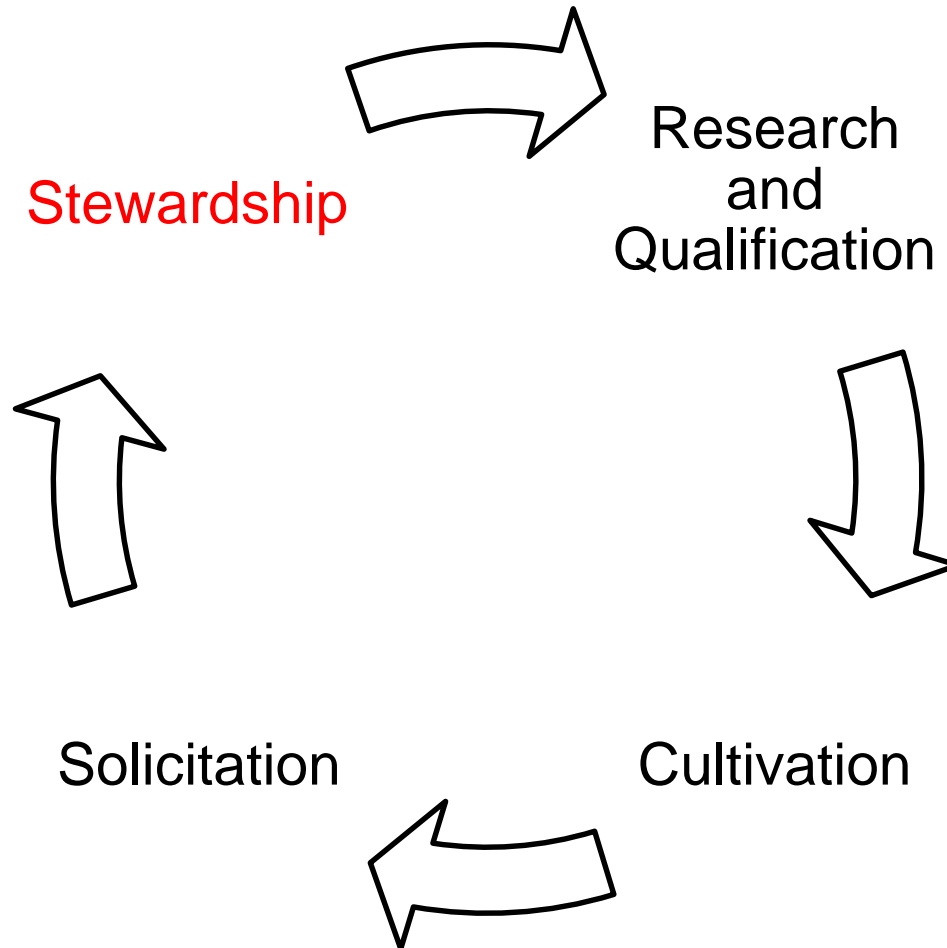
Proposal Readability Tips

- Use headings and subheadings to make it easy to read and locate information
- Times New Roman 12-point font
- One-inch margins
- Readability Statistics
 - Flesch Reading Ease (60-70% best, hard to do)
 - Flesch-Kincaid Grade Level – never above 12, aim for 10

Proposal Writing Tips

- Be clear, organized and succinct
- Avoid lingo, jargon, acronyms not defined
- Avoid fluff words and phrases and clichés
- Know your audience – tailor to the foundation’s interests as much as possible (but don’t pander or “parrot” their phrasing)

The Fundraising Cycle



Stewardship

- Timely acknowledgement
 - Immediate phone call (day or two)
 - Formal acknowledgement letter within a week
 - Hand written notes are appreciated and memorable!
- Reporting requirements and deadlines
- Send annual reports, press releases, success stories, links to videos
- “Like” funders’ Facebook pages, “Follow” them on Twitter
- Offer site visits and invite funders to events; phone calls with news, updates, success stories

Stewardship

- If project changes or falls short, **communicate** why, present options and alternatives, ask for more time if necessary
- Funders should feel they are part of the project - their support makes your work possible: **they are partners**
- Funders are eager to hear what you learned, failure is a part of that! (“lessons learned”) – funders are eager to learn too. Gates Foundation is prime example
- Any successful proposal is the start of new cycle

Potential Funding Sources for Public Media and Communications

- Community Foundations
- Funders who fund **issue areas** for various shows and productions
- State funding for **arts/culture**
 - Massachusetts Cultural Council and Local Cultural Councils in Mass; CT towns have similar grant programs (e.g., New Haven, Middletown)
 - Mass Humanities
- Media Impact Funders Network: <http://mediainpactfunders.org/network-members/>
- Public Media Funding resource: <http://www.pbs.org/pov/filmmakers/resources/public-media-funding.php>
- Quick search in my databases:
 - LEF Foundation (funds documentaries)
 - Fledgling Fund (film/documentaries – post-production)
 - Proteus Fund (civic engagement)
 - Search for funders for media & communications, community access, equity and access, civic engagement, and issue areas

Thank You for Listening to Me for an Hour and a Half!

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