

Grants in Context

Grants make up about 14% of overall nonprofit revenue. Most grants (70%) come from family foundations with the balance from community foundations (10%) as well as government agencies and corporate foundations.

While grants can bring big money, the cost of grant writing is the time it takes to research funders and write the proposals. Up to 80% of the cost of grants is in research. Fortunately, there are tools that can help.

Guidestar

www.Guidestar.org

Guidestar compiles nonprofit 990's and gleans tons of data from these reports. With a free account, you may look up any nonprofit's 990 – including the 990-PF from private foundations. This lets you see the data of organizations similar to yours. If you want a prepared comparison report, you may pay for *FinancialSCAN*, a report providing a financial health dashboard of 13 metrics. It gives you a sense of your financial health, funding needs, strategic direction and capacity building priorities. You may also complete your organization's profile (free). This may show initiative if/when funders look you up.

Government Grants

www.grants.gov

Many government grant-making agencies issue Request For Proposals (RFPs). Grants.gov lists the federal RFPs. Other government grants may be found at the Catalog of Federal Domestic Assistance (cfda.gov). Additional help for developing your government grant proposal is at cfda.gov under the General Info tab and Writing Grants page.

Research Process

1. Narrow the Search

Using the Foundation Center's *Foundation Directory Online**, you may narrow your search from several thousand possible funders to about 20. This online database of US foundations allows you to search by Fields of Interest, Geographic Focus, Transaction Type, and Support Strategy. At this point, your task is to find a few foundations that potentially fit your organization based upon their Fields of Interest, Limitations, others they have funded, and size of typical grant.

(*You must be at a Kalamazoo Public Library location to access this database. Find database link and instructional video at www.kpl.gov/ONEplace/foundations-and-funders.aspx.)

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2. Research Specific Foundations

For each potential funder, visit their website to read their guidelines and priorities. Also look at recent news, highlights and features to get a sense of whether your organization fits with their portfolio. You also may wish to visit their recent 990-PF's (list of grants about 2/3 through the document) to further review their recent giving. (990-PF's may be found at Guidestar.com or on the Foundation Directory Online.) Continually assessing alignment, you may narrow your list to eight or fewer potential funders.

3. Make the First Move

It's now time to take action. For each potential funder, look at what they suggest for first time applicants. Follow their directions. If they offer nothing, reach out via contact information provided on their website to introduce yourself, provide a brief (90 second) description of your project, and confirm information you found in your research (application process, deadlines, etc).

4. Build Relationship with the Funder

Here's some expert advice from Ilene Mack, Senior Program Officer at the William Randolph Hearst Foundation: *do your homework...leave a good impression...ensure the form of your approach is correct.* While mission fit is greater than personal relationship, both are important. So, work with the program officer and give them ammunition to sell your project to their board or committee. Help them look good. When talking with a program officer, ask open questions, explore their recent initiatives, and inquire about any criteria that may be helpful for you to know (e.g., unwritten quirks of the board). Make sure to ask for meeting or follow-up call, and plan to bring a content expert (e.g., Program Director) to next meeting or call to address project specifics (as needed).

5. After the Decision – Keep it Going

Each foundation has its own communications culture, so interact with them according to their preferences. Whether you get the grant or not, always send a thank you note. Also, keep assessing how good a fit you are with this funder. As long as there's alignment, pursue the conversation, and find out more regarding the foundation's priorities and passion.

Like many long-term efforts, foundation relationships include doing a little bit over a long period of time. Don't let this fall off your radar, and, in time, you will enjoy a mutually beneficial relationship.