**Funding Sources**

Some of the listed directories and registries may be helpful during your search. These organizations have created online resources, some of which are free. However, some charge to use their online resource. Your library or institution may already have a login or other access code. Given the expense for a single resource, it is well worth your time to determine the resources already at your disposal.

16

**Grant Seeking for Project Proposals**

**Useful Websites**

Check off the websites which may apply to your project. Research those you have marked for funding opportunities.

* Grant Training Center Member Community Database – Comprehensive database of federal grants, critical information on foundations

***granttrainingcenter.com/login/member\_login***

* Federal Government – Grants from all 26 agencies including, but not limited to: NEH, NIH, NSF, USDA, NEA,US Department of Education, NASA, NOAA, EPA, US Department of Energy, DoD, DHS, HUD, and SBA.

[***www.grants.gov***](http://www.grants.gov/)

* Catalog of Federal Domestic Assistance

[***www.cfda.gov***](http://www.cfda.gov/)

* Federal Register – The latest information about the US government

[***www.federalregister.gov***](http://www.federalregister.gov/)

* Guide Star – Nonprofit resource

[***www.guidestar.org***](http://www.guidestar.org/)

* Community of Science (COS/Pivot) – All-inclusive search engine

[***www.cos.com***](http://www.cos.com/)

* American Educational Research Association

[***www.aera.net***](http://www.aera.net/)

* InfoEd Global (SPIN) – Research funding database

***infoedglobal.com***

* Council of Nonprofits

[***www.councilofnonprofits.org***](http://www.councilofnonprofits.org/)

* National Center for Charitable Statistics – Nonprofit funding FAQ

***nccsdataweb.urban.org/pubapps/nonprofitfaq.php***

* Fundsnet Services – Fundraising directory

[***www.fundsnetservices.com***](http://www.fundsnetservices.com/)

* Graduate Guide to Grants

***gsasgrants.fas.harvard.edu/ggg.cgi***

* Carnegie Corporation of New York – Domestic and foreign education

***carnegie.org***

* European Commission – A database for international funding

[***www.councilofnonprofits.org***](http://www.councilofnonprofits.org/)

* Council on Foundations

[***www.cof.org***](http://www.cof.org/)

* The Chronicle of Higher Education

***chronicle.com***

* The Chronicle of Philanthropy

[***www.philanthrophy.com***](http://www.philanthrophy.com/)

* The NEA Foundation – Source for education grants

[***www.neafoundation.org***](http://www.neafoundation.org/)

17

**Grant Seeking for Project Proposals**

**Foundations, Corporations,**

**& Private Donors**

Now that you have peeked into the world of Federal Government funding, we will take a look at a few other sources for funding. Foundations, Corporations, and Private Donors all have the potential to be a good fit for your project. It's possible that your project or organization may be eligible for these kinds of grants. Every organization is different, and you may find that only one or two grants will be a good fit for your project. The point is not necessarily to fund your entire project with one of these grants. Rather, a collection of funding sources could provide all the funding your project requires. The descriptions of grant types below will assist you in finding prospective sources for funding, depending on the type of project you have in mind.

**Common Types of Grants**

**General Purpose & Operating Support Grants**

**General Purpose**

If your organization receives a general purpose grant, the money can be used to support the general expenses of your organization. Almost any expense – from new filing cabinets, to the printing of flyers, to the heating bill – is eligible. Receiving a general purpose grant means the funder supports your organization’s overall mission, and trusts you to make good use of the money.

**Operating Support**

Receiving an operating grant means your organization can support the personnel expenses of operating your organization. Any individuals who need to be hired for the project can be paid with these funds. Winning an operating grant means the funder wants to support your personnel needs.

18

**Grant Seeking for Project Proposals**

**Program & Project Support Grants**

Aside from general purpose or operating support grants, most other grants are some form of program or project support. Usually, a project grant is given to support a specific, connected set of activities, with a beginning and an end, explicit objectives, and a predetermined cost. The grant may be project-specific or restricted, and must be used for the directed purpose. In general, project grants are given to support projects related to the mission of the organization receiving the money. There are dozens of project grants. Here are some of the most common:

**Planning Grants**

If your organization is planning for a major new program, you may need to spend a good deal of time and money just figuring out how it will look as a finished product. Before you can even write a proposal to fund the new effort, you may want to research the needs of your constituents, consult with experts in the field, or conduct other planning activities. A planning grant supports this kind of initial project development work.

**Seed Money or Start-Up Grants**

A start-up grant helps a new organization or program in its first few years. The idea is to give the new effort a strong push forward, so that it can devote its energy right away to setting up programs without worrying constantly about raising money. Such grants are often for more than one year, and frequently will decrease in amount each year. For instance, a grant might be for $25,000 the first year, $15,000 the second year, and

$7,000 the last year. The funder assumes that the new organization will begin to raise other funds to replace the decreasing start-up grant.

**Management or Technical Assistance Grants**

Unlike most project grants, a technical assistance grant does not directly support the mission-related activities of the organization. Instead, it supports the organization’s management or administration – its fund raising, marketing, and financial management, and so on. This type of grant might help hire a marketing consultant, or pay the salary for a new fund- raiser position.

19

**Grant Seeking for Project Proposals**

**Facilities and Equipment Grants**

Sometimes called "bricks-and-mortar" or capital grants, these grants help an organization buy or restore a long-lasting physical asset – a building, computer, or van, for instance. The applicant organization must make the case that the new acquisition will help it serve its clients better. Funders considering this type of request will not only be interested in the applicant’s current activities and financial health, but will also ask about financial and program plans for the next several years. They want to be sure that if they help an organization move into a permanent space, for example, the organization will have the resources to manage and maintain it. No funder wants to help pay for a new building, only to have it close in four years because it is too expensive for the organization to maintain.

**Endowment Grants**

Some nonprofit organizations have set aside money for investing and earning interest. The organization spends only the interest and keeps the original sum, or principal, untouched. Such a fund is called an endowment and is commonly found within organizations with large physical plants, such as hospitals and colleges. Periodically, organizations launch fund-raising efforts to start or add to an endowment. Like facilities and equipment grant proposals, endowment requests will prompt funders to ask hard questions about the long-term financial outlook of the applicant. The funder wants to be sure that any gift to an endowment will stay with the principal earning interest, and not be drawn out to meet annual operating costs.

**Program-Related Investments (PRIs)**

In addition to grants, the IRS allows foundations to make loans – called program-related investments or PRIs – to nonprofits. PRIs must be used for projects that would be eligible for grant support. They are usually made at low interest, or even no interest. Unlike grants however, PRIs must be paid back to the grant maker. PRIs are often made to organizations involved in building projects.

20

**Grant Seeking for Project Proposals**

**Provide Agency Data**

Help the funder know a bit more about your organization by including your organization's mission statement, a brief description of programs offered, the number of people served, and personnel data, if appropriate. Getting to know the details of your project will help the donor understand why their funding is necessary

**Include Appropriate Budget Data**

You can include half-page budget in your letter request, if some aspect of your financial planning is particularly compelling. Decide if this information should be incorporated into the letter or in a separate attachment. Whichever course you choose, be sure to indicate the total cost of the project. You should only discuss future funding if the absence of this information will raise questions.

**Close**

As with the longer proposal, a letter proposal needs a strong concluding statement. You must remind the donor of the highlights without beating them over the head with details.

**Attach Any Additional Information**

The funder may need much of the same information to back up a small request as a large one. Some items which you may find useful to include are as follows: a board list, a copy of your IRS determination letter, financial documentation, and brief resumes of key staff.

21

**Grant Seeking for Project Proposals**

**Corporations**

Corporations can give up to 10 percent of pre-tax profits. Only a handful of companies give at or above that level, most notably: Ben and Jerry's, Google, Kroger, Patagonia, Safeway, and the Body Shop. Most give around 1 percent of pre-tax profits.

**Business Sense**

Approaching a corporation requires thinking like a business. While individuals within the corporation may be deeply committed to the idea of corporate charity, and even to your organization, they must also balance other demands. What will the stockholders think? Does this increase the bottom line in any way? Will the corporation be swamped with requests from other groups? Show them how they do well by doing good. What do you have that they need? The fact that you are a good group that needs money, and a gift to you would be a tax deduction, describes you and thousands of other nonprofits. Such a general description is meaningless to a corporation. The fact that you can open up a market for their products, give them some positive publicity, make life easier for their employees, help guarantee a literate workforce, or eliminate problems caused by drugs, alcohol, or domestic violence means something to a corporation.

**Products & Services**

Many corporations make non-monetary contributions, which are often easier to get than cash. Corporations will often give equipment such as their old desks, filing cabinets, computers and computer tables, chairs, and so forth. If you see a corporation redecorating, ask them what they are doing with their old stuff. They may be more than happy to have you haul it away. Some corporations donate the products they produce. Food and beverages are often free to special events, but more expensive equipment can also be obtained. Corporations can also give you space: meeting rooms, banquet rooms, or conference spaces. Furthermore, they can loan you their staff. As an example, suppose your organization has had problems in terms of your accounting department. You may be able to "borrow" an accountant for a few days or even weeks to straighten out your finances. Advertising, public relations, design, management, personnel, and training are some of departments from which corporations can loan their personnel. These loans can last for days or weeks, or even up to a year.

22

**Grant Seeking for Project Proposals**

**Power Through People**

Many corporations have extensive employee matching programs, where they match the donations of their employees, sometimes doubling or even tripling the amount. Additionally, many companies will offer their employees time off for volunteering. It could be worth the time and effort to draft a letter asking for a number of volunteers from a certain corporation, if you are hosting a one-time or annual event.

**Find a Champion**

Experience has demonstrated that the best approach is to find a person within an organization who will champion your cause. Although it is not imperative to know someone in a corporation to obtain a grant, it does help. Survey your volunteers and board members to verify that you are using all the contacts you at your disposal.

With or without a contact, a corporation is generally approached with a phone call to determine interest and timing. If the call is successful, a short letter should follow. In two pages, tell the corporation what you want to do and how much it will cost. Let them know how many people will be helped or served, and what kind of people they are. Indicate how the corporation will be recognized, but don't dwell on that.

The corporation will examine your letter to see if the audience is one to which they wish to appeal. For instance, opening a new market of potential customers or clients for them may work wonders for obtaining grants. The company may also want to look like they are helping a specific population, or one that their employees will appreciate. As an example, school children near to the corporate headquarters, or senior citizens who live in the employees' neighborhoods. The corporation will determine if the exposure is enough to warrant a grant. Be prepared in case the company asks for a more formal proposal at this point, depending on the size of grant you are seeking.

23

**Grant Seeking for Project Proposals**

**Private Donors**

In the case of Private Donors, the individuals you may want to target first will be those located within the your region. Typically, these donors seek out projects that are affiliated with a specific interest or serve a particular population. If you can make a strong case for your project fitting into their niche for giving, you might be able to secure substantial funding.

**Examples of Donors**

Remember that this type of donor isn't necessarily somebody famous or fabulously wealthy. Instead, this type of donor wants to be share what they have with others or contribution to causes in which they believe. The following are only two of the potential types of Private Donors which could support your project.

* **Neighborhood improvement projects** – Established local business owners in your area may wish to have their name associated with your community project.
* **Building projects** where names are recognized – Various examples of potential donors can be found at universities and art centers.

**Best Approaches**

Though highly specialized, Private Donors award grants because they support a cause. Write a letter requesting support and follow up with a telephone call. If your project can be connected with their interests, you stand a good chance of gaining support. Research the types of projects the donor has previously funded. Does your project fit into the pattern you see? Seek an introduction from a friend or board member who may know the donor. Once a meeting is granted, be specific and discuss the benefits of your project, especially as it can be tied to the donor’s interests. Remember that Private Donors want to know that their money will be used to forward their own agenda in terms of causes or special interests. A detailed budget could allay any doubts about their funding your project.

24

**Grant Seeking for Project Proposals**

**Donor Worksheet**

Name of the organization:

Address:

E-mail address:

Examples of past donations:

Deadlines:

25

**Grant Seeking for Project Proposals**

**Proposal Letters**

Even if you know that one of the grants described is the perfect fit for your project, you will still have to convince the organization or individual that your idea is the best use of their resources. The best way to get your foot in the door is to write a Proposal Letter. Often this step is required by foundations, corporations, and individuals, and the quality of the letter can make or break your chances of winning the grant.

It may take as much thought and data-gathering to write an effective Proposal Letter as it does to prepare a full proposal. Don’t assume that because it is only a letter, it isn’t a time-consuming and challenging task. Every document you put in front of a funder says something about your agency; make sure your documents convey the right message. Each step you take with a funder should build a relationship for the future.

While most Proposal Letters should not exceed one page, a few exceptions may be made. For instance, if your organization has received funding from Foundation X, it may behoove you to take a couple of paragraphs to remind them how helpful their previous funding has been. To help you design a great and effective Proposal Letter, the components are detailed below.

**Ask for the Gift**

The letter should begin with a reference to your prior contact with the funder, if any. State why you are writing the letter, as well as how much funding is required from the particular foundation.

**Describe the Need**

In a very abbreviated manner, tell the funder why there is a need for this project, piece of equipment, etc. Remember, this letter helps the donor understand why they should grant your project the funding for which you are asking.

**Explain What You Will Do**

Just as you would in a fuller proposal, provide enough detail to pique the funder’s interest. Describe precisely what will take place as a result of the grant. Donors who require this step will always want to know where their money and other resources will be directed.

26

**Example #1**

**Grant Seeking for Project Proposals**

**Letters of Inquiry to a Foundation**

Your institution’s name, address, etc. Date

Foundation representative, name of the foundation, address Dear Ms. Smith:

I am writing to inquire whether the Xavier Foundation would invite a proposal from the Virtual Community Group, Inc., requesting an investment of $50,000 per year over two years to support our Enterprise 2013 initiative. This grant would provide part of the funds needed for us to train at least 1200 low-income entrepreneurs in rural New Hampshire in the computer skills they need to create sustainable businesses. Your literature indicates that the Xavier Foundation is searching for innovative ideas to improve the lives of the rural poor; we believe Enterprise 2013 falls well within your area of interest.

Information technologies are a direct solution to one of the primary obstacles facing the small rural enterprise: the geographic distances which inhibit networking with other businesses, and which segregate them from a larger marketplace. The Internet is now making it possible for entrepreneurs in even the most remote locations to communicate and do business on a region-wide, national, or even international basis. Working in conjunction with other organizations, Enterprise 2013 gives program participants training in technical skills adapted to individual need; in collaboration with organizations which recondition and redistribute used computers, we also assure that they obtain the necessary computer hardware, at low or no cost.

We believe that broadly implemented technical skills programs such as Enterprise 2013 have the potential to transform the lives of many struggling entrepreneurs, and change the economic landscape of impoverished rural communities. Unlike many poverty alleviation initiatives, all of the Virtual Community Group programs are predicated on the assumption that these entrepreneurs already have 90% of what it takes to compete in the marketplace – intelligence, ambition, initiative and talent. After two years of experimentation and program development, the Virtual Community Group has fashioned a superb, easily-replicable model in Enterprise 2013, and established a high degree of credibility among community groups, policy makers, and funders. With your support, we can make that 10% difference in the lives of these hard-working people and the future of our rural communities.

I shall be calling you within the next two weeks for any feedback you might give me. In the meantime, please feel free to call me with any questions. I look forward to speaking with you.

Sincerely, Executive Director

27

**Grant Seeking for Project Proposals**

**Example #2**

Your institution’s name, address, etc. Date

Foundation representative, name of the foundation, address Dear Dr. Smith:

The organization is a private nonprofit agency that has taken the lead in

providing temporary shelter for your “street people” in

city. I am writing to see if

you would consider a proposal to expand the employment and counseling services available to these youth.

Our organization currently operates four shelters serving 75 young people each night. This is an increase of 30% from last year. Our major goal is to convince these young people to seek some form of additional education to become employed, and where appropriate to return home.

We believe our chances of accomplishing this would be improved by a person working among the shelters who could direct our residents to the alternative education, employment, health and mental health counseling services available throughout the city. Your foundation has expressed a special interest in the coordination of services to young people. We hope that you will give our project further consideration.

The other community services involved have pledged their cooperation. They agree that a major problem in reaching these young people are in the “in-take” process and that this can best be initiated at our shelters. We estimate the cost of this project the first year at $ , of which $ will be provided by the cooperating agencies. We would like you to consider a proposal for the remainder. If we can prove that our service is effective, we would qualify next year for some of the demonstration funds available through agency.

I will be calling shortly to seek an appointment to discuss this project. Ms. of DEF agency, one of your past grantees, will be accompanying me. She is helping in the design of this project.

In the meantime, would you please mail me your application guidelines and any instructions for preparing a completed request, A copy if our 501©3 letter is attached.

Sincerely, Executive Director

28

**Grant Seeking for Project Proposals**

**Example #3 (Medical Research Related)**

Foundation representative, name of the foundation, address

January 9, 2013

Dear Mr. Alfred:

I am writing to inquire if the Bristol-Myers Squibb Foundation would consider a proposal from

the Department of Cardiothoracic Surgery at New York University requesting a research grant of

$150,000 per year for two years, to support our research project entitled “Calcific Aortic Stenosis: Mechanisms of Calcification and Development of Biological Markers.” The ultimate purpose of our research is to improve the clinical outcomes and quality of lives of patients suffering from cardiovascular diseases; this parallels the mission of Bristol-Myers Squibb Foundation to extend and enhance human life.

After hypertension and coronary artery disease, calcific aortic stenosis (AS) is third most common cardiovascular disease in the Western world. With a prevalence of 3-9%, calcific AS is also the most frequent valvular disease and the main cause for valve replacements in patients over the age of 60. Despite the high prevalence and mortality associated with calcific AS, there is no effective medical therapy for the disease and little is known about the molecular mechanisms driving its pathogenesis. The aim of our research is therefore twofold: (1) to identify proteins in patients with calcific AS that can be used to diagnose and monitor the progression of AS, and (2) to investigate the biological mechanism by which such proteins promote calcific AS so that we can identify possible therapeutic targets.

This research is a collaborative effort between clinicians within the Department of Cardiology and basic science researchers and surgeons with the Department of Cardiothoracic Surgery at New York University. This collaboration gives us the ability to comprehensively study the disease process of AS, from its initial diagnosis by Cardiologists to its ultimate treatment by Surgeons. The union of the clinical expertise from both Cardiologists and Surgeons with the analytical proficiency of Basic Scientists makes this an exciting and innovative project that will certainly increase our understanding of the pathogenesis of AS and hopefully serve to impact its future treatment.

The Department of Cardiothoracic Surgery at New York University Medical Center is an internationally recognized program performing over 1,200 open-heart operations per year. Through the partnership between our research and clinical divisions, our Department is uniquely poised at the forefront of cardiothoracic surgery as we have the capability to both, study the molecular basis of diseases and to apply the knowledge gained through research in the development of novel clinical therapies.

Thank you for your kind consideration of our project. I will be contacting you within the next three weeks for any feedback you may have. In the meantime, please do not hesitate to contact me if you desire additional information or if you have any questions. I look forward to talking with you soon.

Sincerely,

Lawrence B. Green, M.D., FACS, FACC Professor of Cardiothoracic Surgery

29

**Exercise:**

**Searching for grant opportunities**

**K-Kiosk**

[**Grants.gov**](file:///%5C%5Ccomfs1.uc.edu%5Ccomusers%5Cwessyy%5CFunding%20Sources%5CGrants.gov)

[**Grants.nih.gov/grants/oer.htm**](file:///%5C%5Ccomfs1.uc.edu%5Ccomusers%5Cwessyy%5CFunding%20Sources%5CGrants.nih.gov%5Cgrants%5Coer.htm)